Priorities For Federal Health Care Spending

Having come through a pandemic, the nation is increasingly prioritizing health. Some of this shift began as a result of COVID as people became more conscious of the quality of their health. With diabetes estimated to cost the US economy $413 billion (CDC estimate) this year, Congress is starting to explore ways to incentivize health outcomes to address the devastating fiscal impact of chronic disease.

From our **recent research for the Better Medicare Alliance**, we found that voters are making the connection between health outcomes and costs. By about 3:1, voters see the greater contributor to health care costs as *health conditions that go untreated or undiagnosed and turn into serious illnesses* (70%) rather than too many tests and treatments (23%).

Which of these two factors increases health care costs more?	Overall
Health conditions that go untreated or undiagnosed and turn into serious illnesses	70
Too many tests and treatments	23

Voters see the impact of higher health care costs resulting from chronic disease (*Patients with chronic health conditions like diabetes and heart disease have higher health care costs than patients who do not have those conditions,* 84-9 believe-do not believe).

They also understand the connection between better health and lower costs to the health care system: *The healthier that a person is, the less that person costs in the health care system*; 73-18 believe-do not believe). This statement is believed across party (75% of Republicans believe; 76% of independents; 69% of Democrats).

These perceptions are reflected in the electorate's priorities for federal health care spending. Voters believe the federal government's priority for health care spending should be *keeping people healthy and out of the hospital, even if it costs more to the federal government* (62%) over *treating patients if a patient is sick, keeping those costs down for the federal government* (30%). Even with their interest in finding savings in federal spending, Republican voters prioritize keeping people healthy and out of the hospital (61-33). This is also the case among independents (60-29) and Democrats (66-28).

The move toward greater consciousness of health is an opportunity for lawmakers to shift the system away from episodic sick care toward a model that promotes better health outcomes.

Have a good week.

David & Myra