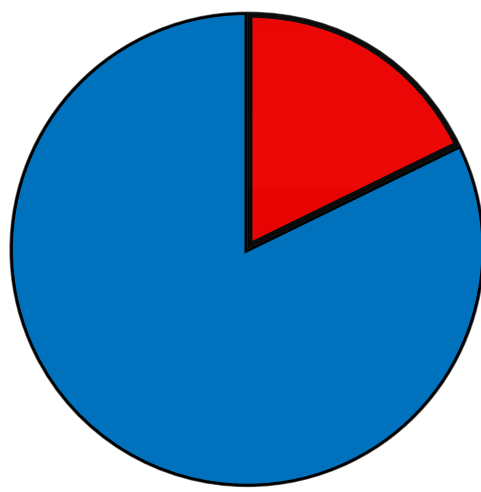


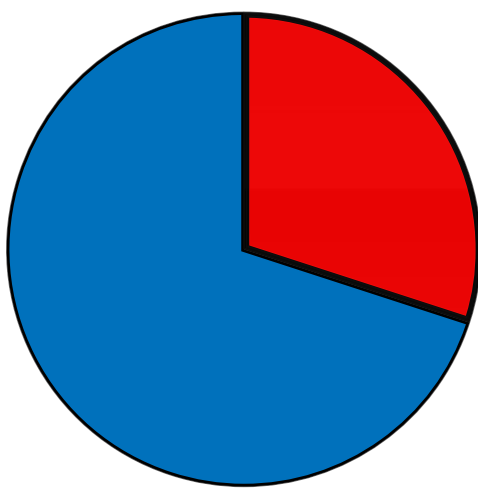
Waste in U.S. Healthcare

It's no secret that we have the most expensive healthcare in the world. One of the reasons is waste.

18% of the U. S. GDP is Healthcare Costs¹



30% of Healthcare Spending May Be Considered Waste¹



this equals:

\$760 billion to \$935 billion in total healthcare waste¹

or:

\$10,000 Per Person Per Year¹

"The Trillion Dollar Checkbook"

Healthcare Waste and Cost Savings Breakdown²

The Institute for Healthcare Improvement conducted a study that breaks down improvements to eliminate waste and their resulting cost savings. Read more at: http://www.ihl.org/Engage/collaboratives/LeadershipAlliance/Documents/IHLLeadershipAlliance_TrillionDollarCheckbook_ReduceWaste.pdf

Reduce Harm and Safety Events

Infections	\$6.2b
Sepsis	\$5.7b
Medication Safety	\$20.7b
Opioid Use	\$2.3b
Overdiagnosis	\$33.7b
Staff Injuries	\$1.4b
Hospital-Acquired Conditions	\$9.1b
Maternal and Child Health	\$1.3b
Delirium	\$59.1b

Reduce non value added operational workplace Waste

Drug Expiration Dating	790.1m
Billing Systems	48.1b
Team-Based Care	8.5b
Price Variation	12.1b
Burden of Measurement	4.2b
Electronic Health Record Redesign	1.5b
Supply Chain Standardization	25.3b

Reduce non value added clinical workplace waste

Antimicrobial Stewardship	1.1b
Blood Use	5.9b
Diagnostic Error	100b
Overuse of Medical Tests, Treatments, and Procedures	45.9b
Generic Drug Substitution	37.6b
Direct-to-Consumer Drug Advertising	7.2b

Actively Solicit Staff and Clinician Ideas

Operational Waste	20.9b
Workforce Burnout and Turnover	32.4b

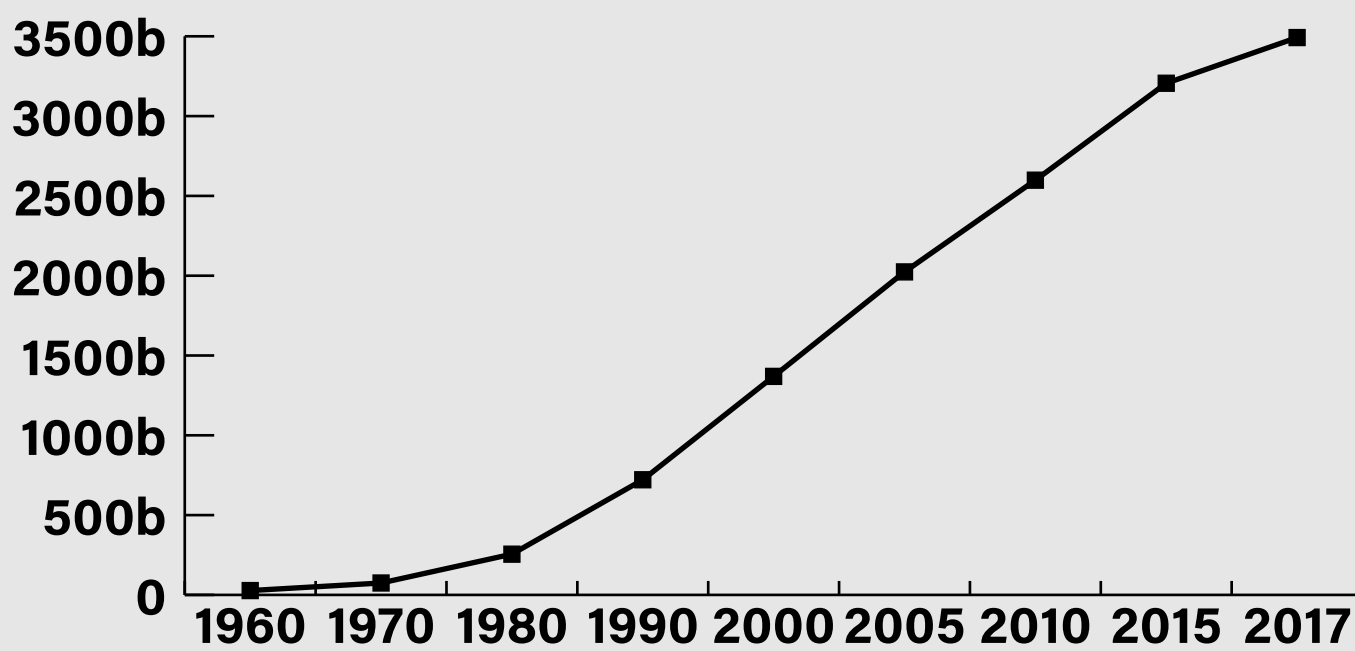
Involve Patients in Identifying What Matters Most to Them

Palliative Care (Direct Medical Costs)	7.3b
Palliative Care (Ambulatory Costs)	7.4b
Telehealth	1.8b
Emergency Department Visits	3b

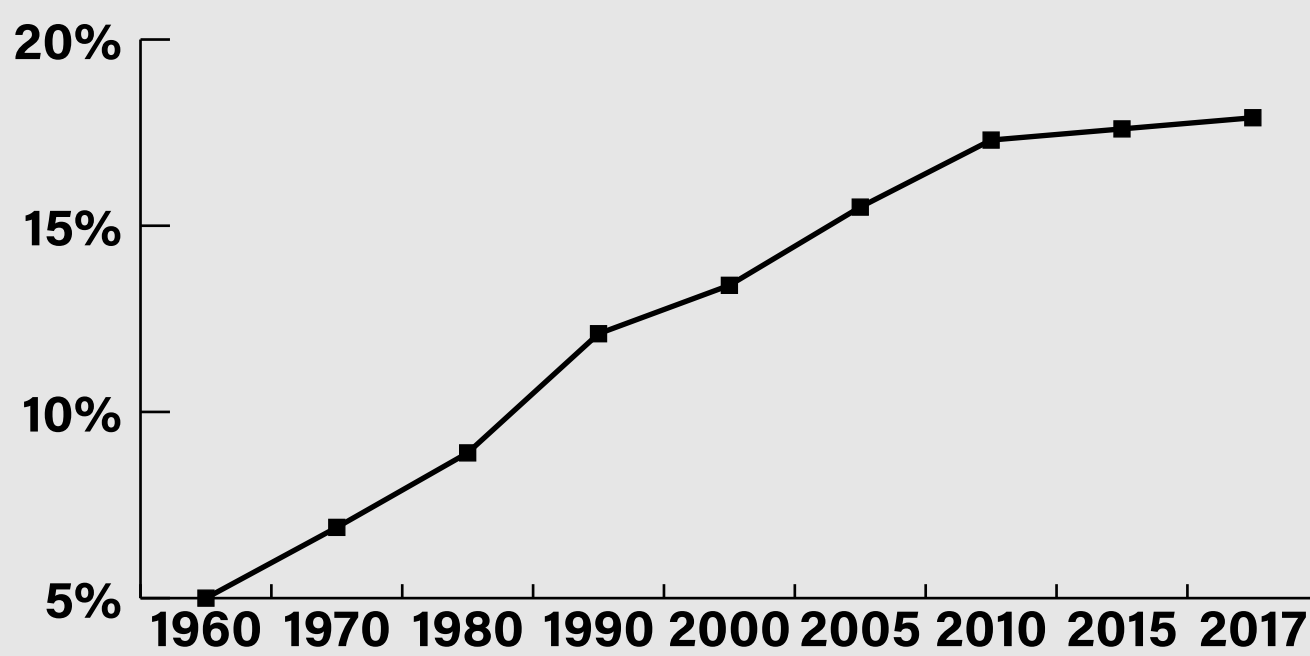
Redesign Care to Achieve "Triple Aim": (improving the patient experience of care (including quality and satisfaction); improving the health of populations; and reducing the per capita cost of health care.)

Skilled Nursing Facility Utilization	28.9b
Skilled Nursing Facility 3-Day Rule	3.4b
Behavioral Health	38.1b
Alternative Payment Models	49.7b to 82.9b
Health Equity	88b
Use of Dialysis Days	1.5b
Optimizing Inpatient Psychiatric Days	70.7b
Ambulatory Care-Sensitive Hospital Admissions	4.9b
Site-Neutral Payment	61.4 b

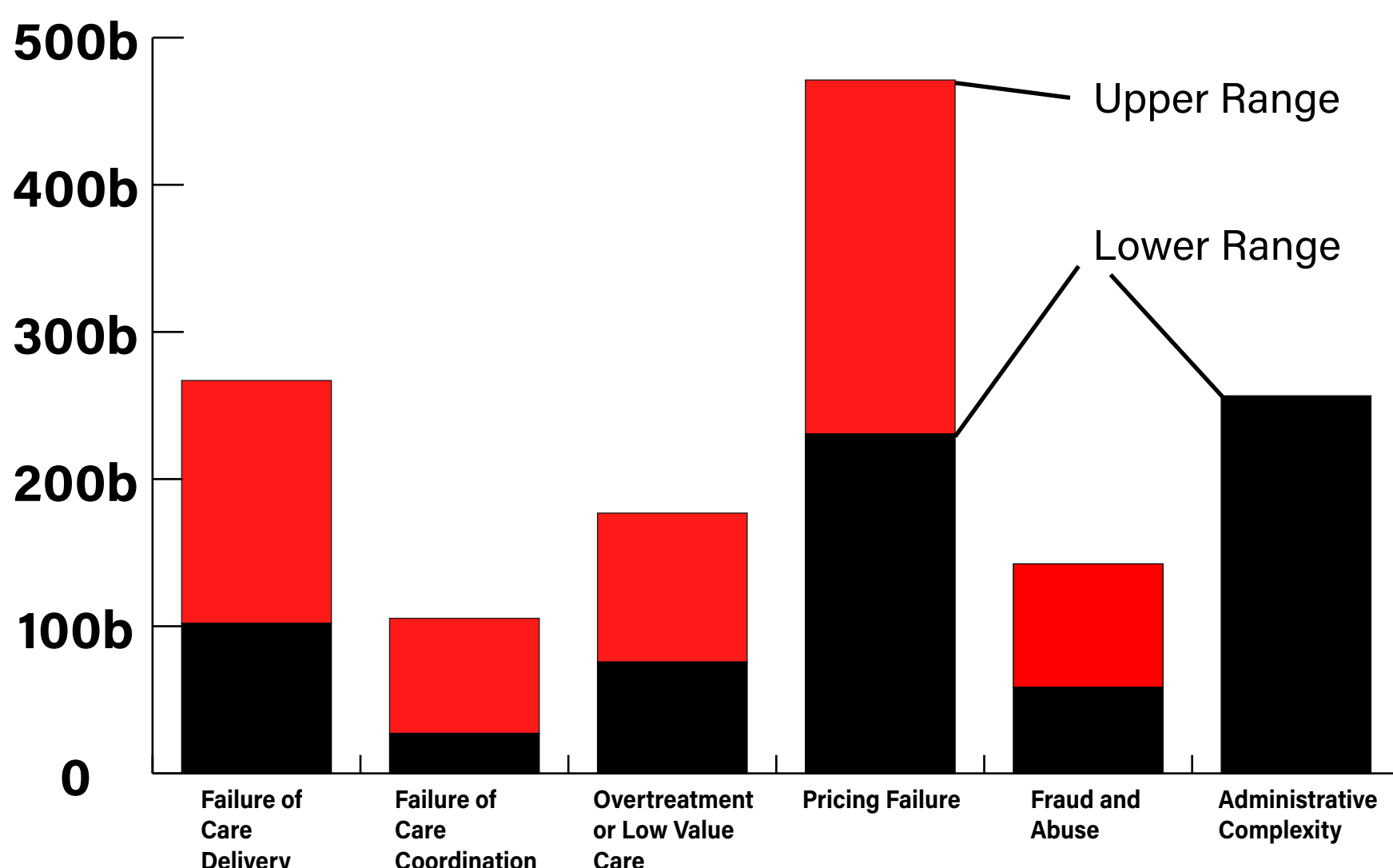
National Health Expenditures³



Expenditures as Share of GDP³



Estimated Ranges of Total Annual Cost of Waste¹



Sources:
 1: Shrank WH, Rogstad TL, Parekh N. Waste in the US Health Care System: Estimated Costs and Potential for Savings. JAMA. Published online October 07, 2019;322(15):1501-1509. doi:10.1001/jama.2019.13978
 2: Bueno B, Leo JD, Macfie H. IHI Leadership Alliance. "Trillion Dollar Checkbook": Reduce Waste and Cost in the US Health Care System. Boston: Institute for Healthcare Improvement; 2019. (Available at www.ihl.org)
 3: Centers for Medicare & Medicaid Services, Office of the Actuary, National Health Statistics Group; U.S. Department of Commerce, Bureau of Economic Analysis; and U.S. Bureau of the Census.