

PHILADELPHIA'S HEALTHCARE FACT SHEET

The City of Philadelphia is facing a \$2 billion budget shortfall over the next five years.

Healthcare costs represent 6.5 percent of the City's total budget and is projected to reach 11% by 2011. For individual families, costs are rising faster than their wages and overall inflation, and their contribution rates have risen 12 percent between 2007 and 2008. For the majority of Americans, healthcare costs represent between 10-25 percent of their pre-tax income.

Our city and our families are struggling to keep up. We need a solution that creates savings and gives Philadelphians the healthcare they deserve.

HR 676, the National Single-Payer Health Insurance Act, could save Philadelphia \$539 million a year—enough money to fill its budget shortfall. And, it would guarantee all Philadelphians access to top quality healthcare. None of the other reform measures being considered can simultaneously fix our economic crisis while solving the healthcare crisis.

HEALTHCARE COSTS ARE OUT OF CONTROL; REDUCED ACCESS CAUSES POOR HEALTH OUTCOMES

Healthcare costs are rising faster than inflation. In 2008, employer-based health insurance premiums increased, on average, to \$12,700 for a family of four. Workers contributed nearly \$3,400, or 12 percent, more than they did in 2007.

Philadelphia Health Management Corporation estimates that there are **137,000 adults in Philadelphia without health insurance**. Many of these residents have no choice but to use hospital emergency rooms for medical care. Each visit, on average, costs \$1,049 and most hospitals bill patients regardless of their ability to pay.

Reduced access to healthcare is causing Philadelphia to have poor health outcomes, evidenced, for example, by its high infant mortality rate, which is nearly twice the national average.

HR 676 CAN SOLVE PHILADELPHIA'S HEALTHCARE CRISIS

HR 676, the National Single-Payer Health Insurance Act, would provide quality healthcare for every Philadelphia resident and would create savings for residents and for the city.

Savings for Individual Families

A typical family living in Philadelphia, in 2007, that has health insurance through their private employer, **would see a substantial savings under HR 676**. A median-income family in Philadelphia (\$44,100), which pays \$3,300 toward their employer-provided plan, would instead pay \$2,100 in taxes for healthcare under HR 676 for a savings of \$1,200. Their employer, which pays \$8,800, would pay \$2,600 under HR 676 for a savings of \$6,200. **That's \$7,400 total savings put into the Philadelphia economy from just one family!**

Savings for The City of Philadelphia

Philadelphia could save \$539 million a year. This money could be used to improve our schools, create jobs, and reduce the poverty rate.

Philadelphia's Savings from HR 676 (FY 2006)

Employee Wages	\$1.25 Billion
Total HR 676 Cost to City	\$74.4 Million
City Staff HC Cost (2008)	\$374 Million
City Retiree HC Cost	\$43.5 Million
Services for Uninsured Residents	\$171 Million
Workers' Comp. (Medical Portion)	\$25 Million
Total City Healthcare Cost	\$613.5 Million
Savings	\$539.1 Million

The US Conference of Mayors, with Mayor Nutter in attendance, endorsed HR 676 at its annual meeting last June. Philadelphia Congressional Representatives, Robert Brady (PA-1) and Chaka Fattah (PA-2), are co-sponsors of HR 676.

According to a report by the Philadelphia Department of Public Health: "Philadelphia should be advocating for national insurance coverage and reform."

59 percent of American doctors support single-payer and 65 percent of Americans support a universal health insurance program like Medicare.

Chicago, Detroit, San Francisco, Boston, and over 45 other municipalities have passed resolutions endorsing HR 676. It's time the City of Philadelphia does too.

For more information about HR 676 and Healthcare-NOW!'s Win-Win Campaign, visit www.Healthcare-Now.org or email Jeff@Healthcare-Now.org.

Sources:

1. Katherine Barrett and Richard Greene, "Philadelphia's Quiet Crisis: The Rising Cost of Employee Benefits." The Economy League of Greater Philadelphia, 2008.
2. Walter Tsou, "How to ensure Phila. babies live past their first birthdays?" *Philadelphia Inquirer*, March 24, 2008.
3. City of Philadelphia, "The Mayor's Operating Budget Summary FY 2009." May 22, 2008.
4. City of Philadelphia, "Comprehensive Annual Financial Report FY 2006." June 30, 2006.
5. Philadelphia Department of Public Health, "Decent Health Care for All: Local Leadership Action." May 2005.
6. Lucey, Chatherine, "Lots of Protests About Cuts." *Philadelphia Daily News*, November 7, 2008.
7. Kerkstra, Patrick, "Nutter: 5-year gap grows by \$1 billion more." *Philadelphia Inquirer*, January 16, 2009