

Why are We Comparing Healthcare to War Costs?

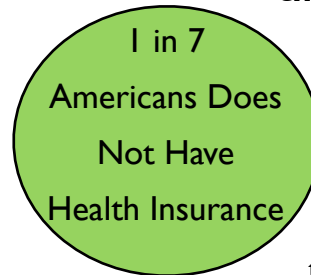
Like the Iraq War, public healthcare programs are federally funded. The main federal healthcare programs are Medicare and Medicaid. These programs give millions of disabled and retired persons (Medicare), and low-income individuals (Medicaid) access to needed healthcare.

- Medicare currently serves approximately 42 million Americans aged over 65 or disabled. In 2007, Medicare spending was cut by approximately 5% with the coming nine years of cuts totaling a projected decrease of 34%.
- Without congressional action in 2008, Medicare physician payment rates will be reduced by 10%, in 2016 total cuts will reach 40%, giving physicians a disincentive to serve Medicare patients.
- Medicaid eligibility is determined on a state-by-state basis, usually covering families at or below 133% of the Federal Poverty Line. It costs the government \$4,403 to cover an adult for one year or \$1,700 to cover a child.
- In 2007, the State Children's Health Insurance Plan (SCHIP) extended Medicaid coverage to approximately 6 million American children from families at or below 200% of the poverty line.
- Congress proposed a plan to cover 10 million more low-income children by 2012, but President Bush vetoed the proposal. **The increase would have cost less than 10 days of war in Iraq.**

Why is Federal Spending on Healthcare Programs Important?

A greater number of Americans become dependent on government healthcare programs each year. These individuals include Medicare recipients from the Baby Boomer generation, Medicaid dependents displaced by the employment market and children through Medicaid and SCHIP.

- In the last 7 years, the number of employers offering health insurance has declined from 70% to 60%, increasing dependence on public insurance programs.
- **12% of American children are currently without health insurance.** Slightly less than half of Medicaid recipients are children, yet **70% of uninsured children are not considered eligible for Medicaid or SCHIP**



• Preventative medicine through Medicaid and Medicare is less costly to the government in the long run than ER visits.

- States currently don't have enough federal funding to cover all eligible Medicaid and SCHIP recipients.

Sources: www.covertheuninsured.org, www.ama-assn.org, The U.S. Department of Health and Human Services
Currie, Janet. *The Invisible Safety Net: Protecting the Nation's Poor Families and Children*. Princeton University Press, 2006.

One Day of the Iraq War = \$720 Million

The economic cost of the Iraq War is far greater than most people imagine, with more than one trillion tax dollars spent in the first four years of the war—that's \$720 million a day or \$500,000 per minute. This figure includes not only supplemental funding for the war, but also future costs incurred such as interest on war debt and health care for wounded vets. The Federal taxpayer money spent on the military occupation of Iraq is disproportionate to the budget for human needs at home such as healthcare, nutrition and education. The American Friends Service Committee is calling to Defund the Iraq War and Refund human needs at home and in Iraq. **Visit www.afsc.org/cost to sign the Defund/Refund Petition.**



Contact AFSC Chicago at 312.427.2533 for more information.