

"THOSE ?!&\$%& HEALTH CARE COSTS!"

HOSPITALS...WHERE A ROOM AVERAGES \$329 A DAY!

"Outrageous!" That's the usual reaction. But this charge is symptomatic of today's high cost of hospital treatment.

Last year a one-day hospital stay in Michigan averaged \$329 — UP 15.8% over the year before. And for the two years from 1979-81 our payments to hospitals for services used by our subscribers were:

- ☐ UP 45% for medical supplies.
- ☐ UP 68.6% for pharmacy.
- ☐ UP 38.9% for the operating room.
- ☐ UP 32% for laboratory tests.

These increases are significant because 57% of our total health care payments go to hospitals. But the picture is not entirely bleak. Recently the rate of cost increases for Michigan hospitals has been slower than the national average. Between 1979 and 1980 total hospital costs nationally soared 16.4% while Michigan's climbed only 11.9%. But the fact remains that Michigan still has one of the highest health care cost bases in the country. Of the 50 states, Michigan ranked 10th highest in hospital costs per patient in 1980. Contributing to the high base is that Michigan is

a high cost area:

- ☐ 1980 hospital payrolls per employee were 10.7% higher in Michigan than the U.S. average.
- ☐ The 1980 Michigan number of hospital staff per patient was 3.3% higher than U.S. average.

Physicians also must share some responsibility. It is the physician who admits patients into hospitals, orders lab tests, performs surgery, and determines the length of stay.

Blue Cross and Blue Shield of Michigan's health care payments are high because the costs of the services we cover are high.

However, NO ONE is doing more to hold down costs than Blue Cross and Blue Shield. And many hospitals and physicians are working with us to get the job done.

- ☐ Our more than 20 cost containment programs saved subscribers and customers more than \$823 million last year.
- ☐ Our agreements with hospitals place a limit on annual budget increases.
- ☐ In high cost areas of the state, we've frozen maximum

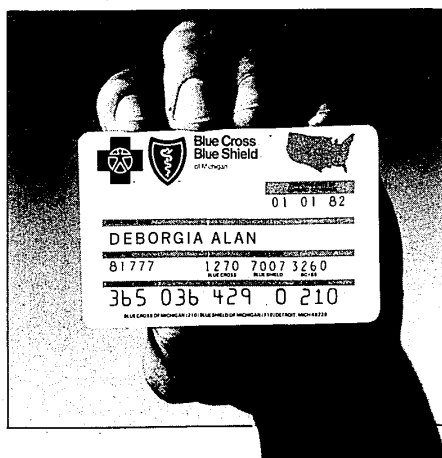
physician payments at 1978 levels.

- ☐ We have established a toll-free anti-fraud telephone hotline — 1-800-482-3787 — to receive reports of illegal activity.

We've accomplished much, but we're not satisfied. We've begun new pilot cost containment programs, and others are on the drawing board.

Rising health care costs are everyone's responsibility — and *everyone must do more* — hospitals, physicians, and patients. Here's what you can do:

- ☐ If your physician recommends surgery, ask if it can be done on an outpatient basis. You'll be home the same day and avoid many costly hospital services.
- ☐ When you're a hospital inpatient, don't ask your physician to allow you to stay longer than medically necessary.
- ☐ Check all bills and statements to make certain you received all the medical services listed.
- ☐ Take good care of yourself! Exercise, and practice good health habits.



Remember, rising costs must show up in the premiums you or your group pay.

IT'S GOOD TO BELONG.



This is your good health card. Use it. But don't abuse it!