

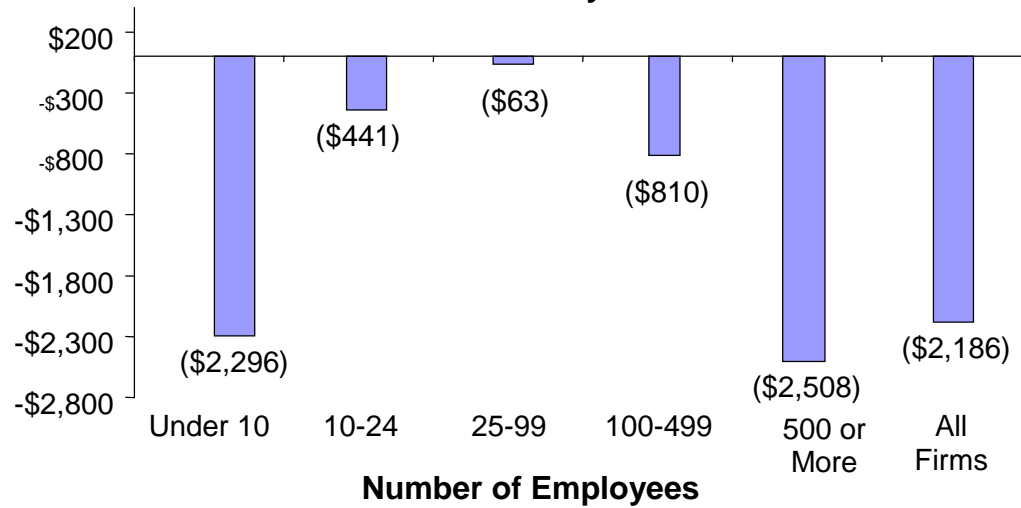
**Figure ES-1**  
**Changes in State-Wide Health Spending Under The**  
**Act in 2006**

		Amount (in millions)
<b>Current Health Spending <sup>a/</sup></b>		<b>\$184,234</b>
<b>Increases in Utilization</b>		
Utilization Change for Uninsured		\$5,872
Utilization Change for Currently Insured Who Lack Coverage for Specific Services (i.e., Drugs, Mental Health, Dental etc.)		\$4,450
Home Health Utilization		\$1,476
Elimination of Cost Sharing		\$9,472
Increased Primary Care Emphasis		(\$3,408)
Reduced Fraud (State Subpoena Powers)		(\$793)
Total changes in Utilization		\$17,071
<b>Spending Offsets</b>		
Bulk Purchasing		(\$5,204)
Prescription Drugs	\$4,418	
Durable Medical Equipment	\$786	
Administrative Costs		(\$19,860)
Insurer Administration	\$9,686	
Hospital Administration	\$3,560	
Physician Administration	\$6,614	
Total Offsets		(\$25,064)
<b>Net Change in Health Spending Under The Act</b>		
Net Change		<b>(\$7,995)</b>

<sup>a/</sup>Excludes public health.

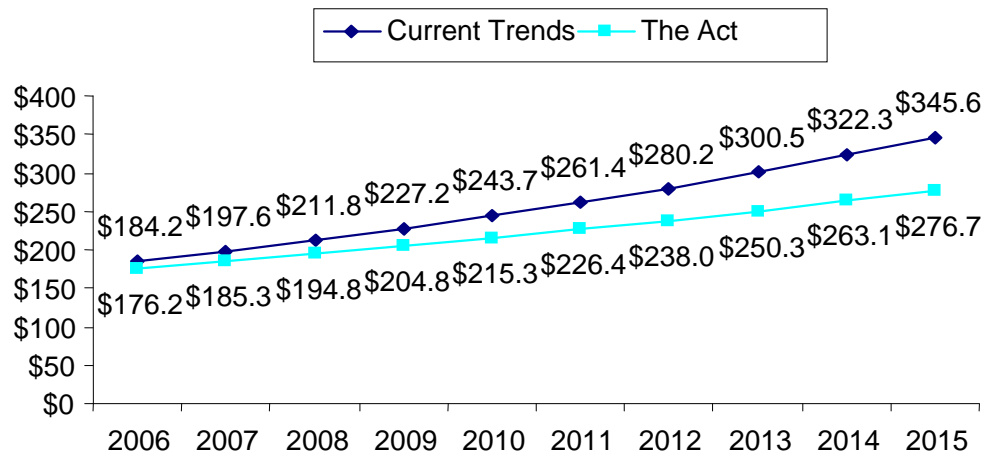
Source: Lewin Group estimates using the Health Benefits Simulation Model (HBSM).

**Figure ES-4**  
**Change in Employer Costs Per Worker For Insuring Firms Currently Covering 80 Percent or More of Their Workers by Firm Size Under the Act**



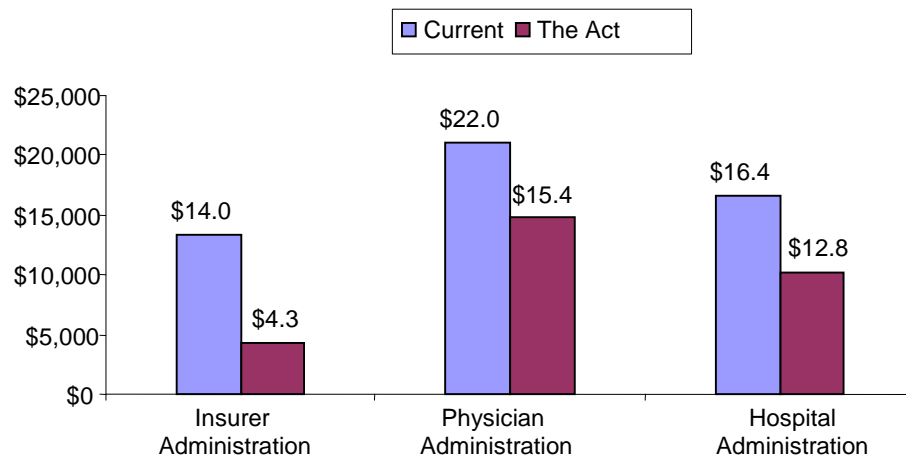
Source: Lewin Group estimates using the Health Benefits Simulation Model (HBSM).

**Figure ES-7**  
**Projected Growth in Health Spending for California Under**  
**Current Trends and The Act: 2006-2015 (in billions)**



Source: Lewin Group estimates.

**Figure 5**  
**Changes in Administrative Costs for Insurance and Health Care Providers**  
**Under the Act in California for 2006 (in millions)**



Source: Lewin Group Estimates using the Health Benefits Simulation Model (HBSM).