

Louisiana Health Care Commission  
Health Care & Pharmaceutical Working Group

A STUDY RESOLUTION

WHEREAS, the Centers for Medicare and Medicaid Services (CMS) in its National Health Expenditure Accounts for 2014 indicates that health care spending increased 5.3 percent in 2014 to \$3 trillion, versus 2.9 percent in 2013 and the total share of the economy devoted to health care spending has risen to 17.5 percent.

WHEREAS, CMS reports that total prescription drug spending accelerated 12.2 percent to \$297.7 billion in 2014 versus 2.4 percent growth in 2013.

WHEREAS, CMS reports that hospital care expenditures has increased 4.1 percent in 2014 with total expenditures of \$971.8 billion versus 3.5 percent growth in 2013.

WHEREAS, CMS reports that expenditures on physicians and clinical services increased 4.6 percent to \$603.7 billion in 2014 versus 2.5 percent growth in 2013.

WHEREAS, CMS reports that other professional expenditures on health care, such as physical therapy, optometry, podiatry, and chiropractic services has increased 5.2 percent in 2014 to \$84.4 billion versus 3.5 percent in 2013.

WHEREAS, the cost of health care goods and services must be sustainable in order to maintain a healthy, vibrant, and expansionary economy.

THEREFORE, the Louisiana Health Care Commission resolves to establish a working group to study and to investigate the causes, structures, reasons, and explanations for the rising costs of health care goods and services, including the rising

costs of inpatient and outpatient care and prescription drugs, including a comparative study of costs for health care goods and services outside of the state of Louisiana, and a study of possible benefits or improvements that may result from higher expenditures in certain areas of health care goods and services.