

# *Contents*

*Acknowledgments* xi

*Introduction* xvii

## PART I *The Survivable Cost Disease*

### ONE

Why Health-Care Costs Keep Rising 3

### TWO

What Causes the Cost Disease, and Will It Persist? 16

### THREE

The Future Has Arrived 33

### FOUR

Yes, We Can Afford It 43

*Contents*

FIVE

Dark Sides of the Disease: Terrorism and  
Environmental Destruction 69

SIX

Common Misunderstandings of the Cost Disease:  
Cost versus Quality and Financial versus “Physical”  
Output Measures 77

SEVEN

The Cost Disease and Global Health 94

PART 2 *Technical Aspects of the Cost Disease*

EIGHT

Hybrid Industries and the Cost Disease 111

NINE

Productivity Growth, Employment Allocation, and the Special  
Case of Business Services 116

PART 3 *Opportunities for Cutting Health-Care Costs*

TEN

Business Services in Health Care 141

ELEVEN

Yes, We Can Cut Health-Care Costs Even If We Cannot  
Reduce Their Growth Rate 154

*Contents*

TWELVE

Conclusions: Where Are We Headed and What  
Should We Do? 180

*Notes* 183

*References* 207

*About the Authors* 237

*Index* 239