US health care system wastes $750B a year

WASHINGTON (AP) — The U.S. health care system squanders $750 billion a year — roughly 30 cents of every medical dollar — through unneeded care, byzantine paperwork, fraud and other waste, the influential Institute of Medicine said Thursday in a report that ties directly into the presidential campaign.

President Barack Obama and Republican Mitt Romney are accusing each other of trying to slash Medicare and put seniors at risk. But the counter-intuitive finding from the report is that deep cuts are possible without rationing, and a leaner system may even produce better quality.

"Health care in America presents a fundamental paradox," said the report from an 18-member panel of prominent experts, including doctors, business people, and public officials. "The past 50 years have seen an explosion in biomedical knowledge, dramatic innovation in therapies and surgical procedures, and management of conditions that previously were fatal.