

# US Health Care Spending

A supplement to California Health Care Foundation's *Health Care Costs 101* series, available at [www.chcf.org](http://www.chcf.org).

CALIFORNIA HEALTH CARE ALMANAC QUICK REFERENCE GUIDE

JANUARY 2019



California Health Care Foundation

| US Health Spending                     | 2016     | 2017     |
|--|----------|----------|
| Total Health Spending (in trillions)   | \$3.4    | \$3.5    |
| Health Care as Share of GDP            | 18.0%    | 17.9%    |
| Per Capita Spending                    | \$10,410 | \$10,739 |
| Growth in Total Spending (in billions) | \$155.2  | \$131.0  |
| Growth in Total Spending               | 4.8%     | 3.9%     |
| Growth in Per Capita Spending          | 4.0%     | 3.2%     |

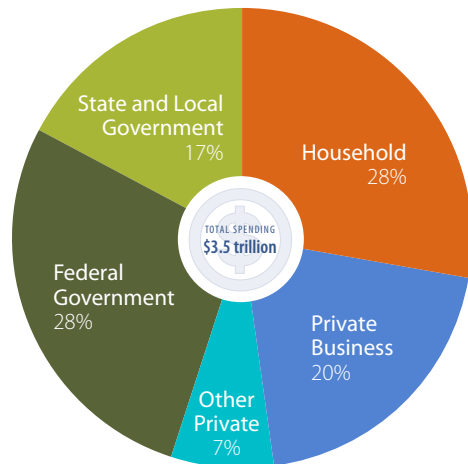
| Annual Spending per Enrollee | 2016     | 2017     |
|------------------------------|----------|----------|
| Medicare                     | \$12,144 | \$12,347 |
| Medicaid                     | 7,944    | 8,013    |
| All Private Health Insurance | 5,771    | 6,001    |
| • Employer-Sponsored         | 5,794    | 5,942    |
| • Marketplace                | 4,702    | 5,642    |

| Change in Coverage           | 2016  | 2017  |
|------------------------------|-------|-------|
| Medicare                     | 2.7%  | 2.5%  |
| Medicaid                     | 3.0%  | 2.0%  |
| All Private Health Insurance | 0.4%  | 0.2%  |
| • Employer-Sponsored         | 0.5%  | 1.4%  |
| • Marketplace                | 11.4% | -2.7% |
| Uninsured                    | -2.8% | 3.7%  |

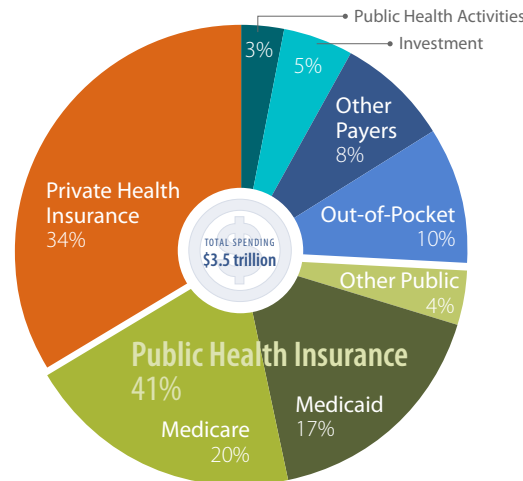
Note: *Change* refers to percentage change in number of people covered from prior year.

| Reference Points                 | 2016  | 2017  |
|----------------------------------|-------|-------|
| Federal Revenues as Share of GDP | 17.5% | 17.0% |
| GDP Growth                       | 2.7%  | 4.2%  |
| CPI Growth                       | 1.3%  | 2.1%  |
| Medical CPI Growth               | 3.8%  | 2.5%  |
| Population Growth                | 0.8%  | 0.7%  |
| Insured Share of Population      | 91.1% | 90.9% |

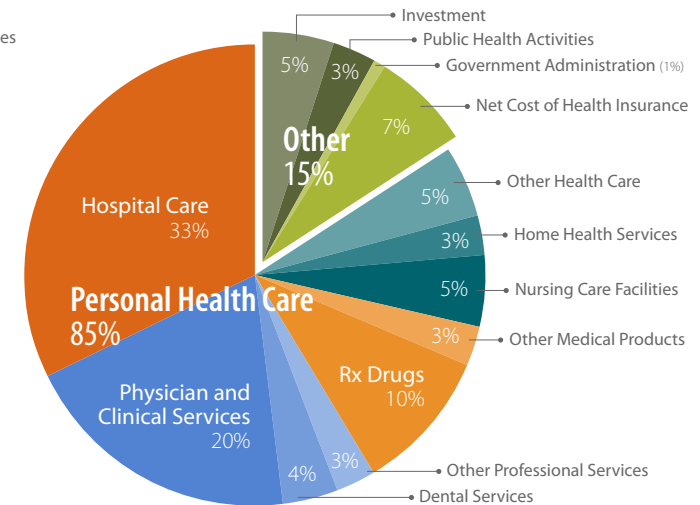
SPONSORS, 2017



PAYMENT SOURCES, 2017



SPENDING CATEGORIES, 2017



Notes: *Health spending* refers to national health expenditures except when noted. *GDP* is gross domestic product. *CPI* is consumer price index. *Sponsors* are the entities that are ultimately responsible for financing the health care bill. *Other public* includes Children's Health Insurance Program (CHIP), Department of Defense, and Department of Veterans Affairs spending. *Other payers* refers to other third-party payers and programs. Pie segments may not sum to 100% due to rounding.

Sources: National Health Expenditure Data, Historical, 1960–2017, Centers for Medicare & Medicaid Services, 2018, [www.cms.gov](http://www.cms.gov); Table 24. Historical Consumer Price Index for All Urban Consumers (CPI-U): U.S. city average, all items, Bureau of Labor Statistics, [www.bls.gov](http://www.bls.gov); CBO Historical Budget Data.

## Growth Rates

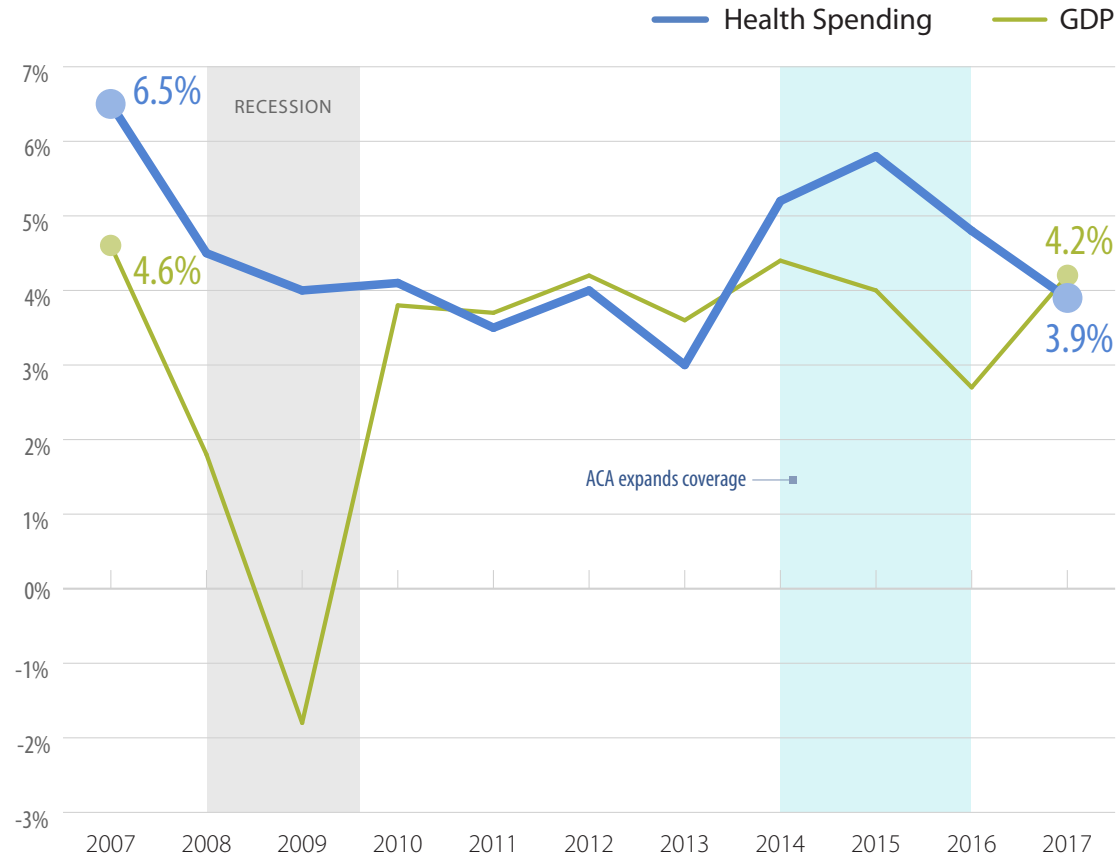
| BY SPONSOR                           | 2007-17 | 2016 | 2017 |
|--------------------------------------|---------|------|------|
| Private Business . . . . .           | 3.2%    | 5.5% | 4.1% |
| Household . . . . .                  | 3.5%    | 4.8% | 3.8% |
| Other Private Revenue . . . . .      | 3.5%    | 5.7% | 6.4% |
| Federal Government . . . . .         | 6.4%    | 4.9% | 3.2% |
| State and Local Government . . . . . | 4.1%    | 3.8% | 4.1% |

| BY PAYER                                | 2007-17 | 2016 | 2017 |
|---|---------|------|------|
| Private Health Insurance . . . . .      | 4.3%    | 6.2% | 4.2% |
| Out-of-Pocket . . . . .                 | 2.3%    | 4.4% | 2.6% |
| Medicare . . . . .                      | 5.0%    | 4.3% | 4.2% |
| Medicaid . . . . .                      | 6.0%    | 4.2% | 2.9% |
| • Federal Medicaid . . . . .            | 6.9%    | 4.6% | 0.8% |
| • State and Local Medicaid . . . . .    | 4.6%    | 3.6% | 6.4% |
| Other Public Health Insurance . . . . . | 5.9%    | 3.5% | 5.8% |
| Other Payers . . . . .                  | 3.3%    | 4.9% | 3.5% |
| Public Health Activities . . . . .      | 3.0%    | 2.7% | 3.9% |
| Investment . . . . .                    | 1.9%    | 2.4% | 6.0% |

| BY SPENDING CATEGORY                      | 2007-17 | 2016 | 2017 |
|---|---------|------|------|
| Hospital Care . . . . .                   | 5.1%    | 5.6% | 4.6% |
| Physician and Clinical Services . . . . . | 4.3%    | 5.6% | 4.2% |
| Dental . . . . .                          | 2.8%    | 5.2% | 3.2% |
| Other Professional Services . . . . .     | 4.9%    | 5.1% | 4.6% |
| Nursing Care Facilities . . . . .         | 2.9%    | 3.1% | 2.0% |
| Home Health Services . . . . .            | 5.4%    | 4.3% | 4.3% |
| Other Health Care . . . . .               | 5.4%    | 5.3% | 5.6% |
| Prescription Drugs . . . . .              | 3.5%    | 2.3% | 0.4% |
| Other Medical Products . . . . .          | 3.4%    | 4.4% | 4.3% |
| Net Cost of Health Insurance . . . . .    | 4.8%    | 6.2% | 4.0% |
| Government Administration . . . . .       | 4.4%    | 4.8% | 0.5% |
| Public Health Activities . . . . .        | 3.0%    | 2.7% | 3.9% |
| Investment . . . . .                      | 1.9%    | 2.4% | 6.0% |

| REFERENCE POINTS                           | 2007-17 | 2016 | 2017 |
|--|---------|------|------|
| Total Health Spending . . . . .            | 4.3%    | 4.8% | 3.9% |
| Total Health Spending per Capita . . . . . | 3.5%    | 4.0% | 3.2% |
| GDP . . . . .                              | 3.0%    | 2.7% | 4.2% |
| CPI . . . . .                              | 1.7%    | 1.3% | 2.1% |
| Medical CPI . . . . .                      | 3.1%    | 3.8% | 2.5% |

GROWTH IN HEALTH SPENDING VS. ECONOMY, 2007 to 2017



Notes: *Health spending* refers to national health expenditures except when noted. *GDP* is gross domestic product. *CPI* is consumer price index. *Marketplace* refers to individual health insurance coverage purchased on federal- and state-run health exchanges, such as healthcare.gov and Covered California. *Growth* refers to percentage growth from prior year. *Sponsors* are the entities that are ultimately responsible for financing the health care bill. *Other public* includes Childrens' Health Insurance Program (CHIP), Department of Defense, and Department of Veterans Affairs spending. *Other payers* refers to other third-party payers and programs.

Sources: National Health Expenditure Data, Historical, 1960-2017, Centers for Medicare & Medicaid Services, 2018, [www.cms.gov](http://www.cms.gov); Table 24. Historical Consumer Price Index for All Urban Consumers (CPI-U): U.S. city average, all items, Bureau of Labor Statistics, [www.bls.gov](http://www.bls.gov); CBO Historical Budget Data.