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10 Countries Spending The Most On Health Care: 24/7 Wall St.

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24/7 Wall St.: This week, the Supreme Court considered President Obama's health care reform law. The Patient Protection and Affordable Care Act expands health coverage to millions of uninsured Americans. If the law is overturned, health care costs covered by the federal government would drop substantially.

While government spending on health care could decline, that will not result in lower health care costs. Based on data published by the Organization for Economic Co-operation and Development on global health issues, 24/7 Wall St. identified the countries where health care costs are the highest per person.

Spending a great deal on health care does not result in a healthier population. Of 34 OECD member countries, only three that spent the most per person have citizens that live the longest. The United States spends more than any other country but only has the eighth-lowest life expectancy in the OECD. Japan, meanwhile, spends $2,878 per person — about $5,000 less than the U.S. — and has the highest life expectancy among developed nations.

According to OECD chief media officer, Matthias Rumpf, health care spending does not result in better treatment. In countries that spend more, he says, people opt for expensive tests and elective procedures that drive up costs. To discourage excess in Germany, for example, citizens are penalized if they see a specialist without first consulting their doctor.

In most of the OECD countries, health care expenses come to more than $2,000 per person each year. In the case of the 10 countries with the highest costs, expenses are roughly twice that. In the U.S., spending on health care per capita comes to nearly $8,000 per person. Many proponents of public health care blame the U.S.'s highly privatized system as the reason for such high costs. But according to Rumpf, a number of factors influence the national spending on care.

How patients use medical services impacts health care expenses. Expensive diagnostic procedures and elective surgeries, like MRI scans and corrective knee surgeries, drive up costs. Conversely, irregular visits to the doctor impair preventative care.

In many of these countries, the source of high costs is drug prices. In four of the countries with the most expensive health care, pharmaceutical expenses come to at least $600 per person per year. In the U.S., those costs are more than $950 per capita.

Another factor that increases cost is poor health-related behavior of the population. Of course, excessive alcohol consumption, tobacco use and poor exercise increase health problems. The incidence of these behaviors is different country to country.

Many of the countries that spend the most per capita on health care have highly privatized systems. In the U.S. and Switzerland, which spend the most and third-most on health care, respectively, the government pays less than 65% of the total health care costs. In most of the countries in the developed world, public expenditure accounts for at least 70% of total costs.

Many of the countries with the highest expenditure per capita on health care also have among the most government-funded health care systems. The governments of Denmark, Austria and Luxembourg pay 84% or more of the total health care cost. Total public spending in these countries, without accounting for private health care spending, ranges from 6.5% of GDP in Luxembourg to the OECD-high 9.8% of GDP in Denmark. In most of the OECD nations, the government foots the majority of the health care bill.

These countries spend the most on health care, according to 24/7 Wall St.: