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NHE Fact Sheet

Historical NHE, 2017:

- NHE grew 3.9% to \$3.5 trillion in 2017, or \$10,739 per person, and accounted for 17.9% of Gross Domestic Product (GDP).
- Medicare spending grew 4.2% to \$705.9 billion in 2017, or 20 percent of total NHE.
- Medicaid spending grew 2.9% to \$581.9 billion in 2017, or 17 percent of total NHE.
- Private health insurance spending grew 4.2% to \$1,183.9 billion in 2017, or 34 percent of total NHE.
- Out of pocket spending grew 2.6% to \$365.5 billion in 2017, or 10 percent of total NHE.
- Hospital expenditures grew 4.6% to \$1,142.6 billion in 2017, slower than the 5.6% growth in 2016.
- Physician and clinical services expenditures grew 4.2% to \$694.3 billion in 2017, a slower growth than the 5.6% in 2016.
- Prescription drug spending increased 0.4% to \$333.4 billion in 2017, slower than the 2.3% growth in 2016.
- The largest shares of total health spending were sponsored by the federal government (28.1 percent) and the
 households (28.0 percent). The private business share of health spending accounted for 19.9 percent of total
 health care spending, state and local governments accounted for 17.1 percent, and other private revenues
 accounted for 6.8 percent.

For further detail see NHE Tables in downloads below.

Projected NHE, 2018-2027:

- Under current law, national health spending is projected to grow at an average rate of 5.5 percent per year for 2018-27 and to reach nearly \$6.0 trillion by 2027.
- Health spending is projected to grow 0.8 percentage point faster than Gross Domestic Product (GDP) per year over the 2018-27 period; as a result, the health share of GDP is expected to rise from 17.9 percent in 2017 to 19.4 percent by 2027.
- Key economic and demographic factors fundamental to the health sector are anticipated to be the major drivers during 2018-27.
- Prices for health care goods and services are projected to grow somewhat faster over 2018-27 (2.5 percent compared to 1.1 percent for 2014-17).
- As a result of comparatively higher projected enrollment growth, average annual spending growth in Medicare (7.4 percent) is expected to exceed that of Medicaid (5.5 percent) and private health insurance (4.8 percent).
- The Medicare enrollment impacts are the key reason the share of health care spending sponsored by federal, state, and local governments is expected to increase by 2 percentage points over the projection period, reaching 47 percent by 2027.
- The insured share of the population is expected to remain stable at around 90 percent throughout 2018-27.

For further detail see NHE projections 2018-2027 in downloads below.

NHE by Age Group and Gender, Selected Years 2002, 2004, 2006, 2008, 2010, 2012, and 2014:

- Per person personal health care spending for the 65 and older population was \$19,098 in 2014, over 5 times higher than spending per child (\$3,749) and almost 3 times the spending per working-age person (\$7,153).
- In 2014, children accounted for approximately 24 percent of the population and about 11 percent of all PHC spending.
- The working-age group comprised the majority of spending and population in 2014, almost 54 percent and over 61 percent respectively.
- The elderly were the smallest population group, nearly 15 percent of the population, and accounted for approximately 34 percent of all spending in 2014.
- Per person spending for females (\$8,811) was 21 percent more than males (\$7,272) in 2014.
- In 2014, per person spending for male children (0-18) was 9 percent more than females. However, for the working age and elderly groups, per person spending for females was 26 and 7 percent more than for males.

For further detail see health expenditures by age in downloads below.

NHE by State of Residence, 1991-2014:

• In 2014, per capita personal health care spending ranged from \$5,982 in Utah to \$11,064 in Alaska. Per capita

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spending in Alaska was 38 percent higher than the national average (\$8,045) while spending in Utah was about 26 percent lower; they have been the lowest and highest, respectively, since 2012.

- Health care spending by region continued to exhibit considerable variation. In 2014, the New England and
 Mideast regions had the highest levels of total per capita personal health care spending (\$10,119 and \$9,370,
 respectively), or 26 and 16 percent higher than the national average. In contrast, the Rocky Mountain and
 Southwest regions had the lowest levels of total personal health care spending per capita (\$6,814 and \$6,978,
 respectively) with average spending roughly 15 percent lower than the national average.
- For 2010-14, average growth in per capita personal health care spending was highest in Alaska at 4.8 percent per year and lowest in Arizona at 1.9 percent per year (compared with average growth of 3.1 percent nationally).
- The spread between the highest and the lowest per capita personal health spending across the states has remained relatively stable over 2009-14. Accordingly, the highest per capita spending levels were 80 to 90 percent higher per year than the lowest per capita spending levels during the period.
- Medicare expenditures per beneficiary were highest in New Jersey (\$12,614) and lowest in Montana (\$8,238) in 2014.
- Medicaid expenditures per enrollee were highest in North Dakota (\$12,413) and lowest in Illinois (\$4,959) in 2014.

For further detail, see health expenditures by state of residence in downloads below.

NHE by State of Provider, 1980-2014:

- Between 2009 and 2014, U.S. personal health care spending grew, on average, 3.9 percent per year, with spending in North Dakota growing the fastest (6.7 percent) and spending in Rhode Island growing the slowest (2.5 percent).
- In 2014, California's personal health care spending was highest in the nation (\$295.0 billion), representing 11.5 percent of total U.S. personal health care spending. Comparing historical state rankings through 2014, California consistently had the highest level of total personal health care spending, together with the highest total population in the nation. Other large states, New York, Texas, Florida, and Pennsylvania, also were among the states with the highest total personal health care spending.
- Wyoming's personal health care spending was lowest in the nation (as has been the case historically), representing just 0.2 percent of total U.S. personal health care spending in 2014. Vermont, Alaska, North Dakota, and South Dakota were also among the states with the lowest personal health care spending in both 2014 and historically. All these states have smaller populations.
- Gross Domestic Product (GDP) by state measures the value of goods and services produced in each state. Health spending as a share of a state's GDP shows the importance of the health care sector in a state's economy. As a share of GDP, Maine ranked the highest (22.3 percent) and Wyoming ranked the lowest (9.3 percent) in 2014

For further detail, see health expenditures by state of provider in downloads below.

Downloads

NHE Tables [ZIP, 458KB]

Age and Gender Tables [ZIP, 233KB]

NHE Projections 2018-2027 - Tables [ZIP, 216KB]

<u>Health expenditures by state of residence: summary tables, 1991-2014 [ZIP, 290KB]</u>

Health expenditures by state of provider: summary tables, 1980-2014 [ZIP, 227KB]

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