

Table 1

Personal Health Care Expenditures, by Source of Funds: Selected Calendar Years 1960-2000

Year	Direct Patient				Third Parties					
	Total PHCE ¹		Payments		All Third Parties		Private			
	Amount	Percent of GDP	Amount	Percent of PHCE	Amount of PHCE	Percent	Total		Health Insurance	Other Private Funds
							Amount	Percent of PHCE		
Amount in Billions										
1960	\$23.4	4.4	\$12.9	55.1	\$10.5	44.9	\$5.5	23.5	\$5.0	\$0.5
1970	63.2	6.1	25.1	39.7	38.1	60.3	15.9	25.2	14.1	1.8
1980	214.6	7.7	58.2	27.1	156.4	72.9	69.8	32.5	60.6	9.2
1985	372.3	8.8	95.5	25.7	276.8	74.3	130.1	34.9	111.3	18.8
1990	609.4	10.5	137.3	22.5	472.1	77.5	234.2	38.4	203.6	30.6
1991	672.0	11.2	142.1	21.1	529.9	78.9	257.6	38.3	224.5	33.1
1992	728.9	11.5	145.9	20.0	583.0	80.0	278.3	38.2	242.6	35.7
1993	775.8	11.7	146.9	18.9	628.8	81.1	298.3	38.5	259.9	38.4
1994	816.5	11.6	143.9	17.6	672.5	82.4	311.9	38.2	271.8	40.1
1995	865.7	11.7	146.5	16.9	719.2	83.1	333.4	38.5	289.1	44.3
1996	911.9	11.7	152.1	16.7	759.8	83.3	350.8	38.5	303.3	47.5
1997	959.2	11.5	162.3	16.9	796.9	83.1	371.6	38.7	320.2	51.4
1998	1,009.9	11.5	174.5	17.3	835.4	82.7	397.4	39.4	342.7	54.7
1999	1,062.6	11.5	184.4	17.4	878.2	82.6	420.2	39.5	363.9	56.3
2000	1,130.4	11.4	194.5	17.2	935.8	82.8	446.8	39.5	390.7	56.1
Average Annual Rate of Change										
1960-2000	10.2	---	7.0	---	11.9	---	11.6	---	11.5	12.5
1970-2000	10.1	---	7.1	---	11.3	---	11.8	---	11.7	12.1
1980-2000	8.7	---	6.2	---	9.4	---	9.7	---	9.8	9.5
1970-1980	13.0	---	8.8	---	15.2	---	15.9	---	15.7	17.7
1980-1990	11.0	---	9.0	---	11.7	---	12.9	---	12.9	12.8
1990-2000	6.4	---	3.5	---	7.1	---	6.7	---	6.7	6.2
1998-1999	5.2	---	5.7	---	5.1	---	5.7	---	6.2	2.9
1999-2000	6.4	---	5.5	---	6.6	---	6.3	---	7.4	-0.4

¹Represents total expenditures aggregated on an incurred basis. Because of differences in methodology, definition, and completeness, the PHCE for Medicare services are somewhat higher than the corresponding Medicare Program payments shown elsewhere in this publication. PHCE excludes health expenditures for construction, program administration, government, public health activities, and research.

²Subset of Federal funds.

³Subset of Federal, State, and local funds.

⁴Excludes State Children's Insurance Program and Medicaid expansion.

NOTES: PHCE is personal health care expenditures. GDP is gross domestic product. Numbers may not add to totals due to rounding. Refer to "CMS Data and Statistics," for National Health Expenditures data files and category definitions <www.cms.hhs.gov/statistics/nhe>.

SOURCE: Centers for Medicare & Medicaid Services, Office of the Actuary, National Health Statistics Group.

Table 1—Continued

Personal Health Care Expenditures, by Source of Funds: Selected Calendar Years 1960-2000							
Third Parties							
Government							
Total		Federal	State and Local	Medicare ²		Medicaid ^{3,4}	
Amount	Percent of PHCE			Amount	Percent of PHCE	Amount	Percent of PHCE
Amount in Billions							
\$5.0	21.4	\$2.0	\$3.0	---	---	---	---
22.2	35.1	14.5	7.8	\$7.3	11.6	\$5.0	7.9
86.6	40.4	62.8	23.8	36.3	16.9	24.7	11.5
146.7	39.4	109.7	37.0	69.8	18.7	38.8	10.4
237.9	39.0	174.2	63.7	107.3	17.6	69.7	11.4
272.3	40.5	201.5	70.8	117.6	17.5	89.0	13.2
304.7	41.8	229.2	75.5	132.8	18.2	103.4	14.2
330.5	42.6	250.6	79.9	144.4	18.6	115.7	14.9
360.6	44.2	273.0	87.6	161.6	19.8	126.2	15.5
385.8	44.6	295.0	90.8	178.2	20.6	135.3	15.6
409.0	44.9	315.6	93.5	192.2	21.1	144.5	15.8
425.3	44.3	328.5	96.9	202.2	21.1	151.7	15.8
438.0	43.4	334.2	103.8	203.4	20.1	160.0	15.8
458.0	43.1	346.8	111.3	205.3	19.3	173.5	16.3
489.0	43.3	370.4	118.6	217.0	19.2	187.6	16.6
12.1	---	13.9	9.6	---	---	---	---
10.9	---	11.4	9.5	12.0	---	12.8	---
9.0	---	9.3	8.4	9.4	---	10.7	---
14.6	---	15.8	11.8	17.4	---	17.3	---
10.6	---	10.7	10.3	11.4	---	10.9	---
7.5	---	7.8	6.4	7.3	---	10.4	---
4.6	---	3.8	7.2	0.9	---	8.4	---
6.8	---	6.8	6.6	5.7	---	8.1	---

Table 2

**Gross Domestic Product (GDP), Total Personal Health Care Expenditures (PHCE), Physician PHCE, Total Medicare PHCE,
and Medicare Physician PHCE: Selected Calendar Years 1960-2000**

Year	GDP in Billions	PHCE ¹						Medicare PHCE ¹							
		Total		Physician and Clinical Services				Total			Physician and Clinical Services ²				
		Amount in Billions	Percent of GDP	Amount in Billions	Per- cent of GDP	Per- cent of PHCE	Index ³	Amount in Billions	Per- cent of GDP	Percent of PHCE	Amount in Billions	Per- cent of GDP	Per- cent of PHCE	Per- cent of Medicare	Index ³
1960	\$527	\$23.4	4.4	\$5.4	1.0	23.1	---	---	---	---	---	---	---	---	
1970	1,040	63.2	6.1	14.0	1.3	22.2	100	\$7.3	0.7	11.6	\$1.6	0.2	2.5	21.9	100
1980	2,796	214.6	7.7	47.1	1.7	21.9	336	36.3	1.3	16.9	8.2	0.3	3.8	22.6	513
1985	4,213	372.3	8.8	89.8	2.1	24.1	641	69.8	1.7	18.7	16.8	0.4	4.5	24.1	1050
1990	5,803	609.4	10.5	157.5	2.7	25.8	1125	107.3	1.8	17.6	30.2	0.5	5.0	28.1	1888
1991	5,986	672.0	11.2	175.0	2.9	26.0	1250	117.6	2.0	17.5	31.8	0.5	4.7	27.0	1988
1992	6,319	728.9	11.5	189.7	3.0	26.0	1355	132.8	2.1	18.2	33.0	0.5	4.5	24.8	2063
1993	6,642	775.8	11.7	201.2	3.0	25.9	1437	144.4	2.2	18.6	34.7	0.5	4.5	24.0	2169
1994	7,054	816.5	11.6	210.5	3.0	25.8	1504	161.6	2.3	19.8	37.9	0.5	4.6	23.5	2369
1995	7,400	865.7	11.7	220.5	3.0	25.5	1575	178.2	2.4	20.6	41.7	0.6	4.8	23.4	2606
1996	7,813	911.9	11.7	229.4	2.9	25.2	1639	192.2	2.5	21.1	44.3	0.6	4.9	23.0	2769
1997	8,318	959.2	11.5	241.0	2.9	25.1	1721	202.2	2.4	21.1	47.1	0.6	4.9	23.3	2944
1998	8,782	1,009.9	11.5	256.8	2.9	25.4	1834	203.4	2.3	20.1	51.3	0.6	5.1	25.2	3206
1999	9,269	1,062.6	11.5	270.2	2.9	25.4	1930	205.3	2.2	19.3	55.3	0.6	5.2	26.9	3456
2000	9,873	1,130.4	11.4	286.4	2.9	25.3	2046	217.0	2.2	19.2	59.6	0.6	5.3	27.5	3725
Average Annual Rate of Change															
1960-2000	7.6	10.2	---	10.4	---	---	---	---	---	---	---	---	---	---	---
1970-2000	7.8	10.1	---	10.6	---	---	---	12.0	---	---	12.8	---	---	---	---
1980-2000	6.5	8.7	---	9.4	---	---	---	9.4	---	---	10.4	---	---	---	---
1970-1980	10.4	13.0	---	12.9	---	---	---	17.4	---	---	17.8	---	---	---	---
1980-1990	7.6	11.0	---	12.8	---	---	---	11.4	---	---	13.9	---	---	---	---
1990-2000	5.5	6.4	---	6.2	---	---	---	7.3	---	---	7.0	---	---	---	---
1998-1999	5.5	5.2	---	5.2	---	---	---	0.9	---	---	7.8	---	---	---	---
1999-2000	6.5	6.4	---	6.0	---	---	---	5.7	---	---	7.8	---	---	---	---

¹Represents total expenditures aggregated on an incurred basis. Because of differences in methodology, definition, and completeness, the total Medicare Physician and Clinical Services are somewhat higher than the corresponding Medicare Program payments for Physician and Clinical Services shown elsewhere in this publication. PHCE excludes health expenditures for construction, program administration, government, public health activities, and research.

²Excludes expenditures for supplier services; includes expenditures for group practice prepayment plans and independent laboratories.

³This index compares the relative aggregate expenditures for this category in each given year relative to the aggregate expenditures for this category in 1970. Expenditures are in current dollars.

NOTES: Numbers may not add to totals due to rounding. Refer to "CMS Data and Statistics," for National Health Expenditures data files and category definitions <www.cms.hhs.gov/statistics/nhe>.

SOURCE: Centers for Medicare & Medicaid Services, Office of the Actuary, National Health Statistics Group.

Table 3
Gross Domestic Product (GDP), Total Personal Health Care Expenditures (PHCE), Hospital PHCE, Total Medicare PHCE,
and Medicare Hospital PHCE: Selected Calendar Years 1960-2000

Year	GDP in Billions	PHCE ¹						Medicare PHCE ¹								
		Total			Hospital			Total			Hospital			Percent of Medicare PHCE	Index ²	
		Amount in Billions	Percent of GDP	Index ²	Amount in Billions	Percent of GDP	Percent of PHCE	Amount in Billions	Percent of GDP	Percent of PHCE	Amount in Billions	Percent of GDP	Percent of PHCE			
1960	\$527	\$23.4	4.4	\$9.2	1.7	39.3	---	\$7.3	0.7	11.6	\$5.4	0.5	8.5	74.0	100	
1970	1,040	63.2	6.1	27.6	2.7	43.7	100	36.3	1.3	16.9	26.4	0.9	12.3	72.7	489	
1980	2,796	214.6	7.7	101.5	3.6	47.3	368	69.8	1.7	18.7	48.9	1.2	13.1	70.1	906	
1985	4,213	372.3	8.8	166.6	4.0	44.7	604	107.3	1.8	17.6	67.8	1.2	11.1	63.2	1256	
1990	5,803	609.4	10.5	253.9	4.4	41.7	920	117.6	2.0	17.5	73.8	1.2	11.0	62.8	1367	
1991	5,986	672.0	11.2	279.5	4.7	41.6	1013	132.8	2.1	18.2	84.1	1.3	11.5	63.3	1557	
1992	6,319	728.9	11.5	302.3	4.8	41.5	1095	144.4	2.2	18.6	90.1	1.4	11.6	62.4	1669	
1993	6,642	775.8	11.7	320.0	4.8	41.2	1159	161.6	2.3	19.8	98.9	1.4	12.1	61.2	1831	
1994	7,054	816.5	11.6	332.4	4.7	40.7	1204	178.2	2.4	20.6	107.0	1.4	12.4	60.0	1981	
1995	7,400	865.7	11.7	343.6	4.6	39.7	1245	192.2	2.5	21.1	115.1	1.5	12.6	59.9	2131	
1996	7,813	911.9	11.7	355.9	4.6	39.0	1289	202.2	2.4	21.1	121.4	1.5	12.7	60.0	2248	
1997	8,318	959.2	11.5	367.5	4.4	38.3	1332	203.4	2.3	20.1	119.9	1.4	11.9	58.9	2220	
1998	8,782	1,009.9	11.5	379.2	4.3	37.5	1374	205.3	2.2	19.3	120.4	1.3	11.3	58.6	2230	
1999	9,269	1,062.6	11.5	392.2	4.2	36.9	1421	217.0	2.2	19.2	125.7	1.3	11.1	57.9	2328	
2000	9,873	1,130.4	11.4	412.1	4.2	36.5	1493	---	---	---	---	---	---	---	---	
Average Annual Rate of Change																
1960-2000	7.6	10.2	---	10.0	---	---	---	---	---	---	---	---	---	---	---	---
1970-2000	7.8	10.1	---	9.4	---	---	---	12.0	---	---	11.1	---	---	---	---	---
1980-2000	6.5	8.7	---	7.3	---	---	---	9.4	---	---	8.1	---	---	---	---	---
1970-1980	10.4	13.0	---	13.9	---	---	---	17.4	---	---	17.2	---	---	---	---	---
1980-1990	7.6	11.0	---	9.6	---	---	---	11.4	---	---	9.9	---	---	---	---	---
1990-2000	5.5	6.4	---	5.0	---	---	---	7.3	---	---	6.4	---	---	---	---	---
1998-1999	5.5	5.2	---	3.4	---	---	---	0.9	---	---	0.4	---	---	---	---	---
1999-2000	6.5	6.4	---	5.1	---	---	---	5.7	---	---	4.4	---	---	---	---	---

¹Represents total expenditures aggregated on an incurred basis. Because of differences in methodology, definition, and completeness, the PHCE for Medicare hospital services are somewhat higher than the corresponding Medicare Program payments for all hospital services shown elsewhere in this publication. PHCE excludes health expenditures for construction, program administration, government, public health activities, and research.

²This index compares the relative aggregate expenditures for this category in each given year relative to the aggregate expenditures for this category in 1970. Expenditures are in current dollars.

NOTES: Numbers may not add to totals due to rounding. Refer to "CMS Data and Statistics," for National Health Expenditures data files and category definitions <www.cms.hhs.gov/statistics/nhe>.

SOURCE: Centers for Medicare & Medicaid Services, Office of the Actuary, National Health Statistics Group.

Table 4
Total Personal Health Care Expenditures (PHCE), by Type of Service: Selected Calendar Years 1960-2000

Type of Service	1960		1990		1999		2000		Average Annual Rate of Change		
	Amount in Billions	Percent	1960-2000	1990-2000	1999-2000						
Personal Health Care ¹	\$23.4	100.0	\$609.4	100.0	\$1,062.6	100.0	\$1,130.4	100.0	10	6	6
Hospital Care	9.2	39.3	253.9	41.7	392.2	36.9	412.1	36.5	10	5	5
Physician and Clinical Services	5.4	23.1	157.5	25.8	270.2	25.4	286.4	25.3	10	6	6
Dental Services	2.0	8.5	31.5	5.2	56.4	5.3	60.0	5.3	9	7	6
Other Professional Services	0.4	1.7	18.2	3.0	36.7	3.5	39.0	3.5	12	8	6
Home Health Care ²	0.1	0.4	12.6	2.1	32.3	3.0	32.4	2.9	16	10	(3)
Prescription Drugs	2.7	11.5	40.3	6.6	103.9	9.8	121.8	10.8	10	12	17
Other Non-Durable Medical Products	1.6	6.8	22.5	3.7	30.4	2.9	31.2	2.8	8	3	3
Durable Medical Equipment	0.7	3.0	10.6	1.7	17.6	1.7	18.5	1.6	9	6	5
Nursing Home Care ⁴	0.8	3.4	52.7	8.6	89.3	8.4	92.2	8.2	13	6	3
Other Personal Health Care	0.6	2.6	9.6	1.6	33.7	3.2	36.7	3.2	11	14	9

¹Represents estimates of total benefit payments (fee-for-service and managed care) aggregated on an incurred basis.

²Excludes PHCE for home health agency services and supplies furnished by hospital-based and skilled nursing facility-based home health agencies.

³Less than 1 percent.

⁴Excludes PHCE for skilled nursing facility services and supplies furnished by hospital-based skilled nursing facilities.

NOTES: Numbers may not add to totals due to rounding. Refer to "CMS Data and Statistics," for National Health Expenditures data files and category definitions <www.cms.hhs.gov/statistics/nhe>.

SOURCE: Centers for Medicare & Medicaid Services, Office of the Actuary, National Health Statistics Group.