

Table 3.1

Growth in Personal Health Care Expenditures (PHCE) and Medicare Program Payments: Selected Calendar Years 1967-2008

Year	Medicare Program Payments			Total ³	PHCE		Physician and Clinic		
	Total ¹	Inpatient Hospital	Physician/Supplier ²		Total	Medicare ⁴	Total	Medicare ⁵	
Amount in Billions									
1967	\$4.2	\$2.7	\$1.2	\$43.6	\$18.1	\$3.2	\$10.1	\$1.2	
1983	53.4	34.5	13.7	308.2	146.3	41.2	67.8	13.7	
1990	101.4	56.7	30.2	609.4	253.9	67.8	157.5	30.2	
1993	129.4	68.2	34.7	775.8	320.0	90.1	201.2	34.7	
1994	146.5	75.7	38.5	816.5	332.4	98.9	210.5	37.9	
1995	159.0	78.9	41.6	865.7	343.6	107.0	220.5	41.7	
1996	167.1	79.9	42.5	911.9	355.9	115.1	229.4	44.3	
1997	175.4	82.3	43.6	959.2	367.5	121.4	241.0	47.1	
1998	168.2	83.0	44.2	1,009.9	379.2	119.9	256.8	51.3	
1999	166.7	83.9	46.5	1,062.6	392.2	120.4	270.2	55.3	
2000	174.3	85.2	51.5	1,130.4	412.1	125.7	286.4	59.6	
2001	197.5	93.0	59.1	1,231.3	444.3	137.2	315.1	65.1	
2002	215.4	99.4	64.3	1,342.9	484.2	148.6	340.8	69.0	
2003	232.8	104.3	71.8	1,445.7	525.5	154.0	367.0	73.7	
2004	255.3	110.5	79.3	1,560.2	570.8	163.4	399.9	81.8	
2005	274.1	116.6	83.8	1,661.4	611.6	180.3	421.2	89.3	
2006	280.7	116.3	85.3	1,762.0	648.2	187.2	447.6	92.1	
2007	288.5	116.9	85.7	1,878.3	696.5	196.2	478.8	96.1	
2008	301.1	120.3	88.2	1,952.3	718.4	211.3	496.2	102.7	
Average Annual Rate of Change									
1967-1983	17.2	17.3	16.4	13.0	14.0	17.3	12.6	16.4	
1983-2008	7.2	5.1	7.7	7.7	6.6	6.8	8.3	8.4	
1967-2008	11.0	9.7	11.0	9.7	9.4	10.8	10.0	11.5	
2007-2008	4.4	2.8	2.9	3.9	3.1	7.7	3.6	6.9	

¹Includes Medicare program payments for other types of services not shown separately.

²Includes program payments for physicians, practitioners, durable medical equipment, supplies and other medical services.

³Includes other types of expenditures not shown separately.

⁴Includes total benefit payments for inpatient hospital, facility-based skilled nursing facilities, facility-based home health agencies, facility-based hospices, and, for certain years, facility-based physicians.

⁵Includes total benefit payments for physicians, laboratory services performed in a physician's office, independent laboratory services, and freestanding end stage renal disease facilities.

NOTES: Medicare program payments represent unadjusted amounts paid for covered services incurred during a calendar year under Medicare fee-for-service only and exclude payments for managed care services. Program payments differ from PHCE, which reflect estimates of interim and retroactive adjustments made to institutional providers as well as prorated shares of payments for managed care. Refer to glossary for definitions of and differences between program payments and benefit payments. In addition, the PHCE defines hospital and physician and clinic services differently than Medicare defines inpatient hospital and physician/supplier. Because of these differences in methodology and completeness, the Medicare payment amounts under the PHCE categories will differ from the corresponding amounts under the Medicare categories.

SOURCES: Centers for Medicare & Medicaid Services, Office of Information Services: Medicare program payments from the Medicare Decision Support Access Facility. Effective 2002 Medicare program payments from the Medicare Data Extract System; data development by the Office of Research, Development, and Information. PHCE developed by the Office of the Actuary, National Health Statistics Group.

Table 3.2

Medicare Program Payments, by Type of Coverage, and Type of Entitlement: Calendar Years 1967-2008

Year	Hospital Insurance and/or Supplementary Medical Insurance			Hospital Insurance			Supplementary Medical Insurance		
	Total	Aged ¹	Disabled ²	Total	Aged ¹	Disabled ²	Total	Aged ¹	Disabled ²
	Amount in Millions								
1967	\$4,239	\$4,239	---	\$2,967	\$2,967	---	\$1,272	\$1,272	---
1968	5,290	5,290	---	3,767	3,767	---	1,523	1,523	---
1969	6,268	6,268	---	4,597	4,597	---	1,670	1,670	---
1970	6,572	6,572	---	4,740	4,740	---	1,832	1,832	---
1971	7,354	7,354	---	5,358	5,358	---	1,996	1,996	---
1972	8,019	8,019	---	5,836	5,836	---	2,184	2,184	---
1973	9,251	9,039	\$213 ³	6,848	6,674	\$174 ³	2,403	2,364	\$39 ³
1974	11,238	10,257	981	8,118	7,454	664	3,120	2,803	317
1975	14,549	13,056	1,492	10,519	9,537	982	4,029	3,519	511
1976	17,619	15,637	1,983	12,794	11,496	1,298	4,825	4,141	684
1977	20,477	18,015	2,462	14,710	13,116	1,594	5,767	4,898	869
1978	23,543	20,579	2,964	16,630	14,741	1,890	6,912	5,838	1,074
1979	27,699	24,005	3,694	19,258	16,940	2,317	8,441	7,065	1,377
1980	33,725	29,224	4,501	23,194	20,404	2,790	10,531	8,820	1,710
1981	39,918	36,614	5,304	27,486	24,181	3,306	12,432	10,434	1,999
1982	48,134	41,787	6,347	33,333	29,360	3,973	14,802	12,427	2,375
1983	53,438	46,727	6,711	36,314	32,141	4,173	17,124	14,586	2,538
1984	59,132	52,118	7,014	40,608	36,084	4,524	18,525	16,034	2,490
1985	63,877	56,428	7,449	42,266	37,511	4,755	21,611	18,918	2,693
1986	68,863	60,810	8,053	44,566	39,507	5,059	24,297	21,304	2,994
1987	75,817	67,098	8,719	47,414	42,131	5,283	28,402	24,966	3,436
1988	81,403	72,187	9,217	50,689	45,111	5,578	30,715	27,076	3,639
1989	93,844	82,757	11,087	57,942	51,111	6,830	35,903	31,646	4,257
1990	101,419	89,620	11,799	62,347	55,170	7,177	39,072	34,449	4,623
1991	110,887	98,059	12,828	68,998	61,280	7,718	41,889	36,779	5,110
1992	120,710	106,241	14,469	76,661	67,883	8,777	44,049	38,357	5,692
1993	129,386	113,491	15,894	82,099	72,577	9,522	47,287	40,914	6,372
1994	146,549	127,714	18,835	94,205	82,693	11,512	52,343	45,021	7,323

See footnotes at end of table

Table 3.2—Continued

Medicare Program Payments, by Type of Coverage, and Type of Entitlement: Calendar Years 1967-2008

Year	Hospital Insurance and/or Supplementary Medical Insurance			Hospital Insurance			Supplementary Medical Insurance		
	Total	Aged ¹	Disabled ²	Total	Aged ¹	Disabled ²	Total	Aged ¹	Disabled ²
	Amount in Millions								
1995	\$158,980	\$137,952	\$21,029	\$101,835	\$89,131	\$12,704	\$57,145	\$48,821	\$8,325
1996	167,063	144,485	22,577	107,949	94,389	13,559	59,114	50,096	9,018
1997	175,423	151,655	23,768	114,327	100,034	14,293	61,096	51,621	9,475
1998	168,164	144,418	23,746	102,542	89,013	13,529	65,622	55,405	10,217
1999	166,687	142,425	24,262	98,847	85,413	13,434	67,839	57,012	10,828
2000	174,261	148,488	25,773	101,663	87,549	14,114	72,599	60,939	11,660
2001	197,505	167,825	29,680	113,846	97,807	16,039	83,658	70,017	13,641
2002	215,411	182,303	33,108	122,993	105,384	17,609	92,418	76,919	15,499
2003	232,821	195,726	37,095	129,552	110,396	19,156	103,269	85,331	17,939
2004	255,325	213,241	42,085	139,747	118,424	21,323	115,579	94,817	20,762
2005	274,143	227,594	46,550	149,392	125,993	23,399	124,752	101,601	23,151
2006	280,672	232,468	48,204	151,917	127,855	24,061	128,755	104,613	24,142
2007	288,504	237,806	50,697	155,785	130,478	25,307	132,719	107,329	25,390
2008	301,136	247,118	54,018	162,370	135,473	26,897	138,766	111,646	27,121
	Average Annual Rate of Change								
1967-1983	17.2	16.2	---	16.9	16.1	---	17.6	16.5	---
1974-1983	18.9	18.4	23.8	18.1	17.6	22.7	20.8	20.1	26.0
1967-2008	11.0	10.4	---	10.3	9.8	---	12.1	11.5	---
1974-2008	10.2	9.8	12.5	9.2	8.9	11.5	11.8	11.4	14.0
1983-2008	7.2	6.9	8.7	6.2	5.9	7.7	8.7	8.5	9.9

¹Represents all enrollees 65 years of age or over, including those with end stage renal disease.

²Represents all enrollees under 65 years of age, including those with end stage renal disease and those with end stage renal disease only. Disabled enrollees were not covered under Medicare until July 1, 1973.

³Represents reimbursements for the last 6 months of 1973.

NOTES: Medicare program payments represent unadjusted amounts paid for covered services incurred during a calendar year under Medicare fee-for-service only and exclude payments for managed care services. Program payments differ from benefit payments, which reflect estimates of interim and retroactive adjustments made to institutional providers as well as payments for managed care. Refer to glossary for definitions of and distinctions between program payments and benefit payments.

SOURCE: Centers for Medicare & Medicaid Services, Office of Information Services: Data from the Medicare Decision Support Access Facility. Effective 2002, data from the Medicare Data Extract System; data development by the Office of Research, Development, and Information.

Table 3.3

**Persons Enrolled and Persons Served Under Medicare, and Program Payments, by Type of Coverage and Service:
Selected Calendar Years 1967-2008**

Type of Coverage and Service	Year											
	1967	1974	1980	1983	1990	1997	2000	2002	2004	2006	2007	2008
Type of Coverage	Number of Enrollees in Thousands											
Hospital Insurance and/or Supplementary Medical Insurance	19,521	24,201	28,478	30,026	34,213	38,465	39,632	40,503	41,729	43,339	44,263	45,412
Hospital Insurance	19,494	23,924	28,067	29,587	33,731	38,059	39,211	40,079	41,391	42,975	43,910	45,067
Supplementary Medical Insurance	17,893	23,167	27,400	28,975	32,636	36,479	37,369	38,088	39,101	40,398	41,109	42,020
Type of Coverage and Service Persons Served¹	Number of Persons Served in Thousands											
Total	7,154	11,833	18,031	19,732	27,099	29,847	29,583	31,754	33,016	33,063	32,404	32,058
Hospital Insurance	3,960	5,133	6,752	7,443	7,036	8,118	7,325	7,837	8,157	8,120	7,952	7,843
Inpatient Hospital Services	3,601	5,081	6,672	7,170	6,543	6,887	6,917	7,380	7,611	7,467	7,254	7,097
Skilled Nursing Facility Services	354	266	257	265	638	1,503	1,468	1,622	1,752	1,838	1,828	1,841
Home Health Agency Services	126	276	726	1,318	1,936	3,458	1,444	1,565	1,693	1,714	1,705	1,705
Hospice Services	---	---	---	---	---	---	---	652	797	939	995	1,048
Supplementary Medical Insurance	6,523	11,468	17,822	19,472	26,951	29,620	29,313	31,499	32,734	32,732	32,040	31,663
Physician and Other Medical Services	6,415	11,079	17,258	18,923	26,350	28,961	28,763	30,993	32,265	32,205	31,481	31,114
Outpatient Services ²	1,511	3,431	7,538	9,089	15,511	20,543	21,029	23,015	24,003	24,010	23,587	23,323
Home Health Agency Services	118	134	327	20	38	48	1,190	1,107	1,273	1,460	1,553	1,614
Persons Served	Rate per 1,000 Enrollees ³											
Total	366	489	633	657	792	904	904	908	908	922	913	908
Hospital Insurance	203	215	241	252	209	249	227	227	227	229	226	224
Inpatient Hospital Services	185	212	238	242	194	211	214	214	211	210	206	203
Skilled Nursing Facility Services	18	11	9	9	19	46	45	47	49	52	52	53
Home Health Agency Services	6	12	26	45	57	106	45	45	47	48	49	49
Hospice Services	---	---	---	---	---	---	---	19	22	26	28	30
Supplementary Medical Insurance	365	495	650	672	826	955	962	967	971	995	991	992
Physician and Other Medical Services	359	478	630	653	807	934	944	952	957	979	974	974
Outpatient Services ²	84	148	275	314	475	662	690	707	712	730	729	730
Home Health Agency Services	7	6	12	1	1	2	39	34	38	44	48	51

See footnotes at end of table.

Table 3.3—Continued

**Persons Enrolled and Persons Served Under Medicare, and Program Payments, by Type of Coverage and Service:
Selected Calendar Years 1967-2008**

Type of Coverage and Service	Year											
	1967	1974	1980	1983	1990	1997	2000	2002	2004	2006	2007	2008
Program Payments	Amount in Millions											
Total	\$4,239	\$11,179	\$33,613	\$53,446	\$101,419	\$175,423	\$174,261	\$215,411	\$255,325	\$280,672	\$288,504	\$301,136
Hospital Insurance	2,967	8,000	23,119	36,314	62,347	114,327	101,663	122,993	139,747	151,917	155,785	162,370
Inpatient Hospital Services	2,667	7,680	22,297	34,519	56,716	84,563	85,197	99,382	110,550	116,350	116,922	120,251
Skilled Nursing Facility Services	274	224	344	428	1,971	11,237	10,621	14,363	17,043	20,387	22,261	24,360
Home Health Agency Services	26	96	478	1,366	3,660	16,487	2,918	4,788	5,479	5,979	6,275	6,629
Hospice Services	---	---	---	---	---	2,040	2,927	4,460	6,675	9,201	10,327	11,130
Supplementary Medical Insurance	1,272	3,179	10,494	17,132	39,072	61,069	72,599	92,418	115,579	128,755	132,719	138,766
Physician and Other												
Medical Services	1,217	2,740	8,358	13,660	30,222	43,621	51,474	64,272	79,271	85,305	85,694	88,155
Outpatient Services ²	38	397	1,962	3,443	8,773	17,256	16,787	23,346	30,335	35,411	37,560	40,140
Home Health Agency Services	17	40	175	29	78	219	4,338	4,800	5,973	8,039	9,465	10,472
Program Payments	Per Person Served											
Total	\$593	\$945	\$1,864	\$2,709	\$3,743	\$5,877	\$5,891	\$6,784	\$7,733	\$8,489	\$8,903	\$9,393
Hospital Insurance	749	1,559	3,424	4,879	8,861	14,083	13,878	15,694	17,132	18,709	19,592	20,704
Inpatient Hospital Services	741	1,512	3,342	4,814	8,668	12,279	12,318	13,466	14,525	15,581	16,118	16,945
Skilled Nursing Facility Services	774	842	1,339	1,615	3,089	7,476	7,235	8,855	9,728	11,093	12,176	13,231
Home Health Agency Services	206	348	658	1,036	1,890	4,768	2,021	3,059	3,236	3,489	3,680	3,889
Hospice Services	---	---	---	---	---	---	---	6,836	8,374	9,796	10,378	10,620
Supplementary Medical Insurance	195	277	589	880	1,450	2,062	2,477	2,934	3,531	3,934	4,142	4,383
Physician and Other												
Medical Services	190	247	484	722	1,147	1,506	1,790	2,074	2,457	2,649	2,722	2,833
Outpatient Services ²	25	116	260	379	566	840	798	1,014	1,264	1,475	1,592	1,721
Home Health Agency Services	144	299	535	1,450	2,053	4,563	3,644	4,336	4,692	5,508	6,095	6,487

¹Does not reflect beneficiaries who received covered services, but for whom no program payments were reported during the year. Detail does not add to totals by type of service because one person may have used several types of services.

²Prior to April 1, 1968, outpatient hospital services were covered by hospital insurance and supplementary medical insurance. All outpatient hospital services for 1967 are shown as supplementary medical insurance services for purposes of comparison.

³Beginning with 1994, Medicare enrollees in managed care plans are not included in the denominator used to calculate the utilization rates.

NOTES: The change in program payments and utilization for home health starting in 1997 is due in part to the Balanced Budget Act of 1997 (Public Law 105-33) which called for the gradual transfer of home health services unassociated with a hospital or skilled nursing facility stay from hospital insurance to supplementary medical insurance. The use of home health agency benefit was also affected by the efforts to identify fraudulent activities in the use of services, and by the introduction of interim per beneficiary cost limits at levels resulting in substantially lower aggregate payments (these cost limits were used until the prospective payment system was implemented in October 2000). The impact was first noted in 1998 (not shown). Numbers may not add to totals because of rounding. Refer to glossary for definitions of program payments and benefit payments.

SOURCE: Centers for Medicare & Medicaid Services, Office of Information Services: Data from the Medicare Decision Support Access Facility. Effective 2002 data from the Medicare Data Extract System; data development by the Office of Research, Development, and Information.

Table 3.4
Persons Served and Program Payments for Medicare Beneficiaries, by
Demographic Characteristics: Calendar Year 2008

Demographic Characteristic	Persons Served ^d		Program Payments			
	Number in Thousands	Percent	Amount in Millions	Percent	Per Person Served ¹	Per Enrollee ²
Total	32,058	100.0	\$301,136	100.0	\$9,393	8,526
Sex						
Male	13,613	42.5	131,477	43.7	9,658	8,274
Female	18,445	57.5	169,660	56.3	9,198	8,732
Age						
Under 65 Years	5,573	17.4	54,241	18.0	9,733	8,530
65-74 Years	12,744	39.8	92,902	30.9	7,290	6,119
75-84 Years	9,419	29.4	97,898	32.5	10,393	10,206
85 Years or Over	4,322	13.5	56,095	18.6	12,979	13,396
Race³						
White	27,162	84.7	244,893	81.3	9,016	8,286
Non-White	4,859	15.2	55,810	18.5	11,487	9,787
Type of Entitlement						
Aged ⁴	26,499	82.7	247,118	82.1	9,326	8,533
Disabled ⁵	5,559	17.3	54,018	17.9	9,717	8,495
CBSA Type⁶						
Urban	24,243	75.6	236,954	78.7	9,774	8,903
Rural	7,643	23.8	63,091	21.0	8,254	7,831

¹Does not reflect beneficiaries who received covered services, but for whom no program payments were reported during the year.

²Medicare enrollees in managed care plans are not included in the denominator used to calculate average payments.

³Excludes unknown race.

⁴Includes aged persons with end stage renal disease (ESRD).

⁵Includes disabled persons with ESRD and persons entitled to Medicare because of ESRD only.

⁶Excludes outlying areas.

NOTES: CBSA is core-based statistical areas. Numbers may not add to totals because of rounding. Refer to glossary for definitions of program payments, benefit payments, and persons served.

SOURCE: Centers for Medicare & Medicaid Services, Office of Information Services: Data from the Medicare Data Extract System; data development by the Office of Research, Development, and Information.

Table 3.5
Program Payments for Medicare Beneficiaries Residing in Urban and Rural Areas, by Area of Residence:
Calendar Year 2008

Area of Residence	Total Program Payments			Urban Program Payments ¹			Rural Program Payments ¹		
	Amount in Millions	Per Person Served	Per Enrollee ²	Amount in Millions	Per Person Served	Per Enrollee ²	Amount in Millions	Per Person Served	Per Enrollee ²
United States ³	\$300,045	\$9,410	\$8,649	\$236,954	\$9,774	\$8,906	\$63,091	\$8,254	\$7,801
Northeast	60,815	10,169	9,161	54,549	10,510	9,422	6,266	7,931	7,481
Midwest	69,594	8,920	8,385	51,158	9,366	8,758	18,435	7,880	7,499
South	120,638	9,508	8,882	89,112	9,800	9,088	31,526	8,771	8,347
West	48,998	9,046	7,938	42,134	9,369	8,152	6,864	7,464	6,838
New England	16,831	9,611	8,590	14,428	9,933	8,861	2,403	8,046	7,514
Connecticut	4,436	10,306	9,419	4,051	10,446	9,541	385	9,033	8,304
Maine	1,657	7,683	6,937	884	7,670	6,947	773	7,697	6,925
Massachusetts	7,597	10,289	9,115	7,566	10,303	9,128	31	7,691	6,874
New Hampshire	1,484	8,489	7,469	829	8,961	7,758	654	7,958	7,134
Rhode Island	917	9,048	8,086	917	9,408	8,086	(4)	(4)	(4)
Vermont	740	7,836	7,114	180	7,186	6,622	559	8,071	7,289
Middle Atlantic	43,984	10,400	9,400	40,121	10,734	9,642	3,863	7,862	7,460
New Jersey	11,555	11,063	9,974	11,555	11,063	9,974	(4)	(4)	(4)
New York	20,158	10,822	9,545	18,619	11,255	9,889	1,539	7,385	6,717
Pennsylvania	12,271	9,283	8,711	9,947	9,575	8,881	2,324	8,213	8,050
East North Central	50,019	9,375	8,729	39,839	9,788	9,068	10,180	8,046	7,615
Illinois	14,387	9,783	8,893	12,077	10,178	9,134	2,310	8,134	7,815
Indiana	6,881	8,749	8,202	5,301	9,026	8,445	1,580	7,933	7,480
Michigan	11,680	10,030	9,448	9,531	10,694	10,057	2,149	7,862	7,446
Ohio	12,146	9,361	8,780	9,553	9,634	9,029	2,593	8,479	7,972
Wisconsin	4,926	7,989	7,532	3,378	8,165	7,715	1,548	7,630	7,163

See footnotes at end of table.

Table 3.5—Continued
Program Payments for Medicare Beneficiaries Residing in Urban and Rural Areas, by Area of Residence:
Calendar Year 2008

Area of Residence	Total Program Payments			Urban Program Payments ¹			Rural Program Payments ¹		
	Amount in Millions	Per Person Served	Per Enrollee ²	Amount in Millions	Per Person Served	Per Enrollee ²	Amount in Millions	Per Person Served	Per Enrollee ²
West North Central	\$19,575	\$7,938	\$7,619	\$11,320	\$8,133	\$7,818	\$8,255	\$7,684	\$7,361
Iowa	3,034	7,116	6,842	1,412	7,227	6,980	1,622	7,021	6,725
Kansas	2,965	8,345	7,864	1,673	8,270	7,643	1,292	8,444	8,170
Minnesota	3,880	7,529	7,895	2,543	7,670	8,270	1,337	7,273	7,268
Missouri	6,395	8,682	8,052	4,318	8,919	8,228	2,078	8,228	7,710
Nebraska	1,825	8,007	7,509	837	8,184	7,541	988	7,862	7,483
North Dakota	723	7,660	7,152	240	7,045	6,481	483	8,007	7,573
South Dakota	752	6,833	6,307	297	7,044	6,400	455	6,702	6,247
South Atlantic	64,282	9,444	8,831	51,990	9,751	9,065	12,292	8,333	7,961
Delaware	1,232	9,700	8,959	881	10,122	9,254	352	8,782	8,297
District of Columbia	703	12,446	10,215	703	12,446	10,215	(4)	(4)	(4)
Florida	24,025	10,942	10,317	22,394	11,091	10,464	1,632	9,235	8,655
Georgia	7,932	8,467	7,857	5,832	8,629	7,932	2,099	8,047	7,654
Maryland	7,002	11,205	10,092	6,467	11,279	10,125	535	10,376	9,706
North Carolina	9,229	8,259	7,853	5,698	8,313	7,859	3,531	8,173	7,843
South Carolina	4,952	8,369	7,972	3,492	8,221	7,797	1,460	8,745	8,424
Virginia	6,959	7,933	7,320	5,393	8,015	7,321	1,566	7,665	7,315
West Virginia	2,248	8,037	7,659	1,131	8,254	7,671	1,116	7,829	7,648
East South Central	20,970	8,822	8,311	11,566	8,847	8,270	9,404	8,791	8,363
Alabama	5,429	8,735	8,306	3,441	8,668	8,234	1,988	8,853	8,432
Kentucky	5,077	8,588	8,044	2,526	8,835	8,211	2,550	8,356	7,884
Mississippi	3,973	9,641	9,089	1,489	9,900	9,145	2,483	9,493	9,055
Tennessee	6,491	8,628	8,103	4,109	8,670	8,055	2,382	8,557	8,187
West South Central	35,387	10,100	9,360	25,556	10,413	9,564	9,831	9,369	8,869
Arkansas	3,278	8,057	7,528	1,700	8,259	7,609	1,578	7,851	7,442
Louisiana	5,169	10,710	9,894	3,372	10,448	9,600	1,796	11,238	10,498
Oklahoma	4,247	9,132	8,498	2,271	9,284	8,591	1,976	8,963	8,394
Texas	22,693	10,559	9,769	18,212	10,834	9,935	4,481	9,573	9,146

See footnotes at end of table.

Table 3.5—Continued
Program Payments for Medicare Beneficiaries Residing in Urban and Rural Areas, by Area of Residence:
Calendar Year 2008

Area of Residence	Total Program Payments			Urban Program Payments ¹			Rural Program Payments ¹		
	Amount in Millions	Per Person Served	Per Enrollee ²	Amount in Millions	Per Person Served	Per Enrollee ²	Amount in Millions	Per Person Served	Per Enrollee ²
Mountain	\$14,549	\$8,175	\$7,388	\$10,951	\$8,449	\$7,597	\$3,597	\$7,440	\$6,818
Arizona	4,381	8,798	7,945	3,917	8,817	8,004	464	8,638	7,481
Colorado	2,956	7,914	7,496	2,347	8,073	7,529	608	7,357	7,372
Idaho	1,051	7,109	6,494	612	7,147	6,468	439	7,058	6,531
Montana	883	6,969	6,414	303	7,278	6,788	580	6,818	6,235
Nevada	1,931	9,777	8,249	1,687	10,269	8,616	243	7,337	6,369
New Mexico	1,527	7,774	6,782	807	7,609	6,522	720	7,969	7,099
Utah	1,349	7,788	7,059	1,143	7,948	7,162	206	7,007	6,536
Wyoming	471	7,071	6,397	135	6,816	6,111	336	7,180	6,519
Pacific	34,450	9,472	8,196	31,183	9,742	8,367	3,267	7,490	6,859
Alaska	413	8,521	7,043	252	8,007	6,652	160	9,479	7,761
California	26,290	10,331	8,862	25,189	10,457	8,937	1,101	8,105	7,435
Hawaii	680	6,066	5,531	487	6,170	5,643	193	5,816	5,267
Oregon	2,171	6,955	6,176	1,317	7,085	6,094	855	6,764	6,308
Washington	4,896	7,901	6,958	3,938	7,943	6,930	958	7,734	7,074

¹Beginning with 2005, the classification of enrollees living in an urban or rural area is based on the U.S. Census Bureau's Core-Based Statistical Areas (CBSA), which reflects the use of the Census new schema of metropolitan and micropolitan areas based on the 2000 census. For the purpose of this table, an area of residence is defined as rural when it does not fall into either metropolitan or micropolitan categories.

²Medicare enrollees in managed care plans are not included in the denominator used to calculate average payments.

³Excludes Puerto Rico, Guam, Virgin Islands, residence unknown, foreign countries, and other outlying areas not shown separately.

⁴No area for this jurisdiction is defined as rural.

NOTES: Numbers may not add to totals because of rounding. Refer to glossary for definitions of program payments and benefit payments.

SOURCE: Centers for Medicare & Medicaid Services, Office of Information Services: Data from the Medicare Data Extract System; data development by the Office of Research, Development, and Information.

Table 3.6

Persons Served and Program Payments for Medicare Beneficiaries, by Type of Entitlement, Amount of Program Payments, Type of Coverage, and Type of Service: Calendar Year 2008

Type of Entitlement and Amount of Hospital Insurance and/or Supplementary Medical Insurance Program Payments	Total Hospital Insurance and/or Supplementary Medical Insurance	Hospital Insurance			
		Total	Hospital Inpatient	Skilled Nursing Facility	Home Health Agency
All Beneficiaries		Number of Persons Served ¹			
Total	32,058,000	7,842,560	7,096,620	1,841,120	1,704,660
\$1 - \$99	1,630,820	2,040	1,480	60	120
\$100 - \$499	4,538,820	35,440	13,200	840	1,980
\$500 - \$999	3,951,120	42,780	13,680	1,000	1,560
\$1,000 - \$1,999	4,925,960	80,100	25,840	2,820	5,220
\$2,000 - \$4,999	6,379,020	412,980	280,700	13,240	33,120
\$5,000 - \$9,999	3,544,960	1,326,020	1,172,780	51,340	96,860
\$10,000 - \$14,999	1,702,620	1,157,160	1,059,800	100,900	138,980
\$15,000 - \$19,999	1,128,220	912,100	848,840	147,600	182,820
\$20,000 - \$24,999	811,520	696,500	652,700	179,560	171,580
\$25,000 or More	3,444,940	3,177,440	3,027,600	1,343,760	1,072,420
		Amount of Program Payments in Thousands			
Total	\$301,136,267	\$162,369,877	\$120,250,608	\$24,359,681	\$6,629,189
\$1 - \$99	82,374	107	73	5	6
\$100 - \$499	1,306,220	9,970	3,263	261	546
\$500 - \$999	2,904,668	26,604	7,215	610	709
\$1,000 - \$1,999	7,152,199	96,756	24,837	2,861	6,708
\$2,000 - \$4,999	20,603,989	1,114,158	754,141	27,508	74,164
\$5,000 - \$9,999	25,116,705	6,146,103	5,153,901	166,680	263,069
\$10,000 - \$14,999	20,938,516	8,830,464	7,241,824	466,327	412,097
\$15,000 - \$19,999	19,573,200	10,209,571	7,921,528	933,957	582,729
\$20,000 - \$24,999	18,164,255	10,381,201	7,587,898	1,409,025	592,640
\$25,000 or More	185,294,142	125,554,944	91,555,928	21,352,447	4,696,519
		Average Program Payment per Person Served			
Total	\$9,393	\$20,704	\$16,945	\$13,231	\$3,889
\$1 - \$99	51	52	49	86	53
\$100 - \$499	288	281	247	310	276
\$500 - \$999	735	622	527	610	455
\$1,000 - \$1,999	1,452	1,208	961	1,015	1,285
\$2,000 - \$4,999	3,230	2,698	2,687	2,078	2,239
\$5,000 - \$9,999	7,085	4,635	4,395	3,247	2,716
\$10,000 - \$14,999	12,298	7,631	6,833	4,622	2,965
\$15,000 - \$19,999	17,349	11,193	9,332	6,328	3,187
\$20,000 - \$24,999	22,383	14,905	11,625	7,847	3,454
\$25,000 or More	53,787	39,514	30,240	15,890	4,379

See footnotes at end of table

Table 3.6—Continued

Persons Served and Program Payments for Medicare Beneficiaries, by Type of Entitlement, Amount of Program Payments, Type of Coverage, and Type of Service: Calendar Year 2008

Hospital Insurance	Supplementary Medical Insurance			
Hospice	Total	Physician	Outpatient	Home Health Agency
	Number of Persons Served ¹			
1,048,100	31,663,380	31,113,960	23,323,140	1,614,200
380	1,628,900	1,384,340	430,920	140
19,520	4,510,120	4,329,240	2,270,900	3,000
26,800	3,922,720	3,883,380	2,568,460	5,000
47,140	4,881,480	4,857,340	3,638,580	18,540
93,560	6,291,440	6,267,500	5,187,800	149,800
114,020	3,472,000	3,459,320	3,016,380	286,740
109,700	1,664,560	1,657,100	1,449,680	237,400
91,200	1,105,300	1,101,220	976,100	176,800
76,980	796,000	792,960	706,660	129,280
468,800	3,390,860	3,381,560	3,077,660	607,500
	Amount of Program Payments in Thousands			
\$11,130,400	\$138,766,390	\$88,154,772	\$40,139,600	\$10,472,019
23	82,268	62,778	19,480	9
5,901	1,296,250	1,000,341	295,102	806
18,069	2,878,064	2,226,623	649,561	1,879
62,350	7,055,444	5,374,178	1,662,885	18,381
258,345	19,489,831	14,205,994	4,960,416	323,421
562,453	18,970,602	12,638,427	5,300,858	1,031,316
710,216	12,108,052	7,427,480	3,399,821	1,280,751
771,357	9,363,629	5,662,818	2,529,402	1,171,410
791,637	7,783,054	4,595,594	2,243,723	943,737
7,950,050	59,739,198	34,960,539	19,078,350	5,700,309
	Average Program Payment per Person Served			
\$10,620	\$4,383	\$2,833	\$1,721	\$6,487
60	51	45	45	66
302	287	231	130	269
674	734	573	253	376
1,323	1,445	1,106	457	991
2,761	3,098	2,267	956	2,159
4,933	5,464	3,653	1,757	3,597
6,474	7,274	4,482	2,345	5,395
8,458	8,472	5,142	2,591	6,626
10,284	9,778	5,795	3,175	7,300
16,958	17,618	10,339	6,199	9,383

Table 3.6—Continued

Persons Served and Program Payments for Medicare Beneficiaries, by Type of Entitlement, Amount of Program Payments, Type of Coverage, and Type of Service: Calendar Year 2008

Type of Entitlement and Amount of Hospital Insurance and/or Supplementary Medical Insurance Program Payments	Total Hospital Insurance and/or Supplementary Medical Insurance	Hospital Insurance			
		Total	Hospital Inpatient	Skilled Nursing Facility	Home Health Agency
Aged Beneficiaries		Number of Persons Served ¹			
Total	26,498,680	6,558,660	5,857,720	1,703,000	1,514,080
\$1 - \$99	1,186,480	1,540	1,080	40	80
\$100 - \$499	3,595,220	29,760	8,800	800	1,380
\$500 - \$999	3,274,400	36,000	8,540	900	1,000
\$1,000 - \$1,999	4,157,180	67,020	15,500	2,680	4,140
\$2,000 - \$4,999	5,424,280	327,820	203,860	12,160	28,880
\$5,000 - \$9,999	2,951,920	1,089,600	945,680	48,620	87,920
\$10,000 - \$14,999	1,418,500	970,180	878,740	95,240	125,880
\$15,000 - \$19,999	949,420	774,320	714,860	140,060	166,420
\$20,000 - \$24,999	686,840	596,040	555,180	169,880	156,500
\$25,000 or More	2,854,440	2,666,380	2,525,480	1,232,620	941,880
		Amount of Program Payments in Thousands			
Total	\$247,118,313	\$135,472,543	\$96,462,287	\$22,518,877	\$5,926,628
\$1 - \$99	60,234	79	52	3	4
\$100 - \$499	1,046,018	8,565	2,242	246	376
\$500 - \$999	2,410,606	23,085	4,705	575	505
\$1,000 - \$1,999	6,040,731	82,882	14,783	2,707	5,331
\$2,000 - \$4,999	17,511,668	886,232	548,764	25,081	64,788
\$5,000 - \$9,999	20,897,768	5,048,101	4,115,020	156,644	240,293
\$10,000 - \$14,999	17,454,407	7,446,857	5,948,940	441,908	375,447
\$15,000 - \$19,999	16,477,035	8,740,797	6,580,596	887,751	532,832
\$20,000 - \$24,999	15,373,450	8,973,250	6,334,912	1,338,308	543,258
\$25,000 or More	149,846,397	104,262,696	72,912,273	19,665,655	4,163,795
		Average Program Payment per Person Served			
Total	\$9,326	\$20,656	\$16,468	\$13,223	\$3,914
\$1 - \$99	51	51	48	87	51
\$100 - \$499	291	288	255	307	273
\$500 - \$999	736	641	551	638	505
\$1,000 - \$1,999	1,453	1,237	954	1,010	1,288
\$2,000 - \$4,999	3,228	2,703	2,692	2,063	2,243
\$5,000 - \$9,999	7,079	4,633	4,351	3,222	2,733
\$10,000 - \$14,999	12,305	7,676	6,770	4,640	2,983
\$15,000 - \$19,999	17,355	11,288	9,205	6,338	3,202
\$20,000 - \$24,999	22,383	15,055	11,411	7,878	3,471
\$25,000 or More	52,496	39,103	28,871	15,954	4,421

See footnotes at end of table

Table 3.6—Continued

Persons Served and Program Payments for Medicare Beneficiaries, by Type of Entitlement, Amount of Program Payments, Type of Coverage, and Type of Service: Calendar Year 2008

Hospital Insurance	Supplementary Medical Insurance			
Hospice	Total	Physician	Outpatient	Home Health Agency
Number of Persons Served ¹				
994,540	26,161,100	25,778,920	19,196,940	1,409,180
340	1,185,000	1,020,880	299,840	60
18,840	3,570,240	3,450,520	1,765,440	2,360
25,720	3,248,640	3,220,380	2,096,600	3,960
45,500	4,117,120	4,098,520	3,035,000	15,540
89,760	5,349,920	5,329,960	4,375,900	131,100
109,160	2,891,020	2,880,380	2,494,440	255,840
105,200	1,386,420	1,380,220	1,197,980	210,460
87,420	930,320	926,740	815,000	154,860
73,400	673,360	670,720	592,740	114,120
439,200	2,809,060	2,800,600	2,524,000	520,880
Amount of Program Payments in Thousands				
\$10,564,750	\$111,645,771	\$72,967,348	\$29,658,762	\$9,019,660
20	60,155	46,706	13,443	6
5,701	1,037,453	816,614	220,204	635
17,300	2,387,522	1,883,866	502,168	1,488
60,061	5,957,848	4,616,915	1,325,413	15,520
247,599	16,625,436	12,287,898	4,054,298	283,241
536,144	15,849,667	10,634,721	4,293,864	921,082
680,562	10,007,550	6,137,955	2,735,108	1,134,486
739,618	7,736,239	4,698,525	2,017,439	1,020,275
756,773	6,400,201	3,830,897	1,744,479	824,824
7,520,974	45,583,701	28,013,252	12,752,345	4,818,103
Average Program Payment per Person Served				
\$10,623	\$4,268	\$2,831	\$1,545	\$6,401
58	51	46	45	93
303	291	237	125	269
673	735	585	240	376
1,320	1,447	1,126	437	999
2,758	3,108	2,305	927	2,160
4,912	5,482	3,692	1,721	3,600
6,469	7,218	4,447	2,283	5,391
8,461	8,316	5,070	2,475	6,588
10,310	9,505	5,712	2,943	7,228
17,124	16,227	10,003	5,052	9,250

Table 3.6—Continued

Persons Served and Program Payments for Medicare Beneficiaries, by Type of Entitlement, Amount of Program Payments, Type of Coverage, and Type of Service: Calendar Year 2008

Type of Entitlement and Amount of Hospital Insurance and/or Supplementary Medical Insurance Program Payments	Total Hospital Insurance and/or Supplementary Medical Insurance	Hospital Insurance			
		Total	Hospital Inpatient	Skilled Nursing Facility	Home Health Agency
Disabled Beneficiaries		Number of Persons Served ¹			
Total	5,559,320	1,283,900	1,238,900	138,120	190,580
\$1 - \$99	444,340	500	400	20	40
\$100 - \$499	943,600	5,680	4,400	40	600
\$500 - \$999	676,720	6,780	5,140	100	560
\$1,000 - \$1,999	768,780	13,080	10,340	140	1,080
\$2,000 - \$4,999	954,740	85,160	76,840	1,080	4,240
\$5,000 - \$9,999	593,040	236,420	227,100	2,720	8,940
\$10,000 - \$14,999	284,120	186,980	181,060	5,660	13,100
\$15,000 - \$19,999	178,800	137,780	133,980	7,540	16,400
\$20,000 - \$24,999	124,680	100,460	97,520	9,680	15,080
\$25,000 or More	590,500	511,060	502,120	111,140	130,540
		Amount of Program Payments in Thousands			
Total	\$54,017,954	\$26,897,334	\$23,788,321	\$1,840,803	\$702,561
\$1 - \$99	22,140	28	21	2	2
\$100 - \$499	260,202	1,405	1,021	15	169
\$500 - \$999	494,061	3,519	2,510	35	204
\$1,000 - \$1,999	1,111,469	13,873	10,053	154	1,377
\$2,000 - \$4,999	3,092,321	227,927	205,377	2,427	9,377
\$5,000 - \$9,999	4,218,936	1,098,001	1,038,881	10,036	22,776
\$10,000 - \$14,999	3,484,109	1,383,606	1,292,883	24,419	36,650
\$15,000 - \$19,999	3,096,165	1,468,774	1,340,932	46,206	49,898
\$20,000 - \$24,999	2,790,804	1,407,952	1,252,987	70,718	49,383
\$25,000 or More	35,447,746	21,292,248	18,643,655	1,686,793	532,724
		Average Program Payment per Person Served			
Total	\$9,717	\$20,950	\$19,201	\$13,328	\$3,686
\$1 - \$99	50	56	53	84	57
\$100 - \$499	276	247	232	375	282
\$500 - \$999	730	519	488	353	365
\$1,000 - \$1,999	1,446	1,061	972	1,098	1,275
\$2,000 - \$4,999	3,239	2,676	2,673	2,247	2,212
\$5,000 - \$9,999	7,114	4,644	4,575	3,690	2,548
\$10,000 - \$14,999	12,263	7,400	7,141	4,314	2,798
\$15,000 - \$19,999	17,316	10,660	10,008	6,128	3,043
\$20,000 - \$24,999	22,384	14,015	12,849	7,306	3,275
\$25,000 or More	60,030	41,663	37,130	15,177	4,081

¹Does not reflect beneficiaries who received covered services, but for whom no program payments were reported. Numbers do not add by type of service because one person may have used several types of services

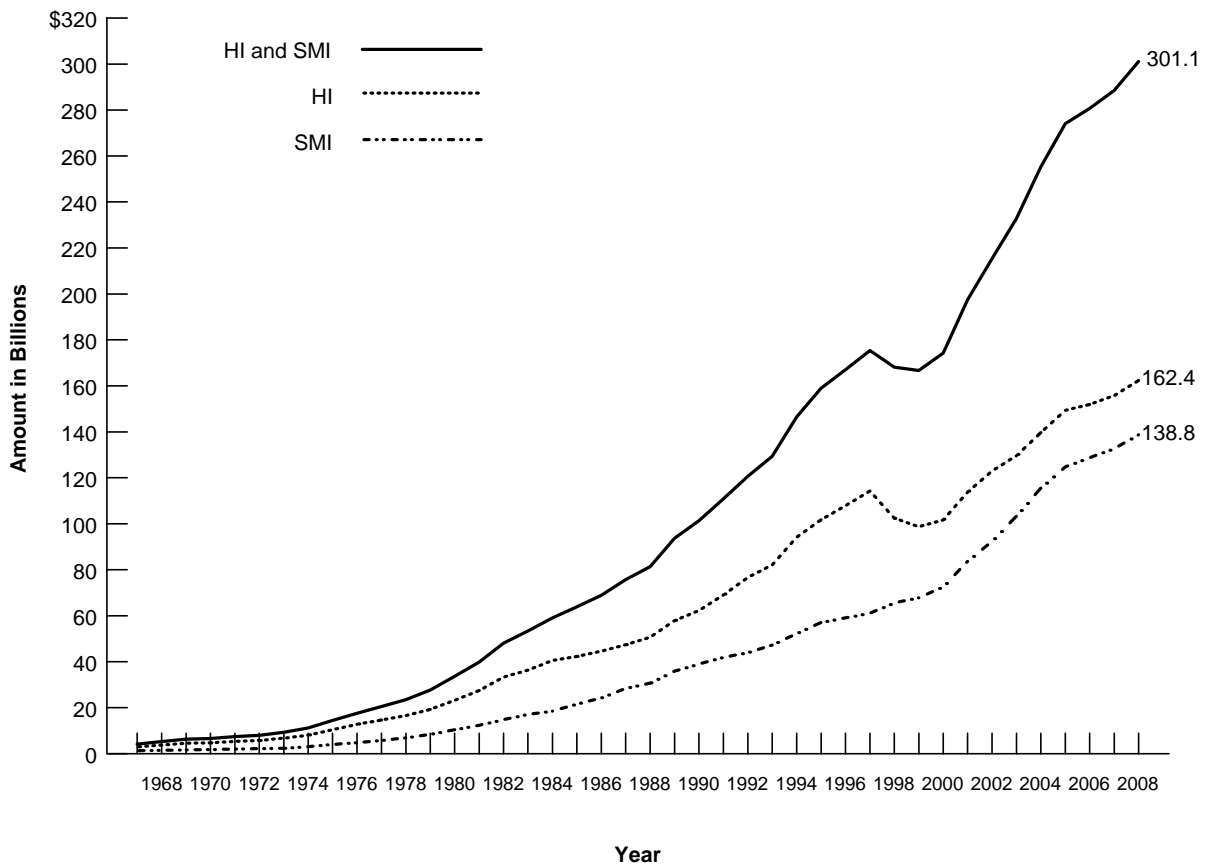
NOTES: Numbers may not add to totals because of rounding. Refer to glossary for definitions of program payments, benefit payments, and persons served.

Table 3.6—Continued
Persons Served and Program Payments for Medicare Beneficiaries, by Type of Entitlement,
Amount of Program Payments, Type of Coverage, and Type of Service: Calendar Year 2008

Hospital Insurance		Supplementary Medical Insurance		
Hospice	Total	Physician	Outpatient	Home Health Agency
Number of Persons Served ¹				
53,560	5,502,280	5,335,040	4,126,200	205,020
40	443,900	363,460	131,080	80
680	939,880	878,720	505,460	640
1,080	674,080	663,000	471,860	1,040
1,640	764,360	758,820	603,580	3,000
3,800	941,520	937,540	811,900	18,700
4,860	580,980	578,940	521,940	30,900
4,500	278,140	276,880	251,700	26,940
3,780	174,980	174,480	161,100	21,940
3,580	122,640	122,240	113,920	15,160
29,600	581,800	580,960	553,660	86,620
Amount of Program Payments in Thousands				
\$565,649	\$27,120,620	\$15,187,424	\$10,480,837	\$1,452,359
3	22,112	16,072	6,037	4
200	258,797	183,727	74,899	171
769	490,542	342,757	147,393	392
2,289	1,097,595	757,263	337,472	2,860
10,746	2,864,395	1,918,096	906,118	40,180
26,309	3,120,935	2,003,706	1,006,994	110,234
29,654	2,100,502	1,289,525	664,713	146,264
31,739	1,627,391	964,294	511,962	151,135
34,864	1,382,853	764,697	499,244	118,913
429,076	14,155,497	6,947,287	6,326,005	882,205
Average Program Payment per Person Served				
\$10,561	\$4,929	\$2,847	\$2,540	\$7,084
73	50	44	46	45
294	275	209	148	267
712	728	517	312	377
1,396	1,436	998	559	953
2,828	3,042	2,046	1,116	2,149
5,413	5,372	3,461	1,929	3,567
6,590	7,552	4,657	2,641	5,429
8,397	9,300	5,527	3,178	6,889
9,739	11,276	6,256	4,382	7,844
14,496	24,331	11,958	11,426	10,185

Figure 3.1

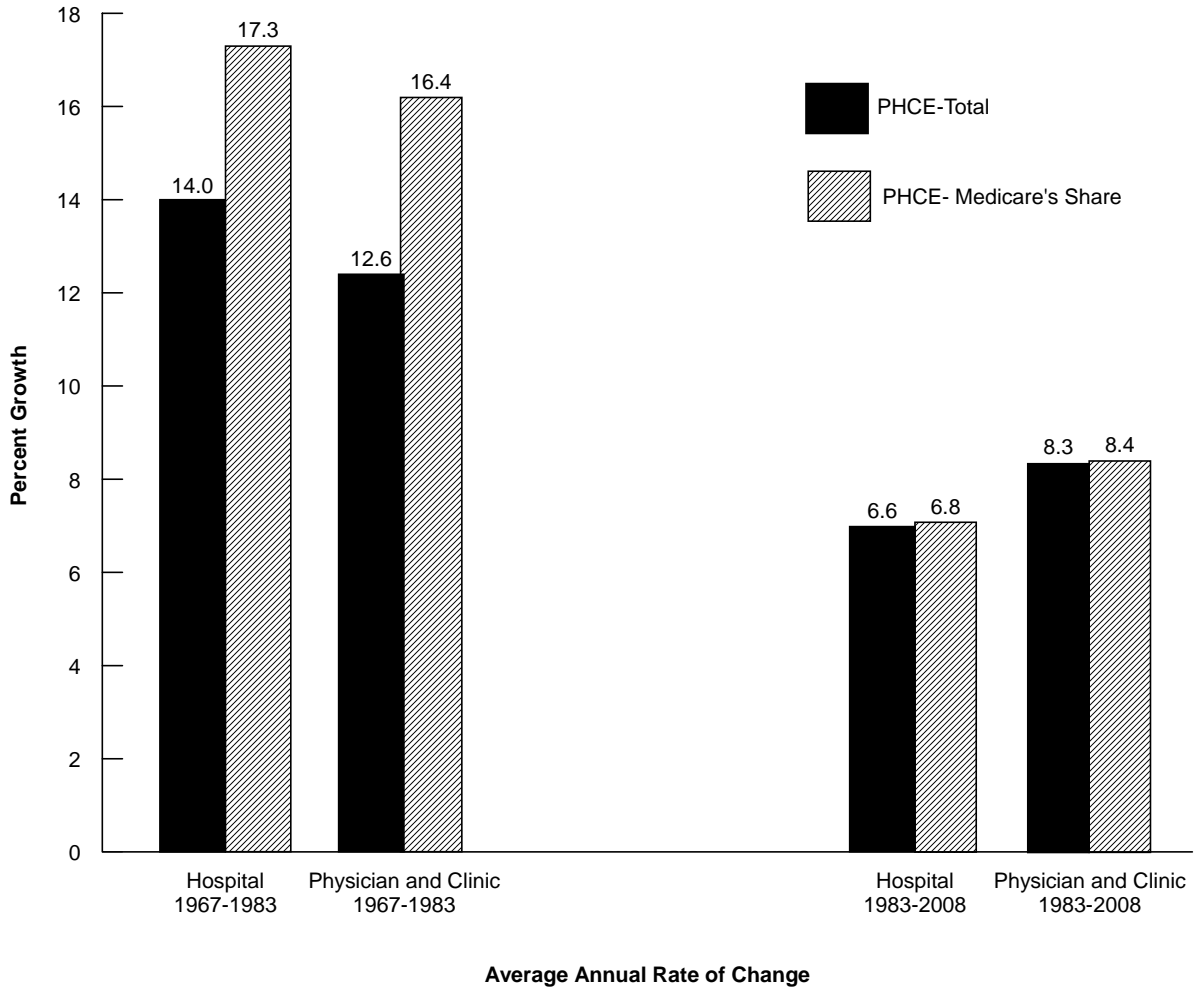
Medicare Program Payments, by Type of Entitlement: Calendar Years 1967-2008



NOTES: HI is hospital insurance. SMI is supplementary medical insurance.

SOURCES: Centers for Medicare & Medicaid Services, Office of Information Services: Data from the Medicare Decision Support Access Facility. Effective 2002, data from the Medicare Data Extract System; data development by the Office of Research, Development, and Information.

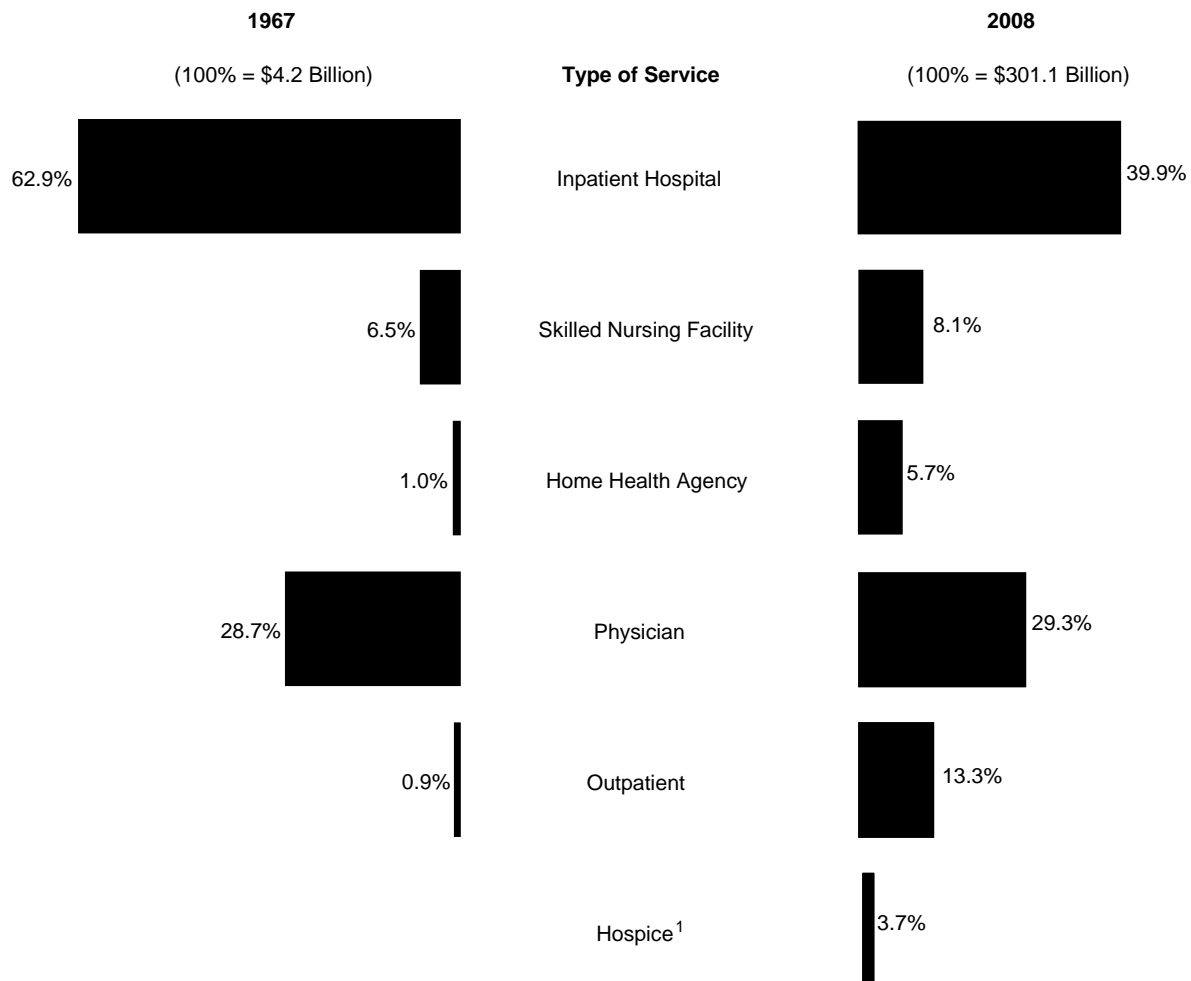
Figure 3.2
Growth in Hospital and in Physician and Clinic Expenditures: Total PHCE Versus Medicare's Share: Calendar Years 1967-1983 and 1983-2008



NOTES: PHCE is personal health care expenditures. PHCE are financed by public and private sources including Medicare.

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

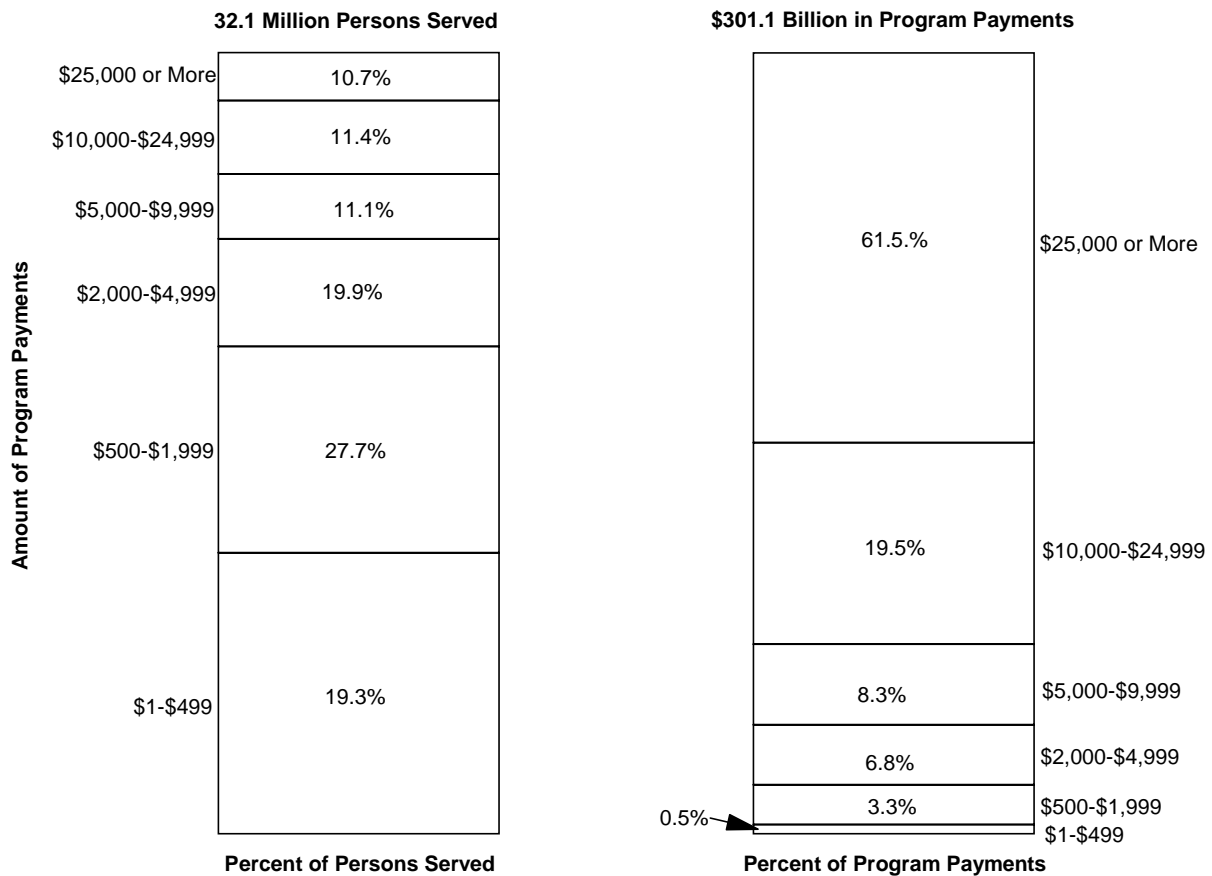
Figure 3.3
Percent Distribution of Medicare Program Payments,
by Type of Service: Calendar Years 1967 and 2008



¹ The Medicare hospice benefit was authorized (effective 11/1983) under the Tax Equity Fiscal Responsibility Act of 1982.

SOURCE: Centers for Medicare & Medicaid Services, Office of Information Services: Data from the Medicare Decision Support Access Facility. Effective 2002, data from the Medicare Data Extract System; data development by the Office of Research, Development, and Information.

Figure 3.4 Percent Distribution of Medicare Persons Served and Program Payments Under Medicare: Calendar Year 2008



NOTES: Distribution may not add to 100 percent because of rounding. Refer to glossary for definitions of program payments, benefit payments, and persons served.

SOURCE: Centers for Medicare & Medicaid Services, Office of Information Services: Data from the Medicare Data Extract System; data development by the Office of Research, Development, and Information.