

## **State Health Expenditure Accounts by State of Residence Highlights**

The State Health Expenditure Accounts (SHEA) by state of residence reflect per capita personal health care spending<sup>i</sup> for 1991-2020, and updates previous estimates for 1991-2014, last published in 2017. These data provide a resident-based view of health care spending (that is, spending for the individuals who reside in a state) for total personal health care expenditures and for the major payers (Medicare, Medicaid, and Private Health Insurance). Residence based estimates are also available by service and payer by service for Medicare and Medicaid. The SHEA are consistent in methodology and definition over time, offering a context for understanding variation in health spending across states. The District of Columbia is excluded from this analysis because it tends to be an outlier compared to the states.

### **Personal Health Care**

In 2020, per capita personal health care spending ranged from \$7,522 in Utah to \$14,007 in New York. Per capita spending in New York was 37 percent higher than the national average (\$10,191) while spending in Utah was about 26 percent lower. The gap between New York and Utah was 86 percent in 2020, which was similar to the spread between the highest and lowest per capita states between 2015 and 2020, when the differences were relatively stable between 81 and 88 percent per year.

Health care spending by region continued to exhibit considerable variation. In 2020, the New England and Mideast regions had the highest levels of total per capita personal health care spending (\$12,728 and \$12,577, respectively), or 25 and 23 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 (\$8,497 and \$8,587, respectively) with average spending roughly 16-17 percent lower than the national average.

Over the period 2015-20, the per capita personal health care spending growth rate ranged from an average of 6.3 percent per year in New York to 2.9 percent per year in Wisconsin; by comparison the national average growth rate was 4.1 percent.

### **Three Major Payers**

#### **Medicare**

States with per enrollee Medicare personal health care spending above the U.S. average were generally located in the eastern United States. The states with the lowest spending were generally in the western United States that have less densely populated areas with younger enrollee populations. The state with the highest per enrollee Medicare spending in 2020 was Florida (\$13,652) while Vermont was the state with the lowest per enrollee Medicare personal health care spending, at \$8,726 per enrollee.

#### **Medicaid**

States with per enrollee Medicaid spending above the U.S. average tended to be in New England and the Mideastern regions, while states with below average per enrollee Medicaid personal

health care spending were generally in the Southeastern region. North Dakota had the highest amount of per enrollee Medicaid spending in 2020 at \$12,314, whereas Georgia had the lowest per enrollee spending at \$4,704. During 2015-2020, 10 states expanded Medicaid eligibility. Total Medicaid expenditures for those states that expanded during 2015-2020 increased 7.2 percent, while total Medicaid expenditures for other states increased 3.4 percent over this same period. However, per enrollee spending for states that expanded from 2015-2020 increased 2.1 percent on average during this period compared to a per enrollee increase of 2.7 percent for all other states.

### **Private Health Insurance**

States with per enrollee private health insurance spending above the U.S. average tended to be in the Mideast and New England regions, while the lowest tended to be in the Rocky Mountain states. New York had the highest amount of per enrollee private health insurance spending at \$6,264 while Utah had the lowest per enrollee private health insurance spending at \$3,287.

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<sup>i</sup> Personal Health Care (PHC) level. PHC is the component of total national health care spending that includes all health care goods and services consumed and excludes administration and the net cost of private health insurance, government public health activities, and investment in research and structures & equipment.