

Monthly Trend Report for Medicare, Medicaid, and SCHIP

January 31, 2004

On these pages, the Office of the Actuary presents monthly and fiscal-year-to-date data for Medicare (HI and SMI), federal Medicaid, and the State Children's Health Insurance Program (SCHIP). Highlights include

- changes in HI and SMI income, expenditures, and assets (see Table 1 below);
- changes in Medicaid and SCHIP expenditures (see Table 2 below); and
- actual versus projected data for each of the four programs (see Figures 1, 2, and 3 below).

The primary source of information for these reports is the [U.S. Department of Treasury's Financial Management Service's Monthly Treasury Report](#) (tables 5 and 8). The reasons offered to explain monthly and fiscal-year-to-date changes are preliminary in nature and may be subject to change as more information becomes available.

NOTE: These pages display only the financial performance of Medicare, Medicaid, and SCHIP. For more information on the nature of the three programs, please refer to the [Brief Summaries of Medicare and Medicaid](#).

Key Data and Trends (change is usually measured fiscal-year-to-date compared to prior fiscal-year-to-date)

Total spending

Fiscal-Year-to-Date 2004 (October 2003-January 2004)

- Total Federal spending for HI, SMI, Medicaid, and SCHIP increased by 5.1 percent compared to the corresponding period in fiscal year 2003. Because program expenditure levels in a particular month can vary significantly, this growth rate -- and those shown below -- can be unduly affected by an unusually low or high level in any month. As the fiscal year progresses, the fiscal-year-to-date increases are expected to gradually stabilize as the remaining months are added.

Medicare

January 2004

- HI income exceeded expenditures by \$3.4 billion. The excess of income over expenditures is due mostly to the receipt this month of both quarterly self-employment (SECA) taxes and quarterly income taxes paid on Social Security benefits.
- SMI income and expenditures were quite close this month, with income exceeding expenditures by just \$0.5 billion. (This amount represents about 5 percent of either income or expenditures.)

Fiscal-Year-to-Date 2004 (October 2003-January 2004)

- Medicare expenditures were 2.9 percent higher than in the corresponding period in fiscal year 2003.

Medicaid

Fiscal-Year-to-Date 2004 (October 2003-January 2004)

- Medicaid expenditures were 9.2 percent greater than in the corresponding period in fiscal year 2003.

SCHIP

Fiscal-Year-to-Date 2004 (October 2003-January 2004)

- SCHIP expenditures were 3.1 percent greater than in the corresponding period in fiscal year 2003.

Consumer Price Index (all items, for urban consumers; CPI-U)

January 2004

- The CPI-U increased 0.5 percent during the month of January.

Fiscal-Year-to-Date 2003 (October 2003-January 2004)

- The fiscal-year-to-date change in the CPI-U is 0.0 percent.

Table 1. Medicare Trust Fund Activity as of January 31, 2004

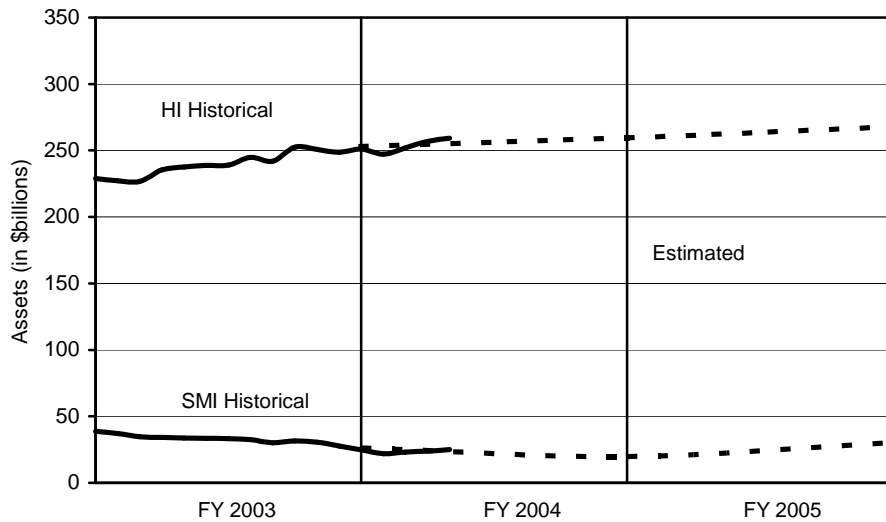
[in millions]			
Trust Fund Income, Expenditures, and Assets	Hospital Insurance Trust Fund	Supplementary Medical Insurance Trust Fund	Total Medicare
This Month:			
Income	\$16,004	\$10,864	\$26,868
Expenditures	12,605	10,327	22,932
Difference	3,399	537	3,936
Current Fiscal Year to Date:			
Income	61,995	43,589	105,584
% Change	(0.2)	19.1	6.9
Expenditures	53,701	43,873	97,574
% Change	1.3	4.9	2.9
Difference	8,294	(284)	8,010
Prior Fiscal Year to Date:			
Income	62,118	36,612	98,730
Expenditures	52,997	41,834	94,831
Trust Fund Balance (Current Total Investments):			
End of Month	259,194	24,925	284,119

Table 2. Federal Medicare, Medicaid, and SCHIP Expenditures as of January 31, 2004

[in millions]				
Trust Fund Expenditures	Total Medicare Expenditures	Federal Medicaid Expenditures	Federal Expenditures for State Children's Health Insurance Program	Total Expenditures
This month	\$22,932	\$14,179	\$270	\$37,381
Fiscal year to date	97,574	57,434	1,410	156,418
Prior fiscal year to date	94,831	52,605	1,368	148,804
% Change	2.9	9.2	3.1	5.1

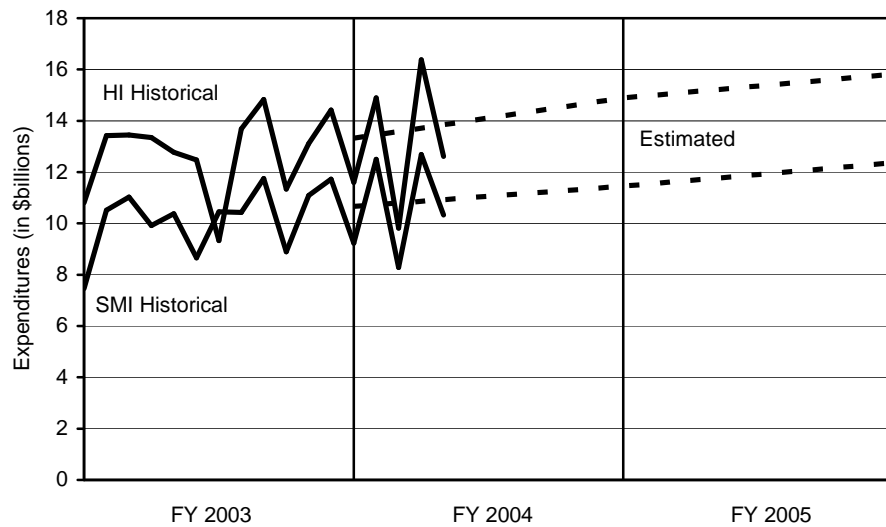
Note: State governments also support the Medicaid and SCHIP programs.

Figure 1. Medicare Trust Fund Assets at End of Month:
Historical and Estimated



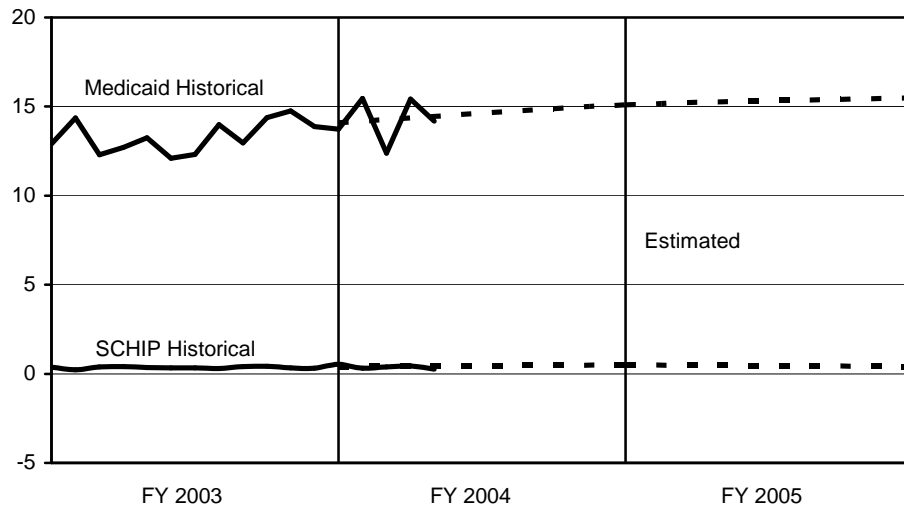
Note: Estimates are from the 2004 Trustees Report (intermediate assumptions).

Figure 2. Medicare Expenditures: Historical and Estimated



Note: Estimates are from the 2004 Trustees Report (intermediate assumptions). The historical figures reflect monthly fluctuations, but the estimated figures are based on annual amounts and thus do not.

Figure 3. Federal Medicaid and SCHIP Expenditures: Historical and Estimated



Note: Estimates are from the 2004 Mid-Session Review.