

Table 2

**Gross Domestic Product (GDP), Total Personal Health Care Expenditures (PHCE), Physician PHCE, Total Medicare PHCE,  
and Medicare Physician PHCE: Selected Calendar Years 1960-2002**

| Year                          | GDP<br>in<br>Billions | PHCE <sup>1</sup> |         |                                 |                 |                 |                    | Medicare PHCE <sup>1</sup> |                 |  |              |                 |                 |                           |                    |
|-------------------------------|-----------------------|-------------------|---------|---------------------------------|-----------------|-----------------|--------------------|----------------------------|-----------------|--|--------------|-----------------|-----------------|---------------------------|--------------------|
|                               |                       | Total             |         | Physician and Clinical Services |                 |                 |                    | Total                      |                 | Physician and Clinical Services <sup>2</sup> |              |                 |                 |                           |                    |
|                               |                       | Amount<br>in      | Percent | Amount<br>in                    | Per-<br>cent of | Per-<br>cent of | Index <sup>3</sup> | Amount<br>in               | Per-<br>cent of | Percent                                      | Amount<br>in | Per-<br>cent of | Per-<br>cent of | Percent<br>of<br>Medicare |                    |
|                               |                       | Billions          | of GDP  | Billions                        | GDP             | PHCE            |                    | Billions                   | GDP             | of PHCE                                      | Billions     | GDP             | PHCE            | PHCE                      | Index <sup>3</sup> |
| 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                |
| 1990                          | 5,803                 | 609.4             | 10.5    | 157.5                           | 2.7             | 25.8            | 1,125              | 107.3                      | 1.8             | 17.6   | 30.2         | 0.5             | 5.0             | 28.1                      | 1,888              |
| 1991                          | 5,986                 | 672.0             | 11.2    | 175.0                           | 2.9             | 26.0            | 1,250              | 117.6                      | 2.0             | 17.5   | 31.8         | 0.5             | 4.7             | 27.0                      | 1,988              |
| 1992                          | 6,319                 | 728.9             | 11.5    | 189.7                           | 3.0             | 26.0            | 1,355              | 132.8                      | 2.1             | 18.2   | 33.0         | 0.5             | 4.5             | 24.8                      | 2,063              |
| 1993                          | 6,642                 | 775.8             | 11.7    | 201.2                           | 3.0             | 25.9            | 1,437              | 144.4                      | 2.2             | 18.6   | 34.7         | 0.5             | 4.5             | 24.0                      | 2,169              |
| 1994                          | 7,054                 | 816.5             | 11.6    | 210.5                           | 3.0             | 25.8            | 1,504              | 162.1                      | 2.3             | 19.9   | 38.4         | 0.5             | 4.7             | 23.7                      | 2,400              |
| 1995                          | 7,401                 | 865.7             | 11.7    | 220.5                           | 3.0             | 25.5            | 1,575              | 178.6                      | 2.4             | 20.6   | 41.9         | 0.6             | 4.8             | 23.5                      | 2,619              |
| 1996                          | 7,813                 | 911.1             | 11.7    | 229.4                           | 2.9             | 25.2            | 1,639              | 193.1                      | 2.5             | 21.2   | 44.2         | 0.6             | 4.9             | 22.9                      | 2,763              |
| 1997                          | 8,318                 | 959.2             | 11.5    | 241.0                           | 2.9             | 25.1            | 1,721              | 203.6                      | 2.4             | 21.2   | 47.1         | 0.6             | 4.9             | 23.1                      | 2,944              |
| 1998                          | 8,782                 | 1,009.6           | 11.5    | 256.8                           | 2.9             | 25.4            | 1,834              | 204.0                      | 2.3             | 20.2   | 50.5         | 0.6             | 5.0             | 24.8                      | 3,156              |
| 1999                          | 9,274                 | 1,065.0           | 11.5    | 270.9                           | 2.9             | 25.4            | 1,935              | 206.2                      | 2.2             | 19.4   | 54.5         | 0.6             | 5.1             | 26.4                      | 3,406              |
| 2000                          | 9,825                 | 1,135.3           | 11.6    | 290.3                           | 3.0             | 25.6            | 2,074              | 217.5                      | 2.2             | 19.2   | 59.4         | 0.6             | 5.2             | 27.3                      | 3,713              |
| 2001                          | 10,082                | 1,231.4           | 12.2    | 315.1                           | 3.1             | 25.6            | 2,251              | 239.2                      | 2.4             | 19.4   | 65.1         | 0.6             | 5.3             | 27.2                      | 4,069              |
| 2002                          | 10,446                | 1,340.2           | 12.8    | 339.5                           | 3.2             | 25.3            | 2,425              | 259.1                      | 2.5             | 19.3   | 68.8         | 0.7             | 5.1             | 26.6                      | 4,300              |
| Average Annual Rate of Change |                       |                   |         |                                 |                 |                 |                    |                            |                 |  |              |                 |                 |                           |                    |
| 1960-2002                     | 7.4                   | 10.1              | ---     | 10.4                            | ---             | ---             | ---                | ---                        | ---             | ---  | ---          | ---             | ---             | ---                       | ---                |
| 1970-2002                     | 7.5                   | 10.0              | ---     | 10.5                            | ---             | ---             | ---                | 11.8                       | ---             | ---  | 12.5         | ---             | ---             | ---                       | ---                |
| 1980-2002                     | 6.2                   | 8.7               | ---     | 9.4                             | ---             | ---             | ---                | 9.3                        | ---             | ---  | 10.2         | ---             | ---             | ---                       | ---                |
| 1970-1980                     | 10.4                  | 13.0              | ---     | 12.9                            | ---             | ---             | ---                | 17.4                       | ---             | ---  | 17.8         | ---             | ---             | ---                       | ---                |
| 1980-1990                     | 7.6                   | 11.0              | ---     | 12.8                            | ---             | ---             | ---                | 11.4                       | ---             | ---  | 13.9         | ---             | ---             | ---                       | ---                |
| 1990-2002                     | 5.0                   | 6.8               | ---     | 6.6                             | ---             | ---             | ---                | 7.6                        | ---             | ---  | 7.1          | ---             | ---             | ---                       | ---                |
| 1999-2000                     | 5.9                   | 6.6               | ---     | 7.2                             | ---             | ---             | ---                | 5.5                        | ---             | ---  | 9.0          | ---             | ---             | ---                       | ---                |
| 2000-2001                     | 2.6                   | 8.5               | ---     | 8.5                             | ---             | ---             | ---                | 10.0                       | ---             | ---  | 9.6          | ---             | ---             | ---                       | ---                |
| 2001-2002                     | 3.6                   | 8.8               | ---     | 7.7                             | ---             | ---             | ---                | 8.3                        | ---             | ---  | 5.7          | ---             | ---             | ---                       | ---                |

<sup>1</sup>Represents 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.

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

<sup>3</sup>This 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](http://www.cms.hhs.gov/statistics/nhe)>.

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