

Table 1.2

**Gross Domestic Product (GDP), Total Personal Health Care Expenditures (PHCE), Physician PHCE, Total Medicare PHCE,
and Medicare Physician PHCE: Selected Calendar Years 1960-2004**

Year	GDP in Billions	PHCE ¹					Medicare PHCE ¹							
		Total			Physician and Clinical Services		Total			Physician and Clinical Services ²				
		Amount	Percent of GDP	Percent of PHCE	Amount	Per- cent of GDP	Per- cent of PHCE	Amount	Per- cent of GDP	Percent of PHCE	Amount	Per- cent of GDP	Per- cent of PHCE	Percent of Medicare PHCE
		in Billions			in Billions			in Billions			in Billions			
1960	\$526.4	\$23.3	4.4	\$5.4	1.0	23.0	---	---	---	---	---	---	---	---
1970	1,038.5	62.9	6.1	14.0	1.3	22.2	7.3	0.7	11.6	\$1.6	0.2	2.6	22.6	
1980	2,789.5	215.3	7.7	47.1	1.7	21.9	36.1	1.3	16.7	8.0	0.3	3.7	22.2	
1990	5,803.1	607.5	10.5	157.5	2.7	25.9	106.6	1.8	17.5	29.4	0.5	4.8	27.5	
1991	5,995.9	669.2	11.2	175.0	2.9	26.2	117.3	2.0	17.5	31.5	0.5	4.7	26.9	
1992	6,337.7	725.9	11.5	189.7	3.0	26.1	132.4	2.1	18.2	33.1	0.5	4.6	25.0	
1993	6,657.4	773.6	11.6	201.2	3.0	26.0	144.7	2.2	18.7	34.7	0.5	4.5	24.0	
1994	7,072.2	814.4	11.5	210.5	3.0	25.8	162.3	2.3	19.9	38.1	0.5	4.7	23.5	
1995	7,397.7	863.7	11.7	220.5	3.0	25.5	177.8	2.4	20.6	41.4	0.6	4.8	23.3	
1996	7,816.9	910.3	11.6	229.4	2.9	25.2	194.5	2.5	21.4	43.7	0.6	4.8	22.5	
1997	8,304.3	959.8	11.6	240.9	2.9	25.1	204.4	2.5	21.3	46.3	0.6	4.8	22.7	
1998	8,747.0	1,010.5	11.6	256.4	2.9	25.4	202.8	2.3	20.1	49.1	0.6	4.9	24.2	
1999	9,268.4	1,068.3	11.5	269.6	2.9	25.2	206.4	2.2	19.3	53.2	0.6	5.0	25.7	
2000	9,817.0	1,139.9	11.6	288.6	2.9	25.3	217.4	2.2	19.1	58.3	0.6	5.1	26.8	
2001	10,128.0	1,239.1	12.2	313.1	3.1	25.3	240.5	2.4	19.4	63.6	0.6	5.1	26.4	
2002	10,469.6	1,341.4	12.8	337.9	3.2	25.2	258.2	2.5	19.3	67.7	0.6	5.0	26.2	
2003	10,971.2	1,445.7	13.2	367.0	3.3	25.4	275.9	2.5	19.1	73.7	0.7	5.1	26.7	
2004	11,734.3	1,560.2	13.3	399.9	3.4	25.6	299.6	2.6	19.2	81.8	0.7	5.2	27.3	
Average Annual Rate of Change														
1960-2004	7.3	10.0	---	10.3	---	---	---	---	---	---	---	---	---	
1970-2004	7.4	9.9	---	10.4	---	---	11.6	---	---	12.2	---	---	---	
1980-2004	6.2	8.6	---	9.3	---	---	9.2	---	---	10.2	---	---	---	
1970-1980	10.4	13.1	---	12.9	---	---	17.4	---	---	17.2	---	---	---	
1980-1990	7.6	10.9	---	12.8	---	---	11.4	---	---	13.9	---	---	---	
1990-2004	5.2	7.0	---	6.9	---	---	7.7	---	---	7.6	---	---	---	
1999-2000	5.9	6.7	---	7.0	---	---	5.3	---	---	9.8	---	---	---	
2000-2001	3.2	8.7	---	8.5	---	---	10.6	---	---	9.0	---	---	---	
2001-2002	3.4	8.3	---	7.9	---	---	7.3	---	---	6.4	---	---	---	
2002-2003	4.8	7.8	---	8.6	---	---	6.8	---	---	8.8	---	---	---	
2003-2004	7.0	7.9	---	9.0	---	---	8.6	---	---	11.1	---	---	---	

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.

NOTES: Numbers may not add to totals because of rounding. Expenditures are in current dollars. National Health Expenditures data files and category definitions are found at <http://www.cms.hhs.gov/NationalHealthExpendData/02_NationalHealthAccountsHistorical.asp#TopOfPage>.

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