CHAPTER 1
Trends in the Overall Health Care Market
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CMS completed a benchmark revision in 2009, introducing changes in methods, definitions and source data that are applied to the entire time series (back to 1960). For more information on this revision, see http://www.cms.gov/nationalhealthexpenddata/downloads/benchmark2009.pdf.

(2) Expressed in 1980 dollars; adjusted using the overall Consumer Price Index for Urban Consumers.
Chart 1.2: Percent Change in Total National Health Expenditures, 1989 – 2009\(^{(1)}\)


\(^{(1)}\) CMS completed a benchmark revision in 2009, introducing changes in methods, definitions and source data that are applied to the entire time series (back to 1960). For more information on this revision, see http://www.cms.gov/nationalhealthexpenddata/downloads/benchmark2009.pdf.
Chart 1.3: Per Capita National Health Expenditures, 1980 – 2009(1)


(1) CMS completed a benchmark revision in 2009, introducing changes in methods, definitions and source data that are applied to the entire time series (back to 1960). For more information on this revision, see http://www.cms.gov/nationalhealthexpenddata/downloads/benchmark2009.pdf.

(2) Expressed in 1980 dollars; adjusted using the overall Consumer Price Index for Urban Consumers.


CMS completed a benchmark revision in 2009, introducing changes in methods, definitions and source data that are applied to the entire time series (back to 1960). For more information on this revision, see http://www.cms.gov/nationalhealthexpenddata/downloads/benchmark2009.pdf.
Chart 1.5: National Expenditures for Health Services and Supplies\(^{(1)}\) by Category, 1980 and 2009\(^{(2)}\)

- **1980**
  - Hospital Care, 42.7%
  - Physician Services, 20.3%
  - Other Medical Durables and Non-durables, 5.9%
  - Prescription Drugs, 5.1%
  - Home Health Care, 1.0%
  - Other Professional\(^{(4)}\), 7.1%
  - Other\(^{(3)}\), 11.5%

- **2009**
  - Hospital Care, 32.6%
  - Physician Services, 21.7%
  - Other Medical Durables and Non-durables, 3.4%
  - Prescription Drugs, 10.7%
  - Home Health Care, 2.9%
  - Other Professional\(^{(4)}\), 7.3%
  - Other\(^{(3)}\), 15.6%


- \(^{(1)}\) Excludes medical research and medical facilities construction.
- \(^{(3)}\) “Other” includes net cost of insurance and administration, government public health activities, and other personal health care.
- \(^{(4)}\) “Other professional” includes dental and other non-physician professional services.
Chart 1.6: Percent Change in National Expenditures for Health Services and Supplies\(^{(1)}\) by Category, 2008 – 2009\(^{(2)}\)

- Home Health Care: 10.0%
- Administrative and Net Cost of Private Health Insurance: -0.6%
- Prescription Drugs: 5.3%
- Hospital Care: 5.1%
- Other\(^{(3)}\): 7.3%
- Physician Services: 4.0%
- Other Professional\(^{(4)}\): 2.0%
- Nursing Home Care: 3.1%
- Other Medical Durable and Non-durables: 0.8%
- All Health Services & Supplies: 4.3%


\(^{(1)}\) Excludes medical research and medical facilities construction.

\(^{(2)}\) CMS completed a benchmark revision in 2009, introducing changes in methods, definitions and source data that are applied to the entire time series (back to 1960). For more information on this revision, see http://www.cms.gov/nationalhealthexpenddata/downloads/benchmark2009.pdf.

\(^{(3)}\) “Other” includes government public health activities and other personal health care.

\(^{(4)}\) “Other professional” includes dental and other non-physician professional services.
Chart 1.7: Percent Change in National Expenditures for Selected Health Services and Supplies, 1999 – 2009(1)


(1) CMS completed a benchmark revision in 2009, introducing changes in methods, definitions and source data that are applied to the entire time series (back to 1960). For more information on this revision, see http://www.cms.gov/nationalhealthexpenddata/downloads/benchmark2009.pdf.
Chart 1.8: National Health Expenditures,\(^{(1)}\) 1980 – 2020\(^{(2)}\)


\(^{(1)}\) Years 2010 – 2020 are projections.

\(^{(2)}\) CMS completed a benchmark revision in 2009, introducing changes in methods, definitions and source data that are applied to the entire time series (back to 1960). For more information on this revision, see http://www.cms.gov/nationalhealthexpenddata/downloads/benchmark2009.pdf.


(1) CMS completed a benchmark revision in 2009, introducing changes in methods, definitions and source data that are applied to the entire time series (back to 1960). For more information on this revision, see http://www.cms.gov/nationalhealthexpenddata/downloads/benchmark2009.pdf.
Chart 1.10: Total Prescription Drug Spending, 1980 – 2009


(1) CMS completed a benchmark revision in 2009, introducing changes in methods, definitions and source data that are applied to the entire time series (back to 1960). For more information on this revision, see http://www.cms.gov/nationalhealthexpenddata/downloads/benchmark2009.pdf.

(2) Expressed in 1980 dollars; adjusted using the overall Consumer Price Index for All Urban Consumers.
Chart 1.11: Growth in Total Prescription Drug Spending as a Percentage of Total Growth in National Health Expenditures, 1989 – 2009


CMS completed a benchmark revision in 2009, introducing changes in methods, definitions and source data that are applied to the entire time series (back to 1960). For more information on this revision, see http://www.cms.gov/nationalhealthexpenddata/downloads/benchmark2009.pdf.


(1) CMS completed a benchmark revision in 2009, introducing changes in methods, definitions and source data that are applied to the entire time series (back to 1960). For more information on this revision, see http://www.cms.gov/nationalhealthexpenddata/downloads/benchmark2009.pdf.


(1) CMS completed a benchmark revision in 2009, introducing changes in methods, definitions and source data that are applied to the entire time series (back to 1960). For more information on this revision, see http://www.cms.gov/nationalhealthexpenddata/downloads/benchmark2009.pdf.

Private
- 1990: 66.7%
- 2008: 63.9%
- 2009: 73.2%

Medicare
- 1990: 14.3%
- 2008: 14.3%
- 2009: 14.1%

Medicaid
- 1990: 9.7%
- 2008: 15.7%
- 2009: 15.7%

Other Government
- 1990: 4.0%
- 2008: 3.8%
- 2009: 4.1%

Uninsured
- 1990: 13.9%
- 2008: 15.4%
- 2009: 16.7%

Chart 1.15: Number and Percent Uninsured, 1989 – 2009

Chart 1.16: Average Percent Uninsured by State, 2007 – 2009

Chart 1.17: Medicare Enrollees,\(^{(1)}\) 1990 – 2010


\(^{(1)}\) Hospital insurance (Part A) enrollees and/or Supplementary Medical Insurance (Part B) enrollees; includes all persons (aged and disabled).

\(^{(2)}\) 2009 figure reflects revised data obtained through email correspondence.

\(^{(1)}\) Does not include CHIP Enrollees.
Chart 1.19: National CHIP Enrollment,\(^{(1, 2)}\) FY 1999 – FY 2010


\(^{(1)}\) Number of children enrolled at any point in the year.

\(^{(2)}\) 2009 figure reflects revised data released by Centers for Medicare & Medicaid Services on February 1, 2011.
Chart 1.20: Percent Change in CHIP Enrollment by State, FY 2009 – FY 2010(1)

RI 19%
DE 2%
DC -13%


(1) 2009 figure reflects revised data released by Centers for Medicare & Medicaid Services on February 1, 2011.


(1) Conventional plans refer to traditional indemnity plans.
(2) Point-of-service plans not separately identified in 1988.
(3) In 2006, the survey began asking about HDHP/SO, high deductible health plans with a savings option.
Chart 1.22: Distribution of Employer-sponsored Health Insurance Enrollment by Type of Plan, 1988 – 2010


1. Conventional plans refer to traditional indemnity plans.
3. In 2006, the survey began asking about HDHP/SO, high deductible health plans with a savings option.
Chart 1.23: Percentage of Medicare Beneficiaries Enrolled in Medicare Managed Care, 1991 – 2010

Source: Centers for Medicare & Medicaid Services, Office of the Actuary. Email correspondence with CMS staff in January 2011.
Chart 1.24: Percent Growth in Medicare Spending per Beneficiary vs. Private Health Insurance Spending per Enrollee, 1989 – 2009


(1) CMS completed a benchmark revision in 2009, introducing changes in methods, definitions and source data that are applied to the entire time series (back to 1960). For more information on this revision, see http://www.cms.gov/nationalhealthexpenddata/downloads/benchmark2009.pdf.

(2) Data reflects spending on benefits commonly covered by Medicare and Private Health Insurance.
Chart 1.25: Percentage of Medicaid Beneficiaries Enrolled in Medicaid Managed Care, 1992 – 2009

Chart 1.26: Percentage of Medicaid Beneficiaries Enrolled in Medicaid Managed Care by State, 2009

Chart 1.27: Annual Change in Health Insurance Premiums, 2000 – 2010

Chart 1.28: Managed Care Plan Median Operating Margins,\(^{(1)}\) 1997 – 2010

Source: Company documents of publicly traded managed care plans.
\(^{(1)}\) Represents earnings before interest and taxes over net revenues for the total service lines of the 12 largest publicly traded managed care plans.
Chart 1.29: Operating Margins of the Top Insurers, 2008 – 2010