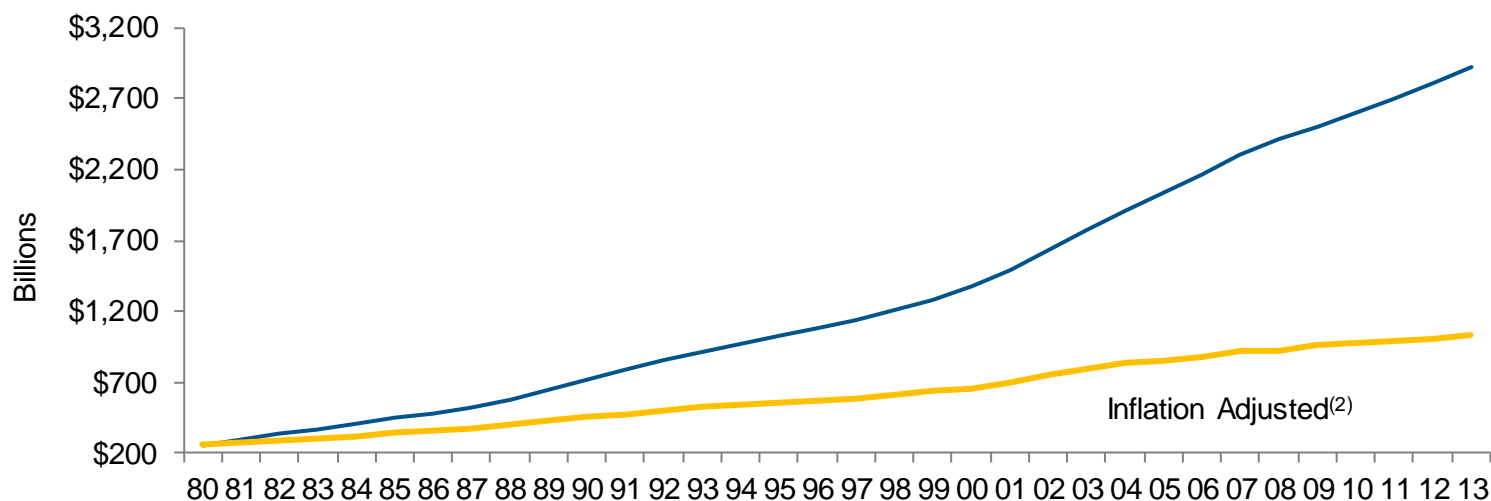


CHAPTER 1

Trends in the Overall
Health Care Market

Chart 1.1: Total National Health Expenditures, 1980 – 2013⁽¹⁾

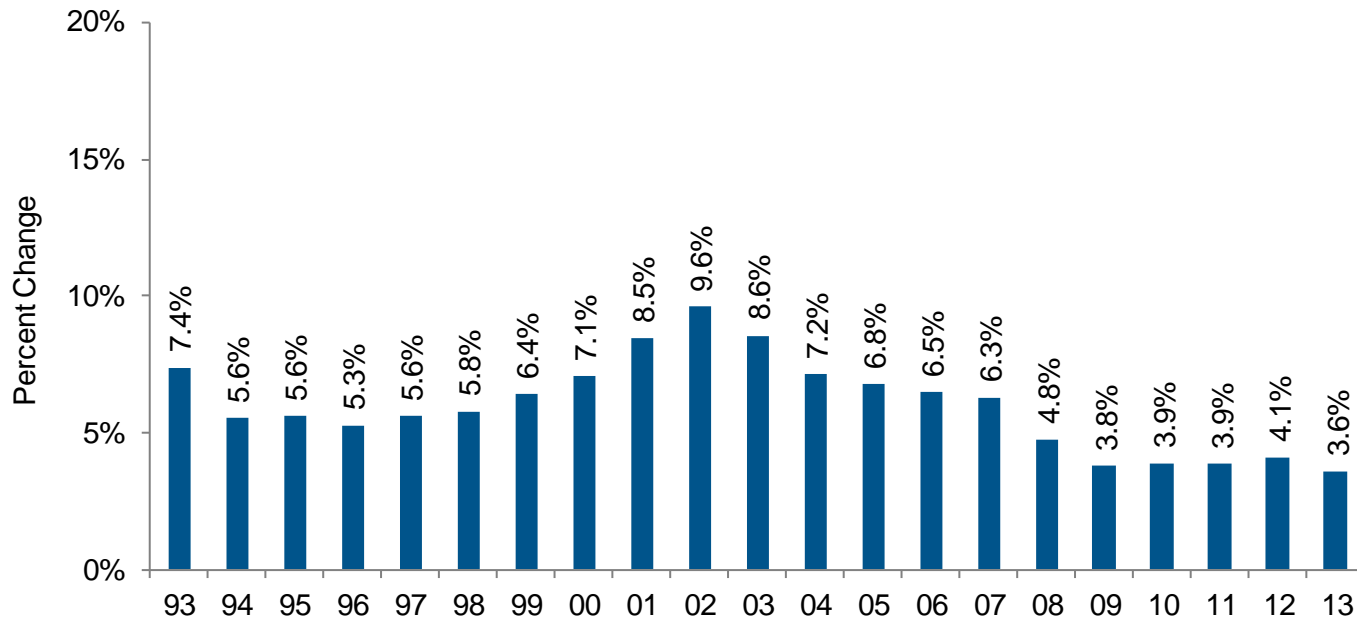


Source: Centers for Medicare & Medicaid Services, Office of the Actuary. Data released December 3, 2014.

⁽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.

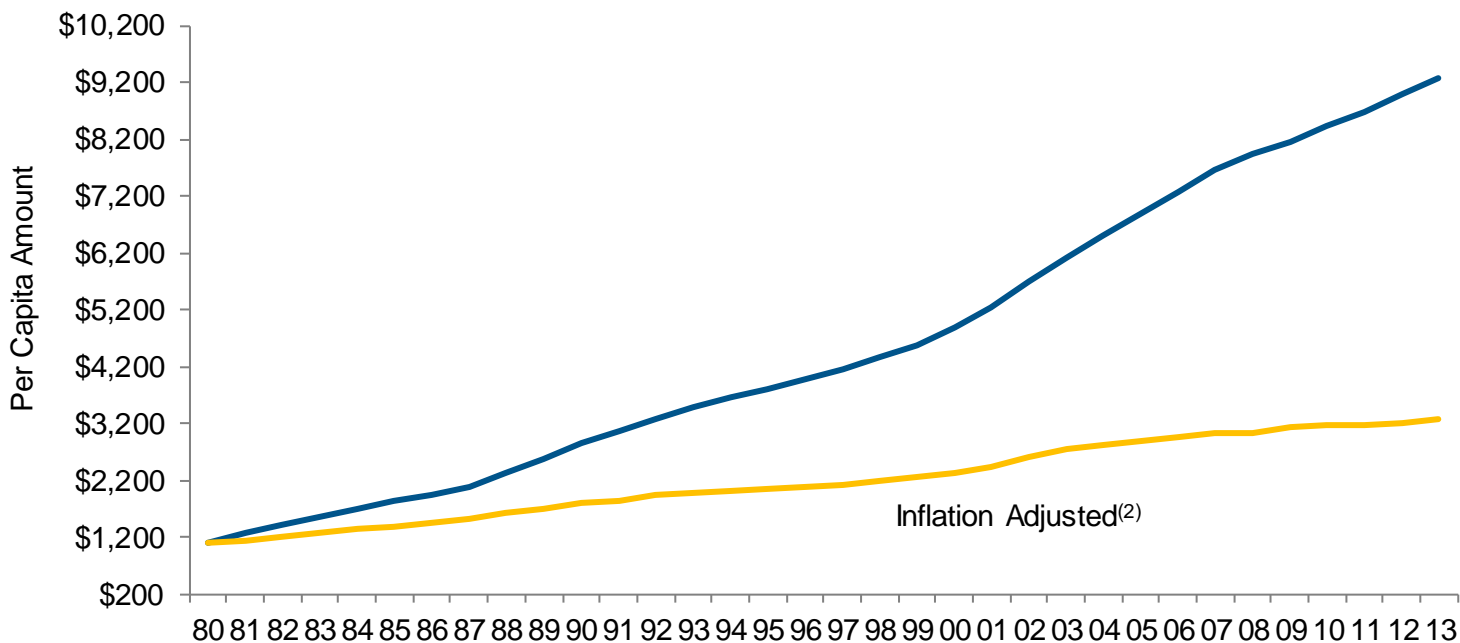
Chart 1.2: Percent Change in Total National Health Expenditures, 1993 – 2013⁽¹⁾



Source: Centers for Medicare & Medicaid Services, Office of the Actuary. Data released December 3, 2014.

⁽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 – 2013⁽¹⁾

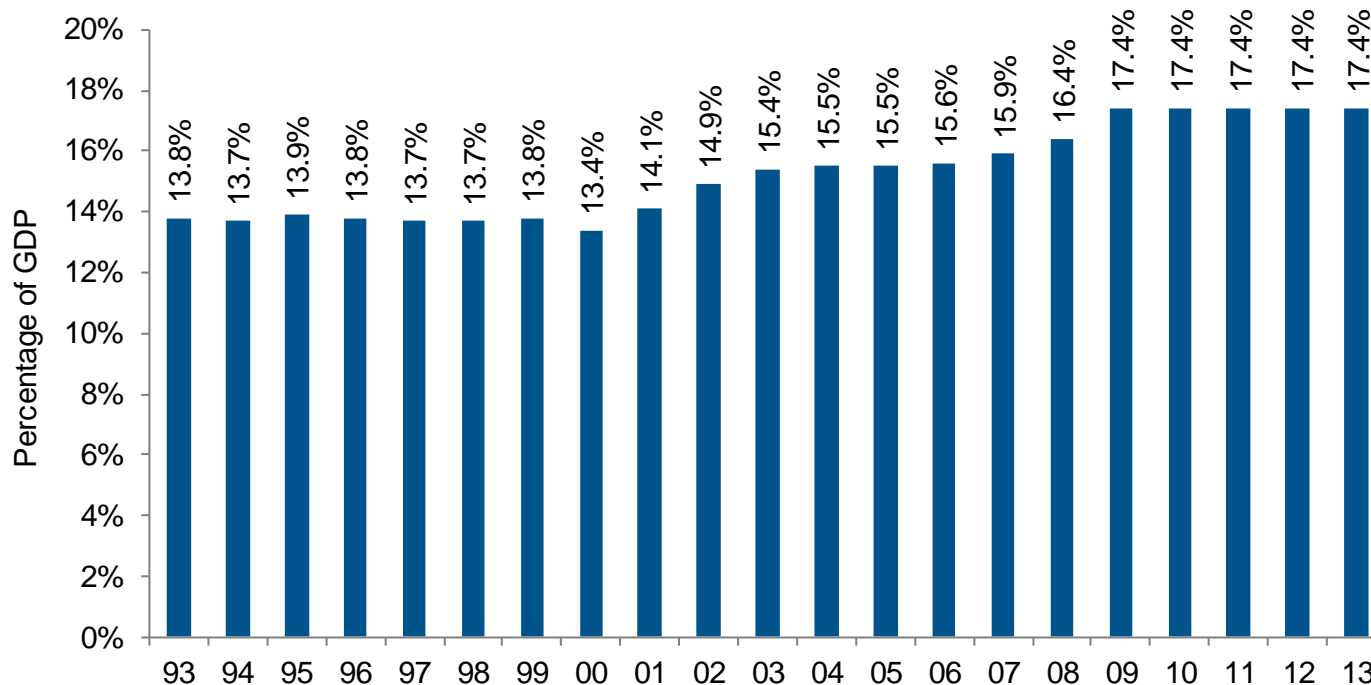


Source: Centers for Medicare & Medicaid Services, Office of the Actuary. Data released December 3, 2014.

⁽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.

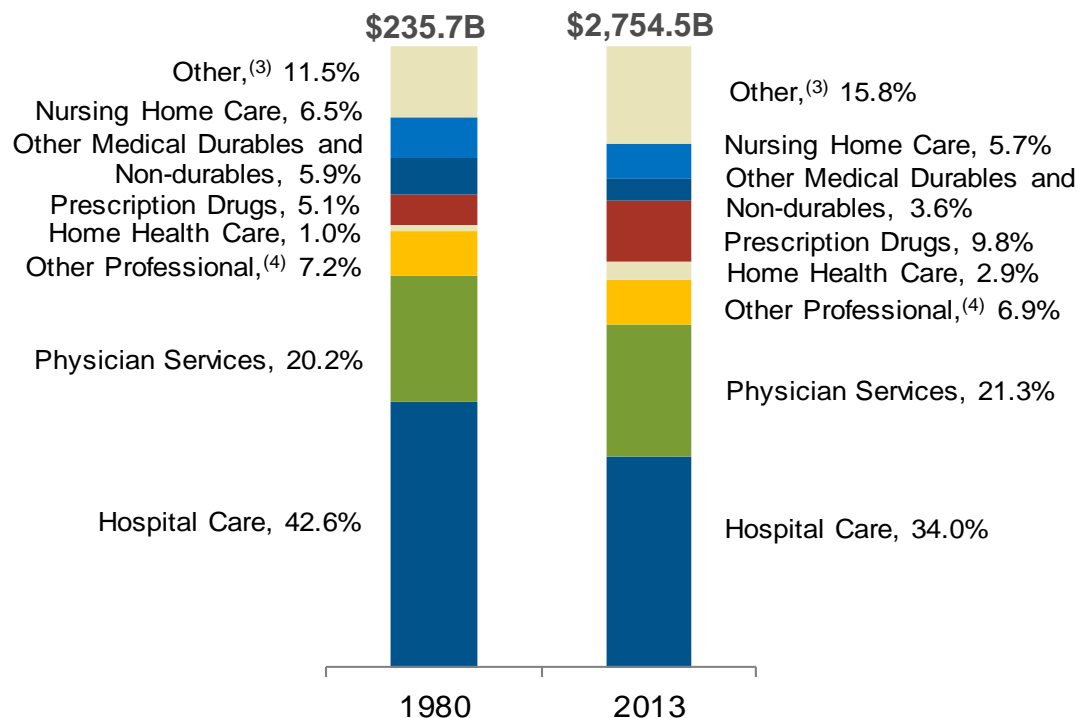
Chart 1.4: National Health Expenditures as a Percentage of Gross Domestic Product, 1993 – 2013⁽¹⁾



Source: Centers for Medicare & Medicaid Services, Office of the Actuary. Data released December 3, 2014.

⁽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 1.5: National Expenditures for Health Services and Supplies⁽¹⁾ by Category, 1980 and 2013⁽²⁾



Source: Centers for Medicare & Medicaid Services, Office of the Actuary. Data released December 3, 2014.

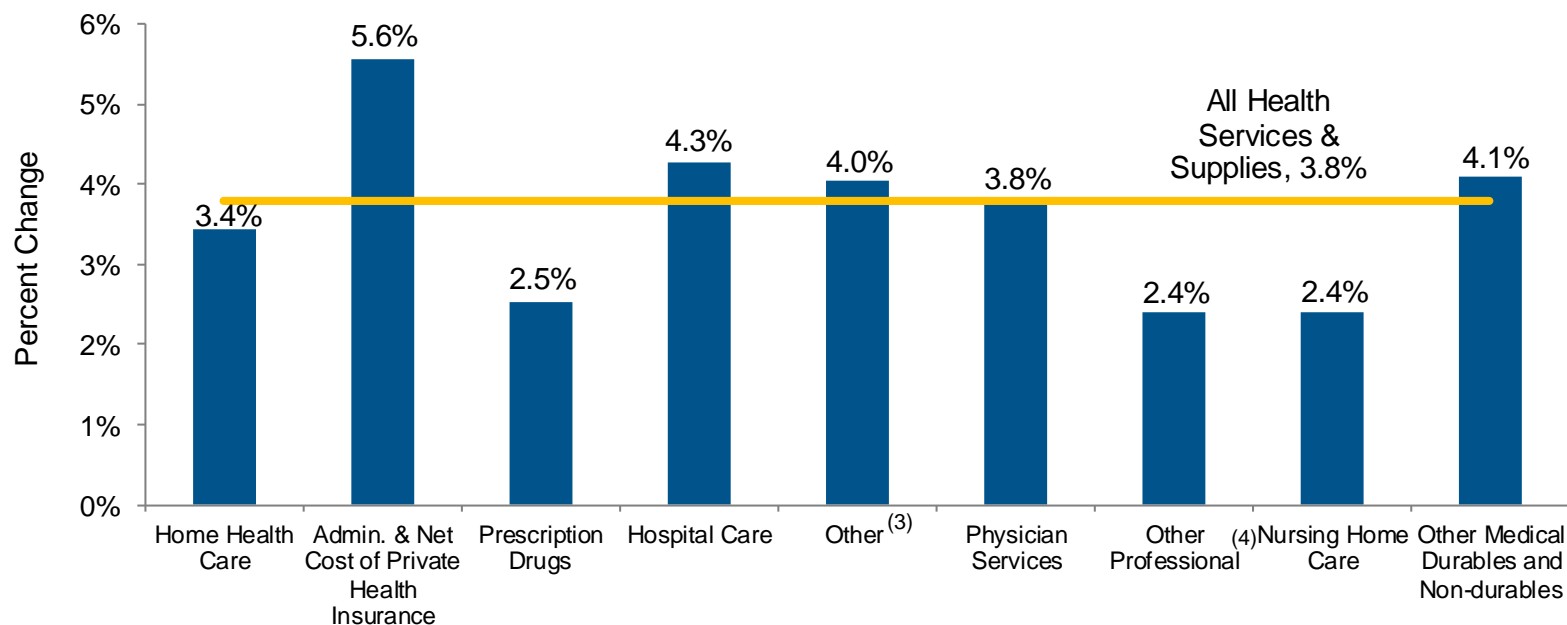
⁽¹⁾ Excludes medical research and medical facilities construction.

⁽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 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.

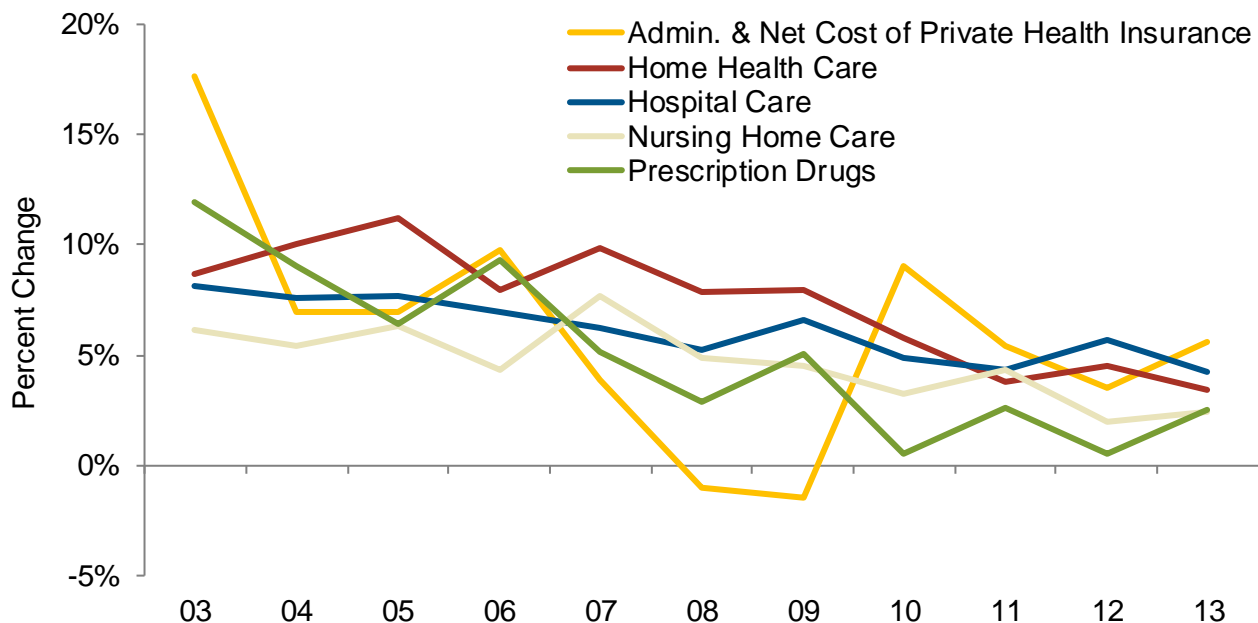
Chart 1.6: Percent Change in National Expenditures for Health Services and Supplies⁽¹⁾ by Category, 2012 – 2013⁽²⁾



Source: Centers for Medicare & Medicaid Services, Office of the Actuary. Data released December 3, 2014.

- (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.

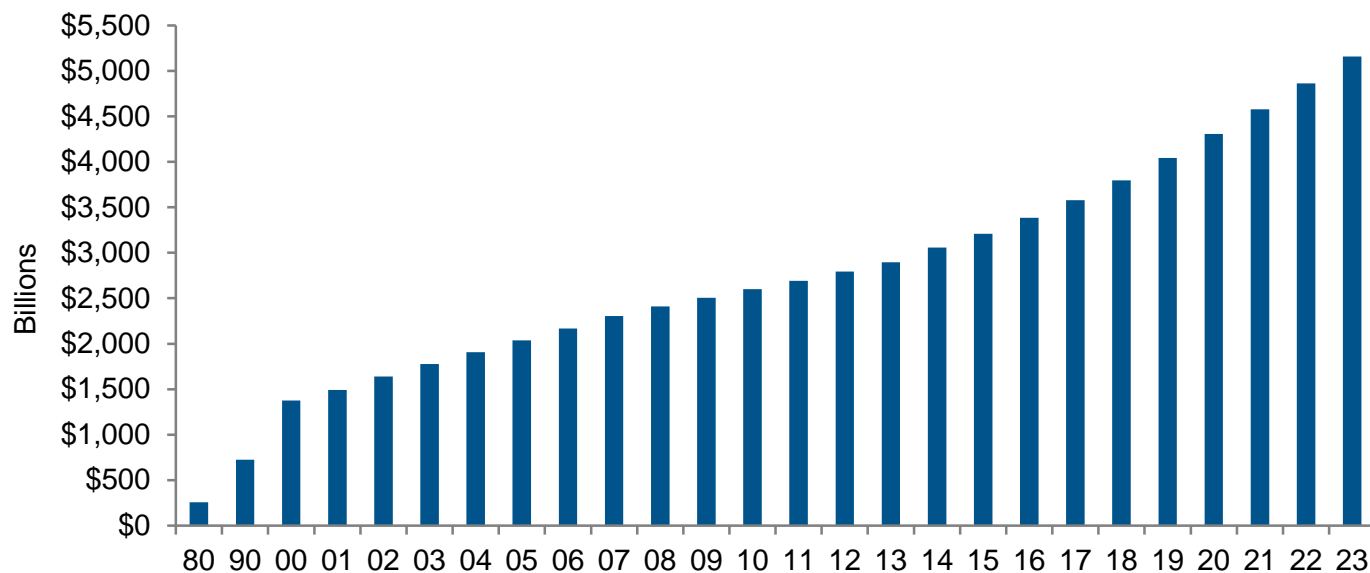
Chart 1.7: Percent Change in National Expenditures for Selected Health Services and Supplies, 2003 – 2013⁽¹⁾



Source: Centers for Medicare & Medicaid Services, Office of the Actuary. Data released December 3, 2014.

⁽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 – 2023⁽²⁾

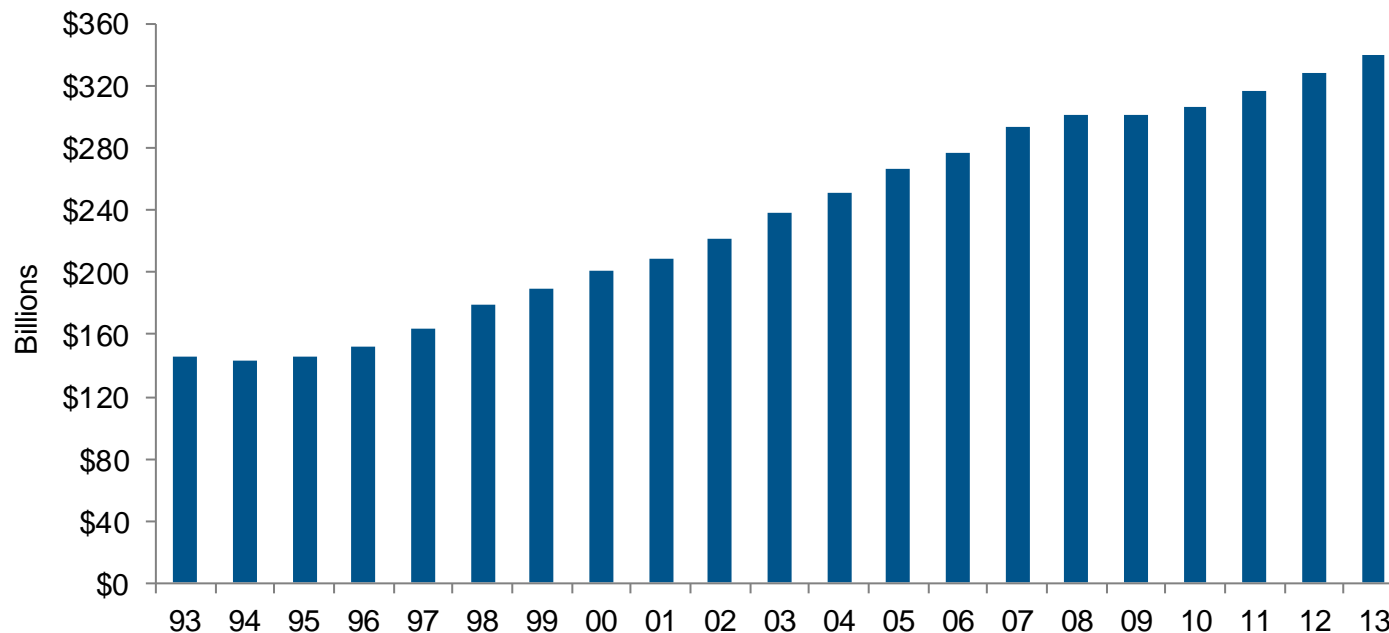


Source: Centers for Medicare & Medicaid Services, Office of the Actuary. Data released September 2014.

(1) Years 2013 – 2023 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>.

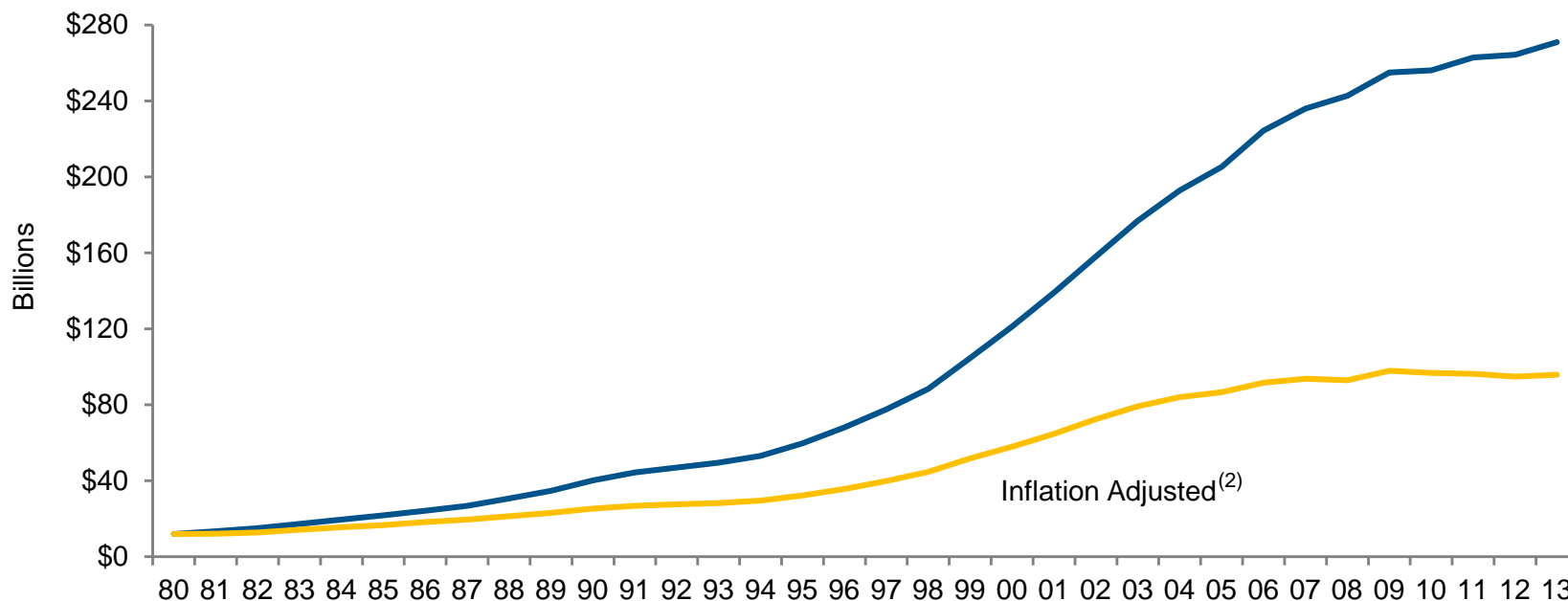
Chart 1.9: Consumer Out-of-pocket Payments for National Health Expenditures, 1993 – 2013⁽¹⁾



Source: Centers for Medicare & Medicaid Services, Office of the Actuary. Data released December 3, 2014.

⁽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 – 2013⁽¹⁾

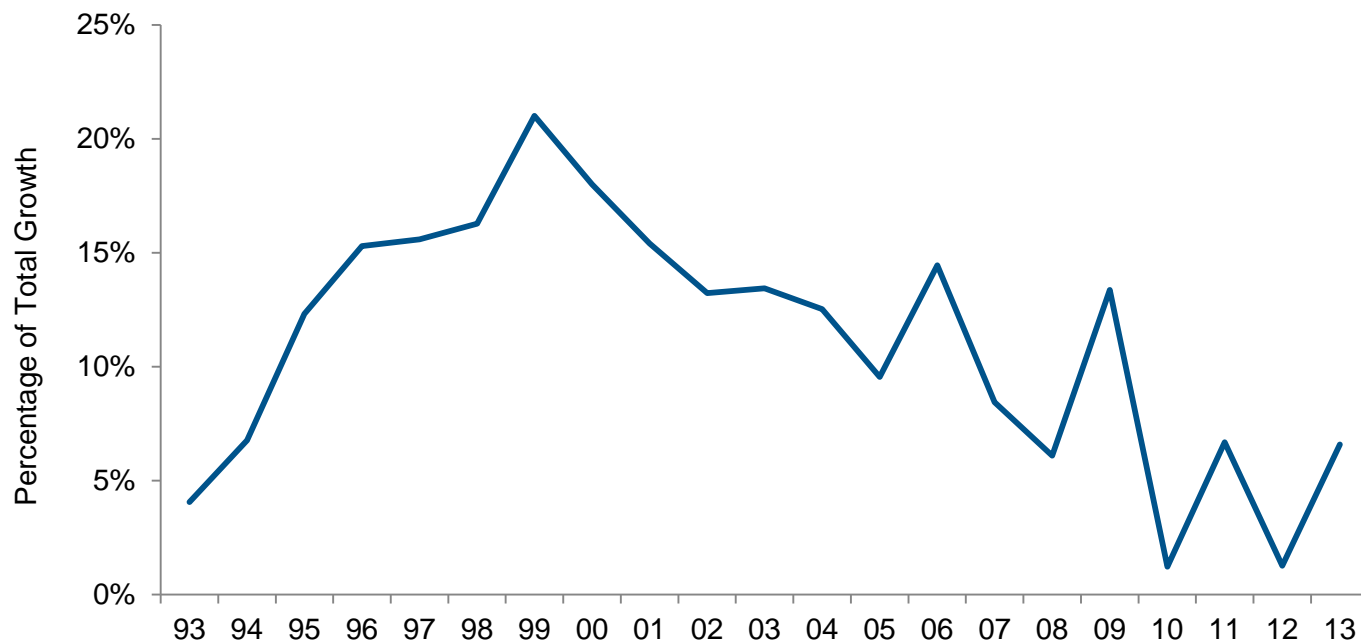


Source: Centers for Medicare & Medicaid Services, Office of the Actuary. Data released December 3, 2014.

⁽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.

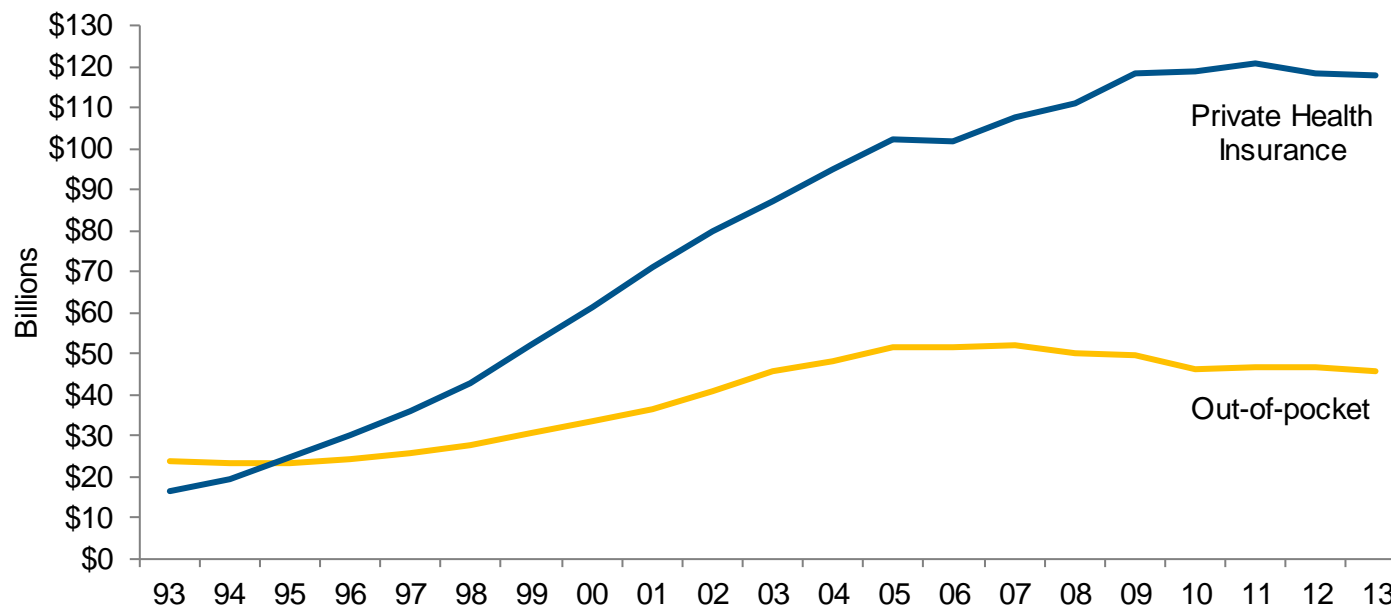
Chart 1.11: Growth in Total Prescription Drug Spending as a Percentage of Total Growth in National Health Expenditures, 1993 – 2013⁽¹⁾



Source: Centers for Medicare & Medicaid Services, Office of the Actuary. Data released December 3, 2014.

⁽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>.

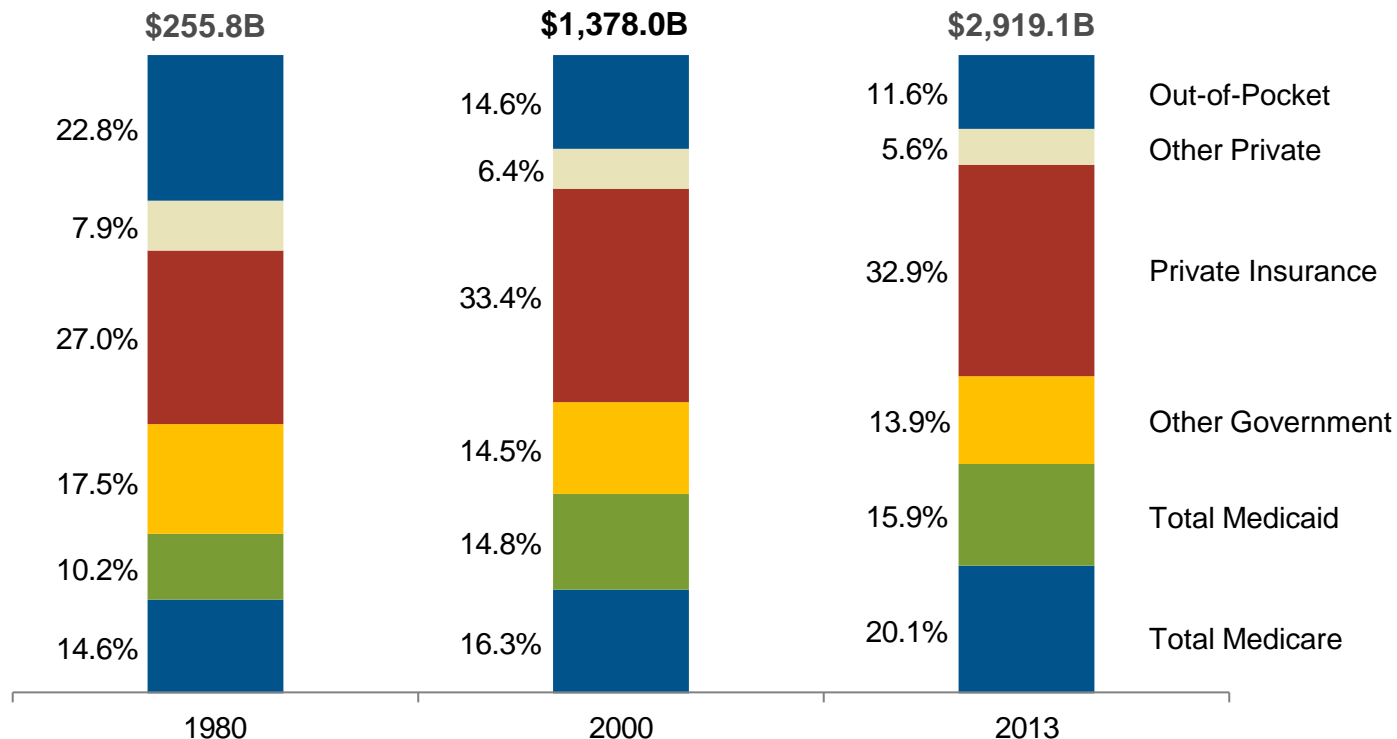
Chart 1.12: Consumer Out-of-pocket Spending vs. Private Health Insurance Spending for Prescription Drugs, 1993 – 2013⁽¹⁾



Source: Centers for Medicare & Medicaid Services, Office of the Actuary. Data released December 3, 2014.

⁽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>.

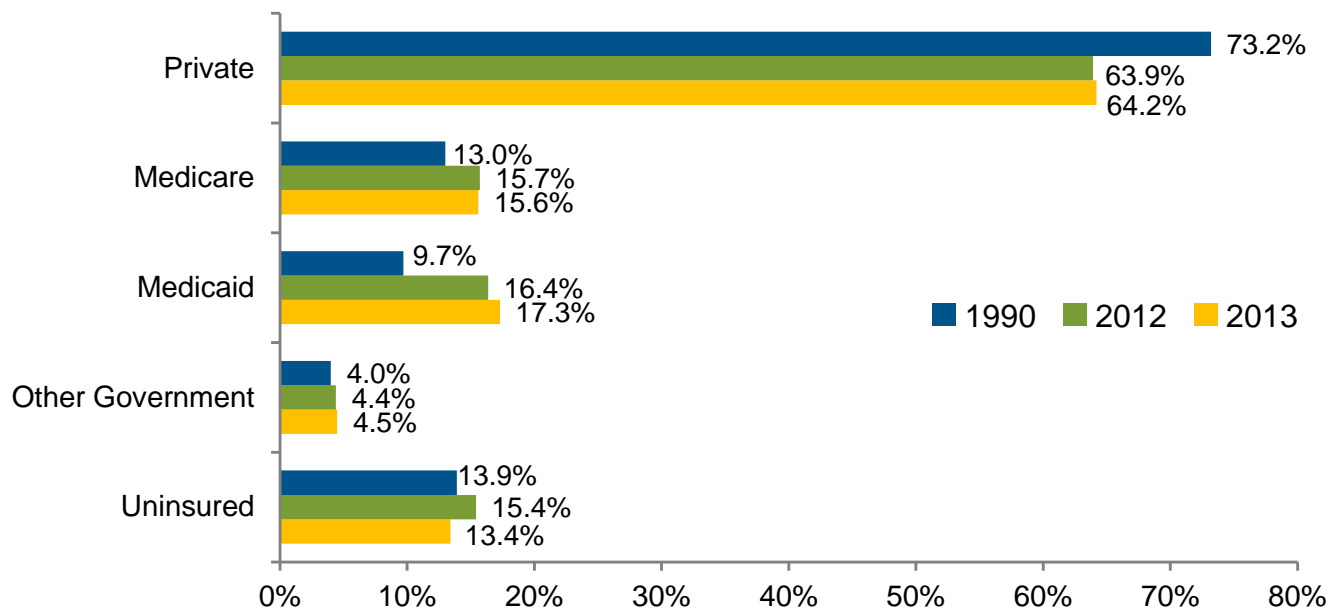
Chart 1.13: Distribution of National Health Expenditures by Source of Payment, 1980, 2000 and 2013⁽¹⁾



Source: Centers for Medicare & Medicaid Services, Office of the Actuary. Data released December 3, 2014.

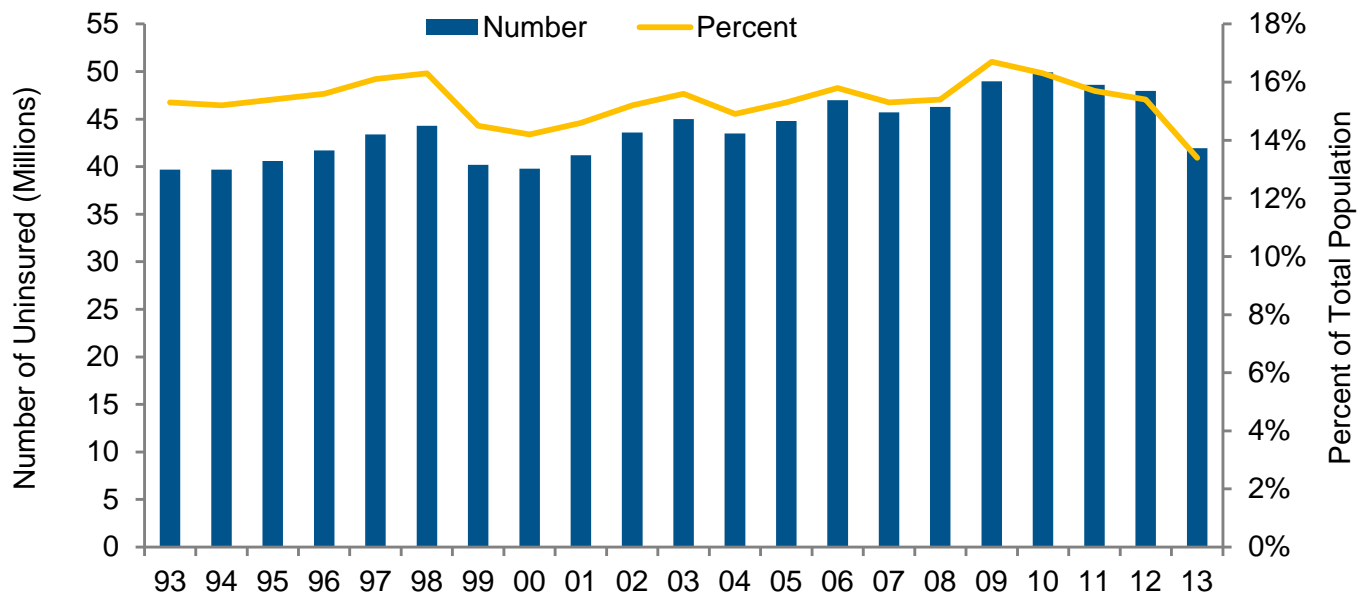
⁽¹⁾ CMS completed a benchmark revision in 2009, introducing changes in methods, definitions and source data that are applied to the entire time series (back to 1960). For more information on this revision, see <http://www.cms.gov/nationalhealthexpenddata/downloads/benchmark2009.pdf>.

Chart 1.14: Distribution of Health Insurance Coverage, Percentage of Population Covered by Payer, 1990, 2012 and 2013



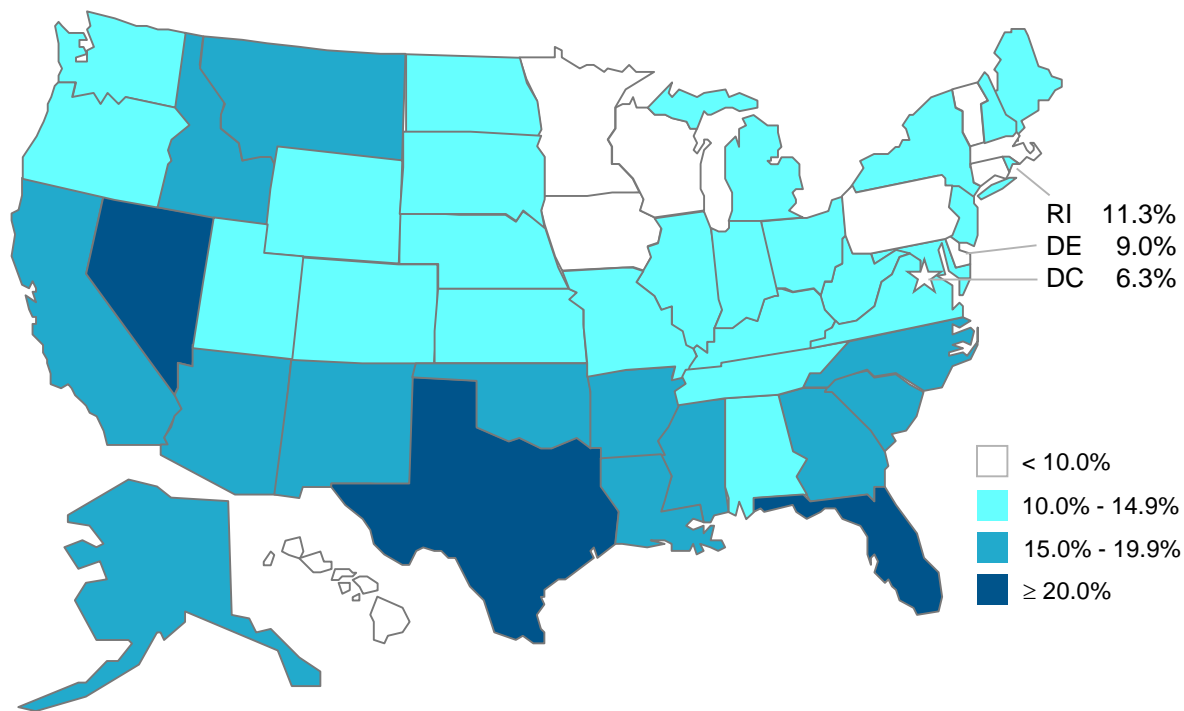
Source: US Census Bureau, Current Population Survey, 2014 Annual and Social Economic Supplement. Data released September 2014. Table HI01. Health Insurance Coverage Status and Type of Coverage by Selected Characteristics: 2013. <http://www.census.gov/hhes/www/hlthins/data/incpovhlth/2013/index.html>.

Chart 1.15: Number and Percent Uninsured, 1993 – 2013



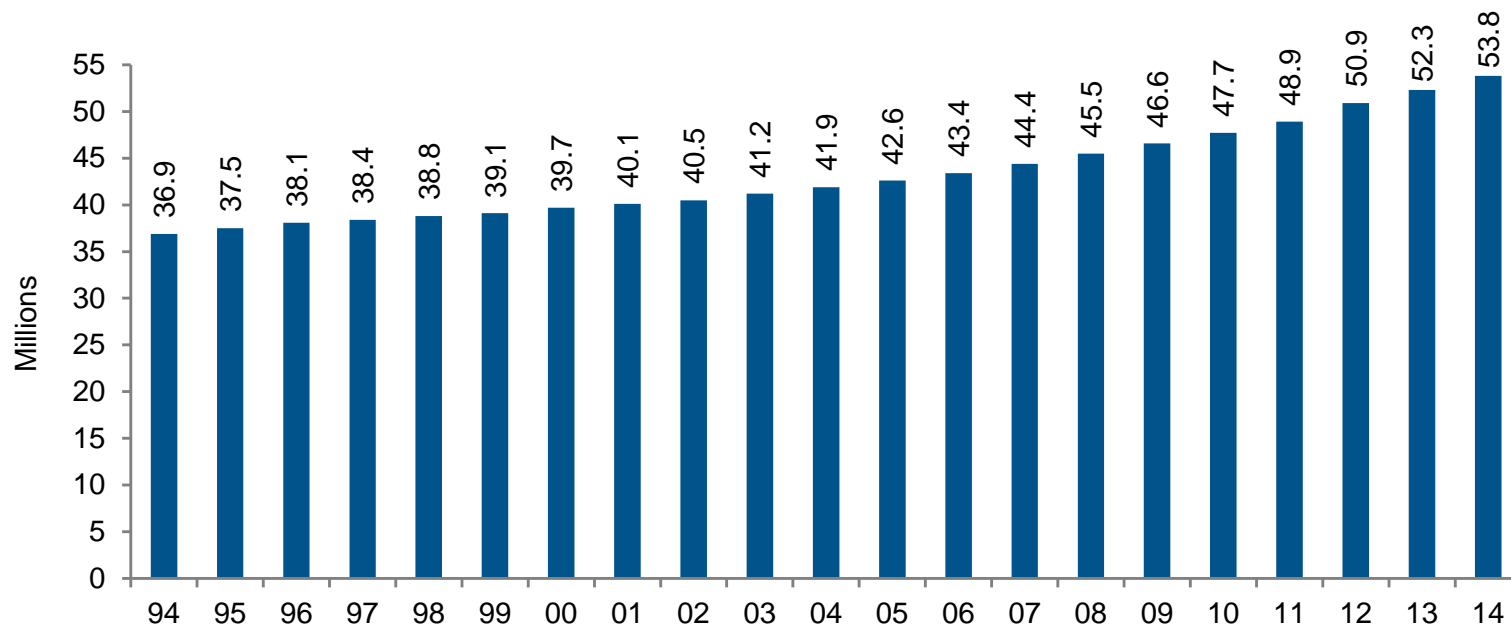
Source: US Census Bureau, Health Insurance Coverage in the United States: 2013. Data released September 2014. Table 2. Type of Health Insurance Coverage by Age: 2013. Link: <http://www.census.gov/content/dam/Census/library/publications/2014/demo/p60-250.pdf>.

Chart 1.16: Average Percent Uninsured by State, 2012 – 2013



Source: US Census Bureau, Health Insurance in the United States: 2013. Data released September 2014.
Link: <http://www.census.gov/hhes/www/hlthins/data/incpovhlth/2013/index.html>.

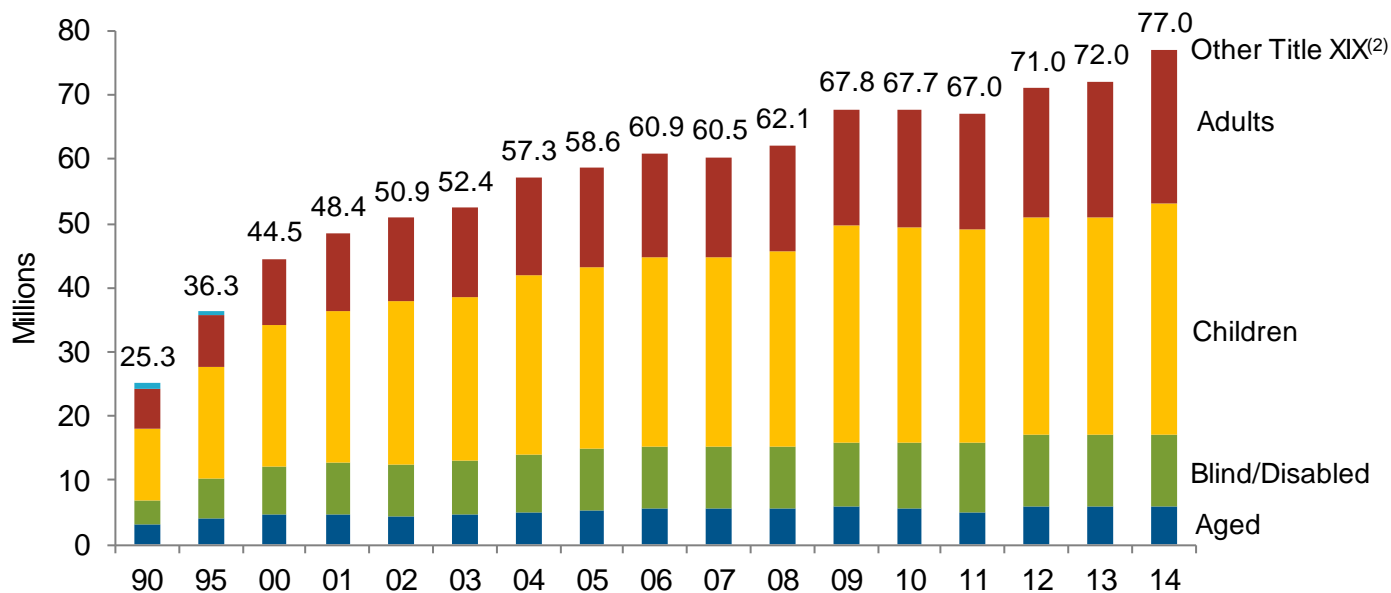
Chart 1.17: Medicare Enrollees,⁽¹⁾ 1994 – 2014



Source: Centers for Medicare & Medicaid Services. Medicare Enrollment: National Trends, 1966 – 2005; Medicare Aged and Disabled Enrollees by Type of Coverage. CMS, Office of the Actuary. Email correspondence with CMS staff (for years 2001 – 2014).

⁽¹⁾ Hospital insurance (Part A) enrollees and/or Supplementary Medical Insurance (Part B) enrollees, including enrollees with Medicare Advantage; includes all persons (aged and disabled).

Chart 1.18: Medicaid Enrollees,⁽¹⁾ 1990, 1995, 2000 – 2014

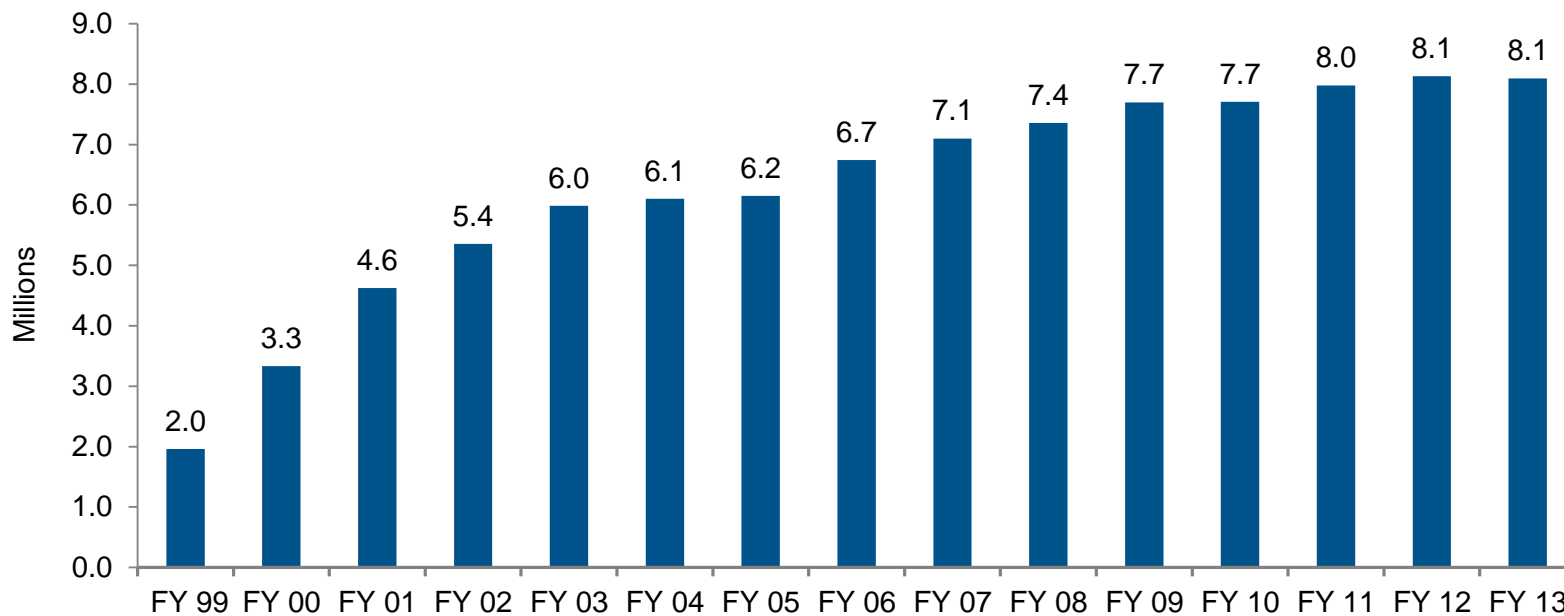


Source: Congressional Budget Office. Data released April 2014. Detail of Spending and Enrollment for CBO's April 2014 Baseline: Medicaid. Link: <http://www.cbo.gov/sites/default/files/cbofiles/attachments/44204-2014-04-Medicaid.pdf>.

(1) Does not include CHIP enrollees.

(2) In 1997, the Other Title XIX category was dropped and the enrollees therein were subsumed in the remaining categories. Other Title XIX enrollees referred to others who received Medicaid benefits.

Chart 1.19: National CHIP Enrollment,^(1,2) FY 1999 – FY 2013

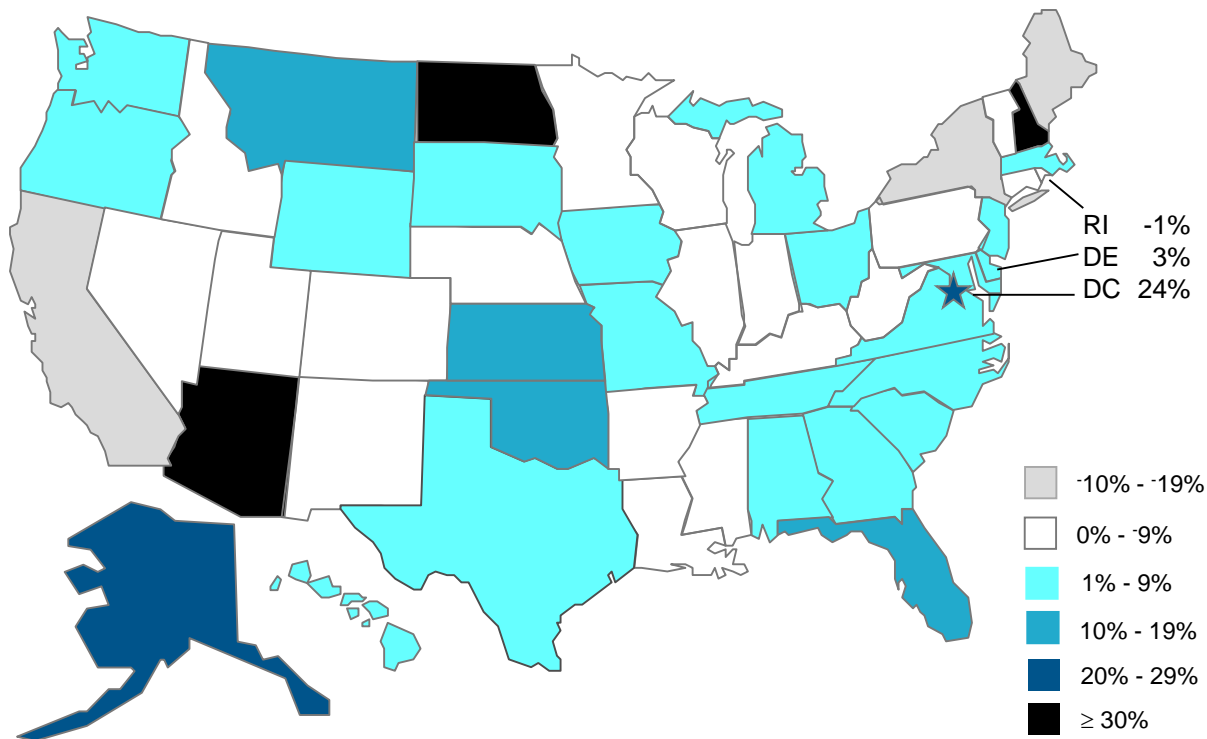


Source: Centers for Medicare & Medicaid Services. Data released July 2014. Number of Children Ever Enrolled by Program Type. Link: <http://www.medicaid.gov/CHIP/Downloads/FY-2013-Childrens-Ever-Enrolled-Report.pdf>.

(1) Number of children enrolled at any point in the year.

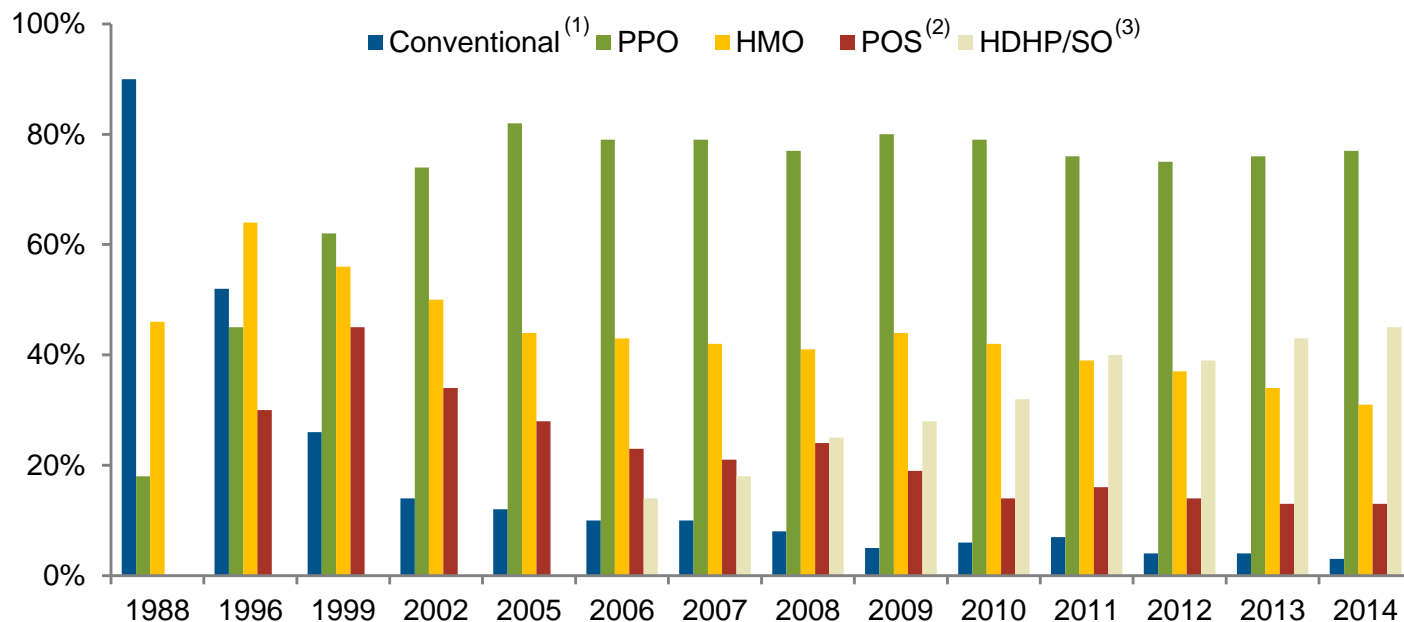
(2) 2009 figure reflects revised data released by Centers for Medicare & Medicaid Services on February 1, 2011.

Chart 1.20: Percent Change in CHIP Enrollment by State, FY 2012 – FY 2013



Source: Centers for Medicare & Medicaid Services. Data released July 2014. Number of Children Ever Enrolled by Program Type. Link: <http://www.medicaid.gov/CHIP/Downloads/FY-2013-Childrens-Ever-Enrolled-Report.pdf>.

Chart 1.21: Percentage of Employees with Employer-based Coverage Who Can Choose Conventional, PPO, HMO, POS and HDHP/SO Plans, 1988 – 2014



Source: The Kaiser Family Foundation and Health Research and Educational Trust. Data Released 2014. Employer Health Benefits: 1999, 2002, 2006, 2007, 2008, 2009, 2010, 2011, 2012, 2013, and 2014.

Link: <http://kff.org/health-costs/report/2014-employer-health-benefits-survey>.

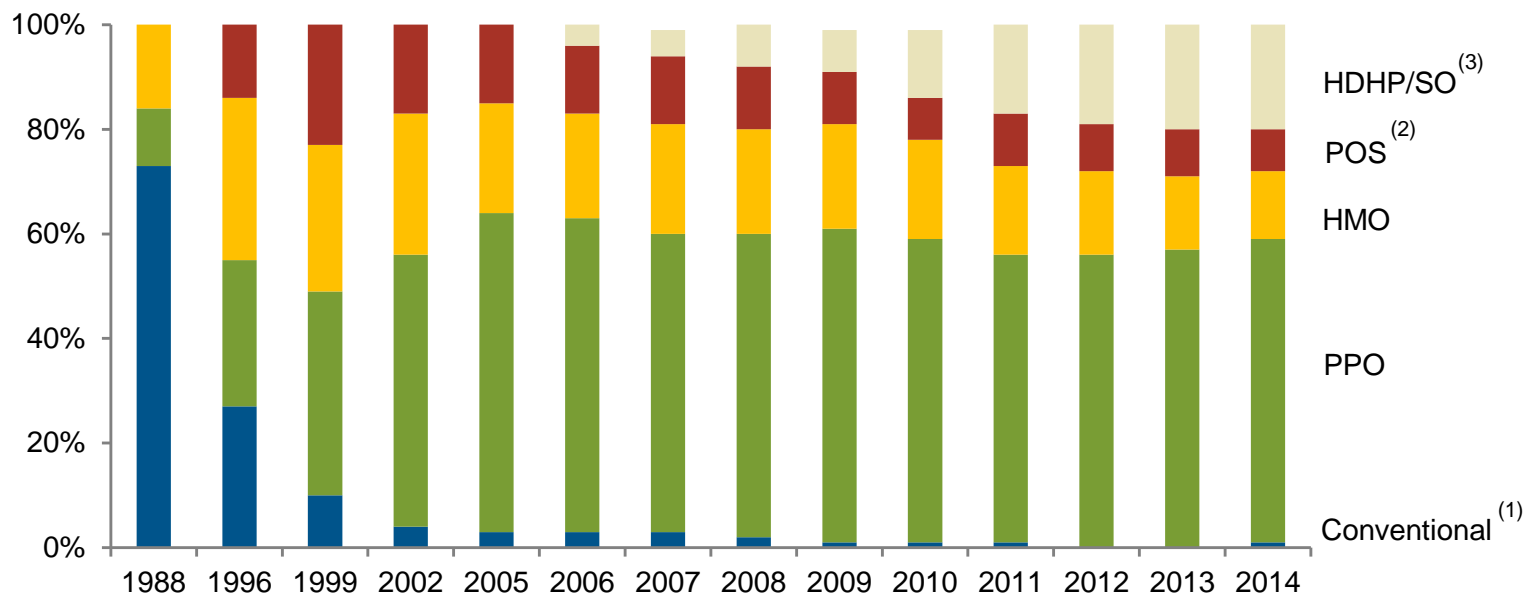
KPMG Survey of Employer-Sponsored Health Benefits: 1988, 1996.

(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 – 2014



Source: The Kaiser Family Foundation and Health Research and Educational Trust. Data Released 2014. Employer Health Benefits: 1999, 2002, 2005, 2006, 2007, 2008, 2009, 2010, 2011, 2012, 2013, and 2014.

Link: <http://kff.org/health-costs/report/2014-employer-health-benefits-survey>.

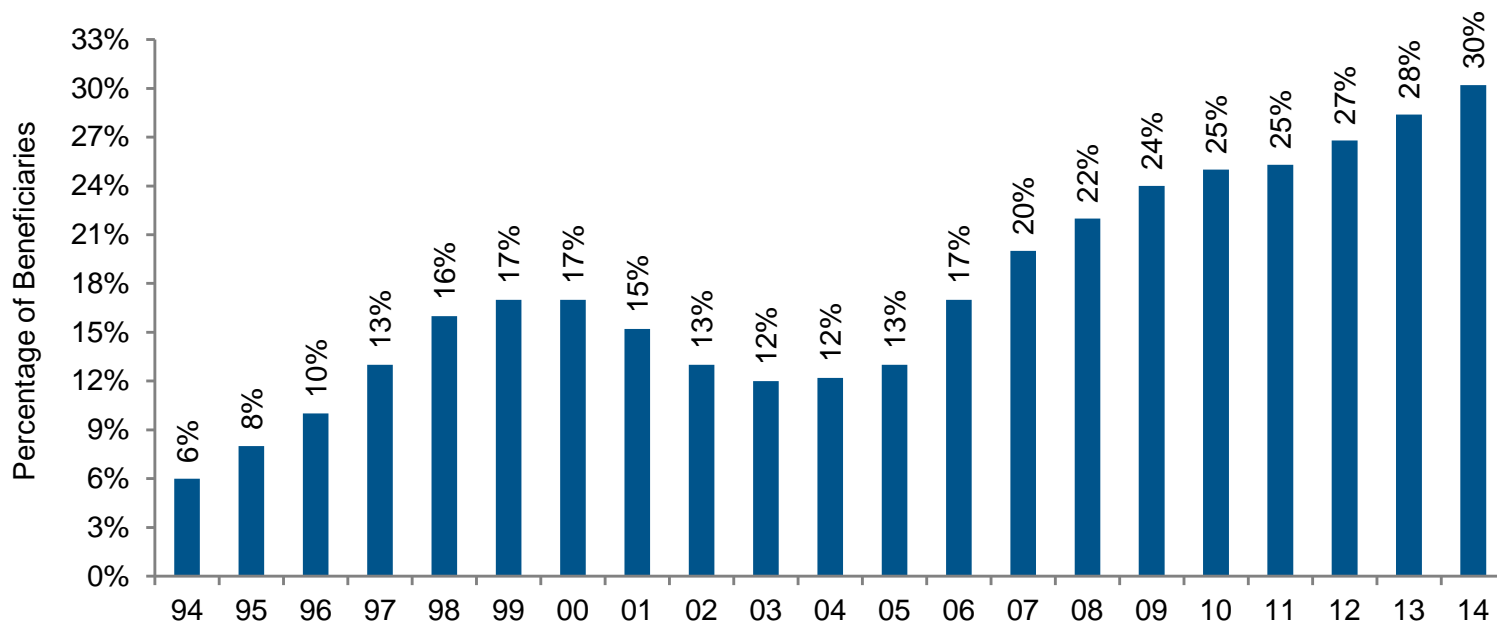
KPMG Survey of Employer-Sponsored Health Benefits: 1988, 1996.

⁽¹⁾ Conventional plans refer to traditional indemnity plans.

⁽²⁾ Point-of-service plans not separately identified in 1988.

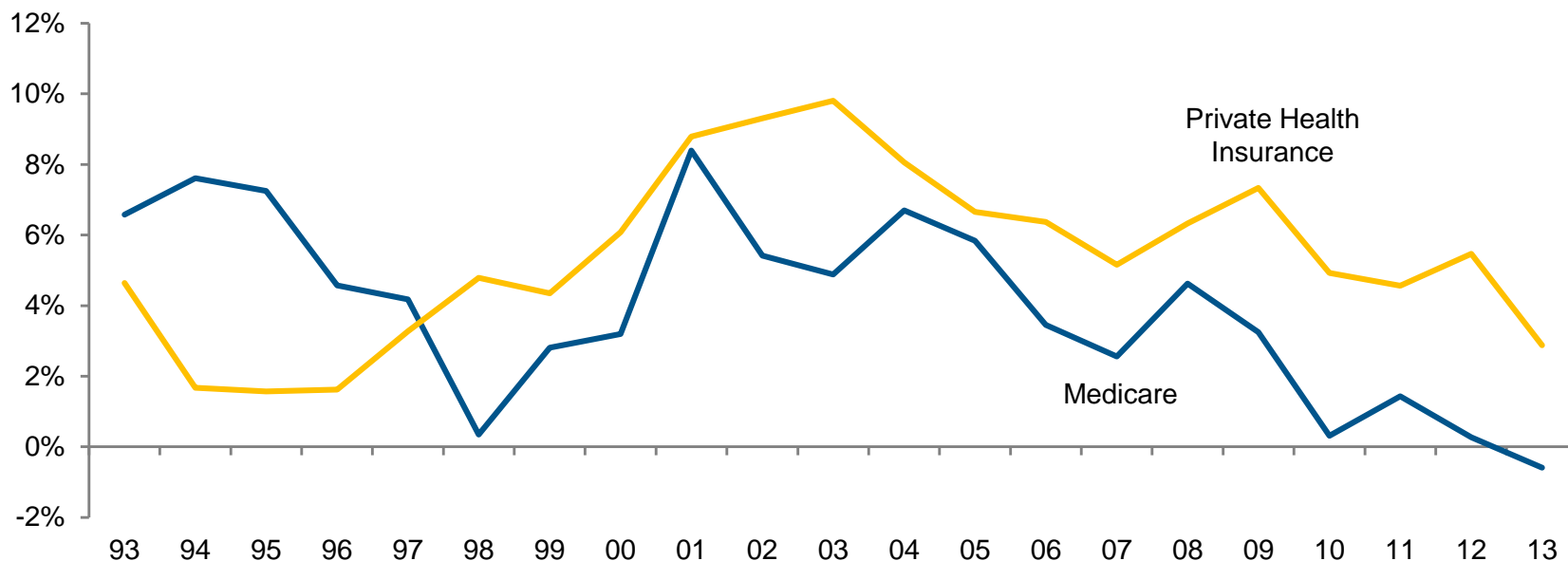
⁽³⁾ In 2006, the survey began asking about HDHP/SO, high-deductible health plans with a savings option.

Chart 1.23: Percentage of Medicare Beneficiaries Enrolled in Medicare Managed Care, 1994 – 2014



Source: Centers for Medicare & Medicaid Services, Office of the Actuary. Email correspondence with CMS staff in February 2015.

Chart 1.24: Percent Growth in Medicare Spending per Beneficiary vs. Private Health Insurance Spending per Enrollee, 1993 – 2013^(1,2)

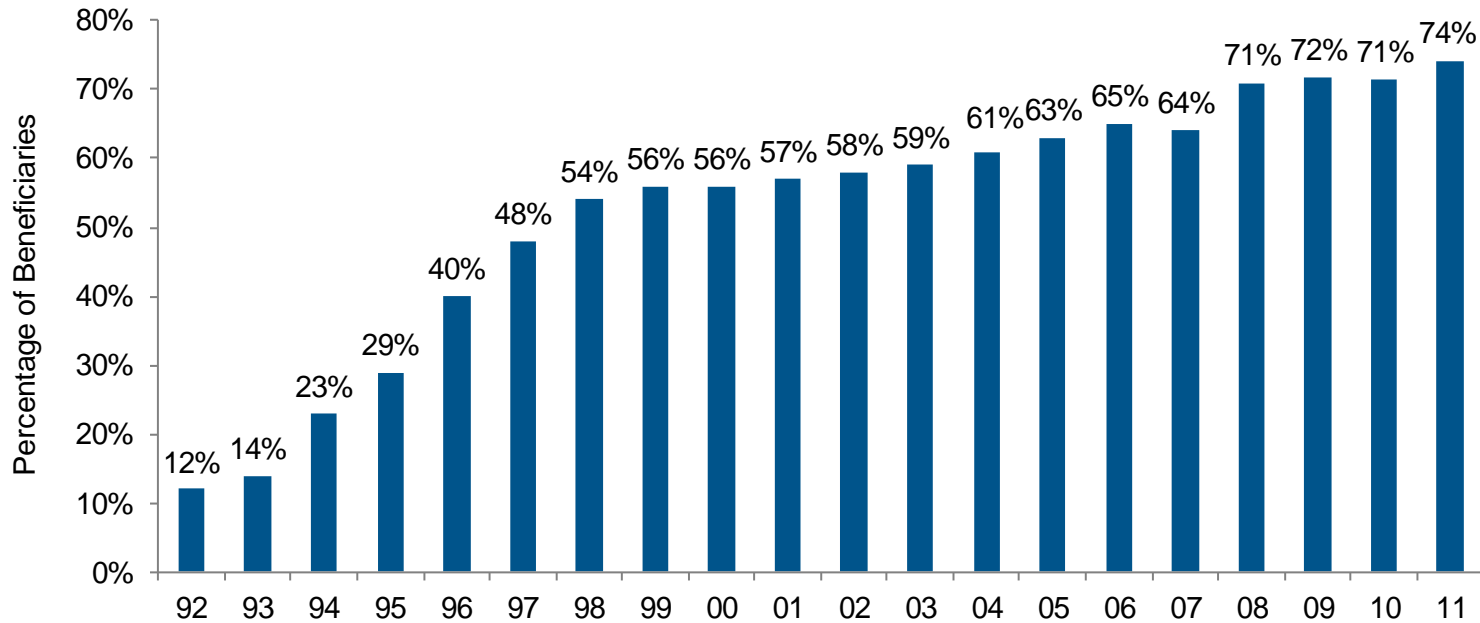


Source: Centers for Medicare & Medicaid Services, Office of the Actuary. Data released December 3, 2014.

(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.hhs.gov/NationalHealthExpendData/downloads/tables.pdf>.

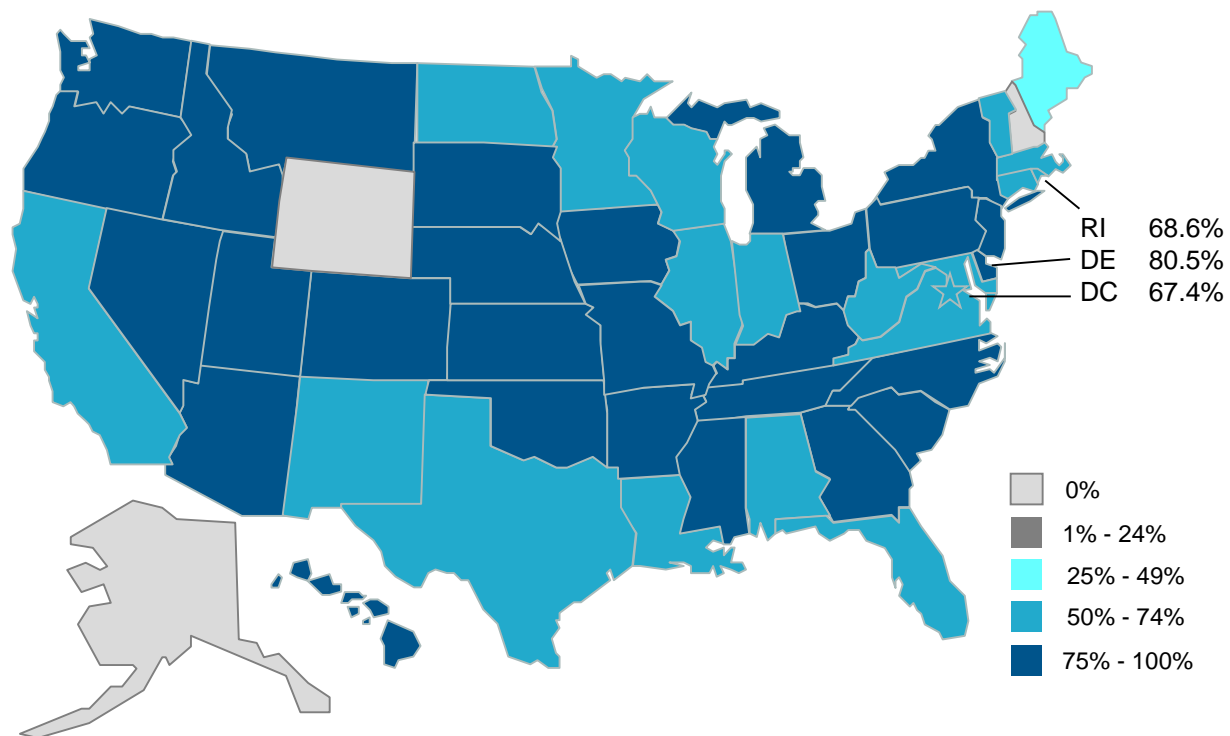
(2) Data reflects spending on benefits commonly covered by Medicare and Private Health Insurance.

Chart 1.25: Percentage of Medicaid Beneficiaries Enrolled in Medicaid Managed Care, 1992 – 2011



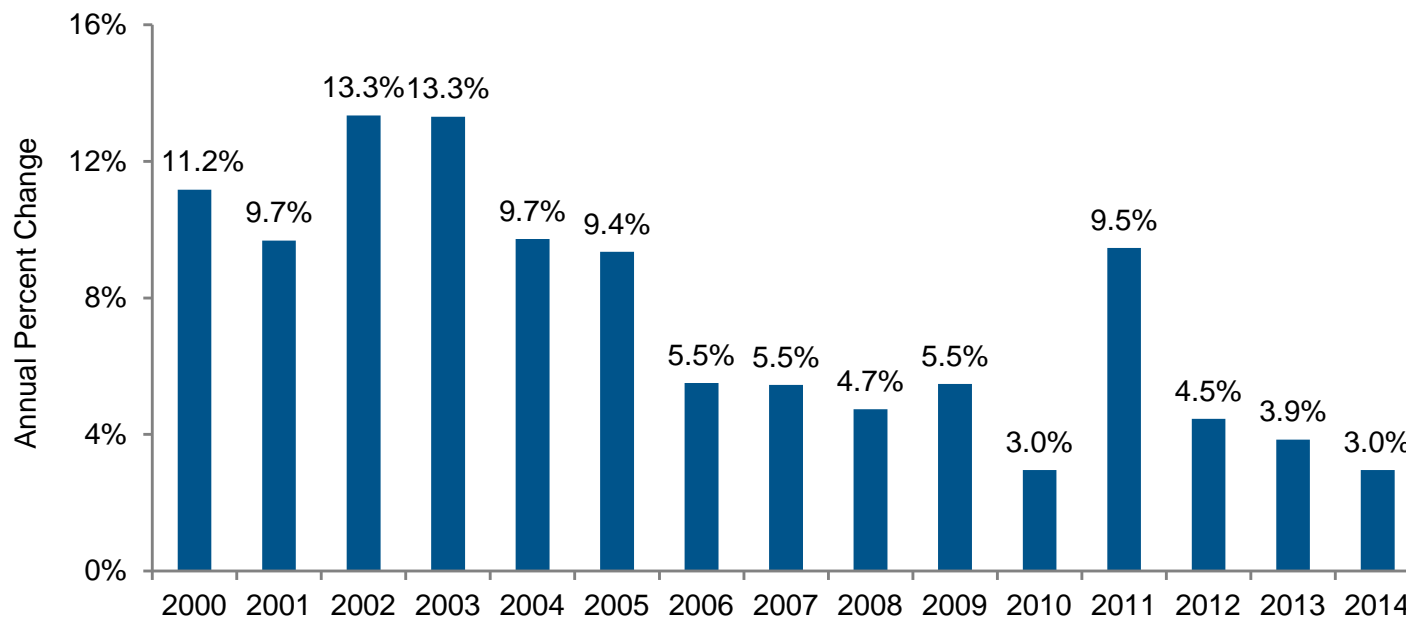
Source: Centers for Medicare & Medicaid Services, Office of the Actuary. Medicaid Managed Care Enrollment Report as of July 1, 2011.

Chart 1.26: Percentage of Medicaid Beneficiaries Enrolled in Medicaid Managed Care by State, 2011



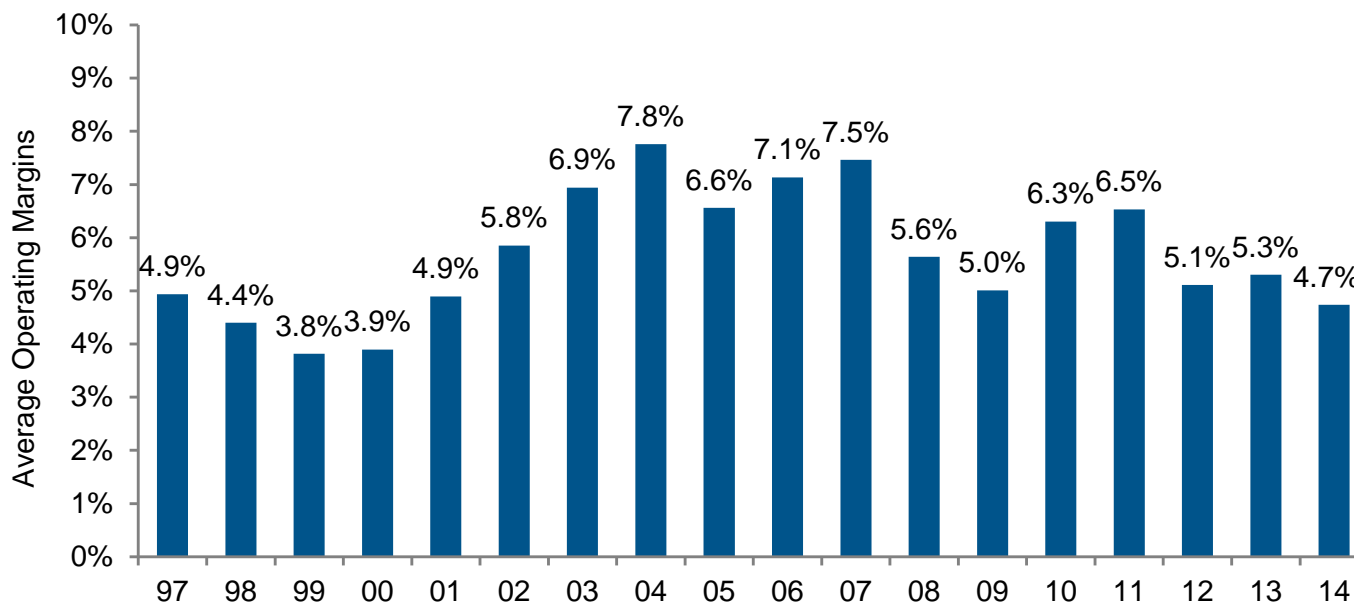
Source: Centers for Medicare & Medicaid Services, Office of the Actuary. Medicaid Managed Care Enrollment Report as of July 1, 2011.

Chart 1.27: Annual Change in Health Insurance Premiums, 2000 – 2014



Source: The Kaiser Family Foundation and Health Research and Educational Trust. Data released 2014.
Link: <http://kff.org/health-costs/report/2014-employer-health-benefits-survey>.

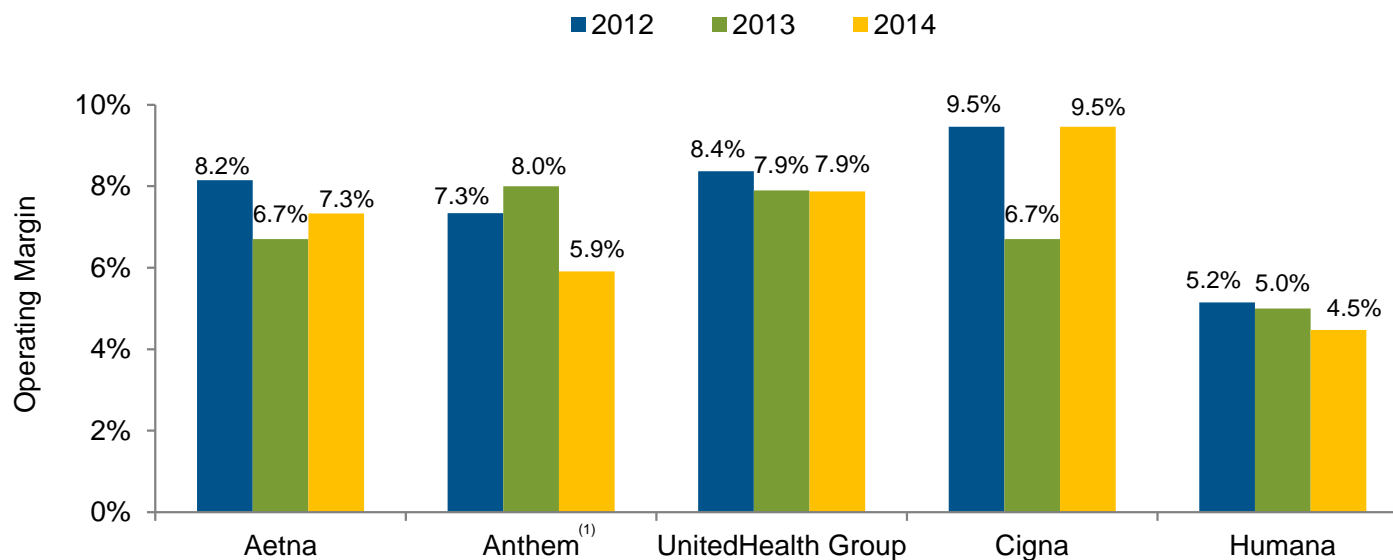
Chart 1.28: Managed Care Plan Average Operating Margins,⁽¹⁾ 1997 – 2014



Source: YCharts data used for 2014. Company documents of publicly traded managed care plans used for 1997 – 2013.

⁽¹⁾ Represents earnings before interest and taxes over net revenues for the total service lines of the 11 largest publicly traded managed care plans.

Chart 1.29: Operating Margins of the Top Insurers, 2012 – 2014



Source: YCharts data used for 2014. Data from FactSet Research Systems Inc. used in 2012, 2013, and earlier years' Chartbooks.

(1) Wellpoint in 2014 and earlier years' Chartbooks. In December 2014, Wellpoint changed its name to Anthem.