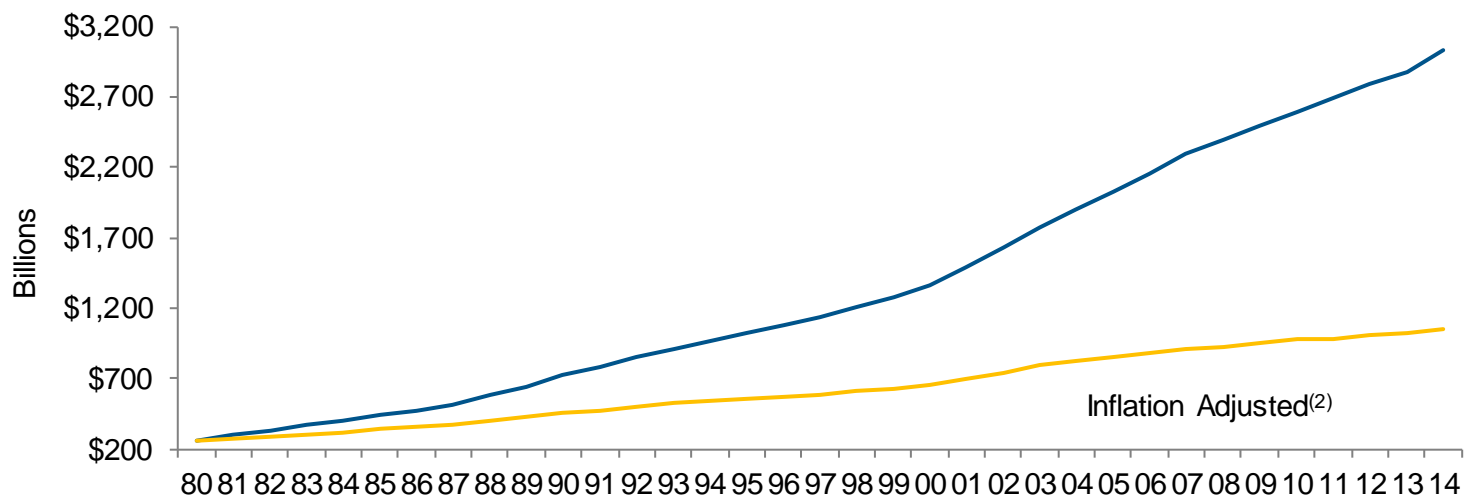


# CHAPTER 1

Trends in the Overall  
Health Care Market

### Chart 1.1: Total National Health Expenditures, 1980 – 2014<sup>(1)</sup>

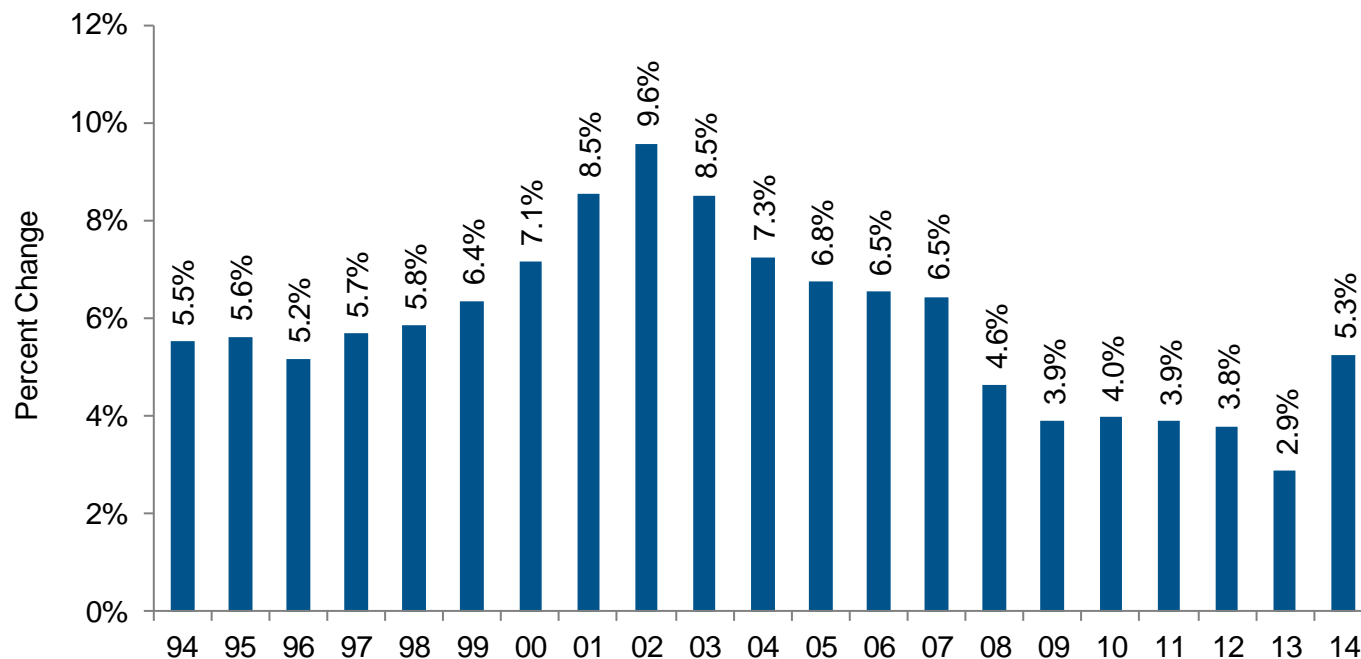


Source: Centers for Medicare & Medicaid Services, Office of the Actuary. Data released December 3, 2015.

<sup>(1)</sup> 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>.

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

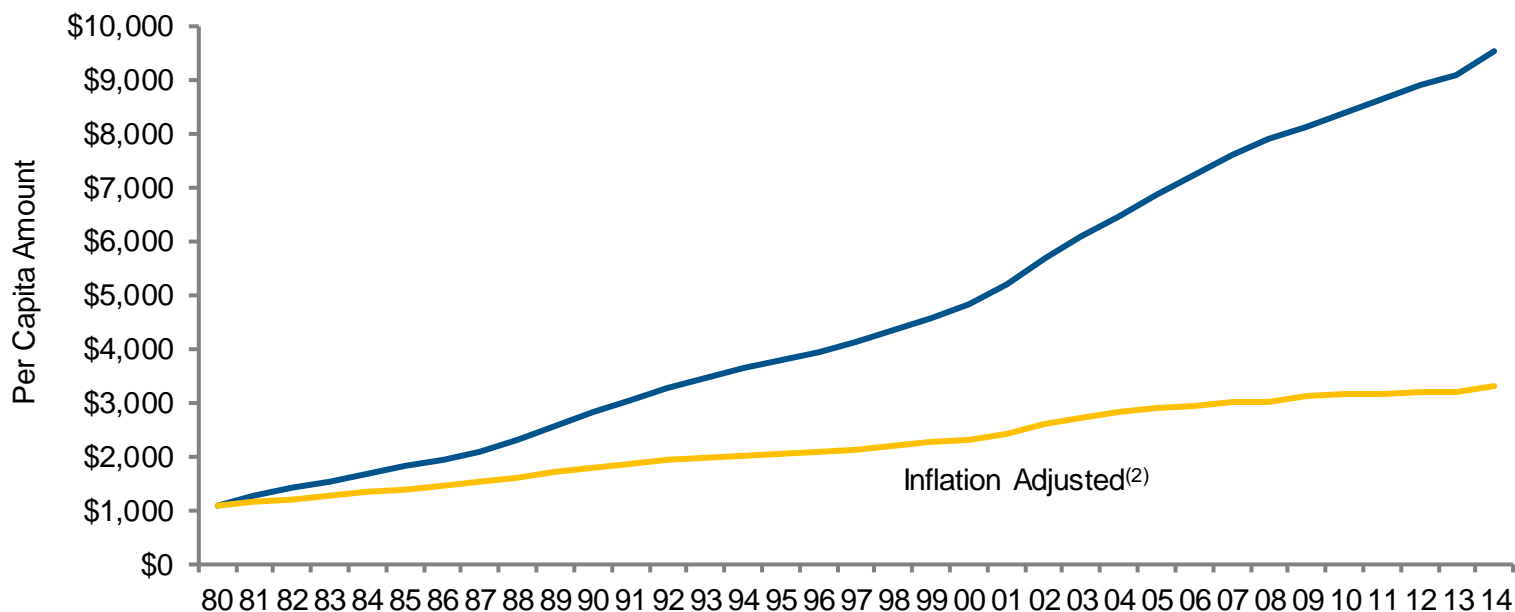
### Chart 1.2: Percent Change in Total National Health Expenditures, 1994 – 2014<sup>(1)</sup>



Source: Centers for Medicare & Medicaid Services, Office of the Actuary. Data released December 3, 2015.

<sup>(1)</sup> 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 – 2014<sup>(1)</sup>

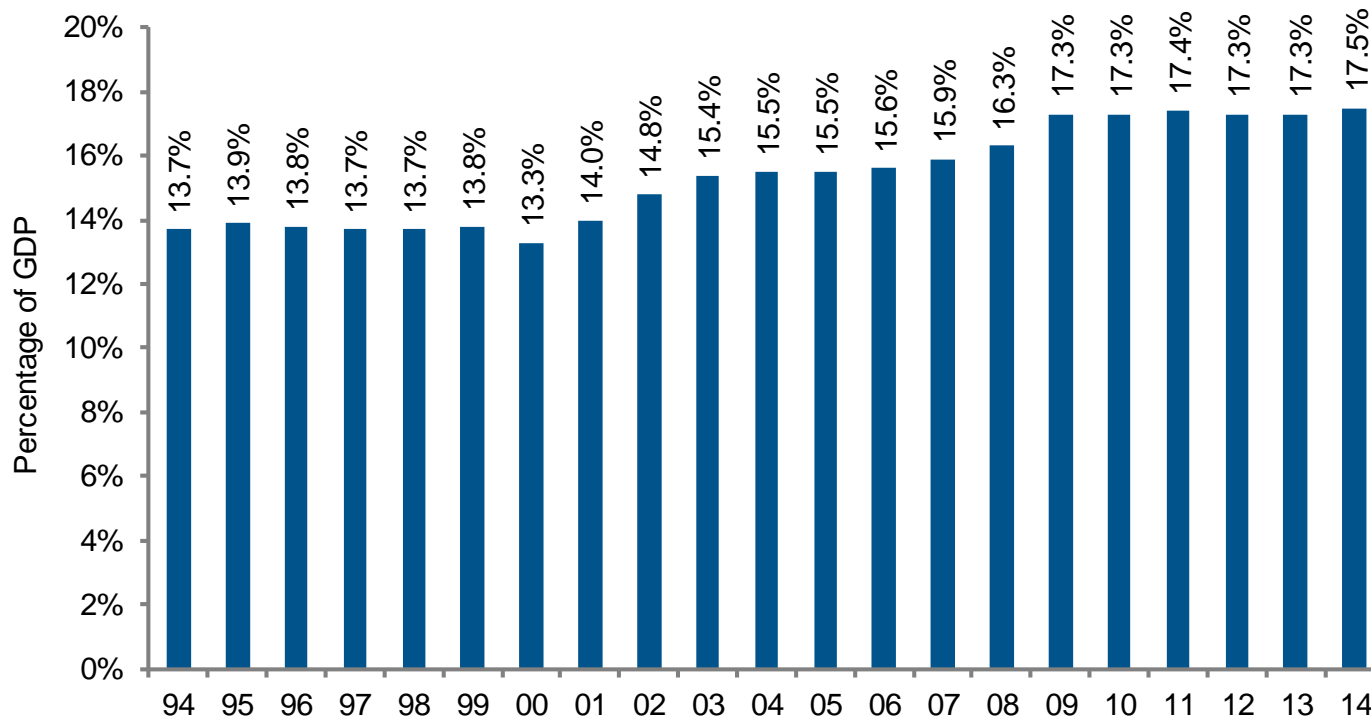


Source: Centers for Medicare & Medicaid Services, Office of the Actuary. Data released December 3, 2015.

<sup>(1)</sup> 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>.

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

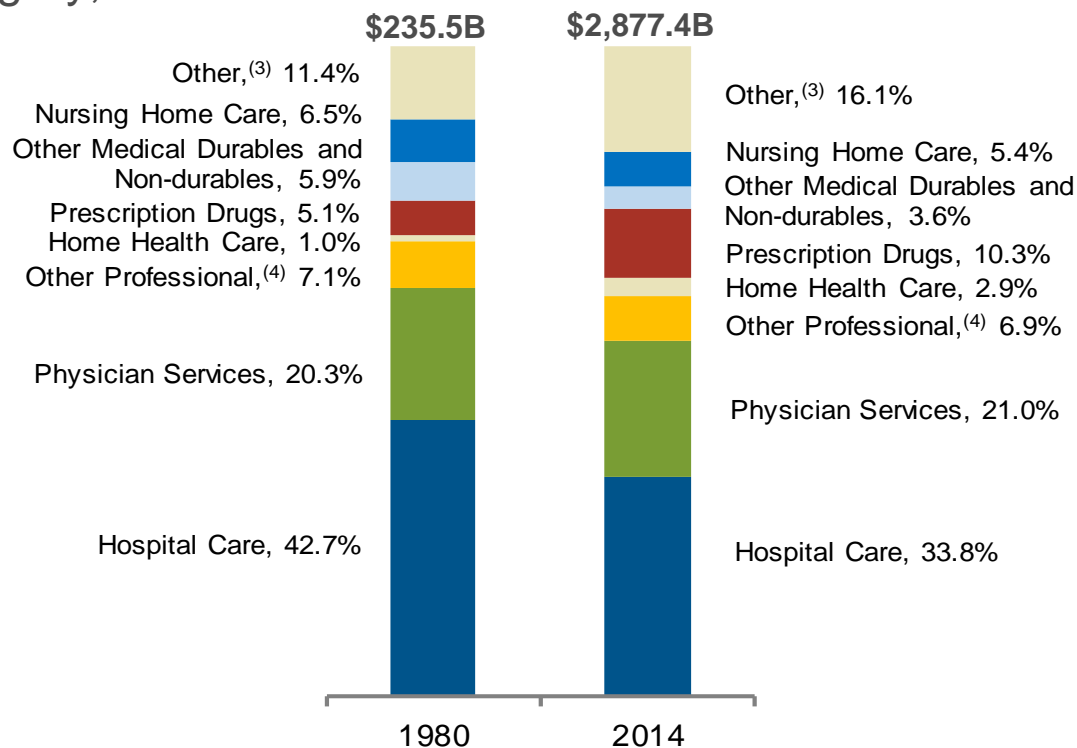
### Chart 1.4: National Health Expenditures as a Percentage of Gross Domestic Product, 1994 – 2014<sup>(1)</sup>



Source: Centers for Medicare & Medicaid Services, Office of the Actuary. Data released December 3, 2015.

<sup>(1)</sup> 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<sup>(1)</sup> by Category, 1980 and 2014<sup>(2)</sup>



Source: Centers for Medicare & Medicaid Services, Office of the Actuary. Data released December 3, 2015.

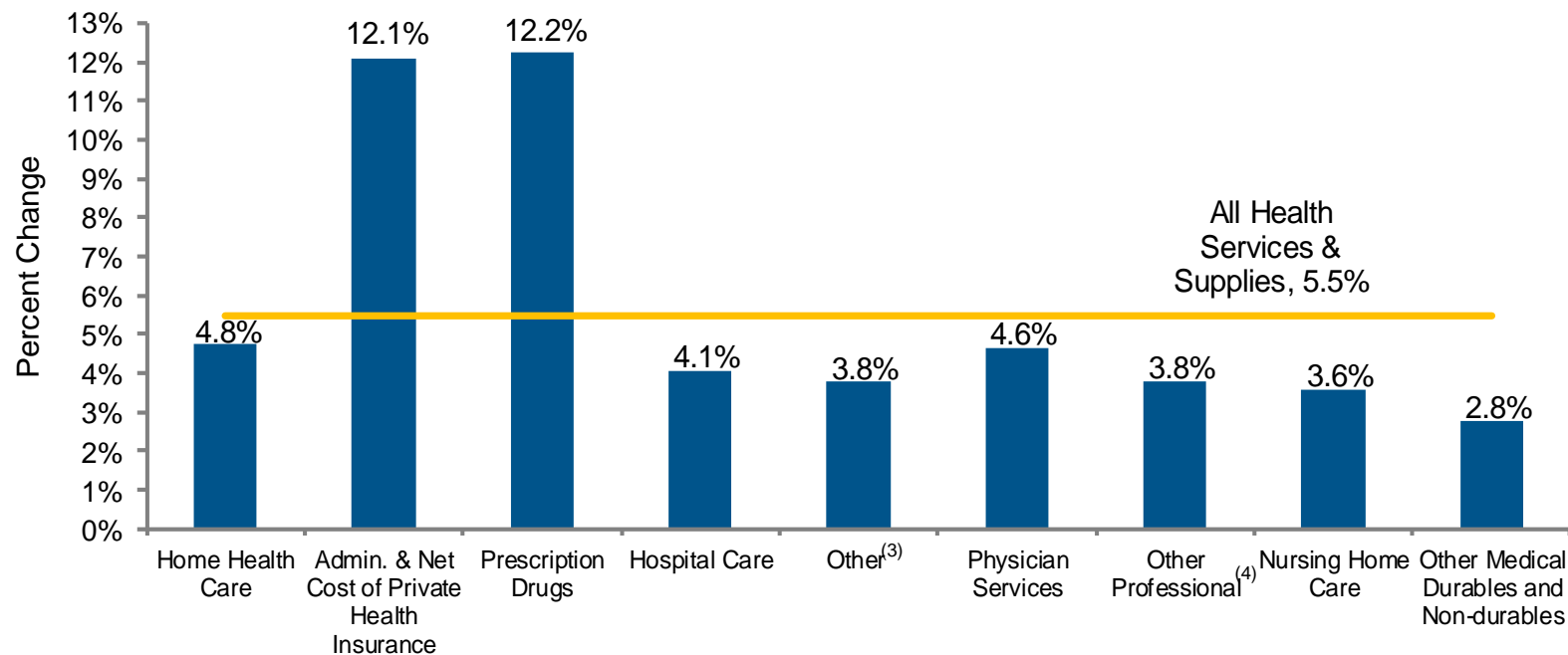
(1) Excludes medical research and medical facilities construction.

(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<sup>(1)</sup> by Category, 2013 – 2014<sup>(2)</sup>



Source: Centers for Medicare & Medicaid Services, Office of the Actuary. Data released December 3, 2015.

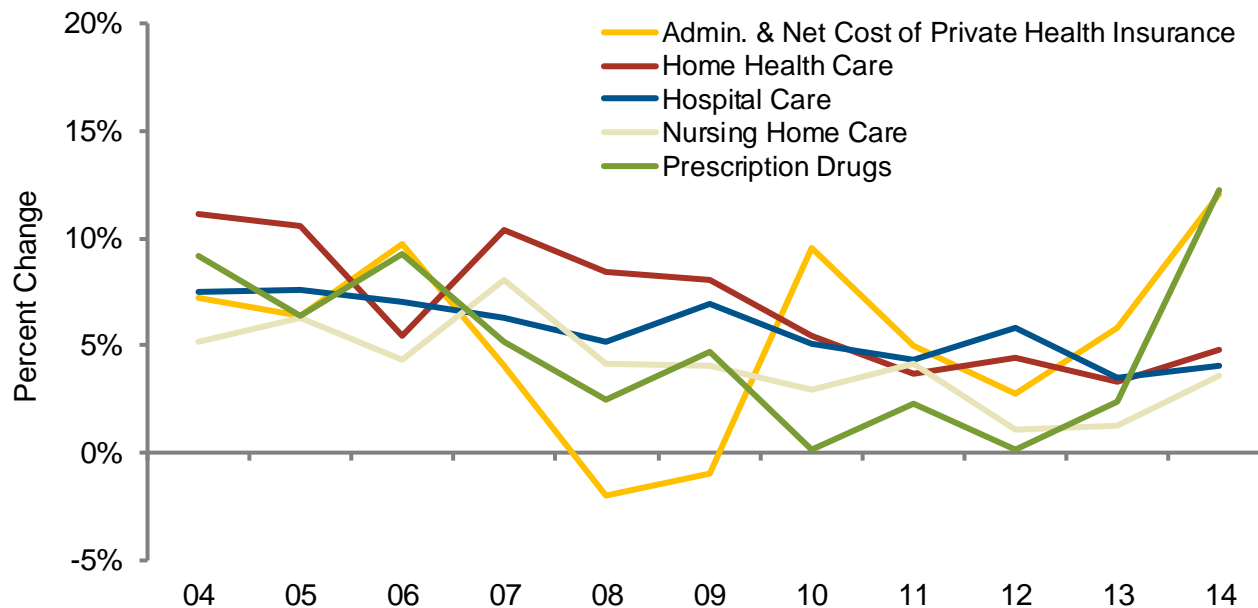
(1) Excludes medical research and medical facilities construction.

(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, 2004 – 2014<sup>(1)</sup>

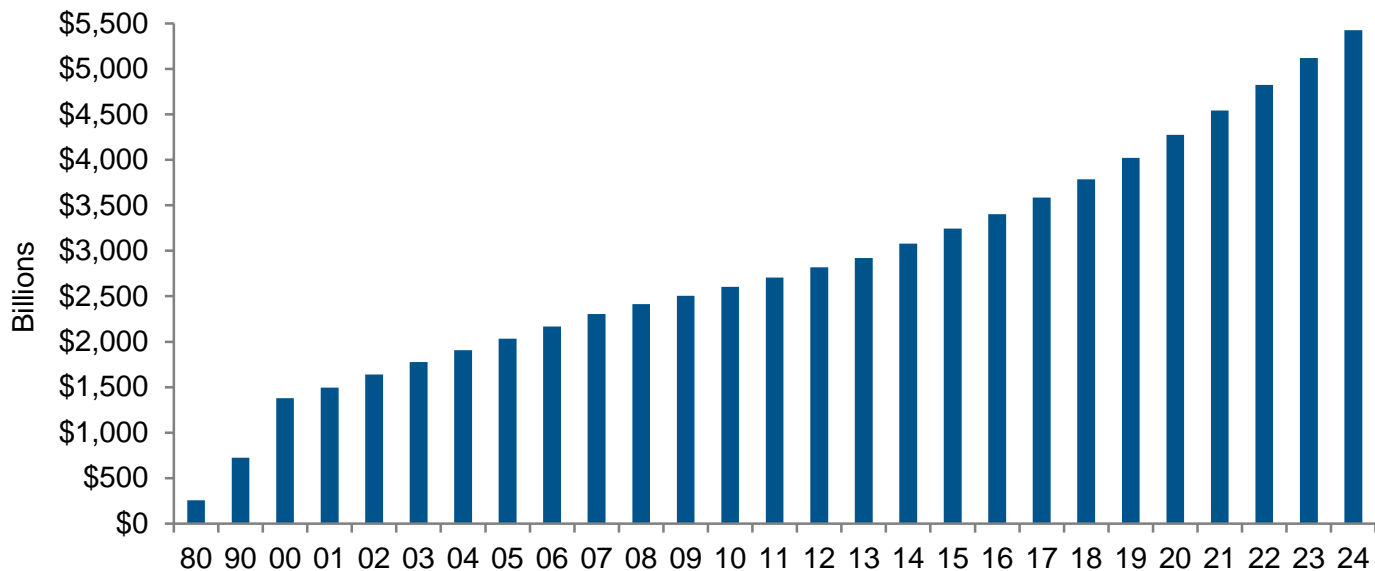


Source: Centers for Medicare & Medicaid Services, Office of the Actuary. Data released December 3, 2015.

<sup>(1)</sup> 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,<sup>(1)</sup> 1980 – 2024<sup>(2)</sup>

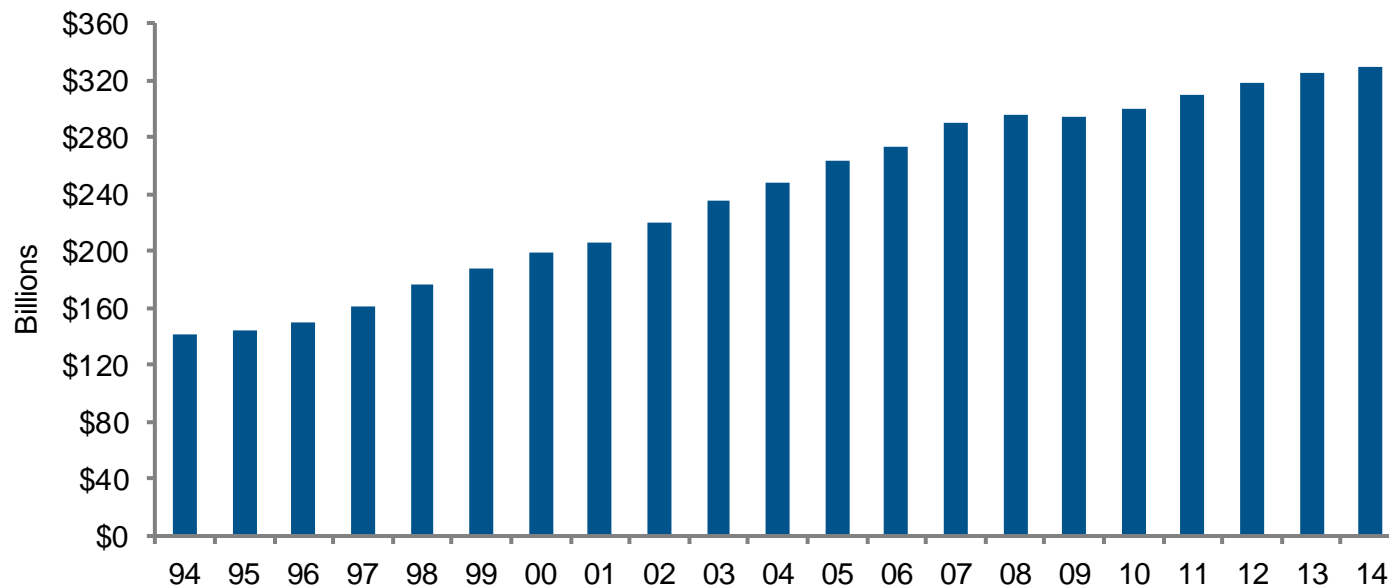


Source: Centers for Medicare & Medicaid Services, Office of the Actuary. Data released July 2015.

(1) Years 2014 – 2024 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>.

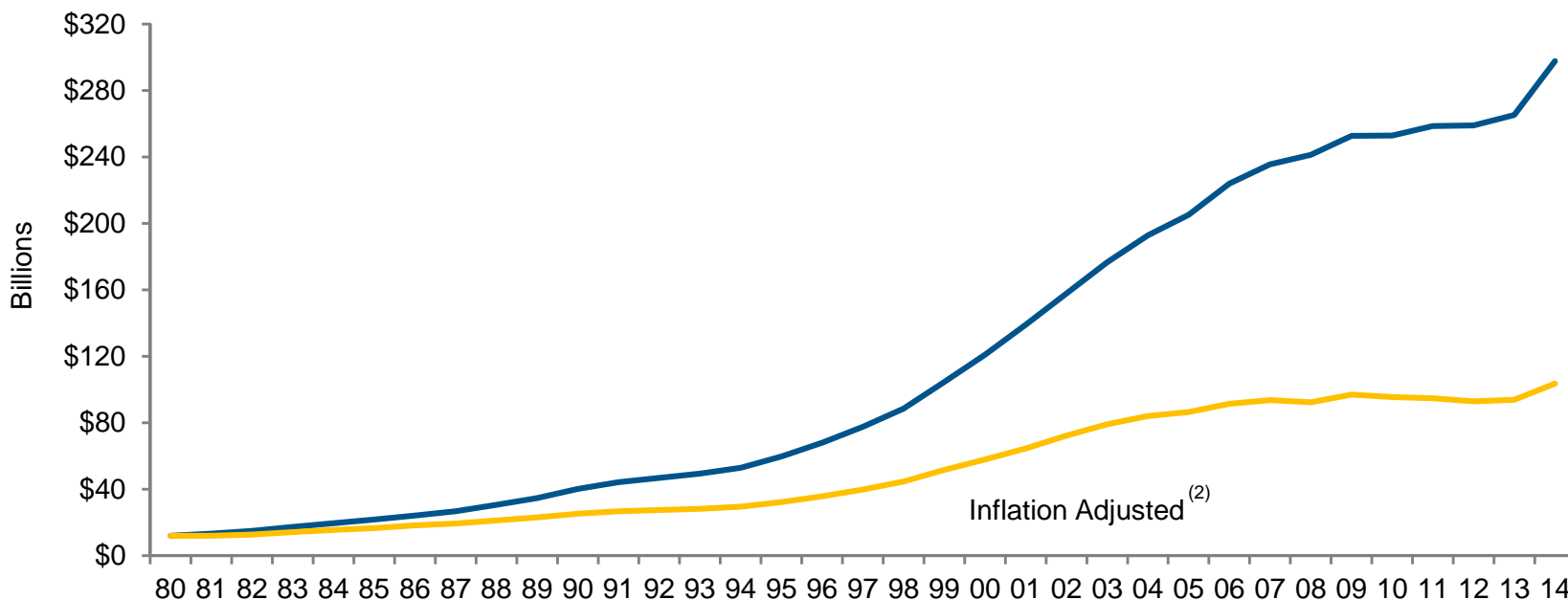
### Chart 1.9: Consumer Out-of-pocket Payments for National Health Expenditures, 1994 – 2014<sup>(1)</sup>



Source: Centers for Medicare & Medicaid Services, Office of the Actuary. Data released December 3, 2015.

<sup>(1)</sup> 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 – 2014<sup>(1)</sup>

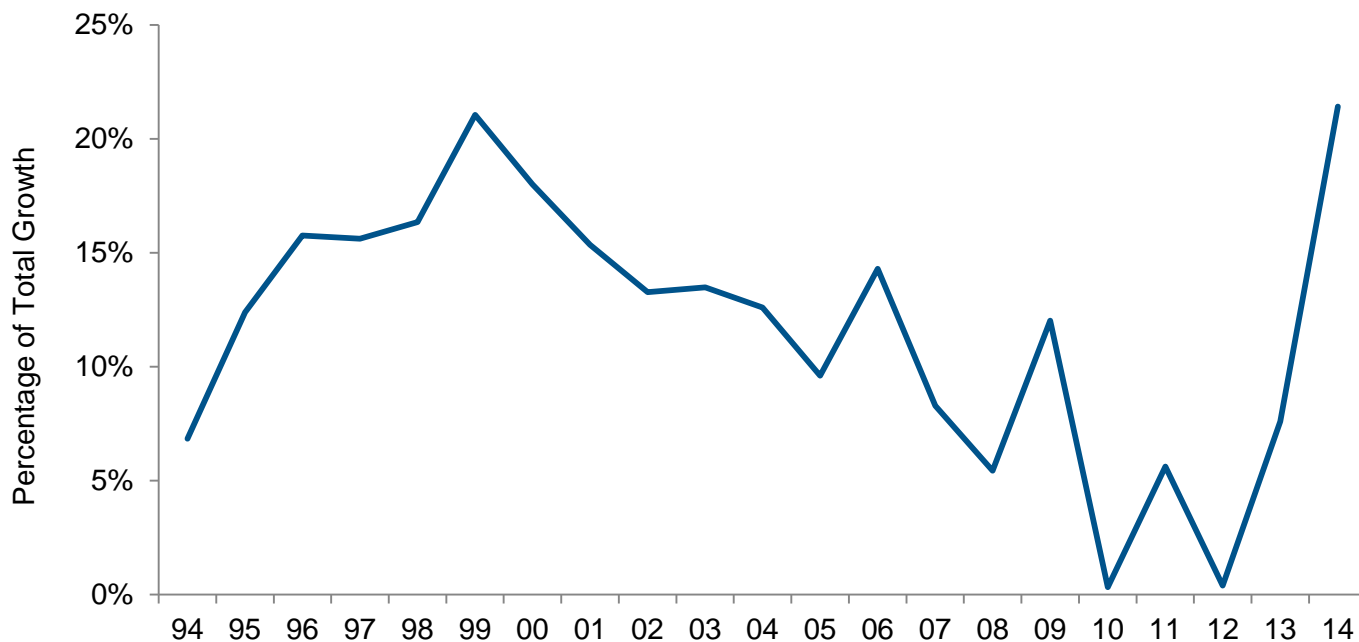


Source: Centers for Medicare & Medicaid Services, Office of the Actuary. Data released December 3, 2015.

<sup>(1)</sup> 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>.

<sup>(2)</sup> Expressed in 1980 dollars; adjusted using the overall Consumer Price Index for All Urban Consumers.

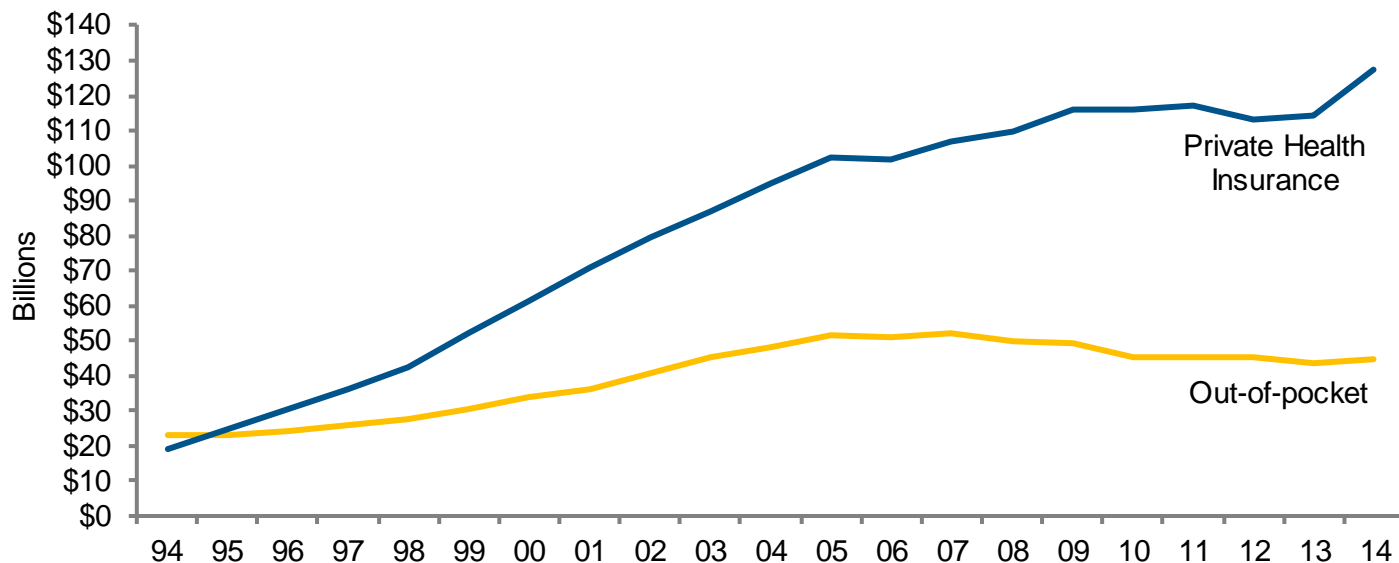
### Chart 1.11: Growth in Total Prescription Drug Spending as a Percentage of Total Growth in National Health Expenditures, 1994 – 2014<sup>(1)</sup>



Source: Centers for Medicare & Medicaid Services, Office of the Actuary. Data released December 3, 2015.

<sup>(1)</sup> 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>.

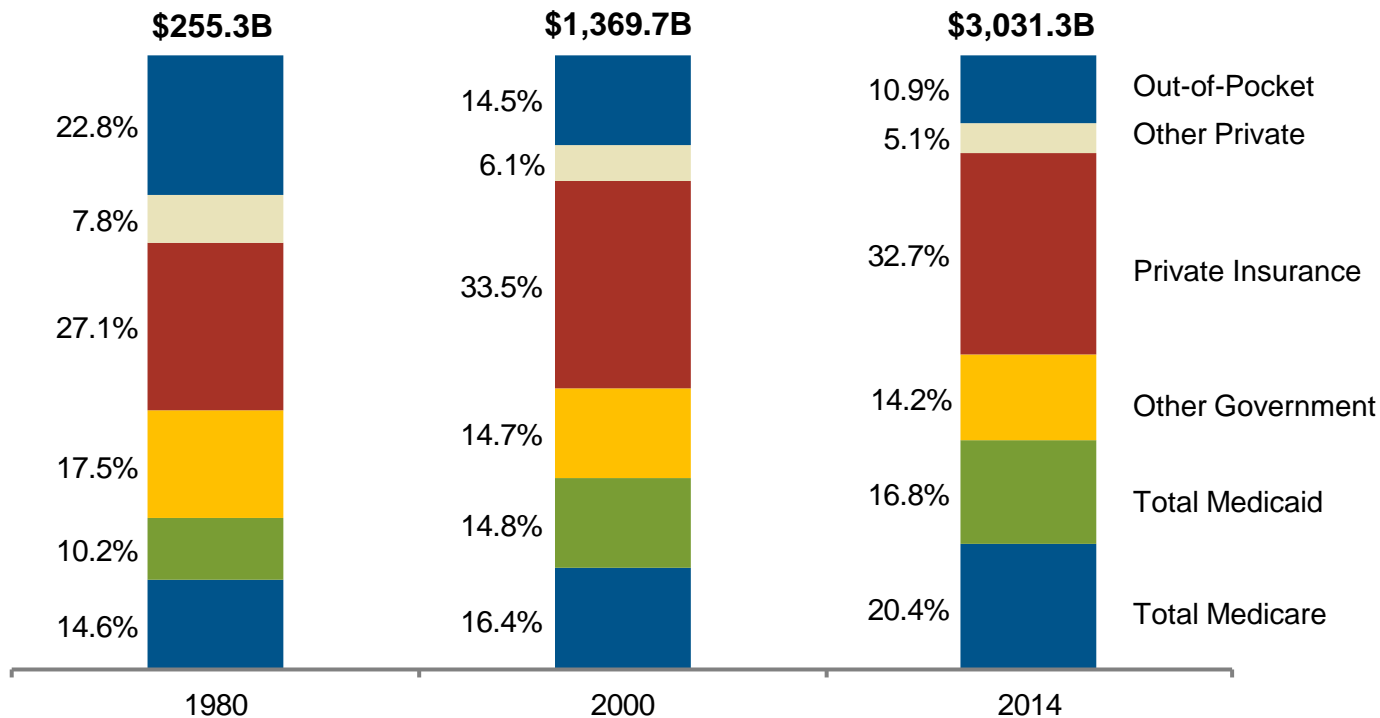
### Chart 1.12: Consumer Out-of-pocket Spending vs. Private Health Insurance Spending for Prescription Drugs, 1994 – 2014<sup>(1)</sup>



Source: Centers for Medicare & Medicaid Services, Office of the Actuary. Data released December 3, 2015.

<sup>(1)</sup> 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>.

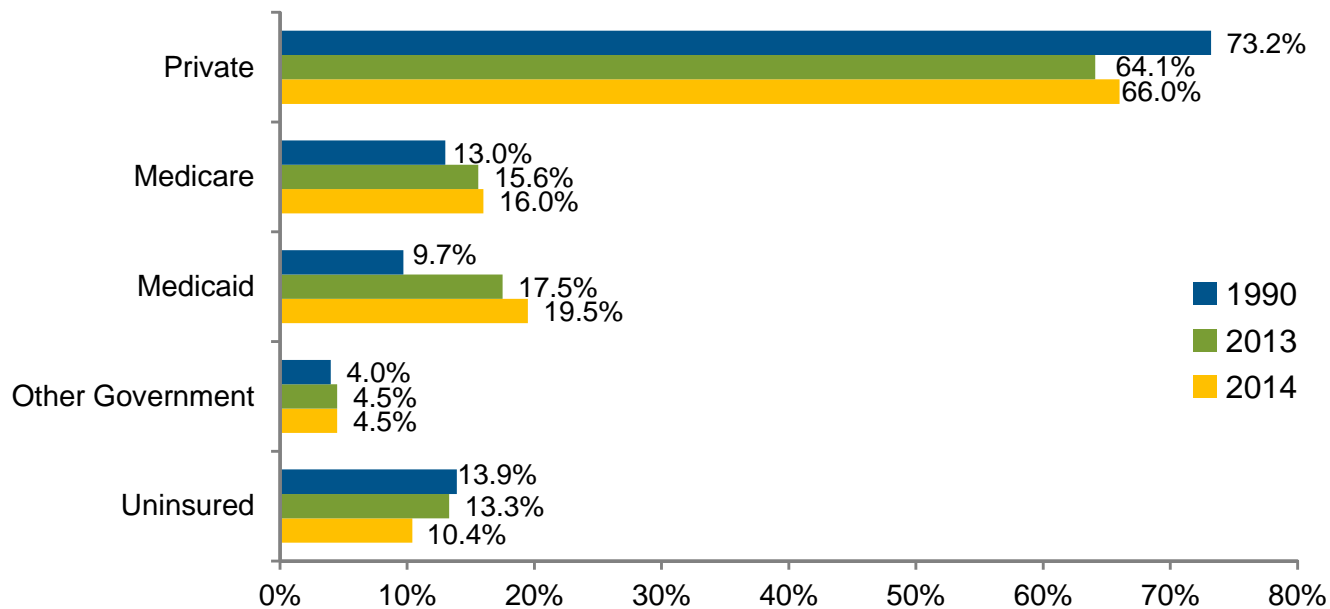
Chart 1.13: Distribution of National Health Expenditures by Source of Payment, 1980, 2000, and 2014<sup>(1)</sup>



Source: Centers for Medicare & Medicaid Services, Office of the Actuary. Data released December 3, 2015.

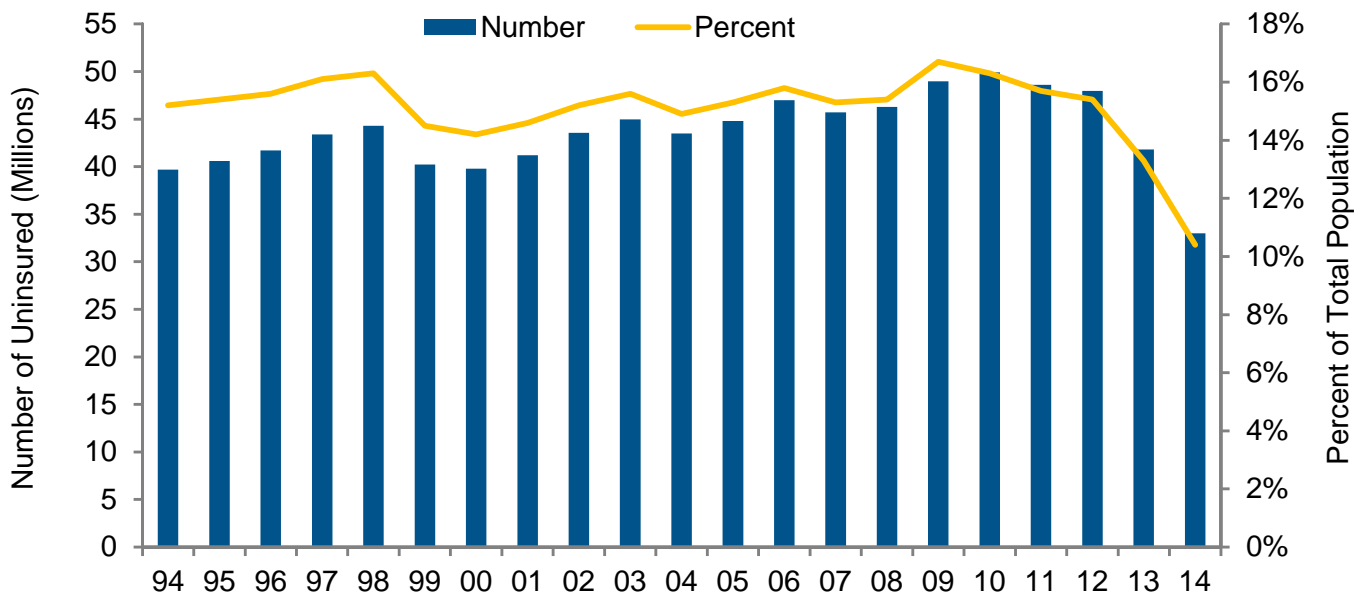
<sup>(1)</sup> CMS completed a benchmark revision in 2009, introducing changes in methods, definitions and source data that are applied to the entire time series (back to 1960). For more information on this revision, see <http://www.cms.gov/nationalhealthexpenddata/downloads/benchmark2009.pdf>.

### Chart 1.14: Distribution of Health Insurance Coverage, Percentage of Population Covered by Payer, 1990, 2013, and 2014



Source: US Census Bureau, Current Population Survey, 2015 Annual and Social Economic Supplement. Data released September 2015. Table HI01. Health Insurance Coverage Status and Type of Coverage by Selected Characteristics: 2014. <http://www.census.gov/hhes/www/hlthins/data/incpovhlth/2014/index.html>.

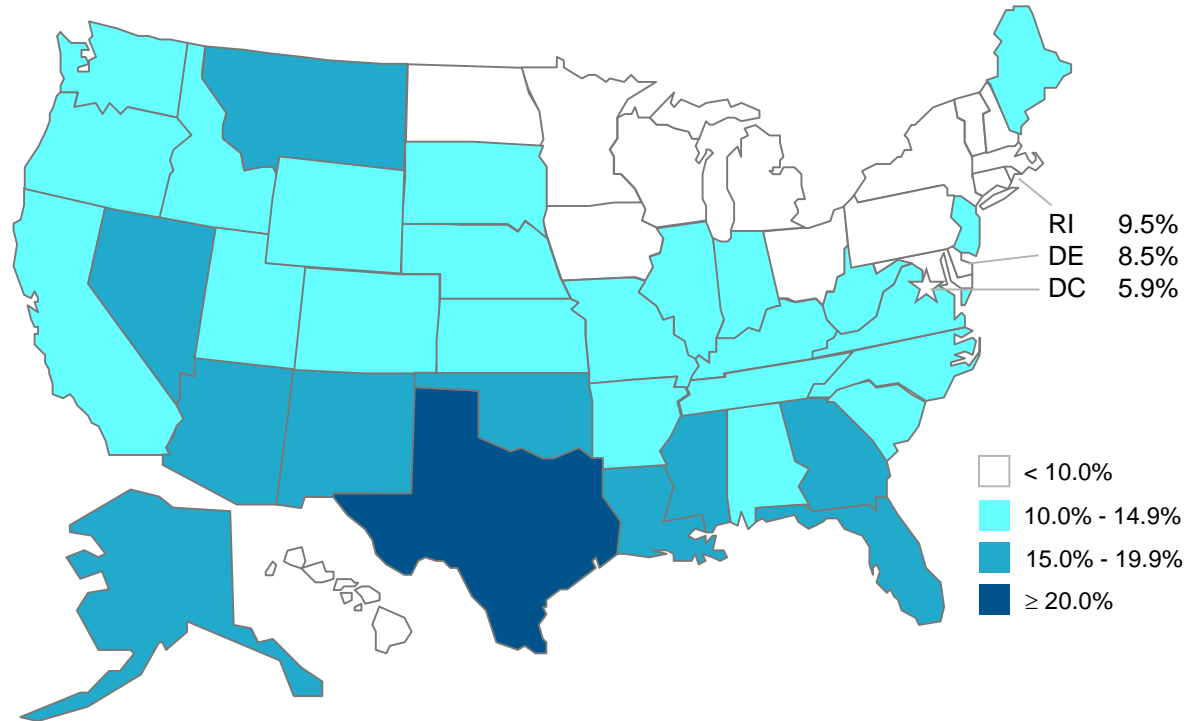
### Chart 1.15: Number and Percent Uninsured, 1994 – 2014



Source: US Census Bureau, Health Insurance Coverage in the United States: 2014. Data released September 2015. Figure 1. Uninsured Rate 2008 to 2014. Link: <https://www.census.gov/content/dam/Census/library/publications/2015/demo/p60-253.pdf>.

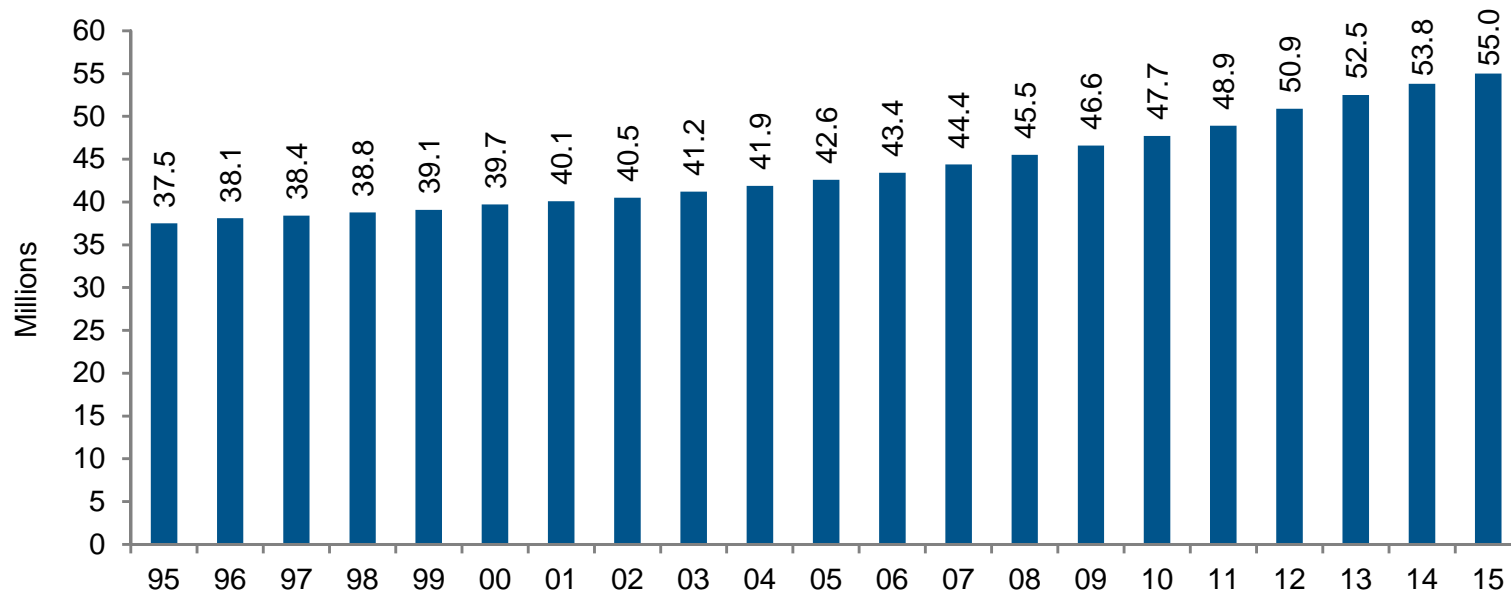


### Chart 1.16: Average Percent Uninsured by State, 2013 – 2014



Source: US Census Bureau, Health Insurance in the United States: 2014. Data released September 2015.  
Link: <https://www.census.gov/content/dam/Census/library/publications/2015/demo/p60-253.pdf>.

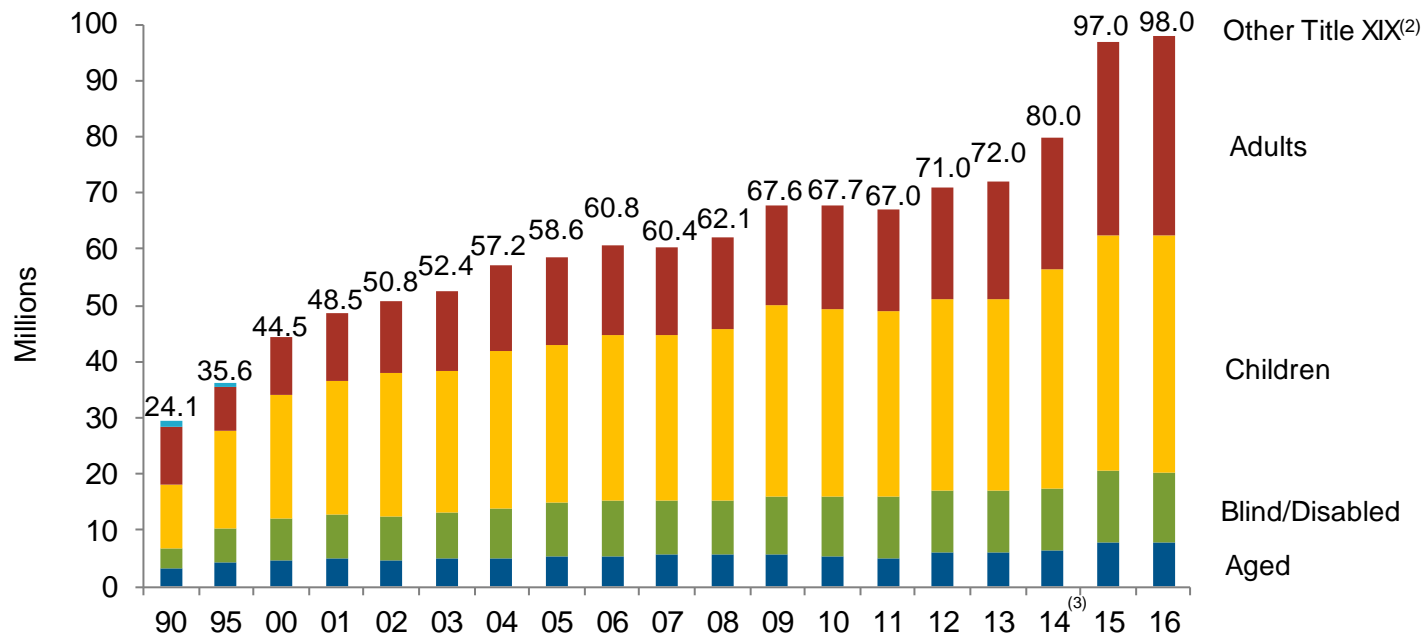
### Chart 1.17: Medicare Enrollees,<sup>(1)</sup> 1995 – 2015



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 – 2015).

<sup>(1)</sup> 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,<sup>(1)</sup> 1990, 1995, 2000 – 2016



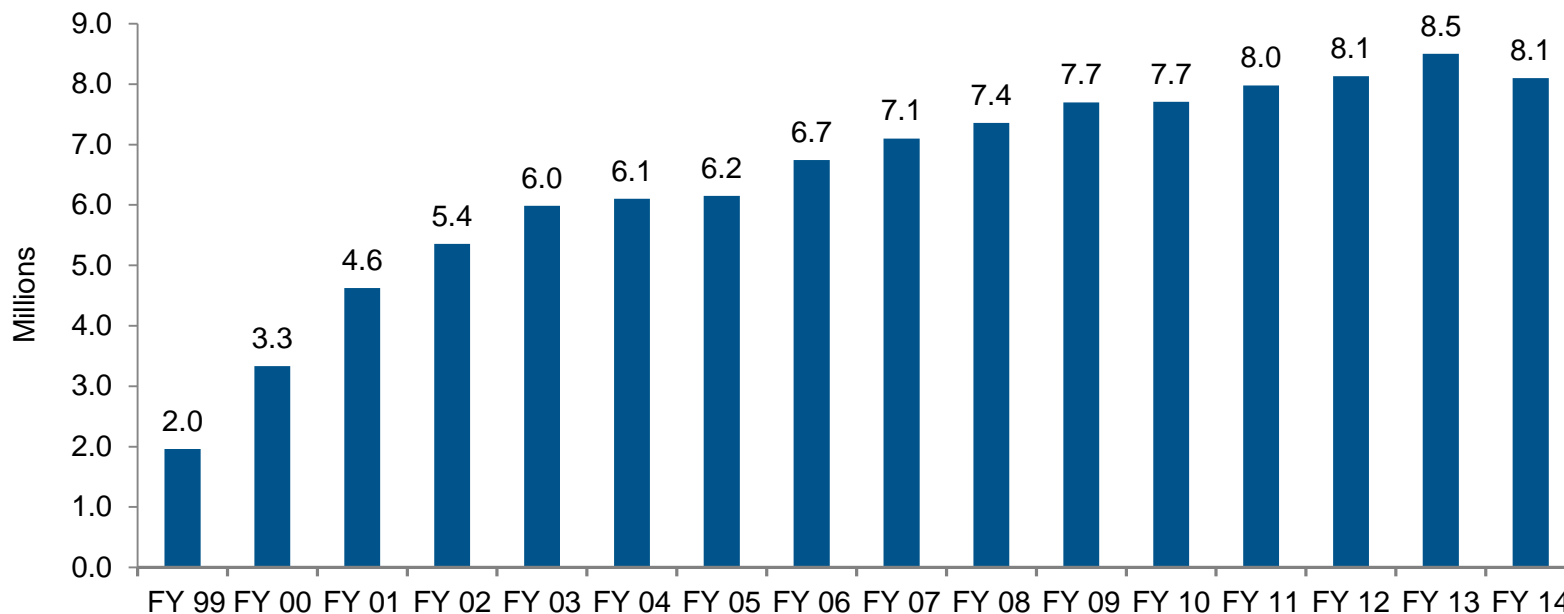
Source: Congressional Budget Office. Data released March 2016. Detail of Spending and Enrollment for CBO's March 2016 Baseline: Medicaid. Link: <https://www.cbo.gov/sites/default/files/51301-2016-03-Medicaid.pdf>.

(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.

(3) For 2014 onward, CBO changed from reporting annual enrollment to average monthly enrollment. Therefore, category values are derived from the total ever enrolled.

Chart 1.19: National CHIP Enrollment,<sup>(1,2)</sup> FY 1999 – FY 2014

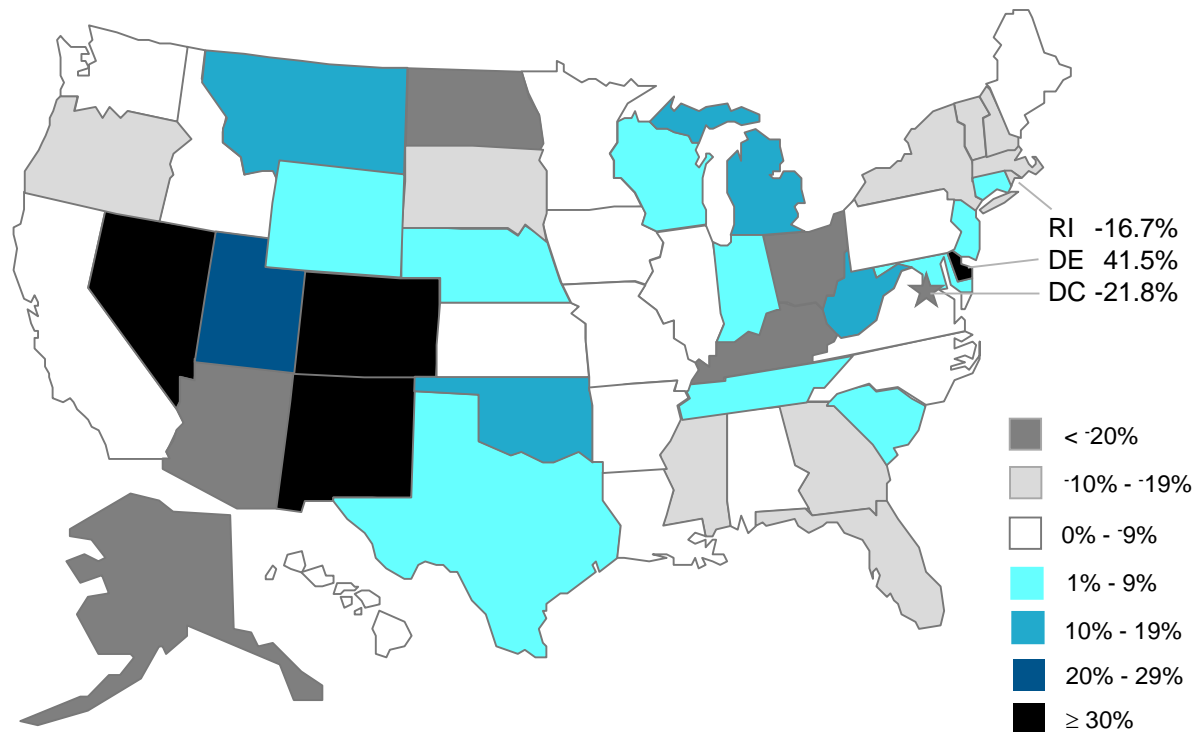


Source: Centers for Medicare & Medicaid Services. Data released July 2015. Number of Children Ever Enrolled by Program Type. Link: <http://www.medicaid.gov/chip/downloads/fy-2014-childrens-enrollment-report.pdf>.

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

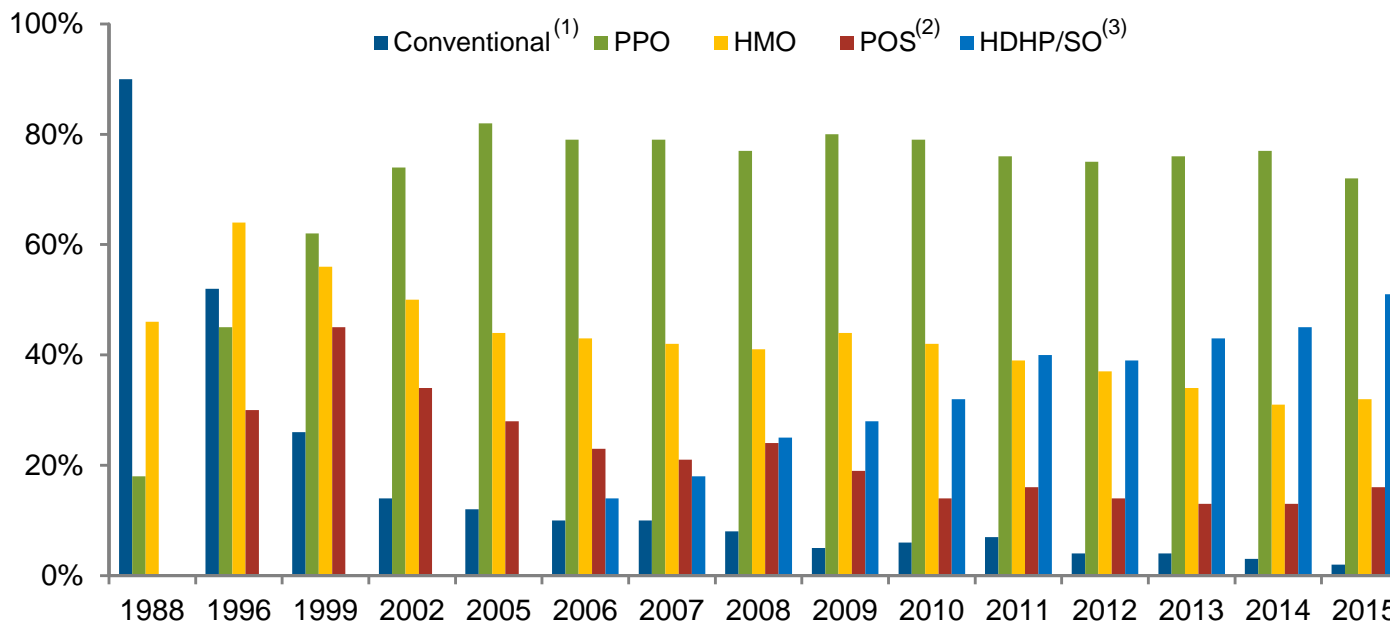
(2) 2009 figure reflects revised data released by Centers for Medicare & Medicaid Services on February 1, 2011.

### Chart 1.20: Percent Change in CHIP Enrollment by State, FY 2013 – FY 2014



Source: Centers for Medicare & Medicaid Services. Data released July 2015. Number of Children Ever Enrolled by Program Type. Link: <http://www.medicaid.gov/chip/downloads/fy-2014-childrens-enrollment-report.pdf>.

### Chart 1.21: Percentage of Employees with Employer-based Coverage Who Can Choose Conventional, PPO, HMO, POS and, HDHP/SO Plans, 1988 – 2015



Source: The Kaiser Family Foundation and Health Research and Educational Trust. Data Released 2015. Employer Health Benefits: 1999, 2002, 2006, 2007, 2008, 2009, 2010, 2011, 2012, 2013, 2014 and 2015.

Link: <http://kff.org/report-section/ehbs-2015-section-four-types-of-plans-offered/>.

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

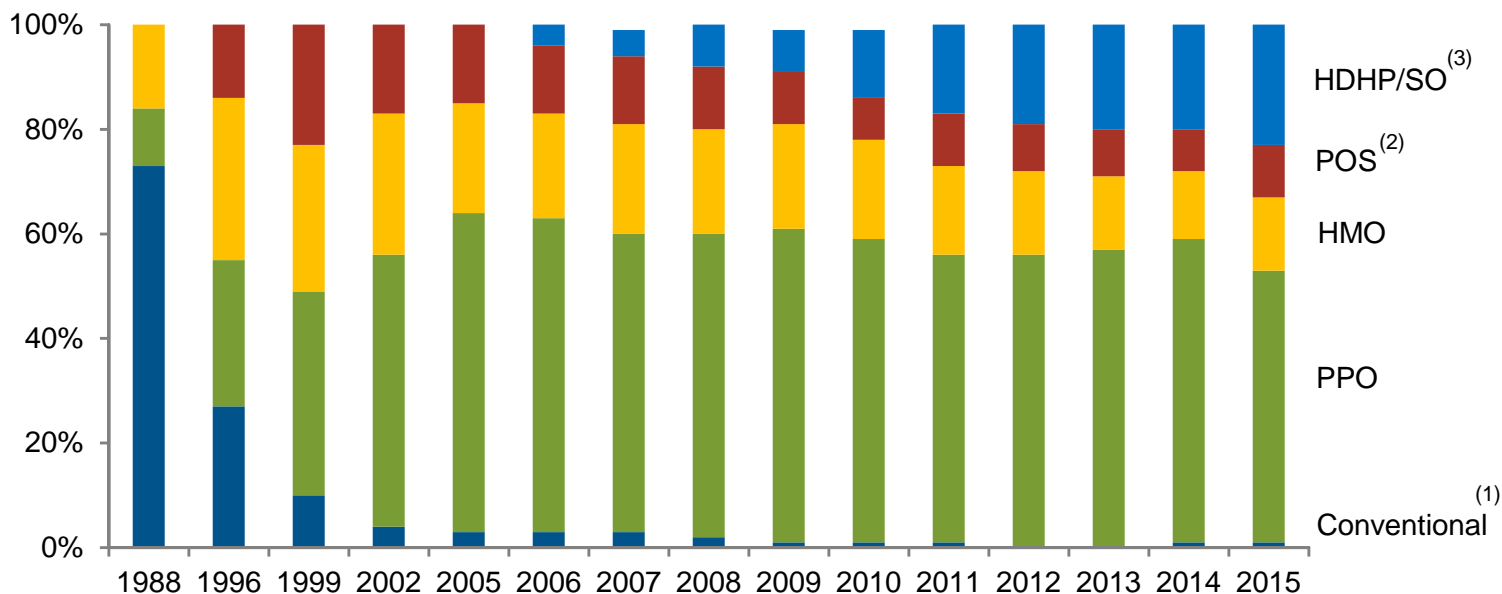
PPO: Preferred Provider Organization; HMO: Health Maintenance Organization

(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 – 2015



Source: The Kaiser Family Foundation and Health Research and Educational Trust. Data Released 2015. Employer Health Benefits: 1999, 2002, 2005, 2006, 2007, 2008, 2009, 2010, 2011, 2012, 2013, 2014 and 2015.

Link: <http://kff.org/report-section/ehbs-2015-section-five-market-shares-of-health-plans/>.

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

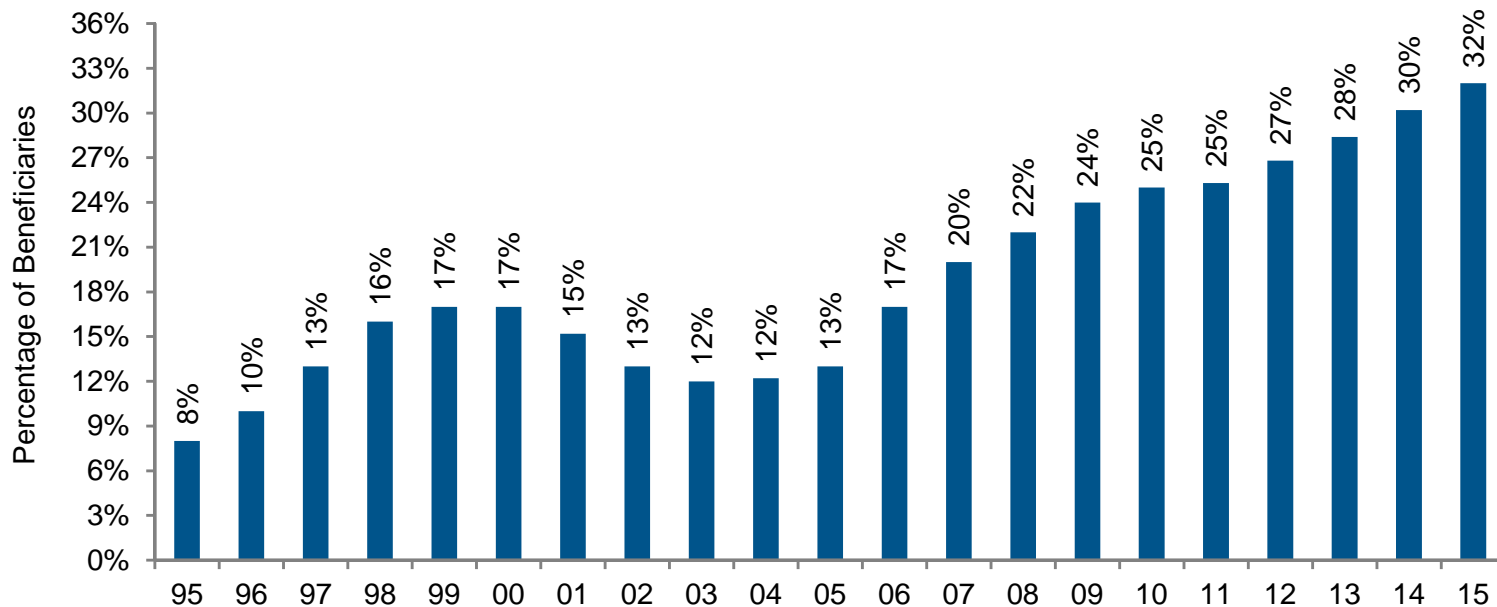
PPO: Preferred Provider Organization; HMO: Health Maintenance Organization

(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.

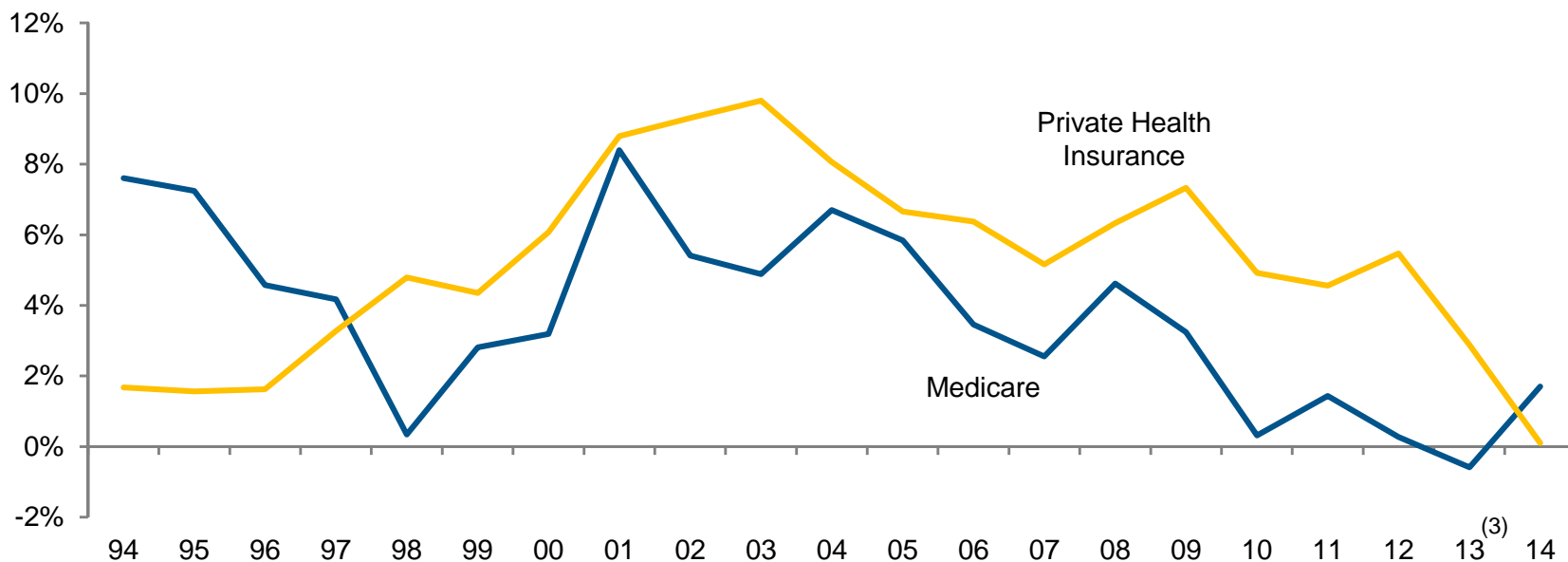
### Chart 1.23: Percentage of Medicare Beneficiaries Enrolled in Medicare Managed Care, 1995 – 2015



Source: Centers for Medicare & Medicaid Services, Office of the Actuary. Email correspondence with CMS staff in February 2016.



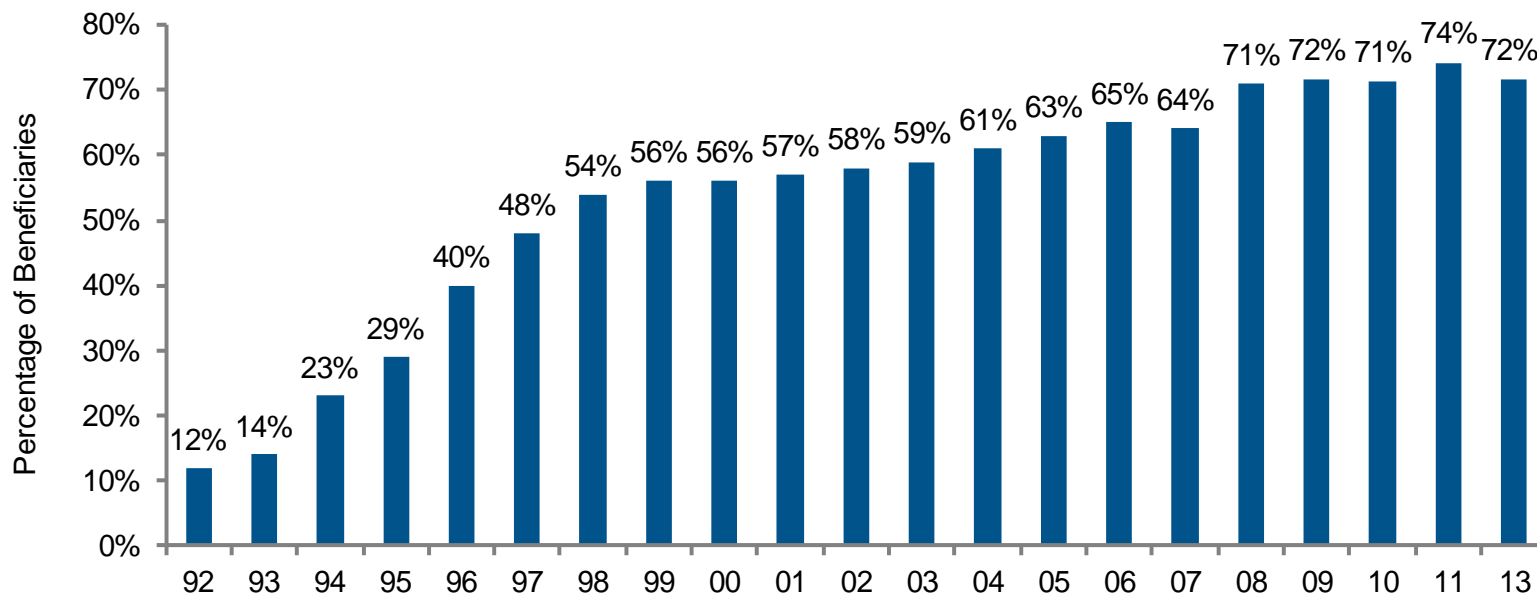
Chart 1.24: Percent Growth in Medicare Spending per Beneficiary vs. Private Health Insurance Spending per Enrollee, 1994 – 2014<sup>(1,2)</sup>



Source: Centers for Medicare & Medicaid Services, Office of the Actuary. Data released December 3, 2015.

- (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.
- (3) CMS no longer includes the National Health Expenditure (NHE) table used to calculate growth in Medicare spending from 1994-2013. Data for 2014 reflects calculations using current NHE tables as recommended by CMS in email correspondence.

### Chart 1.25: Percentage of Medicaid Beneficiaries Enrolled in Medicaid Managed Care, 1992 – 2011 and 2013

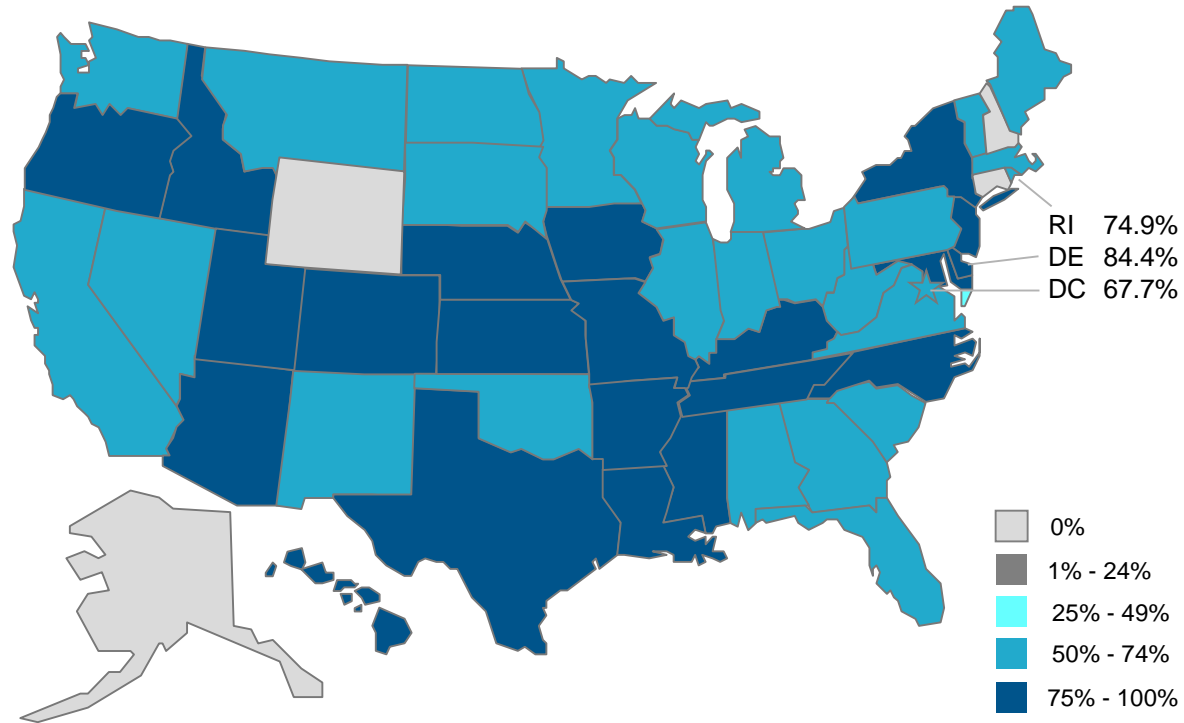


\*CMS has not released data for 2012 total Medicaid managed care enrollment.

Source: Centers for Medicare & Medicaid Services, Office of the Actuary. Medicaid Managed Care Enrollment Report released October 2015.

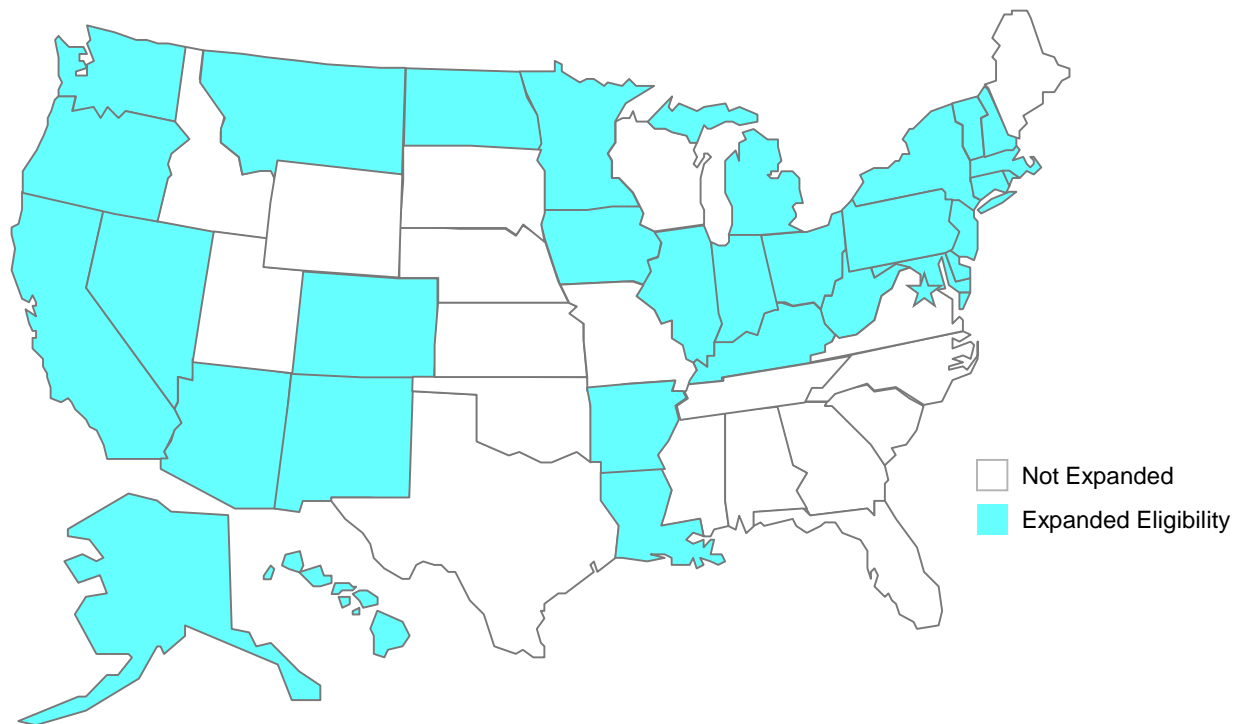
Link: <https://www.medicaid.gov/medicaid-chip-program-information/by-topics/data-and-systems/medicaid-managed-care/medicaid-managed-care-enrollment-report.html>.

### Chart 1.26: Percentage of Medicaid Beneficiaries Enrolled in Medicaid Managed Care by State, 2013



Source: Centers for Medicare & Medicaid Services, Office of the Actuary. Medicaid Managed Care Enrollment Report as of July 1, 2013.  
Link: <https://www.medicaid.gov/medicaid-chip-program-information/by-topics/data-and-systems/medicaid-managed-care/medicaid-managed-care-enrollment-report.html>.

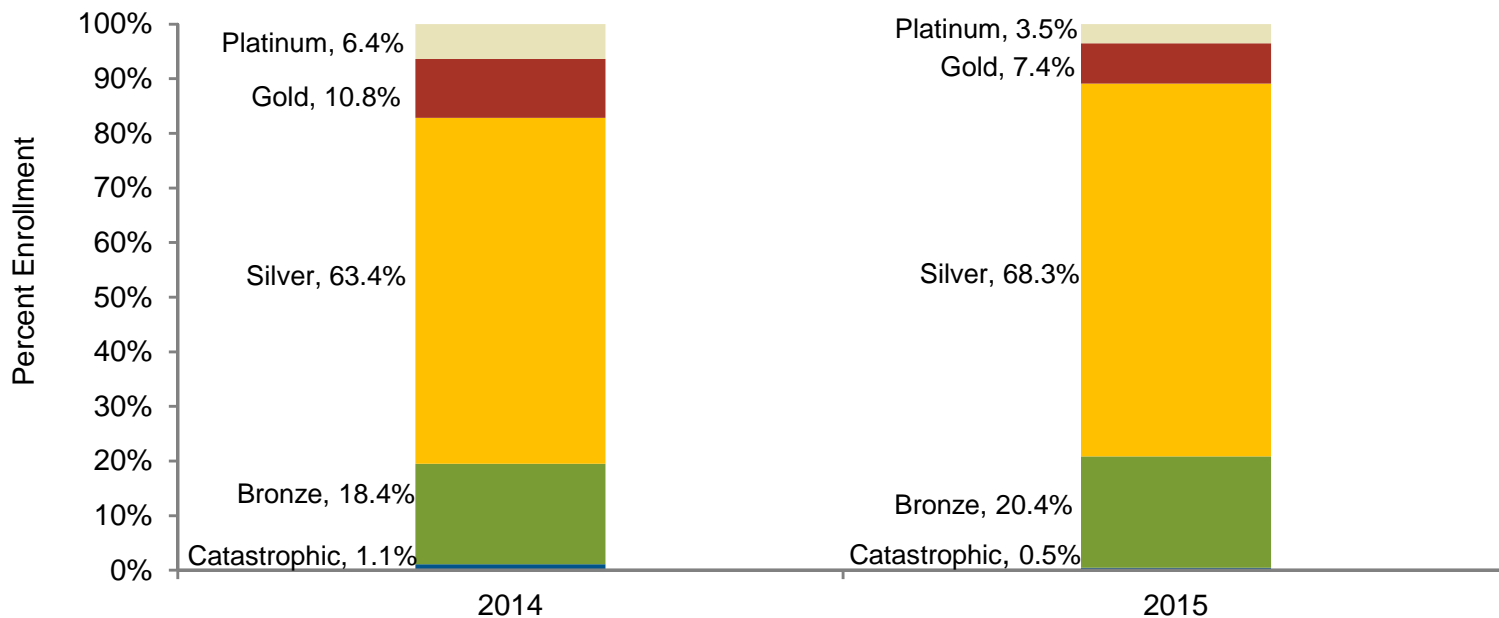
## Chart 1.27: Status of State Medicaid Expansion Decisions, 2016



Source: Kaiser Family Foundation. Data released March 2016. Current Status of State Medicaid Expansion Decisions.  
Link: <http://kff.org/health-reform/state-indicator/state-activity-around-expanding-medicaid-under-the-affordable-care-act/>.  
Chart added in Chartbook 2016.

Note: AR, IA, IN, MI, MT, and NH are pursuing alternative expansion models.

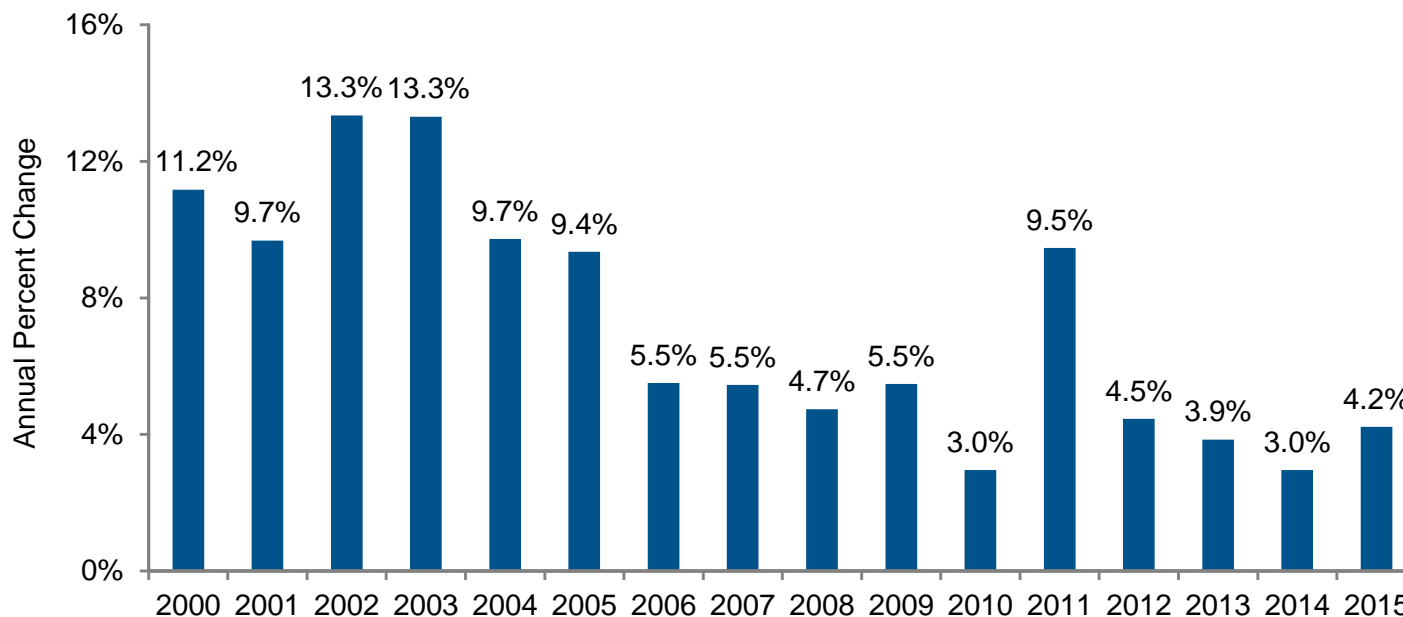
### Chart 1.28: Total Effectuated Enrollment in Health Insurance Marketplace by Metal Level



Source: 1. Centers for Medicare & Medicaid Services. Data released December 2015. Effectuated Enrollment Snapshot. Link: <https://www.cms.gov/Newsroom/MediaReleaseDatabase/Fact-sheets/2016-Fact-sheets-items/2016-03-11.html>. 2. ASPE Issue Brief. Health Insurance Marketplace 2015 Open Enrollment Period: December Enrollment Report. Data Released December 2014. Link: [https://aspe.hhs.gov/sites/default/files/pdf/76806/ib\\_2014mar\\_enrollment.pdf](https://aspe.hhs.gov/sites/default/files/pdf/76806/ib_2014mar_enrollment.pdf). Note: The 2014 enrollment comes from enrollment numbers as of March 2014 while the 2015 enrollment information comes from enrollment numbers as of December 2015.

Chart added in Chartbook 2016.

### Chart 1.29: Annual Change in Health Insurance Premiums, 2000 – 2015

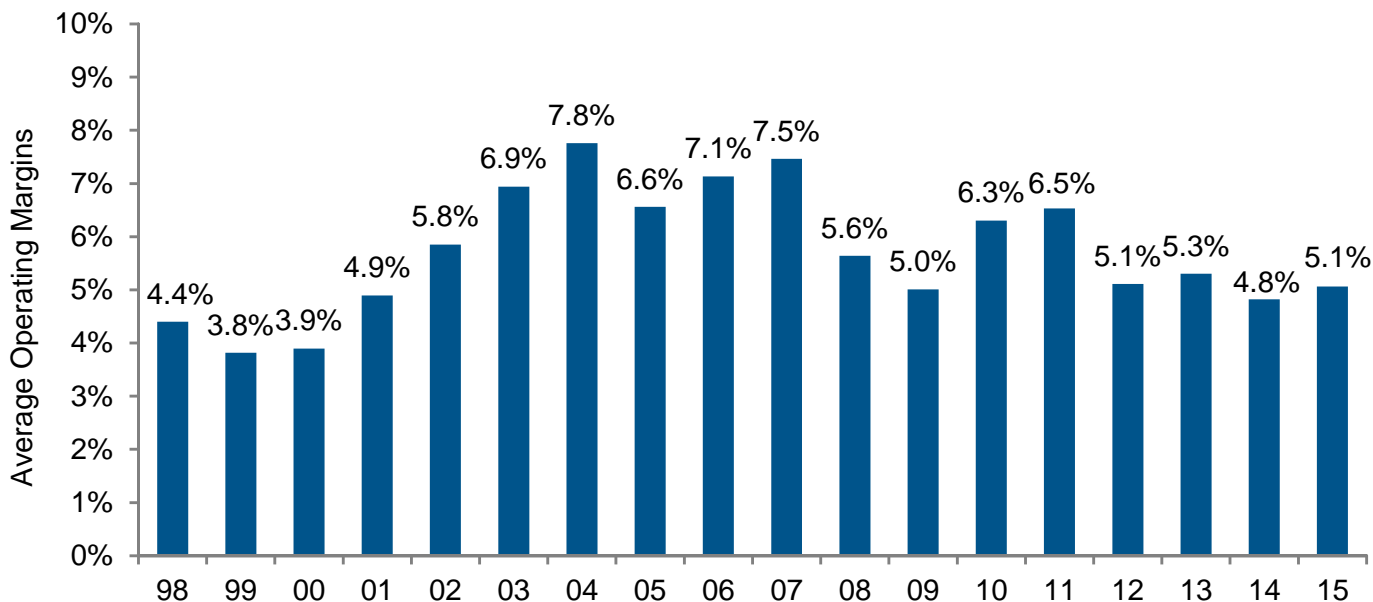


Source: The Kaiser Family Foundation and Health Research and Educational Trust. Data released September 2015.

Link: <http://kff.org/report-section/ehbs-2015-section-one-cost-of-health-insurance/>.

Chart 1.27 in 2015 and earlier years' Chartbooks.

### Chart 1.30: Managed Care Plan Average Operating Margins,<sup>(1)</sup> 1998 – 2015

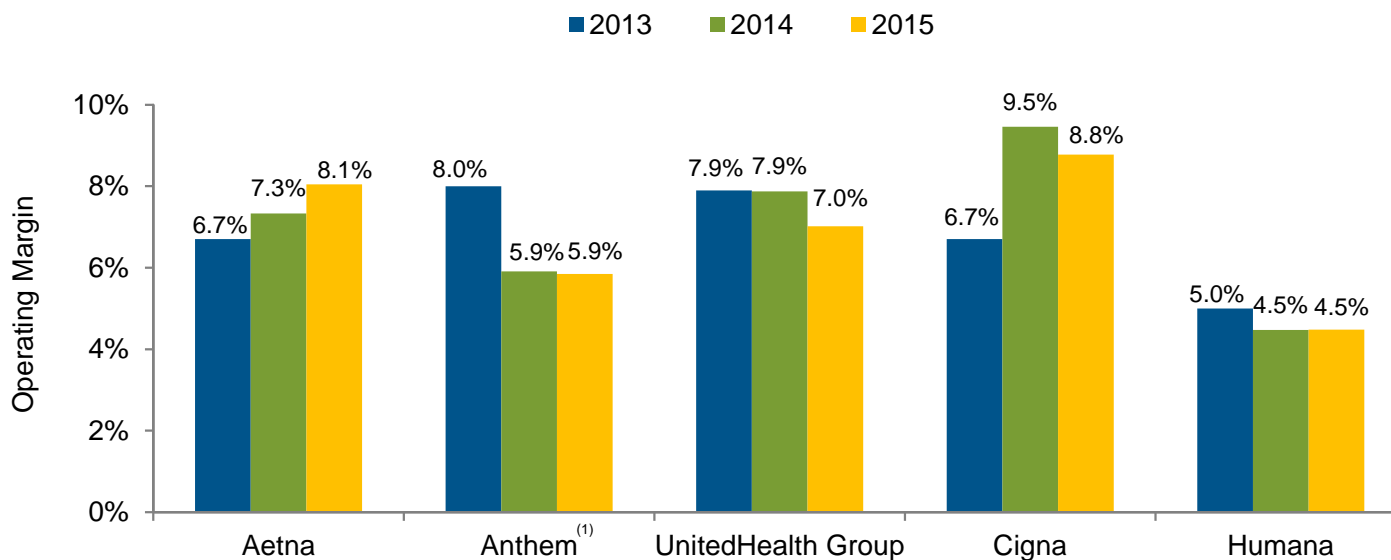


Source: YCharts data used for 2014 and 2015. Company documents of publicly traded managed care plans used for 1997 – 2013.

(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 1.28 in 2015 and earlier years' Chartbooks.

### Chart 1.31: Operating Margins of the Top Insurers, 2013 – 2015



Source: YCharts data used for 2014 and 2015. 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.

Chart 1.29 in 2015 and earlier years' Chartbooks.