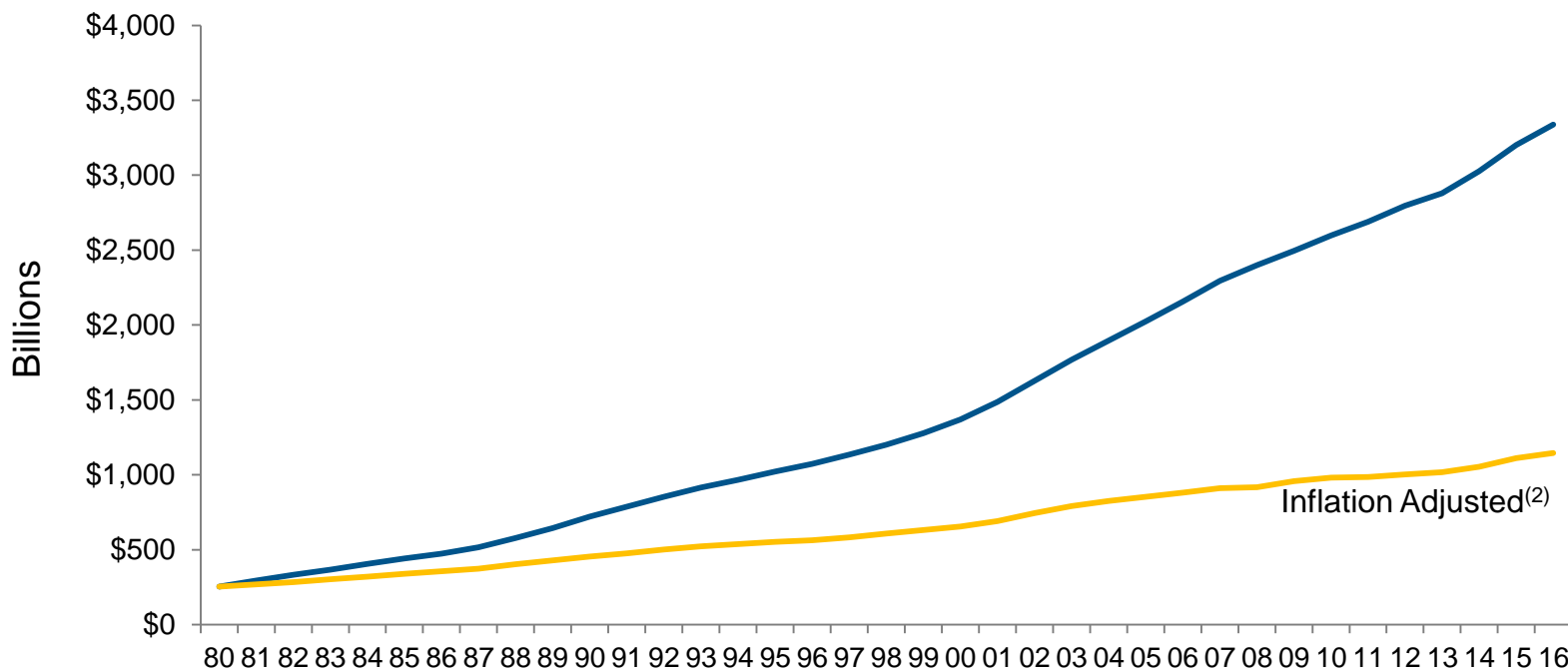


CHAPTER 1

Trends in the Overall
Health Care Market

Chart 1.1: Total National Health Expenditures, 1980 – 2016⁽¹⁾

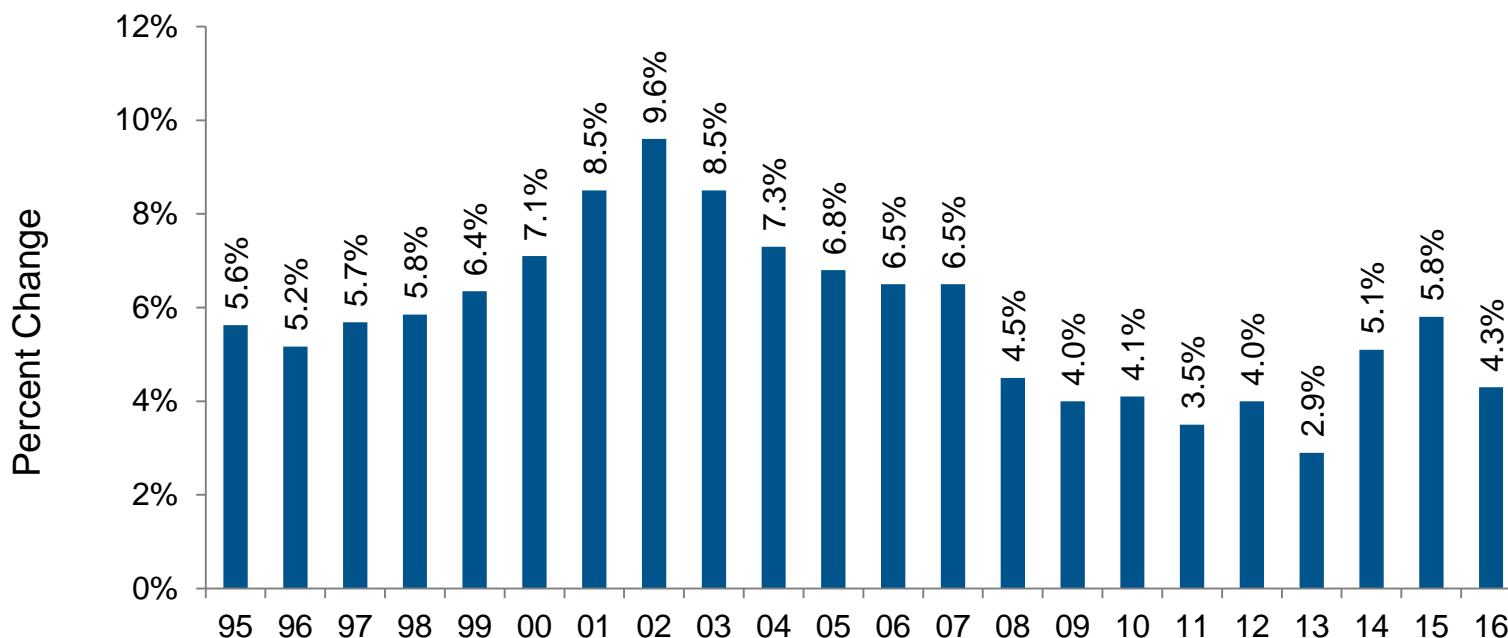


Source: Centers for Medicare & Medicaid Services, Office of the Actuary. Data released December 6, 2017.

⁽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.

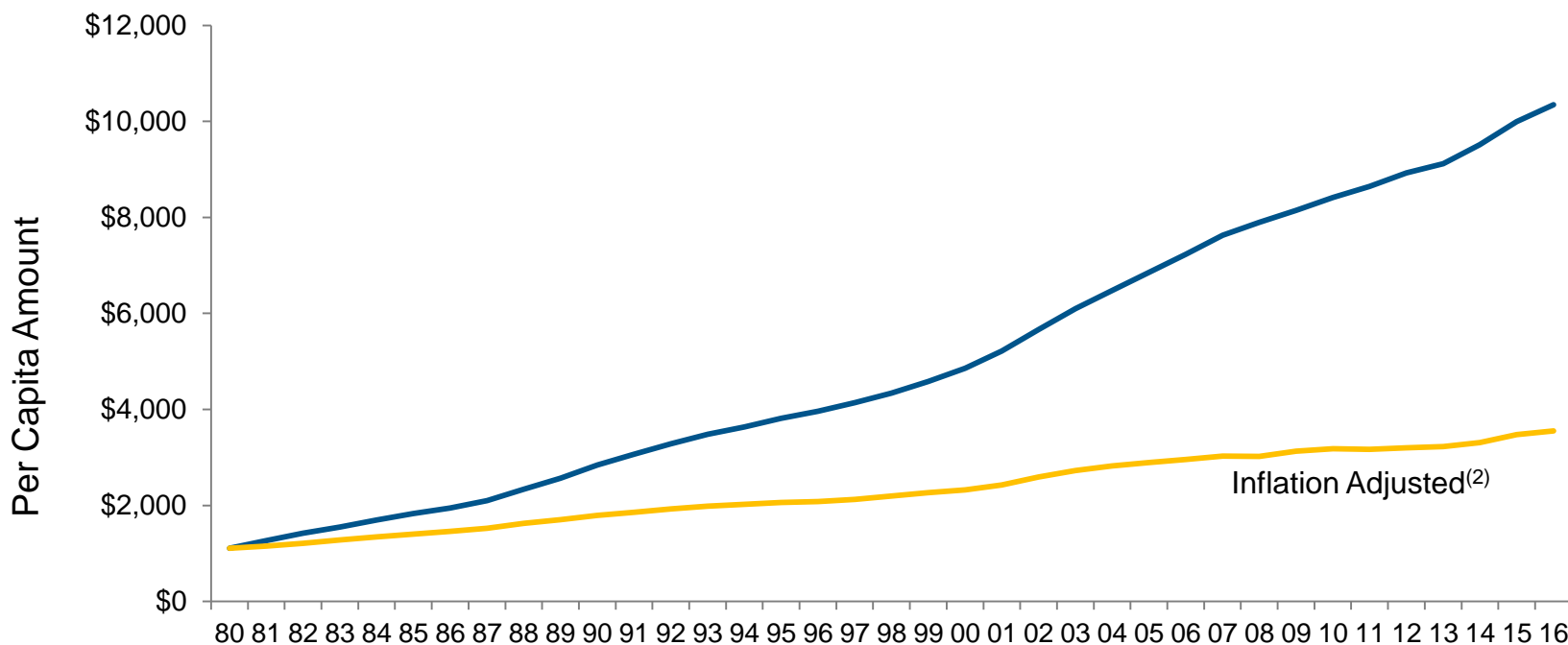
Chart 1.2: Percent Change in Total National Health Expenditures, 1995 – 2016⁽¹⁾



Source: Centers for Medicare & Medicaid Services, Office of the Actuary. Data released December 6, 2017.

⁽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 – 2016⁽¹⁾

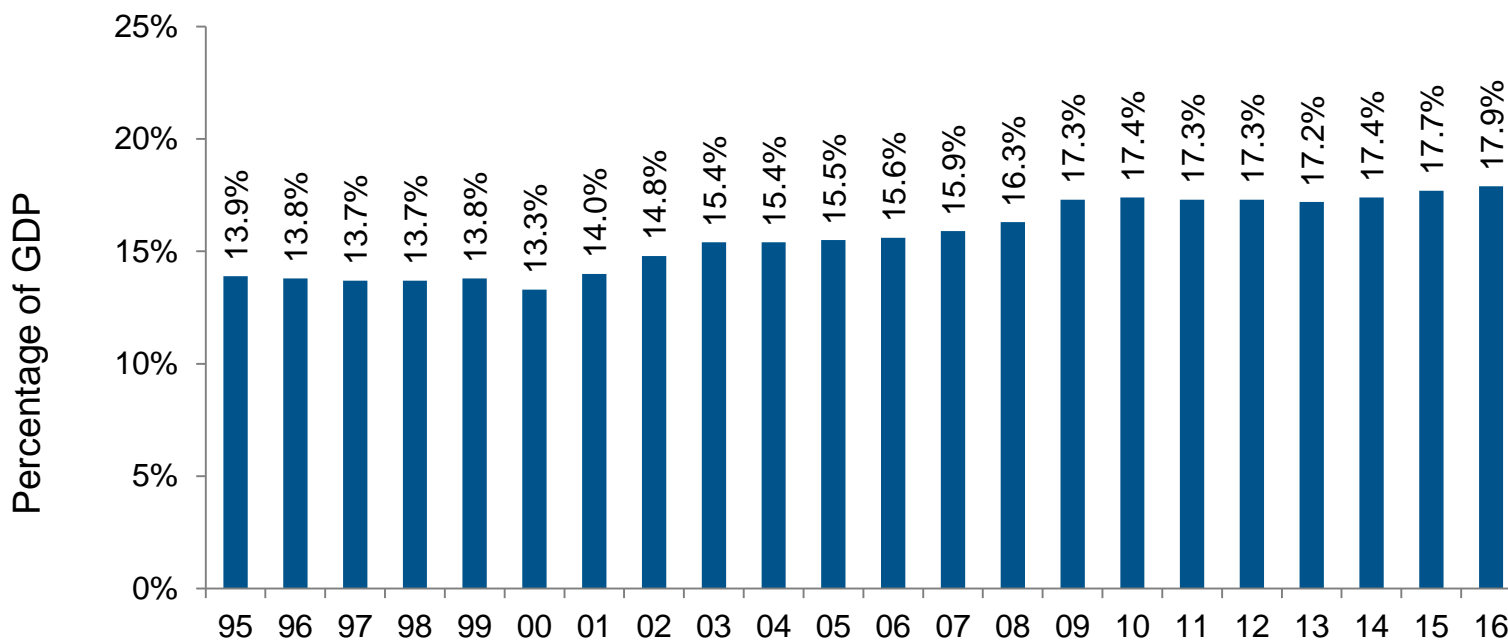


Source: Centers for Medicare & Medicaid Services, Office of the Actuary. Data released December 6, 2017.

⁽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.

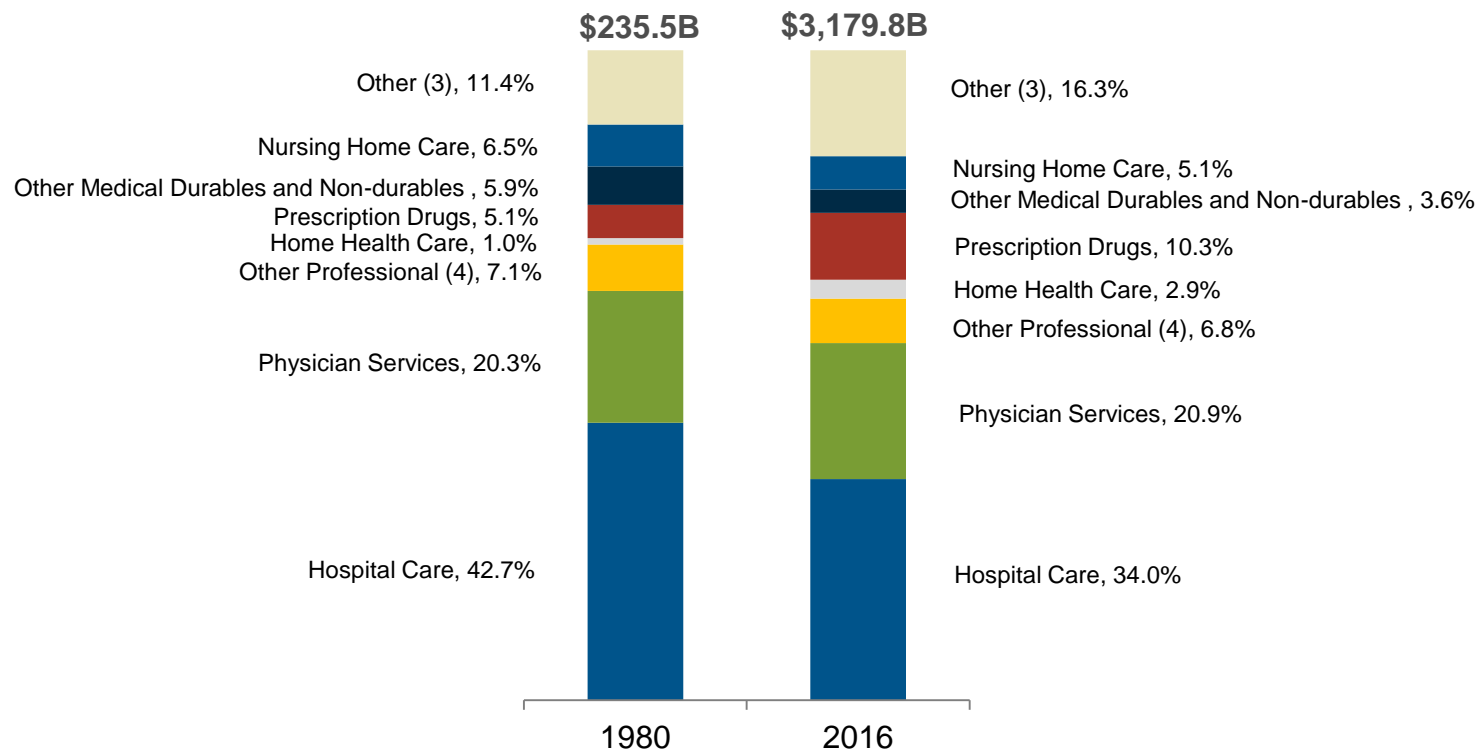
Chart 1.4: National Health Expenditures as a Percentage of Gross Domestic Product, 1995 – 2016⁽¹⁾



Source: Centers for Medicare & Medicaid Services, Office of the Actuary. Data released December 6, 2017.

⁽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 2016⁽²⁾



Source: Centers for Medicare & Medicaid Services, Office of the Actuary. Data released December 6, 2017.

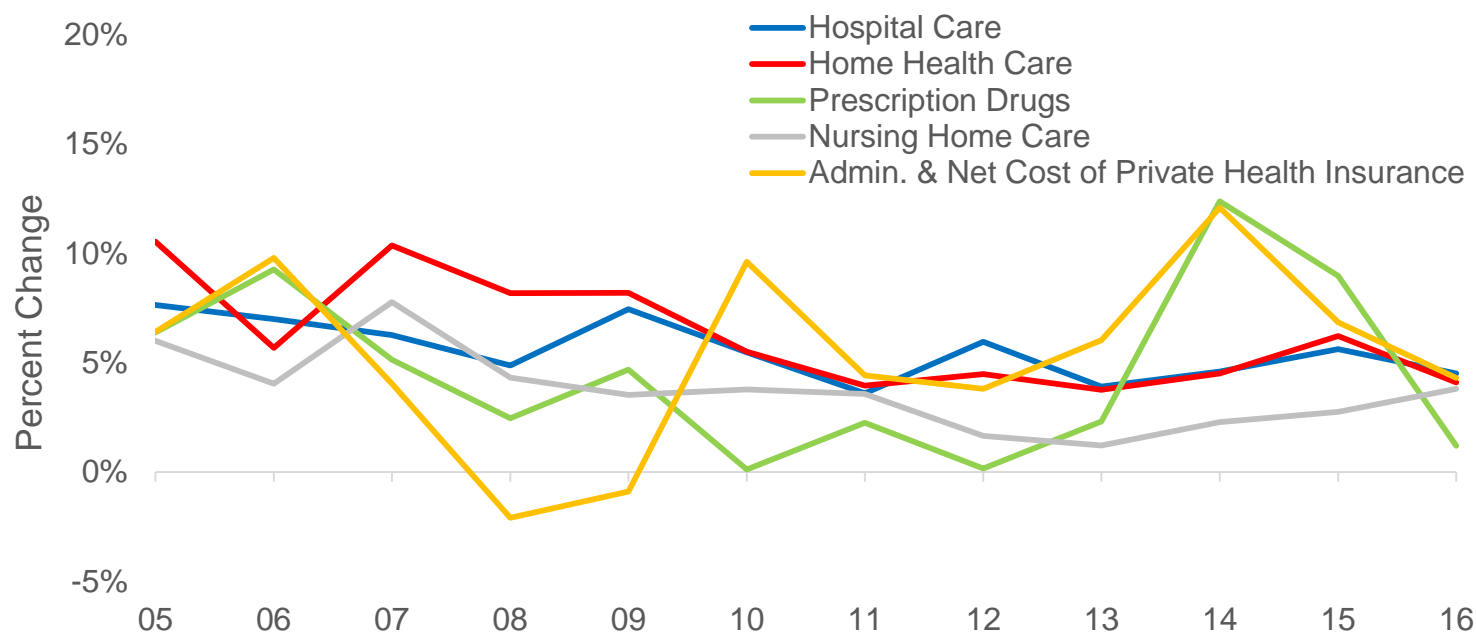
(1) Excludes medical research and medical facilities construction.

(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.

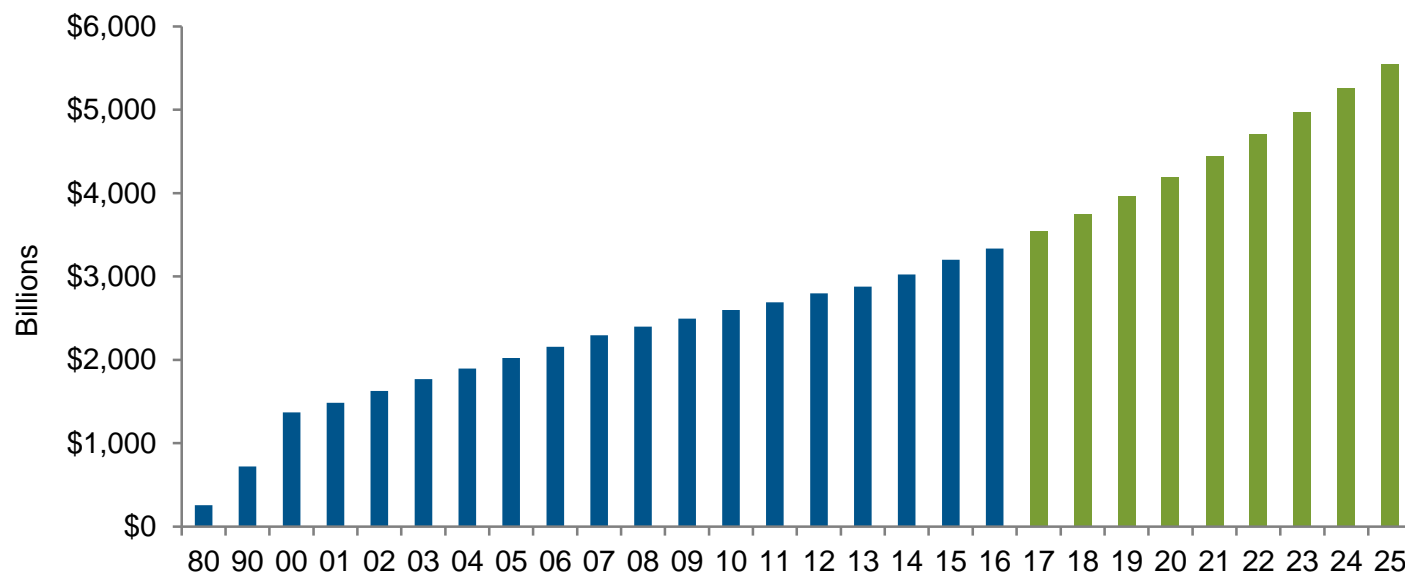
Chart 1.6: Percent Change in National Expenditures for Selected Health Services and Supplies, 2005 – 2016⁽¹⁾



Source: Centers for Medicare & Medicaid Services, Office of the Actuary. Data released December 6, 2017.

⁽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 1.7: National Health Expenditures,⁽¹⁾ 1980 – 2025⁽²⁾

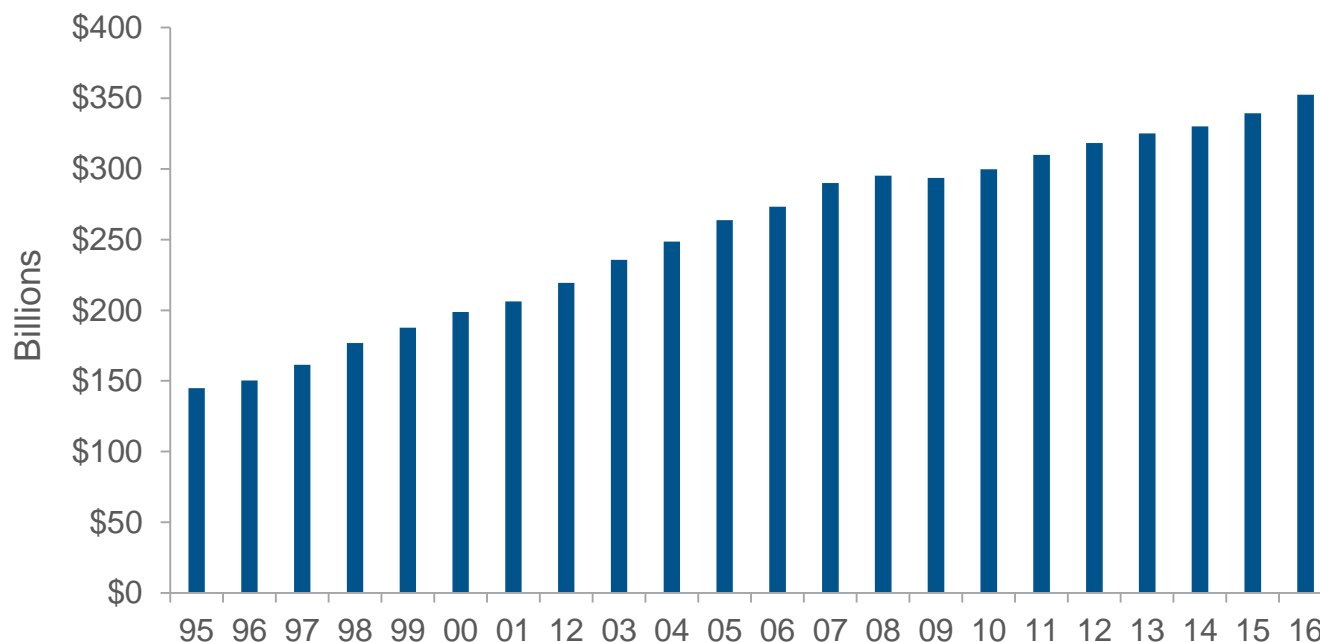


Source: Centers for Medicare & Medicaid Services, Office of the Actuary. Data released December 6, 2017.

(1) Years 2017 – 2025 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>.

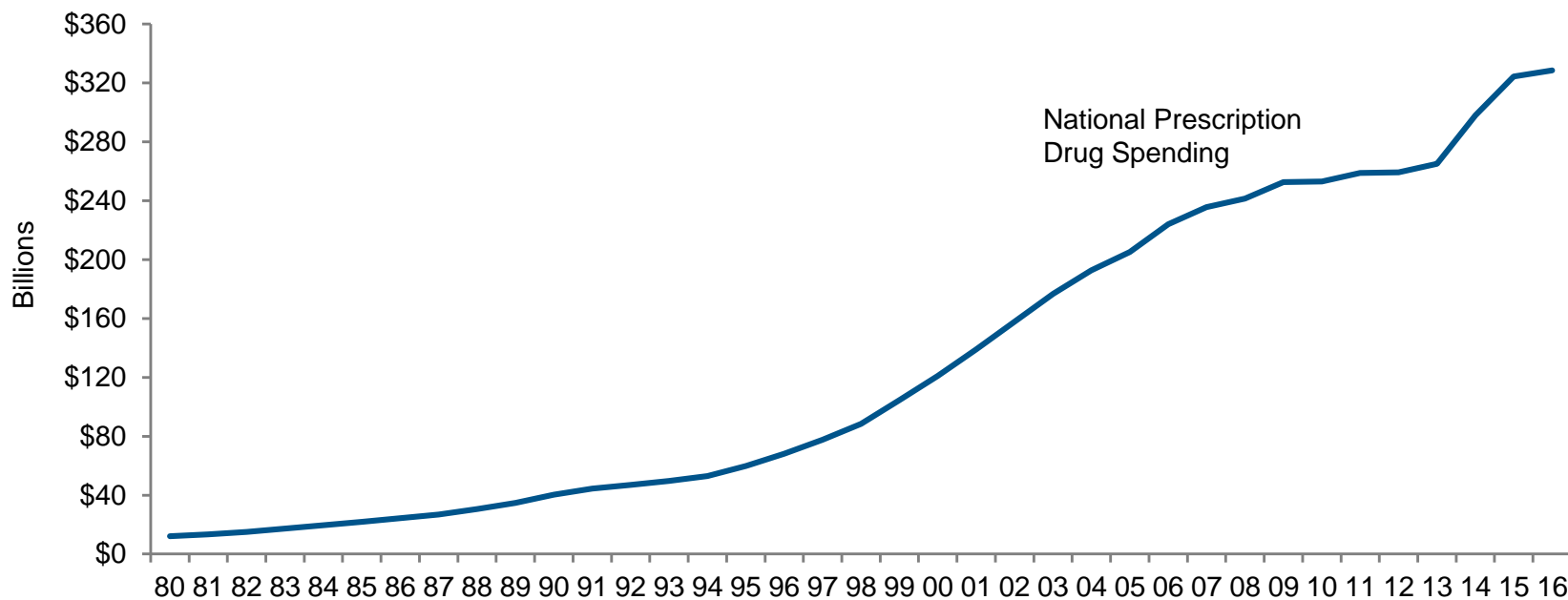
Chart 1.8: Consumer Out-of-pocket Payments for National Health Expenditures, 1995 – 2016⁽¹⁾



Source: Centers for Medicare & Medicaid Services, Office of the Actuary. Data released December 6, 2017.

⁽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>.

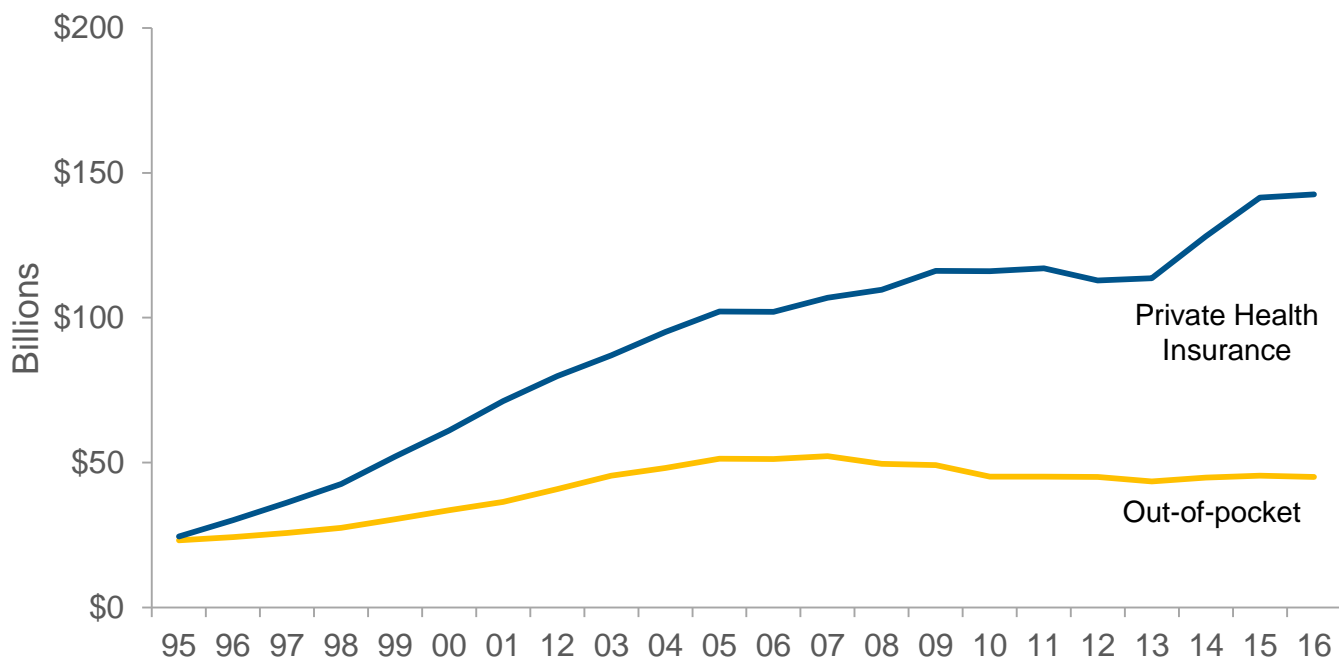
Chart 1.9: Total Prescription Drug Spending, 1980 – 2016⁽¹⁾



Source: Centers for Medicare & Medicaid Services, Office of the Actuary. Data released December 6, 2017.

⁽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>.

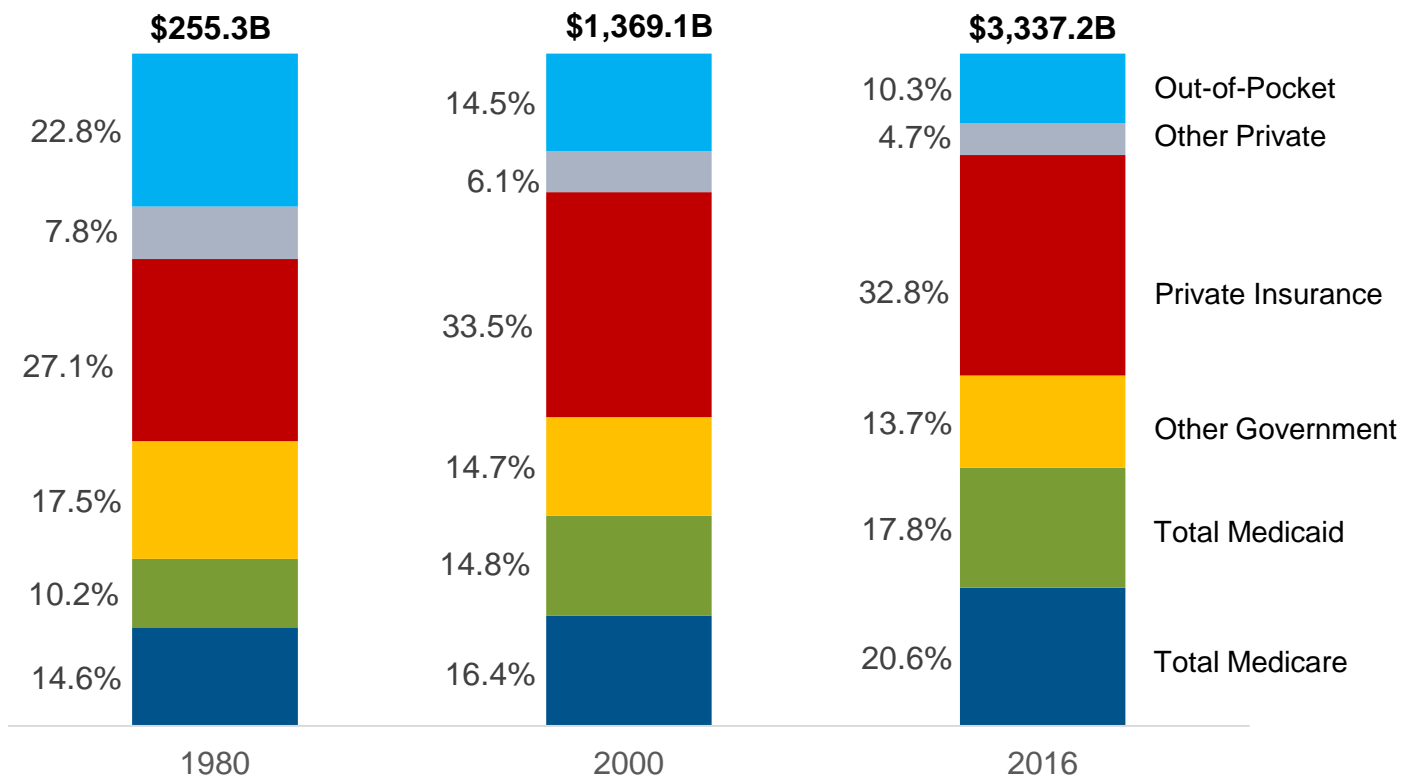
Chart 1.10: Consumer Out-of-pocket Spending vs. Private Health Insurance Spending for Prescription Drugs, 1995 – 2016⁽¹⁾



Source: Centers for Medicare & Medicaid Services, Office of the Actuary. Data released December 6, 2017.

⁽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>.

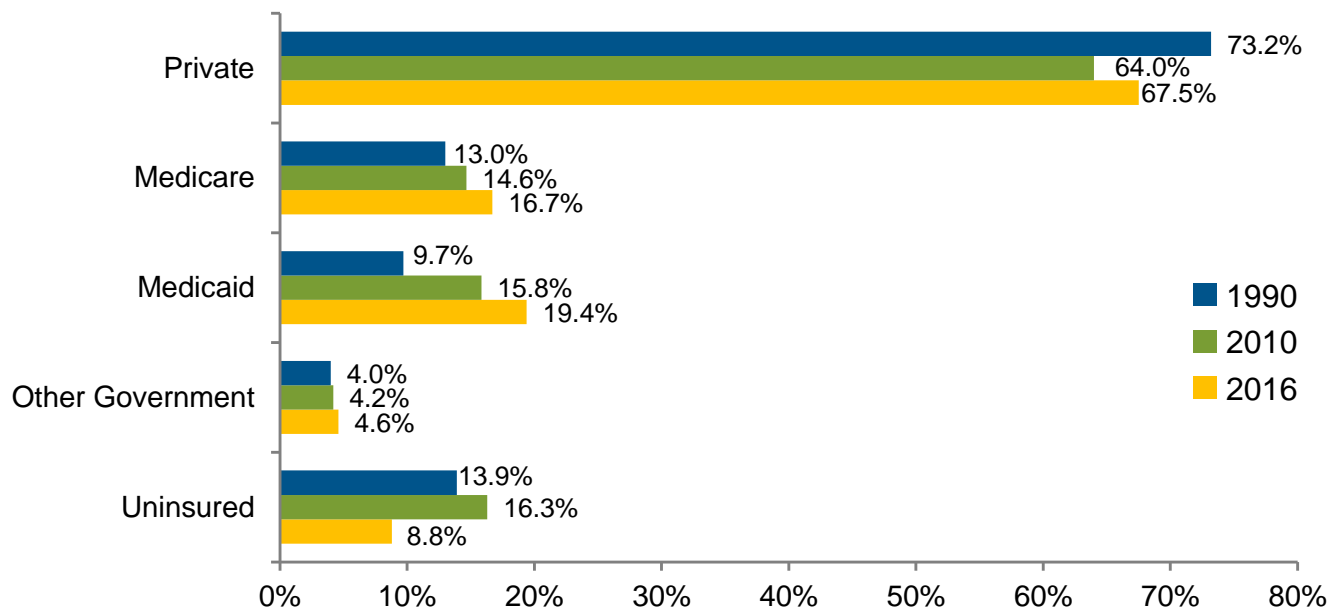
Chart 1.11: Distribution of National Health Expenditures by Source of Payment, 1980, 2000, and 2016⁽¹⁾



Source: Centers for Medicare & Medicaid Services, Office of the Actuary. Data released December 6, 2017.

⁽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>.

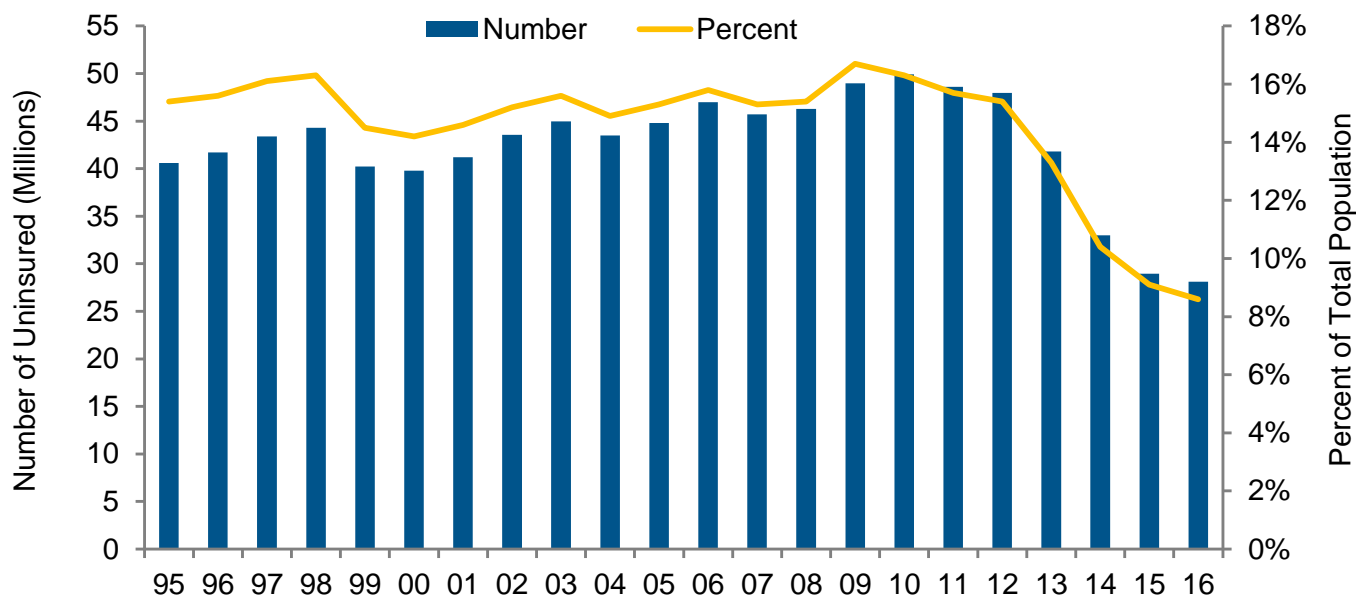
Chart 1.12: Distribution of Health Insurance Coverage, Percentage of Population Covered by Payer*, 1990, 2010, and 2016⁽¹⁾



Source: US Census Bureau, Current Population Survey, 2016 Annual and Social Economic Supplement. Data released September 2017.
Table HI01. Health Insurance Coverage Status and Type of Coverage by Selected Characteristics: 2016.
<https://www.census.gov/content/dam/Census/library/publications/2017/demo/p60-260.pdf>

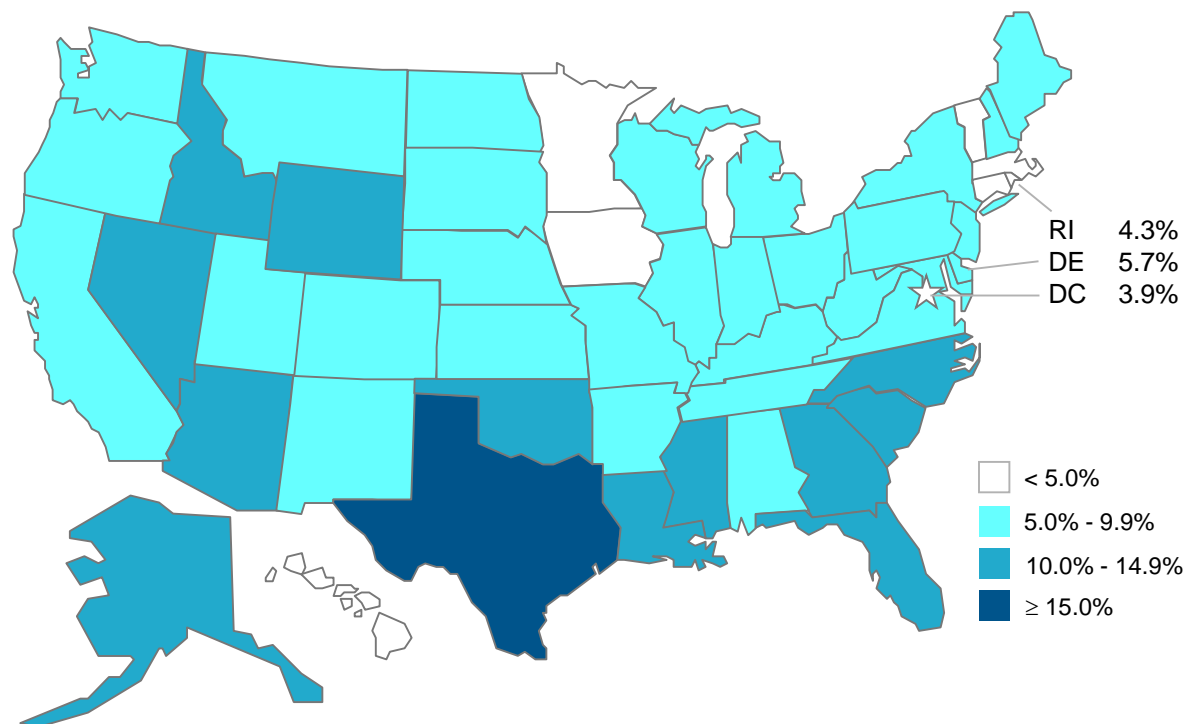
⁽¹⁾ Percentages across categories do not sum to 100 percent, as individuals may maintain coverage from multiple payers (e.g. Medicare and Medicaid, Medicare and private, etc.)

Chart 1.13: Number and Percent Uninsured, 1995 – 2016



Source: US Census Bureau, Health Insurance Coverage in the United States: 2016. Data released September 2017. Figure HIC-4. HIC-4. Health Insurance Coverage Status and Type of Coverage by State--All Persons: 2008 to 2016. Link: https://www2.census.gov/programs-surveys/demo/tables/health-insurance/time-series/acs/hic04_acs.xls

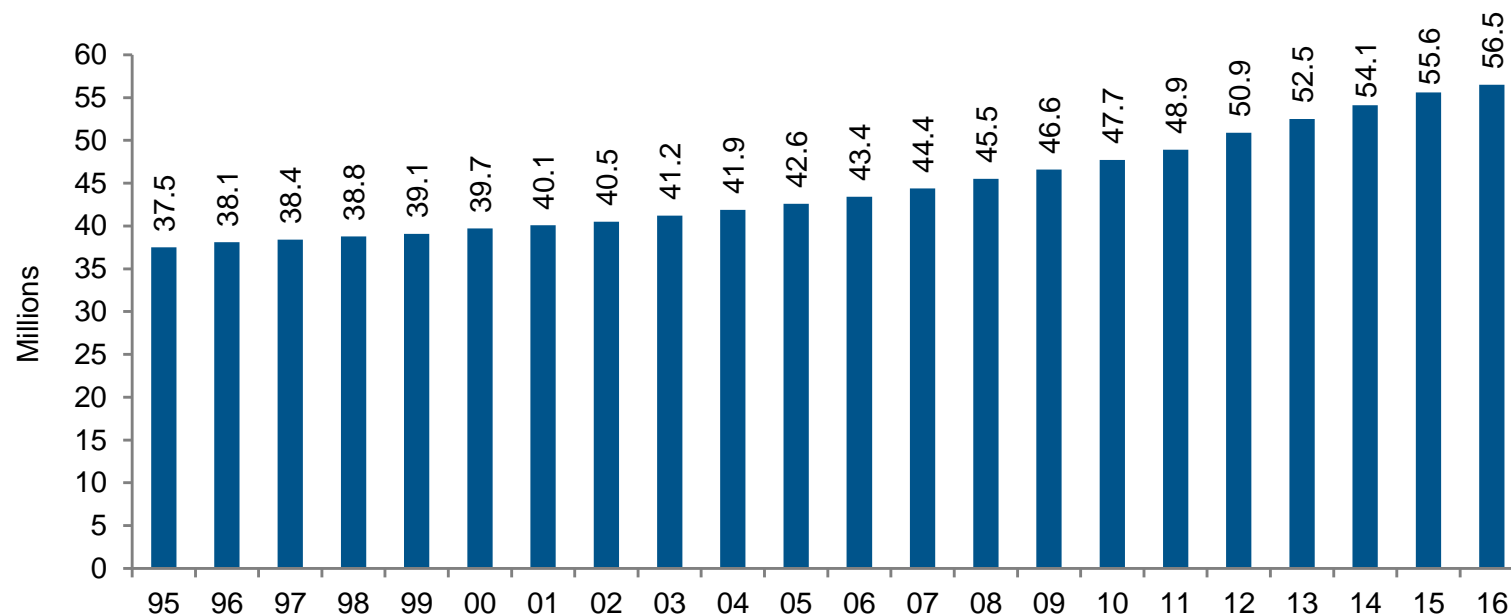
Chart 1.14: Average Percent Uninsured by State, 2015 and 2016⁽¹⁾



Source: US Census Bureau, Health Insurance Coverage in the United States: 2016. Data released September 2017. Figure HIC-4. HIC-4. Health Insurance Coverage Status and Type of Coverage by State--All Persons: 2008 to 2016. Link: https://www2.census.gov/programs-surveys/demo/tables/health-insurance/time-series/acs/hic04_acs.xls

⁽¹⁾ Chart represents a weighted average uninsured rate for the years indicated.

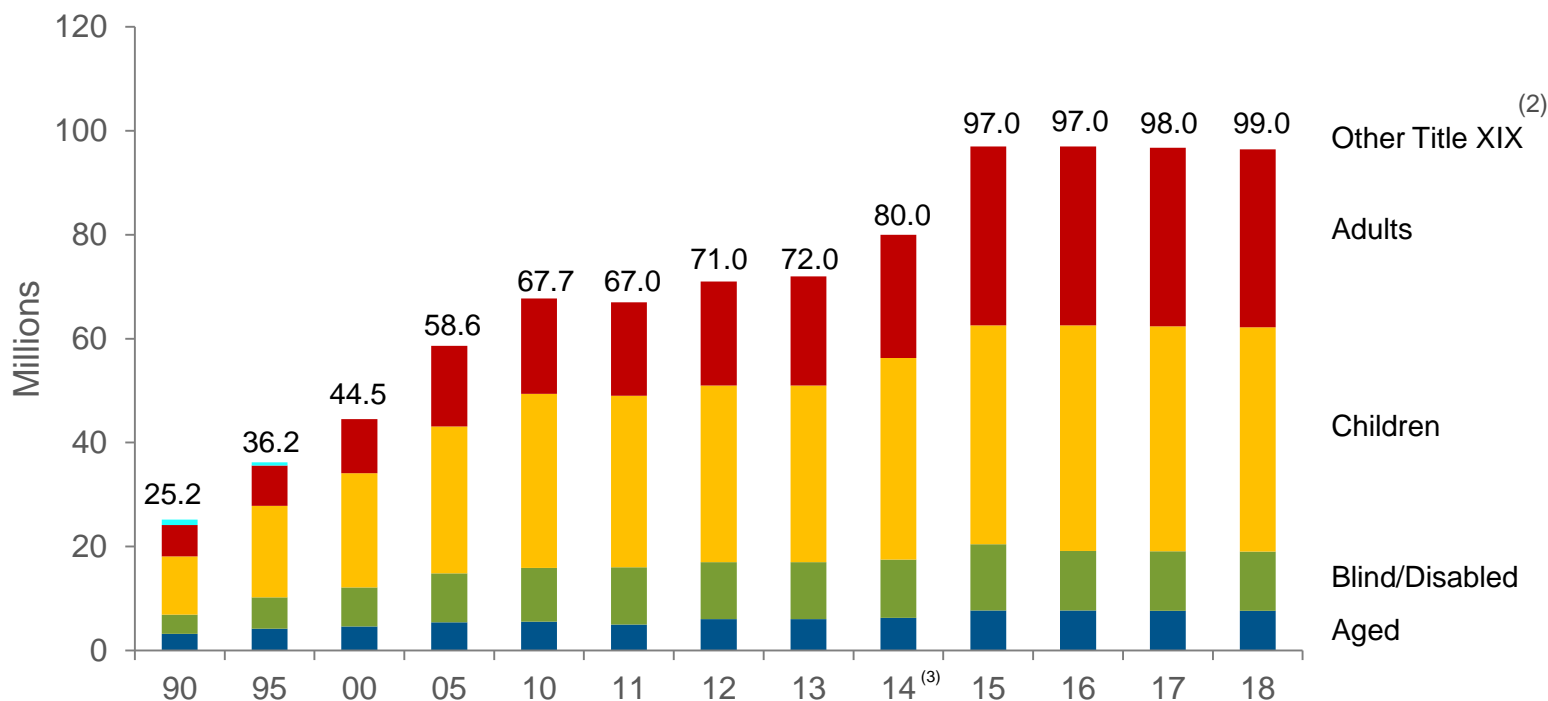
Chart 1.15: Medicare Enrollees,⁽¹⁾ 1995 – 2016



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 – 2016).

⁽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 1.16: Medicaid Enrollees,⁽¹⁾ 1990, 1995, 2000, 2005, 2010 – 2018



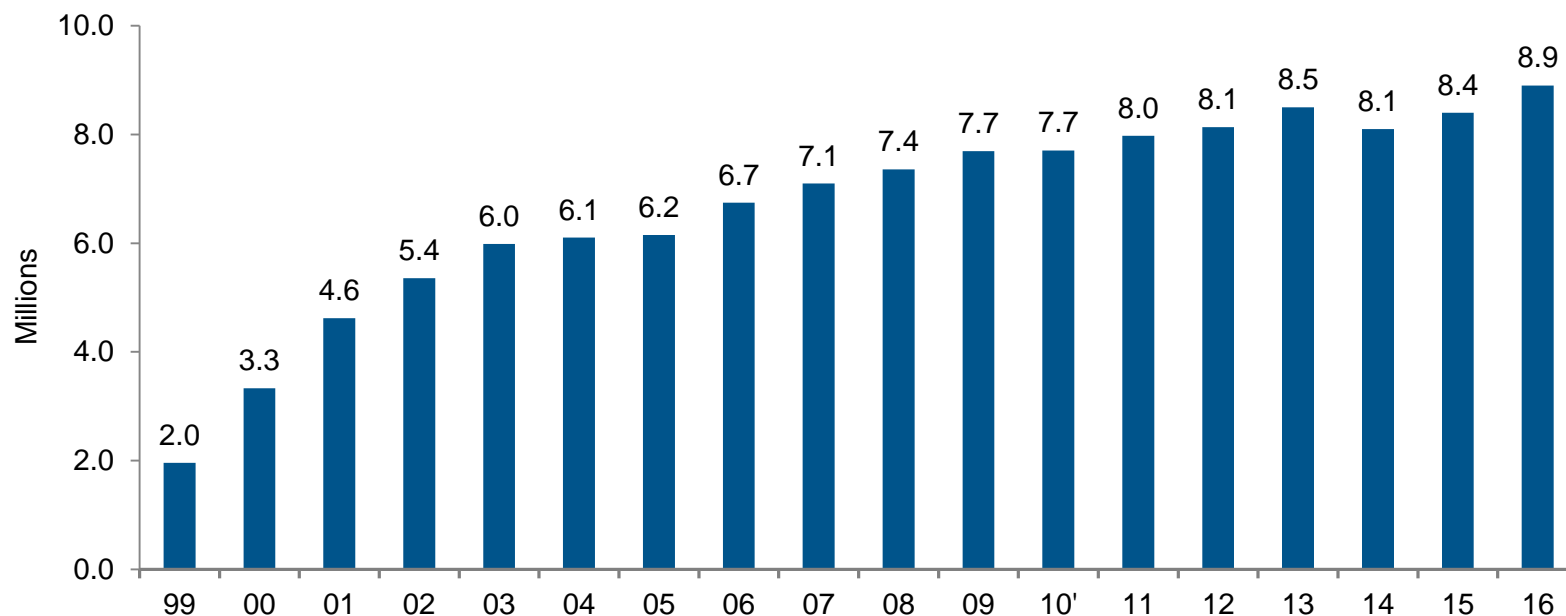
Source: Congressional Budget Office. Data released January 2017. Detail of Spending and Enrollment for CBO's January 2017 Baseline: Medicaid. Link: <https://www.cbo.gov/sites/default/files/recurringdata/51301-2017-01-medicaid.pdf>

⁽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 for each year.

Chart 1.17: National CHIP Enrollment,^(1,2) FY 1999 – FY 2016

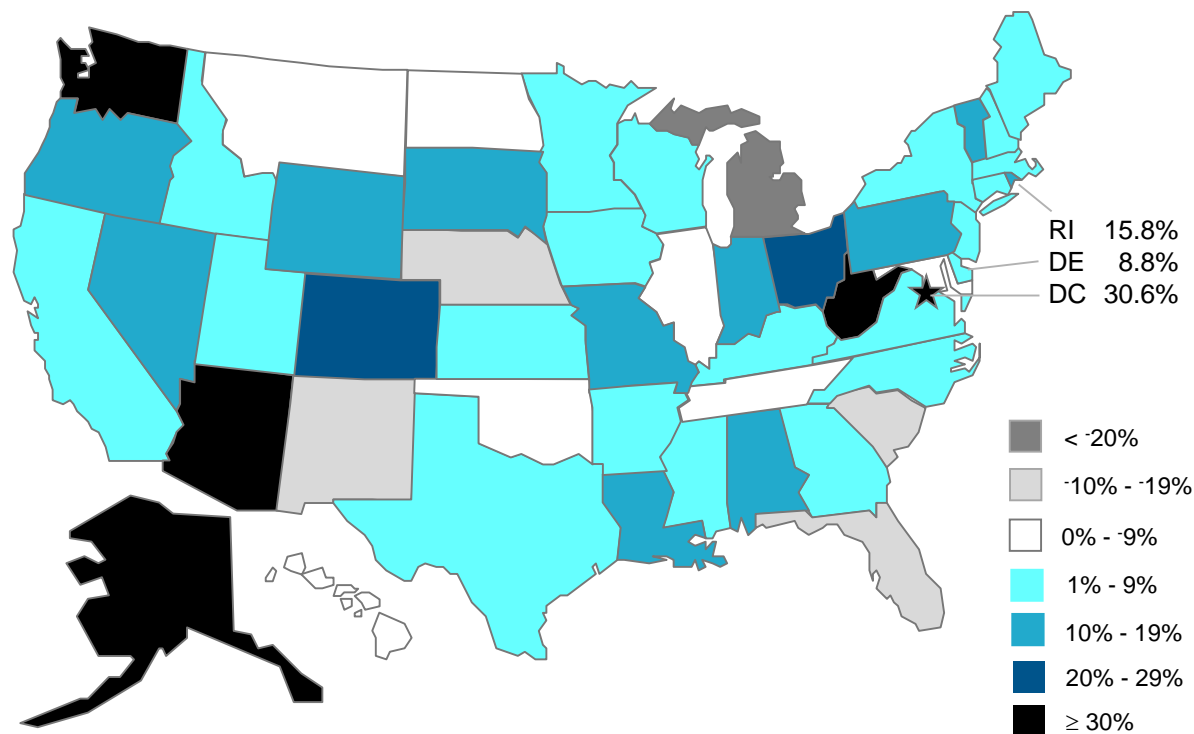


Source: Centers for Medicare & Medicaid Services. Data released July 2016. Number of Children Ever Enrolled Report. Link: <https://www.medicaid.gov/chip/downloads/fy-2016-childrens-enrollment-report.pdf>

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

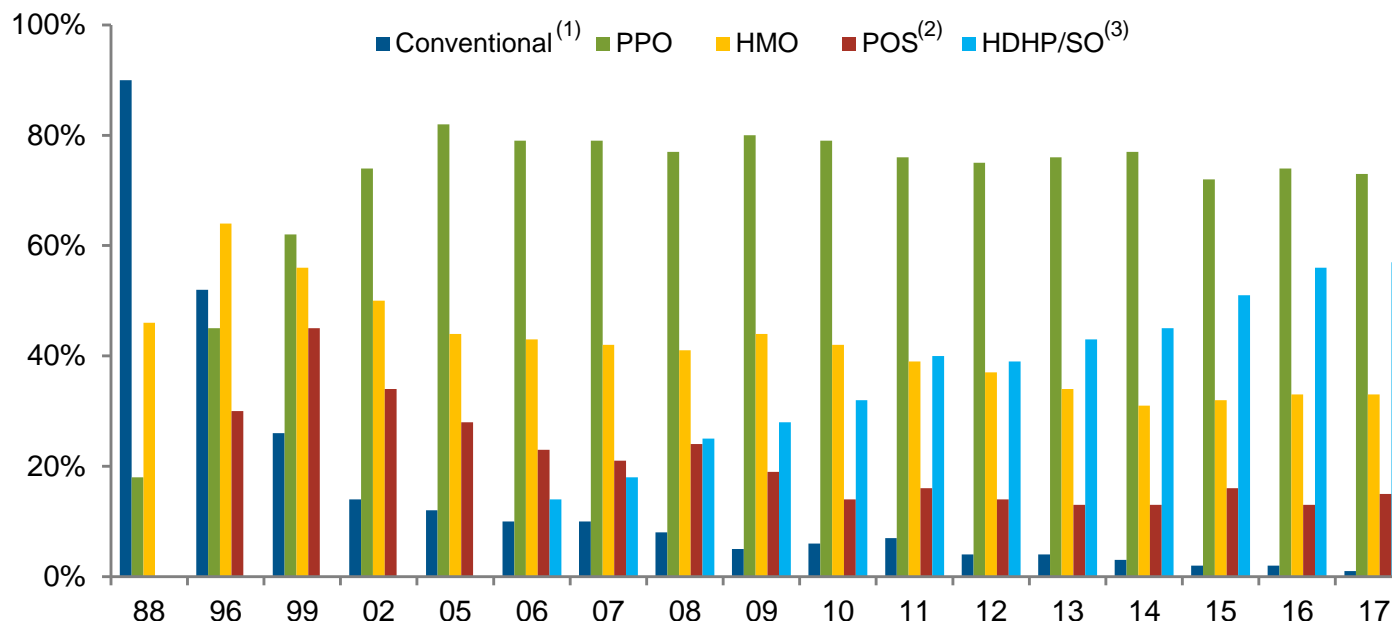
⁽²⁾ 2009 figure reflects revised data released by Centers for Medicare & Medicaid Services on February 1, 2011.

Chart 1.18: Percent Change in CHIP Enrollment by State,
FY 2015 – FY 2016



Source: Centers for Medicare & Medicaid Services. Data released July 2017. Number of Children Ever Enrolled Report.
Link: <https://www.medicaid.gov/chip/downloads/fy-2016-childrens-enrollment-report.pdf>

Chart 1.19: Percentage of Employees with Employer-based Coverage Who Can Choose Conventional, PPO, HMO, POS and, HDHP/SO Plans, 1988 – 2017



Source: The Kaiser Family Foundation and Health Research and Educational Trust. Data Released 2017. Employer Health Benefits: 1999, 2002, 2006 – 2017.

Link: <http://files.kff.org/attachment/Report-Employer-Health-Benefits-Annual-Survey-2017>

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

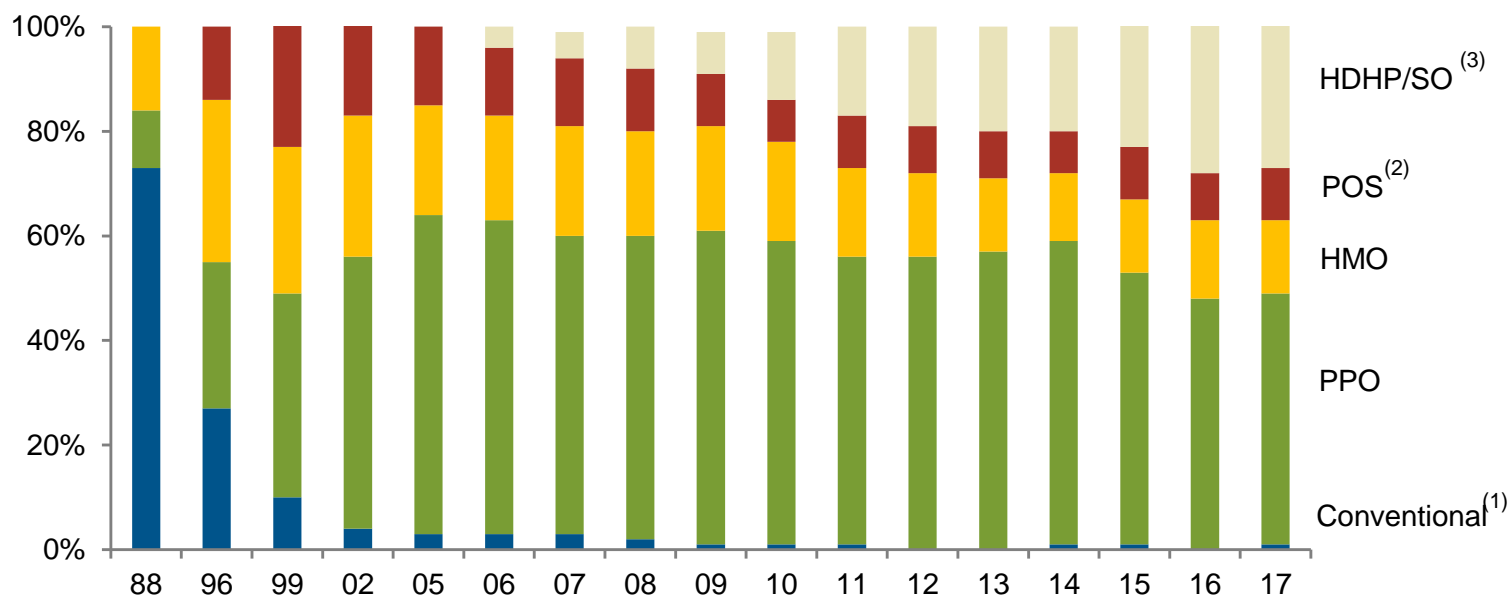
PPO: Preferred Provider Organization; HMO: Health Maintenance Organization.

⁽¹⁾ Conventional plans refer to traditional indemnity plans.

⁽²⁾ Point-of-service (POS) 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 1.20: Distribution of Employer-sponsored Health Insurance Enrollment by Type of Plan, 1988 – 2017



Source: The Kaiser Family Foundation and Health Research and Educational Trust. Data Released 2017. Employer Health Benefits: 1999, 2002, 2006 – 2017.

Link: <http://files.kff.org/attachment/Report-Employer-Health-Benefits-Annual-Survey-2017>

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

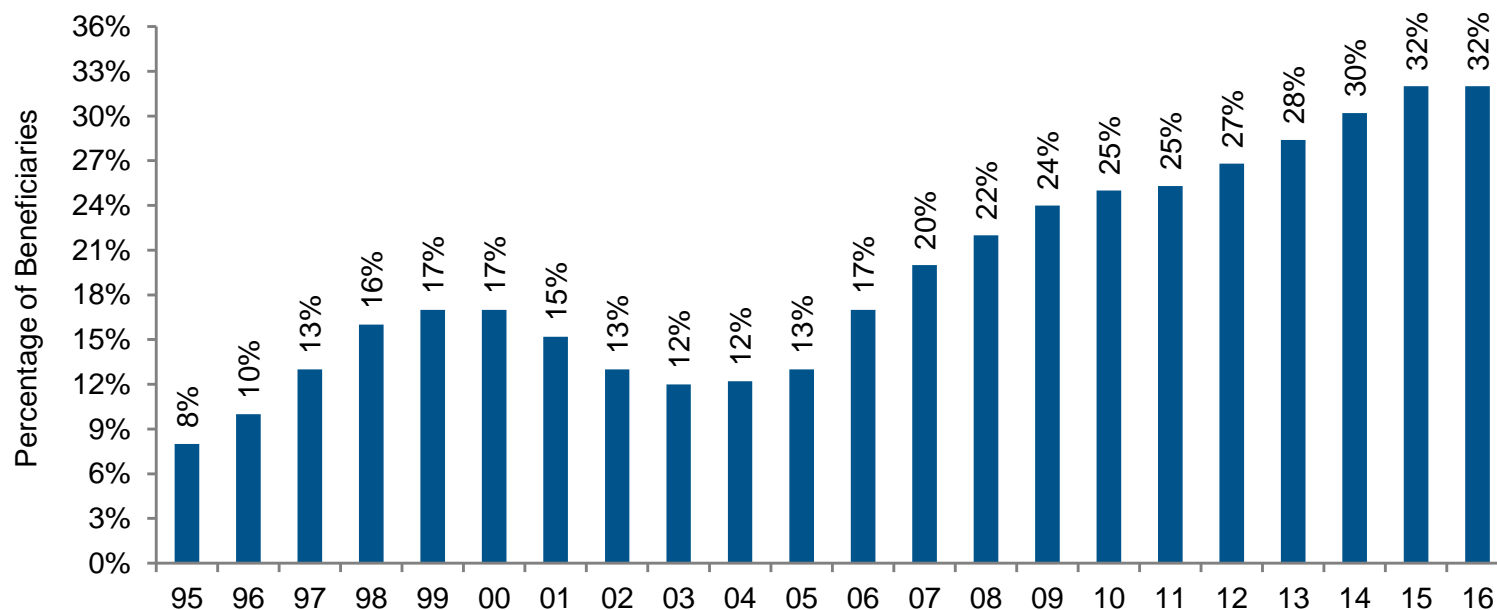
PPO: Preferred Provider Organization; HMO: Health Maintenance Organization.

⁽¹⁾ Conventional plans refer to traditional indemnity plans.

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

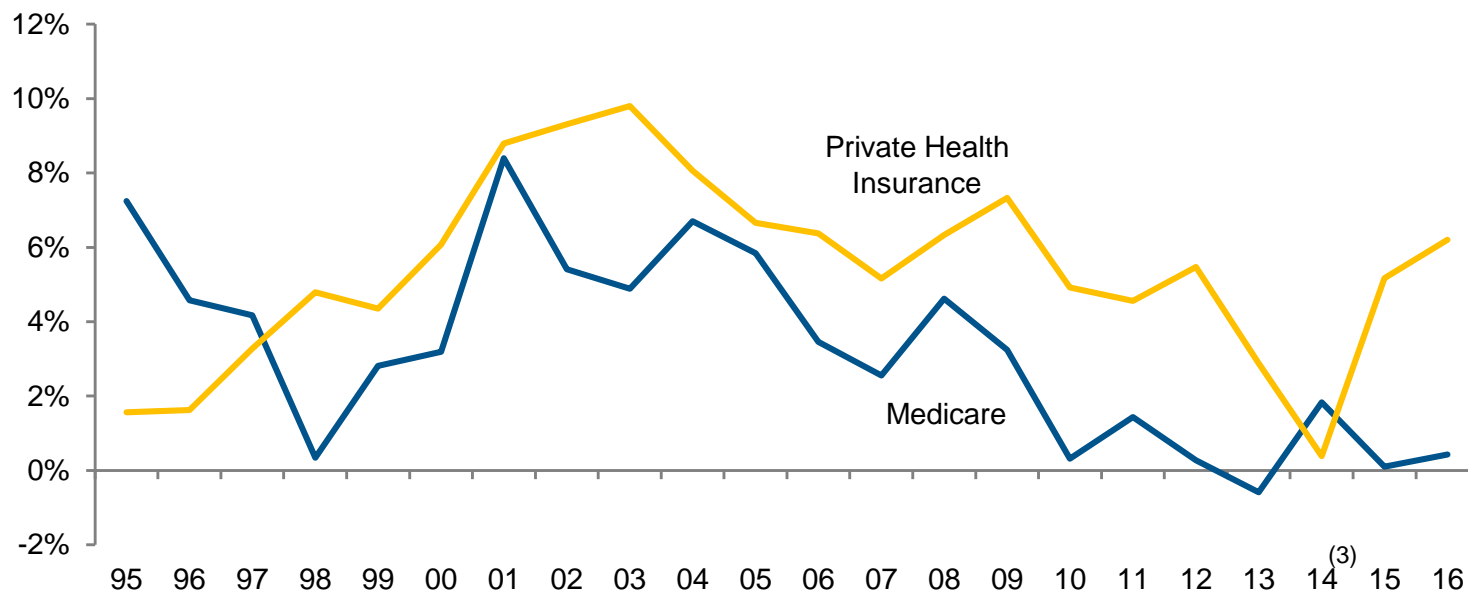
⁽³⁾ In 2006, the survey began asking about HDHP/SO, high deductible health plans with a savings option.

Chart 1.21: Percentage of Medicare Beneficiaries Enrolled in Medicare Managed Care, 1995 – 2016



Source: Centers for Medicare & Medicaid Services, Office of the Actuary. Email correspondence with CMS staff in June 2017.

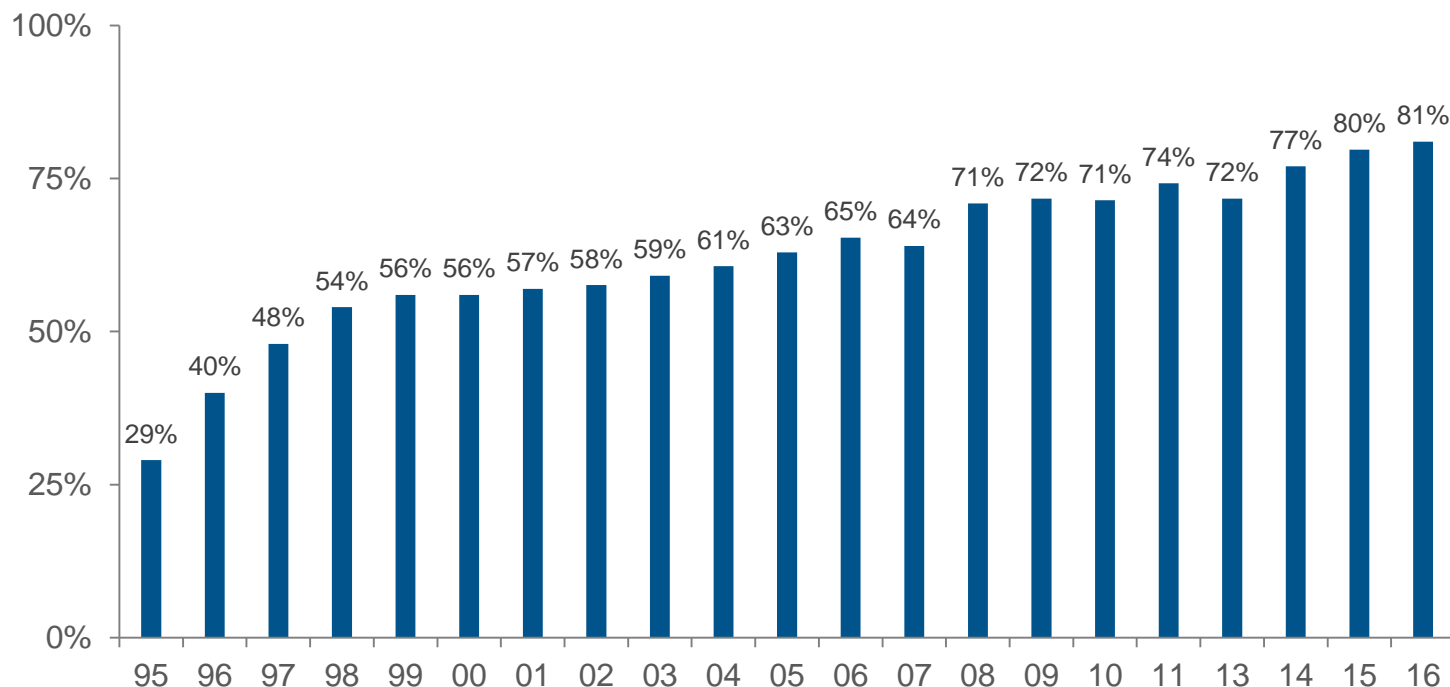
Chart 1.22: Percent Growth in Medicare Spending per Beneficiary vs. Private Health Insurance Spending per Enrollee, 1995 – 2016^(1,2)



Source: Centers for Medicare & Medicaid Services, Office of the Actuary. Data released December 6, 2017.

- (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 and subsequent years reflects calculations using current NHE tables as recommended by CMS in email correspondence.

Chart 1.23: Percentage of Medicaid Beneficiaries Enrolled in Medicaid Managed Care, 1995 – 2011, 2013 – 2016 ⁽¹⁾

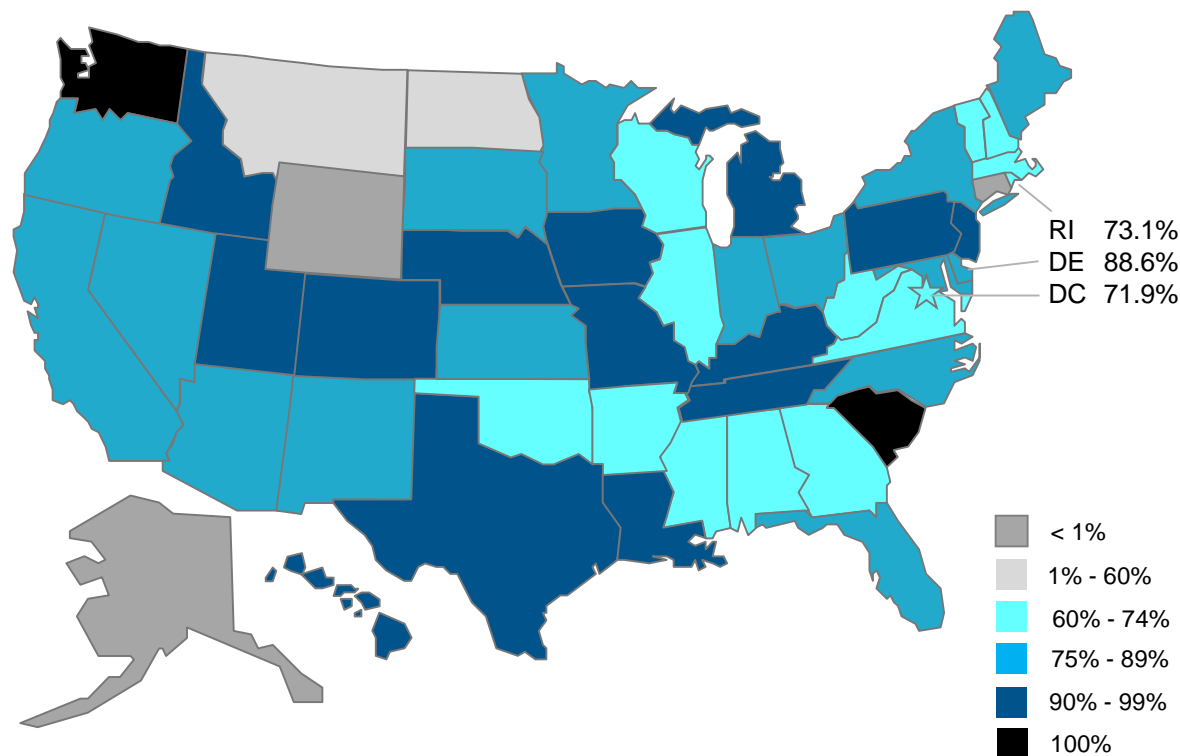


⁽¹⁾ CMS has not released data for 2012 total Medicaid managed care enrollment.

Source: Centers for Medicare & Medicaid Services, Office of the Actuary. Medicaid Managed Care Enrollment and Program Characteristics, 2016, released Spring 2018.

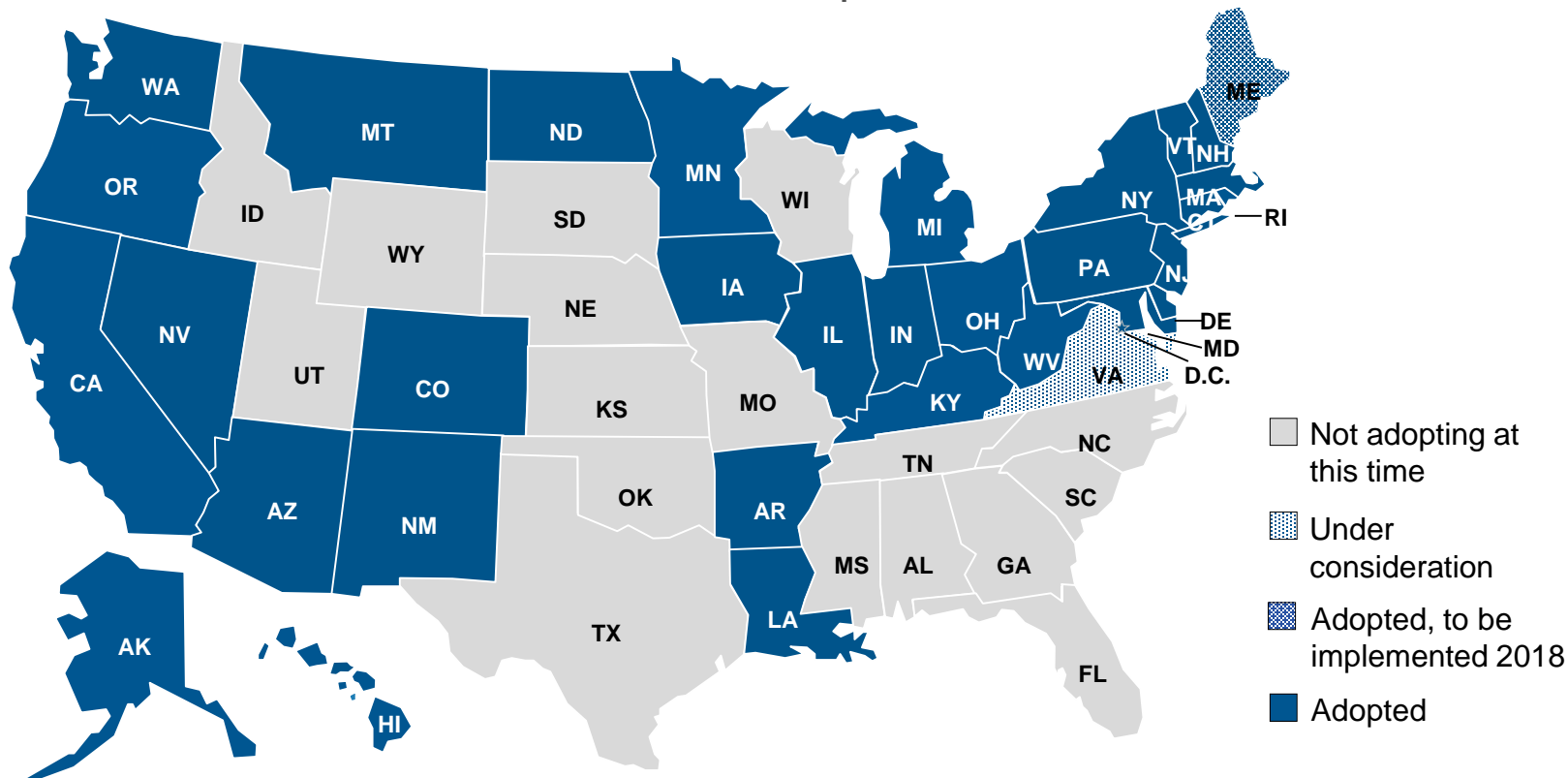
Link: <https://www.medicaid.gov/medicaid/managed-care/downloads/enrollment/2015-medicaid-managed-care-enrollment-report.pdf>.

Chart 1.24: Percentage of Medicaid Beneficiaries Enrolled in Medicaid Managed Care by State, 2016



Source: Centers for Medicare & Medicaid Services, Office of the Actuary. Medicaid Managed Care Enrollment and Program Characteristics, 2016; released Spring 2018. <https://www.medicaid.gov/medicaid/managed-care/downloads/enrollment/2016-medicaid-managed-care-enrollment-report.pdf>. and the Kaiser Family Foundation. State Health Facts. Total Medicaid Managed Care Enrollment. Link: <http://kff.org/medicaid/state-indicator/total-medicaid-mc-enrollment/>.

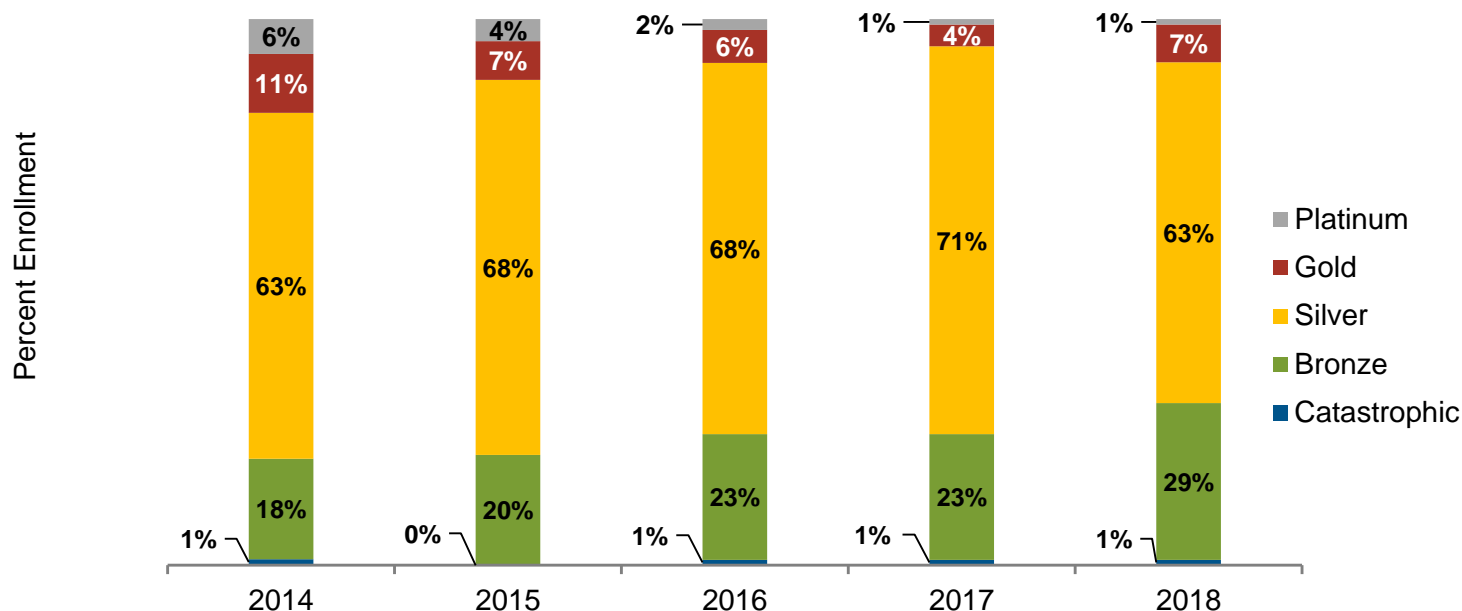
Chart 1.25: Status of State Medicaid Expansion Decisions, 2018



Source: Kaiser Family Foundation. Data as of January 2018. 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.

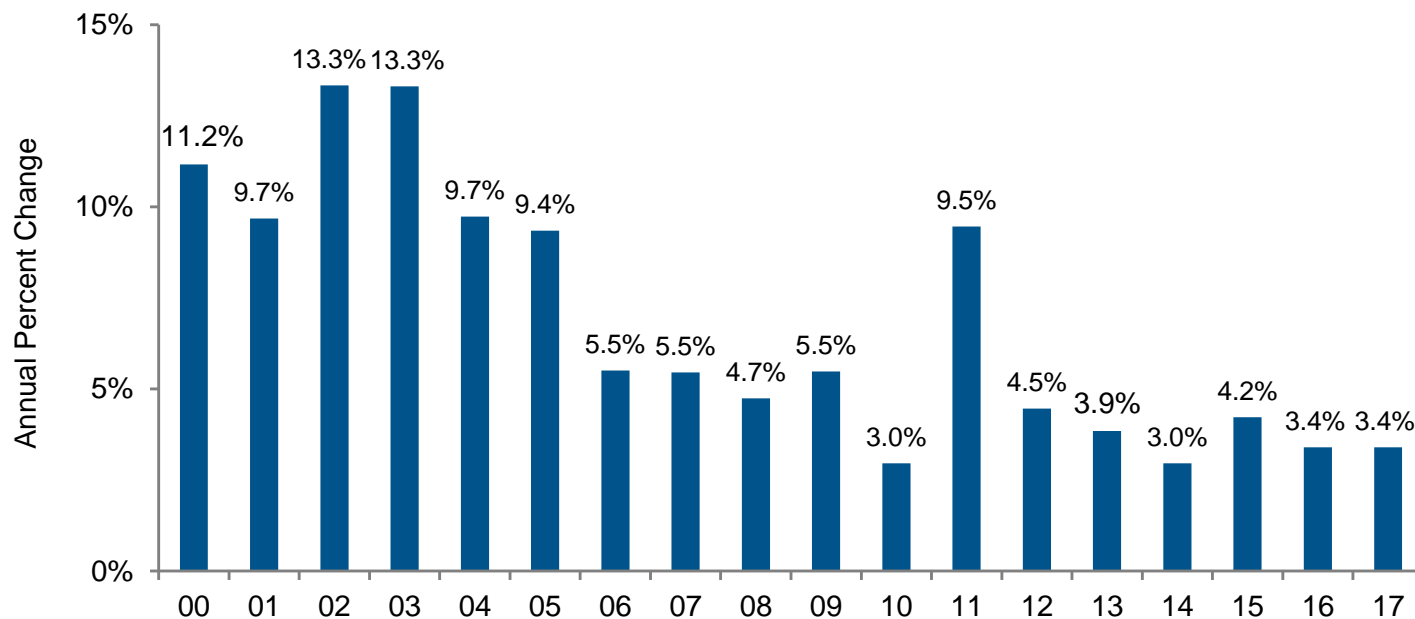
Chart 1.26: Total Effectuated Marketplace Enrollment by Metal Level, 2014 – 2018



Sources: Centers for Medicare & Medicaid Services. Data released April 2018. Health Insurance Marketplaces Open Enrollment Period Final Enrollment Report. Link: <https://www.cms.gov/Newsroom/MediaReleaseDatabase/Fact-sheets/2018-Fact-sheets-items/2018-04-03.html> and ASPE Issue Brief. Health Insurance Marketplace 2016 Open Enrollment Period: Final Enrollment Report. Data Released March 2016. Link: <https://aspe.hhs.gov/system/files/pdf/187866/Finalenrollment2016.pdf> and Health Insurance Marketplaces 2017 Open Enrollment Final Enrollment Report: November 1, 2016 – January 31, 2017. <https://www.cms.gov/Newsroom/MediaReleaseDatabase/Fact-sheets/2017-Fact-Sheet-items/2017-03-15.html>

Chart added in Chartbook 2016.

Chart 1.27: Annual Change in Health Insurance Premiums, 2000 – 2017

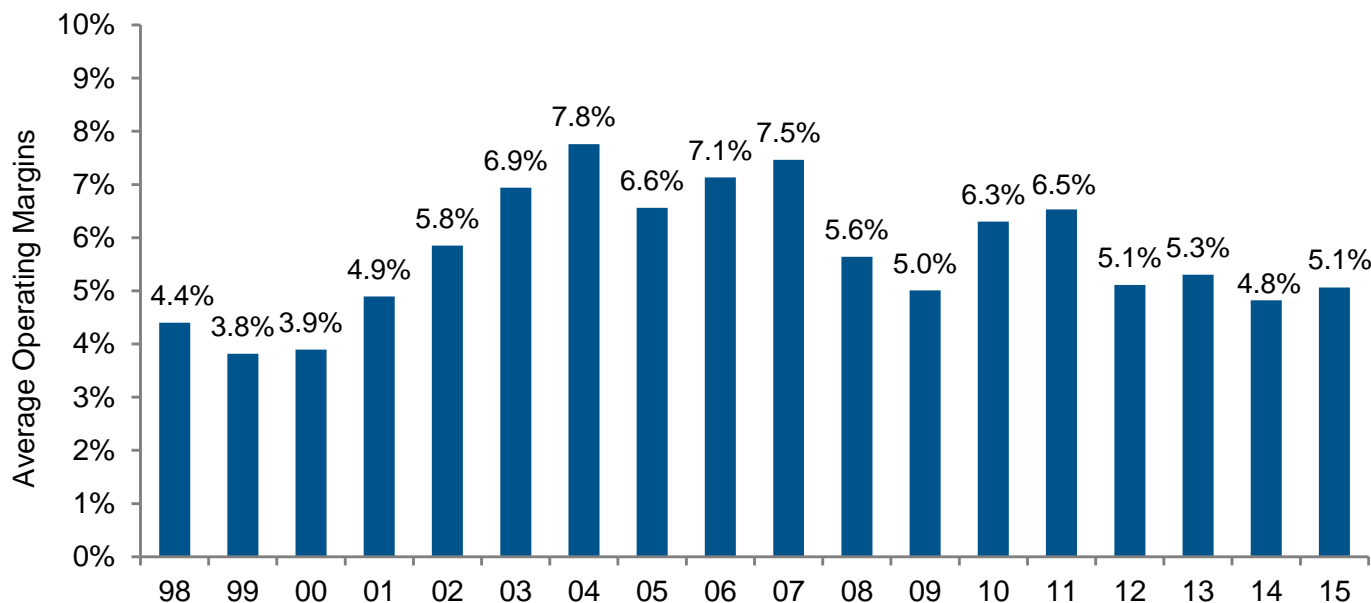


Source: The Kaiser Family Foundation and Health Research and Educational Trust. Data released September 2017.

Link: <http://files.kff.org/attachment/Report-Employer-Health-Benefits-Annual-Survey-2017>

Chart 1.27 in 2015 and earlier years' Chartbooks.

Chart 1.28: Managed Care Plan Average Operating Margins,⁽¹⁾
1998 – 2015

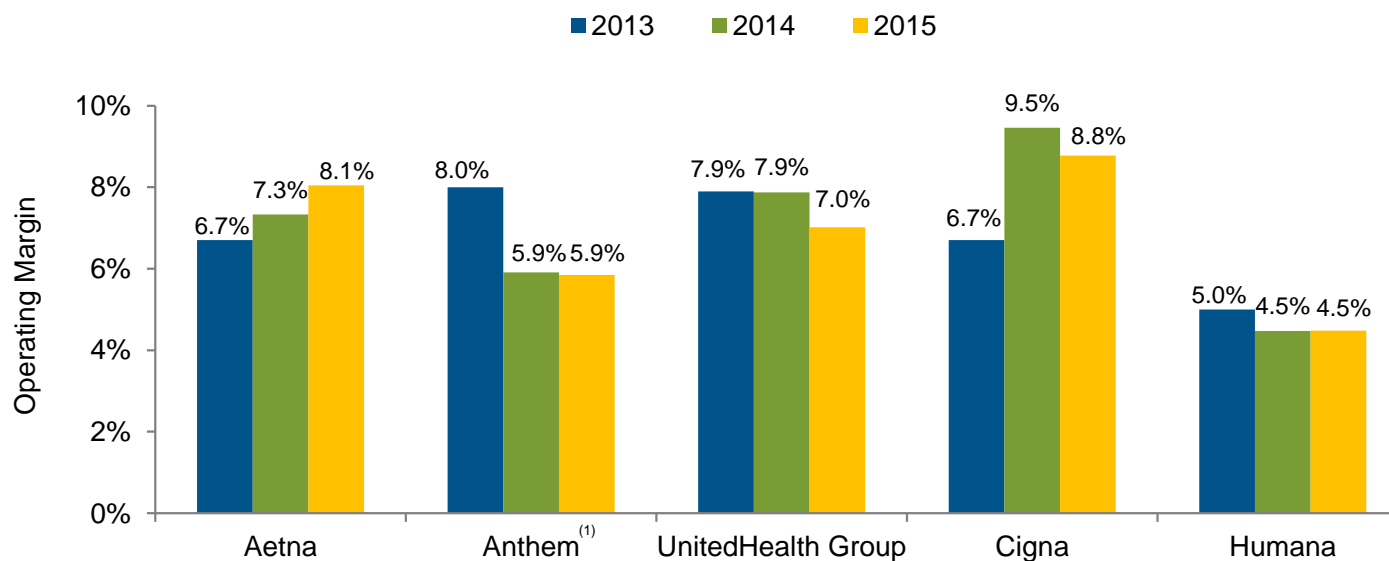


Source: YCharts data used for 2014 and 2015. Company documents of publicly traded managed care plans used for 1998 – 2013.

(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 1.29: 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.