

Personal health care expenditures by source and type, U.S. 2005

In 2005, private health insurance and the federal government paid the largest shares of personal health care expenditures. In 2005, the U.S. spent \$2 trillion on health care (average: \$6,700 per person). This is 16% (up from 14% in 2000) of its Gross Domestic Product, a greater share than any other developed country for which data are collected.

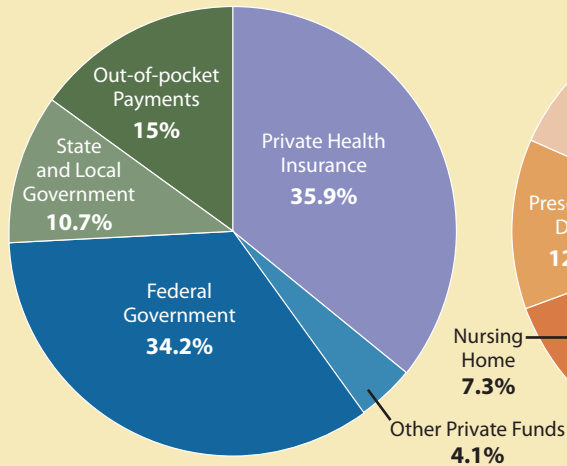
FAST FACTS

Personal health care expenditures, which include spending for hospital care, physician services, prescription drugs, nursing home care, dental care, and other types of medical care, accounted for 84% of national health expenditures in 2005. The remaining 16% was spent on administration, government public health activities, research, and structures and equipment.

Out-of-pocket payments declined from 27% in 1980 to 15% in 2005 due to expanding private health insurance plans and government programs. Despite the decline, the growth in health care costs over recent years means that consumers may still pay more out-of-pocket.

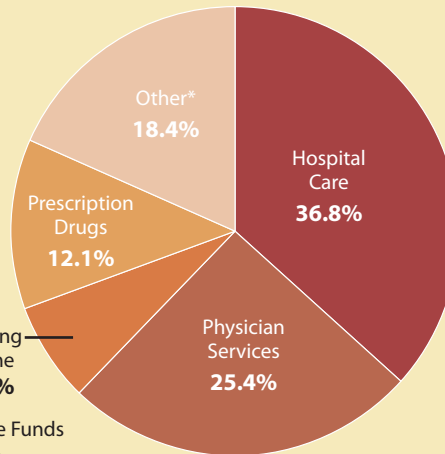
The share of total personal health care expenditures devoted to hospital care has declined from 40% in 1980 to 31% in 2005 and the prescription drug expenditure share has doubled from 5% to 10% over the same period, reflecting the shift in health care from inpatient to ambulatory care settings and the increasing contribution of prescription drugs to health care services and spending.

Source of funds



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

Type of expenditures



* Dental, other professional and home health services; vision; nonprescription drugs; and medical nondurables.