Healthcare Delivery – Deconstructing the Costs

Bibliography

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Administration

   A CMS study found that Medicare spending was $401.3 billion in 2006 and $338 billion in 2005. Medicaid spending was $310.6 billion in 2006.

   In 2005, the Congressional Budget Office collected data on spending on health services and supplies, as defined in the national health expenditure accounts, maintained by the Centers for Medicare and Medicaid Services. Spending included: Medicare - $342 billion and Medicaid - $311 billion.

3. Indian Health Service Year 2007 Profile. Indian Health Service, 2007. Last Modified October 3, 2007 (DC-210)
   The Indian Health Services FY 2005 budget appropriation was $3 billion. The Indian Health Services FY 2006 budget appropriation was $3.1 billion.

   SCHIP cost $40 billion in 2007. No data source was provided.

   Total Medicare benefits paid in 2006 were $402 billion. Income was $437 billion and expenditures were $408 billion.

   In 2006, Medicare benefit payments totaled $374 billion. There were $1.7 trillion personal health care expenditures in the U.S in 2005.

   CBO estimated outlays for SCHIP as $5.5 billion in 2006 and $5.7 billion in 2007, with net federal costs of $0.4 billion in 2007 (due to Medicaid savings).

   Congressional Budget Office analysis projected VA health care costs of $35 billion in 2007.

   SCHIP costs $5 billion a year, according to a bipartisan group of House members.

    Medicare expenditures for 2007 were estimated at $372.3 billion.

    Medicare cost $350 billion per year.

Medicare spending was over $500 billion in 2007.


Medicaid was expected to cost $350 billion in 2007.


The US Census Bureau reported federal budget outlays on Medicare for the following years: 2004 - $269.4 billion, 2005 - $298.6 billion, 2006 - $343 billion (estimated). The data source is the U.S. Office of Management and Budget.


The TRICARE program was expected to cost about $37 billion in fiscal year 2006.


Medicaid expenditures for fiscal year 2004 were estimated to be $298 billion.


Medicare cost $342 billion in 2006, according to “critics”.

18.  *TRICARE Facts and Figures*. TRICARE, Last Updated September 2006 (DC-211)

$39.32 billion was budgeted for the Fiscal Year 2006 the Unified Medical Program.


According to the Congressional Budget Office, Medicare spending was projected to be $382 billion in 2006.


Medicaid spending was $288.1 billion in 2004.


Medicare cost $391 billion in 2006. No data source was provided.


SCHIP expenditures were $4.6 billion in 2004.


Medicare expenditures for 2004 were $269.4 billion, for 2005 were $298.6 billion, and estimated for 2006 at $343 billion.


Total Medicaid expenditures were projected as $338 billion in 2006.


In 2004, Medicare cost the US $297 billion and Medicaid cost $305 billion.


Health insurance provided by employers costs the government over $140 billion annually.


The Congressional Budget Office reported that total Medicare spending exceeded $300 billion in 2004.

28. Chu, D. S. C.  *Joint Overview Statement by the Honorable David S. C. Chu Under Secretary of Defense and Readiness and the Honorable William Winkenwerder, Jr, MD, MBA, Assistant Secretary of Defense for Health Affairs, Before the Subcommittee*
Total spending for military health care was estimated at $36 billion for 2005.

   One part of the article stated that Tricare will soon cost $50 billion a year, and another section stated that Tricare for Life was estimated to cost $150 billion between 2005-2015. Data sources were Congress and the Department of Defense.

   Medicaid spending was more than $300 billion in 2005. No data source was provided.

   Medicare cost $325 billion in 2005.

   In 2005, Medicaid cost $300 billion in federal and state funds, according to National Association of State Budget Officers and Kaiser Family Foundation data.

   According to the Medicare Payment Advisory Commission, Medicare cost $300 billion in 2004.

   Budget outlays in 2004 were $301.1 billion for Medicare, $297.5 billion for Medicaid and $6.6 billion for SCHIP, according to CMS, Office of Financial Management.

   The Cato Institute used Congressional Budget Office reports to estimate Medicare outlays of $297 billion and Medicaid outlays of $309 billion in 2004.

   Medicaid cost more than $300 billion in 2004.

   Medicare will have an estimated 41 million beneficiaries in 2005, and will spend an average of almost $8,000 on each.

38. Toedtman, J. “Ouch! This Will Hurt a Bit: Part B Premiums are Going Up 17% Next Year? What's a Medicare Recipient to Do?” Newsday: B6-7, October 2, 2004. (DC-001)
   The Medicare program was estimated to cost $294.2 billion in 2005.

   Medicare spending was estimated at $270.5 billion in 2004 and $294.2 billion in 2005.

   The United States spends $300 billion each year to administer the health care system.

Cost of Disease

   Arthritis cost of $186 billion in 2007, according to Milken Institute research.

   The National Institutes of Health estimates overall costs for cancer in 2006 at $206 billion: $78 billion for direct medical costs; $128 billion for low productivity and premature death.

   In 2006, coronary heart disease cost the US $142.5 billion. No data source was provided.
   Nationwide, costs related to stroke were expected to reach an estimated $62.7 billion in 2007.

   Direct costs of peptic ulcer to the health care system are more than $2 billion per year and indirect costs are more than $500 million.

   The 2004 Medical Expenditure Panel Survey indicated that total incremental annual direct expenditures for patients with diabetes were estimated to be more than $82 billion in 2004.

   Coronary heart disease was projected to cost an estimated $151.6 billion dollars in direct and indirect costs in 2007, according to American Heart Association data.

   The estimated direct and indirect cost of cardiovascular disease for 2007 was $431.8 billion. The estimated direct and indirect cost of stroke for 2007 was $62.7 billion. The estimated direct and indirect cost of hypertension for 2007 was $66.4 billion.

   The 2004 Medical Expenditure Panel Survey found total expenses for the following conditions: asthma/COPD - $48,689,940,000, back problems - $29,625,640,000, cancer - $62,230,460,000, diabetes - $30,702,760,000, gallbladder, pancreatic, and liver disease - $28,644,370,000, heart conditions - $90,043,980,000, hypertension - $37,854,880,000.

50. The Employer-Based Health-Insurance System (EBI) is at Risk: What We Must Do About It. Washington, DC: Committee for Economic Development, November 7, 2006. (DC-192)
   Anti-retroviral therapy for HIV/AIDS costs roughly $18,000 per year in the US.

   Stroke cost the US $56.8 billion in direct/indirect costs in 2005.

   The sample was drawn from the Predictors Study, a large, multicenter cohort of patients with probable AD, prospectively followed up annually for up to 7 years in three university-based AD centers in the United States. Total direct cost increased from approximately $9,239 per patient per year at baseline, when all patients were at the early stages of the disease, to $19,925 by year 4. After controlling for other variables, a one-point increase in the BDRS score increased total direct cost by 7.7%. One more comorbid condition increased total direct cost by 14.3%. Total direct cost was 20.8% lower for patients living at home compared with those living in an institutional setting.

   A persistent asthma patient sample (<65 years) was selected from an employer claims database. Asthma persistence and severity were determined by an algorithm based on Health Plan Employer Data and Information Set criteria, Leidy's Reliever and Oral Steroid Method, and Global Initiative for Asthma guidelines. Healthcare costs were compared between asthma patients and demographically matched controls and by asthma severity. Average annual excess costs for persistent patients were $4412 for health care and $924 for workloss.

54. *Over $90 Billion in Health Care Expenses are Consumed Annually by People Suffering from Back Pain*. ACN Group, July 17, 2006 (DC-169)
   Over $90 billion in health care expenses are consumed annually by people suffering from back pain, according to ACN Group.

   According to CDC data, diabetes cost the US $132 billion in 2005.
2006 costs were estimated by the NHLBI: heart disease $258.5 billion, coronary heart disease $142.5 billion, stroke $57.9 billion and hypertension $63.5 billion.

The annual health care costs of peptic ulcer have been estimated to be $6 billion, according to Inverness Medical Innovations.

The annual cost to the nation for COPD (emphysema and chronic bronchitis) is approximately $32.1 billion, including healthcare expenditures of $18.0 billion and indirect costs of $14.1 billion, according to the American Lung Association.

The cost of diabetes care has been estimated at $45.2 billion in 2005.

In 2004, the Council of State Governments estimated that the cost of cancer in the United States was $189.8 billion ($69.4 billion in direct medical expenses, $16.9 billion for lost worker productivity due to illness and $103.5 billion for lost worker productivity due to premature death).

The North American Spine Society estimated that the cost of back injuries exceeds $80 billion each year in the United States.

The annual cost of back pain in the United States is between $20 billion and $50 billion.

The annual cost of asthma is estimated to be nearly $18 billion. Direct costs account for nearly $10 billion and indirect costs of $5 billion. For adults, results in a total cost of nearly $3 billion in lost productivity.

The estimated cost of arthritis in the US is $215 billion annually.

Arthritis costs the nation nearly $125 billion a year; an estimated $42.6 billion in direct medical costs such as hospitalization and $82.2 billion for indirect costs such as lost productivity.

The estimated cost of arthritis was about $64.8 billion dollars in 2005.

In terms of health care expenses and lost wages of both patients and their caregivers, the cost of Alzheimer's disease nationwide is $80 to $100 billion per year. The yearly cost of caring for one Alzheimer's patient is $18,400 for mild symptoms, $30,100 for moderate symptoms, and $36,132 for advanced symptoms.

Alzheimer's Disease was estimate to cost the US over $100 billion in 2005.

Cancer costs the United States an estimated $107 billion a year— $37 billion in direct medical costs, $11 billion in indirect costs (such as lost productivity due to illness) and $59 billion in indirect mortality costs (lost productivity due to premature death).

In 2004, the cost to the nation for COPD (emphysema and chronic bronchitis) was approximately $37.2 billion, including healthcare expenditures of $20.9 billion in direct health care expenditures, $7.4 billion in indirect morbidity costs and $8.9 billion in indirect mortality costs, according to the National Heart, Lung and Blood Institute.

Outpatient claims for the treatment of back pain were analyzed. These companies spent more than $52 million. Average amount allowed per outpatient low back pain claim was lower for CAM visits (mean $50, SD $28) than for conventional visits (mean $128, SD $173). Total outpatient costs for the treatment of back pain were highest for the group using both CAM and conventional care (mean $1079, SD $1185), and lowest for the group using CAM only (mean $342, SD $429).


The VA Office of Research and Development, Health Services Research and Development Service estimated ischemic heart disease to cost the US more than $100 billion in direct and indirect costs in 2005.


Some arthritis biologics can cost $15,000 to $20,000 a year.


Researchers from the UCLA School of Public Health Center for Health Policy Research conducted a randomized controlled trial within a large medical group practice of 654 HMO patients over 18 months. Outpatient costs for physical therapy and/or chiropractic care for patients with back problems ranged from $369-$760. The study excluded pharmaceutical therapy.


Federal government AIDS spending was estimated at $18,481,000,000 in 2004 and $19,696,000,000 in FY2005. Data were prepared by the Congressional Research Service based on analysis from HHS Budget Office.


Economic costs per year total approximately $6 billion for gallbladder disease.


A Senior Fellow of the National Center for Policy Analysis estimated that Americans spend about $20 billion per year on high cholesterol ($14 billion per year on cholesterol reducing medication).


Diabetes costs the United States about $98 billion annually: $44 billion for direct medical care and $54 billion for indirect costs associated with disability, work loss, and premature mortality.


Stroke was responsible for an estimated $53.6 billion dollars in direct and indirect costs during 2004, according to CDC research.

80. Costs of Cancer, American Cancer Society. Revision date January 5, 2005. (DI-060)

In 2004, the National Institutes of Health estimated annual costs for cancer: total cost: $189.8 billion, direct medical costs: $69.4 billion (total of all health expenditures), indirect morbidity costs: $16.9 billion (cost of lost productivity due to illness) and indirect mortality costs: $103.5 billion (cost of lost productivity due to premature death).

81. Heart Disease and Stroke Statistics, Dallas, TX, American Heart Association: 63 pp, 2005. (DC-045)

Cardiovascular Disease cost the US $393.5 billion in 2005, based on data from NHLBI. Coronary heart disease cost the US $142.1 billion in 2005. Stroke cost the US $56.8 billion in 2005. High blood pressure cost the US $59.7 billion in 2005.

Costs to treat an Alzheimer's patient will were $76,000 in 2004, according to the UCLA Center on Aging.


86. Harrow, B., et al. "Variation in Cost of Informal Caregiving and Formal-Service Use for People with Alzheimer's Disease." American Journal of Alzheimer's Disease and Other Dementias 19(5): 299-308, September-October 2004. (DC-068) Researchers from the College of Nursing and Health Sciences, University of Massachusetts used data for 1,200 family caregivers from the Resources for Enhancing Alzheimer's Caregiver Health (REACH) study, a multisite intervention trial. Annual cost per care recipient amounted to $23,436 dollars for informal care and $8,064 dollars for formal services.


89. “Asthma Facts & Figures.” Employee Benefit News, March 1, 2004. (DC-080) Direct health care costs for asthma in the United States total more than $8.1 billion annually; indirect costs add $4.6 billion for a total of $12.7 billion. No data source was provided.


92. The Compelling Case for Improving Adherence to Medical Guidelines, Colorado Prevention Center, 2004. (DC-128) The Colorado Prevention Center estimated that complications of hypertension cost $300 billion a year and that economic cost of elevated cholesterol levels was $70 billion a year between 2003-2004.

93. Heart Disease and Stroke Statistics - 2004 Update, Dallas, TX, American Heart Association, 2003. (DC-135) In 2004, the estimated direct and indirect cost of stroke was $53.6 billion. The National Heart, Lung and Blood Institute prepared estimates.

Federal Budget Outlays


Federal budget outlays were estimated as over $2.5 trillion for 2005. National debt was estimated as over $7.7 trillion for 2005. No data sources were provided.

Federal budget outlays were $2,318,834,000,000 in 2004 and an estimated $2,399,843,000,000 in 2005.

Federal outlays on health were estimated at $243.5 billion in 2004 and $252.6 billion in 2005.

In 2006, U.S. health care spending was $2.1 trillion ($1.97 trillion in 2005 and $1.85 trillion in 2004).

National health care costs rose above $2 trillion in 2006, according to a government report.

A CMS study found that health spending totaled $2.1 trillion in 2006.

U.S. health spending was $2 trillion in 2006.

The health care market was worth an estimated $2.26 trillion in 2007.

Total health spending was $2 trillion in 2005.

The U.S. spends over $2 trillion on health care every year.

The Congressional Budget Office collected data on spending on health services and supplies, as defined in the national health expenditure accounts, maintained by the Centers for Medicare and Medicaid Services. Total health spending in 2005 was $1.86 trillion.

A 2006 Health Affairs article estimated that the U.S. would spend over $2 trillion on health care annually through 2015.

110. NCHS - FASTSTATS - Health Expenditures. National Center for Health Statistics, January 24, 2007 (DC-201)
In 2004, national health expenditures were $1.9 trillion.

111. Pear, R. "In '05, Medical Bills Grew at Slowest Pace in 6 Years." New York Times, January 9, 2007. (DC-188)
The government reported that total health spending was nearly $2 trillion in 2005.

In 2006, the United States spent an estimated $2.6 trillion on healthcare.

Since 2005, national health expenditures were over $2 trillion per year, according to the CMS Office of the Actuary.

Healthcare was a $2 trillion industry in 2007.

The US Census Bureau reported national health expenditures for the following years: 2004 - $1,878,000,000,000, and estimates for 2005 - $2,016,000,000,000 and 2006 - $2,164,000,000,000.


$2.3 trillion is spent annually on health care in the United States.


National health expenditures were estimated to hit $2.2 trillion in 2006.

The Centers for Medicare and Medicaid Services projected that health expenditures would be $2.16 trillion in 2006.


According to CMS, national health expenditures were $1.9 trillion in 2006.


In 2005, national health expenditures were $1.7 trillion.

The Centers for Medicare & Medicaid Services, Office of the Actuary reported that national health expenditures for 2004 projected at $1.8 trillion, for 2005 projected at $1.9 trillion and for 2006 projected at $2 trillion.


U.S. health care spending was $1.9 trillion in 2004.


According to CMS, national health expenditures were $1.9 trillion in 2006.

Kane, R. L., Meeting the Challenge of Chronic Illness. Baltimore, MD, Johns Hopkins University Press. (DC-154)
Researchers at the University of Minnesota School of Public Health found national health expenditures of nearly $1.5 trillion in 2005.

In 2005, the national health expenditures were $1.8 trillion, according to Centers for Medicare and Medicaid Services.

National health expenditures were $1.6 trillion in 2004.

National health expenditures were $1.4 trillion in 2005.

According to a Health Affairs article, national health expenditures were $1.8 trillion in 2004.


In 2004, national health expenditures exceeded $1.6 trillion.
Resource Utilization


   Spending was: $447.6 billion on physician and clinical services, $177.6 billion on home health and nursing home care, $216.7 billion on retail sales of prescription drugs, $23.7 billion on durable medical equipment, $648.2 billion on hospital care and $1.7 trillion on personal health care. Data were from Centers for Medicare and Medicaid Statistics, Bureau of Economic Analysis and the Census Bureau.


   Every year, Americans spend at least $30 billion on alternative treatments. No data source was provided.


   In 2005, the Congressional Budget Office collected data on spending on health services and supplies, as defined in the national health expenditure accounts, maintained by the Centers for Medicare and Medicaid Services. Spending included: private spending - $1 trillion, private health insurance - $694.4 billion, out-of-pocket payments - $249.4 billion and other private spending - $69.8 billion.


   The nation currently spends $275 billion a year on prescription medicines. No data source was provided.


   Excluding Walmart, prescription drug sales for the following years were: 2006 - $15.4 billion, 2005 - $15 billion and 2004 - $14.1 billion.

135. Pear, R. "In '05, Medical Bills Grew at Slowest Pace in 6 Years." *New York Times*, January 9, 2007. (DC-188)

   The government reported that total health spending on prescription drugs was $200.7 billion in 2005.


   In 2004, there was an estimated total of $963.9 billion paid for hospital inpatient and outpatient care; emergency room services; office-based medical provider services; dental services; home health care; prescription medicines; and/or other medical services and equipment, according to the MEPS Household Component.


   Spending in the US for prescription drugs was $188.5 billion in 2004, according to CMS data.


   Private expenditures for 2004 projected at $981 billion, for 2005 projected at $1 trillion and for 2006 projected at $1 trillion. Hospital care expenditures for 2004 were projected at $552 billion, for 2005 projected at $589 billion and for 2006 projected at $624 billion. Physician and clinical care expenditures for 2004 were projected at $397 billion, for 2005 projected at $426 billion and for 2006 projected at $454 billion. Prescription drug expenditures for 2004 were projected at $201 billion, for 2005 projected at $224 billion and for 2006 projected at $249 billion. Nursing home expenditures for 2004 were projected at $115 billion, for 2005 projected at $121 billion and for 2006 projected at $127 billion.

139. "By the Numbers." *Health & You* 21(3): 8, Fall 2005. (DC-143)

   Yoga Journal surveyed over 4,700 people to estimate that Americans spend $2.95 billion each year on yoga classes and products.


   Long-term care expenditures are $135 billion annually.


   CBO estimated that spending on long term care for the elderly totaled over $200 billion in 2004.

A New York Times article stated that radiological imaging spending approached $100 billion in 2004.

   The Blue Cross Blue Shield Association estimated that the United States would spend $96 billion on diagnostic imaging in 2005.

   The Congressional Budget Office (CBO) estimated that total expenditures for LTC services for the elderly in 2004 totaled about $135 billion.


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