

**Table 1.1**  
**Personal Health Care Expenditures, by Source of Funds: Selected Calendar Years 1960-2006**

Year	Total PHCE <sup>1</sup>		Direct Patient Payments		Third Parties					
					All Third Parties		Total		Health Insurance	Other Private Funds
	Amount	Percent of GDP	Amount	Percent of PHCE	Amount	Percent of PHCE	Amount	Percent of PHCE		
	Amount in Billions									
1960	\$23.3	4.4	\$12.9	55.2	\$10.4	44.8	\$5.5	23.4	\$5.0	\$0.5
1970	62.9	6.1	24.9	39.6	38.0	60.4	15.8	25.1	14.1	1.7
1980	214.8	7.7	58.1	27.1	156.6	72.9	70.4	32.8	61.2	9.2
1985	371.7	8.8	95.2	25.6	276.5	74.4	130.6	35.1	111.8	18.8
1990	607.5	10.5	136.1	22.4	471.4	77.6	235.1	38.7	204.6	30.5
1991	669.2	11.2	140.1	20.9	529.1	79.1	258.2	38.6	225.1	33.1
1992	725.9	11.5	143.4	19.7	582.6	80.3	279.3	38.5	243.6	35.8
1993	773.6	11.6	145.2	18.8	628.5	81.2	295.8	38.2	257.6	38.2
1994	814.4	11.5	142.9	17.6	671.4	82.4	309.7	38.0	269.7	40.0
1995	863.7	11.7	146.3	16.9	717.4	83.1	330.7	38.3	286.6	44.1
1996	910.2	11.6	152.1	16.7	758.1	83.3	349.4	38.4	302.0	47.4
1997	959.8	11.6	162.5	16.9	797.2	83.1	371.3	38.7	319.6	51.6
1998	1,010.4	11.6	175.5	17.4	834.9	82.6	400.0	39.6	344.6	55.4
1999	1,068.2	11.5	184.0	17.2	884.2	82.8	428.8	40.1	371.3	57.5
2000	1,139.6	11.6	192.9	16.9	946.7	83.1	460.0	40.4	403.1	57.0
2001	1,238.7	12.2	199.8	16.1	1,038.9	83.9	497.8	40.2	441.4	56.4
2002	1,340.8	12.8	211.4	15.8	1,129.3	84.2	540.7	40.3	482.4	58.3
2003	1,445.9	13.2	224.9	15.6	1,221.0	84.4	584.8	40.4	521.2	63.6
2004	1,547.7	13.2	234.9	15.2	1,312.8	84.8	625.1	40.4	560.2	64.9
2005	1,653.7	13.3	247.1	14.9	1,406.6	85.1	667.6	40.4	598.6	69.0
2006	1,762.0	13.4	256.5	14.6	1,505.5	85.4	707.3	40.1	634.6	72.7
	Average Annual Rate of Change									
1960-2006	9.9	---	6.7	---	11.4	---	11.2	---	11.1	11.6
1970-2006	9.7	---	6.7	---	10.8	---	11.1	---	11.2	10.9
1980-2006	8.4	---	5.9	---	9.1	---	9.3	---	9.4	8.3
1970-1980	13.1	---	8.8	---	15.2	---	16.1	---	15.8	18.1
1980-1990	11.0	---	8.9	---	11.6	---	12.8	---	12.8	12.7
1990-2006	6.9	---	4.0	---	7.5	---	7.1	---	7.3	5.6
2000-2001	8.7	---	3.6	---	9.7	---	8.2	---	9.5	-0.9
2001-2002	8.2	---	5.8	---	8.7	---	8.6	---	9.3	3.3
2002-2003	7.8	---	6.4	---	8.1	---	8.2	---	8.0	9.2
2003-2004	7.0	---	4.5	---	7.5	---	6.9	---	7.5	2.1
2004-2005	6.8	---	5.2	---	7.1	---	6.8	---	6.9	6.4
2005-2006	6.6	---	3.8	---	7.0	---	5.9	---	6.0	5.4

<sup>1</sup>Represents total expenditures aggregated on an incurred basis. Because of differences in methodology, definition, and completeness, PHCE for Medicare services is somewhat higher than the corresponding Medicare program payments shown elsewhere in this publication. PHCE excludes health expenditures for construction, program administration, government public health activities, and research.

<sup>2</sup>Subset of Federal funds.

<sup>3</sup>Subset of Federal, State, and local funds.

<sup>4</sup>Excludes State Children's Health Insurance Program and Medicaid expansion.

NOTES: PHCE is personal health care expenditures. GDP is gross domestic product. Numbers may not add to totals because of rounding. Expenditures are in current dollars. National Health Expenditures data files and category definitions are found at <[http://www.cms.hhs.gov/NationalHealthExpendData/02\\_NationalHealthAccountsHistorical.asp#TopOfPage](http://www.cms.hhs.gov/NationalHealthExpendData/02_NationalHealthAccountsHistorical.asp#TopOfPage)>.

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

**Table 1.1—Continued**

**Personal Health Care Expenditures, by Source of Funds: Selected Calendar Years 1960-2006**

Total		Government					
		Third Parties					
		Government					
		State and Local		Medicare <sup>2</sup>		Medicaid <sup>3,4</sup>	
Amount	Percent of PHCE	Federal	Local	Amount	Percent of PHCE	Amount	Percent of PHCE
Amount in Billions							
\$5.0	21.4	\$2.0	\$3.0	---	---	---	---
22.2	35.3	14.4	7.8	\$7.3	11.6	\$5.0	8.0
86.2	40.1	62.3	23.9	36.1	16.8	24.7	11.5
145.9	39.2	108.8	37.1	69.4	18.7	38.8	10.4
236.2	38.9	172.8	63.5	106.6	17.5	69.7	11.5
270.8	40.5	200.3	70.5	117.3	17.5	88.9	13.3
303.2	41.8	227.9	75.3	132.4	18.2	103.4	14.2
332.7	43.0	251.5	81.1	146.2	18.9	116.5	15.1
361.7	44.4	274.0	87.7	163.4	20.1	126.9	15.6
386.7	44.8	295.5	91.1	179.9	20.8	136.2	15.8
408.8	44.9	315.7	93.0	193.6	21.3	144.5	15.9
426.0	44.4	329.3	96.7	204.2	21.3	150.6	15.7
434.9	43.0	332.2	102.8	202.4	20.0	158.2	15.7
455.4	42.6	346.2	109.2	205.7	19.3	171.3	16.0
486.7	42.7	369.6	117.1	215.9	18.9	187.0	16.4
541.1	43.7	411.5	129.7	238.8	19.3	208.9	16.9
588.7	43.9	448.3	140.4	256.3	19.1	230.7	17.2
636.2	44.0	485.0	151.1	272.8	18.9	250.9	17.4
687.7	44.4	525.6	162.1	298.7	19.3	269.9	17.4
739.0	44.7	562.2	176.8	326.0	19.7	289.6	17.5
798.2	45.3	618.1	180.1	381.0	21.6	285.7	16.2
Average Annual Rate of Change							
11.7	---	13.2	9.3	---	---	---	---
10.5	---	11.0	9.1	11.6	---	11.9	---
8.9	---	9.2	8.1	9.5	---	9.9	---
14.5	---	15.7	11.9	17.4	---	17.2	---
10.6	---	10.7	10.3	11.4	---	10.9	---
7.9	---	8.3	6.7	8.3	---	9.2	---
11.2	---	11.3	10.7	10.6	---	11.7	---
8.8	---	9.0	8.3	7.3	---	10.4	---
8.1	---	8.2	7.7	6.5	---	8.8	---
8.1	---	8.4	7.3	9.5	---	7.6	---
7.5	---	7.0	9.0	9.1	---	7.3	---
8.0	---	9.9	1.9	16.9	---	-1.3	---