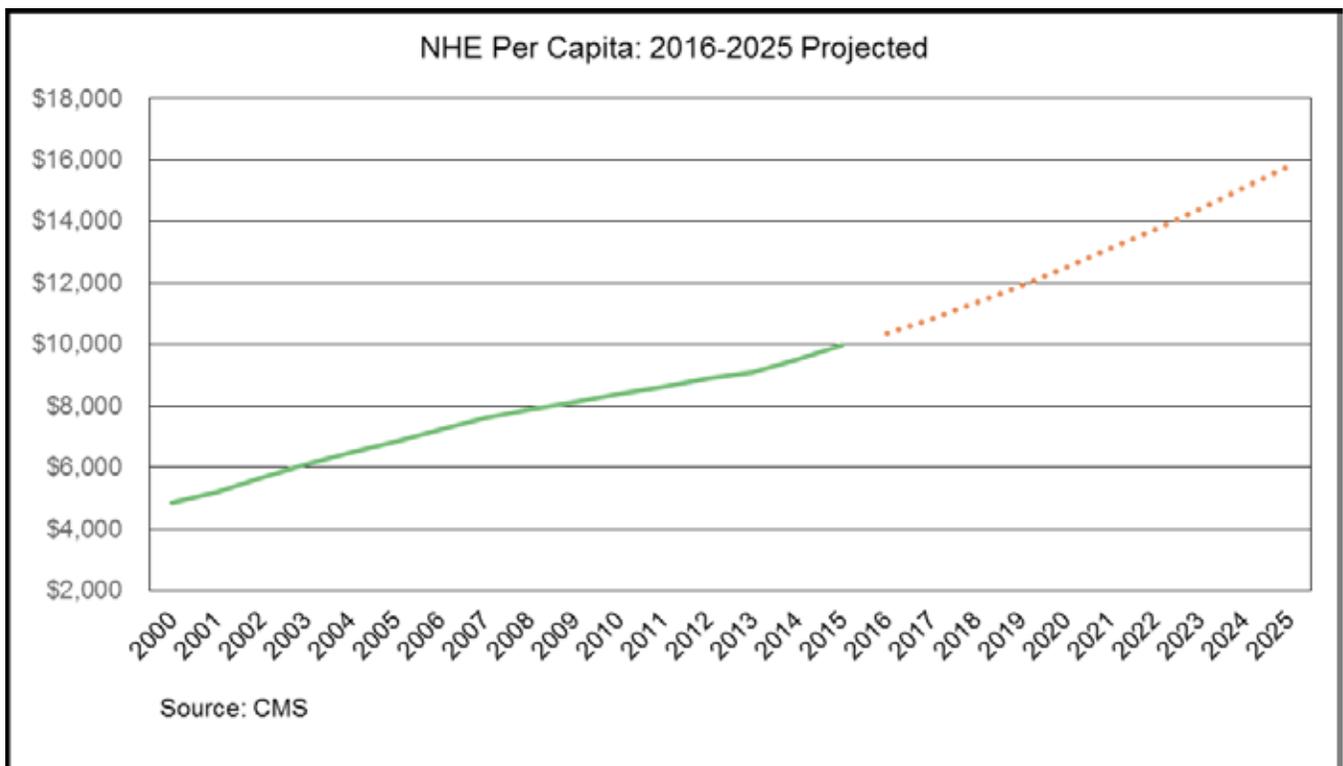
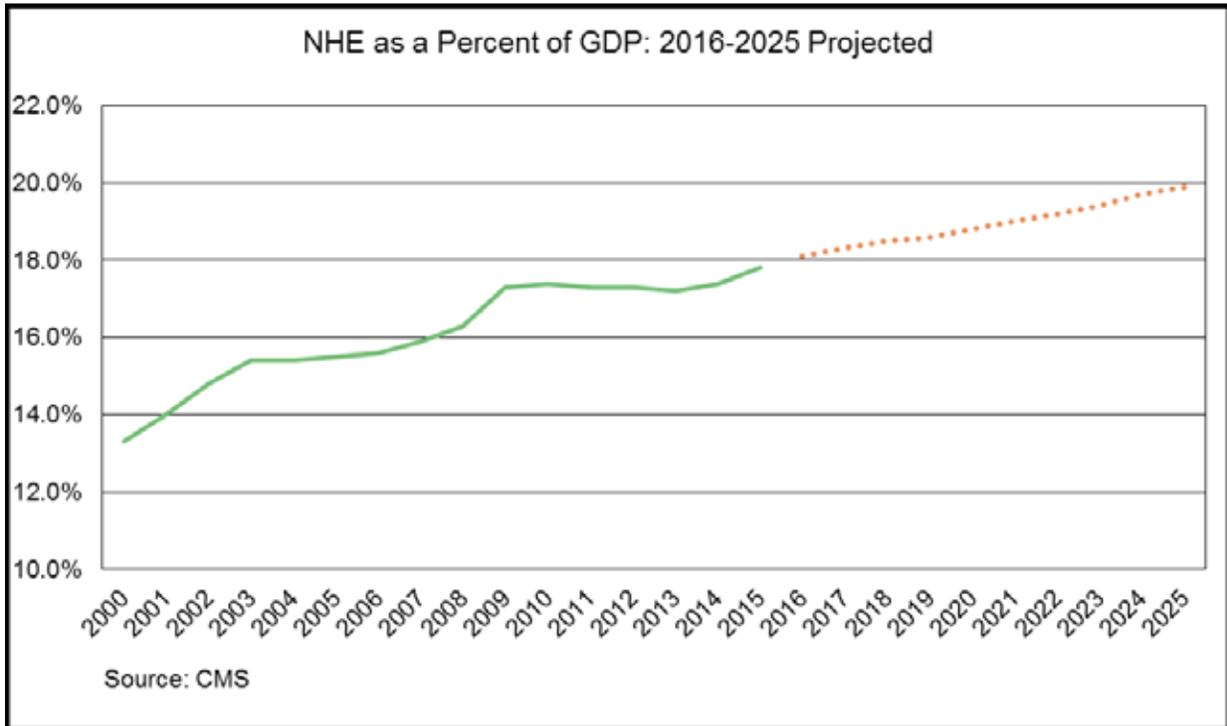


# Healthcare Trends and Policy Changes: 2000-2017

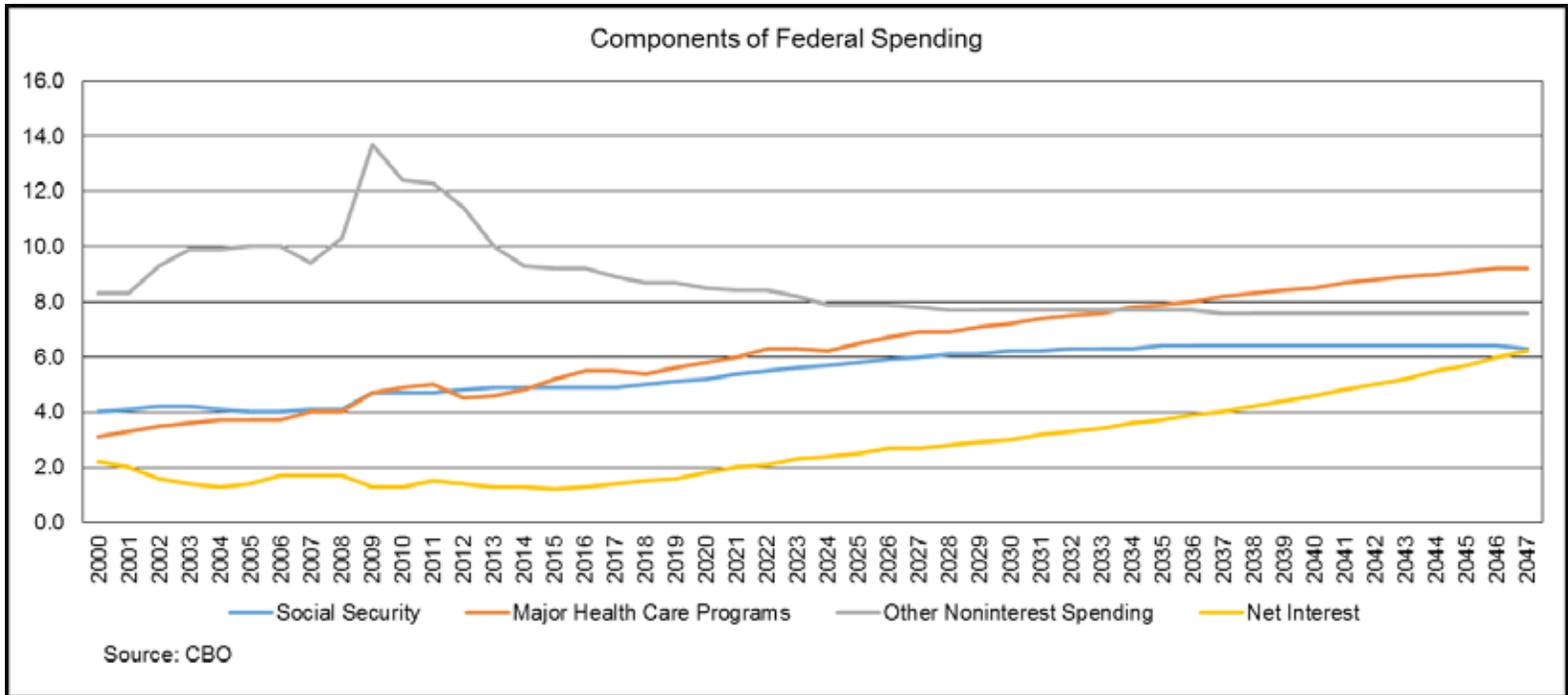
## National Health Expenditures (NHE) and Components of Federal Spending

Healthcare expenditures in the U.S. have grown significantly over the last two decades or so. The following two graphs illustrate actual and projected changes in NHE from 2000 to 2025.

The Centers for Medicare and Medicaid Services (CMS) defines NHE as “annual U.S. expenditures for health care goods and services, public health activities, government administration, the net cost of health insurance, and investment related to health care.”



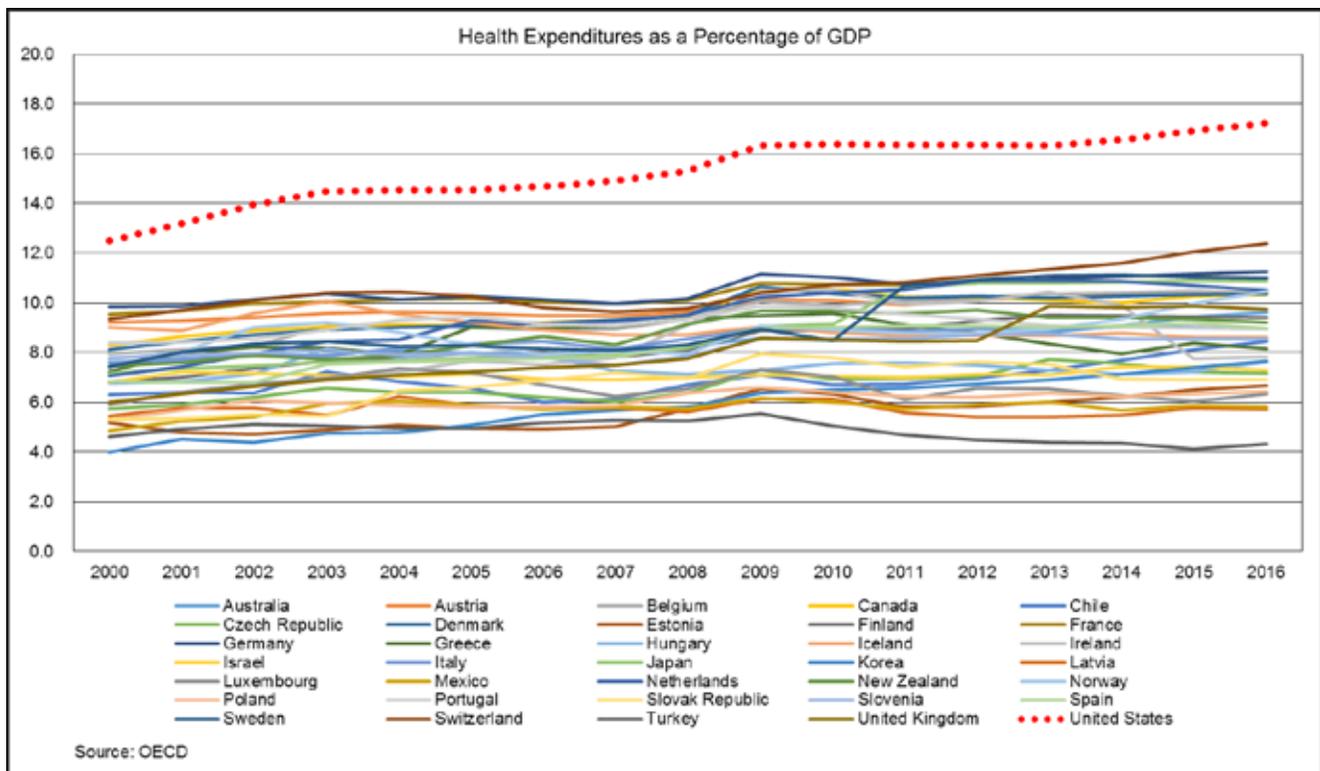
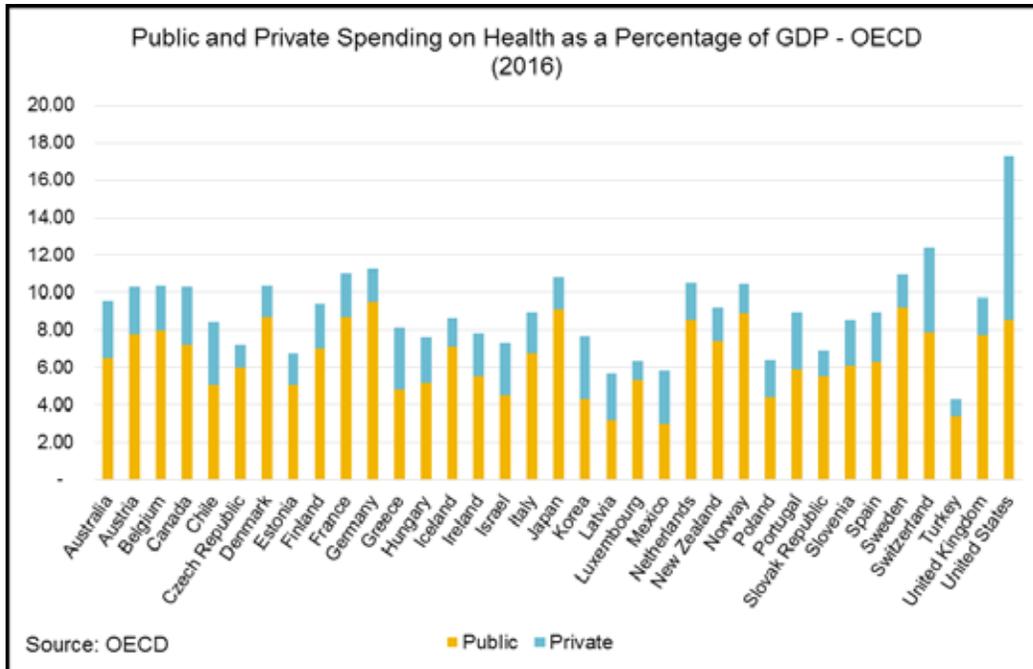
## National Health Expenditures (NHE) and Components of Federal Spending



This graph shows data from the U.S. Congressional Budget Office on actual and projected federal budget items as percentage of GDP. The rise of spending on the major federal healthcare programs (largely Medicare and Medicaid) is notable. Healthcare spending is projected to become the largest federal spending category by about 2035.

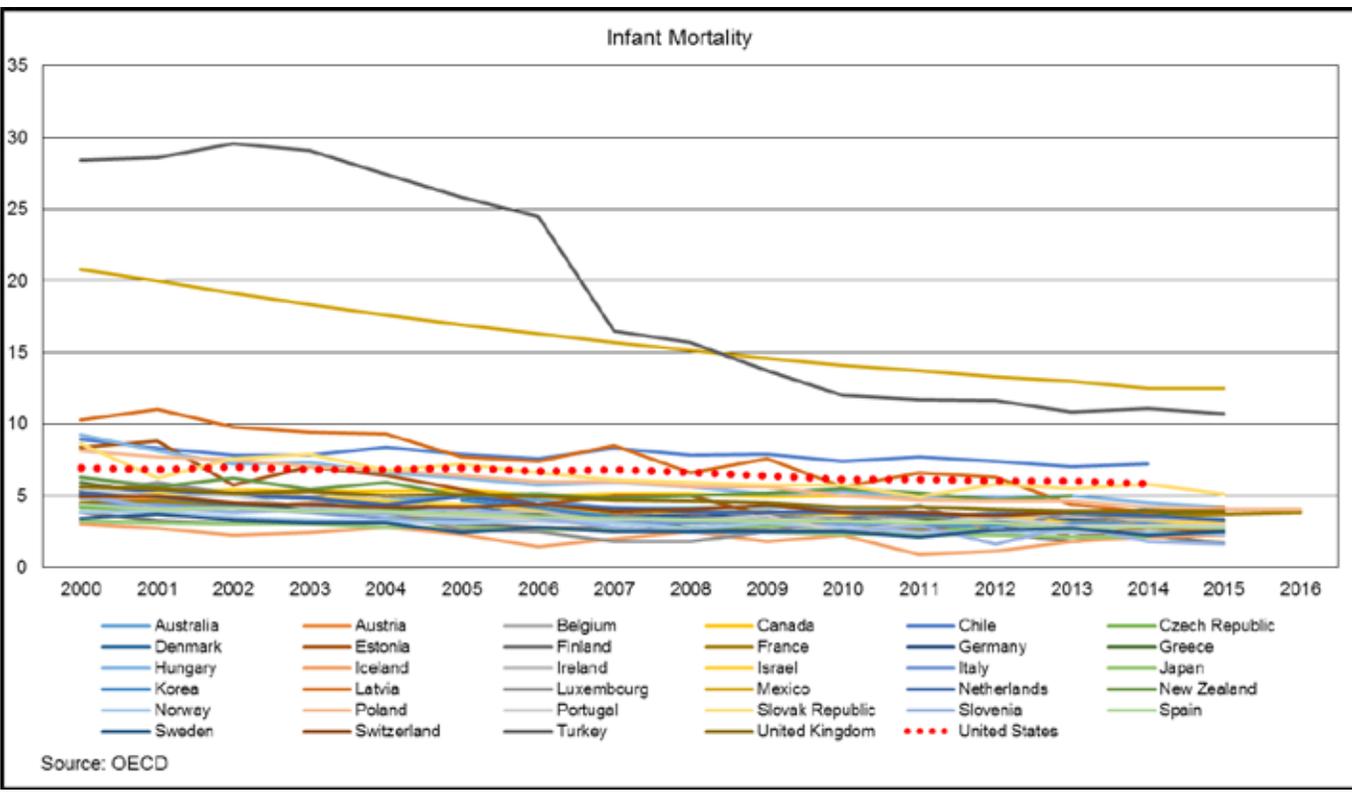
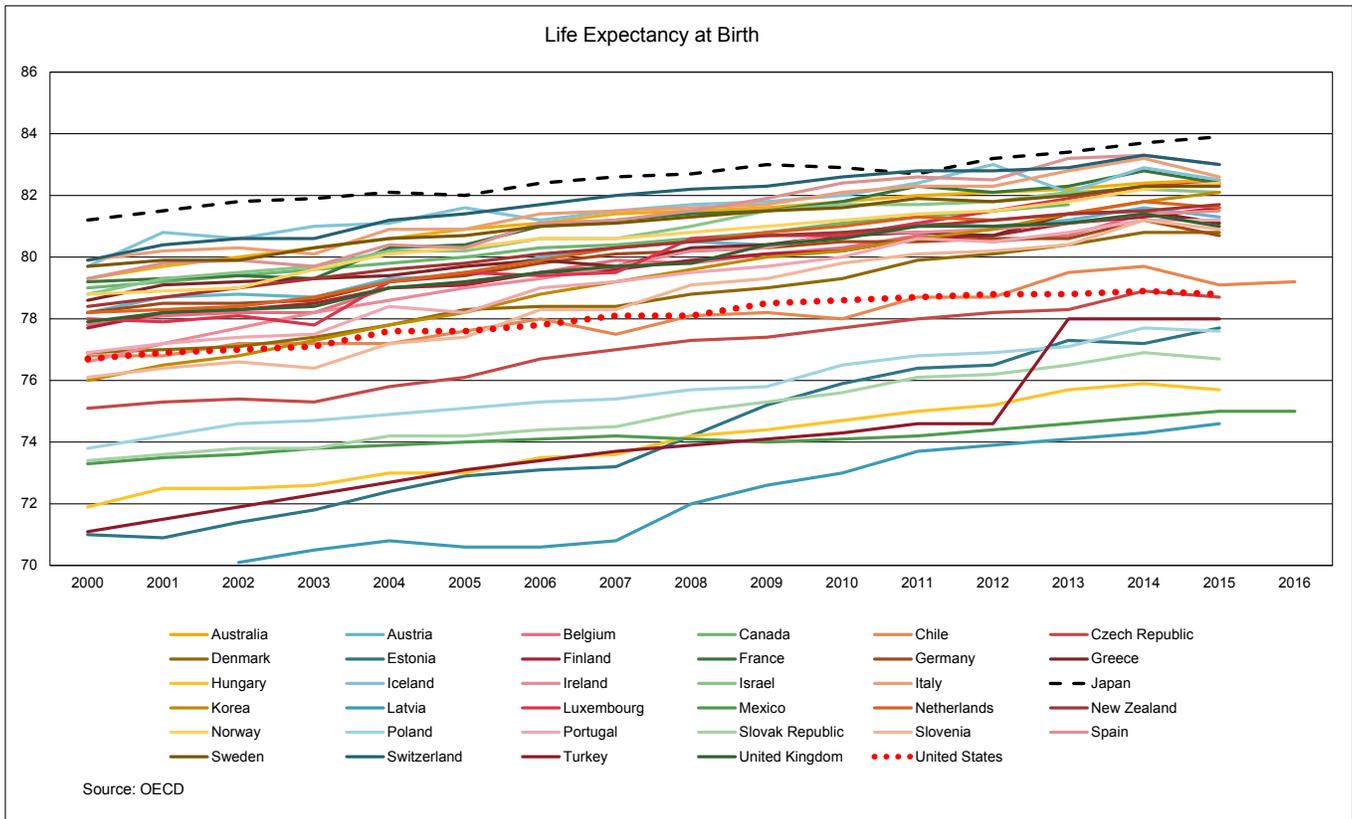
## Health Expenditures in Comparative Perspective

The United States spends considerably more on health than other similar countries. About half of all spending on healthcare in the U.S. is funded with public dollars, with the other half funded privately through either private insurance or individual out-of-pocket spending. In most peer countries well over two-thirds of spending on healthcare is public.



## Health Outcomes in Comparative Perspective

While the United States spends more on health than any other country, it is not true that health outcomes in the United States are better than those in peer states. The graphs below present data on two common measures of health: life expectancy at birth and infant mortality. Outcomes on these measures in the U.S. are poor compared to most peer countries.



## Major U.S. Health Policy Changes – 2000 to Present

- 2003: Medicare Drug, Improvement, and Modernization Act  
Creation of Medicare Part D – prescription drug benefit

- 2009: CHIP is reauthorized with expanded funding

- 2010: Patient Protection & Affordable Care Act

### Medicaid Expansion

States may opt to expand Medicaid to include childless non-disabled low-income adults

### Private Insurance Regulatory Changes

Insurers may not deny coverage to individuals

### Insurance Marketplaces

Permit consumers and small firms to purchase approved health insurance plans. Individuals may be eligible for subsidies depending on income