

## NHE Fact Sheet

### Historical NHE, 2023:

- NHE grew 7.5% to \$4.9 trillion in 2023, or \$14,570 per person, and accounted for 17.6% of Gross Domestic Product (GDP).
- Medicare spending grew 8.1% to \$1,029.8 billion in 2023, or 21 percent of total NHE.
- Medicaid spending grew 7.9% to \$871.7 billion in 2023, or 18 percent of total NHE.
- Private health insurance spending grew 11.5% to \$1,464.6 billion in 2023, or 30 percent of total NHE.
- Out of pocket spending grew 7.2% to \$505.7 billion in 2023, or 10 percent of total NHE.
- Other Third Party Payers and Programs and Public Health Activity spending declined 3.1% in 2023 to \$563.4 billion, or 12 percent of total NHE.
- Hospital expenditures grew 10.4% to \$1,519.7 billion in 2023, faster than the 3.2% growth in 2022.
- Physician and clinical services expenditures grew 7.4% to \$978.0 billion in 2023, faster growth than the 4.6% in 2022.
- Prescription drug spending increased 11.4% to \$449.7 billion in 2023, faster than the 7.8% growth in 2022.
- The largest shares of total health spending were sponsored by the federal government (32 percent) and the households (27 percent). The private business share of health spending accounted for 18 percent of total health care spending, state and local governments accounted for 16 percent, and other private revenues accounted for 7 percent.

For further detail see NHE Tables in downloads below.

## **Projected NHE, 2024-2033:**

- Over 2024-33 average NHE growth (5.8 percent) is projected to outpace that of average Gross Domestic Product (GDP) growth (4.3 percent), resulting in an increase in the health spending share of GDP from 17.6 percent in 2023 to 20.3 percent in 2033.
- 2024 NHE growth is projected to have been 8.2 percent and to have reflected a continued rebound in the growth of use of services and goods, as well as the high insured share of the population.
- The insured share of the population in 2024 is projected to have remained high, at 92.1 percent, despite Medicaid enrollment projected to have declined by 7.9 percent (to 84.5 million) following the expiration of the Families First Coronavirus Response Act's (FFCRA) continuous enrollment provision.
- Direct-purchase enrollment is expected to decline by 4.7 million in 2026 (-12.3 percent) due to the expiration of the Inflation Reduction Act's (IRA) temporary extension of enhanced subsidies and associated temporary Special Enrollment Period (SEP).

For further detail see NHE projections 2024-2033 in downloads below.

## **NHE by Age Group and Sex, Selected Years 2002, 2004, 2006, 2008, 2010, 2012, 2014, 2016, 2018, and 2020:**

- Per person personal health care spending for the 65 and older population was \$22,356 in 2020, over 5 times higher than spending per child (\$4,217) and almost 2.5 times the spending per working-age person (\$9,154).
- In 2020, children accounted for approximately 23 percent of the population and about 10 percent of all PHC spending.
- The working-age group comprised the majority of spending and population in 2014, 53 percent and over 60 percent respectively.
- Older Adults (aged 65 and older) were the smallest population group, about 17 percent of the population, and accounted for approximately 37 percent of all spending in 2020.

- Per person spending for females (\$10,887) was 14 percent more than males (\$9,554) in 2020.
- In 2020, per person spending for male children (0-18) was 10 percent more than females. However, for working age adults per person spending for females was 20 percent more than for males. For older adults, spending for males was 2 percent more than for females.

For further detail see health expenditures by age in downloads below.

## **NHE by State of Residence, 1991-2020:**

- In 2020, per capita personal health care spending ranged from \$7,522 in Utah to \$14,007 in New York. Per capita spending in New York state was 37 percent higher than the national average (\$10,191) while spending in Utah was about 26 percent lower.
- Health care spending by region continued to exhibit considerable variation. In 2020, the New England and Mideast regions had the highest levels of total per capita personal health care spending (\$12,728 and \$12,577, respectively), or 25 and 23 percent higher than the national average. In contrast, the Rocky Mountain and Southwest regions had the lowest levels of total personal health care spending per capita (\$8,497 and \$8,587, respectively) with average spending 17 and 16 percent lower than the national average, respectively.
- Between 2014 and 2020, average growth in per capita personal health care spending was highest in New York at 6.1 percent per year and lowest in Wisconsin at 3.0 percent per year (compared with average growth of 4.3 percent nationally).
- The spread between the highest and the lowest per capita personal health spending across the states has remained relatively stable over 2014-20. Accordingly, the highest per capita spending levels were 90 to 100 percent higher per year than the lowest per capita spending levels during the period.
- Medicare expenditures per beneficiary were highest in Florida (\$13,652) and lowest in Vermont (\$8,726) in 2020.

- Medicaid expenditures per enrollee were highest in North Dakota (\$12,314) and lowest in Georgia (\$4,754) in 2020.

For further detail, see health expenditures by state of residence in downloads below.

## **NHE by State of Provider, 1980-2020:**

- Between 2014 and 2020, U.S. personal health care spending grew, on average, 4.8 percent per year, with spending in Arizona growing the fastest (6.6 percent) and spending in Vermont growing the slowest (2.7 percent).
- In 2020, California's personal health care spending was highest in the nation (\$410.9 billion), representing 12.2 percent of total U.S. personal health care spending. Comparing historical state rankings through 2020, California consistently had the highest level of total personal health care spending, together with the highest total population in the nation. Other large states, New York, Texas, Florida, and Pennsylvania, also were among the states with the highest total personal health care spending.
- Wyoming's personal health care spending was lowest in the nation (as has been the case historically), representing just 0.1 percent of total U.S. personal health care spending in 2020. Vermont, North Dakota, Alaska, and Montana were also among the states with the lowest personal health care spending in both 2020 and historically. All these states have smaller populations.
- Gross Domestic Product (GDP) by state measures the value of goods and services produced in each state. Health spending as a share of a state's GDP shows the importance of the health care sector in a state's economy. As a share of GDP, West Virginia ranked the highest (28.7 percent) and Washington state the lowest (11.7 percent) in 2020.

For further detail, see health expenditures by state of provider in downloads below.



## Downloads

[Health expenditures by state of residence: summary tables \(ZIP\)](#)

[Health expenditures by state of provider: summary tables \(ZIP\)](#)

[NHE Tables \(ZIP\)](#)

[Age and Sex Tables \(ZIP\)](#)

[NHE Projections - Tables \(ZIP\)](#)

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