Are We Spending TOO MUCH on Health Care?

BIG NUMBERS

Today, we spend $3.5 TRILLION on health care in the U.S.¹

Health spending is expected to grow by 5.5% annually and reach $6 TRILLION BY 2027²

DIGGING DEEPER

Researchers analyzed³ spending for 7 top diseases between 1995 & 2015 and the impact on patient health

What did they find?

Total costs
- Breast cancer: 551%
- Lung cancer: 24%
- Cerebrovascular disease: 121%
- Diabetes: 543%
- Chronic obstructive pulmonary disease: 165%
- HIV/AIDS: 220%
- Ischemic heart disease: 143%

20-year percent change
- Breast cancer: 9.3% increase (±$402)
- Lung cancer: 41.6% decrease (-$10,938)
- Cerebrovascular disease: 19.9% increase (+$1,219)
- Diabetes: 49.1% increase (+$800)
- Chronic obstructive pulmonary disease: 73.1% increase (+$560)
- HIV/AIDS: 3.5% decrease (-$587)
- Ischemic heart disease: 56.9% increase (+$5,037)

Per patient improvement
- Breast cancer: 1.25
- Lung cancer: 2.44
- Cerebrovascular disease: 0.47
- Diabetes: 0.13
- Chronic obstructive pulmonary disease: -0.05
- HIV/AIDS: 9
- Ischemic heart disease: 1.89

Without adjustments for INFLATION and PREVALENCE, costs appear only to be RISING.

But with adjustments for INFLATION and PREVALENCE, patient costs FELL in several diseases & ROSE MODESTLY in others.

And health spending was associated with patient health improvements in 6 of 7 conditions.

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When researchers dug deeper and accounted for **inflation**, **prevalence** and **health outcomes**, a clearer picture of health spending in top conditions emerged:

- **Lower spending** → **Improved health**
  - Lung cancer
  - Cerebrovascular disease
  - Ischemic heart disease
  - HIV/AIDS

- **Higher spending** → **Improved health**
  - Breast cancer
  - Diabetes

- **Higher spending** → **Poorer health**
  - Chronic obstructive pulmonary disease

*Measured in disability-adjusted life years (DALYS)*

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**THE TAKEAWAY**

Policies based on only aggregate health spending figures may mean the wrong areas of health spending are targeted.

Health spending data that:

- ✔ adjusts for increases in prevalence and inflation
- ✔ accounts for patient outcomes

will enable sound, disease-specific policy solutions that address health spending and improve outcomes for patients.

Go deeper on health spending by visiting GoingBelowTheSurface.org
And visitnpcnow.org for more.