

EXHIBIT 3. National Health Expenditures by Type and Payer, 2023

Type of expenditure	Payer amount (millions) and share of total							
	Total	Medicaid	CHIP	Medicare	Private insurance	Other health insurance ¹	Other third-party payers ²	Out of pocket
Total payer expenditures	\$4,866,494	\$871,678	\$24,693	\$1,029,788	\$1,464,648	\$167,815	\$802,187	\$505,684
Hospital care	1,519,693	283,103	5,934	378,970	559,430	95,394	158,624	38,238
Physician and clinical services	978,016	120,190	5,046	254,926	386,050	42,568	95,971	73,265
Dental services	173,844	18,921	3,037	10,342	69,140	2,669	2,116	67,620
Other professional services ³	159,881	11,984	617	46,129	48,054	—	15,204	37,893
Home health care	147,845	51,193	74	51,757	21,520	1,535	4,035	17,730
Other non-durable medical products ⁴	124,096	—	—	4,680	—	—	—	119,416
Prescription drugs	449,732	51,041	2,876	144,636	175,528	12,320	5,047	58,283
Durable medical equipment ⁵	72,828	10,388	236	15,928	15,921	—	1,157	29,198
Nursing care facilities and continuing care retirement communities ⁶	211,261	64,234	17	43,978	20,604	7,450	19,872	55,105
Other health, residential, and personal care services ⁷	270,159	162,796	2,395	4,475	17,621	1,132	72,805	8,935
Administration ⁸	360,212	97,827	4,461	73,968	150,781	4,747	28,428	—
Public health activity	160,170	—	—	—	—	—	160,171	—
Investment	238,758	—	—	—	—	—	238,757	—

EXHIBIT 3. (continued)



Type of expenditure	Payer amount (millions) and share of total							
	Total	Medicaid	CHIP	Medicare	Private insurance	Other health insurance ¹	Other third-party payers ²	Out of pocket
Total payer share of expenditures	100.0%	17.9%	0.5%	21.2%	30.1%	3.4%	16.5%	10.4%
Hospital care	100.0	18.6	0.4	24.9	36.8	6.3	10.4	2.5
Physician and clinical services	100.0	12.3	0.5	26.1	39.5	4.4	9.8	7.5
Dental services	100.0	10.9	1.7	5.9	39.8	1.5	1.2	38.9
Other professional services ³	100.0	7.5	0.4	28.9	30.1	—	9.5	23.7
Home health care	100.0	34.6	0.1	35.0	14.6	1.0	2.7	12.0
Other non-durable medical products ⁴	100.0	—	—	3.8	—	—	—	96.2
Prescription drugs	100.0	11.3	0.6	32.2	39.0	2.7	1.1	13.0
Durable medical equipment ⁵	100.0	14.3	0.3	21.9	21.9	—	1.6	40.1
Nursing care facilities and continuing care retirement communities ⁶	100.0	30.4	0.0	20.8	9.8	3.5	9.4	26.1
Other health, residential, and personal care services ⁷	100.0	60.3	0.9	1.7	6.5	0.4	26.9	3.3
Administration ⁸	100.0	27.2	1.2	20.5	41.9	1.3	7.9	—
Public health activity	100.0	—	—	—	—	—	100.0	—
Investment	100.0	—	—	—	—	—	100.0	—

Notes: Every five years National Health Expenditure Accounts undergo a comprehensive revision that includes the incorporation of newly available source data, methodological and definitional changes, and benchmark estimates from the U.S. Census Bureau's quinquennial Economic Census. The values shown here reflect the comprehensive revision made in 2019, and thus, the figures shown here may reflect methodological and definitional shifts within payer and service categories from prior publications of MACStats. For example, the 2019 methodology improved the allocation of Medicaid managed care premiums to the goods and services categories for some states by the additional use of Medicaid Drug Rebate System data. This change caused a downward revision to retail prescription drug spending and an upward revision for most of the other service categories.

EXHIBIT 3. (continued)

– Dash indicates zero; 0.0% indicates an amount less than 0.05% that rounds to zero.

¹ U.S. Department of Defense and U.S. Department of Veterans Affairs.

² Includes all other public and private programs and expenditures except for out-of-pocket amounts.

³ The other professional services category includes services provided in establishments operated by health practitioners other than physicians and dentists, including those provided by private-duty nurses; chiropractors; podiatrists; optometrists; and physical, occupational, and speech therapists.

⁴ The other non-durable medical products category includes the retail sales of non-prescription drugs and medical sundries.

⁵ The durable medical equipment category includes retail sales of items such as contact lenses, eyeglasses, and other ophthalmic products; surgical and orthopedic products; hearing aids; wheelchairs; and medical equipment rentals.

⁶ The nursing care facilities and continuing care retirement communities category includes nursing and rehabilitative services provided in freestanding nursing home facilities that are generally provided for an extended period of time by registered or licensed practical nurses and other staff.

⁷ The other health, residential, and personal care category includes spending for Medicaid home- and community-based waivers, care provided in residential facilities for people with intellectual disabilities or mental health and substance abuse disorders, ambulance services, school health, and worksite health care.

⁸ The administrative category includes the administrative cost of health care programs (e.g., Medicare and Medicaid) and the net cost of private health insurance (administrative costs as well as additions to reserves, rate credits and dividends, premium taxes, and plan profits or losses).

Sources: Office of the Actuary (OACT), CMS, 2024, *National health expenditures by type of service and source of funds: Calendar years 1960–2023*, Baltimore, MD: OACT, <https://www.cms.gov/files/zip/national-health-expenditures-type-service-and-source-funds-cy-1960-2023.zip>. OACT, 2024, *National health expenditure accounts: Methodology paper*, 2023, Baltimore, MD: OACT, <https://www.cms.gov/files/document/definitions-sources-and-methods.pdf>. OACT, 2020, *Summary of 2019 comprehensive revision to the national health expenditure accounts*, Baltimore, MD: OACT, <https://www.cms.gov/files/document/summary-benchmark-changes-2019.pdf>.