

**EXHIBIT 3.** National Health Expenditures by Type and Payer, 2022

Type of expenditure	Payer amount (millions) and share of total							
	Total	Medicaid	CHIP	Medicare	Private insurance	Other health insurance <sup>1</sup>	Other third-party payers <sup>2</sup>	Out of pocket
<b>Total payer expenditures</b>	<b>\$4,464,573</b>	<b>\$805,732</b>	<b>\$23,509</b>	<b>\$944,318</b>	<b>\$1,289,806</b>	<b>\$148,106</b>	<b>\$781,744</b>	<b>\$471,357</b>
Hospital care	1,355,009	262,556	5,746	353,212	485,911	81,484	130,721	35,380
Physician and clinical services	884,854	110,107	4,846	234,091	341,957	40,554	85,963	67,336
Dental services	165,276	16,966	2,810	6,216	67,987	2,217	2,434	66,646
Other professional services <sup>3</sup>	140,600	10,578	520	39,447	41,090	–	15,819	33,145
Home health care	132,874	46,882	65	47,507	18,559	971	3,537	15,353
Other non-durable medical products <sup>4</sup>	115,401	–	–	2,524	–	–	–	112,877
Prescription drugs	405,894	45,252	2,580	129,793	154,993	10,843	5,711	56,721
Durable medical equipment <sup>5</sup>	67,070	9,681	225	14,146	13,927	–	1,255	27,837
Nursing care facilities and continuing care retirement communities <sup>6</sup>	191,270	58,507	15	42,185	18,185	6,279	17,830	48,269
Other health, residential, and personal care services <sup>7</sup>	246,504	149,349	2,169	4,153	15,887	1,080	66,071	7,794
Administration <sup>8</sup>	333,627	95,854	4,534	71,043	131,310	4,679	26,208	–
Public health activity	208,405	–	–	–	–	–	208,406	–
Investment	217,791	–	–	–	–	–	217,790	–

EXHIBIT 3. (continued)

Type of expenditure	Payer amount (millions) and share of total							
	Total	Medicaid	CHIP	Medicare	Private insurance	Other health insurance <sup>1</sup>	Other third-party payers <sup>2</sup>	Out of pocket
<b>Total payer share of expenditures</b>	<b>100.0%</b>	<b>18.0%</b>	<b>0.5%</b>	<b>21.2%</b>	<b>28.9%</b>	<b>3.3%</b>	<b>17.5%</b>	<b>10.6%</b>
Hospital care	100.0	19.4	0.4	26.1	35.9	6.0	9.6	2.6
Physician and clinical services	100.0	12.4	0.5	26.5	38.6	4.6	9.7	7.6
Dental services	100.0	10.3	1.7	3.8	41.1	1.3	1.5	40.3
Other professional services <sup>3</sup>	100.0	7.5	0.4	28.1	29.2	–	11.3	23.6
Home health care	100.0	35.3	0.0	35.8	14.0	0.7	2.7	11.6
Other non-durable medical products <sup>4</sup>	100.0	–	–	2.2	–	–	–	97.8
Prescription drugs	100.0	11.1	0.6	32.0	38.2	2.7	1.4	14.0
Durable medical equipment <sup>5</sup>	100.0	14.4	0.3	21.1	20.8	–	1.9	41.5
Nursing care facilities and continuing care retirement communities <sup>6</sup>	100.0	30.6	0.0	22.1	9.5	3.3	9.3	25.2
Other health, residential, and personal care services <sup>7</sup>	100.0	60.6	0.9	1.7	6.4	0.4	26.8	3.2
Administration <sup>8</sup>	100.0	28.7	1.4	21.3	39.4	1.4	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.

<sup>1</sup> U.S. Department of Defense and U.S. Department of Veterans Affairs.

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

<sup>3</sup> 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.

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

<sup>5</sup> 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.

<sup>6</sup> 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.

<sup>7</sup> 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.

<sup>8</sup> 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, 2023, *National health expenditures by type of service and source of funds: Calendar years 1960–2022*, Baltimore, MD: OACT, <https://www.cms.gov/files/zip/national-health-expenditures-type-service-and-source-funds-cy-1960-2022.zip>. OACT, 2023, *National health expenditure accounts: Methodology paper*, 2022, 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>.