

# AHRQ Analyses of MEPS Data Inform Estimates of the Concentration and Persistence in the Level of Health Expenditures over Time

Estimates of the health care expenses of the U.S. civilian noninstitutionalized (community) population are critical to policymakers and others concerned with access to medical care and the cost and sources of payment for that care. In 2006, health care expenses among the U.S. community population totaled \$1.034 trillion. Medical care expenses, however, are highly concentrated among a relatively small proportion of individuals in the community population

Using information from the Household Component of the Medical Expenditure Panel Survey (MEPS) for 2005 and 2006, this report provides detailed estimates of the persistence in the level of health care expenditures over time. Studies that examine the persistence of high levels of expenditures can help policymakers discern the factors most likely to drive health care spending and the characteristics of the individuals who incur them.

In 2005, 1 percent of the population accounted for 23.3 percent of total health care expenditures, and in 2006, the highest-spending 1 percent accounted for 21.1 percent of the total expenditures. In both years, the lower-spending 50 percent of the population accounted for only 3.2 percent of the total. Of those individuals ranked at the highest-spending 1 percent of the health care expenditure distribution in 2005, 18.1 percent maintained this ranking with respect to their 2006 health care expenditures. Staff from AHRQ's Center for Financing, Access, and Cost Trends (CFACT) conducted the data analyses on the concentration and persistence in the level of health expenditures over time. These analyses informed their responses to a request from the Senate Finance Committee.

The Statistical Brief is available at

[http://www.meps.ahrq.gov/mepsweb/data\\_stats/Pub\\_ProdResults\\_Details.jsp?pt=Statistical%20Brief&opt=2&id=895](http://www.meps.ahrq.gov/mepsweb/data_stats/Pub_ProdResults_Details.jsp?pt=Statistical%20Brief&opt=2&id=895)

More detailed tabulations provided in response to this request are available upon request

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Request for information from:	Senate Finance Committee
Response from:	Stephen B. Cohen, Ph.D., Director, CFACT William Yu, M.A., Statistician, Division of Statistical Research and Methods, CFACT
Information requested:	July 31, 2009
Information supplied:	July 31, 2009