

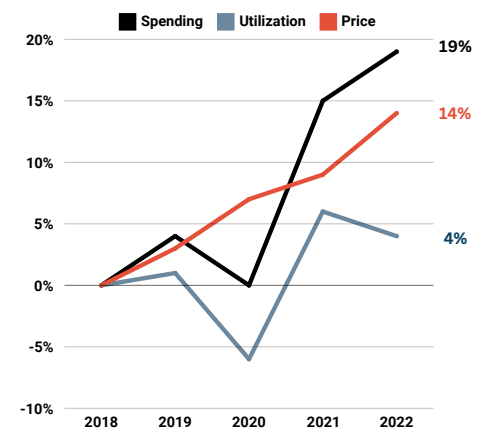
# PRICES DRIVE HEALTH CARE SPENDING AMONG PEOPLE WITH EMPLOYER-SPONSORED INSURANCE

## High-Level Overview

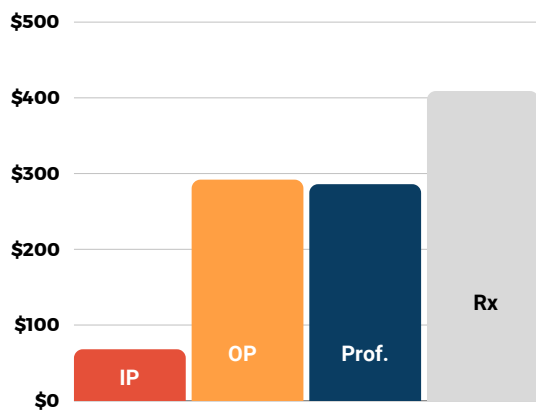
- ✓ Health care spending per person exceeded **\$6,700** in 2022. Average out-of-pocket spending was more than **\$850** per person in 2022.
- ✓ From 2018–2022, per-person health care spending increased by **\$1,055**, nearly **19%** or **\$264** per year on average.
- ✓ Overall health care prices grew **14%** from 2018 to 2022. Average prices increased across all service categories over the five-year period.

During this period, there was a cumulative **4%** increase in health care use, compared to a **14%** increase in price.

Cumulative Change in Spending, Utilization and Price, 2018-2022

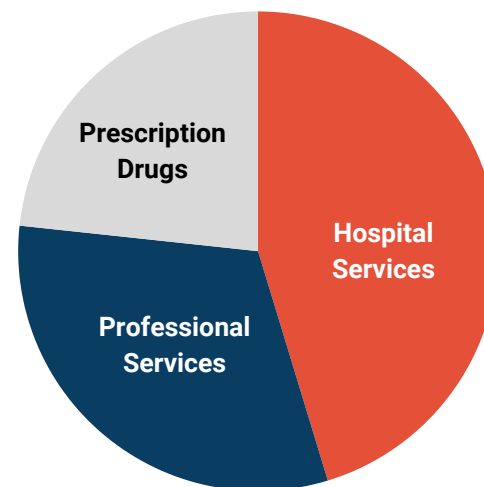


## Spending by Service



Spending rose in all service categories from 2018 to 2022.

Over the five year period, average prices increased (14%) overall.

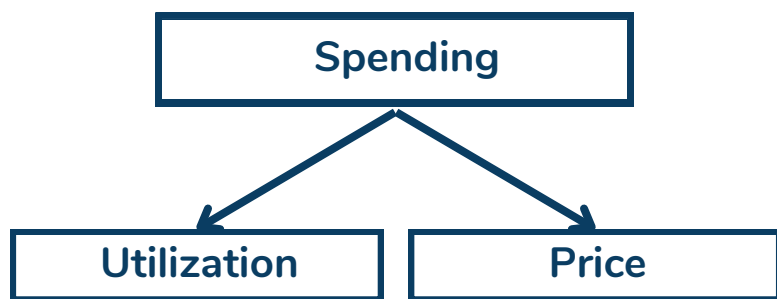


Share of spending per person in 2022

Hospital services (inpatient + outpatient) made up the largest share of per person spending (45.3%), followed by professional services (31.4%) and prescription drugs (23.3%).

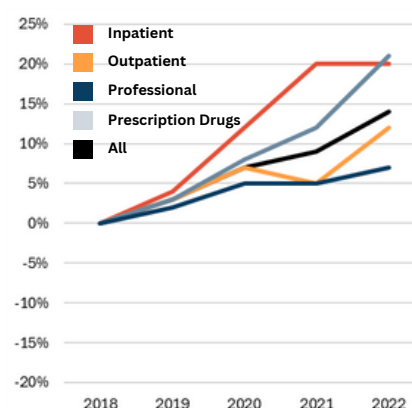
## Price vs Utilization

Across all service categories, price growth outpaced increases in utilization. From 2018-2022 prescription drug prices grew the most (21%), and the use of prescription drugs increased the most (12%). As a result, prescription drug spending increased the most of all service categories. Spending increased for all service categories, including inpatient, which had a decrease in utilization.

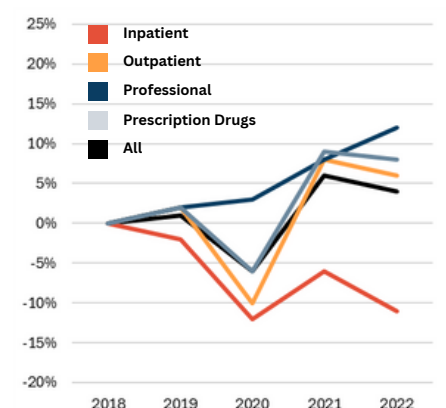


Health care spending is a product of the quantity of health care services used multiplied by the price of those services. Therefore, to understand what drives health care spending, it is important to parse out the individual effects of both utilization and prices.

Cumulative Change in Health Care Prices, 2018-2022



Cumulative Change in Health Care Utilization, 2018-2022

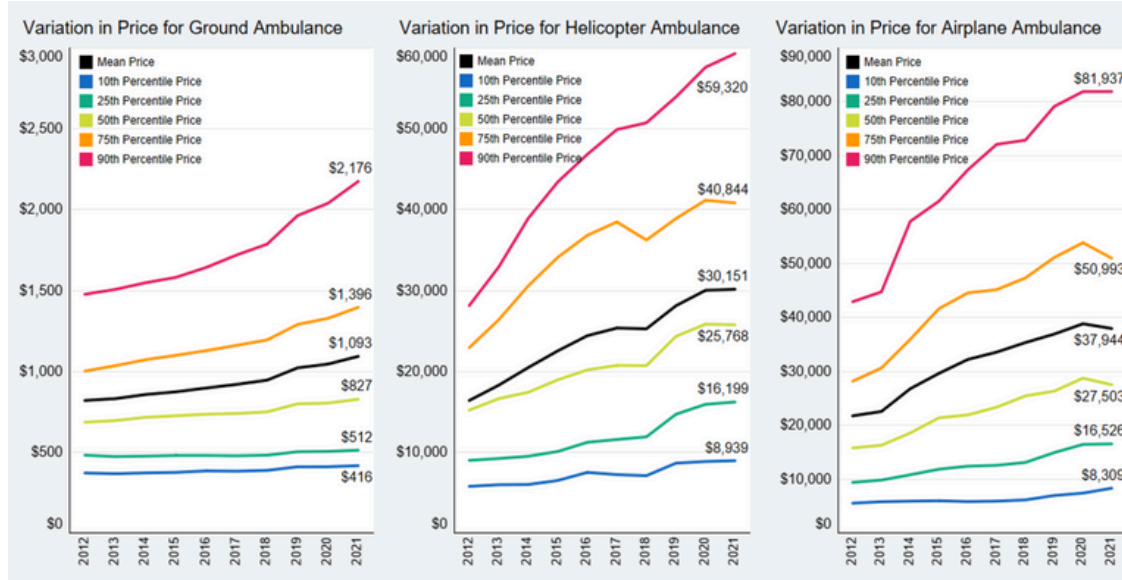


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## Ambulance



The average prices of ground, helicopter, and airplane ambulance trips increased by **33%**, **84%**, and **75%**, respectively.



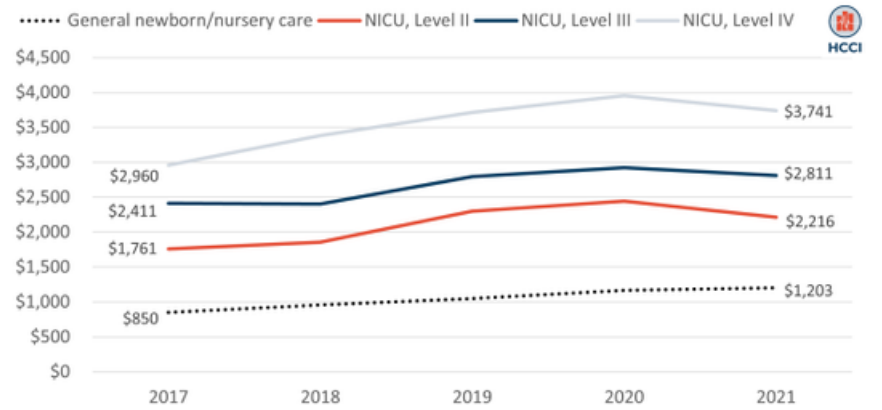
The variation in the price of an ambulance trip increased since 2012, with a widening gap in the cost of the lower and higher price trips– the 90th percentile price increased faster than the 10th percentile price.



## Neonatal Intensive Care Unit

Spending per NICU admission grew over 2017-2021, due largely to increases in per-day spending rather than changes in how long newborns stayed in the NICU.

On average, spending for a NICU admission was **\$71,158** in 2021, but there was a wide range from **\$4,488** (10th percentile) to **\$161,929** (90th percentile).



## Emergency Room

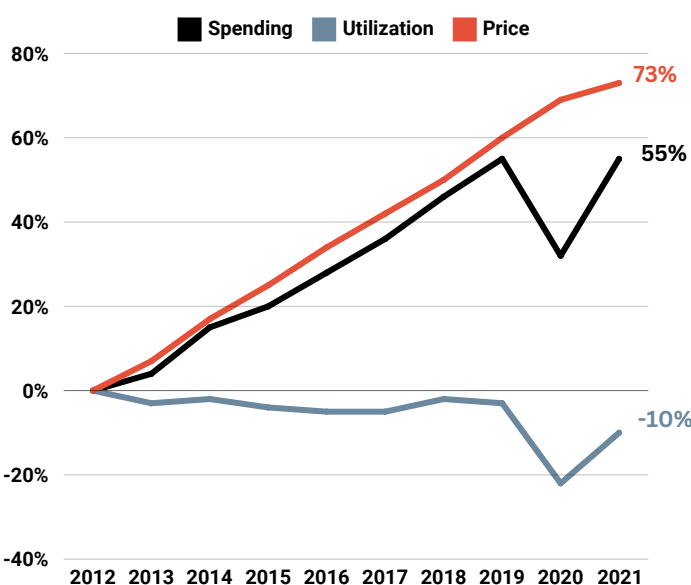


Average spending on an ER evaluation and management visit increased by **55%** between 2012 and 2021.



The spending growth was driven by price increases for ER visits of each severity, even as use of some services decreased.

Cumulative Change in Emergency Room Spending, Utilization and Price, 2012-2021



## Childbirth and Pregnancy Admissions

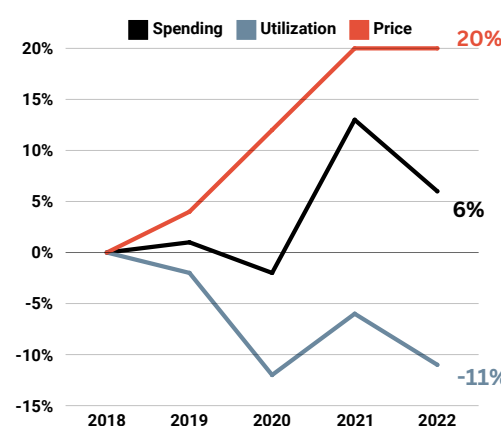


Average prices increased across all subcategories of inpatient admissions between 2018 and 2022.



The average price of childbirth/pregnancy admissions grew (**21%**) from **\$10,600** in 2018 to **\$12,816** in 2022.

Cumulative % Change in Inpatient Facility Spending, Use, and Price for ALL Services, 2018-2022



Cumulative % Change in Inpatient Facility Spending, Use, and Price for Childbirth/Pregnancy Services, 2018-2022

