# Effective Health Care



# **Average Annual Cost per Patient**

## **Next Steps**

The nominator is interested in information about the average annual cost per patient. They would use this information to assess their performance against benchmarks.

Primary research is outside the purview of AHRQ's Effective Health Care Program, which is focused on developing evidence reviews to inform healthcare decision-making about interventions and activities available to decisionmakers in the United States. No further activity will be undertaken on this topic.

## **Summary**

Topic Name and Number: Average Annual Cost per patient, #834

**Date:** 3/14/19

### **Key question(s) from the nomination:**

What is the average annual cost of healthcare per patient in the United States?

- According to CMS National Health Expenditure Data, per capita personal health care spending ranged from \$5,982 in Utah to \$11,064 in Alaska in 2014. The national average was \$8,045.<sup>1</sup>
- Per person personal health care spending for the 65 and older population was \$18,988 in 2012, over 5 times higher than spending per child (\$3,552) and approximately 3 times the spending per working-age person (\$6,632).
- Healthcare costs may vary based on factors such as the person's age, health conditions, insurance.
- While primary research is outside of the purview of the AHRQ Evidence-based Practice Center Program, the nominator might find this information useful for their question.
  - Medicare spending per enrollee, by state<sup>2</sup>
  - AHRQ's Healthcare Cost and Utilization Project (<a href="https://hcup-us.ahrq.gov/">https://hcup-us.ahrq.gov/</a>)
    includes the largest collection of longitudinal hospital care data in the United
    States
  - AHRQ's Medical Expenditure Panel Survey (<a href="https://meps.ahrq.gov/mepsweb/">https://meps.ahrq.gov/mepsweb/</a>) collects information from families and individuals, their medical providers and employers across the US. It is the most complete source of data on the cost and use of health care and health insurance coverage.

#### References

1. NHE Fact Sheet. Baltimore, MD: U.S. Centers for Medicare & Medicaid Services; 2019. <a href="https://www.cms.gov/research-statistics-data-and-systems/statistics-trends-and-reports/nationalhealthexpenddata/nhe-fact-sheet.html">https://www.cms.gov/research-statistics-data-and-systems/statistics-trends-and-reports/nationalhealthexpenddata/nhe-fact-sheet.html</a>. Accessed on 15 March 2019.

2. KFF's State Health Facts. Medicare Spending Per Enrollee, by State. Data source: Centers for Medicare & Medicaid Services, Office of the Actuary, National Health Statistics Group. National Health Expenditure Data: Health Expenditures by State of Residence, June 2017. Henry J Kaiser Family Foundation; 2017. <a href="https://www.kff.org/medicare/state-indicator/per-enrollee-spending-by-">https://www.kff.org/medicare/state-indicator/per-enrollee-spending-by-</a>

residence/?currentTimeframe=0&sortModel=%7B%22colld%22:%22Location%22,%22sort%22: %22asc%22%7D. Accessed on 15 March 2019.