

5 Medical Conditions Account for 31 Percent of Healthcare Spending Growth

Five medical conditions account for 31 percent of growth in healthcare spending, according to a Health Affairs article, “Which Medical Conditions Account for the Rise in Health Care Spending?” The study looked at data for nearly 60,000 patients from the 1987 Medical Expenditure Survey and the 2000 Medical Expenditure Panel Survey, Household Component, and found that heart disease, mental disorders, pulmonary disorders, cancer, and trauma topped the chart of 15 medical conditions with the highest cost growth. The 15 medical conditions account for 56 percent of the total increase in healthcare spending between 1987 and 2000, the article said.

According to the study, for heart disease, the increase in cost per case accounted for 69 percent of the overall growth in spending, \$56 billion in 2000 compared with \$30 billion in 1987, with just 1 percent due to rise in the number of people treated. A rise in the cost per treated case also was the predominant cause of growth in spending for seven other conditions among the 15.

The rise in the number of people treated was the predominant factor accounting for the rise in spending for the remaining seven conditions. Increased volume accounted for 59 percent of increased spending on mental disorders, 42 percent on pulmonary conditions, and 50 percent on diabetes.

To read the Health Affairs article by Kenneth E. Thorpe, Curtis S. Florence, and Peter Joski, go to www.healthaffairs.org, click on “Web Exclusives,” then click on “2004,” and scroll to “Which Medical Conditions Account for the Rise In Health Care Spending?”

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