Health Care Costs Will Comprise About 20% of US Economy by 2031

The country's health care spending will grow an average of 5.4% per year between 2022 and 2031, accounting for about $1 out of every $5 spent in the US by the end of the period, according to new projections from the Centers for Medicare & Medicaid Services published in *Health Affairs*. The agency expects that recent legislative changes, such as the expiration of regulations surrounding the COVID-19 public health emergency and the implementation of the *Inflation Reduction Act’s prescription drug provisions*, will drive some of the health expenditure trends.

In addition, estimates suggested that health care spending for physician and clinical services grew more slowly in 2022 than 2021. The researchers noted this may have been because patients avoided medical visits amid high inflation or because the number of available appointments was limited. The Centers for Medicare & Medicaid Services projects the growth of health expenditures for clinicians’ services will increase to 5.1% in 2023, and then remain relatively stable through 2031. Medicare spending will likely increase faster than private health insurance spending as more US residents age into the program, the researchers reported. – Emily Harris

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Note: Source references are available through embedded hyperlinks in the article text online.