

Updated March 20, 2024

U.S. Health Care Coverage and Spending

In 2022, the United States had an estimated population of 328 million individuals. Most of those individuals had private health insurance or were covered under a federal program (such as Medicare or Medicaid). About 8.0% of the U.S. population was uninsured. Individuals (including those who were uninsured), health insurers, federal and state governments spent approximately \$4.2 trillion on various types of health consumption expenditures (HCE) in 2022, which accounted for 16.5% of the nation's gross domestic product.

Table I. Health Care Coverage, 2022

Source	Enrollment (millions/percentage of U.S. population)
Insured	302 (92.0%)
<i>Private Health Insurance—Group</i>	180 (54.8%)
<i>Private Health Insurance—Direct-Purchase</i>	46 (13.9%)
<i>Medicaid/CHIP</i>	70 (21.2%)
<i>Medicare</i>	61 (18.5%)
<i>Military—TRICARE</i>	9 (2.7%)
<i>Military—VA Care</i>	7 (2.2%)
Uninsured	26 (8.0%)

Source: U.S. Census Bureau, Table HIC-4_ACS, "Health Insurance Coverage Status and Type of Coverage by State—All Persons: 2008 to 2022," in American Community Survey, September 2023.

Notes: Italicized = does not add to total. Coverage estimates are not mutually exclusive. CHIP = State Children's Health Insurance Program. Medicaid/CHIP coverage estimate includes all means-tested public coverage (e.g., state and locally financed public coverage).

Private Health Insurance

Private health insurance is the predominant source of health insurance coverage in the United States. Private health insurance includes both group coverage (largely made up of employer-sponsored insurance) and direct-purchase coverage (which includes plans directly purchased from an insurer both on the health insurance exchanges and outside of them). In 2022, an estimated 180 million individuals (54.8% of the U.S. population) and 46 million individuals (13.9% of the U.S. population) were covered by group coverage and direct-purchase coverage, respectively.

In 2022, private health insurance expenditures accounted for \$1,290 billion (30.4% of overall HCE). Private health insurance expenditures include amounts paid by insuring organizations to providers and all insuring organizations' nonmedical net costs, which include but are not limited to taxes, net gains or losses to reserves, and profits. A majority of this spending was for hospital care and physician and professional services (**Figure 1**). Private health insurance

spending experienced a decline from 2019 to 2020 (**Figure 2**), which was predominantly caused by enrollment decreases and lower health care utilization stemming from the Coronavirus Disease 2019 (COVID-19) pandemic, but has since rebounded.

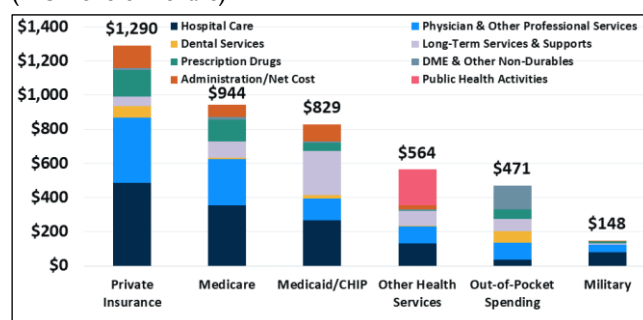
Medicare

Medicare is a federal health insurance program that pays for covered health care services for most people aged 65 and older and for certain permanently disabled individuals under the age of 65.

An estimated 61 million individuals (18.5% of the U.S. population) were enrolled in Medicare in 2022. The program accounted for \$944 billion (22.2% of overall HCE); this share is about 10 percentage points higher than Medicare's percentage of HCE in 1970 (**Figure 2**). In 2022, most of the spending was for hospital care and physician and professional services (**Figure 1**).

Figure 1. Health Consumption Expenditures by Type and Source, 2022

(in billions of dollars)



Source: Centers for Medicare & Medicaid Services (CMS), National Health Expenditure Accounts—National Health Expenditures by Type of Expenditure and Program, December 2023.

Notes: All the terms used in this figure are defined in the source document, except *long-term services and supports*, which is defined here in the Medicaid/CHIP section. CHIP = State Children's Health Insurance Program; DME = durable medical equipment.

Medicaid/CHIP

Medicaid is a joint federal-state program that finances the delivery of primary and acute medical services, as well as long-term services and supports, to a diverse low-income population, including children, pregnant women, adults, individuals with disabilities, and people aged 65 and older. The State Children's Health Insurance Program (CHIP) is a means-tested program that provides health coverage to targeted low-income children and pregnant women in families that have annual income above Medicaid eligibility levels but have no health insurance.

An estimated 70 million individuals (21.2% of the U.S. population) received Medicaid or CHIP in 2022, and the