

National health expenditures set to increase through 2031

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Over the course of 2022 to 2031, national health expenditures are

projected to increase 5.4 percent on average per year, and account for about 20 percent of the gross domestic product (GDP), according to a study published online June 14 in *Health Affairs*.

Sean P. Keehan, from the Centers for Medicare & Medicaid Services in Baltimore, and colleagues projected nation health spending for 2022 to 2031 in the United States.

The authors note that health spending is expected to increase 5.4 percent per year over the course of 2022 to 2031, outpacing projected average growth in nominal GDP of 4.6 percent per year, and resulting in a health spending share of 19.6 percent of GDP by 2031. In 2022, the insured share of the population is projected to reach a history high of 92.3 percent, which will remain above 92 percent through 2023 before decreasing to 90.5 percent by 2031, partly as a result of the expiration of pandemic-related legislation. Beginning in 2024, the prescription drug provisions of the Inflation Reduction Act of 2022 are expected to reduce out-of-pocket spending for Medicare Part D enrollees, which will result in savings to Medicare starting in 2031.

"Altogether, and consistent with its past trend, health spending over the course of the next 10 years is expected to grow more rapidly, on average, than the overall economy, and by 2031, it will account for roughly \$1 out of every \$5 spent in the United States," the authors write.

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