

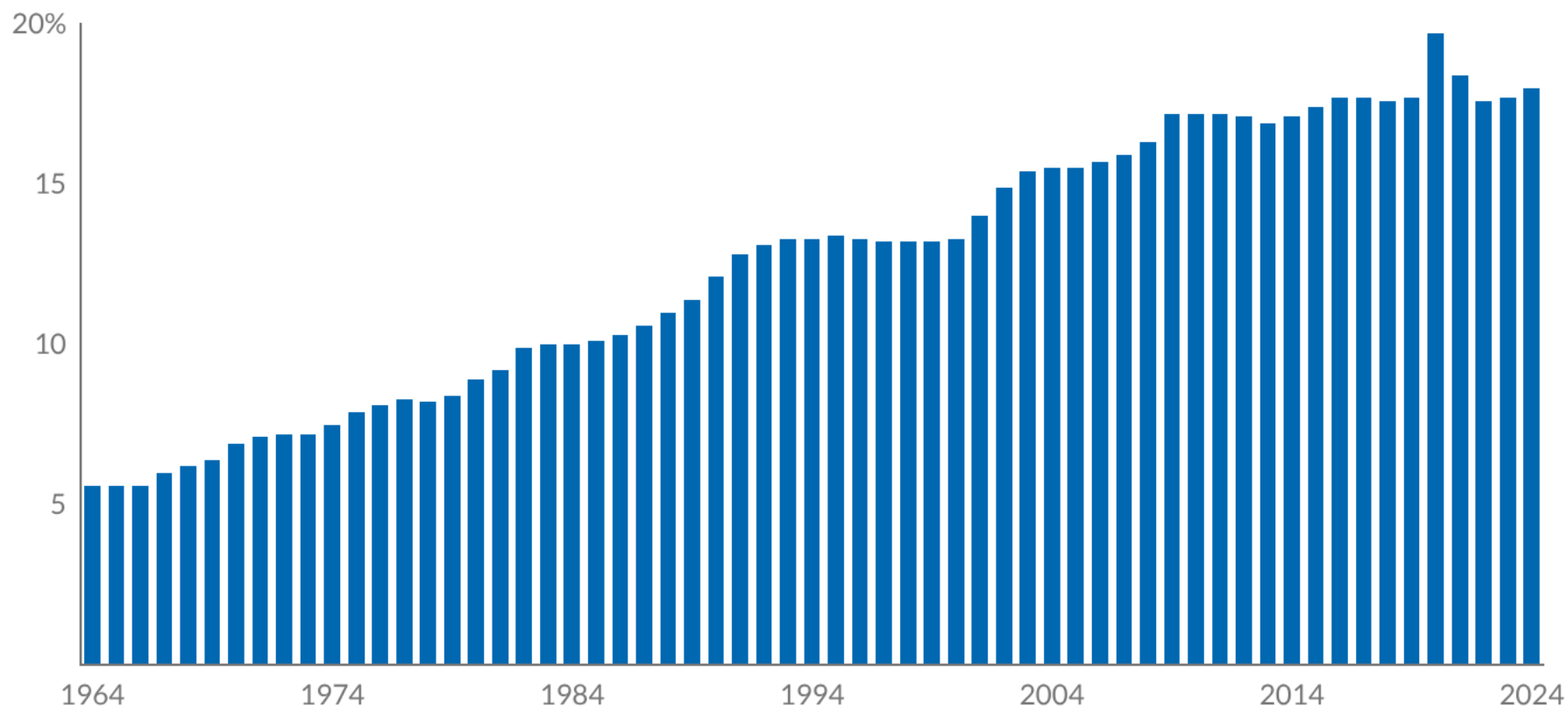
HEALTHCARE

Chart Pack

AUGUST 2026

Healthcare costs in the United States have increased drastically over the past several decades

National Health Expenditures (% of GDP)



Source: Centers for Medicare and Medicaid Services

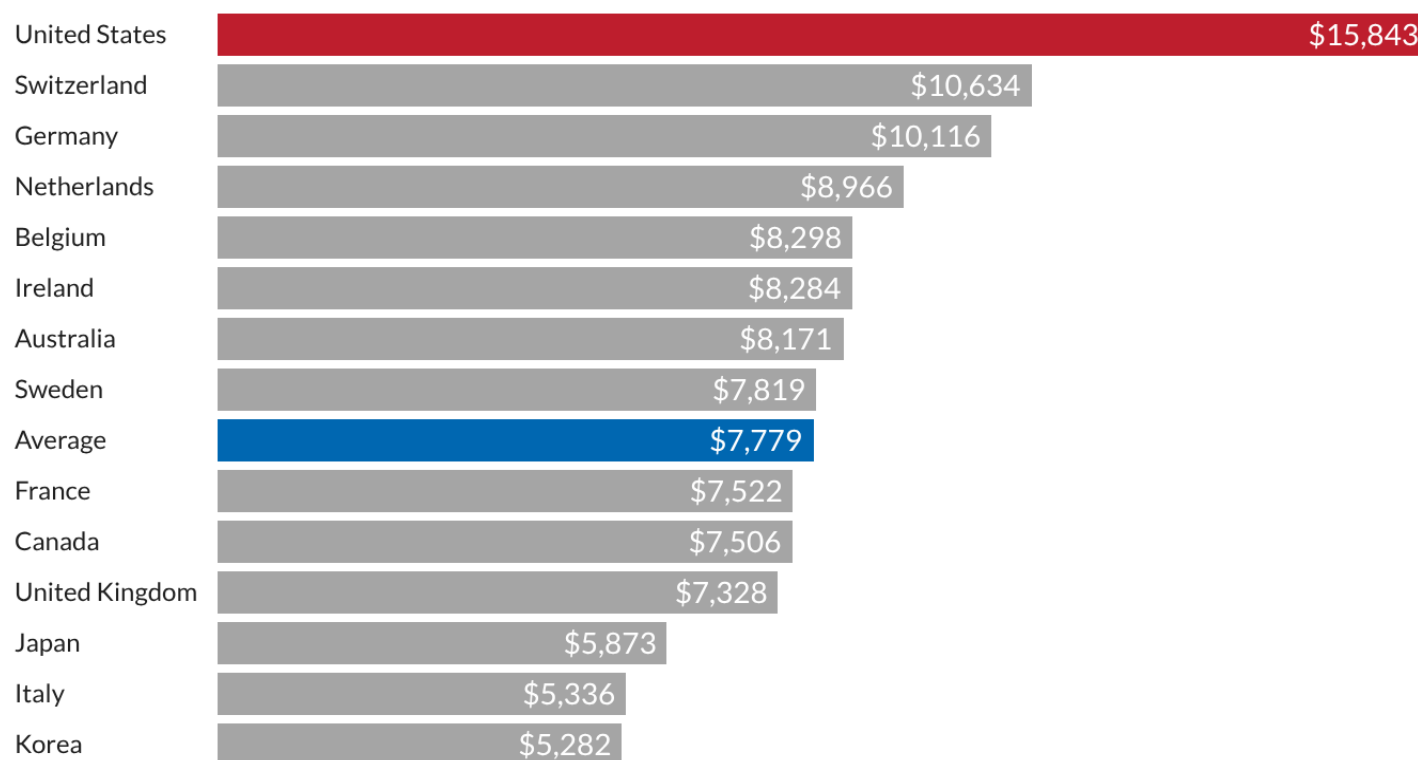
© 2026 Peter G. Peterson Foundation



VISIT [PGPF.ORG](https://www.pgpf.org)

U.S. per capita healthcare spending is twice the average of other wealthy countries

Healthcare Costs per Capita (\$)

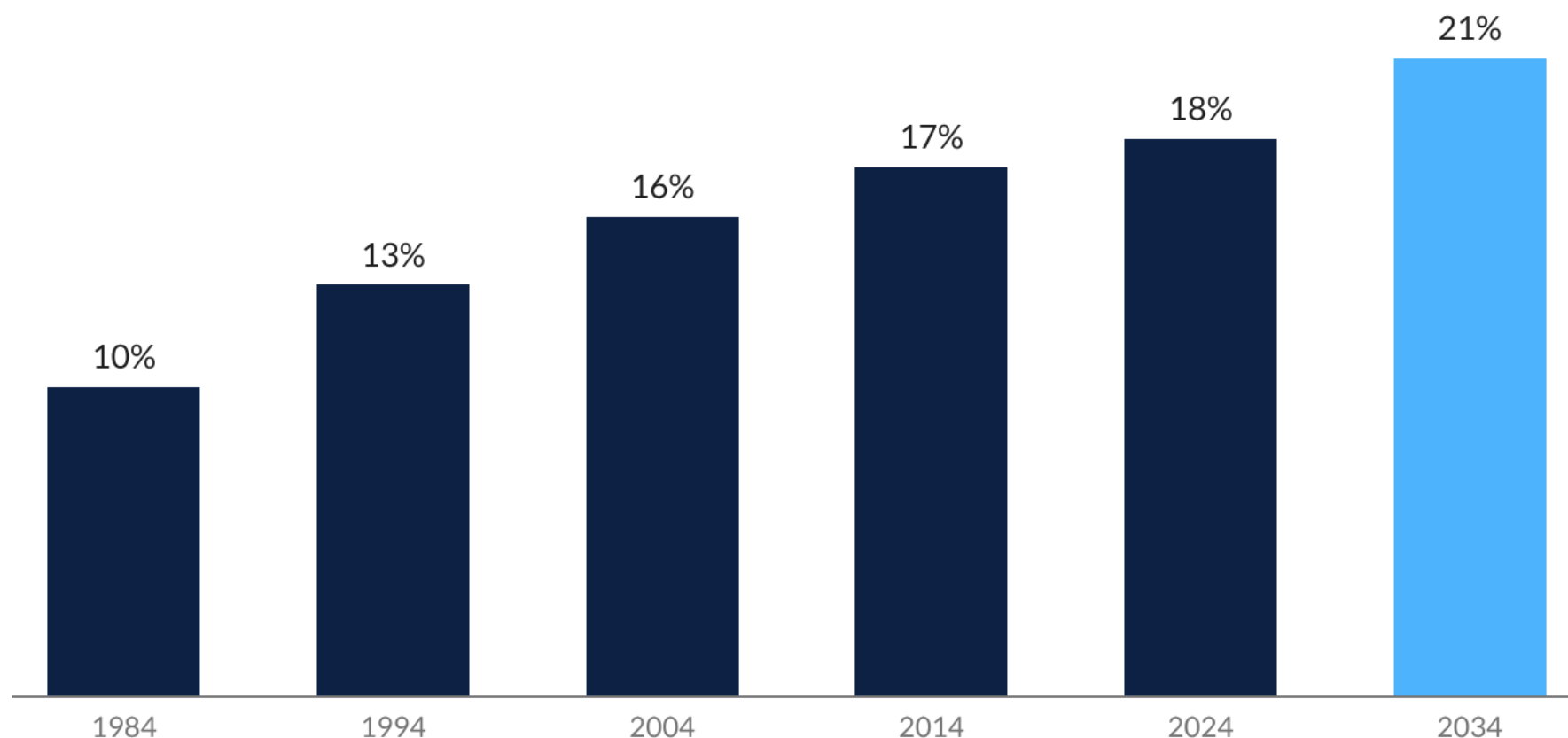


Source: Organisation for Economic Co-operation and Development

Notes: Data are for 2024. Average does not include the United States. The five countries with the largest economies and those with both an above median GDP and GDP per capita, relative to all OECD countries, were included. Chart uses purchasing power parities to convert data into U.S. dollars.

Total U.S. health spending (public and private) is projected to reach one-fifth of the economy by 2034

National Health Expenditures (% of GDP)



Source: Centers for Medicare and Medicaid Services

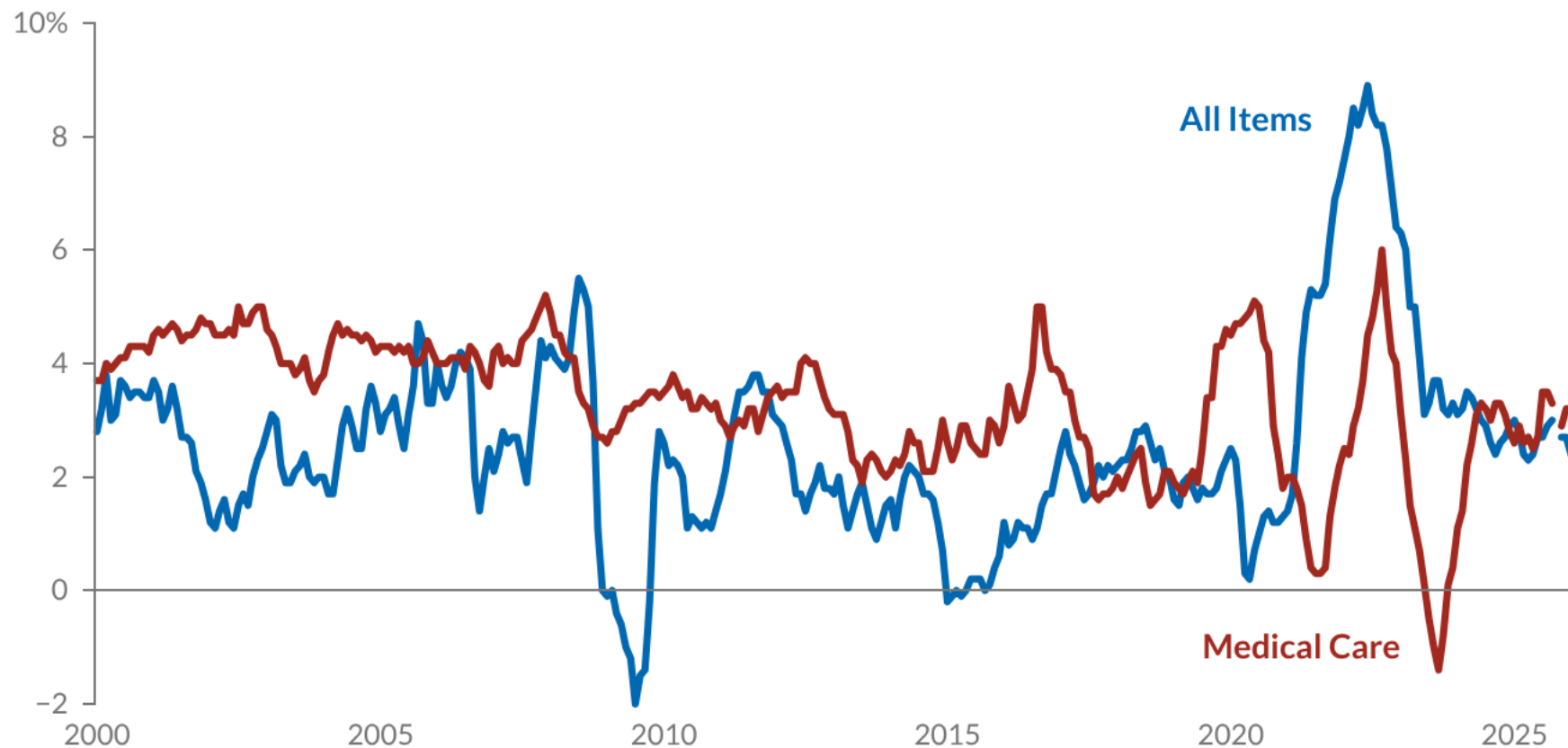
© 2026 Peter G. Peterson Foundation



VISIT [PGPF.ORG](https://www.pgpf.org)

Prices for **medical care** have historically grown faster than inflation

Year-Over-Year Change in Consumer Price Index (%)



Source: U.S. Bureau of Labor Statistics

Notes: Data are seasonally adjusted. Data unavailable for October 2025.

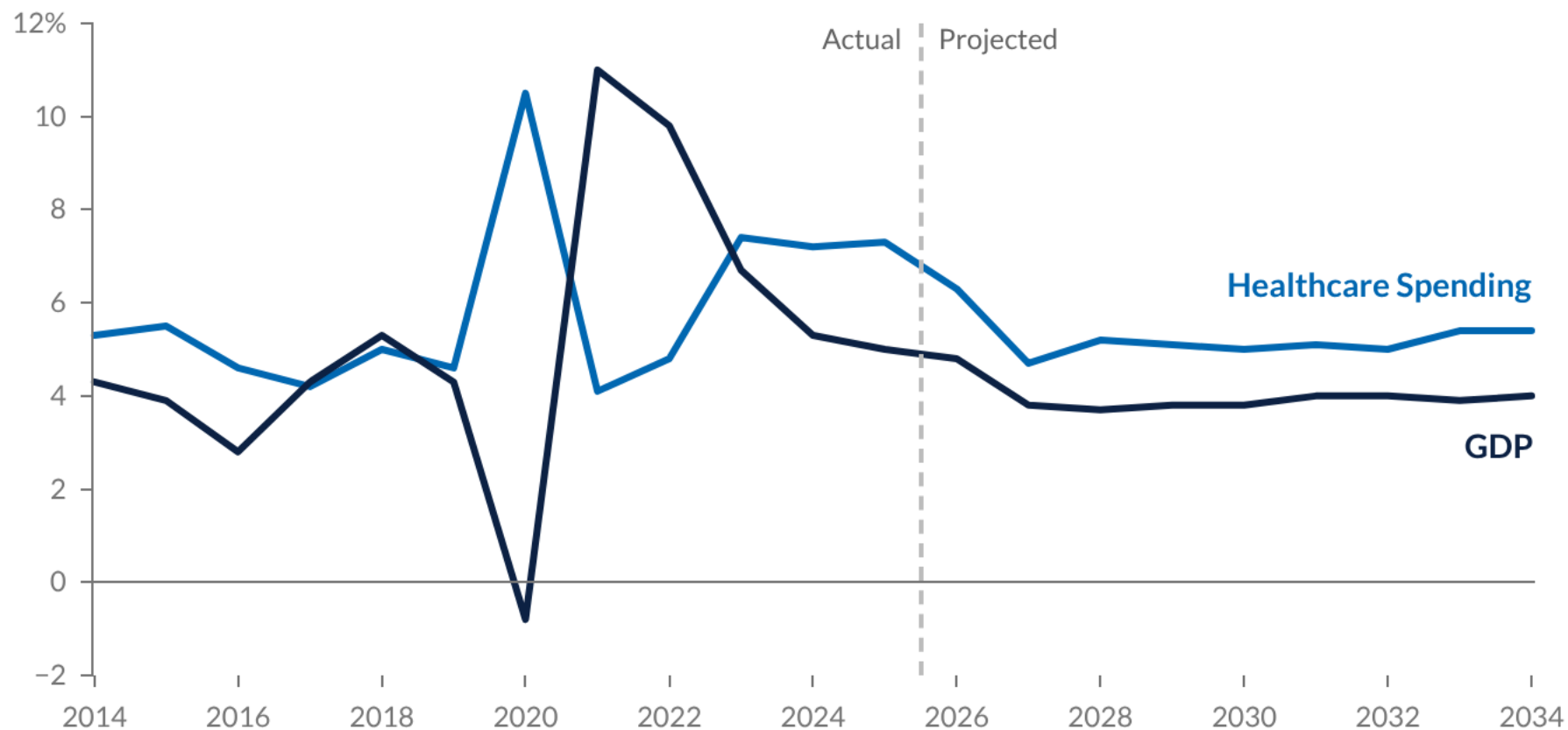
© 2026 Peter G. Peterson Foundation



[VISIT PGPF.ORG](https://www.pgpf.org)

Healthcare spending is projected to grow faster than the economy over the next decade

Average Annual Growth Rate (%)



Source: Centers for Medicare and Medicaid Services

Note: Data are national health expenditures (private and public spending).

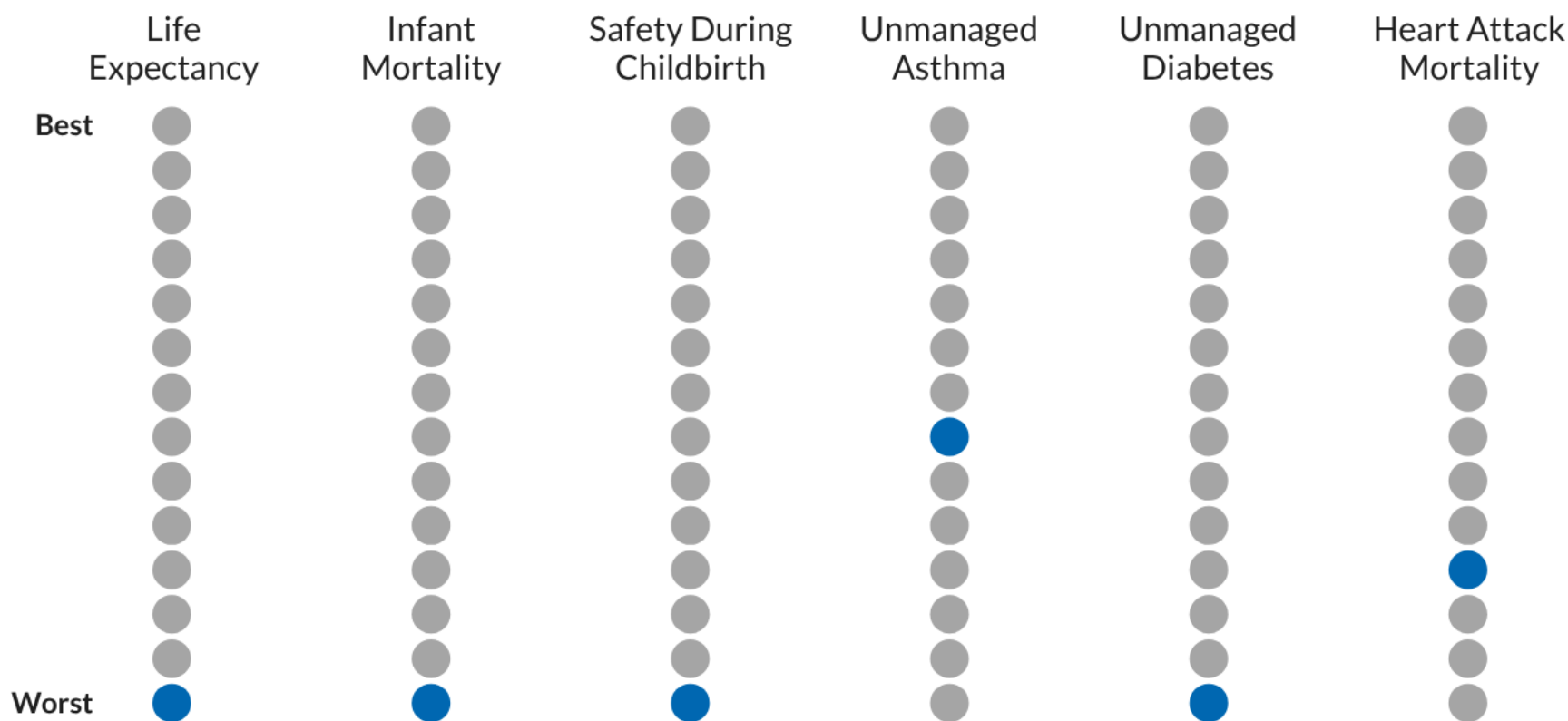
© 2026 Peter G. Peterson Foundation



VISIT [PGPF.ORG](https://www.pgpf.org)

The United States has worse healthcare outcomes compared to other wealthy countries

● United States



Source: Organisation for Economic Co-operation and Development

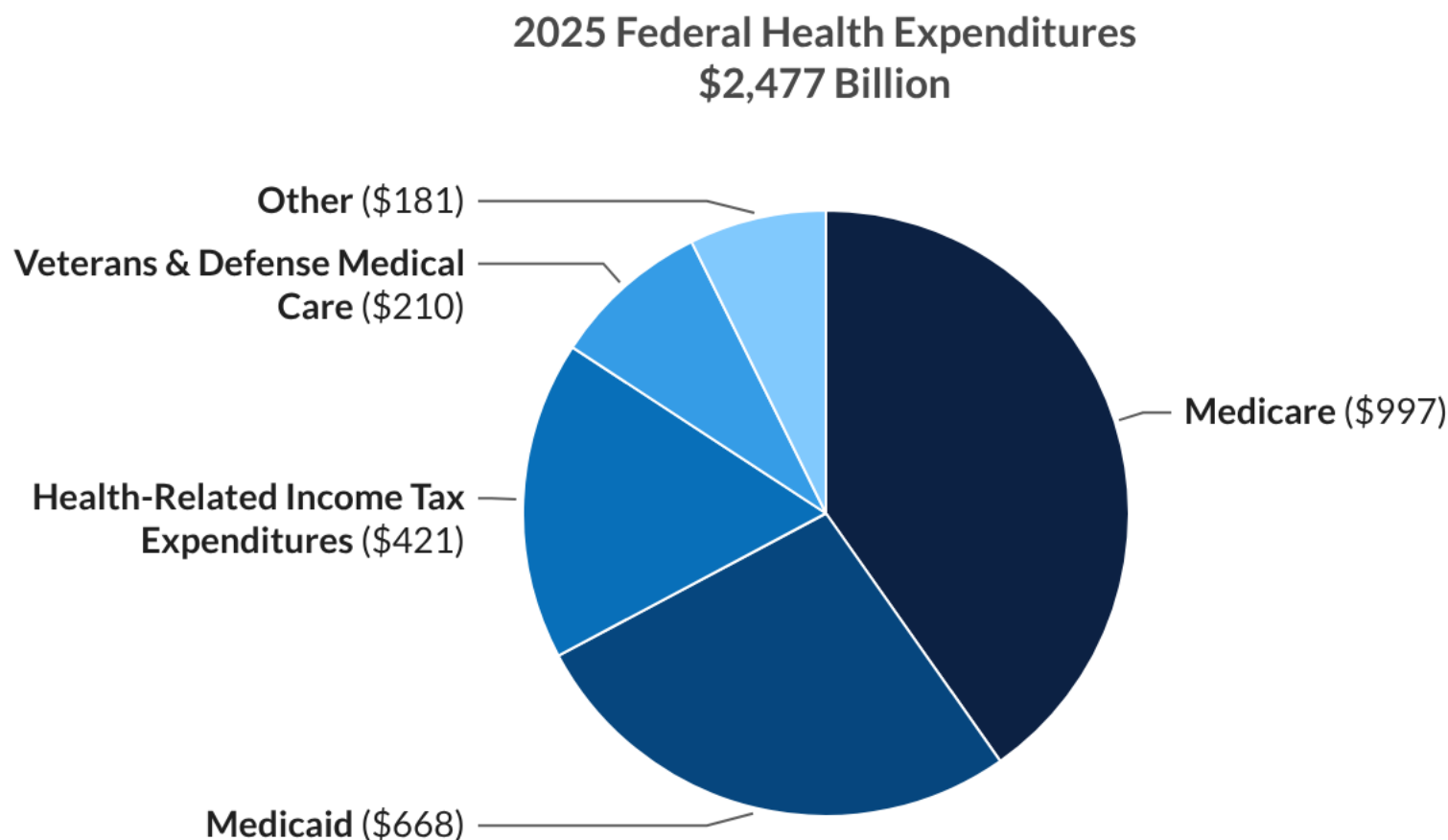
Notes: Data are for 2024 or latest available. The five countries with the largest economies and those with both an above median GDP and GDP per capita, relative to all OECD countries, were included.

© 2026 Peter G. Peterson Foundation



VISIT [PGPF.ORG](https://www.pgpf.org)

Medicare and Medicaid account for the majority of federal healthcare expenditures

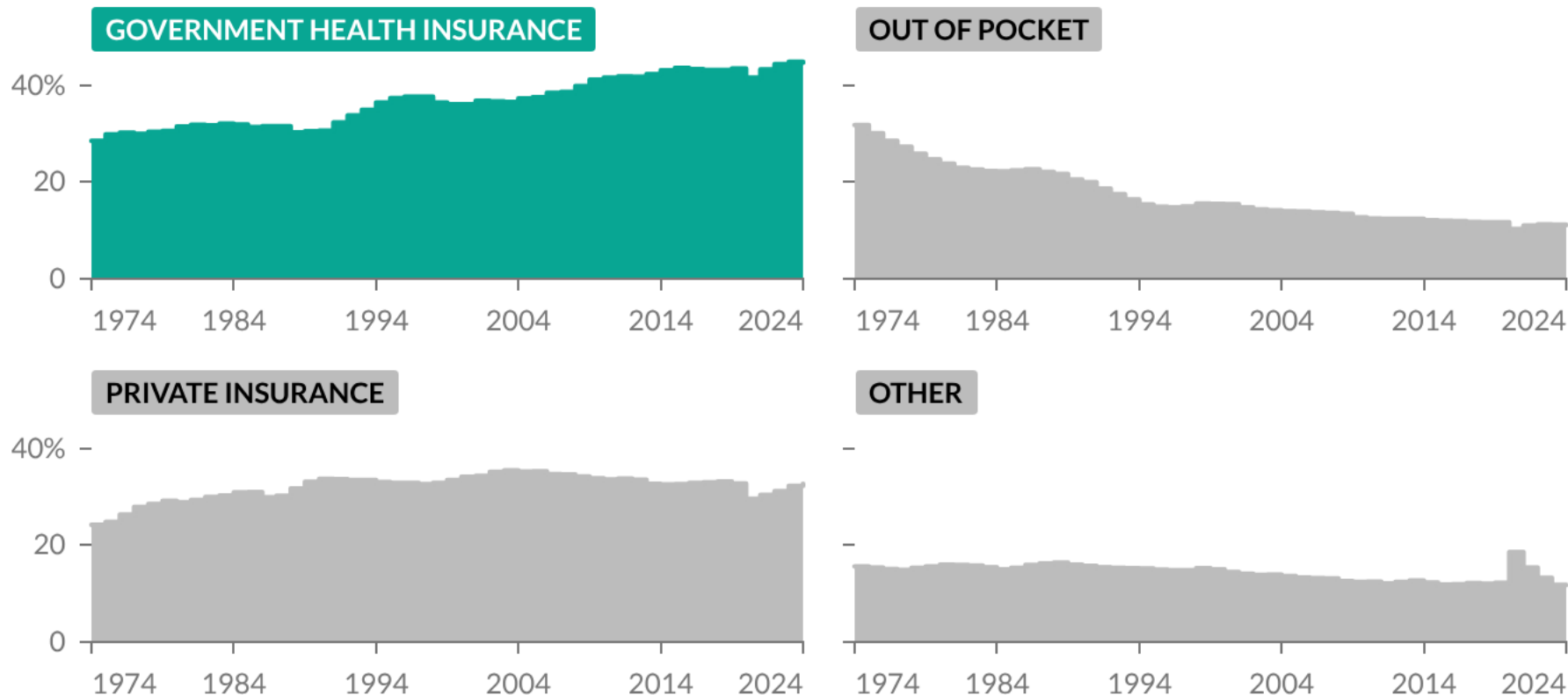


Sources: The Joint Committee on Taxation and Office of Management and Budget

Notes: Health-related income tax expenditures includes all tax expenditures (corporate and individual) classified under the Health function by the Joint Committee on Taxation. Medicare spending is net of offsetting receipts. "Other" includes net Federal Employees Health Benefits and other health.

The portion of health spending paid by government-sponsored insurance is growing

Source of Payment (% of Health Consumption Expenditures)

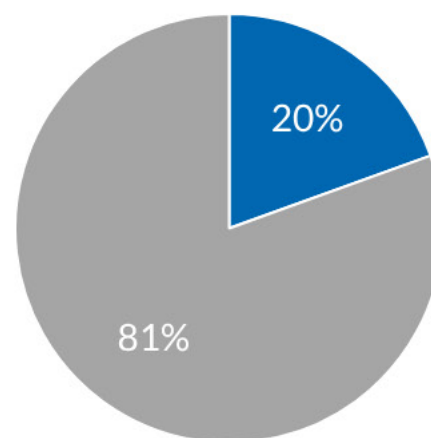
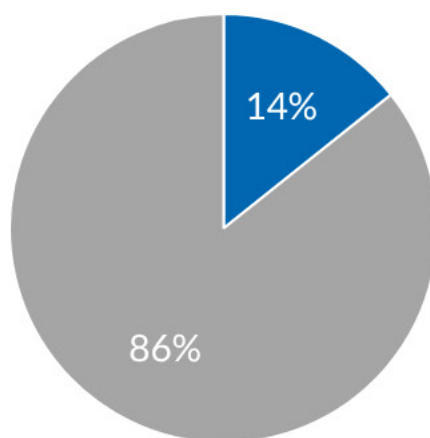
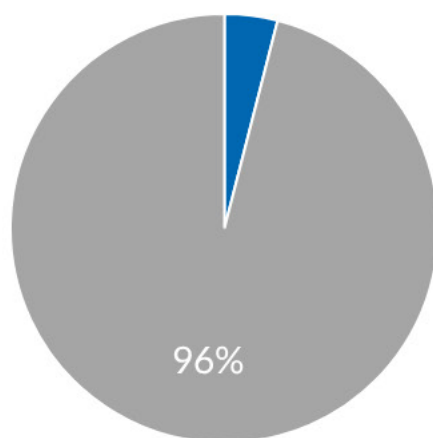


Source: Centers for Medicare and Medicaid Services

Notes: Government health insurance programs include Medicare, Medicaid, CHIP, and healthcare provided by the Department of Defense and the Department of Veterans' Affairs. Other includes federal and state health expenditures that are not insurance programs.

Due primarily to demographics, Medicare represents a rapidly growing share of the federal budget

■ Medicare ■ All Other Federal Outlays



Sources: Office of Management and Budget and Congressional Budget Office

Note: Pies represent total federal spending.

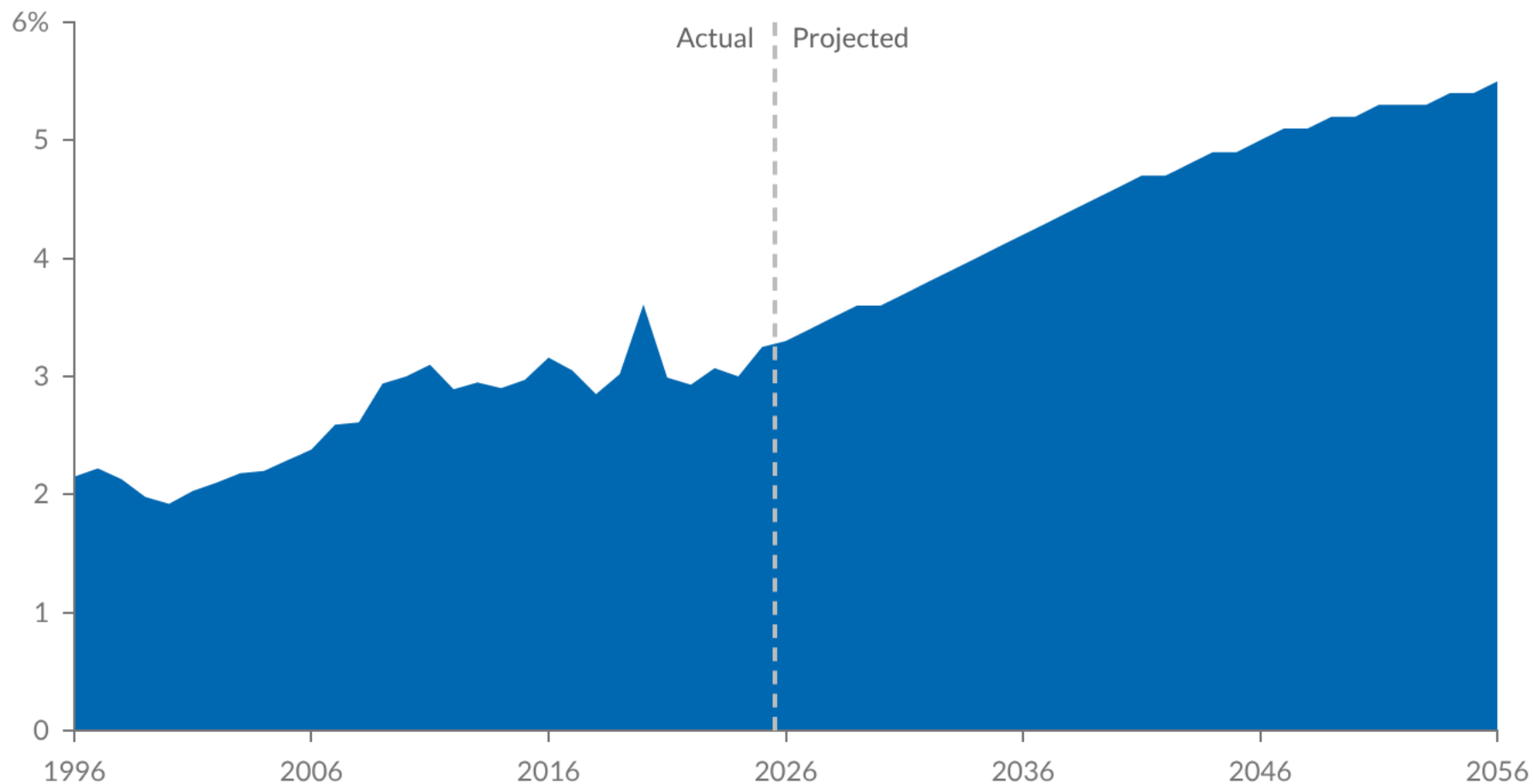
© 2026 Peter G. Peterson Foundation



[VISIT PGPF.ORG](https://www.pgpf.org)

Medicare spending is expected to grow substantially

Medicare Spending (% of GDP)



Sources: Office of Management and Budget and Congressional Budget Office

Note: Medicare spending is net of offsetting receipts.

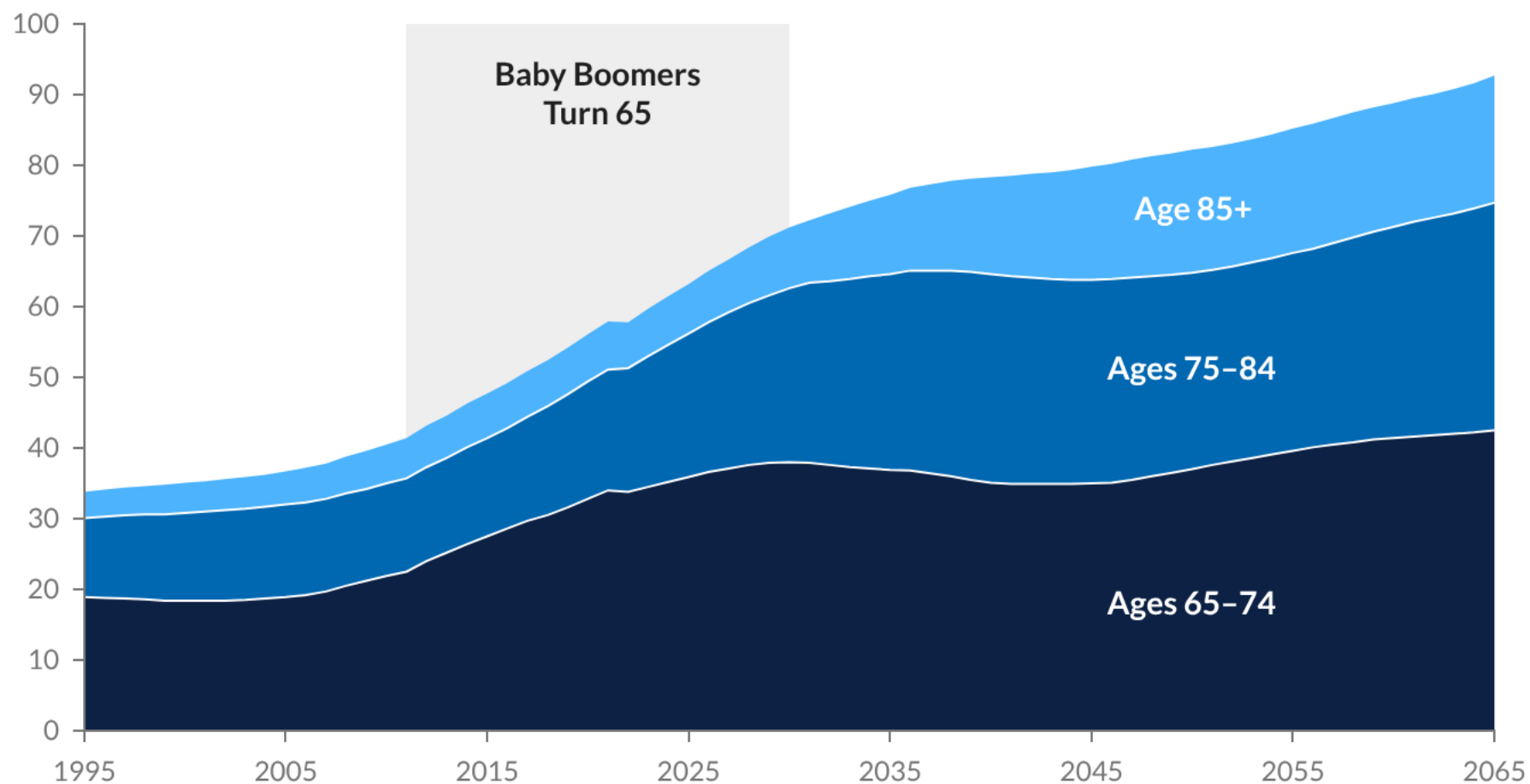
© 2026 Peter G. Peterson Foundation



[VISIT PGPF.ORG](https://www.pgpf.org)

The elderly population is growing rapidly and living longer

U.S. Population Age 65+ (Millions)



Source: U.S. Census Bureau

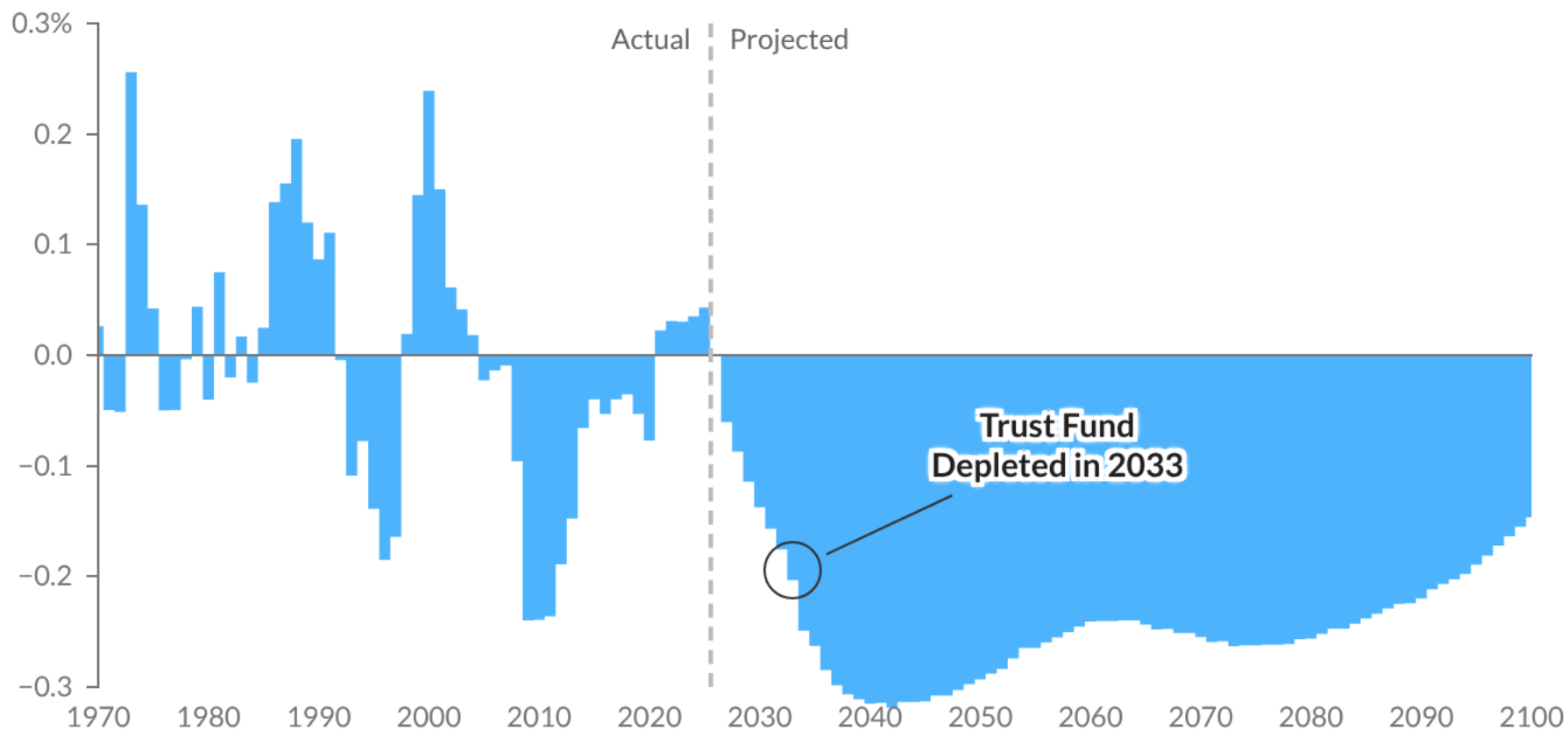
© 2026 Peter G. Peterson Foundation



[VISIT PGPF.ORG](https://www.pgpf.org)

Medicare's Hospital Insurance Trust Fund is facing significant cash shortfalls

Medicare HI Fund Surpluses/Deficits (% of GDP)



Source: Centers for Medicare and Medicaid Services

Note: Data exclude interest income.

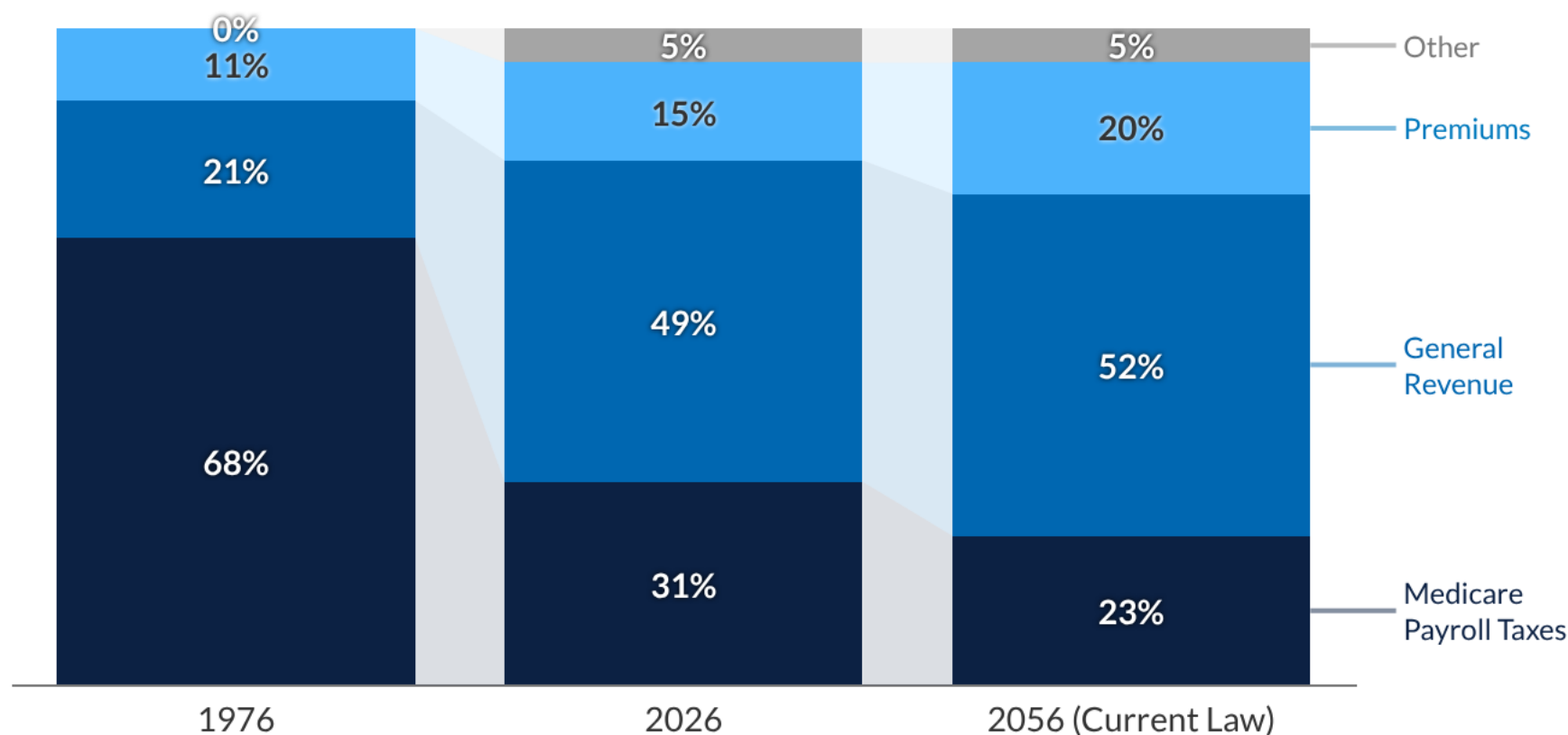
© 2026 Peter G. Peterson Foundation



VISIT [PGPF.ORG](https://www.pgpf.org)

The general fund is now the largest source of financing for Medicare

Share of Medicare Income (%)



Source: Centers for Medicare & Medicaid Services

Notes: "Other" includes proceeds from the taxation of Social Security benefits, which help to finance Medicare Hospital Insurance costs, as well as drug fees and state transfers. Medicare income does not include interest income. Numbers may not sum to 100% due to rounding.

© 2026 Peter G. Peterson Foundation



VISIT [PGPF.ORG](https://www.pgpf.org)