

STATISTICAL BRIEF #382

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Health Care Expenditures for the Five Most Common Conditions of Adults Ages 40 to 64, 2009

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Introduction

Adults ages 40–64 comprise one-third of the U.S. civilian noninstitutionalized population and account for 40 percent of medical expenditures nationally. This Statistical Brief presents data from the Medical Expenditure Panel Survey’s Household Component (MEPS-HC) regarding the five conditions affecting the greatest number of people in this age group in 2009. The five most commonly treated conditions—hypertension, hyperlipidemia, osteoarthritis, mental disorders, and asthma—were determined by totaling the number of people who had expenses for care associated with each condition and ranking them. Only differences between estimates that are statistically significant at the 0.05 level are discussed in the text.

Findings

The top five most commonly treated conditions among adults ages 40–64 in 2009 included hypertension (high blood pressure), hyperlipidemia (high cholesterol), osteoarthritis,* mental disorders, and asthma.* Of the 101.3 million civilian noninstitutionalized adults ages 40–64 in the U.S., more than half were treated for at least one of these conditions in 2009. These five conditions accounted for almost a quarter of this age group’s total medical expenditures.

Among those ages 40–64, the most widely reported condition associated with expenses was hypertension (28.3 million) (figure 1). Hyperlipidemia was the next most common condition with an estimated 22.8 million people incurring expenses. About 17.4 million people in this age group were treated for osteoarthritis, 16.6 million for mental disorders, and 15.8 million for asthma.

Although it was the least common among the five most treated conditions, the average expenditure for asthma per person with expenses was highest at \$1,849 (figure 2). Of the top five conditions, hypertension had the lowest average expenditure per person at \$724.

In 2009, a total of \$517.8 billion was spent on all conditions for adults ages 40–64, of which \$114.1 billion was spent on the five most commonly treated conditions. Of these five, total expenditures were higher for osteoarthritis (\$29.5 billion), mental disorders (\$27.4 billion), and asthma (\$29.2 billion) than for hypertension (\$20.5 billion) or hyperlipidemia (\$19.4 billion) (figure 3).

Medical treatment includes different types of service such as ambulatory visits, inpatient, emergency care, prescription medications, and home health care. For each of the five most commonly treated conditions, a majority of the expenditures were accounted for by prescription medicines and ambulatory medical visits, ranging from about two-thirds of expenses for osteoarthritis and asthma to 95.4 percent for hyperlipidemia (figure 4). Inpatient hospital stays comprised a substantial proportion of expenditures only for osteoarthritis and asthma, about one-quarter.

Among adults ages 40–64 in 2009, private insurance paid the largest share of expenditures for all five of the most commonly treated conditions, ranging from 31.8 percent (mental disorders) to 54.6 percent (hyperlipidemia). The share paid out-of-pocket was higher for hypertension, hyperlipidemia, and mental disorders than for osteoarthritis and asthma (figure 5).

Data Source

The estimates in this Brief were derived using data from the MEPS 2009 Full Year Consolidated, Events, and Medical Conditions files.

Highlights

- For adults between 40 and 64 years of age, the conditions that ranked highest in terms of the number of individuals with expenses for care in 2009 were hypertension, hyperlipidemia, osteoarthritis, mental disorders, and asthma.
- The most commonly treated condition was hypertension, with an estimated 28.3 million adults ages 40–64 receiving treatment.
- Although asthma ranked fifth among the five most treated conditions for adults ages 40–64, the average expenditure for asthma per person with expenses was highest.
- The largest portion of expenditures for hypertension, hyperlipidemia, and mental disorders was for prescription medicines.
- More than half of the expenditures for hyperlipidemia, osteoarthritis, and asthma were paid by private insurance.

Definitions

*All references to osteoarthritis in this Statistical Brief include other non-traumatic joint disorders. Asthma includes chronic obstructive pulmonary disorder (COPD).

Medical Conditions

Condition data associated with medical events were collected from household respondents during each round as verbatim text and coded by professional coders using the International Classification of Diseases, Ninth Revision (ICD-9). ICD-9-CM condition codes were then aggregated into clinically meaningful categories that group similar conditions using the Clinical Classification System (CCS) software. Categories were collapsed when appropriate. Note that the reported ICD-9-CM condition code values were mapped to the appropriate clinical classification category prior to being collapsed to 3-digit ICD-9-CM condition codes. The result is that every record which has an ICD-9-CM diagnosis code also has a clinical classification code. For this Statistical Brief, the following CCS codes were used: hyperlipidemia 053; mental disorders 650–655, 657–663, 670; hypertension 098; COPD and asthma 127, 128, 130, 132–134; osteoarthritis and other non-traumatic joint disorders 201–204.

Expenditures

Expenditures refer to what is paid for health care services. More specifically, expenditures in MEPS are defined as the sum of direct payments for care provided during the year, including out-of-pocket payments and payments by private insurance, Medicaid, Medicare, and other sources. Payments for over-the-counter drugs are not included in MEPS total expenditures. Indirect payments not related to specific medical events, such as Medicaid Disproportionate Share and Medicare Direct Medical Education subsidies, are also excluded.

Expenditures may be associated with more than one condition and are not unduplicated in the condition totals; summing over conditions would double-count some expenses. Spending for conditions does not include amounts for other medical expenses, such as durable and nondurable supplies, medical equipment, eyeglasses, ambulance services, and dental expenses, because these items are not linked to specific conditions in the MEPS. Total expenditures do include these amounts.

MEPS expenditure data are derived from both the Medical Provider Component (MPC) and Household Component (HC). MPC data are generally used for hospital-based events (e.g., inpatient stays, emergency room visits, and outpatient department visits), prescribed medicine purchases, and home health agency care. Office-based physician care estimates use a mix of HC and MPC data while estimates for non-physician office visits, dental and vision services, other medical equipment and services, and independent provider home health care services are based on HC provided data. Details on the estimation process can be found in:

Machlin, S. R. and Dougherty, D. D. *Overview of Methodology for Imputing Missing Expenditure Data in the Medical Expenditure Panel Survey*. Methodology Report No. 19. March 2007. Agency for Healthcare Research and Quality, Rockville, MD. http://www.meps.ahrq.gov/mepsweb/data_files/publications/mr19/mr19.pdf

About MEPS-HC

MEPS-HC is a nationally representative longitudinal survey that collects detailed information on health care utilization and expenditures, health insurance, and health status, as well as a wide variety of social, demographic, and economic characteristics of the U.S. civilian noninstitutionalized population. It is co-sponsored by the Agency for Healthcare Research and Quality and the National Center for Health Statistics.

References

For a detailed description of the MEPS-HC survey design, sample design, and methods used to minimize sources of nonsampling errors, see the following publications:

Cohen, J. *Design and Methods of the Medical Expenditure Panel Survey Household Component*. MEPS Methodology Report No. 1. AHCPR Pub. No. 970026. Rockville, MD: Agency for Health Care Policy and Research, 1997. http://www.meps.ahrq.gov/mepsweb/data_files/publications/mr1/mr1.pdf

Cohen, S. *Sample Design of the 1996 Medical Expenditure Panel Survey Household Component*. MEPS Methodology Report No. 2. AHCPR Pub. No. 970027. Rockville, MD: Agency for Health Care Policy and Research, 1997. http://www.meps.ahrq.gov/mepsweb/data_files/publications/mr2/mr2.pdf

Cohen, S. Design Strategies and Innovations in the Medical Expenditure Panel Survey. *Medical Care*, July 2003: 41 (7) Supplement: III-5-III-12.

Cohen, J. and Krauss, N. *Spending and Service Use among People with the Fifteen Most Costly Medical Conditions, 1997*. *Health Affairs*; 22(2):129–138, 2003.

Ezzati-Rice, T.M., Rohde, F., Greenblatt, J., *Sample Design of the Medical Expenditure Panel Survey Household Component, 1998–2007*. Methodology Report No. 22. March 2008. Agency for Healthcare Research and Quality, Rockville, MD. http://www.meps.ahrq.gov/mepsweb/data_files/publications/mr22/mr22.pdf

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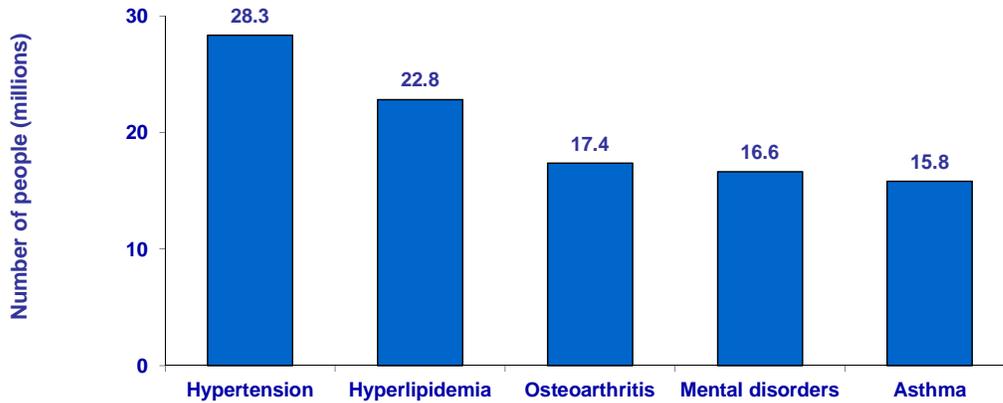
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AHRQ welcomes questions and comments from readers of this publication who are interested in obtaining more information about access, cost, use, financing, and quality of health care in the United States. We also invite you to tell us how you are using this Statistical Brief and other MEPS data and tools and to share suggestions on how MEPS products might be enhanced to further meet your needs. Please e-mail us at MEPSProjectDirector@ahrq.hhs.gov or send a letter to the address below:

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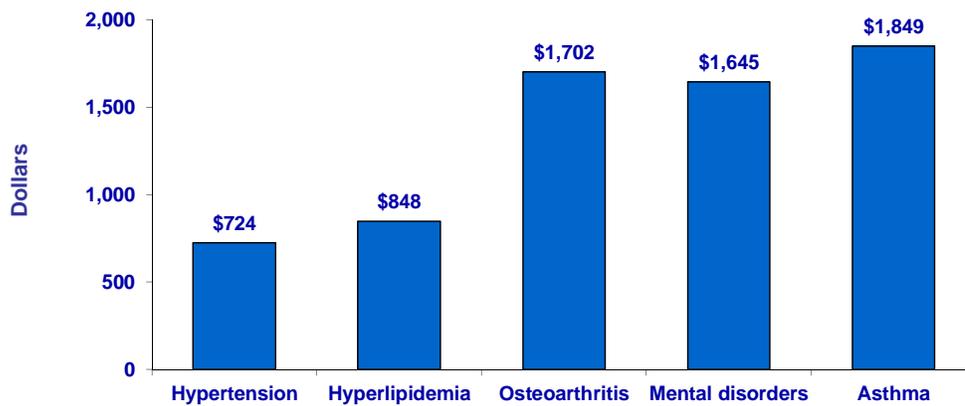
Figure 1. Number of people treated for the five most commonly treated conditions, ages 40 to 64, 2009



Source: Center for Financing, Access, and Cost Trends, AHRQ, Household Component of the Medical Expenditure Panel Survey, 2009



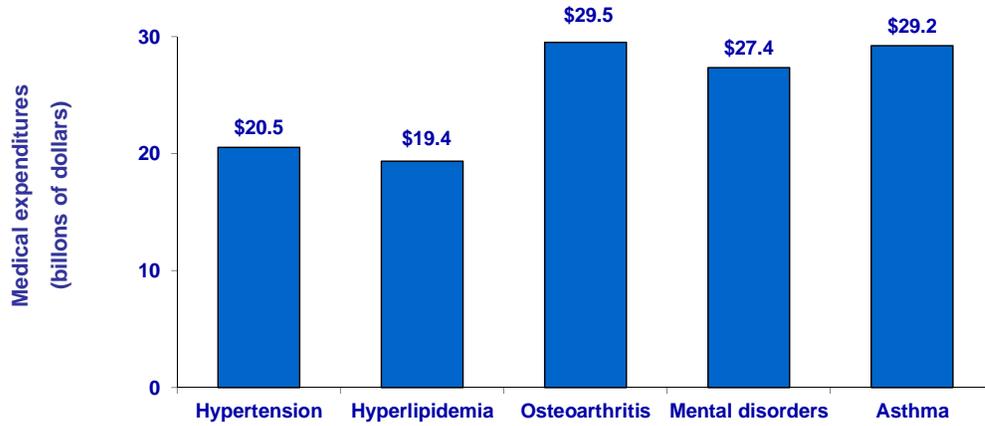
Figure 2. Average expenditures per person with expenses for the five most commonly treated conditions, adults ages 40 to 64, 2009



Source: Center for Financing, Access, and Cost Trends, AHRQ, Household Component of the Medical Expenditure Panel Survey, 2009



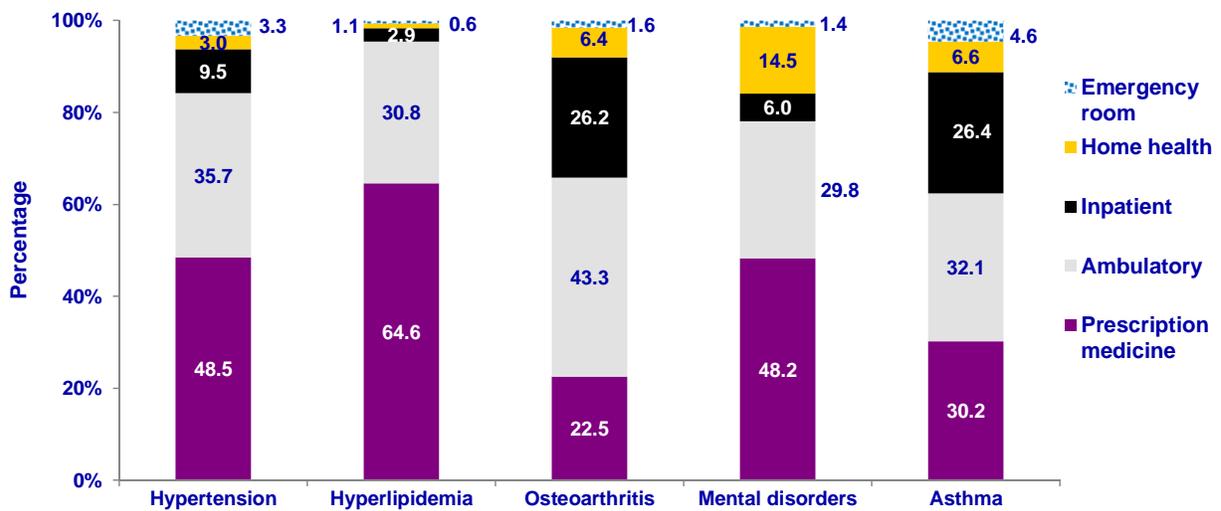
Figure 3. Expenditures for the five most commonly treated conditions, adults ages 40 to 64, 2009



Source: Center for Financing, Access, and Cost Trends, AHRQ, Household Component of the Medical Expenditure Panel Survey, 2009



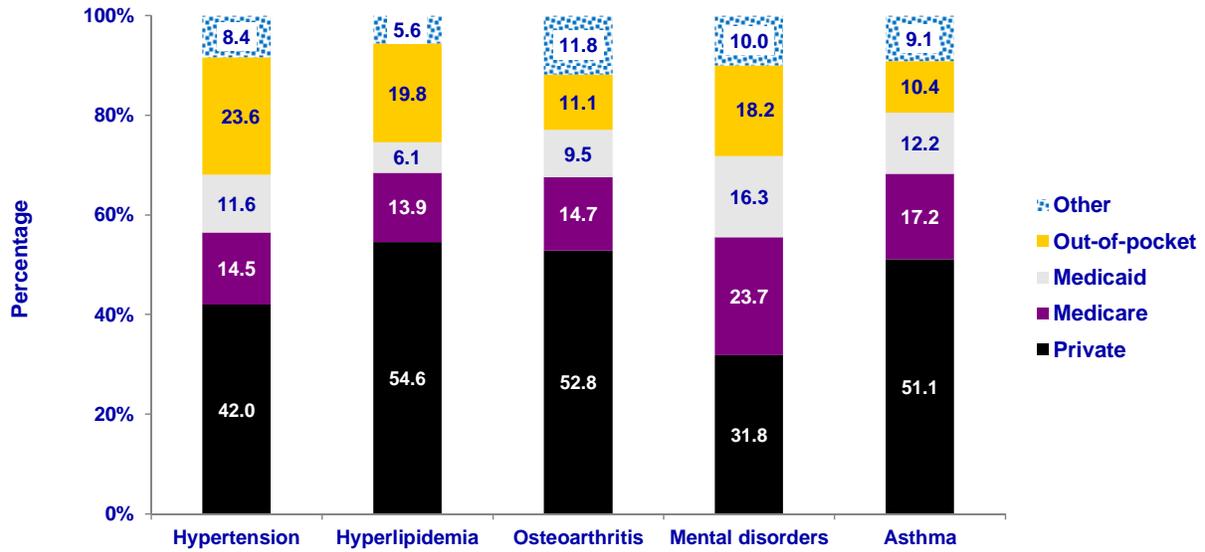
Figure 4. Percentage distribution of annual expenditures for the five most commonly treated conditions, adults ages 40 to 64, by type of service, 2009



Source: Center for Financing, Access, and Cost Trends, AHRQ, Household Component of the Medical Expenditure Panel Survey, 2009



Figure 5. Percentage distribution of annual expenditures for the five most commonly treated conditions, adults ages 40 to 64, by source of payment, 2009



Source: Center for Financing, Access, and Cost Trends, AHRQ, Household Component of the Medical Expenditure Panel Survey, 2009