

MINNESOTA HEALTH CARE SPENDING TRENDS, 1993-2000


April 2003



HEALTH ECONOMICS PROGRAM
HEALTH POLICY AND SYSTEMS COMPLIANCE DIVISION
MINNESOTA DEPARTMENT OF HEALTH

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Introduction

State health care spending has become increasingly important to Minnesota policy makers and consumers as worries about cost burdens rise. Changes in the health care market affect government, businesses, and consumers in Minnesota and, as spending increases, so have concerns about the affordability of health care. Since 1993, the Minnesota Department of Health has developed state spending estimates using state specific data.¹ This publication summarizes the estimates for 1993 through 2000 and analyzes the notable trends in spending by source and use of funds.

Minnesota Health Care Spending in 2000

Total Health Care Spending Growth

Minnesotans spent over \$19 billion on health care in 2000 (see Table 1), an increase of almost \$7 billion since 1993. Spending growth was between five and six percent a year until 1999 when it increased 8.3 percent. 2000 saw another jump when spending increased 10.5 percent from the previous year.

Table 1

Minnesota Health Care Spending, 1993-2000
(in millions)

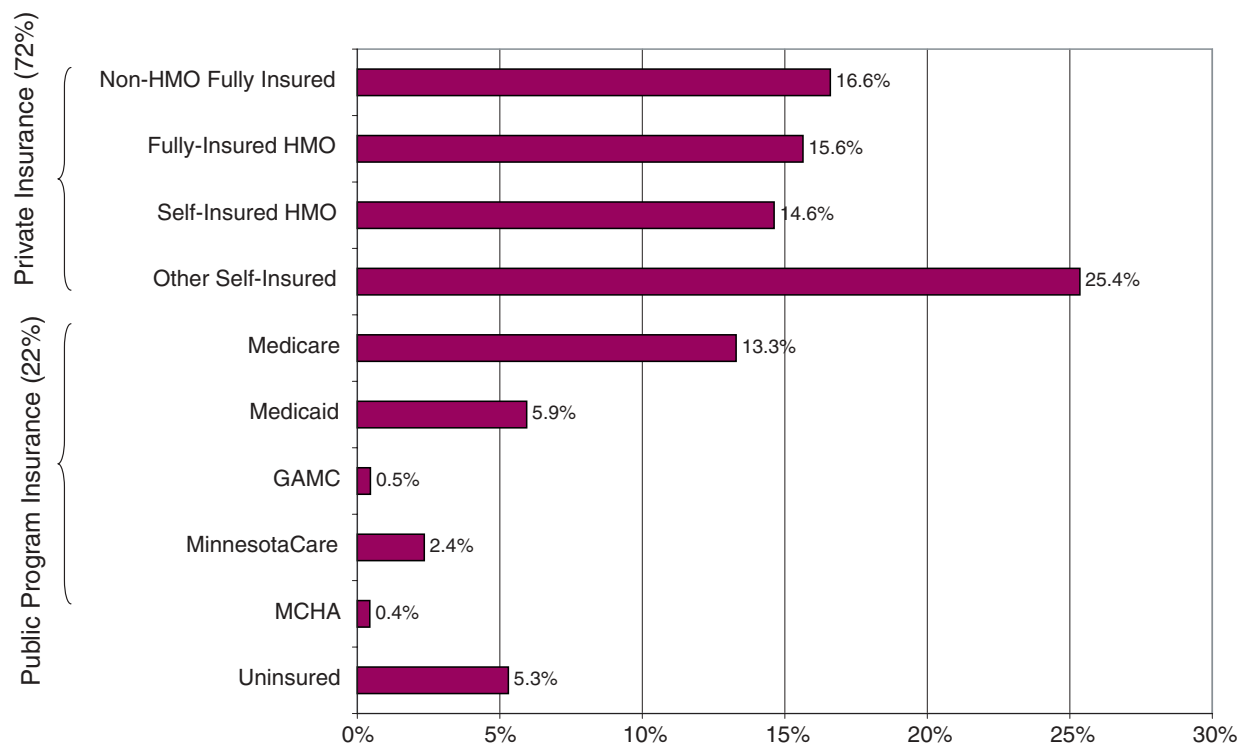
	1993	1994	1995	1996	1997	1998	1999	2000
Total Spending	12,447	13,075	13,731	14,535	15,254	16,086	17,415	19,242
Growth from Previous Year		5.0%	5.0%	5.9%	4.9%	5.5%	8.3%	10.5%

Distribution of Insurance Coverage

Private insurance is the largest source of insurance coverage in the state with nearly three-fourths (72 percent) of Minnesotans obtaining their coverage in the private market (see Figure 1). Over one-fifth (22 percent) of the state's population receives their insurance coverage through a public program. While Minnesota has one of the lowest uninsurance rates in the country, an estimated 5.3 percent of the population, or about 260,000 people, had no health care coverage at any given point in time in 2000.²

Figure 1

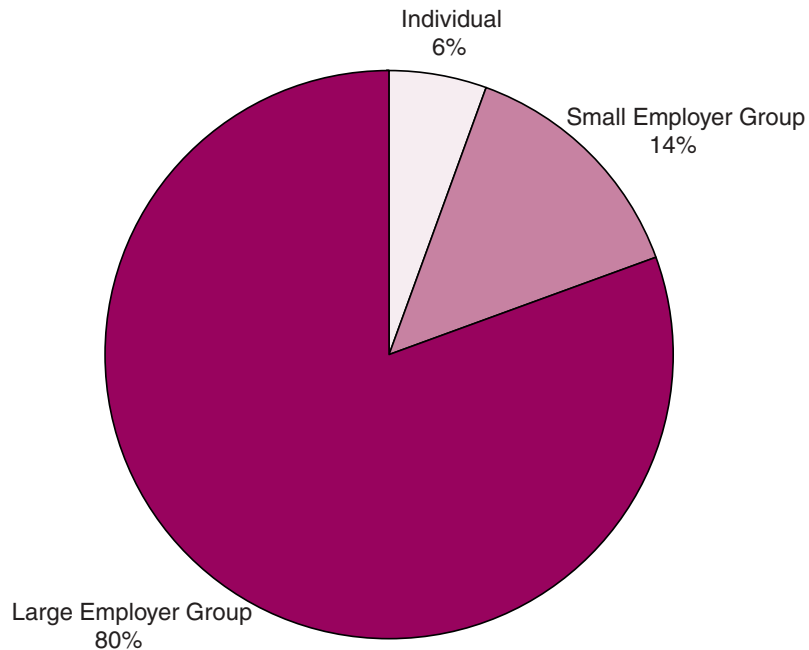
Distribution of Minnesota Population by Primary Source of Insurance Coverage, 2000
(Population 4.9 million)



The private insurance market in Minnesota is dominated by employer groups with greater than 50 employees (see Figure 2). Large groups cover four-fifths of the private market. The remaining one-fifth of the private market is composed of small employer groups³ (14 percent) and individually purchased plans (6 percent).

Figure 2

Distribution of Private Market Insurance Coverage - 2000
(Total 3.6 million people)

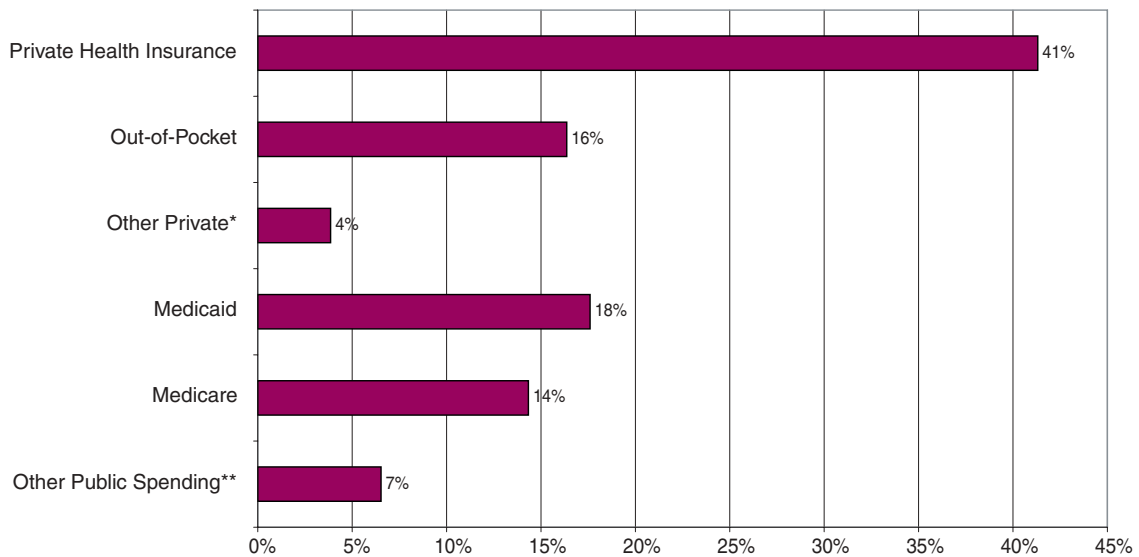


Sources of Funds

Although three-fourths of Minnesotans are covered by private insurance, private insurers pay only slightly more than two-fifths (41 percent) of the state's health care spending and out-of-pocket spending accounts for 16 percent (see Figure 3). Public program spending is dominated by Medicaid (18 percent) and Medicare (14 percent). The smaller public programs, such as MinnesotaCare, GAMC, MCHA and other public spending, account for 7 percent of health care spending in the state.

Figure 3

Minnesota Health Care Spending, 2000 Where It Came From



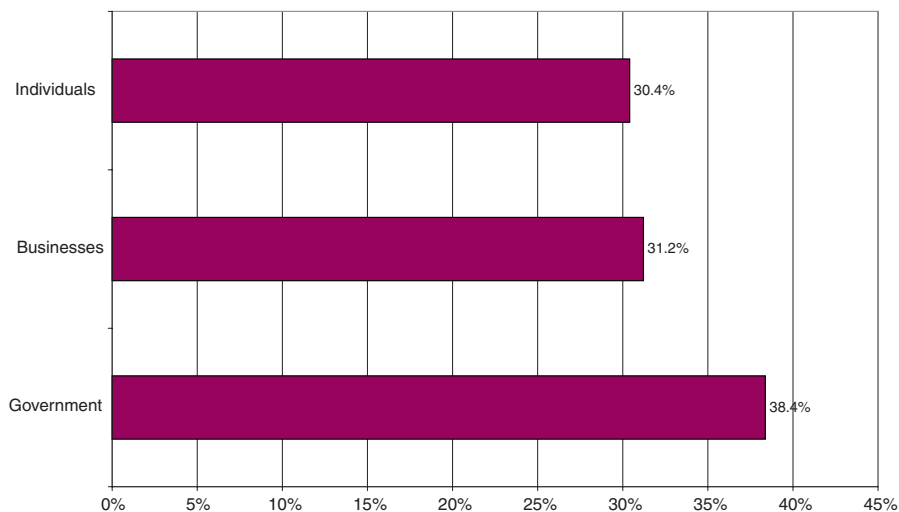
*Other private spending includes Private Workers Compensation and Auto Medical

**Major components of other public spending are MNCare, GAMC, Government Workers Compensation, Veterans Administration, MCHA

When viewed by who bears the actual burden of health care costs, government funds pay the largest portion (38 percent) of the state's health care spending (see Figure 4). Direct payments from individuals (which includes out-of-pocket payments for services, employee portions of employer based insurance, and premiums for individually purchased insurance) and business contributions are almost identical at 30 percent and 31 percent, respectively.

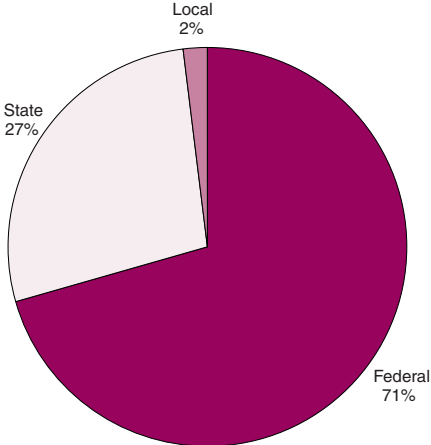
Figure 4

Primary Sources of Health Care Funds, 2000



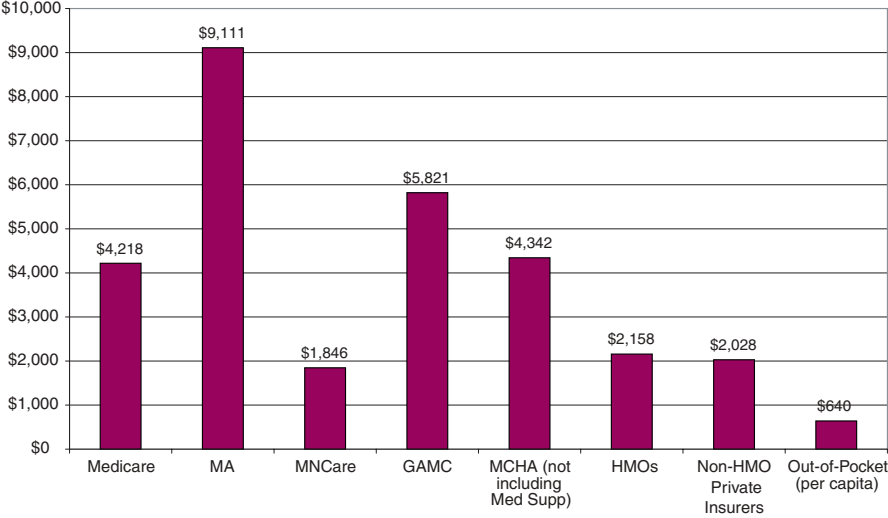
As shown in Figure 5, federal spending, primarily through Medicare and Medicaid payments, dominates the public portion of Minnesota’s health care dollar accounting for over two-thirds (71 percent) of the public funds. State government accounts for just over one-fourth (27 percent) of the public spending and local governments account for the remaining 2 percent.

Figure 5
Sources of Public Spending by Level of Government, 2000



Medical Assistance had the highest spending per enrollee of the different payers (see Figure 6). Nearly four-fifths (78 percent) of Medical Assistance spending is for elderly, disabled, and blind enrollees, who have much higher than average health care needs.⁴ In general, the public programs had higher than average spending per enrollee, except for MinnesotaCare, which had a slightly lower per member spending than the private payers. Self-insured coverage had the highest spending per enrollee of the private payers. For private health insurance, spending per enrollee was approximately \$2,000. Out-of-pocket spending was about \$640 per capita.

Figure 6
Spending per Enrollee, Calendar Year 2000

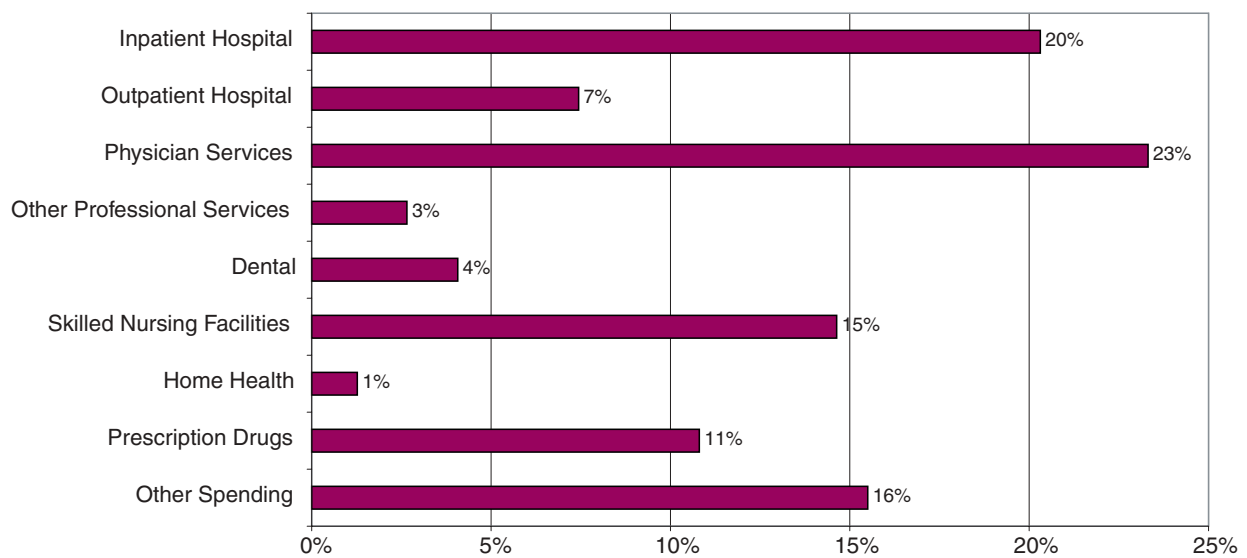


Uses of Funds

Spending for physician services was the largest category of spending in 2000, accounting for nearly one fourth (23 percent) of the total (see Figure 7). Inpatient hospital care was a close second with one-fifth of the total. Combined, physician and hospital (inpatient and outpatient) accounted for half of the state's health care spending. While prescription drug spending has been growing rapidly in recent years, it remains one of the relatively smaller categories at 11 percent.

Figure 7

Minnesota Health Care Spending, 2000 Where It Went

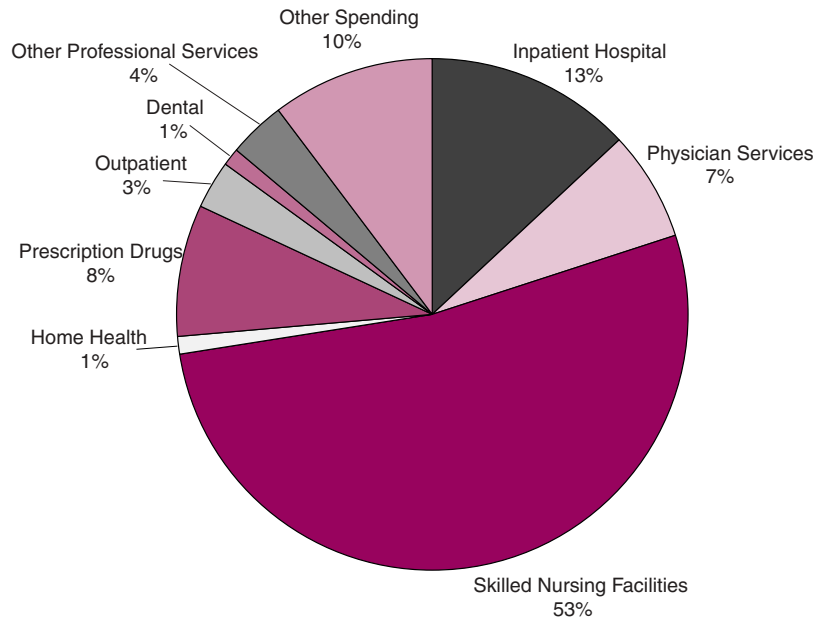


Other Professional Services consists primarily of services of health care professionals other than physicians and dentists; major components of Other Spending are, emergency services, durable medical equipment, chemical dependency and mental health services, non-prescription drugs, and public health spending.

As noted above, Medical Assistance spending per enrollee is much higher than other payers; some of this is due to the large percentage Medical Assistance pays toward skilled nursing facilities. Over half (53 percent) of the Medical Assistance spending went towards skilled nursing facilities in 2000 (see Figure 8). In fact, Medical Assistance paid for almost two-thirds (63 percent) of the total spent on skilled nursing facilities in Minnesota in 2000. Together with out-of-pocket spending, this accounts for over 90 percent of spending for care provided by skilled nursing facilities.⁵

Figure 8

Skilled Nursing Facilities as a Major Demand on Medical Assistance Funds



Comparisons with National Estimates

Compared with national estimates, Minnesota spends a smaller portion of its economy on health care and less per capita (see Table 2). Two factors that contribute to Minnesota’s lower than average health care spending are the fact that Minnesota is one of the country’s healthiest states⁶ and that utilization of services in the state is below the national median.⁷

Table 2

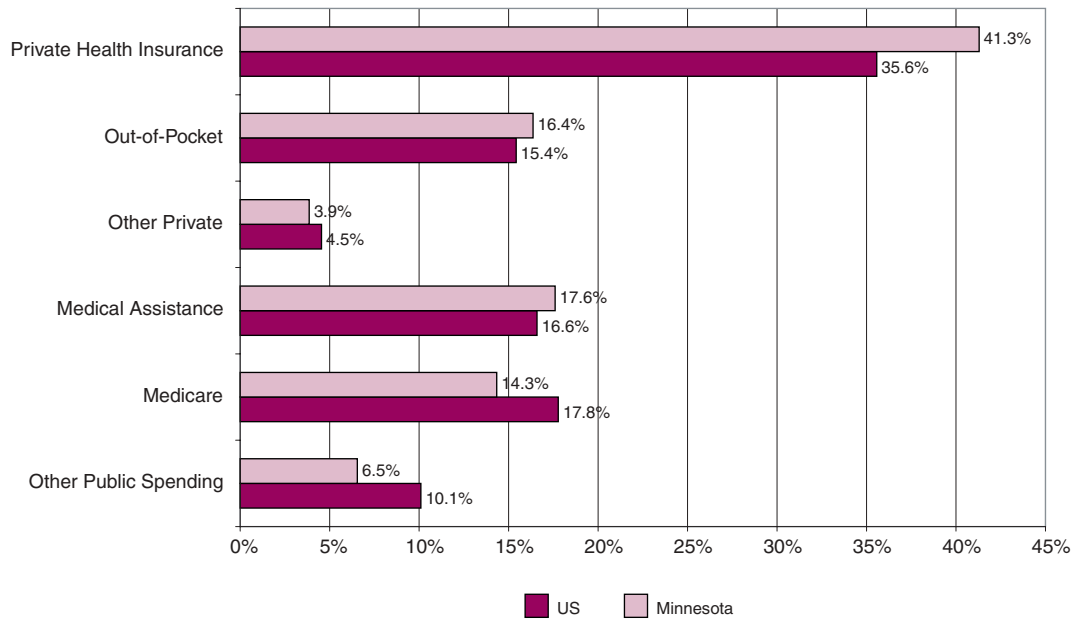
Health Care's Portion of the Economy for Minnesota and the Nation, 2000

	Health Care Portion of Economy	Per Capita Health Care Spending
Nation	12.8%	\$4,485
Minnesota	10.4%	\$3,911

A slightly higher percentage of health care costs was paid for through private insurers in Minnesota (41 percent) than compared with national spending (36 percent), partly because a higher share of Minnesota’s population has private health insurance than nationally (see Figure 9). Medicare paid a smaller portion of Minnesota health care spending (14 percent) in Minnesota than the national average (18 percent).

Figure 9

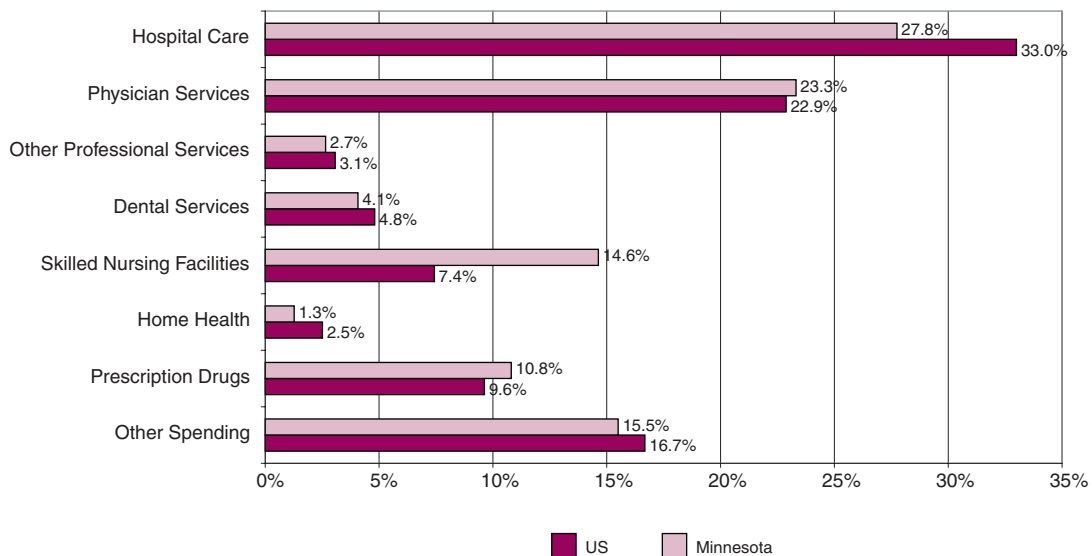
Minnesota and US Health Care Spending Comparison, 2000



In terms of spending by service category, the health care spending profile in Minnesota is similar to national spending (see Figure 10). The only significant difference is with the percentage spent on hospital care and skilled nursing facilities. However, methodological differences in data collection cause some national skilled nursing facility spending to be classified as hospital care, and therefore the difference is not as great as indicated.

Figure 10

Comparison of Minnesota and US Health Care Spending by Spending Category, 2000



The long-term care category includes skilled nursing facilities and home health services. Some of the spending defined as long term care in the Minnesota estimate is defined as hospital spending in the national figures.

Key Trends, 1993 to 2000

Distribution of Insurance Coverage

The distribution of insurance coverage has seen some interesting shifts since 1993 (see Table 3). Medicare enrollment has remained fairly steady; however, Medicaid saw a drop in enrollment, most likely due to welfare reform legislation and the strong economy in the late 1990s.⁸ MinnesotaCare's share of the population more than doubled during this time, as this was when the program was created and eligibility was expanded to new populations.

Table 3

Distribution of Minnesota Population by Primary Source of Insurance Coverage, 1993-2000

	1993	1994	1995	1996	1997	1998	1999	2000
Public								
Medicare	13.5%	13.5%	13.5%	13.5%	13.4%	13.4%	13.3%	13.3%
Medical Assistance	7.7%	7.8%	7.6%	7.2%	6.7%	6.2%	6.0%	5.9%
GAMC	1.2%	1.1%	1.0%	0.8%	0.7%	0.6%	0.5%	0.5%
MinnesotaCare	1.1%	1.5%	1.8%	1.9%	2.0%	2.1%	2.2%	2.4%
MCHA	0.7%	0.6%	0.6%	0.5%	0.5%	0.4%	0.4%	0.4%
Public Subtotal	24.1%	24.6%	24.5%	24.0%	23.3%	22.8%	22.4%	22.5%
Private								
Fully Insured								
HMO	19.1%	17.9%	19.2%	20.1%	19.9%	18.9%	17.4%	15.6%
Commercial/Blue Cross	20.5%	19.2%	18.5%	16.9%	16.2%	17.1%	17.4%	16.6%
Self-Insured								
Self-Insured HMO	5.4%	9.6%	11.7%	12.9%	12.6%	13.6%	14.3%	14.6%
Other	24.9%	22.7%	20.0%	20.0%	21.9%	21.6%	23.3%	25.4%
Private Subtotal	69.9%	69.4%	69.5%	70.0%	70.7%	71.2%	72.3%	72.2%
Uninsured*	6.0%	6.0%	6.0%	6.0%	6.0%	6.0%	5.3%	5.3%

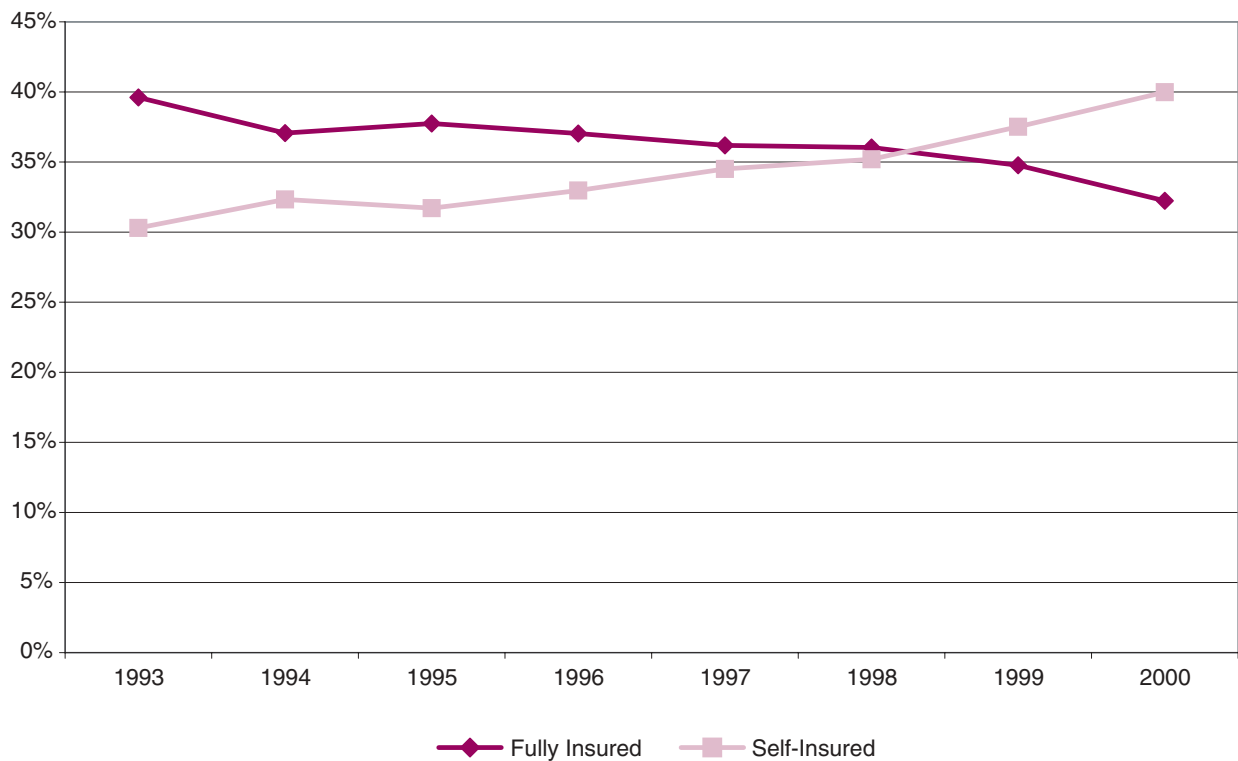
*Uninsurance estimates from the University of Minnesota surveys, 1990, 1995, and 1999.

Self-insured plans saw a steady increase in enrollment between 1993 and 2000 (see Figure 11). Under a fully insured plan, premiums are paid by the employer or sponsor to an insurer to cover the risk of health care expenses. Under a self-insured plan, the employer or sponsor retains the risk of any health care costs, although the employer may contract with a third party to administer its plans, and will generally purchase stop loss coverage to protect it from outlier medical expenses. Self-insured plans are of interest to state policy makers because self-insured plans are exempt from

state taxes and regulation. Certain taxes and assessments, such as the assessment to cover losses of the Minnesota Comprehensive Health Plan (MCHA), are paid only by fully insured plans. An increase in self-insured plan enrollment increases the burden of the MCHA assessment on the fully insured plans in the state since it reduces the available premium base. Between 1993 and 2000, nearly one-tenth of Minnesota’s population shifted to self-insured plans.

Figure 11

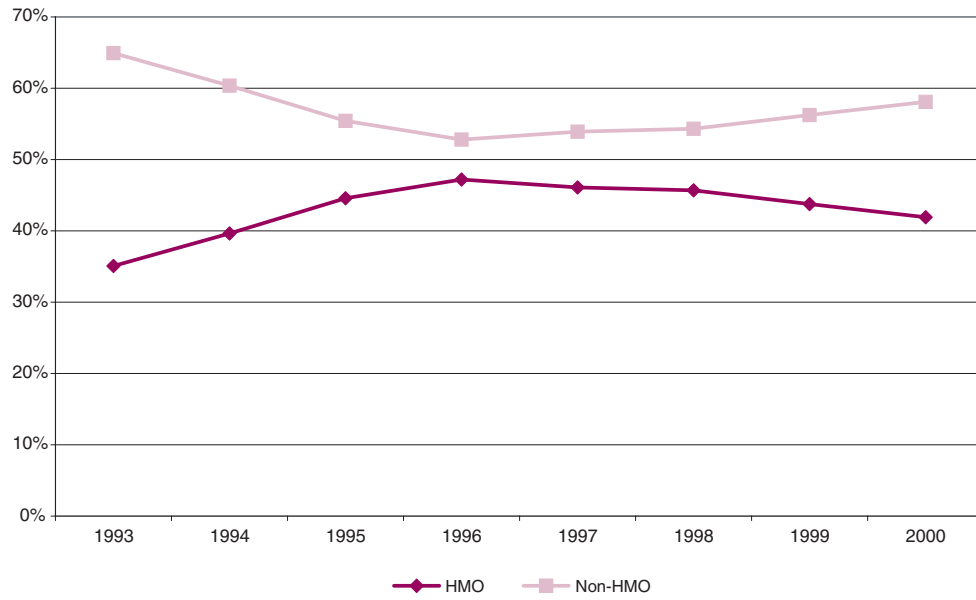
Percent of Minnesota Population Covered by Fully Insured Plans vs. Self-Insured Plans, 1993-2000



From 1993 to 1996, HMOs saw a rapid increase in enrollment as a share of the population from 25 percent to 33 percent, but then declined to 30 percent by 2000 (see Figure 12). This decline is attributable to a fall in fully insured HMO enrollment, as self-insured HMOs have seen a steady increase in members since 1993. The non-HMO share of the market showed a corresponding fall then increase in enrollment between 1993 and 2000.

Figure 12

Percent of Privately Insured Minnesota Population Covered by HMOs vs Non-HMO Plans, 1993-2000

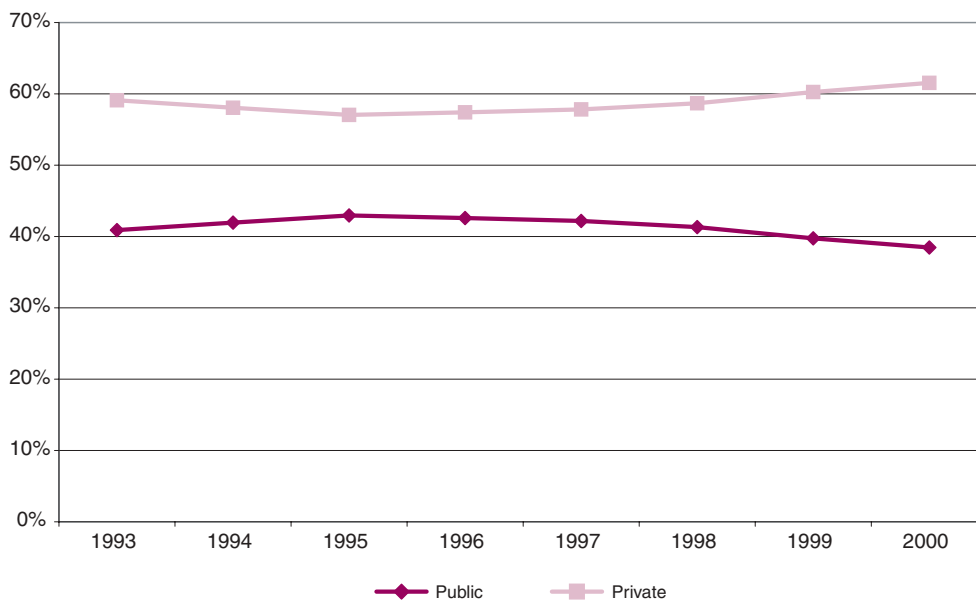


Sources of Funds

The share of spending paid for by public funds declined between 1993 and 2000 from 41 percent to 39 percent, and private spending saw a corresponding rise (see Figure 13).

Figure 13

Minnesota Health Care Spending - Public vs Private, 1993-2000



Private health insurance saw the largest increases in spending between 1993 and 2000, increasing by 86 percent or \$3.7 billion (see Table 4). Medicaid spending increased by 50 percent during this period, despite declining enrollment. Medicare showed the slowest growth of the major payers, with overall spending growth of 40 percent during this period.

Table 4

Minnesota Health Care Spending by Payer, 1993-2000 (in thousands)

	1993	1994	1995	1996	1997	1998	1999	2000
Medicare	1,974,439	2,088,082	2,264,317	2,429,128	2,573,230	2,628,839	2,679,508	2,758,383
Medicaid	2,264,779	2,505,646	2,698,470	2,800,947	2,848,360	2,938,659	3,097,807	3,386,564
Other Public Spending	849,561	888,490	934,411	960,436	1,013,460	1,079,546	1,143,110	1,259,340
Private Health Insurance	4,273,727	4,567,424	4,885,232	5,334,044	5,687,487	6,117,359	6,945,948	7,945,958
Out-of-Pocket	2,486,038	2,433,311	2,349,971	2,400,288	2,510,146	2,691,453	2,888,864	3,149,250
Other Private	598,685	591,749	598,963	610,289	621,438	630,321	659,827	742,138
Total	12,447,229	13,074,702	13,731,364	14,535,132	15,254,121	16,086,176	17,415,064	19,241,633
Percent Increase from Previous Year								
	1994	1995	1996	1997	1998	1999	2000	
Medicare	5.8%	8.4%	7.3%	5.9%	2.2%	1.9%	2.9%	
Medicaid	10.6%	7.7%	3.8%	1.7%	3.2%	5.4%	9.3%	
Other Public Spending	4.6%	5.2%	2.8%	5.5%	6.5%	5.9%	10.2%	
Private Health Insurance	6.9%	7.0%	9.2%	6.6%	7.6%	13.5%	14.4%	
Out-of-Pocket	-2.1%	-3.4%	2.1%	4.6%	7.2%	7.3%	9.0%	
Other Private	-1.2%	1.2%	1.9%	1.8%	1.4%	4.7%	12.5%	
Total	5.0%	5.0%	5.9%	4.9%	5.5%	8.3%	10.5%	

Uses of Funds

Total spending increased between 5 and 6 percent per year from 1993 to 1998. In 1999 it increased 8.3 percent and in 2000 it increased 10.5 percent, double the increase earlier in the decade. Hospital spending growth has been relatively stable since 1993, while physician services have been more volatile with large increases in 1999 and 2000 (see Table 5). Prescription drugs were the fastest growing category for 1999 and 2000.

Table 5

Minnesota Health Care Spending by Category of Service, 1993-2000 (in thousands)

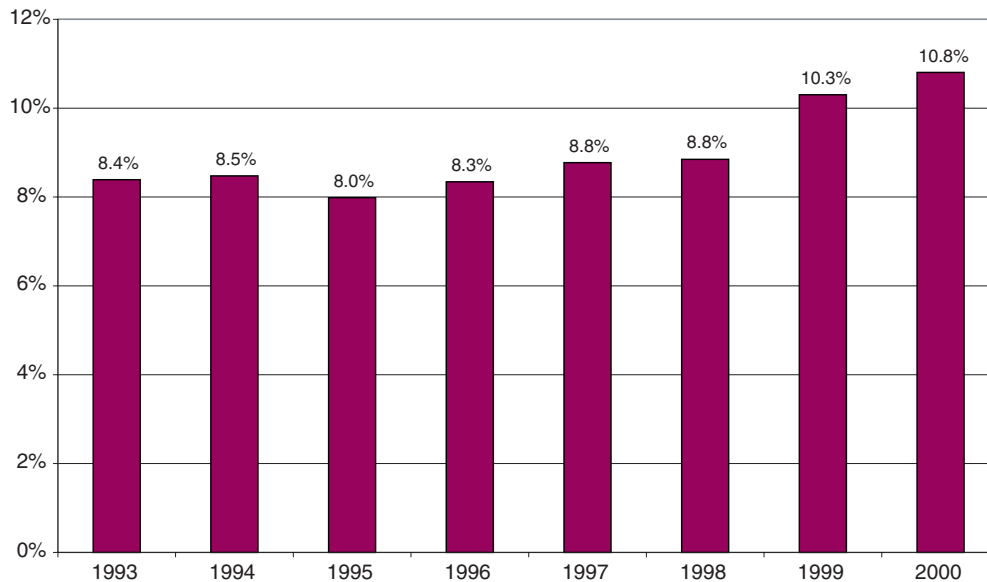
	1993	1994	1995	1996	1997	1998	1999	2000
Inpatient Hospital	2,832,007	2,853,906	3,051,374	3,191,676	3,359,852	3,502,629	3,685,184	3,908,127
Outpatient Hospital	827,469	891,706	958,555	1,042,599	1,135,990	1,209,504	1,365,482	1,431,669
Physician Services	2,619,175	2,800,595	2,957,794	3,220,279	3,390,026	3,492,384	3,909,316	4,486,067
Skilled Nursing Facilities	2,040,000	2,143,193	2,410,014	2,465,207	2,471,862	2,628,198	2,637,303	2,815,808
Home Health	164,381	195,125	214,660	243,797	269,757	241,458	236,177	244,622
Prescription Drugs	1,044,332	1,108,066	1,096,456	1,212,551	1,338,468	1,423,439	1,794,030	2,078,962
Dental	515,883	586,332	540,671	545,207	590,057	622,500	673,118	783,390
Other Professional Services	386,220	441,483	405,519	412,954	431,813	446,716	488,041	510,473
Other Spending	1,754,718	1,789,429	1,819,683	1,928,692	1,968,486	2,180,937	2,253,892	2,586,943
Uncategorized Spending	263,044	264,867	276,638	272,169	297,811	338,412	372,521	395,572
TOTAL	12,447,229	13,074,702	13,731,364	14,535,132	15,254,121	16,086,176	17,415,064	19,241,633

	Percent Increase from Previous Year								Average Annual Increase
	1994	1995	1996	1997	1998	1999	2000	1993-2000	
Inpatient Hospital	0.8%	6.9%	4.6%	5.3%	4.2%	5.2%	6.0%	4.7%	
Outpatient Hospital	7.8%	7.5%	8.8%	9.0%	6.5%	12.9%	4.8%	8.0%	
Physician Services	6.9%	5.6%	8.9%	5.3%	3.0%	11.9%	14.8%	4.7%	
Skilled Nursing Facilities	5.1%	12.4%	2.3%	0.3%	6.3%	0.3%	6.8%	5.8%	
Home Health	18.7%	10.0%	13.6%	10.6%	-10.5%	-2.2%	3.6%	10.3%	
Prescription Drugs	6.1%	-1.0%	10.6%	10.4%	6.3%	26.0%	15.9%	8.1%	
Dental	13.7%	-7.8%	0.8%	8.2%	5.5%	8.1%	16.4%	6.1%	
Other Professional Services	14.3%	-8.1%	1.8%	4.6%	3.5%	9.3%	4.6%	4.1%	
Other Spending	2.0%	1.7%	6.0%	2.1%	10.8%	3.3%	14.8%	5.7%	
Uncategorized Spending	0.7%	4.4%	-1.6%	9.4%	13.6%	10.1%	6.2%	6.0%	
TOTAL	5.0%	5.0%	5.9%	4.9%	5.5%	8.3%	10.5%	6.4%	

Prescription drug spending still is a relatively small portion of total spending, accounting for just over one-tenth (11 percent) of total spending in 2000 (see Figure 14). However, prescription drug spending as a share of total spending has been increasing steadily since 1995. These trends in Minnesota prescription drug spending mirror trends nationally.

Figure 14

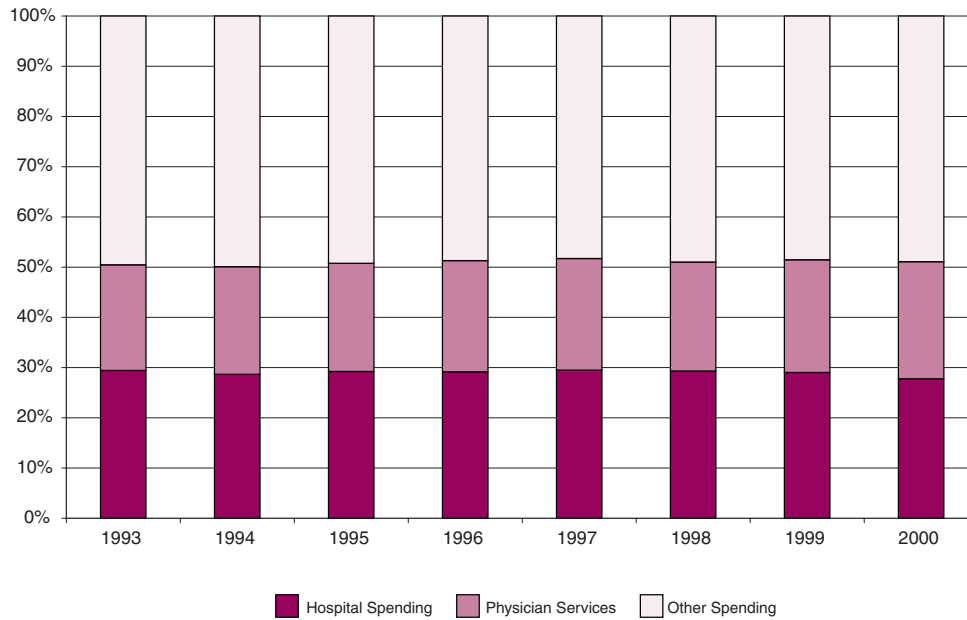
Prescription Drug Spending as a Percent of Total Spending



Despite the rapid growth in prescription drug spending, hospital and physician services still make up more than half of overall health spending in the state (see Figure 15). For every year since 1993, these two categories account for over half of total health care spending in Minnesota.

Figure 15

Continued Role of Physician Services and Hospital Spending



Predictably, considering their size, spending for hospital and physician services accounted for the largest shares of spending growth between 1999 and 2000 (see Table 6). Relative to their share of spending, prescription drugs have accounted for a disproportionate share of the total spending increase since 1993.

Table 6

Shares of Total Spending Growth by Category of Spending, 1993-2000

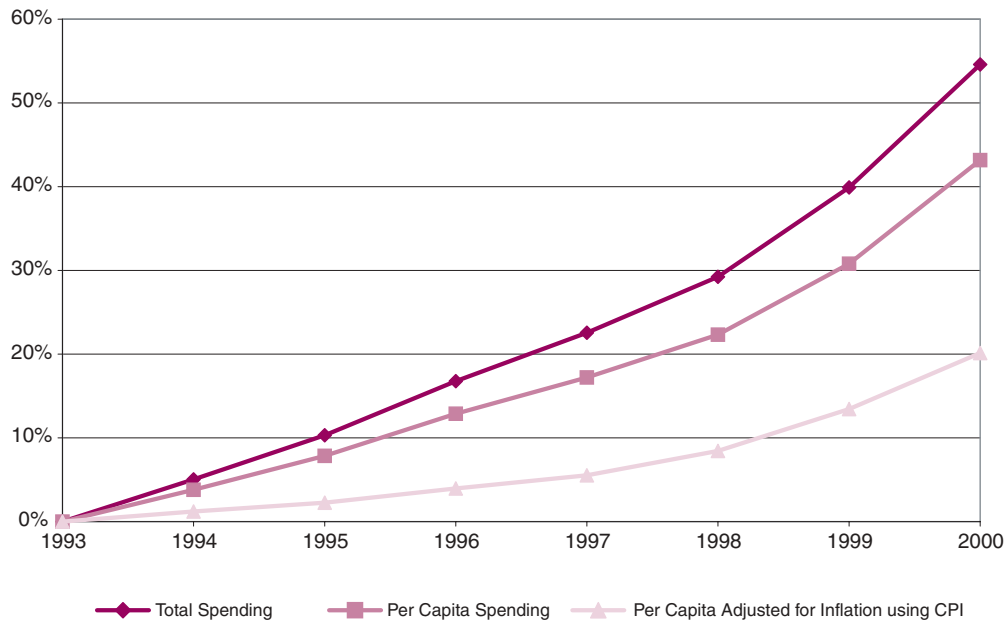
	1994	1995	1996	1997	1998	1999	2000	1993-2000
Inpatient Hospital	3.5%	30.1%	17.5%	23.4%	17.2%	13.7%	12.2%	15.8%
Outpatient Hospital	10.2%	10.2%	10.5%	13.0%	8.8%	11.7%	3.6%	8.9%
Physician Services	28.9%	23.9%	32.7%	23.6%	12.3%	31.4%	31.6%	27.5%
Skilled Nursing Facilities	16.4%	40.6%	6.9%	0.9%	18.8%	0.7%	9.8%	11.4%
Home Health	4.9%	3.0%	3.6%	3.6%	-3.4%	-0.4%	0.5%	1.2%
Prescription Drugs	10.2%	-1.8%	14.4%	17.5%	10.2%	27.9%	15.6%	15.2%
Dental	11.2%	-7.0%	0.6%	6.2%	3.9%	3.8%	6.0%	3.9%
Other Professional Services	8.8%	-5.5%	0.9%	2.6%	1.8%	3.1%	1.2%	1.8%
Other Spending	5.5%	4.6%	13.6%	5.5%	25.5%	5.5%	18.2%	12.2%
Uncategorized Spending	0.3%	1.8%	-0.6%	3.6%	4.9%	2.6%	1.3%	2.0%
TOTAL	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%

Causes of Spending Growth

Growth in health care spending is the result of many factors, including population growth, changing demographics (e.g. aging of the population), general inflation, changing utilization patterns and technological advances. Total health care spending grew by 54 percent between 1993 and 2000 (see Figure 16) with nearly half this growth in the last two years (1999 and 2000). Per capita spending, which controls for effects of population growth, increased by 43 percent during this period, with over half the growth occurring in the last two years. Controlling for inflation by viewing per capita spending in 2000 dollars still shows a 20 percent growth between 1993 and 2000. Again, over half this growth occurred in the last two years. This 20 percent growth reflects changes in demographics, increases in utilization, changes in the mix of services, and advances in technology and other factors that are causing health care spending to account for a larger share of the economy.

Figure 16

Effect of Inflation, Population Growth and Other Factors



Summary

Minnesota enjoys one of the lowest uninsurance rates in the country, thanks in part to the higher than average level of private coverage through employers and various public programs such as Medical Assistance, MinnesotaCare, GAMC, and MCHA. Although private insurers cover the majority of Minnesotans, these public programs act as a safety net for persons without private coverage.

Prescription drug spending is a growing category of spending and an increasing contributor to health care cost increases. However, the major components of health care spending are physician and hospital spending and these two categories represent the largest shares of expenditure growth.

While health care spending saw some increases in the 1990s, total spending still compares favorably with national estimates. Minnesota spends a smaller portion of the economy and has lower per capita costs than the nation. However, there have been recent increases in health spending, including a growth of 10.5 percent in 2000. Recent increases in health spending have raised concerns among policymakers, employers and consumers over the continued affordability of health care. The Health Economics Program will continue to monitor and estimate health spending trends in Minnesota, and provide information to policymakers and stakeholders.

Appendix 1

Methodology

The data in this paper for the private sources of funding comes primarily from the Health Economics Program’s Health Plan Financial and Statistical Report. As mandated by state statute, the Minnesota Department of Health collects detailed financial information each year from all health plan companies that do business in Minnesota. This report, known as the Health Plan Financial and Statistical Report (HPFSR), collects aggregate financial and enrollment figures for these health plans. All licensed health insurers in the State of Minnesota are required by law to complete the HPFSR. This data is the primary source of information used for the spending estimates for private health insurance.

Self-insured plans, which are plans offered by firms that bear the risk of their employees’ health care costs instead of an independent insurer, are not covered by the state statute and are not required to participate in the HPFSR. Estimates for the self-insured spending are made based on the fully insured private markets. The enrollment for self-insured plans is estimated by taking the residual of the state population after the enrollment in all other types of insurance and the state’s uninsured population is accounted for. Self-insured spending by category is estimated by applying the ratio for spending categories from the fully insured private market to the self-insured enrollment figure.

No state specific data for out-of-pocket spending exists so estimates must be made using national data. Out-of-pocket spending for Minnesota is calculated by taking the out-of-pocket spending for CMS’s national estimates for each of the ten spending categories, and then applying this ratio to Minnesota’s total spending for each type of expenditure. These out-of-pocket estimates are compared to data from the Medical Expenditure Panel Survey and the Consumer Expenditure Survey for consistency.

Appendix Table 1

Elements of Spending Estimates and Corresponding Sources

<i>Purchaser</i>	<i>Source of Data</i>
Medicare	Centers of Medicare and Medicaid Services (CMS)
Medical Assistance	Minnesota Department of Human Services
MinnesotaCare	Minnesota Department of Human Services
General Assistance Medical Care	Minnesota Department of Human Services
All Government Worker’s Compensation	Minnesota Department of Employee Relations, Minnesota Department of Labor and Industry
Other Public	Various Federal and State Sources
Minnesota Comprehensive Health Association	MCHA
HMOs	MDH Health Plan Financial and Statistical Report
Comm/BCBSM	MDH Health Plan Financial and Statistical Report
Self-Insured	Calculated based on estimated enrollment and distribution of fully insured spending
Medicare Supplement	MDH Health Plan Financial and Statistical Report
Private Medicare HMO	MDH Health Plan Financial and Statistical Report minus payments to HMOs by CMS
Auto Medical	Insurance Research Council data
Out-of-Pocket	CMS National estimates scaled to Minnesota spending

Appendix 2: Detailed Spending Estimates by Payer and Service Category, 1993 to 2000

2000

	Medicare	Medical Assistance	MNCare	Other Public	Private Health Insurance	Out-of-Pocket	Other Private	Total
Inpatient Hospital	1,339,123	438,298	46,570	260,597	1,391,880	123,315	308,345	3,908,127
Outpatient Hospital	260,955	103,071	18,190	146,282	857,997	45,174	0	1,431,669
Physician Services	683,874	242,908	59,141	65,116	2,623,094	520,033	291,901	4,486,067
Skilled Nursing Facilities	191,609	1,775,992	480	62,310	24,964	760,451	0	2,815,808
Home Health	89,407	38,465	4,645	1,134	62,651	48,320	0	244,622
Prescription Drugs	28,776	279,373	27,918	55,874	970,069	665,678	51,275	2,078,962
Dental	2,990	36,534	7,929	3,364	381,353	351,220	0	783,390
Other Professional Services	14,096	120,305	6,994	13,372	175,019	153,142	27,546	510,473
Other Spending	147,553	351,617	41,675	437,750	1,458,931	481,917	63,071	2,982,514
Total	2,758,383	3,386,564	213,541	1,045,799	7,945,958	3,149,250	742,138	19,241,633

1999

	Medicare	Medical Assistance	MNCare	Other Public	Private Health Insurance	Out-of-Pocket	Other Private	Total
Inpatient Hospital	1,357,627	399,283	34,690	241,645	1,231,763	118,392	301,784	3,685,184
Outpatient Hospital	253,759	95,433	19,544	133,820	819,058	43,868	0	1,365,482
Physician Services	629,228	220,154	47,242	59,346	2,260,599	455,749	236,998	3,909,316
Skilled Nursing Facilities	165,796	1,652,783	365	56,228	26,758	735,373	0	2,637,303
Home Health	100,691	33,580	3,271	935	50,903	46,797	0	236,177
Prescription Drugs	22,048	240,354	23,929	47,640	820,932	599,161	39,966	1,794,030
Dental	1,574	41,107	8,556	4,202	320,504	297,174	0	673,118
Other Professional Services	7,203	98,773	5,785	12,734	192,899	147,609	23,038	488,041
Other Spending	141,582	316,340	32,406	410,772	1,222,533	444,740	58,040	2,626,413
Total	2,679,508	3,097,807	175,789	967,321	6,945,948	2,888,864	659,827	17,415,064

1998

	Medicare	Medical Assistance	MNCare	Other Public	Private Health Insurance	Out-of-Pocket	Other Private	Total
Inpatient Hospital	1,294,168	376,519	28,170	248,266	1,143,854	109,919	301,734	3,502,629
Outpatient Hospital	251,988	74,828	12,286	138,667	693,779	37,956	0	1,209,504
Physician Services	584,239	204,489	39,268	58,562	1,973,672	417,509	214,645	3,492,384
Skilled Nursing Facilities	203,671	1,605,529	392	59,563	30,463	728,580	0	2,628,198
Home Health	119,680	30,016	2,151	748	42,151	46,711	0	241,458
Prescription Drugs	22,076	198,303	16,987	40,989	617,881	496,245	30,957	1,423,439
Dental	870	38,795	7,015	4,694	293,809	277,317	0	622,500
Other Professional Services	6,297	95,713	5,165	12,990	172,652	133,386	20,513	446,716
Other Spending	145,849	314,467	25,027	378,605	1,149,097	443,831	62,473	2,519,349
Total	2,628,839	2,938,659	136,461	943,085	6,117,359	2,691,453	630,321	16,086,176

1997

	Medicare	Medical Assistance	MNCare	Other Public	Private Health Insurance	Out-of-Pocket	Other Private	Total
Inpatient Hospital	1,251,331	377,105	20,255	249,777	1,095,820	102,395	263,168	3,359,852
Outpatient Hospital	249,967	71,161	8,780	139,012	632,450	34,621	0	1,135,990
Physician Services	567,620	200,953	28,322	62,329	1,884,378	403,709	242,717	3,390,026
Skilled Nursing Facilities	177,972	1,576,223	316	59,770	27,270	630,310	0	2,471,862
Home Health	152,846	29,773	1,557	810	38,638	46,132	0	269,757
Prescription Drugs	22,182	176,133	12,755	38,751	564,968	493,306	30,373	1,338,468
Dental	784	40,622	5,884	5,257	276,570	260,942	0	590,057
Other Professional Services	5,628	95,420	6,501	13,429	167,225	122,821	20,789	431,813
Other Spending	144,901	280,970	18,917	341,038	1,000,168	415,911	64,391	2,266,296
Total	2,573,230	2,848,360	103,288	910,172	5,687,487	2,510,146	621,438	15,254,121

1996

	Medicare	Medical Assistance	MNCare	Other Public	Private Health Insurance	Out-of-Pocket	Other Private	Total
Inpatient Hospital	1,185,879	390,140	15,512	241,517	1,022,370	95,060	241,199	3,191,676
Outpatient Hospital	231,931	66,595	6,996	131,881	574,144	31,052	0	1,042,599
Physician Services	543,824	197,433	20,932	63,891	1,768,270	377,618	248,312	3,220,279
Skilled Nursing Facilities	165,728	1,591,907	83	56,467	21,607	629,414	0	2,465,207
Home Health	138,967	31,213	491	784	35,338	37,005	0	243,797
Prescription Drugs	16,954	158,258	13,151	36,902	478,587	478,164	30,536	1,212,551
Dental	4,324	38,211	6,985	5,423	254,941	235,325	0	545,207
Other Professional Services	5,071	98,747	13,460	13,861	145,816	110,923	25,075	412,954
Other Spending	136,451	228,443	12,847	319,253	1,032,971	405,727	65,167	2,200,861
Total	2,429,128	2,800,947	90,458	869,978	5,334,044	2,400,288	610,289	14,535,132

1995

	Medicare	Medical Assistance	MNCare	Other Public	Private Health Insurance	Out-of-Pocket	Other Private	Total
Inpatient Hospital	1,104,494	415,683	10,840	238,945	966,919	93,246	221,248	3,051,374
Outpatient Hospital	212,157	65,017	5,415	126,645	520,030	29,292	0	958,555
Physician Services	528,704	185,607	15,026	65,676	1,561,384	352,789	248,609	2,957,794
Skilled Nursing Facilities	143,575	1,543,038	0	52,971	21,083	649,347	0	2,410,014
Home Health	122,806	28,888	0	454	31,544	30,967	0	214,660
Prescription Drugs	13,300	148,554	11,650	36,239	392,683	468,879	25,150	1,096,456
Dental	7,309	36,682	6,321	6,006	248,645	235,708	0	540,671
Other Professional Services	5,057	101,493	11,655	15,514	134,140	110,984	26,675	405,519
Other Spending	126,915	173,509	7,021	324,035	1,008,804	378,758	77,281	2,096,321
Total	2,264,317	2,698,470	67,926	866,485	4,885,232	2,349,971	598,963	13,731,364

1994

	Medicare	Medical Assistance	MNCare	Other Public	Private Health Insurance	Out-of-Pocket	Other Private	Total
Inpatient Hospital	1,035,727	371,024	6,517	232,023	902,013	94,443	212,159	2,853,906
Outpatient Hospital	195,066	54,080	3,436	122,725	486,890	29,509	0	891,706
Physician Services	489,236	162,053	10,376	67,723	1,441,688	372,703	256,817	2,800,595
Skilled Nursing Facilities	123,177	1,364,011	0	51,392	24,099	580,513	0	2,143,193
Home Health	102,079	24,379	0	522	34,503	33,642	0	195,125
Prescription Drugs	13,639	128,397	7,897	35,732	349,584	554,033	18,785	1,108,066
Dental	7,518	33,859	3,816	6,692	266,774	267,673	0	586,332
Other Professional Services	5,191	83,054	8,105	16,493	173,801	120,248	34,592	441,483
Other Spending	116,450	284,788	4,581	310,462	888,072	380,546	69,397	2,054,296
Total	2,088,082	2,505,646	44,726	843,764	4,567,424	2,433,311	591,749	13,074,702

1993

	Medicare	Medical Assistance	MNCare	Other Public	Private Health Insurance	Out-of-Pocket	Other Private	Total
Inpatient Hospital	1,027,432	308,987	2,036	227,618	919,468	111,510	234,956	2,832,007
Outpatient Hospital	180,492	60,807	2,060	120,230	431,299	32,582	0	827,469
Physician Services	444,863	150,949	5,964	69,581	1,319,726	386,628	241,464	2,619,175
Skilled Nursing Facilities	104,620	1,255,082	0	48,718	22,996	608,584	0	2,040,000
Home Health	78,099	23,050	0	625	32,583	30,024	0	164,381
Prescription Drugs	13,621	112,395	3,685	33,244	300,337	565,934	15,115	1,044,332
Dental	7,486	29,477	2,722	6,725	230,762	238,712	0	515,883
Other Professional Services	5,179	66,811	4,772	17,056	131,076	108,772	52,553	386,220
Other Spending	112,648	257,222	1,788	302,736	885,479	403,291	54,597	2,017,762
Total	1,974,439	2,264,779	23,029	826,532	4,273,727	2,486,038	598,685	12,447,229

Endnotes

- ¹ These estimates are periodically revised as more accurate source data becomes available.
- ² Minnesota Department of Health, Health Economics Program, “Minnesota’s Uninsured: Findings from the 2001 Health Access Survey,” April 2002.
- ³ Small employers are defined in Minnesota Statute 62L.02 Definitions. Subd.26. as 2 to 50 employees.
- ⁴ Minnesota Department of Health, Health Economics Program, “Health Care Coverage and Financing in Minnesota: Public Programs,” January 2003.
- ⁵ Most of the remaining 10 percent comes from Medicare (7 percent) and the Department of Veterans Affairs (2 percent).
- ⁶ Minnesota is ranked second among the fifty states for the health of each state’s population in “America’s Health: UnitedHealth Foundation State Health Rankings 2002 Edition.”
- ⁷ In 1999, Minnesota ranked thirty-first among the fifty states and the District of Columbia for the hospital admissions per 1,000 people, p. 232, Raetzman, Susan; Craig, Lauren, and McDougall, Cathy "AARP Reforming the Health Care Systems: State Profiles, 2001," AARP Public Policy Institute, 2001.
- ⁸ Medical Assistance began to rise in 2001, but this increase in enrollment is beyond the scope of years examined in this report. See Minnesota Department of Health, Health Economics Program, “Health Care Coverage and Financing in Minnesota: Public Programs,” January 2003.

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