CONGRESSIONAL BUDGET OFFICE
U.S. Congress
Washington, DC 20515

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Director

MEMORANDUM February 4, 1991

TO: Health Staff

FROM: Sandra Christensen SC

SUBJECT: Impact of Legislation (1981-1990) on Federal Spending for Medicare

This memorandum provides estimates of the impact that legislation enacted since 1980 has had on (gross) federal spending for Medicare. Two approaches are used to examine this question, but each is imperfect. Despite this, the two approaches yield similar implications--that current federal spending for Medicare is about 82 percent of what it would have been in the absence of legislation.

The first approach shows the effect the Congressional Budget Office expected the legislation to have at the time of enactment, assuming no further legislative changes and no major changes in underlying trends in the health sector. The estimates for each year's legislation were based on a unique set of economic and spending projections believed applicable at the time the estimates were made. There is no assurance that these estimates accurately reflect savings actually achieved.

The second approach shows how actual spending diverged from what spending would have been had previous trends continued. It is unlikely, however, that previous trends would have continued whether or not Medicare legislation was passed. One reason is that important technological advances have occurred in the health care sector, changes that have made it possible to provide beneficial services to more enrollees and to provide more of those services outside the hospital.

Except for 1988, the provisions examined were contained in the annual budget reconcilation acts passed from 1981 through 1990. In 1988, there was no budget reconciliation act, but the Medicare Catastrophic Coverage Act (MCCA) was passed. Almost all of the new Medicare benefits provided under this act were subsequently repealed, however. Only new benefits under

the Hospital Insurance program were implemented, and they were in place only for calendar year 1989. The only new Medicare benefit to survive repeal of the MCCA was a relaxation of the blood deductible requirement. The costs of this benefit alone are shown in the accompanying tables for 1988.[1]

Only legislative changes that altered payment or coverage provisions are included in the analysis. Those changes that altered Medicare receipts through premiums or taxes are not considered. Thus, the effects shown are those on gross federal disbursements under Medicare, rather than on costs net of offsetting receipts.

In brief, the analysis indicates that legislation over the past ten years has, on average, reduced expected costs by 1.9 percent a year relative to what spending under Medicare would otherwise have been, as projected by the Congressional Budget Office at the time of enactment. Physicians and hospital outpatient departments account for a disproportionately large share of the anticipated savings, while expected savings from other service categories (hospital inpatient, nursing, and home health) are small in proportion to base disbursements for them.

Overall, Medicare spending per enrollee in 1990 was about 82 percent of what it would have been if its growth rate between 1975 and 1980 had continued. Growth in real spending per enrollee for physicians' services during the 1980s has been nearly rapid as it was in the latter 1970s, while growth in spending for most other service categories decelerated during the 1980s. A major exception, however, is spending for skilled nursing facilities (SNFs). During the period from 1975 through 1980, real spending per enrollee for SNFs was falling. This trend was reversed during the 1980s. In 1988, growth in SNF spending accelerated sharply because of a (court-induced) revision in the manual used by adminstrative agents to determine Medicare coverage that greatly relaxed the definition of covered care to make it conform with legislative language. Growth in SNF spending further accelerated in 1989 under provisions of the MCCA, which briefly eliminated the requirement for a hospital stay prior to a covered SNF stay and which reduced the copayments required of enrollees for SNF stays.

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1. None of the new Medicaid benefits provided under the MCCA were repealed.

ESTIMATED IMPACT USING CBO'S COST ESTIMATES

Table 1 shows CBO's estimates of three-year savings under each bill, presented as a percent of base disbursements under Medicare--that is, as a percent of expected Medicare spending for the same period in the absence of the legislation. For the bill passed in 1990, for example, estimated savings for 1991-1993 are shown as a percent of estimated baseline spending for 1991-1993. Estimates for three rather than five years are used because only three year estimates are available for the early 1980s. One year estimates are not used because they understate the expected effects of provisions that became effective sometime after the start of the fiscal year, and because they overstate the effects of provisions that simply shifted spending from one fiscal year to another.

Legislation was expected to result in small net increases in Medicare disbursements in three of the years examined (those with negative values for savings as a percent of base), but savings in the other seven years were expected to be large enough to yield annual savings of 1.9 percent of base spending, on average for legislation passed from 1981 through 1990.[2] Nearly 56 percent of the anticipated savings were expected to come from changes in payment provisions for hospital inpatient services, while about 34 percent of expected savings resulted from provisions affecting physicians' services.

The estimated average reduction due to legislation can be used to assess the expected effects on current spending for Medicare. If any initial projection for Medicare spending had been reduced by 1.9 percent each year, cumulatively from 1982 on, spending for 1990 would be 84 percent of the original projection for that year. Spending for 1991 would be 82 percent of the original projection.

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2. The figures in the "savings as a percent of base" column are used to obtain weighted averages for the percent distribution of expected savings in Table 1, and for the relative share of expected savings in Table 2. The weighted averages take appropriate account of both the size and sign of the savings estimates made for each year. The distributions and relative shares shown for individual years are difficult to interpret appropriately without reference to the size and sign of the percent of base column.

TABLE 1. PERCENT DISTRIBUTION OF EXPECTED SAVINGS UNDER LEGISLATION ENACTED 1981-1990 BY SERVICE CATEGORY

Year of Enactment	Expected Savings as a Percent of Base	Percent Distribution of Expected Savings by Service Category						
		Admin	Total Benefits	Hospital Inpatient	SNF	HH & Hospice	Hospital Outpatient	Physician & Lab
1981	2.6%	1.1%	98.9%	51.6%	5.8%	3.7%	23.7%	14.1%
1982	5.5%	0.3%	99.7%	82.6%	0.6%	1.1%	4.0%	11.3%
1983	-0.1%	2.4%	97.6%	86.5%	11.1%	0.0%	0.0%	0.0%
1984	1.8%	1.4%	98.6%	31.1%	-2.1%	2.1%	1.1%	66.4%
1985	1.5%	-0.7%	100.7%	64.7%	-1.0%	1.0%	1.6%	34.3%
1986	-0.4%	8.3%	91.7%	78.6%	0.8%	3.0%	4.4%	4.9%
1987	3.0%	-0.1%	100.1%	51.5%	-0.3%	0.4%	8.5%	40.1%
1988	-0.0%	0.0%	100.0%	100.0%	0.0%	0.0%	0.0%	0.0%
1989	1.2%	-6.1%	106.1%	24.3%	0.2%	0.8%	7.9%	72.9%
1990	4.2%	-0.5%	100.5%	45.2%	0.6%	0.2%	12.0%	42.5%
Average 1981-90	1.9%	-0.4%	100.4%	55.6%	0.7%	1.2%	8.9%	33.9%

SOURCE: Congressional Budget Office.

NOTE: Uses three-year estimates made at the time of enactment for each bill (i.e uses 1982-1984 for 1981 bill)
Negative values for percent of base indicate net costs rather than savings.
Except for the percent of base column, averages are weighted by the percents in that column.
Only the benefit expansion associated with the blood deductible is shown for legislation in 1988 because other new Medicare benefits enacted in 1988 were repealed.

TABLE 2. EXPECTED SAVINGS SHARE RELATIVE TO SHARE OF PREVIOUS YEAR'S DISBURSEMENTS BY SERVICE CATEGORY

Year of Enactment	Expected Savings as a Percent of Base	Ratio of Expected Savings Share to Disbursement Share by Service Category						
		Admin	Total Benefits	Hospital Inpatient	SNF	HH & Hospice	Hospital Outpatient	Physician & Lab
1981	2.6%	0.38	1.02	0.79	5.79	1.71	4.48	0.60
1982	5.5%	0.12	1.02	1.27	0.61	0.49	0.70	0.48
1983	-0.1%	1.00	1.00	1.37	12.36	0.00	0.00	0.00
1984	1.8%	0.57	1.01	0.50	-2.44	0.70	0.19	2.61
1985	1.5%	-0.29	1.03	1.02	-1.27	0.33	0.30	1.37
1986	-0.4%	3.66	0.94	1.29	1.06	0.99	0.68	0.19
1987	3.0%	-0.06	1.02	0.89	-0.40	0.14	1.19	1.36
1988	-0.0%	0.00	1.02	1.79	0.00	0.00	0.00	0.00
1989	1.2%	-2.74	1.09	0.45	0.11	0.30	1.04	2.38
1990	4.2%	-0.23	1.03	0.84	0.20	0.07	1.56	1.41
Average 1981-90	1.9%	-0.19	1.03	0.91	0.52	0.50	1.42	1.23

SOURCE: Congressional Budget Office from Table 1 and Appendix Table A-1 (lower panel).

NOTE: Uses three-year estimates made at the time of enactment for each bill (i.e uses 1982-1984 for 1981 bill)
Negative values for percent of base indicate net costs rather than savings.
Except for the percent of base column, averages are weighted by the percents in that column.
Only the benefit expansion associated with the blood deductible is shown for legislation in 1988 because other new Medicare benefits enacted in 1988 were repealed.

Table 2 compares the share of total savings expected from each service category with the share of disbursements accounted for by that category in the year of enactment. For example, 51.6 percent of anticipated savings under the 1981 bill were expected to come from the hospital inpatient category (Table 1), which accounted for 65.3 percent of Medicare disbursements in 1981 (Appendix Table A-1). Thus, this category's share of anticipated savings in the 1981 bill was small relative to its share of spending in that year; the ratio of the two shares is 0.79 (or 51.6/65.3). In 1982, the hospital inpatient sector accounted for a disproportionately large share of expected savings (1.27 or 82.6/64.9). Because there were small net costs under the 1983 legislation (before allowing for offsetting receipts provided under the bill), the large ratio value for the inpatient sector in that year indicates that it accounted for a disproportionate share of the expected additional costs.

On average over the ten years of legislation from 1981 through 1990, the share of anticipated savings from the hospital inpatient sector was small relative to its share of spending (with a ratio value of .91), while the share of expected savings from the physician sector was disproportionately large (1.23). The hospital outpatient sector accounted for the largest share of expected savings relative to its share of disbursements (1.42) on average over the ten years, although most of this occurred under the 1981 bill that altered payment provisions for renal dialysis.

ESTIMATED IMPACT USING PROJECTION OF PRE-1980 TRENDS

Tables 3 and 4 present an alternative measure of the impact of legislation enacted since 1980. They compare real spending per enrollee for 1988 or 1990 with what spending would have been had the growth trends experienced between 1975 and 1980 continued.

The years from 1975 through 1980 were used to generate the growth trends because there were no major changes in payment or coverage provisions during this period. Before 1975, significant changes were made--including extension of coverage to the disabled population and implementation of a cost-based limit on growth in Medicare's payment rates for physicians. After 1980, many cost-cutting provisions were put in place, beginning with those contained in the 1981 budget reconciliation act and implemented in 1982.

TABLE 3. COMPARISON OF ACTUAL AND PRE-1980 TREND VALUES FOR REAL DISBURSEMENTS PER ENROLLEE IN 1988

	Total Medicare	Admin	Total Benefits	Hospital Inpatient	SNF	HH & Hospice	Hospital Outpatient	Physician & Lab
Average Growth Rates								
1975-1980	7.6%	-0.1%	7.9%	7.0%	-2.9%	16.3%	16.1%	9.2%
1980-1988	5.3%	1.1%	5.4%	3.3%	1.5%	9.0%	9.8%	9.2%
1988 Disbursements (In 1990 dollars)								
Actual	2960	67	2893	1636	24	80	221	931
Trend	3511	61	3481	2171	17	135	346	931
Ratio of Actual to Trend	84.3%	110.4%	83.1%	75.4%	141.9%	59.5%	63.9%	100.0%

SOURCE: Congressional Budget Office from Appendix Table A-2.

NOTES: Growth rates for real personal health expenditures per capita, nationwide, were:

1975-1980	4.4%
1980-1988	4.6%

TABLE 4. COMPARISON OF ACTUAL AND PRE-1980 TREND VALUES FOR REAL DISBURSEMENTS PER ENROLLEE IN 1990

	Total Medicare	Admin	Total Benefits	Hospital Inpatient	SNF	HH & Hospice	Hospital Outpatient	Physician & Lab
Average Growth Rates								
1975-1980	7.6%	-0.1%	7.9%	7.0%	-2.9%	16.3%	16.1%	9.2%
1980-1990	5.5%	1.2%	5.6%	3.4%	16.9%	10.5%	9.5%	8.3%
1990 Disbursements (In 1990 dollars)								
Actual	3326	69	3257	1767	102	110	260	1018
Trend	4064	61	4054	2485	16	183	467	1111
Ratio of Actual to Trend	81.8%	113.4%	80.3%	71.1%	639.5%	60.1%	55.8%	91.7%

SOURCE: Congressional Budget Office from Appendix Table A-2.

NOTES: For 1990, benefits by service category are estimates that may change.

Fiscal year 1988 was selected for one comparison because that is the latest year for which actual spending by service category is known, and because 1988 spending was unaffected by the new benefits briefly provided in 1989 under the MCCA. A comparison using fiscal year 1990 is also shown, although there are two problems with spending figures for this year. First, disbursements by service category are only estimates for 1990 (which may change), although overall spending for benefits and for administration are actual values. Second, disbursements under the HI program in fiscal year 1990 include some costs incurred in calendar year 1989 for benefits provided only during that year under the MCCA.

Comparison of Trend Values with Actual Spending in 1988

The average annual growth rate in real spending per enrollee under Medicare during the period from 1975 through 1980 was 7.6 percent (Table 3). During the subsequent years through 1988, annual growth was only 5.3 percent. Growth rates fell most sharply for hospital inpatient costs, although they also fell for home health and hospital outpatient costs. The decline in spending for SNF services that occurred during the 1975-1980 period was reversed in the 1980s. Growth rates for physicians' costs were virtually unchanged between the two periods, despite the disproportionately large cuts made for them in the annual budget reconcilation bills.

If the growth rates observed from 1975 through 1980 had continued through 1988, real Medicare spending per enrollee for 1988 would have been $3,511 (in 1990 dollars). Actual spending was $2,960, only 84 percent of projected spending under the previous trend. Actual hospital inpatient costs per enrollee were only 75 percent of the trend value, while home health and hospital outpatient costs were even farther below their trend values. Actual SNF costs were 142 percent of the trend value. Actual physicians' costs were virtually identical to the trend value, despite a freeze on physicians' fees under Medicare from July 1984 through May 1986 (which left Medicare's payment rates unchanged from July 1983).

The decline in the rate of growth for overall Medicare spending contrasts with the experience of the rest of the health care sector. Nationwide, real per capita spending for personal health care grew at an average annual rate of 4.4 percent between 1975 and 1980, and accelerated slightly to 4.6 percent between 1980 and

1988.[3] Hence, the assumption used here--that growth in Medicare spending would have continued at its previous 1975-1980 rate in the absence of legislation--may be too conservative. If, instead, growth in Medicare would otherwise have accelerated during the 1980s (as growth in the non-Medicare sector did), then the legislation examined here may have reduced Medicare spending by more than the results in Tables 3 and 4 indicate.

Comparison of Trend with Actual Spending in 1990

The comparison of actual to trend growth for 1990 is not substantially different from the comparison made above for 1988. Between 1980 and 1990, annual growth in Medicare spending was 5.5 percent, compared to annual growth of 7.6 percent during the trend period. Overall, Medicare disbursements in 1990 were only about 82 percent of what they would have been had the trends from 1975 through 1980 continued. Estimated spending for hospital inpatient, hospital outpatient, and home health services was less than 72 percent of trend values by 1990. Even spending for physicians' services was a little below trend, at 92 percent. Spending for SNF services was an estimated 640 percent of trend for fiscal year 1990, although spending is expected to be lower for 1991 (400 percent to 450 percent of trend) because the effects of expanded SNF benefits under the MCCA will no longer be evident.

ANALYSIS OF FINDINGS

Both approaches used here indicate that federal legislation enacted from 1981 through 1990 led to reductions in federal spending under Medicare, relative to what spending would have been without the legislation. Federal spending for Medicare is now about 82 percent of what it was expected to be in the absence of legislation.

Growth in spending for physicians' services has not slowed substantially relative to previous trends despite the disproportionate impact on physicians of budget

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3. Growth in nationwide health spending is used for this comparison to the Medicare experience because there are no published figures for non-Medicare spending. If overall spending per capita accelerated, however, then non-Medicare spending per capita had to have accelerated by more to offset the deceleration in Medicare spending.

reconcilation bills. Apparently, growth in the volume of physicians' services has accelerated by enough to offset most of the enacted reductions in payment rates. Although not all of this growth was in response to fee cuts, growth in the volume of services was enough to completely offset the fee freeze in place from 1984 through 1986, but was insufficient to offset entirely the effects of subsequent fee cuts for "overvalued" procedures.

Growth in federal spending for hospital inpatient services has slowed significantly, and legislation may have played a role in this primarily by reducing admission rates for the Medicare population. In 1984, Medicare's Peer Review Organizations were set up to monitor inpatient cases for appropriateness of treatment and site of care. Simultaneously, admission rates among the Medicare population--which had been increasing through 1983--began to decline (Table 5). Although admission rates inched up again after 1987, rates in 1989 for people age 65 or more (a proxy for the Medicare population) were still only 85 percent of rates in 1983. Perhaps Medicare's pre-admission approval requirements for certain procedures, coupled with retrospective payment denials for care deemed inappropriate, encouraged physicians either to forego some elective procedures for their Medicare patients or to move them to the outpatient sector.[4] Lower hospital admission rates, together with limited increases in payments per admission, reduced inpatient costs relative to the previous trend.

Costs in hospital outpatient departments have also dropped relative to the previous trend, indicating that hospital inpatient costs have not simply been shifted to the outpatient sector. Savings relative to trend for hospital outpatient and home health services may in large part reflect unsustainably large rates of growth during the trend period from 1975 through 1980. Introduction of

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4. In the latter 1970s and 1980s, advances in technology--especially in anesthesia--made it safe to perform many procedures on an outpatient basis. Movement to the outpatient sector is more rapid, however, when insurers require it whenever it is feasible. Medicare lagged behind private insurers in implementing pre-admission approval for hospital stays. Further, Medicare enrollees are more likely to pose a risk of complications, so that the outpatient setting may be unsafe for many of them even when it is generally safe for younger people.

TABLE 5. COMPARISON OF ADMISSION RATES FOR AGED AND NONAGED PEOPLE

Calendar Year	Admissions Per Capita		Percent Change	
	Under 65	65+	Under 65	65+
1978	0.132	0.382	--	--
1979	0.133	0.392	0.8%	2.6%
1980	0.134	0.409	0.5%	4.3%
1981	0.133	0.413	-1.0%	0.9%
1982	0.129	0.420	-2.4%	1.8%
1983	0.125	0.431	-3.6%	2.5%
1984	0.119	0.411	-5.0%	-4.5%
1985	0.112	0.382	-5.5%	-7.1%
1986	0.108	0.370	-3.3%	-3.1%
1987	0.107	0.363	-1.8%	-1.8%
1988	0.104	0.367	-2.5%	1.0%
1989	0.101	0.368	-3.0%	0.2%
Ratio of 1989 to 1983	80.7%	85.4%		

SOURCE: Tabulations by the Prospective Payment Assessment Commission.
Admissions from the American Hospital Association's National Hospital Panel Survey.
Population from the ECONOMIC REPORT OF THE PRESIDENT, 1990.

a new payment methodology (a blend of a fixed rate and the hospital's costs) for certain surgical procedures performed in outpatient departments tended to reduce costs somewhat, but this effect was partially offset by the shift of services from the inpatient sector. During the 1980s, Medicare's administrative agents implemented stricter standards for determining coverage of home health services (tending to reduce costs), but increased demand for services from patients discharged earlier from hospitals than they would have been prior to the prospective payment system would have worked to increase Medicare's spending for home health.

APPENDIX TABLE A-1. MEDICARE DISBURSEMENTS BY SERVICE CATEGORY

Fiscal Year	Total Medicare	Admin	Total Benefits	Hospital Inpatient	SNF	HH & Hospice	Hospital Outpatient	Physician & Lab
				IN MILLIONS OF DOLLARS				
1975	14782	664	14118	9947	273	207	530	3161
1976	17779	840	16939	11742	308	312	745	3832
1977	21549	776	20773	14266	351	406	988	4762
1978	25218	955	24263	16697	353	498	1230	5485
1979	29157	1007	28150	19091	363	592	1496	6608
1980	35024	1090	33934	22864	387	726	1847	8110
1981	42488	1236	41252	27764	428	914	2248	9898
1982	50424	1275	49149	32720	462	1177	2916	11874
1983	56935	1346	55589	36075	511	1538	3346	14119
1984	62481	1532	60949	39097	536	1868	3534	15914
1985	71384	1735	69649	45140	570	2184	3903	17852
1986	75903	1716	74187	46206	582	2277	4922	20200
1987	81640	1736	79904	46994	623	2398	5780	24109
1988	87676	1972	85704	48951	720	2407	6456	27170
1989	96453	2153	94300	52586	2193	2702	7329	29490
1990 /a/	109657	2247	107410	58896	3411	3668	8438	32998
				PERCENT DISTRIBUTION BY SERVICE CATEGORY				
1975	100.0%	4.5%	95.5%	67.3%	1.8%	1.4%	3.6%	21.4%
1976	100.0%	4.7%	95.3%	66.0%	1.7%	1.8%	4.2%	21.6%
1977	100.0%	3.6%	96.4%	66.2%	1.6%	1.9%	4.6%	22.1%
1978	100.0%	3.8%	96.2%	66.2%	1.4%	2.0%	4.9%	21.8%
1979	100.0%	3.5%	96.5%	65.5%	1.2%	2.0%	5.1%	22.7%
1980	100.0%	3.1%	96.9%	65.3%	1.1%	2.1%	5.3%	23.2%
1981	100.0%	2.9%	97.1%	65.3%	1.0%	2.2%	5.3%	23.3%
1982	100.0%	2.5%	97.5%	64.9%	0.9%	2.3%	5.8%	23.5%
1983	100.0%	2.4%	97.6%	63.4%	0.9%	2.7%	5.9%	24.8%
1984	100.0%	2.5%	97.5%	62.6%	0.9%	3.0%	5.7%	25.5%
1985	100.0%	2.4%	97.6%	63.2%	0.8%	3.1%	5.5%	25.0%
1986	100.0%	2.3%	97.7%	60.9%	0.8%	3.0%	6.5%	26.6%
1987	100.0%	2.1%	97.9%	57.6%	0.8%	2.9%	7.1%	29.5%
1988	100.0%	2.2%	97.8%	55.8%	0.8%	2.7%	7.4%	31.0%
1989	100.0%	2.2%	97.8%	54.5%	2.3%	2.8%	7.6%	30.6%
1990 /a/	100.0%	2.0%	98.0%	53.7%	3.1%	3.3%	7.7%	30.1%

SOURCE: Congressional Budget Office from data provided by the Health Care Financing Administration.

a. For 1990, benefits by service category are estimates that may change.

APPENDIX TABLE A-2. REAL MEDICARE DISBURSEMENTS PER ENROLLEE BY SERVICE CATEGORY

Fiscal Year	Total Medicare	Admin	Total Benefits	Hospital Inpatient	SNF	HH & Hospice	Hospital Outpatient	Physician & Lab
				IN 1990 DOLLARS PER ENROLLEE				
1975	1355	61	1294	904	25	19	50	296
1976	1481	71	1411	970	25	26	63	326
1977	1637	59	1577	1074	26	31	77	369
1978	1744	66	1678	1146	24	34	87	387
1979	1811	63	1748	1176	22	37	95	418
1980	1954	61	1893	1266	21	40	105	460
1981	2117	62	2055	1373	21	45	114	501
1982	2300	59	2242	1482	21	53	135	550
1983	2449	58	2391	1542	22	66	146	616
1984	2554	63	2491	1588	22	76	146	659
1985	2775	68	2707	1744	22	84	154	703
1986	2817	64	2753	1703	21	84	185	760
1987	2886	62	2824	1648	22	84	207	864
1988	2960	67	2893	1636	24	80	221	931
1989	3071	69	3002	1655	69	85	237	955
1990 /a/	3326	69	3257	1767	102	110	260	1018
				ANNUAL RATE OF GROWTH				
1975	--	--	--	--	--	--	--	--
1976	9.3%	14.9%	9.1%	7.3%	2.6%	36.7%	27.5%	10.0%
1977	10.5%	-15.8%	11.8%	10.7%	3.9%	18.6%	20.9%	13.3%
1978	6.6%	11.8%	6.4%	6.6%	-8.4%	11.7%	13.2%	4.8%
1979	3.8%	-5.3%	4.2%	2.7%	-7.7%	6.7%	9.1%	8.1%
1980	7.9%	-2.8%	8.3%	7.6%	-4.2%	10.2%	10.8%	10.1%
1981	8.3%	1.6%	8.5%	8.5%	-1.2%	12.3%	8.6%	8.9%
1982	8.7%	-5.8%	9.1%	7.9%	-1.1%	17.4%	18.8%	9.9%
1983	6.5%	-0.5%	6.7%	4.0%	4.3%	23.3%	8.0%	12.0%
1984	4.3%	8.0%	4.2%	3.0%	-0.3%	15.4%	0.2%	7.0%
1985	8.7%	7.6%	8.7%	9.8%	1.2%	11.2%	5.1%	6.7%
1986	1.5%	-5.5%	1.7%	-2.4%	-2.6%	-0.6%	20.4%	8.0%
1987	2.5%	-3.9%	2.6%	-3.2%	1.8%	0.2%	11.9%	13.7%
1988	2.6%	8.8%	2.4%	-0.7%	10.2%	-4.3%	6.8%	7.8%
1989	3.8%	3.0%	3.8%	1.2%	186.9%	5.7%	7.3%	2.6%
1990 /a/	8.3%	-0.5%	8.5%	6.7%	48.2%	29.3%	9.6%	6.5%

SOURCE: Congressional Budget Office from data provided by the Health Care Financing Administration. The implicit price deflator for gross national product was used to obtain constant dollars.

a. For 1990, benefits by service category are estimates that may change.