

# Comparisons with Other Data Sources

**National Health Expenditures.** The Centers for Medicare and Medicaid Services (CMS) of the U.S. Department of Health and Human Services publishes annual data on total aggregate health care expenditures of the United States, referred to as National Health Expenditures (NHE). Total health care expenditures include expenditures for health care by all sources in the United States economy, including public and private sources. The NHE data cover U.S. citizens living abroad, military personnel, inhabitants of U.S. territories, and parts of the institutional population (a larger population than is covered by the Consumer Expenditure Survey). In particular, the NHE is designed to cover the nursing home population, whereas the Consumer Expenditure Survey is not.

Estimates of out-of-pocket personal health care expenditures from NHE are compared with those from the Consumer Expenditure Survey. Out-of-pocket expenditures for health care include expenditures for medical care that are not covered by personal health insurance or other sources of payment. Such expenditures can include copayments and deductible amounts required by health insurance plans. To derive its out-of-pocket estimates, CMS uses data from administrative and industry sources, as well as Consumer Expenditure Survey data.

Text table 3 shows Consumer Expenditure Survey estimates of aggregate expenditures for health care (excluding health insurance, nonprescription vitamins, nursing home care, and repair and rental of medical equipment) and ratios to NHE estimates of out-of-pocket health care expenditures (excluding nursing home care). As reported in the Consumer Expenditure Survey, aggregate medical care expenditures, excluding those expenditure items reported above, were \$114.6 billion in 2001, or 64 percent of the NHE estimate of \$178.6 billion (excluding nursing home care expenditures). Of the Consumer Expenditure Survey total, \$55.0 billion was spent on medical commodities and \$59.6 billion on medical services. These amounts were 67 percent and 62 percent of the NHE estimates, respectively. Data show variations in the Consumer Expenditure Survey-to-NHE ratios over the 1998-2001 period for both medical commodities and medical services. The fluctuations may reflect volatility in spending on personal health care due to changes in health insurance plans. In addition, the comparison of health care expenditures may reflect underreporting in the Consumer Expenditure Survey.

**Current Population Survey.** The U.S. Census Bureau collects income data in the Supplement to the Current Popula-

tion Survey (CPS). The CPS is a household interview survey of approximately 60,000 households. Using data collected for calendar years 1999 through 2001, comparisons are made with Consumer Expenditure Survey estimates of total consumer-unit income before taxes and by source of income. CPS estimates of aggregate income by source of income are derived from Census Bureau estimates of mean income of persons and the number of persons with the specified income.

There are several differences between the Consumer Expenditure Survey and the CPS in the concepts and methods of measuring income. The CPS collects data in March for the previous calendar year. By comparison, the Consumer Expenditure Survey estimates of income are obtained in the second and fifth interviews of the consumer unit. These estimates refer to the prior 12 months and, due to the rotating panel design of the survey, the interviews may occur at any time during the year. The Census Bureau imputes CPS income data that are missing (due to nonresponse to income questions) based on demographic characteristics. In contrast, income data that are missing in the Consumer Expenditure Survey due to nonresponse are not imputed as part of the Consumer Expenditure Survey estimation procedure; instead, Consumer Expenditure Survey income estimates are based on data for complete income reporters only. Neither procedure accounts for underreporting.

In addition to the differences between the Consumer Expenditure Survey and the CPS described above, beginning in 1993, computer-assisted personal interviews were used to collect the CPS income data. By comparison, the Consumer Expenditure Survey data are collected by traditional paper and pencil interview.

Text table 4 shows that the Consumer Expenditure Survey estimates of total income before taxes are 79 to 82 percent of those from the CPS. This reflects comparable levels of estimates from the two surveys for the two largest sources of income; wages and salaries (largest source), and Social Security and Railroad Retirement Income. Also, some of the smaller sources of income were generally comparable between the two surveys: public assistance and Supplemental Security Income, and alimony, child support, and other regular financial support. Some differences in the estimates are to be expected because of the methodological differences between the two surveys described above and because the CPS is designed specifically to collect income data, whereas the Consumer Expenditure Survey is designed primarily to

collect expenditure data. In addition, the CPS population is slightly greater than that of the Consumer Expenditure Survey. Some of the variation in the ratios reflects the difficulty

of obtaining income information via household survey that is experienced by both the Consumer Expenditure Survey and CPS.

**Text table 3. Comparison of aggregate expenditures for health care: Consumer Expenditure Survey and National Health Expenditures program, 1998-2001**

Expenditure categories	Aggregate consumer expenditures Consumer Expenditure Survey (in billions)				Ratio of Consumer Expenditure Survey to National Health Expenditures <sup>1</sup>			
	1998	1999	2000	2001	1998	1999	2000	2001
Health care, total <sup>2</sup> .....	\$99.5	\$105.9	\$109.5	\$114.6	0.66	0.67	0.65	0.64
Medical commodities, total .....	43.1	47.5	51.0	55.0	.64	.65	.66	.67
Drugs and supplies .....	35.2	38.9	42.8	47.2	.61	.61	.63	.64
Medical equipment .....	7.9	8.7	8.2	7.8	.89	.96	.91	.84
Medical services, total .....	56.4	58.4	58.5	59.6	.68	.67	.64	.62
Professional services .....	47.5	51.7	50.1	49.9	.66	.70	.64	.61
Physicians services .....	14.8	14.6	14.7	14.6	.39	.38	.37	.35
Dental services .....	22.8	24.2	24.1	24.3	.97	.97	.89	.85
Other professional services .....	9.9	12.9	11.2	11.0	.93	1.16	.98	.89
Hospital care .....	8.9	6.7	8.4	9.7	.75	.54	.64	.70

<sup>1</sup>The National Health Expenditures data are out-of-pocket expenditures.

<sup>2</sup>Excludes health insurance premiums, nonprescription vitamins, nursing home care, rental of medical equipment, and repair of medical equipment.

NOTE: Sums may not equal totals, due to rounding. Consumer

Expenditure Survey categories have been grouped as needed to match those used in the National Health Expenditures program.

SOURCE: The National Health Expenditures data used to obtain the ratios are from the U.S. Department of Health and Human Services, Centers for Medicare and Medicaid Services. The data are available online at <http://cms.hhs.gov>.

**Text table 4. Comparison of money income before taxes: Consumer Expenditure Survey and Current Population Survey (CPS), 1999-2001**

Income categories	Aggregate money income before taxes <sup>1</sup> Consumer Expenditure Survey (in billions)			Ratio of Consumer Expenditure Survey to CPS		
	1999	2000	2001	1999	2000	2001
Money income before taxes <sup>2</sup> .....	\$4,734	\$4,860	\$5,217	0.82	0.79	0.81
Wage and salary income .....	3,737	3,891	4,230	.85	.83	.85
Self-employment income .....	282	256	246	.91	.77	.75
Social Security and Railroad Retirement Income .....	335	347	354	.99	.97	.93
Unemployment, workers compensation, and veterans benefits .....	19	21	19	.31	.33	.26
Public assistance and Supplemental Security Income .....	26	25	35	.85	.83	1.08
Pensions and annuities .....	185	185	194	.85	.73	.72
Interest, dividends, rents, royalties, estates and trusts .....	120	101	105	.31	.29	.31
Alimony, child support, and other regular financial support .....	28	34	35	.79	.82	.80

<sup>1</sup>Consumer Expenditure Survey data are for complete reporters of income.

<sup>2</sup>Excludes the value of Food Stamps, meals as pay, rent as pay, and other income from the Consumer Expenditure Survey and educational assistance and other income from the CPS.

NOTE: Sums may not equal totals due to rounding. CPS cat-

egories have been grouped as needed to match those in the Consumer Expenditure Survey.

SOURCE: CPS data for 1999-2001 are from the U.S. Census Bureau Annual Demographic Survey, March Supplement, available on the Internet at <http://www.bls.census.gov/cps/ads/adsmain.htm>.