

State Health Expenditure Accounts by Provider Location

Highlights

(Note: This analysis is based on the location of the provider, which is useful for measuring the demand for health care in each state. As such, the trends here should not be interpreted as a reflection of the spending trends of residents of these states. As a result, per capita estimates of spending by state of provider are not appropriate. The District of Columbia is excluded from this analysis.)

Personal Health Care

Between 2009 and 2014, U.S. personal health care spending grew, on average, 3.9 percent per year, with spending in North Dakota growing the fastest (6.7 percent) and spending in Rhode Island growing the slowest (2.5 percent).

Between 2009 and 2014, North Dakota's expenditures grew faster than the U.S. average for all services except for Prescription Drugs. For Rhode Island, expenditure growth was slower than the U.S. average in all services except for Durable Medical Equipment and Other Non-Durable Medical Products.

In 2014, California's personal health care spending was highest in the nation (\$295.0 billion), representing 11.5 percent of total U.S. personal health care spending. Comparing historical state rankings through 2014, California consistently had the highest level of total personal health care spending, together with the highest total population in the nation. Other large states, New York, Texas, Florida, and Pennsylvania, also were among the states with the highest total personal health care spending.

Wyoming's personal health care spending was lowest in the nation (as has been the case historically), representing just 0.2 percent of total U.S. personal health care spending in 2014. Vermont, Alaska, North Dakota, and South Dakota were also among the states with the lowest personal health care spending in both 2014 and historically. All these states have smaller populations.

Gross Domestic Product by state measures the value of goods and services produced in each state. Health spending as a share of a state's GDP shows the importance of the health care sector in a state's economy. As a share of GDP, Maine ranked the highest (22.3 percent) and Wyoming ranked the lowest (9.3 percent) in 2014. All states except Wyoming spent roughly 12 percent or more of their GDP on health care in 2014.

Hospital Care

In 2014, the Rocky Mountains region had the highest share of total personal health care expenditures accounted for by hospital care (41.8 percent) compared to the U.S. average (38.3 percent). Among states, South Dakota (51.1 percent), North Dakota (48.8 percent), Wyoming (45.6 percent), and Montana (45.3 percent) had the highest shares of hospital spending relative to their state's total personal health care spending.

Average annual growth for hospital services from 2009 to 2014 was also fastest in the Rocky Mountain region, increasing 6.4 percent compared to 4.7 percent nationally. Growth in this region was influenced by growth in hospital spending for Idaho (8.4 percent) and Utah (6.5 percent), which both grew faster than the region's average.

Physician and Clinical Services

In 2014, the share of total personal health care expenditures accounted for by physician and clinical services spending was highest in the Far West region at 26.1 percent compared to the national average of 23.3 percent. Among states, Alaska (30.2 percent), Nevada (28.1 percent), Arizona (27.9 percent), and Georgia (27.9 percent) had the highest shares of physician and clinical services spending relative to their state's total personal health care spending.

From 2009 to 2014, average annual growth for physician and clinical services was fastest in the Southwest region, increasing 4.1 percent compared to 3.7 percent nationally. Two states in this region, Arizona and Texas, each grew, on average, 4.2 percent annually from 2009 to 2014, which together accounted for 87 percent of physician and clinical services expenditures for the Southwest region in 2014.

Prescription Drugs

In 2014, the share of total personal health care expenditures accounted for by prescription drugs was highest in the Southeast region at 13.4 percent compared to 11.6 percent nationally. Among states, Alabama (17.4 percent), South Carolina (14.9 percent), and North Carolina (14.7 percent) had the highest shares of prescription drug spending relative to their state's total personal health care spending. Additionally, all of these states are located in the Southeast region.

Average annual growth for prescription drugs from 2009 to 2014 was fastest in the Southwest region, increasing 4.6 percent compared to 3.3 percent nationally. Growth in this region was influenced by growth in prescription drug spending for Texas (5.5 percent), which grew faster than the region's average and accounted for 72 percent of prescription drug spending for the Southwest in 2014.