

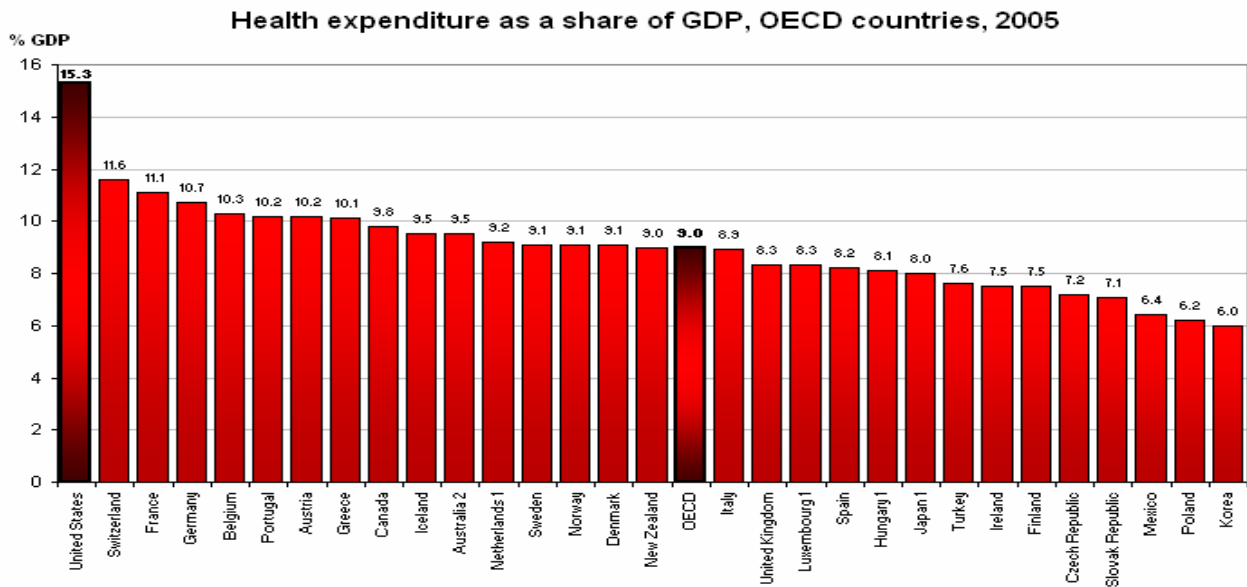


OECD Health Data 2007

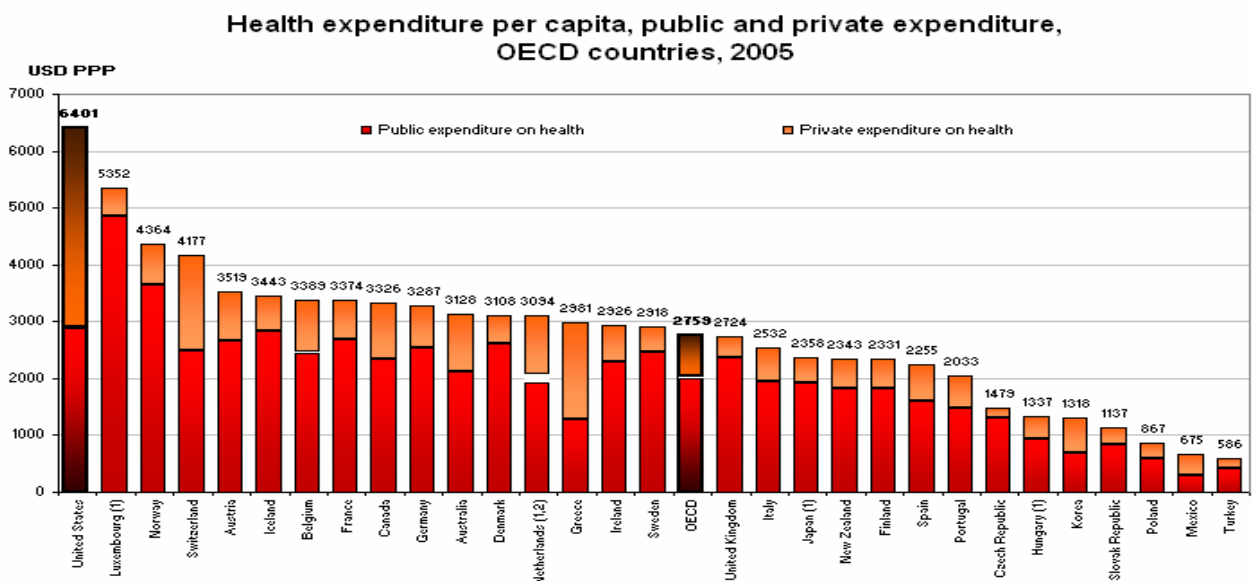
How Does the United States Compare

Total health spending accounted for 15.3% of GDP in the **United States** in 2005, the highest share in the OECD, and more than six percentage points higher than the average of 9.0% in OECD countries. Following the **United States** were Switzerland, France and Germany, which allocated respectively 11.6%, 11.1% and 10.7% of their GDP to health.

The **United States** also ranks far ahead of other OECD countries in terms of total health spending per capita, with spending of 6,401 USD (adjusted for purchasing power parity), more than twice the OECD average of 2,759 USD in 2005. Luxembourg comes after with spending of 5,352 USD per capita, followed by Switzerland and Norway with spending of over 4,000 USD per capita. Differences in health spending across countries may reflect differences in price, volume and quality of medical goods and services consumed.



1. 2004. 2. 2004/5. Source: *OECD Health Data 2007*, July 2007.



1. 2004. 2. Public and private expenditures are current expenditures. Source: *OECD Health Data 2007*, July 2007. Data are expressed in US dollars adjusted for purchasing power parities (PPPs), which provide a means of comparing spending between countries on a common base. PPPs are the rates of currency conversion that equalise the cost of a given 'basket' of goods and services in different countries.

Between 2000 and 2005, health spending per capita in the **United States** increased, in real terms, by 4.4% per year on average, a growth rate slightly higher than the OECD average of 4.3%.

Over the past decade, the share of health expenditure spent on pharmaceuticals in the **United States** increased from 8.9% of total health spending in 1995 to 12.4% in 2005. This remained below the OECD average of 17.2%. The **United States** was nonetheless the top spender on pharmaceuticals in 2005, with spending of 792 USD per capita, followed by Canada.

The public sector is the main source of health funding in all OECD countries, except for the **United States**, Mexico and Greece. In the **United States**, only 45.1% of health spending is funded by government revenues, well below the average of 72.5% in OECD countries. The public share of total health spending remains the lowest among OECD countries, after Greece. On the other hand, private insurance accounts for 37% of total health spending in the **United States**, by far the largest share among OECD countries. Beside the **United States**, Canada, France and the Netherlands also have a relatively large share of health spending paid by private insurance (more than 12%).

Resources in the health sector (human, physical)

Despite the relatively high level of health expenditure in the **United States**, there are fewer physicians per capita than in most other OECD countries. In 2005, the **United States** had 2.4 practising physicians per 1 000 population, below the OECD average of 3.0.

There were 7.9 nurses per 1 000 population in the **United States** in 2002 (latest year available), which is slightly lower than the average of 8.6 across OECD countries.

The number of acute care hospital beds in the **United States** in 2005 was 2.7 per 1 000 population, also lower than the OECD average of 3.9 beds. As in most OECD countries, the number of hospital beds per capita has fallen over the past twenty-five years in the **United States**, from 4.4 beds per 1 000 population in 1980 to 2.7 in 2005. This decline has coincided with a reduction in average length of stays in hospitals and an increase in day-surgery patients.

Health status and risk factors

Most OECD countries have enjoyed large gains in life expectancy over the past decades. In the **United States**, life expectancy at birth increased by 7.9 years between 1960 and 2004, which is less than the increase of over 14 years in Japan, or 8.9 years in Canada. In 2004/5, life expectancy in the **United States** stood at 77.8 years, almost one year below the OECD average of 78.6 years. Japan, Switzerland, Iceland, Australia and Spain were the 5 countries registering the highest life expectancy.

Infant mortality rates in the **United States** have fallen greatly over the past few decades, but not as much as in most other OECD countries. It stood at 6.8 deaths per 1 000 live births in 2004, above the OECD average of 5.4.¹ Among OECD countries, infant mortality is the lowest in the Nordic countries (Iceland, Sweden, Finland and Norway), in Luxembourg and in Japan, with rates all below 3.2 deaths per 1 000 live births.

The proportion of daily smokers among the adult population has shown a marked decline over recent decades across most OECD countries. Much of this decline can be attributed to policies aimed at reducing tobacco consumption through public awareness campaigns, advertising bans and increased taxation. In the

¹ Some of the international variation in infant mortality rates is due to variations in registering practices of premature infants (whether they are reported as live births or not). In the United States, Canada and the Nordic countries, very premature babies (with relatively low odds of survival) are registered as live births, which *increases* mortality rates compared with other countries that do not register them as live births.

United States, the proportion of smokers among adults has been cut in half over the past twenty-five years, falling from 33.5% in 1980 to 16.9% in 2005, the lowest rate among OECD countries after Sweden.

At the same time, obesity rates have increased in recent decades in nearly all OECD countries, although there remain notable differences in obesity rates across countries. In the **United States**, the obesity rate among adults (32.2% in 2004) is the highest in OECD countries, followed by Mexico (30.2% in 2005) and the United Kingdom (23.0% in 2005)². Obesity rates in Continental European countries are lower, but are also rising. The time lag between the onset of obesity and increases in related chronic diseases (such as diabetes, cardiovascular diseases and asthma) suggest that the rise in obesity that has occurred in the **United States** and other OECD countries will have substantial implications for future incidence of health problems and related spending.

More information on *OECD Health Data 2007* is available at www.oecd.org/health/healthdata.

For more information on OECD's work on the United States, please visit www.oecd.org/us.

² It should be noted however that the data for the United States and the United Kingdom (as well as for Australia, New Zealand and the Czech Republic) are more accurate than those from other countries since they are based on *actual measures* of people's height and weight, while estimates for other countries are based on *self-reported* data, which generally under-estimate the real prevalence of obesity.