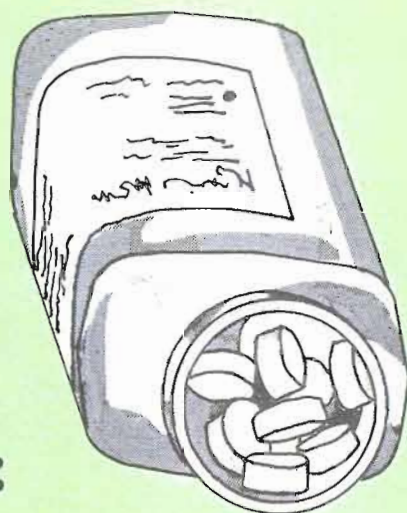
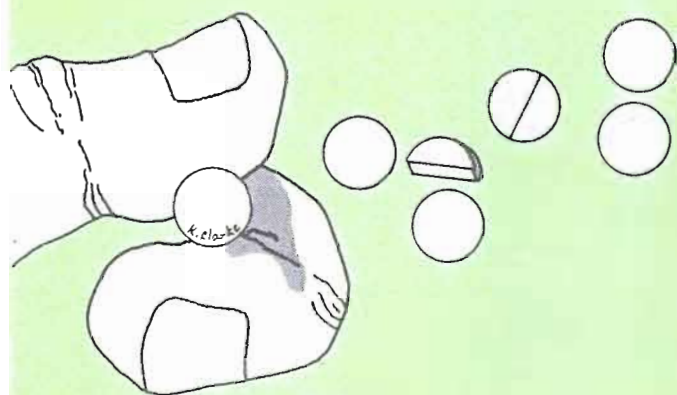
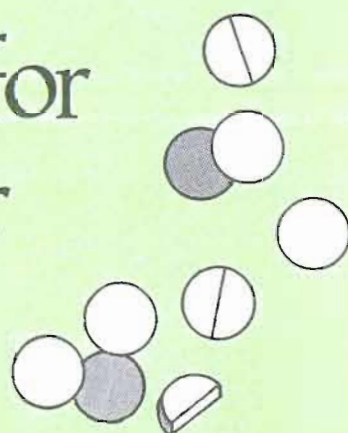


Rising Medical Care Expenditures:



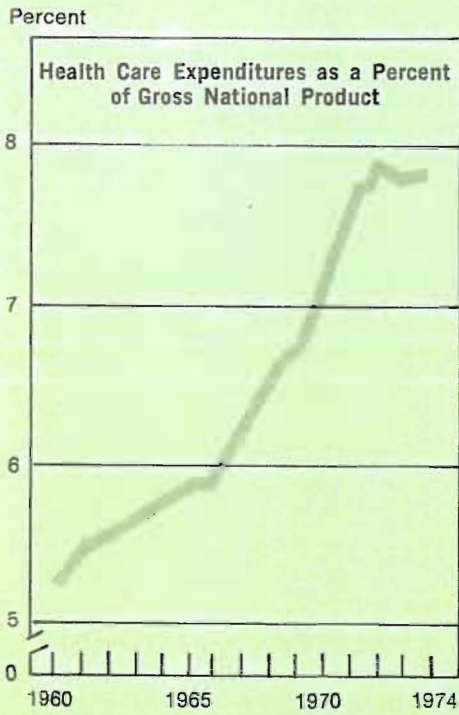
a growing role for
the public sector



By
Robert H. Friedman

CHART 1

HEALTH CARE EXPENDITURES ARE BECOMING AN INCREASING SHARE OF OUR GNP.



SOURCES: U. S. Department of Health, Education and Welfare, Social Security Administration, *Social Security Bulletin*; *Economic Report of the President*.

CHART 2

ONE REASON FOR THIS INCREASE IS THE RELATIVELY RAPID RISE IN THE COST OF MEDICAL CARE.

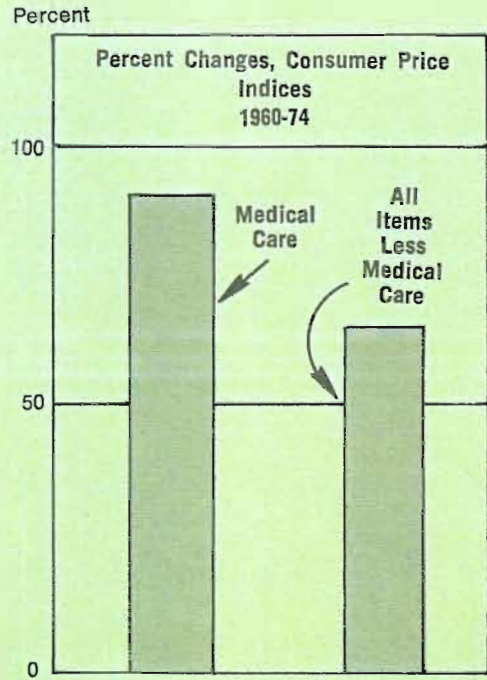


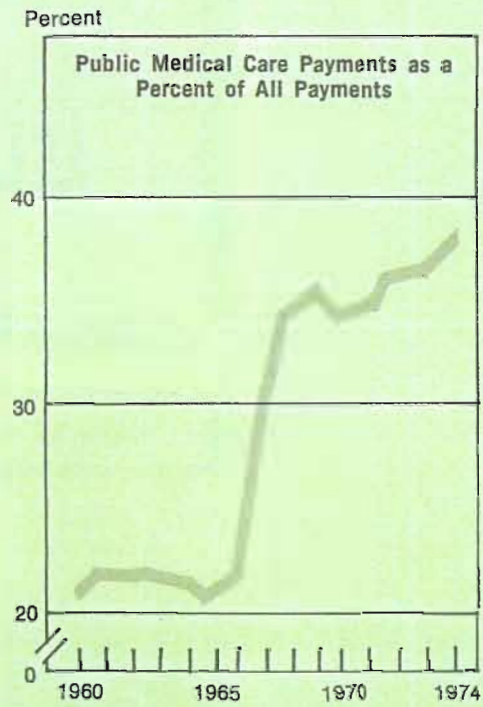
CHART 3

IN ADDITION, BOTH THE QUALITY AND THE QUANTITY OF THE SERVICES PROVIDED HAVE INCREASED, LEADING TO AN INCREASE IN REAL PER CAPITA EXPENDITURES ON MEDICAL SERVICES.

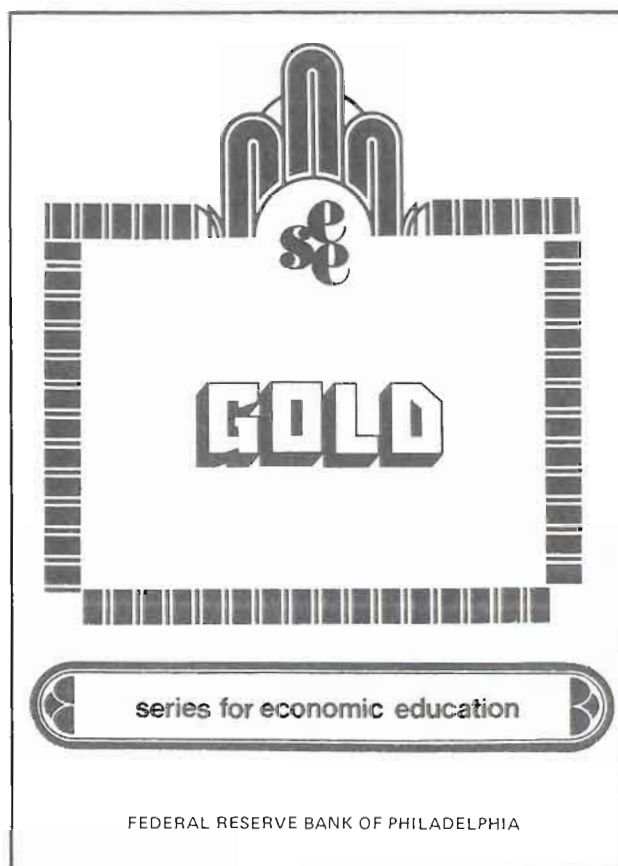


CHART 4

HOWEVER, THE PUBLIC SECTOR* IS FINANCING A GROWING SHARE OF ALL MEDICAL PAYMENTS.



* Public sector includes Federal, state, and local governments.



On December 31, 1974, Americans were permitted to buy and sell gold for the first time in some 40 years. Since then questions have been raised about the once-hallowed, almighty metal's worth and importance. For example, has its status in the United States and in the international monetary system changed? If so, in what manner? A pamphlet recently produced by the Philadelphia Fed's Department of Public Information considers the role of gold—past, present, future.

Copies are available free of charge. Please address all requests to Public Services, Federal Reserve Bank of Philadelphia, Philadelphia, PA 19105.