Rising Medical Care Expenditures:

a growing role for the public sector

By

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CHART 1

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

<table>
<thead>
<tr>
<th>Percent</th>
<th>Health Care Expenditures as a Percent of Gross National Product</th>
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CHART 2

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

Percent Changes, Consumer Price Indices 1960-74

<table>
<thead>
<tr>
<th>Percent</th>
<th>All Items Less Medical Care</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Medical Care</td>
</tr>
</tbody>
</table>

0  50  100
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.

Dollars (1967)

150
200
250
300
350

Annual per Capita Health Care Expenditures

0 1960 1965 1970 1974

CHART 4
HOWEVER, THE PUBLIC SECTOR* IS FINANCING A GROWING SHARE OF ALL MEDICAL PAYMENTS.

Percent

0 10 20 30

Public Medical Care Payments as a Percent of All Payments

0 1960 1965 1970 1974

* 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.