PUBLIC HEALTH SERVICE

HEALTH SERVICES AND MENTAL HEALTH ADMINISTRATION
National Center for Health Statistics
Beckville, Maryland 20032



(HSM) 73-1130 VOL. 22, NO. 1 SUPPLEMENT APRIL 2, 1973

# VITAL STATISTICS REPORT

Health Interview Survey-Provisional Data

FROM THE

NATIONAL CENTER FOR HEALTH STATISTICS

## Personal Out-of-Pocket Medical Expenses, 1970

The cost of medical care is one of the major concerns in the provision of medical services. In 1971 the Health Interview Survey undertook a special study to determine the out-of-pocket medical expenses of the United States population. The only other full scale study conducted by the Center was done in 1962 when data were collected on the total cost of hospital, doctor, dental, medicine, and other medical expenses. (See Vital and Health Statistics, Series 10, Nos. 22, 27, and 41.) Since that time data have also been collected on the cost of prescribed and nonprescribed medicines (Series 10, No. 33) and the cost of individual physician visits (Series 10, No. 49). However, during the past 10 years an increasing proportion of medical expenses are being paid through insurance benefits, government programs, and other third party sources. As a result of this trend, it has become increasingly difficult to obtain data on the total cost of medical services through a household interview. Thus, the 1971 study was designed to measure that part of medical expenses best collected in a household survey, that is, the out-of-pocket expenses. In fact, the out-of-pocket cost of medical care is a better measure of direct financial impact on the individual than is the total cost of providing the services. To make the out-of-pocket expenses complete, data were also obtained on the family contribution to insurance premiums. For those who need data on total national health expenditures, not just out-of-pocket costs, estimates can be found in two issues of the Social Security Bulletin. These reports show aggregate

expenses and per capita costs by type of expenses and amount paid by the public and private sectors. However, these data are not available by demographic characteristics other than age.

Questionnaires were mailed to approximately 12,000 households (the last quarter of the 1970 Health Interview Survey sample) in early 1971 requesting information on out-of-pocket costs for hospital, doctor, dental, optical, prescribed medicine, and other medical services for each family member as well as the total amount of insurance premium paid directly by the family during 1970. The tables in this provisional report showing total individual out-of-pocket expenses include the insurance premiums equally allocated among all family members. Separate figures are shown for hospital, doctor, dental, optical, premedicine, and other medical expenses (such as special nursing care, medical appliances, etc.). Later reports will contain more detailed analvsis of these data as well as estimates of family expenses, including a separate category of family insurance premiums.

This report shows the proportion of the population by intervals of medical expenses as well as the proportion with no expenses. Data are also presented on the per capita expenses and the average expenses for persons with expenses. For example, the per capita out-of-pocket hospital expense during 1970 was \$21 but since 88.2 percent of the population reported no hospital expenses the average out-of-pocket cost for persons with hospital expenses (but not those hospitalized with no out-of-pocket costs) was \$178.

An estimated 87.6 percent of the population had out-of-pocket costs for medical services or health insurance during 1970 and the per capita expense was \$183, while the average medical cost for persons with

<sup>&</sup>lt;sup>1</sup>Rice, Dorothy P. and Barbara S. Cooper, "National Health Expenditures, 1929-71," Social Security Bulletin, January 1972. Cooper, Barbara S. and Nancy L. Worthington, "Medical Care Spending for Three Age Groups," Social Security Bulletin, May 1972.

expenses was an estimated \$209 (table 1). Out-of-pocket medical costs in excess of \$500 were incurred by 7.5 percent of the population, although among persons 65 years and over 15.3 percent had medical costs over \$500. Average expenses ranged from \$128 for persons under 17 years of age to \$320 for persons 65 years and over.

The average out-of-pocket expenses for all medical services ranged from \$188 in the North Central Region to \$253 in the West Region (table 2). Over 20 percent of the persons in the West Region 65 years and over had expenses in excess of \$500 in 1970. However, persons in the West Region also had the highest proportion of persons with no expenses.

An estimated 12 percent of the population had no out-of-pocket medical costs, while about one-half had either no costs or costs of less than \$100. This latter figure ranged from 67 percent for the children under 17 years of age to 27 percent for persons 65 years and over.

Table 3 shows out-of-pocket total medical expenses by color. The average cost for the white population is \$212 compared to \$185 for all others. However, only 10 percent of the white population report no out-of-pocket expenses while 28 percent of the other group have no out-of-pocket costs.

Table 4 shows information on total out-of-pocket expenses by family income and age. Both average and per capita expenses increase with advancing age in each income category. There is no clear pattern of relationship between family income and total average cost, except that the highest expenses are among persons with family incomes of \$15,000 or more. However, there is a pattern of the proportion with no expenses decreasing from 28 percent among persons in families with less than \$3,000 annual income to only 3 percent with no expenses among persons with family

incomes of \$15,000 or more. The low proportion of persons in higher income families who have no or only low expenses reflects to some extent the high level of health insurance coverage among this group (over 90 percent for persons under 65 years of age).

Table 5 shows total out-of-pocket costs by family income and color. The major color differences are found among persons with family incomes of less than \$5,000, where the average out-of-pocket expense for whites is \$238 compared to \$135 for all others. However, in all income categories the proportion of whites with no expenses or only very low expenses was lower than that for all others.

Table 6 shows out-of-pocket medical costs by type of expense and age. The average out-of-pocket expense for persons with hospital experience during 1970 was \$178, ranging from \$135 for children under 17 years of age to \$243 for persons aged 45-64 years.

An estimated 59 percent of the population had out-of-pocket doctor expenses with an average expense of \$80, and with the range from \$52 for children to \$108 for the elderly. For the 40 percent of the population with dental expenses, the average expense was \$74.

The average out-of-pocket cost of prescribed medicine was \$52, although the average cost for persons 65 years and over was \$100. The average expense among the less than one-quarter of the population with out-of-pocket optical expenses was \$47. This amount does not include examination or treatment by ophthalmologists (included under physician expenses). There were no differences by age in the amount of optical expenses. Only about 5 percent of the population had other types of direct medical expenses, including such items as medical appliances and special nursing care. However, their average expense was an estimated \$100.

Table 1. Percent distribution of persons by intervals of total annual out-of-pocket health expense (including insurance premiums), average expense for persons with expense, and per capita expense by sex and age: United States, 1970

					<u> </u>					
	Total popula- tion				Health	expen	se		Average expense	Per
Sex and age		No expense	Less than \$50	\$50- \$99	\$100- \$249	\$250- \$499	\$500- \$999	\$1,000 or more	for persons with expense	capita expense
Both sexes			Percent distribution							
All ages	200,856	12.4	18.1	19.2	28.7	14.1	5.6	2.0	\$209	\$183
Under 17 years	66,716 73,526 41,477 19,138	18.0 11.1 8.1 6.7	25.9 18.0 10.3 6.6	23.3 19.4 14.6 13.8	24.2 31.1 30.2 32.1	6.2 13.5 23.0 25.4	1.7 5.2 10.1 11.1	0.8 1.6 3.6 4.2	\$128 \$199 \$296 \$320	\$105 \$177 \$272 \$299
<u>Male</u>	-									
All ages	96,801	13.6	20.3	19.8	28.2	12.0	4.4	1.7	\$190	\$164
Under 17 years	33,955 35,000 19,715 8,132	18.0 12.8 10.1 6.6	26.3 22.4 11.4 6.9	22.3 20.2 16.6 15.0	24.4 29.2 31.0 32.8	6.2 11.0 19.3 23.8	1.8 3.3 8.7 10.3	1.0 1.0 2.9 4.4	\$138 \$162 \$268 \$311	\$114 \$141 \$241 \$290
<u>Female</u>										
All ages	104,055	11.3	16.0	18.7	29.2	16.0	6.6	2.3	\$227	\$201
Under 17 years	32,761 38,526 21,762 11,005	18.1 9.5 6.2 6.8	25.5 14.1 9.4 6.4	24.4 18.6 12.8 12.9	24.0 32.7 29.5 31.6	6.1 15.8 26.4 26.6	1.5 7.0 11.4 11.7	2.2 4.2 4.0	\$117 \$232 \$320 \$327	\$ 96 \$210 \$300 \$305

Table 2. Percent distribution of persons by intervals of total annual out-of-pocket health expense (including insurance premiums), average expense for persons with expense, and per capita expense by geographic region and age: United States, 1970

	Total popula-	l v			Healt	h expen	se		Average expense	Per
Geographic region and age	tion in thou- sands	No expense	Less than \$50		\$100- \$249	\$250- \$499	\$500- \$999	\$1,000 or more	for persons with expense	capita expense
All regions			•	Percen	t d <b>ist</b> i	ribution	ı			
All ages	200,856	12.4	18.1	19.2	28.7	14.1	5.6	2.0	\$209	\$183
Under 17 years	66,716 73,526 41,477 19,138	18.0 11.1 8.1 6.7	25.9 18.0 10.3 6.6	14.6	24.2 31.1 30.2 32.1	6.2 13.5 23.0 25.4	1.7 5.2 10.1 11.1	0.8 1.6 3.6 4.2	\$128 \$199 \$296 \$320	\$105 \$177 \$272 \$299
Northeast										
All ages	51,524	11.3	16.8	20.0	31.0	13.8	4.9	2.2	\$206	\$183
Under 17 years	16,240 19,342 10,462 5,479	15.9 9.4 10.2 6.1	24.8 16.0 10.4 7.8	19.2	26.5 35.8 29.2 30.6	5.5 13.0 21.1 27.7	1.7 4.5 9.1 8.2	2.1 3.9 *	\$126 \$203 \$284 \$293	\$106 \$184 \$255 \$275
North Central										
All ages	54,928	10.3	20.1	20.3	29.2	13.4	5.3	1.3	\$188	\$168
Under 17 years	18,339 19,326 12,144 5,119	14.3 9.1 7.1 7.6	27.7 22.1 11.4	25.9 19.7 15.5 13.0	25.2 31.2 29.8 35.3	5.5 12.3 23.5 24.0	4.5 10.3 12.5	* * 2.4 *	\$107 \$173 \$272 \$326	\$ 92 \$157 \$253 \$301
South										
All ages	62,481	13.4	19.1	18.9	26.5	14.7	5.6	1.9	<b>\$210</b>	\$182
Under 17 years	20,918 23,286 12,578 5,698	19.4 12.5 7.8 6.5	27.2 18.6 11.0 8.4	22.0 19.6 15.1 12.8	21.6 27.3 30.7 32.1	6.9 15.4 21.9 24.7	2.0 5.3 10.2 11.0	* 1.4 3.3 4.5	\$140 \$201 \$278 \$321	\$113 \$176 \$257 \$300
<u>West</u>										
All ages	31,924	16.1	14.7	16.7	28.2	14.5	6.9	2.9	\$253	\$212
Under 17 years	11,219 11,572 6,293 2,841	24.6 14.5 7.1	22.3 13.5 7.0	19.3 18.7 9.6 12.6	23.8 30.5 31.6 29.4	7.0 12.6 27.6 24.8	2.0 7.9 11.1 14.9	* 2.3 6.0 6.2	\$146 \$238 \$393 \$365	\$110 \$203 \$365 \$340

Table 3. Percent distribution of persons by intervals of total annual out-of-pocket health expense (including insurance premiums), average expense for persons with expense, and per capita expense by color and age: United States, 1970

	Total				Health	п ежреп	se		Average expense	Per
Color and age		No expense	Less than \$50	\$50 - \$99	\$100- \$249	\$250 - \$499	\$500 - \$999	\$1,000 or more	for persons with expense	capita expense
<u>Total</u>		Percent distribution								
All ages	200,856	12.4	18.1	19.2	28.7	14.1	5.6	2.0	\$209	\$183
Under 17 years	66,716 73,526 41,477 19,138	18.0 11.1 8.1 6.7	25.9 18.0 10.3 6.6	23.3 19.4 14.6 13.8	24.2 31.1 30.2 32.1	6.2 13.5 23.0 25.4	1.7 5.2 10.1 11.1	0.8 1.6 3.6 4.2	\$128 \$199 \$296 \$320	\$105 \$177 \$272 \$299
White										
All ages	175,899	10.3	17.5	19.7	30,1	14.7	5.8	2.0	\$212	\$190
Under 17 years	56,263 64,562 37,491 17,583	14.2 9.7 7.3 5.8	25.7 17.6 9.7 5.9	24.5 19.9 14.5 13.7	26.5 31.9 31.1 32.5	6.7 13.8 23.5 26.3	1.7 5.4 10.3 11.4	0.6 1.6 3.7 4.3	\$126 \$201 \$300 \$327	\$108 \$181 \$279 \$308
All other										
All ages	24,958	28.1	22.6	15.9	18.5	9.4	3.7	1.8	\$185	\$133
Under 17 years	10,453 8,964 3,986 1,555	39.5 21.3 15.8 19.5	26.9 21.2 16.5	16.4 15.3 16.2	11.0 24.6 22.0 27.0	3.3 11.7 18.8 *	4.0 7.8 *	* * *	\$146 \$189 \$244 \$219	\$ 89 \$148 \$205 \$176

Table 4. Percent distribution of persons by intervals of total annual out-of-pocket health expense (including insurance premiums), average expense for persons with expense, and per capita expense by family income and age: United States, 1970

	Total popula-				Healt	h expen	se		Average expense	Per
Family income and age	tion in thou- sands	No expense	Less than \$50	\$50 <b>-</b> \$99	\$100- \$249	\$250- \$499	\$500- \$999	\$1,000 or more	for persons with expense	capita expense
All incomes1	ļ		I	Percent	distri	bution				
All ages	200,856	12.4	18.1	19.2	28.7	14.1	5.6	2.0	\$209	\$183
Under 17 years	66,716 73,526 41,477 19,138	18.0 11.1 8.1 6.7	25.9 18.0 10.3 6.6	23.3 19.4 14.6 13.8	24.2 31.1 30.2 32.1	6.2 13.5 23.0 25.4	1.7 5.2 10.1 11.1	0.8 1.6 3.6 4.2	\$128 \$199 \$296 \$320	\$1.05 \$1.77 \$2.72 \$2.99
<u>Less than \$3,000</u> All ages	23,077	27.7	18.2	13.3	21.6	12.5	4.7	2.0	\$216	\$156
Under 17 years	5,387 6,137 4,377 7,176	47.4 33.0 22.5 11.4	28.7 24.7 13.5 7.5	11.9 11.3 10.0 18.1	8.1 20.5 25.1 30.5	6.3 18.2 21.8	* 6.9 7.9	* * *	\$ 86 \$165 \$281 \$274	\$ 45 \$110 \$218 \$242
All ages	21,040	20.6	19.2	13.8	25.2	13.7	5.1	2.3	\$218	\$173
Under 17 years	6,677 6,153 4,450 3,760	34.4 18.9 15.8 *	30.2 20.6 12.8 *	16.2 14.7 10.6 11.6	15.1 27.2 29.3 36.0	3.5 11.0 20.6 28.7	6.0 6.5 10.6	* * *	\$ 89 \$199 \$281 \$341	\$ 58 \$161 \$236 \$329
All ages	27,787	16.8	22.1	17.6	23.6	13.0	5.3	1.7	\$197	\$164
Under 17 years	10,501 10,087 4,646 2,553	27.2 13.7 7.5 *	29.6 20.7 13.9 11.0	18.7 19.4 14.6 10.8	14.7 26.4 31.8 34.3	6.1 13.0 22.2 24.8	2.3 5.3 7.7 13.7	* * *	\$153 \$187 \$243 \$295	\$111 \$161 \$225 \$286
All ages	42,704	10.2	20.0	22.4	28.3	13.0	4.8	1.4	\$181	\$163
Under 17 years	15,104 16,851 8,647 2,102	14.7 9.5 5.8 *	26.9 20.1 10.8	27.7 22.6 16.1	24.3 30.0 30.4 35.3	4.9 12.3 24.3 32.8	* 4.8 9.4 15.2	* * 3.2 *	\$109 \$174 \$276 \$333	\$ 93 \$157 \$260 \$330
\$10,000-14,999										
All ages	49,743	5.9	18.5	21.1	33.8	13.8	5.3	1.7	\$200	\$188
Under 17 years	18,497 19,972 9,774 1,500	6.8 5.9 4.6 *	25.7 16.8 9.8	26.4 19.7 14.9	31.4 35.8 34.3 31.3	6.8 14.9 22.7 29.6	1.8 5.1 10.9 16.5	1.8 2.9 *	\$134 \$207 \$290 \$318	\$125 \$195 \$277 \$312
\$15,000 or more All ages	29,465	3.3	9.8	21.4	35.1	19.0	8.2	3.4	\$263	\$254
*** **********************************	27,403	3,3	7.0	21.4	33.1	17.0	0.2	3.4	7203	Y234
Under 17 years	8,572 11,884 7,839 1,171	4.5 3.1 *	14.9 9.4 5.1 *	27.1 21.0 16.0	37.8 37.6 29.4 26.7	11.6 18.6 26.8 25.3	3.3 7.1 14.7 *	3.1 5.5 *	\$161 \$247 \$370 \$448	\$154 \$239 \$361 \$439

 $<sup>^{1}\</sup>mbox{Includes persons}$  with unknown incomes.

Table 5. Percent distribution of persons by intervals of total annual out-of-pocket health expense (including insurance premiums), average expense for persons with expense, and per capita expense by family income, color, and age: United States, 1970

	Total popula-		····		Healt	n expen	se		Average expense	
Family income, color, and age	tion in thou- sands	No expense	Less than \$50	\$50~ \$99	\$100- \$249	\$250- \$499	\$500- \$999	\$1,000 or more	for persons with expense	Per capita expense
ALL INCOMES <sup>1</sup>				Percen	t distr	ibution	1			
All ages	200,856	12.4	18.1	19.2	28.7	14.1	5.6	2.0	\$209	\$183
Under 17 years	66,716 73,526 41,477 19,138	18.0 11.1 8.1 6.7	25.9 18.0 10.3 6.6	23.3 19.4 14.6 13.8	24.2 31.1 30.2 32.1	6.2 13.5 23.0 25.4	1.7 5.2 10.1 11.1	0.8 1.6 3.6 4.2	\$128 \$199 \$296 \$320	\$105 \$177 \$272 \$299
<u>White</u> All ages	175,899	10.3	17.5	19.7	30.1	14.7	5.8	2.0	\$212	\$190
Under 17 years	56,263 64,562 37,491 17,583	14.2 9.7 7.3 5.8	25.7 17.6 9.7 5.9	24.5 19.9 14.5 13.7	26.5 31.9 31.1 32.5	6.7 13.8 23.5 26.3	1.7 5.4 10.3 11.4	0.6 1.6 3.7 4.3	\$126 \$201 \$300 \$327	\$108 \$181 \$279 \$308
<u>All other</u>										
All ages	24,958	28.1	22.6	15.9	18.5	9.4	3.7	1.8	\$185	\$133
Under 17 years	10,453 8,964 3,986 1,555	39.5 21.3 15.8 19.5	26.9 21.2 16.5 *	16.4 15.3 16.2	11.0 24.6 22.0 27.0	3.3 11.7 18.8 *	4.0 7.8	* * *	\$146 \$189 \$244 \$219	\$ 89 \$148 \$205 \$176
LESS THAN \$5,000										
Total										
All ages	44,118	24.2	18.7	13.6	23.4	13.1	4.9	2.2	\$217	\$164
Under 17 years	12,064 12,290 8,828 10,936	40.0 25.7 19.0 8.7	29.6 22.6 13.2 6.3	14.4 13.1 10.4 15.8	12.1 24.0 27.3 32.4	3.1 8.7 19.4 24.2	4.4 6.7 8.9	* 4.1 3.7	\$ 88 \$184 \$281 \$299	\$ 53 \$137 \$228 \$273
White										
All ages	33,560	20.7	15.4	14.0	26.5	15.5	5.5	2.5	\$238	\$188
Under 17 years	7,570 9,103 7,076 9,810	35.4 24.3 18.0 7.6	27.6 19.1 11.4 5.1	16.1 13.2 9.7 16.0	15.7 26.0 29.7 33.3	4.6 10.1 21.0 25.1	5.2 6.3 8.9	* 4.0 3.9	\$ 98 \$208 \$286 \$306	\$ 63 \$158 \$235 \$283
All other										
All ages	10,558	35.7	29.4	12.3	13.2	5.2	3.2	*	\$135	\$87
Under 17 years	4,493 3,187 1,752 1,127	47.7 29.7 23.3 *	32.8 32.4 20.7 *	11.5 12.6 *	6.2 18.2 17.1 *	* * *	* * *	* * *	\$ 66 \$110 \$257 \$215	\$ 35 \$ 77 \$197 \$174

<sup>&</sup>lt;sup>1</sup>Includes persons with unknown income.

Table 5. Percent distribution of persons by intervals of total annual out-of-pocket health expense (including insurance premiums), average expense for persons with expense, and per capita expense by family income, color, and age: United States, 1970—Con.

	Total		1		Heal+	h expen		-		
Family income, color, and age	popula- tion in thou- sands	No expense	Less than \$50	\$50- \$99	\$100- \$249	\$250- \$499	\$500- \$999	\$1,000 or more	Average expense for persons with expense	Per capita expense
\$5,000-\$9,999			<u> </u>	Perce	nt dist	ibutio	·	l	· · · · · · · · · · · · · · · · · · ·	-
Total										
All ages	70,492	12.9	20.8	20.5	26.4	13.0	5.0	1.5	\$187	\$163
Under 17 years	25,605 26,937 13,294 4,656	19.8 11.1 6.4 *	28.0 20.3 11.9 8.2	24.0 21.4 15.5 9.1	20.4 28.6 30.9 34.8	5.4 12.6 23.6 28.3	1.4 5.0 8.8 14.3	1.0 1.0 2.9	\$125 \$179 \$264 \$312	\$100 \$159 \$248 \$305
<u>White</u> All ages	61,814	11.3	21.1	20.9	27.0	13.2			210/	****
						13.2	5.1	1.4	\$184	\$163
Under 17 years	21,755 23,676 11,955 4,428	17.1 10.3 5.6	29.0 21.0 11.7 8.0	24.5 22.5 15.4 8.4	21.9 28.3 31.2 34.0	5.8 11.7 24.4 29.1	1.2 5.1 8.7 15.1	1.1 2.9 *	\$111 \$178 \$266 \$321	\$ 92 \$159 \$251 \$313
All other										,
All ages	8,678	24.5	18.3	17.5	22.3	11.2	4.3	*	\$215	\$162
Under 17 years	3,850 3,261 1,339 228	36.1 16.9 *	22.3 15.6 *	21.2 13.0 *	11.4 31.0 27.6	18.9 * *	* * *	* * *	\$239 \$185 \$249 \$142	\$153 \$154 \$215 \$142
\$10,000 AND OVER									·	
Total										
All ages	79,208	4.9	15.3	21.2	34.3	15.7	6.3	2.3	\$223	\$212
Under 17 years	27,069 31,856 17,612 2,671	6.1 4.9 3.7	22.3 14.1 7.7	26.6 20.2 15.4 15.1	33.5 36.5 32.1 29.3	8.3 16.3 24.5 27.7	2.3 5.8 12.6 13.9	0.9 2.3 4.0	\$143 \$222 \$326 \$376	\$134 \$ <b>211</b> \$314 \$369
<u>White</u>										
All ages	74,802	4.5	15.1	21.2	34.7	15.8	6.5	2.2	\$223	\$213
Under 17 years	25,531 29,778 16,901 2,592	5.5 4.4 3.7	22.0 14.1 7.5	27.0 20.0 15.1 15.5	34.0 37.2 32.4 29.5	8.2 16.7 24.1 28.3	2.4 5.8 13.0 14.0	0.9 2.0 4.2 *	\$144 \$218 \$331 \$371	\$136 \$208 \$318 \$365
All other										•
All ages	4,406	11.5	18.6	21.5	26.1	14.6	4.0	3.7	\$221	\$196
Under 17 years	1,538 2,078 711 79	15.0 12.1 *	27.8 14.3 *	20.0 23.5 *	25.2 26.7 * *	10.3 35.4 *	* * *	* * *	\$119 \$283 \$224 *	\$101 \$249 \$219 *

Table 6. Percent distribution of persons by intervals of annual out-of-pocket health expense, average expense for persons with expense, and per capita expense by type of expense and age: United States, 1970

pense, and per capita expense by ty	pe of expe	ense and	age: U	nited :	States,	1970				
	Total popula-		1	Health	expense	2		Average expense		
Age	tion in thou- sands	No expense	Less than \$50	\$50- \$99	\$100- \$249	\$250- \$499	\$500 or more	for persons with expense	Per capita expense	
			Perc	ent d	istribut	ion:				
			Но	spita]	expens	e				
All ages		88.2	5.3	2.1	2.1	1.2	1.1	\$178	\$21	
Under 17 years	66,716	90.6	5,6	1.4	1.2	0.5	0.7	\$135	612	
17-44 years	73,526	87.2	5.7	1.9	2.3	1.9	0.9	\$164	\$21	
45-64 years65 years and over	66,716 73,526 41,477	88.2	4.6	1.9	2.5	1.1	1.7	\$243	\$29	
of years and over	19,138	83.6	4.4	5.7	3.4	*	1.9	\$204	\$13 \$21 \$29 \$34	
	Doctor expense									
All ages	200,856	41.1	32.1	_13.3	9.7	2.7	1.1	\$ 80	\$47	
Under 17 years	66,716	46.9	35.9	10.8	5.1	1.0	0.4	A 52	***	
17-44 years	1 72 526	40.0	32.7	12.9	10.1	3.2	0.4	\$ 52 \$ 82	\$27 \$49	
45-64 years	41,477	36.3		15.8	13.5	3.9	1.7	\$101	\$64	
65 years and over	19,138		23.8	18.1	16.2	3.9	1.9	\$108	\$69	
	Dental expense									
All ages	200,856	60.0	25.2	6.7	5.4	2.1	0.7	\$74	\$29	
Under 17 years	66,716	64.5	26.3	4.7	3.1	1.1	*	\$50	610	
1/-44 years	73,526	53.5	28.1	8.4	6.9	2.2	0.9	\$76	\$18 \$35	
45-64 years	41,477	57.4		7.4	7.1	3.4	1.2	š́97	\$41	
65 years and over	19,138		13.7	5.2	4.0	1.8	*	\$85	\$21	
		Pres	scripti	on med	icine e	xpense				
All ages	200,856	47.0	36.2	8.7	6.6	1.2	0.3	\$ 52	\$27	
Under 17 years	66,716	55.6	38.5	4.0	1.8	*	*	\$ 26	61.2	
17-44 years	73,526	46.9	38.9	8.6	4.7	0.7	*	\$ 42	\$22	
45-64 years65 years and over	41,477	39.8	31.8	13.3	12.2	2.5	*	\$ 73	\$44	
,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,	19,138	33.1	27.3	15.5	18.0	4.6	1.6	\$100	\$12 \$22 \$44 \$67	
			0pt	ical e	xpense					
All ages	200,856	78.2	13.9	6.5	1.3	*	*	\$47	\$10	
Under 17 years	66,716	88.4	8.6	2.4	0.4	*	*	\$43	\$ 5	
17-44 years	73,526	79.1	13.7	5.6	1.6	*	*	\$ 47	\$10	
65 years and over	41,477	64.6	20.5	12.8	1.9	*	*	\$ 47 \$ 48	\$17	
,	19,138	68.4	18.5	10.8	2.3	*	*	\$47 [	\$15	
411			Other	medica	l expens	se				
All ages	200,856	94.6	3.2	1.0	0.7	0.3	0.2	\$100	\$ 5	
Under 17 years	66,716	97.7	1.6	0.4	*	*	*	\$ 77	\$ 2	
1/-44 years	66,716 73,526	95.8	2.4	1.0	0.6	*	÷	\$ 87	ş 2	
45-64 years and over	41,477	91.4	5.0	1.5	1.2	0.6	*	\$ 77 \$ 87 \$ 96 \$134	\$ 2 \$ 4 \$ 8 \$19	
	19,138	85.6	8.1	2.4	1.7	1.5	*	\$134	\$19	
								. 1		

## Technical Notes

SOURCE OF DATA. This report contains estimates of personal out-of-pocket health expenditures for the civilian, noninstitutional population of the United States for 1970.

During the early months of 1971 questionnaires were mailed to the 12,000 sample households included in the fourth quarter of the 1970 Health Interview Survey. Approximately 7,000 questionnaires were returned after several mail followups. Personal interviews were conducted at a subsample of one-quarter of the households that failed to respond to the mail questionnaires. This procedure resulted in an effective response rate of 94 percent.

Information on medical care expenses during 1970 was requested for each member of the sample population including data on hospital bills, doctor's bills, dental bills, payments for prescription medicine, health insurance premiums, payments for eyeglasses, contact lenses or optometrist's fees, and payments for other medical expenses.

The out-of-pocket expense included only the amount spent by individuals living alone or by family members for the above listed items. Excluded were any payments made by health insurance, or by some other person or agency. It was suggested that the respondent review available records for the best estimate of expenses for each person. Medical care costs relating to delivery during the year 1970 were reported for the mother. Other medical expenses relating to the infant were reported for the infant.

Since the estimates shown are based on a sample of the population rather than on the entire population, they are subject to sampling error. The standard errors appropriate for the estimates of the percent of persons with expenses or categories of expenses are shown in table I. Table II shows the standard errors appropriate for the estimates of average and per capita expenses.

#### **DEFINITIONS**

Out-of-pocket expense.—The amount paid directly by the individual or family member exclusive of any part paid by insurance, other person, or agency. The following definitions pertain only to out-of-pocket expenses.

Dental bills.—The amount spent for cleaning, filling, straightening, bridgework, dental laboratory fees, other services from a dentist or hygienist.

Doctor bills.—The amount spent for routine doctor visits, treatments, checkups, doctor fees while a patient in a hospital operations, deliveries, preg-

Table I. STANDARD ERRORS, EXPRESSED IN PER-CENTAGE POINTS, OF ESTIMATED PERCENTAGES FOR NARROW-RANGE STATISTICS

Base of percentage in thousands	Estimated percentage									
	2 or 98	5 or 95	10 or 90	25 or 75	50					
500	2.6 1.9 1.3 0.8 0.7 0.4 0.3 0.3 0.2	4.1 2.9 2.0 1.3 0.9 0.7 0.5 0.4 0.3	5.7 4.1 2.8 1.8 1.3 0.9 0.7 0.6 0.4	8.1 6.0 4.2 2.6 1.8 1.3 1.0 0.8	9.5 6.7 4.8 3.1 2.0 1.4 1.1 0.9					

nancy care, laboratory fees, shots, and other services by a medical doctor.

Hospital bills.—The amount spent for room and board, operating and delivery rooms, anesthesia, tests, X-rays, special treatments, and any other hospital service.

Payments for prescription medicine.—Amounts spent for only those medicines prescribed by a doctor or dentist.

Payments for eyeglasses, contact lenses, or optometrist's fees.—Amounts spent for these items.

Payments for "other" medical bills.—Amounts spent for chiropractor's or podiatrist's fees, hearing aid, special brace, truss, wheelchair, artificial limbs, physical or speech therapy, special nursing care, and nursing home or convalescent home care.

TABLE II. RELATIVE STANDARD ERRORS FOR SELECTED AMOUNTS OF PER CAPITA AVERAGE HEALTH EXPENSE PER YEAR

Size of population estimate in	Per capita health expense per year in dollars												
thousands	25	50	75	100	150	200	250	300					
		Percent											
100 500 1,000 5,000 5,000 25,000 50,000 50,000	43 19 14 10 8 6 5 5 5	43 19 14 10 8 6 5 5	43 19 14 10 8 6 5 5 5	43 19 14 10 8 6 5 5	42 19 14 10 7 6 5 5	42 19 14 10 7 6 5 5	42 19 14 7 6 5 5	42 19 14 9 7 6 5 5					

SYMBOLS USED IN TABLES	
Data not available	
Category not applicable	•••
Quantity zero	-
Quantity more than 0 but less than 0.05	0.0
Figure does not meet standards of reliability or precision	*

U.S. DEPARTMENT OF HEALTH, EDUCATION, AND WELFARE Public Health Service

5600 Fishers Lane

HEALTH SERVICES AND MENTAL HEALTH ADMINISTRATION

Rockville, Maryland 20852

OFFICIAL BUSINESS
Penalty for Private Use \$300

FIRST CLASS MAIL

HEW 396

U.S. DEPARTMENT OF H.E.W POSTAGE AND FEES PAID