

# Agency for Health Care Administration

State Center for Health Statistics

## Document Abstract

January 2005

**Title:** Florida Health Care Expenditures, 2002

**Summary:** In 2002 personal health care expenditures in Florida reached \$83.4 billion, up from \$77.3 billion in 2001, an increase of 7.9%. Among health services, expenditures for medicinal drugs increased by \$1.5 billion, a 13% rise in spending, second to the increase in nursing home costs (19.2%).

From 2001 to 2002, total Medicare expenditures increased 3.5%, while Medicaid expenditures increased by 13.3%, as enrollment increased 6.8% during this period. HMO expenditures were \$11.3 billion in 2002. For the first time since 1992, HMO expenditures declined by 2% from 2001 to 2002, as enrollment decreased by 7.3%.

Florida expenditures were \$4,967 per capita in 2002, representing 16.8% of personal income. U.S. expenditures were \$4,654 per capita, or 15.1% of personal income.

**Future Policy Implications:** Florida health care spending is affected by the higher number of elderly residents and Medicare beneficiaries in Florida compared to other states. The growth of medicinal drug and other health care expenditures will impact benefits provided by public and private health plans, as well as consumer spending for personal health care.

**Relevant Florida Statutes:** Section 408.063(5), Florida Statutes, requires an annual comprehensive report of state health care expenditures.

**For Information Contact:** State Center for Health Statistics, (850) 922-5771.  
To view or print this report, please visit the following web site:  
[www.FloridaHealthStat.com](http://www.FloridaHealthStat.com)

This page is intentionally left blank.

# Table of Contents

---

Document Abstract.....	i
Table of Contents.....	iii
Acknowledgments .....	iv
Executive Summary .....	v
Introduction .....	1
Health Care Expenditures by Service.....	3
Health Care Expenditures by Payer .....	6
Comparison of Florida and the United States.....	8
HMO Expenditures and Premium Revenue .....	11
References.....	13
Appendices	
1: Health Services Description .....	15
2: Sources and Methods for Health Care Services Expenditures.....	17
3: Health Care Payers Summary Description .....	18
4: Sources and Methods for Health Care Payer Expenditures .....	19
5: Health Care Expenditures by Service, 1992-2002.....	20
6: Health Care Expenditures by Payer, 1992-2002 .....	22
7: HMO Expenditures and Premium Revenue, 1992-2002 .....	24

## **Acknowledgments**

---

**Marie Bachman**

Florida Department of Financial Services

**Fred Roberson**

Medicaid Program Analysis, Agency for Health Care Administration

## Executive Summary

---

In 2002, personal health care expenditures in Florida reached \$83.4 billion, up from \$77.3 billion in 2001. That represents an increase of 7.9% in health care costs, the second largest annual percentage increase in costs in this report's history, beginning in 1992. Among health services, expenditures for nursing homes (19.2%), medicinal drugs (13%) and specialized government services (13%) had the highest percentage increases. Medicaid, with a 13.3% increase, had the greatest growth in expenditures among payers, along with an increase in the number of people eligible for Medicaid services.

From 1992 to 2002, personal health care expenditures increased 85.1%. Among health services, expenditures for "specialized government and other services" (a miscellaneous category that includes certain Medicaid social services), medicinal drugs and nursing homes had the largest sustained increase. Over the past six years (1997-2002), only medicinal drugs has shown an annual growth rate greater than 10%.

For the first time since 1995-96, the rate of growth of Medicaid expenditures decreased from the previous year (2001). Although it still was an increase (13.3%), the previous year's growth rate had been 14.7%. Since 1998, Medicaid expenditures increased in each year in conjunction with large increases in enrollee caseload. However, since the growth of expenditures exceeded the growth in enrollment from 2001 to 2002, spending per enrollee increased by 6%.

Growth in Medicare expenditures slowed in 2002 (3.5%) as compared with the previous two years (average growth 6.4%). In contrast with Medicaid, the number of beneficiaries has grown by a steady small percentage annually. The result is a relatively small increase in spending per beneficiary (2.2%) over the period 2001-2002.

HMO expenditures were \$11.3 billion in 2002 down 2% from 2001, the only annual decrease in spending observed since 1992. HMO expenditures include Medicare, Medicaid, and private HMO expenditures. In general, the annual rate of growth of HMO expenditures has declined since 1995, but the change in rate from 2001 to 2002 was the first absolute decrease seen throughout the ten-year period.

Excluding expenditures for health care services delivered to nonresidents, personal health care spending for Florida residents was \$83 billion, or \$4,967 per capita in 2002. Health care spending was 16.8% of the total personal income of Florida residents. U.S. personal health care expenditures were \$4,654 per capita, accounting for 15.1% of personal income.

Florida health care spending is affected by the higher proportion of elderly residents and Medicare beneficiaries in Florida compared to other states. In 2002, the percentage of Florida residents aged 65 years and older was 17.2%, compared to 12.4% for the United States.

Personal health care expenditures equal total revenues received by health care providers. Health care providers include all practitioners and facilities that offer health care services and medical supplies to individual patients. Public health education and regulation expenditures and health insurance administrative costs are not included in personal health care expenditures.

This page is intentionally left blank.

---

## Introduction

---

Personal health care expenditures equal total revenues received by health care providers as compensation for their services from consumers, insurers, and government agencies. This report provides information about trends in health care expenditures for: (1) health care services, (2) health care payers, and (3) health maintenance organizations (HMOs). Personal health care expenditures include all services provided on an individual basis. Expenditures for public health education and regulation and the administrative costs of insurers are excluded.

The health care expenditures in this report describe payments for services delivered in Florida, including services delivered to nonresidents. Expenditures per capita and expenditures as a percent of personal income were adjusted to reflect resident spending. On a statewide basis, the difference between provider-receipts and resident-based expenditures was less than 1%.

Health care services are categorized according to the definitions of the North American Industry Classification System (NAICS)<sup>1</sup> (**Appendix 1**) and other categories described in **Appendix 2**. The 1997 Economic Census conducted by the U.S. Census also used the NAICS.<sup>2,3,4</sup> All previous editions of this report classified services according to the categories of the *U.S. Standard Industrial Classification Manual* (SIC).<sup>5</sup>

To maintain consistency in the categories over the years, expenditures grouped under the NAICS were mapped to the old SIC categories using the document *1987 SIC Matched to 2002 NAICS, Service Industries*.<sup>6</sup> The results of this mapping can be seen in **Appendix 1**. There is not, however, a perfect one-to-one correspondence between some NAICS and SIC categories. For example, to construct a new Nursing Home group one must aggregate several NAICS categories, some of which contain expenditures that are not strictly nursing home, e.g., continuing care retirement communities. The result is a less than perfect bridge from the old SIC categories to the new NAICS ones. The two service categories potentially affected the most by this mismatch are nursing homes and hospitals.

Health care payers are categorized according to definitions used by the U.S. Centers for Medicare & Medicaid Services (CMS) described in **Appendix 3**. Health care payers include all governmental programs and subsidies, insurance plans, out-of-pocket payments, and other private sources such as investments, donors or various enterprises.

Florida health care expenditures were developed by AHCA using reports from government agencies, mainly data on employee wages that constitute approximately 40% of total personal health care expenditures.<sup>7</sup> For health services, Florida wage data were obtained for all health services except medicinal drugs, durable medical equipment, and specialized government and other services. Expenditures for specialized government and other services were estimated using national data. National and state data from the 1997 Economic Census were used to estimate medicinal drugs and durable medical equipment. Data sources and methods for health service expenditures are described in **Appendix 2**.

National health care expenditure figures obtained from CMS are a major data source for this report. When CMS releases the latest data in the annual report, *National Health Expenditures*, the data from many previous years are revised.<sup>8</sup> Therefore, figures for Florida expenditures in the years 1992-2002 shown in this report will be different from figures for the same years as displayed in previous editions of this report.

Payer expenditures were estimated using national data and the total of Florida health care expenditures. Florida data were obtained for Medicaid and Medicare expenditures. Data sources and methods for payer expenditures are described in **Appendix 4**, which also details the method used to estimate resident-based expenditures.<sup>9</sup> Finally, HMO expenditures and revenue were obtained from reports prepared by the Florida Department of Financial Services.

## Health Care Expenditures by Service

---

In 2002 personal health care expenditures in Florida reached \$83.4 billion, a 7.9% increase over the \$77.3 billion spent in 2001, the second largest annual percentage increase in costs since the inception of this report in 1992. However, that percentage increase was lower than the increase from the previous year, where expenditures rose by a rate of 8.9% from 2000 to 2001.

**Table 1** displays the percent change in health care services expenditures from 2001 to 2002. The difference in overall spending (\$6.01 billion) represents a 7.9% increase. Health care services with greater than a 10% increase since 2002 were: (1) nursing homes, (2) medicinal drugs, (3) specialized government services (which includes certain Medicaid social services), and (4) home health. However, in terms of absolute dollars, the largest increases were seen for medicinal drugs followed by hospitals.

The large percentage increase for nursing homes is most likely affected by the category incongruity in mapping NAICS categories to the older SIC ones. Some NAICS categories contain spending that is not strictly associated with nursing homes, however there is no way to parse out the inappropriate figures. Therefore, the expenditure figure may be inflated by spending that was not counted in the years prior to 2002. This incongruity with expenditure categories will not be a problem in future years, since all comparisons will be based on the NAICS categories. Also, in 2001 the Florida Legislature made significant changes to the statutes that allowed for increased expenditures in nursing home staffing effective in 2002 and subsequent years.

**Table 1**  
**Expenditures by Health Service, 2001-2002**

Health Services	Expenditures		Difference	Percent Change
	2001	2002	2001-2002	2001-2002
Hospitals	\$26,297	\$27,757	\$1,460	5.6%
Physicians	17,640	18,724	1,084	6.1%
Dentists	3,677	3,897	220	6.0%
Medical Laboratories	2,266	2,403	137	6.0%
Other Professionals	4,831	4,965	134	2.8%
Home Health	2,334	2,575	240	10.3%
Medicinal Drugs	11,427	12,910	1,483	13.0%
Durable Medical Equipment	1,358	1,402	44	3.3%
Nursing Homes	5,114	6,095	982	19.2%
Specialized Government Services	2,350	2,655	305	13.0%
<b>Total Personal Health Care</b>	<b>77,294</b>	<b>83,383</b>	<b>6,089</b>	<b>7.9%</b>

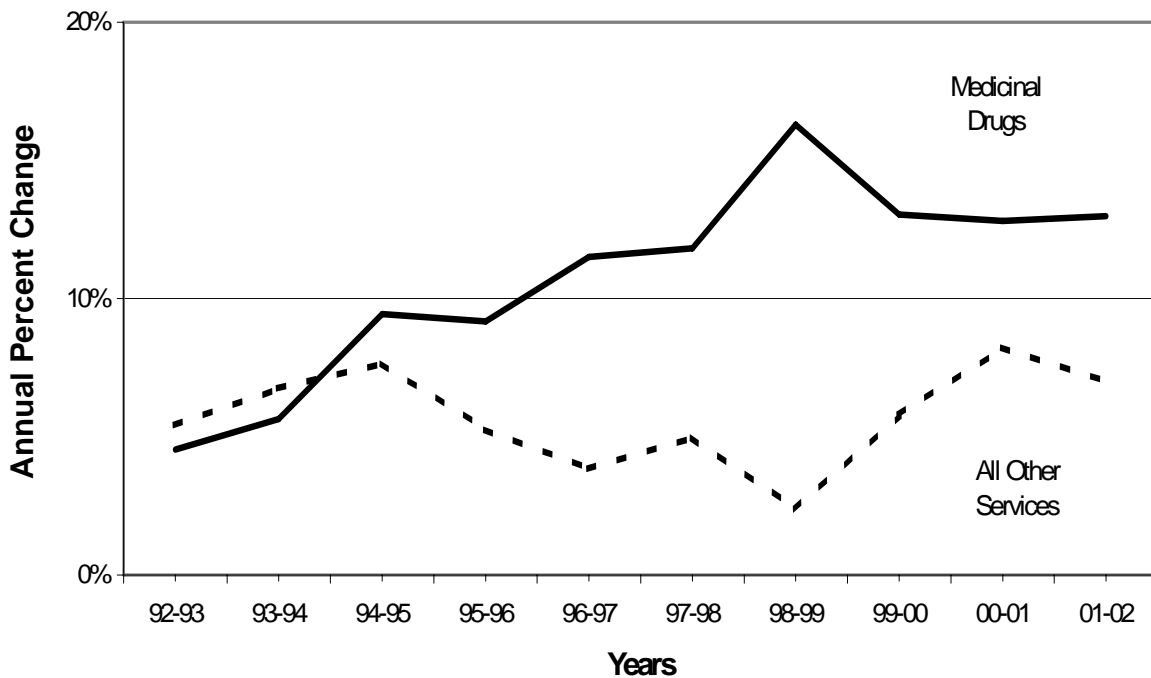
*Note: Expenditures in \$ millions.*

Source: AHCA

**Figure 1** highlights the annual percent change in expenditures since 1992 for medicinal drugs, as compared to the sum of all other services. The figure shows that, between 1992 and 1995, the annual growth rate for drugs paralleled that of all other services. However, beginning in 1996, the trends began to diverge, where the growth rate for drugs exceeded that of all other services. This trend peaked between 1998-1999, and the growth rates have converged somewhat since then, due in part to a reduction in the growth rate for drugs, combined with large rate increases for some other services. However, in 2002, the growth rate for drugs (13%) was nearly 50% higher than the rate for all other services (7%).

Additional details on expenditures for health care services, for each year from 1992 to 2002, are reported in **Appendix 5**.

**Figure 1**  
**Expenditures for Medicinal Drugs and All Other Services**  
**Annual Percent Change, 1992-2002**



Source: AHCA

**Table 2** and **Figure 2** display the percentage of total personal health care expenditures among health services in 1992, 2001 and 2002. Over the eleven-year period, the proportion of total expenditures declined in the two largest categories, hospital and physician services, while medicinal drugs followed by nursing homes had the largest proportional increases. Between 2001 and 2002, the proportions of expenditures for hospitals and physicians continued to decrease, while the proportions for medicinal drugs and nursing homes had the largest increases.

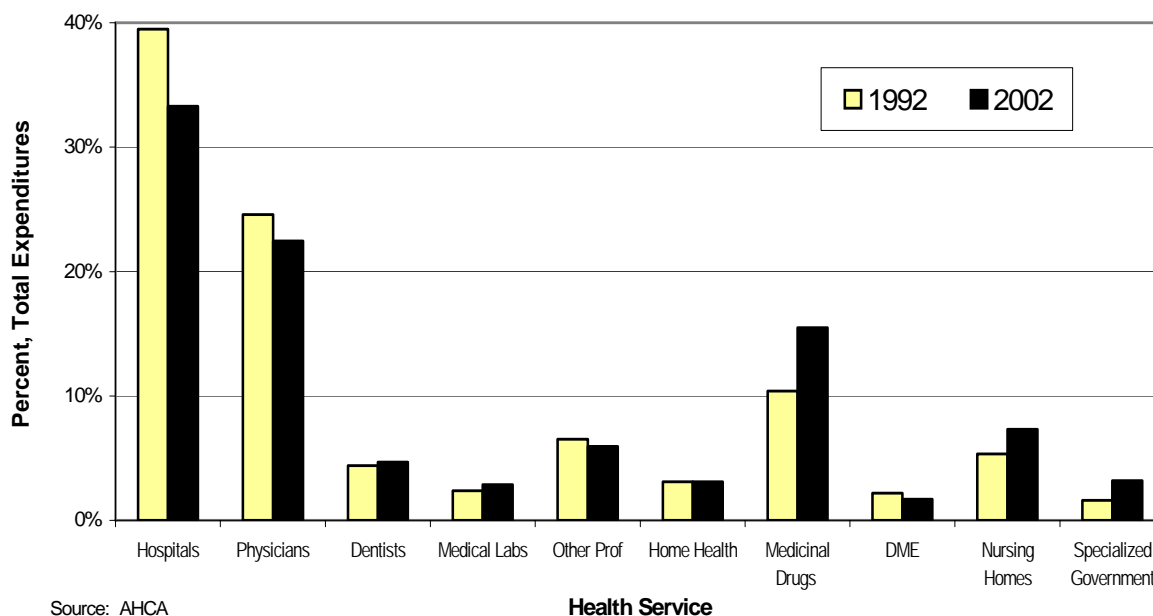
**Table 2**  
**Expenditures by Health Service**  
**Percent of Total Expenditures, 1992, 2001 and 2002**

Health Services	1992		2001		2002	
	Amount	Percent	Amount	Percent	Amount	Percent
Hospitals	\$17,804	39.5%	\$26,297	34.0%	\$27,757	33.3%
Physicians	11,087	24.6%	17,640	22.8%	18,724	22.5%
Dentists	1,980	4.4%	3,677	4.8%	3,897	4.7%
Medical Laboratories	1,080	2.4%	2,266	2.9%	2,403	2.9%
Other Professionals	2,936	6.5%	4,831	6.3%	4,965	6.0%
Home Health	1,404	3.1%	2,334	3.0%	2,575	3.1%
Medicinal Drugs	4,683	10.4%	11,427	14.8%	12,910	15.5%
Durable Medical Equipment	942	2.1%	1,358	1.8%	1,402	1.7%
Nursing Homes	2,414	5.4%	5,114	6.6%	6,095	7.3%
Specialized Government	724	1.6%	2,350	3.0%	2,655	3.2%
Total Personal Health Care	45,055	100.0%	77,294	100.0%	83,383	100.0%

Note: Expenditures in \$ millions; Numbers and percents may not add to totals due to rounding.

Source: AHCA

**Figure 2**  
**Expenditures by Health Service**  
**Percent of Total Expenditures, 1992 and 2002**



Source: AHCA

## Health Care Expenditures by Payer

---

**Appendix 6** displays the percent change in expenditures by payer from 1992 to 2002. Between 2001 and 2002, expenditures increased by less than 10% for each payer except Medicaid (13.3% increase) and private insurance (10% increase). For all payers the growth in expenditures between 2001-2002 increased by 7.9%.

**Table 3** shows figures for the Medicaid caseload (number of eligible enrollees), total expenditures and expenditures per enrollee for 1996-2002. Between 2001 and 2002, expenditures increased 13.3%, while enrollment increased by 6.8%, yielding a per-enrollee increase of 6%. In the previous twelve-month period (2000-2001) expenditures per-enrollee rose by 4.6%.

**Table 3**  
**Florida Medicaid Program**  
**Annual Percentage Change in Average Monthly Caseload**  
**Total Expenditures and Expenditures per Eligible, 1996-2002**

	1996	1997	1998	1999	2000	2001	2002
Caseload (Eligibles)	1,539,120	1,484,403	1,461,252	1,539,819	1,710,471	1,876,909	2,005,354
Percent Change		-3.6%	-1.6%	5.4%	11.1%	9.7%	6.8%
Expenditures (\$millions)	\$6,210	\$6,446	\$6,779	\$7,355	\$8,332	\$9,560	\$10,828
Percent Change		3.8%	5.2%	8.5%	13.3%	14.7%	13.3%
Expenditures/Eligible	\$4,035	\$4,343	\$4,639	\$4,776	\$4,871	\$5,094	\$5,400
Percent Change		7.6%	6.8%	3.0%	2.0%	4.6%	6.0%

Source: AHCA and Florida Office of Economic and Demographic Research (EDR)

**Table 4** shows figures for the Medicare beneficiary enrollment, total expenditures and expenditures per beneficiary for 1996-2002. Compared with the Medicaid program, expenditures for Medicare have increased by a smaller amount. Also in contrast with Medicaid, the number of beneficiaries has grown by a steady, small percentage annually. The result is a smaller increase in spending per beneficiary for Medicare (2.2%) compared with Medicaid (6%) over the period 2001-2002. In the previous two years, growth in expenditures per beneficiary had been larger for Medicare compared with Medicaid.

**Table 4**  
**Florida Medicare Program**  
**Annual Percentage Change in Average Monthly Enrollment**  
**Total Expenditures and Expenditures per Beneficiary, 1996-2002**

	1996	1997	1998	1999	2000	2001	2002
Beneficiaries	2,685,198	2,727,545	2,760,956	2,770,576	2,803,961	2,838,345	2,876,168
Percent Change		1.6%	1.2%	0.3%	1.2%	1.2%	1.3%
Expenditures (\$millions)	\$15,810	\$16,599	\$16,766	\$16,929	\$17,867	\$19,149	\$19,826
Percent Change		5%	1%	1%	5.5%	7.2%	3.5%
Expenditures/Beneficiary	\$5,888	\$6,086	\$6,073	\$6,110	\$6,372	\$6,747	\$6,893
Percent Change		3.4%	-0.2%	0.6%	4.3%	5.9%	2.2%

Source: Centers for Medicare & Medicaid Services; Consolidated Federal Funds Report

**Appendix 6** also shows that out-of-pocket spending increased at a lower rate than overall health care spending for most years from 1992 to 2002. This reduction in out-of-pocket spending may be due to the growth of HMOs, since HMOs usually offer lower out-of-pocket costs than traditional insurance. Out-of-pocket spending does not include employee expenditures for health insurance. Employee expenditures for health insurance premiums are included in private insurance expenditures.

**Table 5** displays the percentage of total personal health care expenditures among health payers in 1992, 2001 and 2002. Over the two most recent report years (2001-2002) the greatest change in the proportion of expenditures by payer was seen with Medicare which decreased by 1.0 percentage points. Conversely, the share for Medicaid spending increased by 0.6 percentage points, while spending by private insurance increased by 0.7 percentage points.

Comparing the proportion of expenditures in 2002 against that in 1992, reveals that three payers showed increases, led by Medicaid (3.2 percentage points), followed by private insurance (2.6 points) and Medicare (1.0 points). The proportion of total expenditures decreased for out-of-pocket (4.1 points) and other public funds (2.0 points).

**Table 5**  
**Expenditures by Payer**  
**Percent of Total Expenditures, 1992, 2001 and 2002**

Health Care Payer	1992		2001		2002	
	Amount	Percent	Amount	Percent	Amount	Percent
Medicaid	\$4,419	9.8%	\$9,560	12.4%	\$10,828	13.0%
Medicare	10,254	22.8%	19,149	24.8%	19,826	23.8%
Other Public Funds	4,222	9.4%	5,713	7.4%	6,185	7.4%
Private Insurance	14,960	33.2%	27,110	35.1%	29,824	35.8%
Out-of-Pocket	8,999	20.0%	12,433	16.1%	13,222	15.9%
Other Private Sources	2,201	4.9%	3,328	4.3%	3,498	4.2%
<b>Total Personal Health Care</b>	<b>45,055</b>	<b>100.0%</b>	<b>77,294</b>	<b>100.0%</b>	<b>83,383</b>	<b>100.0%</b>

*Note: Expenditures in \$ millions; Numbers and percents may not add to totals due to rounding.*

Source: AHCA; Consolidated Federal Funds Report

## Comparison of Florida and the United States

---

**Table 6** shows health care expenditures per capita and as a percent of personal income for Florida residents and the nation in 1992 and 2002.<sup>10</sup> In 2002, health care expenditures were 16.8% of personal income in Florida, an increase from 16.2% in 2001. That proportion had been steadily decreasing since 1992 due to increases in personal income that were greater than increases in health care expenditures. However, the proportion increased from 2001 to 2002, suggesting that increases in health care costs are surpassing increases in personal income.

Personal health care expenditures for the nation were 15.1% of personal income in 2002, up from 14.2% in 2001 and 13.6% in 1992. Health care spending of Florida residents reached \$4,967 per capita in 2002, while U.S. spending per capita was \$4,654. Excluding expenditures for nonresidents, personal health care spending was \$83 billion in Florida.

**Table 6**  
**Per Capita Health Care Expenditures and**  
**Percent of Personal Income**  
**Florida and the United States, 1992 and 2002**

	Florida			United States		
	1992	2001	2002	1992	2001	2002
Per Capita	\$3,286	\$4,698	\$4,967	\$2,842	\$4,341	\$4,654
Percent of Personal Income	16.1%	16.2%	16.8%	13.6%	14.2%	15.1%

Source: AHCA and CMS

Florida health care spending is affected by the higher number of elderly residents and Medicare beneficiaries in Florida compared to other states. In 2002, the percentage of Florida residents ages 65 years and older was 17.2%, compared to 12.4% for the U.S. In the U.S. between 1991 and 1998, total health care spending of persons 65 years and over was about six times that of persons under age eighteen.<sup>11</sup> In 1997 median total drug expenditures by the elderly was 5.6 times greater than that of the non-elderly.<sup>12</sup> An implication of these findings is that states with a higher proportion of older residents will have higher health care expenditures.

**Table 7** details facility charges by age group for inpatient hospitalizations and ambulatory surgery visits from data reported to AHCA by hospitals and ambulatory surgery centers in Florida. The table shows that the percentage of charges for the older age group exceeds their proportion of the population. This is especially true for inpatient hospitalization, where 17.2% of the population accounted for 50.1% of charges.

Inpatient hospitalization spending per person among the older age group (ages 65 and over) was nearly five times that of the younger group (ages 0 through 64). The age group differences were less pronounced with ambulatory surgery, where the older age group accounted for 36.8% of charges. For these services, spending for the elderly group was nearly three times that for the younger group.

**Table 7**  
**Per Capita Facility Charges**  
**by Age Group and Facility Type**  
**Florida, 2002**

Age Group (Years)	Charges (Sum)	Percent Charges	Population	Percent Population	Charges / Population
Inpatient Hospital					
0 - 64	\$25,541,783,099	49.9%	13,825,525	82.8%	\$1,847
65 +	\$25,606,721,080	50.1%	2,866,176	17.2%	\$8,934
Ambulatory Surgery					
0 - 64	\$6,658,442,485	63.2%	13,537,037	82.8%	\$492
65 +	\$3,870,047,472	36.8%	2,836,293	17.2%	\$1,364

Source: AHCA and Florida Office of Economic and Demographic Research

**Table 8** displays expenditures for health services in the U.S. and Florida in 2002, and shows that Florida had a lower percentage of expenditures for hospital services than the nation. Further, although Florida has a higher proportion of elderly residents, nursing home expenditures were a lower percentage of total expenditures in Florida (7.3%), than in the U.S. (7.7%). For services with more than \$10 billion in expenditures in Florida, the percentage in Florida exceeded that in the U.S. for medicinal drugs by 1%. The percentage in Florida was also greater for other professionals (a difference of 2.6%), home health (0.4% difference) and durable medical equipment (0.3% difference).

**Table 8**  
**Expenditures by Health Service**  
**Percent of Total Expenditures**  
**Florida and the United States, 2002**

Health Services	Florida		United States	
	Expenditures	Percent	Expenditures	Percent
Hospitals	\$27,757	33.3%	\$486,511	36.3%
Physicians *	21,128	25.3%	339,543	25.3%
Dentists	3,897	4.7%	70,319	5.2%
Other Professionals	4,965	6.0%	45,852	3.4%
Home Health	2,575	3.1%	36,129	2.7%
Medicinal Drugs	12,910	15.5%	194,146	14.5%
Durable Medical Equipment	1,402	1.7%	18,754	1.4%
Nursing Homes	6,095	7.3%	103,167	7.7%
Specialized Government Services	2,655	3.2%	45,803	3.4%
Total Personal Health Care	83,383	100.0%	1,340,226	100.0%

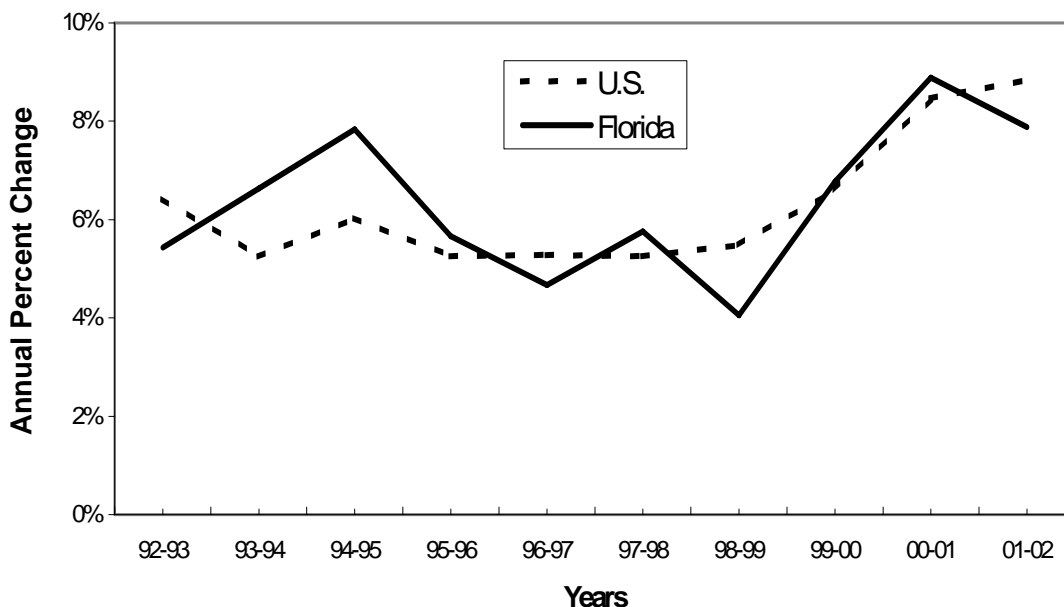
\* Includes expenditures for Medical Laboratories.

Note: Expenditures in \$ millions. Numbers and percents may not add to totals due to rounding.

Source: AHCA and CMS

**Figure 3** shows the annual percentage change in expenditures for Florida and the U.S. since 1992. Over the past ten years, the percentage change in Florida exceeded that of the U.S. for six of those ten years. However, between 2001 and 2002 Florida's percentage change (7.9%) was 0.9 percentage points below the rate for the U.S. (8.8%).

**Figure 3**  
**Total Personal Health Care Expenditures**  
**Annual Percent Change**  
**Florida and the United States, 1992-2002**



Source: AHCA and CMS

**Table 9** displays health care payer expenditures by payer in the U.S. and Florida in 2002. Florida had a greater percentage of Medicare expenditures (23.8%) than the nation (19.3%), but a lower percentage of Medicaid expenditures (13%) than the U.S. (17.4%).

**Table 9**  
**Expenditures by Payer**  
**Percent of Total Expenditures**  
**Florida and the United States, 2002**

Health Care Payer	Florida		United States	
	Expenditures	Percent	Expenditures	Percent
Medicaid	\$10,828	13.0%	\$233,661	17.4%
Medicare	19,826	23.8%	259,099	19.3%
Other Public Funds	6,185	7.4%	99,407	7.4%
Private Insurance	29,824	35.8%	479,333	35.8%
Out-of-Pocket	13,222	15.9%	212,510	15.9%
Other Private Sources	3,498	4.2%	56,216	4.2%
<b>Total</b>	<b>83,383</b>	<b>100.0%</b>	<b>1,340,226</b>	<b>100.0%</b>

*Note: Expenditures in \$ millions; Numbers may not add to totals due to rounding.*

Source: AHCA; CMS; CFFR

## HMO Expenditures and Premium Revenue

---

The amount and percent change in total HMO expenditures for each individual year, 1992 to 2002, are reported in **Appendix 7**. The appendix shows that the annual rate of growth of HMO expenditures has generally declined since 1995. A decrease in overall HMO expenditures occurred between 2001 and 2002 (-2.0%), the first decrease in total expenditures since the inception of this report in 1992.

**Table 10** shows the proportion of total HMO premium revenue by source (Medicare, Medicaid and commercial) in 1992, 2001 and 2002. The data show that in 2002 Medicare premiums were 34.1% of the total revenue, lower than 38.8% in 2001 and 35.5% in 1992. Commercial premiums were 57% of the total, higher than 53.5% in 2001, but lower than 58.8% in 1992. Medicaid premiums were 8.9% in 2002, higher than the 7.6% in 2001 and 5.7% in 1992.

**Table 10**  
**HMO Premium Revenue by Revenue Source**  
**Percent of Total Revenue, 1992, 2001 and 2002**

Revenue Source	1992		2001		2002	
	Amount	Percent	Amount	Percent	Amount	Percent
Commercial	\$1,972	58.8%	\$6,812	53.5%	\$7,399	57.0%
Medicare	1,192	35.5%	4,942	38.8%	4,424	34.1%
Medicaid	191	5.7%	968	7.6%	1,154	8.9%
<b>Total Premiums</b>	<b>3,355</b>	<b>100.0%</b>	<b>12,721</b>	<b>100.0%</b>	<b>12,978</b>	<b>100.0%</b>

*Note: Amount in \$ millions.*

Source: Florida Department of Financial Services

**Appendix 7** shows the percent change in HMO premium revenue by source for the period 1992-2002. From 2001 to 2002, total HMO premium revenues increased by 2%, the smallest annual increase in revenue since 1992.

**Table 11** (next page) shows that for all payers the small increase in HMO premium revenue in 2002 was associated with a 7.3% decrease in overall enrollment, the third consecutive decrease observed since 1999. The decrease was greatest with Medicare HMO plans, followed by commercial HMOs. Conversely, Medicaid HMOs had a 16.4% increase in enrollment, 2001-2002, which led to an increase of 19.2% in revenue. That is the fourth consecutive year of double-digit increases in enrollment for Medicaid HMOs.

**Table 11** also displays trends in HMO premiums per enrollee for Medicare, Medicaid and commercial insurance. Over the most recent 12-month period (2001-2002) premiums per enrollee increased by 2.5% for Medicaid, 4.1% for Medicare and 20.5% for commercial insurance, the largest annual increase for that payer over the past eleven years.

**Table 11**  
**Annual Percentage Change in HMO Enrollment,**  
**Premiums and Premiums per Enrollee**  
**by Payer, 1996-2002**

<b>Commercial Insurance</b>							
	1996	1997	1998	1999	2000	2001	2002
Enrollment	3,182,114	3,345,652	3,708,661	3,704,200	3,679,935	3,526,504	3,178,263
Percent Change		5.1%	10.9%	-0.1%	-0.7%	-4.2%	-9.9%
Premiums (\$millions)	\$3,824	\$4,338	\$5,114	\$5,751	\$6,182	\$6,812	\$7,399
Percent Change		13.4%	17.9%	12.4%	7.5%	10.2%	8.6%
Premiums / Enrollee	\$1,202	\$1,297	\$1,379	\$1,553	\$1,680	\$1,932	\$2,328
Percent Change		7.9%	6.4%	12.6%	8.2%	15.0%	20.5%
<b>Medicare</b>							
	1996	1997	1998	1999	2000	2001	2002
Enrollment	575,371	689,622	773,461	793,442	741,091	667,808	574,622
Percent Change		19.9%	12.2%	2.6%	-6.6%	-9.9%	-14.0%
Premiums (\$millions)	\$2,973	\$3,808	\$4,569	\$4,901	\$4,876	\$4,942	\$4,424
Percent Change		28.1%	20.0%	7.3%	-0.5%	1.4%	-10.5%
Premiums / Enrollee	\$5,167	\$5,521	\$5,907	\$6,177	\$6,579	\$7,400	\$7,700
Percent Change		6.9%	7.0%	4.6%	6.5%	12.5%	4.1%
<b>Medicaid</b>							
	1996	1997	1998	1999	2000	2001	2002
Enrollment	398,399	380,117	399,726	441,757	496,609	562,606	654,985
Percent Change		-4.6%	5.2%	10.5%	12.4%	13.3%	16.4%
Premiums (\$millions)	\$542	\$572	\$640	\$716	\$830	\$968	\$1,154
Percent Change		5.5%	11.9%	11.9%	15.9%	16.6%	19.2%
Premiums / Enrollee	\$1,360	\$1,504	\$1,600	\$1,620	\$1,670	\$1,720	\$1,762
Percent Change		10.6%	6.4%	1.3%	3.1%	3.0%	2.5%
<b>All Payers</b>							
	1996	1997	1998	1999	2000	2001	2002
Enrollment	4,155,884	4,415,391	4,881,848	4,939,399	4,917,635	4,756,918	4,407,869
Percent Change		6.2%	10.6%	1.2%	-0.4%	-3.3%	-7.3%
Premiums (\$millions)	\$7,339	\$8,718	\$10,323	\$11,368	\$11,887	\$12,721	\$12,978
Percent Change		18.8%	18.4%	10.1%	4.6%	7.0%	2.0%
Premiums / Enrollee	\$1,766	\$1,974	\$2,115	\$2,301	\$2,417	\$2,674	\$2,944
Percent Change		11.8%	7.1%	8.8%	5.0%	10.6%	10.1%

Source: Office of Insurance Regulation, Department of Financial Services

## References

---

1. U.S. Census Bureau. (2002). North American Industry Classification System-United States, 2002. (NTIS Publication No. PB2002-101430).
2. U.S. Census Bureau. (October 1999). 1997 Economic Census--Health Care and Social Assistance-Florida (DOC Publication No. EC97S62A-FL). <http://www.census.gov/epcd/www/97EC62.htm>
3. Bureau of Census. (December 1999). 1997 Economic Census--Retail Trade--Florida (DOC Publication No. EC97R44A-FL). <http://www.census.gov/epcd/www/97EC44.htm>
4. Bureau of Census. (March 2000). 1997 Economic Census--Retail Trade--United States (DOC Publication No. EC97R44A-US). <http://www.census.gov/epcd/www/97EC44.htm>
5. Executive Office of the President. (1987). Standard Industrial Classification Manual. (OMB Publication) Washington, DC: U.S. Government Printing Office.
6. Bureau of Census. (April 2003). 1987 SIC Matched to 2002 NAICS, Service Industries. <http://www.census.gov/epcd/www/naicstab.htm>
7. Bureau of Labor Market Information. (1993-2002). Annual Employment and Wages, 1992-2002. Florida Agency for Workforce Innovation. (Annual Edited ES-202). <http://www2.myflorida.com/awi/lms/es202/es202.htm>
8. Centers for Medicare and Medicaid. (March 2003). 2002 National Health Expenditures. (File: nhe01.zip) <http://www.cms.hhs.gov/statistics/nhe/>
9. Basu J, Lazenby HC, Levit KR (Winter 1995). Medicare Spending by State: The Border-Crossing Adjustment. Health Care Financing Review, 17(2), 219-241.
10. U.S. Department of Commerce; Bureau of Economic Analysis; Regional Accounts Data. (2003). Annual State Personal Income, Table SA05, 1980-2001. <http://www.bea.doc.gov/bea/regional/spi>
11. Martin A, Lekha W, Levit K, Won G, Hinman L. (July/August 2002). Health Care Spending During 1991-1998: A Fifty-State Review. Health Affairs, 21(4), 112-126.
12. Thomas CP, Ritter G, Wallack SS. (September/October 2001). Growth in prescription drug spending among insured elders. Health Affairs, 20(5), 265-279.

## Appendices

---

- 1: Health Services Description
- 2: Sources and Methods for Health Care Services Expenditures
- 3: Health Care Payers Summary Description
- 4: Sources and Methods for Health Care Payer Expenditures
- 5: Health Care Expenditures by Service, 1992-2002
- 6: Health Care Expenditures by Payer, 1992-2002
- 7: HMO Expenditures and Premium Revenue, 1992-2002

**Appendix 1:**  
**Health Services Description**  
**Match of SIC to NAICS Categories**

---

**Physicians (SIC 801; Includes Osteopaths, SIC 803)**

Offices of physicians, except mental health specialists (NAICS 621111).

Offices of physicians, mental health specialists (NAICS 621112).

HMO medical centers (NAICS 621491).

Freestanding ambulatory surgical and emergency centers (NAICS 621493).

**Dentists (SIC 802)**

Offices of dentists (NAICS 621210).

**Other Health Professionals (SIC 804)**

Offices of chiropractors (NAICS 621310).

Offices of optometrists (NAICS 621320).

Offices of mental health practitioners, except physicians (NAICS 621330).

Offices of physical, occupational and speech therapists, and audiologists (NAICS 621340).

Offices of podiatrists (NAICS 621391).

Offices of all other miscellaneous health practitioners (NAICS 621399).

**Nursing Homes (SIC 805)**

Nursing care facilities (NAICS 623110).

Residential mental retardation facilities (NAICS 623210).

Continuing care retirement communities (NAICS 623311).

**Hospitals (SIC 806)**

General medical and surgical hospitals (NAICS 622110).

Psychiatric and substance abuse hospitals (NAICS 622210).

Specialty hospitals except psychiatric and substance abuse hospitals (NAICS 622310).

---

*Note: Service categories are based on the North American Industry Classification System (NAICS). SIC: Standard Industrial Classification System.*

**Appendix 1 (continued):  
Health Services Description  
Match of SIC to NAICS Categories**

---

**Laboratories (SIC 807)**

Medical laboratories (NAICS 621511).

Diagnostic imaging centers (NAICS 621512).

Dental laboratories (NAICS 339116).

**Home Health (Freestanding) (SIC 808)**

Home health care services (NAICS 621610).

**Miscellaneous Clinics (SIC 809)**

Family planning centers (NAICS 621410).

Outpatient mental health and substance abuse centers (NAICS 621420).

Kidney dialysis centers (NAICS 621492).

All other outpatient care centers (NAICS 621498).

Blood and organ banks (NAICS 621991).

All other miscellaneous ambulatory health care services (NAICS 621999).

---

*Note: Service categories are based on the North American Industry Classification System (NAICS). SIC: Standard Industrial Classification System.*

## Appendix 2: Sources and Methods for Health Care Services Expenditures\*

SERVICE	DATA SOURCE	METHODS AND COMMENTS
Hospitals	1997 Economic Census of the U.S. and Florida Agency for Workforce Innovation (1992-2002)	Wage adjusted** revenue in 1997 times ratio: estimated year payroll expenditures divided by 1997 payroll expenditures.
Physicians	1997 Economic Census of the U.S. and Florida Agency for Workforce Innovation (1992-2002)	Wage adjusted** revenue in 1997 times ratio: estimated year payroll expenditures divided by 1997 payroll expenditures.
Dentists	1997 Economic Census of the U.S. and Florida Agency for Workforce Innovation (1992-2002)	Wage adjusted** revenue in 1997 times ratio: estimated year payroll expenditures divided by 1997 payroll expenditures.
Medical Laboratories	1997 Economic Census of the U.S. and Florida Agency for Workforce Innovation (1992-2002)	Wage adjusted** revenue in 1997 times ratio: estimated year payroll expenditures divided by 1997 payroll expenditures.
Other Professionals and Miscellaneous Clinics	1997 Economic Census of the U.S. and Florida Agency for Workforce Innovation (1992-2002)	Wage adjusted** revenue in 1997 times ratio: estimated year payroll expenditures divided by 1997 payroll expenditures.
Home Health	1997 Economic Census of the U.S. and Florida Agency for Workforce Innovation (1992-2002)	Wage adjusted** revenue in 1997 times ratio: estimated year payroll expenditures divided by 1997 payroll expenditures.
Medicinal Drugs	National Health Care Expenditures, U.S. CMS and 1992 and 1997 Economic Census	Ratio of Florida / U.S. sales, drug stores, times national health care expenditures. Beginning with 1999 NHE, "Medicinal Drugs" = "Prescription Drugs" + "Other Non-Durable Medical Products."
Durable Medical Equipment	National Health Care Expenditures, U.S. CMS and 1992 and 1997 Economic Census	Ratio of Florida / U.S. sales, optical goods stores, times national health care expenditures.
Nursing Homes	1997 Economic Census of the U.S. and Florida Agency for Workforce Innovation (1992-2002)	Wage adjusted** revenue in 1997 times ratio: estimated year payroll expenditures divided by 1997 payroll expenditures.
Specialized Government and Other Services	National Health Care Expenditures, U.S. CMS	Ratio of Florida / U.S. population times national health care expenditures.

\*To estimate resident expenditures, Florida personal health care expenditures were reduced by the CMS reported Medicare net flow (border crossing) ratio of 0.9805 for Florida (1991) weighted by the proportion of Medicare expenditures to total health care expenditures in Florida.

\*\*Total 1997 receipts/revenue reported by the U.S. Census times the ratio of total 1997 annual wages reported by the Florida Department of Labor and Employment Security and the annual payroll reported in the 1997 Economic Census of the U.S. for each respective health service category.

## **Appendix 3: Health Care Payers Summary Description**

---

### **Total Personal Health Care Expenditures**

Payer expenditures equal the total of health services expenditures in Florida.

### **Medicare**

Medicare is a federal health insurance program for persons 65 years and older and certain persons with disabilities. Expenditures to Florida health care providers as reported in the Consolidated Federal Funds Report, U.S. Census Bureau, including HMO expenditures.

### **Medicare-Medicaid Crossover**

Medicaid payments to Medicare as reported by AHCA. These payments are *deducted* from total Medicare spending.

### **Medicaid**

Medicaid is a state and federal program that provides funds for health care services needed by low-income individuals and families. Expenditures include payments to HMOs and to the Medicaid State Children's Health Insurance Program (SCHIP) Expansion-Title XIX.

### **Other Government Funding**

Includes veteran benefits, military health programs, and workers' compensation. Includes spending for state and local assistance programs, state and local hospital subsidies, the State Children's Health Insurance Program (SCHIP) - Title XXI, the maternal and child health programs, and other programs providing personal health care.

Estimated from national data adjusted for Florida Medicare and Medicaid expenditures.

### **Private Insurance**

Includes commercial group and individual insurance, commercial health maintenance organization coverage, and self-insured employer plans. Includes the health insurance coverage of government employees. Includes Florida KidCare program.

Estimated from national data adjusted for Florida Medicare and Medicaid expenditures.

### **Other Private**

Expenditures include donations, investments, revenues from gift shops, and other miscellaneous sources.

Estimated from national data adjusted for Florida Medicare and Medicaid expenditures.

### **Out-of-Pocket**

Expenditures by consumers to health care providers. Excludes spending on health insurance premiums. Excludes patient payments to providers subsequently reimbursed by insurers. Includes deductibles and coinsurance.

Estimated from national data adjusted for Florida Medicare and Medicaid expenditures.

## Appendix 4: Sources and Methods for Health Care Payer Expenditures

SERVICE	DATA SOURCE	METHODS AND COMMENTS
Medicaid	AHCA	Total reported expenditures adjusted to calendar year. Includes SCHIP Expansion (Title XIX).
Medicare	U.S. Census Bureau, Consolidated Federal Funds Report	Total reported expenditures adjusted to calendar year excluding Medicaid supplemental medical insurance expenditures.
Other Public Funds	National Health Expenditures, U.S. Centers for Medicare & Medicaid Services	Florida health services expenditures allocated by ratio of U.S. other public fund expenditures to total personal health care expenditures, adjusted for reported Medicare and Medicaid expenditures in Florida. Includes SCHIP (Title XXI).
Private Insurance	National Health Expenditures, U.S. Centers for Medicare & Medicaid Services	Florida health services expenditures allocated by ratio of U.S. private insurance expenditures to total personal health care expenditures, adjusted for reported Medicare and Medicaid expenditures in Florida.
Out-of-Pocket	National Health Expenditures, U.S. Centers for Medicare & Medicaid Services	Florida health services expenditures allocated by ratio of U.S. out-of-pocket expenditures to total personal health care expenditures, adjusted for reported Medicare and Medicaid expenditures in Florida.
Other Private Sources	National Health Expenditures, U.S. Centers for Medicare & Medicaid Services	Florida health services expenditures allocated by ratio of U.S. other private sources expenditures to total personal health care expenditures, adjusted for reported Medicare and Medicaid expenditures in Florida.

Note: To estimate resident expenditures, Florida personal health care expenditures were reduced by CMS reported Medicare net flow (border crossing) ratio of 0.9805 for Florida (1991) weighted by the proportion of Medicare expenditures to total health care expenditures in Florida.

## Appendix 5: Health Care Expenditures by Service, 1992-2002

---

### Health Care Expenditures by Service, Florida, 1992-1996

Health Services	1992	1993	1994	1995	1996
Hospitals	\$17,804	\$18,547	\$19,507	\$20,581	\$21,282
Physicians	11,087	11,304	11,739	12,932	13,473
Dentists	1,980	2,124	2,267	2,434	2,647
Medical Laboratories	1,080	1,138	1,204	1,233	1,308
Other Professionals	2,936	3,325	3,716	3,899	4,296
Home Health	1,404	1,702	1,964	2,127	2,158
Medicinal Drugs	4,683	4,896	5,172	5,661	6,180
Durable Medical Equipment	942	986	1,027	1,093	1,178
Nursing Homes	2,414	2,617	2,985	3,415	3,774
Specialized Government	724	864	1,076	1,251	1,422
<b>TOTAL PERSONAL HEALTH CARE</b>	<b>45,055</b>	<b>47,503</b>	<b>50,656</b>	<b>54,625</b>	<b>57,718</b>

*Note: Figures in \$ millions. Numbers may not add to totals due to rounding.*

Source: AHCA

### Percent Change, Health Care Expenditures by Service, Florida, 1992-1996

Health Services	1992-93	1993-94	1994-95	1995-96
Hospitals	4.2%	5.2%	5.5%	3.4%
Physicians	2.0%	3.8%	10.2%	4.2%
Dentists	7.3%	6.7%	7.4%	8.7%
Medical Laboratories	5.3%	5.8%	2.4%	6.1%
Other Professionals	13.2%	11.8%	4.9%	10.2%
Home Health	21.2%	15.4%	8.3%	1.5%
Medicinal Drugs	4.5%	5.6%	9.4%	9.2%
Durable Medical Equipment	4.6%	4.1%	6.5%	7.7%
Nursing Homes	8.4%	14.1%	14.4%	10.5%
Specialized Government	19.4%	24.5%	16.3%	13.7%
<b>TOTAL PERSONAL HEALTH CARE</b>	<b>5.4%</b>	<b>6.6%</b>	<b>7.8%</b>	<b>5.7%</b>

*Note: Percent change values may differ due to rounding of reported expenditures values.*

Source: AHCA

**Appendix 5 (continued):  
Health Care Expenditures by Service, 1992-2002**

**Health Care Expenditures by Service, Florida, 1997-2002**

Health Services	1997	1998	1999	2000	2001	2002
Hospitals	\$21,999	\$23,117	\$23,556	\$24,324	\$26,297	\$27,757
Physicians	13,942	14,566	15,104	16,201	17,640	18,724
Dentists	2,806	2,997	3,165	3,449	3,677	3,897
Medical Laboratories	1,299	1,361	1,620	1,992	2,266	2,403
Other Professionals	4,642	4,810	4,495	4,553	4,831	4,965
Home Health	2,133	2,067	1,956	2,187	2,334	2,575
Medicinal Drugs	6,891	7,705	8,960	10,129	11,427	12,910
Durable Medical Equipment	1,208	1,260	1,288	1,327	1,358	1,402
Nursing Homes	3,948	4,315	4,435	4,735	5,114	6,095
Specialized Government	1,543	1,694	1,903	2,090	2,350	2,655
<b>TOTAL PERSONAL HEALTH CARE</b>	<b>60,412</b>	<b>63,892</b>	<b>66,482</b>	<b>70,987</b>	<b>77,294</b>	<b>83,383</b>

*Note: Figures in \$ millions. Numbers may not add to totals due to rounding.*

Source: AHCA

**Percent Change, Health Care Expenditures by Service, Florida, 1997-2002**

Health Services	1996-97	1997-98	1998-99	1999-00	2000-01	2001-02
Hospitals	3.4%	5.1%	1.9%	3.3%	8.1%	5.6%
Physicians	3.5%	4.5%	3.7%	7.3%	8.9%	6.1%
Dentists	6.0%	6.8%	5.6%	9.0%	6.6%	6.0%
Medical Laboratories	-0.7%	4.7%	19.1%	22.9%	13.8%	6.0%
Other Professionals	8.1%	3.6%	-6.5%	1.3%	6.1%	2.8%
Home Health	-1.2%	-3.1%	-5.4%	11.8%	6.7%	10.3%
Medicinal Drugs	11.5%	11.8%	16.3%	13.0%	12.8%	13.0%
Durable Medical Equipment	2.5%	4.3%	2.3%	3.0%	2.3%	3.3%
Nursing Homes	4.6%	9.3%	2.8%	6.8%	8.0%	19.2%
Specialized Government	8.5%	9.8%	12.3%	9.8%	12.4%	13.0%
<b>TOTAL PERSONAL HEALTH CARE</b>	<b>4.7%</b>	<b>5.8%</b>	<b>4.1%</b>	<b>6.8%</b>	<b>8.9%</b>	<b>7.9%</b>

*Note: Percent change values may differ due to rounding of reported expenditures values.*

Source: AHCA

## Appendix 6: Health Care Expenditures by Payer, 1992-2002

---

### Health Care Expenditures by Payer, Florida, 1992-1996

Health Care Payer	1992	1993	1994	1995	1996
Medicaid	\$4,419	\$5,092	\$5,631	\$6,035	\$6,210
Medicare	10,254	10,579	11,432	13,490	15,810
Other Public Funds	4,222	4,349	4,634	4,594	4,492
Private Insurance	14,960	16,040	17,264	18,372	18,810
Out-of-Pocket	8,999	9,070	9,145	9,320	9,454
Other Private Sources	2,201	2,373	2,551	2,814	2,942
<b>TOTAL PERSONAL HEALTH CARE</b>	<b>45,055</b>	<b>47,503</b>	<b>50,656</b>	<b>54,625</b>	<b>57,718</b>

*Note: Figures in \$ millions. Numbers may not add to totals due to rounding.*

Source: AHCA

### Percent Change, Health Care Expenditures by Payer, Florida, 1992-1996

Health Care Payer	1992-93	1993-94	1994-95	1995-96
Medicaid	15.2%	10.6%	7.2%	2.9%
Medicare	3.2%	8.1%	18.0%	17.2%
Other Public Funds	3.0%	6.6%	-0.9%	-2.2%
Private Insurance	7.2%	7.6%	6.4%	2.4%
Out-of-Pocket	0.8%	0.8%	1.9%	1.4%
Other Private Sources	7.8%	7.5%	10.3%	4.5%
<b>TOTAL PERSONAL HEALTH CARE</b>	<b>5.4%</b>	<b>6.6%</b>	<b>7.8%</b>	<b>5.7%</b>

*Note: Percent change values may differ due to rounding of reported expenditures values.*

Source: AHCA

**Appendix 6 (continued):  
Health Care Expenditures by Payer, 1992-2002**

**Health Care Expenditures by Payer, Florida, 1997-2002**

Health Care Payer	1997	1998	1999	2000	2001	2002
Medicaid	\$6,446	\$6,779	\$7,355	\$8,332	\$9,560	\$10,828
Medicare	16,599	16,766	16,929	17,867	19,149	19,826
Other Public Funds	4,411	4,611	4,776	5,108	5,713	6,185
Private Insurance	19,749	21,380	22,589	24,510	27,110	29,824
Out-of-Pocket	10,026	10,958	11,372	11,837	12,433	13,222
Other Private Sources	3,179	3,398	3,463	3,334	3,328	3,498
<b>TOTAL PERSONAL HEALTH CARE</b>	<b>60,412</b>	<b>63,892</b>	<b>66,482</b>	<b>70,987</b>	<b>77,294</b>	<b>83,383</b>

*Note: Figures in \$ millions. Numbers may not add to totals due to rounding.*

Source: AHCA

**Percent Change, Health Care Expenditures by Payer, Florida, 1997-2002**

Health Care Payer	1996-97	1997-98	1998-99	1999-00	2000-01	2001-02
Medicaid	3.8%	5.2%	8.5%	13.3%	14.7%	13.3%
Medicare	5.0%	1.0%	1.0%	5.5%	7.2%	3.5%
Other Public Funds	-1.8%	4.5%	3.6%	7.0%	11.9%	8.3%
Private Insurance	5.0%	8.3%	5.7%	8.5%	10.6%	10.0%
Out-of-Pocket	6.1%	9.3%	3.8%	4.1%	5.0%	6.3%
Other Private Sources	8.1%	6.9%	1.9%	-3.7%	-0.2%	5.1%
<b>TOTAL PERSONAL HEALTH CARE</b>	<b>4.7%</b>	<b>5.8%</b>	<b>4.1%</b>	<b>6.8%</b>	<b>8.9%</b>	<b>7.9%</b>

*Note: Percent change values may differ due to rounding of reported expenditures values.*

Source: AHCA

## Appendix 7: HMO Expenditures and Premium Revenue, 1992-2002

---

### Total HMO Expenditures, Florida, 1992-1996

	1992	1993	1994	1995	1996
Total Expenditures	\$2,835	\$3,398	\$4,095	\$5,306	\$6,391
Percent Change		19.9%	20.5%	29.6%	20.4%

*Note: Figures in \$ millions. Numbers may not add to totals due to rounding.*

*Percent change values may differ due to rounding of reported expenditures values.*

Source: Florida Department of Financial Services

### HMO Premium Revenue and Percentage Change, Florida, 1992-1996

Revenue Source	1992	1993	1994	1995	1996
Commercial	\$1,972	\$2,207	\$2,605	\$3,245	\$3,824
Percent Change		11.9%	18.1%	24.5%	17.9%
Medicare	1,192	1,562	1,810	2,269	2,973
Percent Change		31.0%	15.9%	25.3%	31.0%
Medicaid	191	399	576	719	542
Percent Change		108.4%	44.4%	24.8%	-24.6%
Total	3,355	4,168	4,992	6,233	7,339
Percent Change		24.2%	19.8%	24.9%	17.8%

*Note: Figures in \$ millions. Numbers may not add to totals due to rounding.*

*Percent change values may differ due to rounding of reported revenue values.*

Source: Florida Department of Financial Services

**Appendix 7 (continued):  
HMO Expenditures and Premium Revenue, 1992-2002**

**Total HMO Expenditures, Florida, 1997-2002**

	1997	1998	1999	2000	2001	2002
Total Expenditures	\$7,640	\$9,125	\$10,275	\$10,346	\$11,484	\$11,259
Percent Change	19.6%	19.4%	12.6%	0.7%	11.0%	-2.0%

*Note: Figures in \$ millions. Numbers may not add to totals due to rounding.*

*Percent change values may differ due to rounding of reported expenditures values.*

Source: Florida Department of Financial Services

**HMO Premium Revenue and Percentage Change, Florida, 1997-2002**

Revenue Source	1997	1998	1999	2000	2001	2002
Commercial	\$4,338	\$5,114	\$5,751	\$6,182	\$6,812	\$7,399
Percent Change	13.4%	17.9%	12.4%	7.5%	10.2%	8.6%
Medicare	3,808	4,569	4,901	4,876	4,942	4,424
Percent Change	28.1%	20.0%	7.3%	-0.5%	1.4%	-10.5%
Medicaid	572	640	716	830	968	1,154
Percent Change	5.5%	11.9%	11.9%	15.9%	16.6%	19.2%
Total	8,718	10,323	11,368	11,887	12,721	12,978
Percent Change	18.8%	18.4%	10.1%	4.6%	7.0%	2.0%

*Note: Figures in \$ millions. Numbers may not add to totals due to rounding.*

*Percent change values may differ due to rounding of reported revenue values.*

Source: Florida Department of Financial Services

## Notes

---

This page is intentionally left blank.