

Disability Statistics Abstract

Number 12

Medical Expenditures for People with Disabilities

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Americans with disabilities spend more than 4 times as much on medical care, services, and equipment, on average, as their non-disabled counterparts. And while people with disabilities comprised only 17 percent of the non-institutionalized population, they account for 47 percent of medical expenditures (see Figure 1). Expenditures for people with and without disabilities differ by age, gender, and type of expenditure.

For the purposes of this abstract, a person is considered as having a disability if he or she has a limitation in life activities due to a chronic health condition or impairment, as follows: A child under age 5 with a disability is one who is unable to participate in play activities or is limited in any way. A child or adolescent aged 5 to 17 with a disability is one who attends or needs to attend a special school,

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Medical spending of people with disabilities is four times as great as for people without disabilities.

is limited in or unable to attend school, or is limited in activities other than school. An adult with a disability is one who cannot work or do housework or is limited in the amount or kind of work or housework due to health.

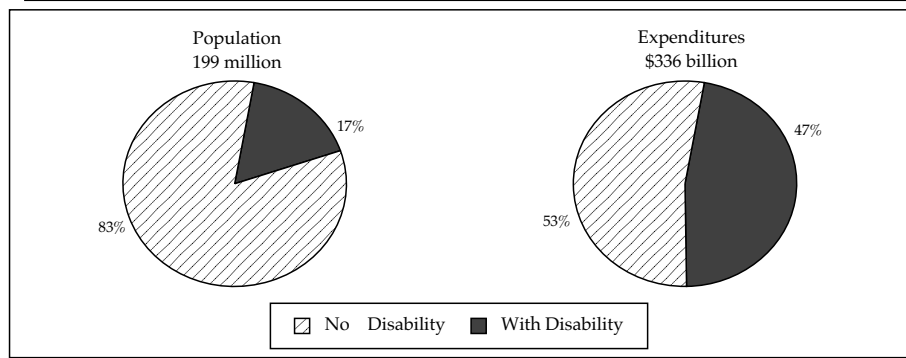
The information presented here is based on data from the 1987 National Medical Expenditures Survey (NMES). Expenditures have been computed for 1987 and then updated to 1993, using the percentage increase from 1987 to 1993 for each type of expenditure as reported in the National Health Accounts.¹ Medical expenditures are reported for nine categories of medical care and four age groups. Included are all expenditures, whether or not related to disability. Data are not presented for children under the age of 1, because few questionnaires that included the disability measures were completed for infants.

Type of Expenditures

Medical expenditures for people with disabilities amounted to \$156.9 billion in 1987 and an estimated \$282.8 billion in 1993 terms (Table 1). The 1993 expenditures represent an increase of 80 percent over 1987, with the greatest increase occurring for home health services, which rose 253 percent. The largest expenditure for people with disabilities in 1993 is for hospital care: \$128 billion, accounting for 45 percent of their total expenditures. Physician services are the next most costly type of care (\$70 billion), followed by home care (\$31 billion), other professional services (\$22 billion), and prescription drugs (\$18 billion).

Per capita medical expenditures for 1987 are shown in Table 2. Total per capita expenditures are over four times as great for people

The one-sixth of the population with disabilities accounts for almost half of medical spending.

Figure 1: Distribution of Population and Medical Expenditures, by Disability Status, 1987.

People with disabilities comprise just over one-fifth of those using prescription drugs and account for nearly half of the expenditures. They also represent a disproportionately large share of expenditures for other professional services (24 percent of users and 41 percent of expenditures), medical equipment (47 percent of users and 63 percent of expenditures), and home care (66 percent of users and 89 percent of expenditures).

Table 1: Estimated Medical Expenditures* for Persons with Disabilities by Type of Medical Expenditures, 1987 and 1993.

Type of Expenditure	1987 Expenditures (millions)	1993 Expenditures (millions)
Total	\$ 156,949	\$ 282,832
Hospital Care	75,832	127,598
Physician Services	42,338	69,628
Emergency Room	2,445	4,114
Other Professional Services	9,581	21,706
Dental Services	4,043	5,977
Vision Aids	825	1,283
Prescription Drugs	10,612	17,531
Medical Equipment	2,410	3,749
Home Care	8,863	31,246

*Excludes nursing home care.
Note: Expenditures are for the non-institutionalized population and exclude infants under one year of age.

Age and Gender

Table 3 shows per capita medical expenditures by age and gender. Per capita medical expenditures increase with age for males and females, for both those with and without disabilities. For males with disabilities, per capita expenditures range from \$1,650 for children to \$6,525 for older adults. For females with disabilities, the range is from \$1,670 to \$6,226. Per capita expenditures for those with disabilities are greater than for those without disabilities for every age and gender group, ranging from 2.3 times as great for female children to 4.7 times as great for male adults aged 18 to 44.

People with disabilities account for a disproportionately large share of expenditures for every age and gender group, as also shown in Table 3. Children aged 1 to 17 with disabilities represent 9 percent of children and account for 19 percent of children's medical expenditures. Likewise, among adults aged 18 to 44, those with disabilities comprise 9 percent of the population but account for 24 percent of medical expenditures; among 45 to 64 year olds, they represent 24 percent of the population but account for 54 percent of medical expenditures;

with disabilities as for people without disabilities—\$4,692 compared to \$1,086. The greatest difference is for home care, for which people with disabilities spend \$2,575, compared with \$610 for people without disabilities. Expenditures for physician services are over three times as great for people with disabilities, and expenditures for hospital care, other professional services, and medical equipment are twice as great for people with disabilities as for those without disabilities. Expenditures for emergency

room services are 1.4 times as large for people with disabilities, while expenditures are nearly the same for dental care and vision aids for people with and without disabilities. The proportion of service users with disabilities and the proportion of total expenditures by people with disabilities are also shown in Table 2. People with disabilities represent 38 percent of those who are hospitalized and account for 57 percent of hospitalization expenditures. They represent 19 percent of those who visit physicians and 42 percent of physician service expenditures.

Table 2: Per Capita Medical Expenditures, Percent of Service Users who have Disabilities, and Percent of Medical Expenditures for People with Disabilities, by Type of Expenditure, 1987.

Type of Expenditure	Per Capita Medical Expenditures		Percent of	
	With Disability	No Disability	Service Users	Expenditures
Total	\$ 4,692	\$ 1,086	16.8	46.7
Hospital Care	9,928	4,604	38.4	57.4
Physician Services	1,376	442	19.0	42.1
Emergency Room	358	248	21.5	28.4
Other Professional Services	694	325	24.2	40.5
Dental Services	312	295	12.6	13.2
Vision Aids	119	126	18.2	17.4
Prescription Drugs	366	109	21.4	47.6
Medical Equipment	299	152	46.7	63.3
Home Care	2,575	610	65.7	89.0

Note: Expenditures are for the non-institutionalized population and exclude infants under one year of age.

Table 3: Per Capita Medical Expenditures, Percent of Service Users who Have Disabilities, and Percent of Medical Expenditures for People with Disabilities, by Age and Gender, 1987.

Age and Gender	Per Capita Medical Expenditures		Percent of	
	With Disability	No Disability	Service Users	Expenditures
Total	\$ 4,692	\$ 1,086	16.8	46.7
1-17	1,660	676	8.5	18.5
18-44	3,148	1,001	9.0	23.8
45-64	5,108	1,346	23.8	54.3
65+	6,341	2,309	46.7	70.6
Males	4,961	965	15.6	48.6
1-17	1,650	620	8.5	19.8
18-44	3,425	734	8.7	30.8
45-64	6,100	1,371	22.3	56.0
65+	6,525	2,640	44.3	66.3
Females	4,495	1,192	17.9	45.2
1-17	1,670	734	8.4	17.3
18-44	2,938	1,217	9.3	19.8
45-64	4,365	1,324	25.2	52.6
65+	6,226	2,066	48.3	73.8

Note: Expenditures are for the non-institutionalized population and exclude infants under one year of age.

and among those aged 65 and older, they comprise 47 percent of the population but account for 71 percent of medical expenditures. This distribution is similar for males and females.

Notes

1. Levit, K., Sensenig, A.S., Cowan, C.A., Lazenby, H.C., McDonnell, P.A., Won, D.K., Sivarajan, L., Stiller, J.M., Donham, C.S., and Stewart, M.S. 1994. National Health Expenditures, 1993. *Health Care Financing Review* 16(1):247-294.

Credits

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