

## STATISTICAL BRIEF #42

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# The National Hospital Bill: Growth Trends and 2005 Update on the Most Expensive Conditions by Payer

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### Introduction

As health care costs rise and the population ages, policy makers are concerned with the growing burden of hospital-based medical care and expenses to governments, consumers, and insurers. This Statistical Brief presents data from the Healthcare Cost and Utilization Project (HCUP) on the national inpatient hospital bill (aggregate community hospital charges) in 2005 and annual trends for 1997 through 2005.

This report provides information on the top 20 most expensive conditions and the growth in the national bill for each of these conditions between 1997 and 2005. This report also describes the distribution of the nation's 2005 bill by primary payer and illustrates the conditions accounting for the largest percentage of each payer's hospital bills. The primary payers examined are Medicare, Medicaid, private insurance, and the uninsured.

### Findings

#### *The 2005 national hospital bill and changes since 1997*

The nation's hospitals billed nearly \$875 billion in total charges in 2005 for inpatient hospitalizations. These charges involved 39.2 million hospital stays, but do not include hospital outpatient care, emergency care for patients not admitted to the hospital, or physician fees for the admissions. Figure 1 shows that from 1997 to 2005, the national hospital bill increased 89 percent from \$462 billion (in 2005 dollars) to \$875 billion. During this same time period the number of admissions increased from 34.7 million annually to 39.2 million—a 13 percent increase.

#### *Most expensive conditions requiring hospitalization*

In 2005, over half the U.S. hospital charges were for the 20 conditions with the largest national hospital charges, with the top five conditions accounting for approximately one-fifth of the charges (table 1). The top five conditions included three circulatory conditions—coronary artery disease (atherosclerosis), acute myocardial infarction (heart attack), and congestive heart failure. Coronary artery disease involved 1.1 million hospital stays and was the most expensive condition treated. This condition resulted in 5.3 percent of the total national hospital bill, translating into \$46 billion in expenses. More than half of the hospital stays for coronary artery disease were among patients who also received percutaneous coronary angioplasty (PTCA) or coronary artery bypass grafts (CABG) during their stay. Acute myocardial infarction

### Highlights

- In 2005, the national hospital bill totaled nearly \$875 billion for 39 million hospital stays. This represents an increase of 89 percent since 1997. During this same time period the number of admissions increased from 34.7 million annually to 39.2 million—a 13 percent increase.
- One-fifth of the national hospital bill was for treatment of five conditions: coronary artery disease, mother's pregnancy and delivery, newborn infants, acute myocardial infarction (AMI), and congestive heart failure (CHF). Hospital stays for coronary artery disease incurred the highest charges (\$46 billion); mother's pregnancy and delivery had the second highest charges (\$44 billion).
- Among the 20 most expensive conditions in 2005, ten increased faster than the overall 1997 to 2005 increase in the national bill for all conditions (89 percent). The national bill for sepsis and nonspecific chest pain grew twice as fast as the overall growth in hospital charges—about a 180 percent increase from 1997 to 2005. Other expensive conditions for which the national bill grew faster than overall included respiratory failure (a 171 percent increase), back pain (170 percent), and osteoarthritis (165 percent).
- Almost two-thirds of the national bill for hospital care was billed to two government payers, Medicare (\$411 billion) and Medicaid (\$124 billion), while \$272 billion was billed to private insurance.

(heart attack) resulted in \$32 billion of hospital charges for 662,000 hospital stays. The 1.1 million hospitalizations for congestive heart failure amounted to \$30 billion in hospital charges.

The top five also included two pregnancy-related conditions—mother's pregnancy and delivery, and newborn infants. Hospital stays for pregnancy and delivery resulted in a total hospital bill of \$44 billion, or 5 percent of the entire national bill. Nearly 4 percent of the national hospital bill—\$35 billion—was for stays involving newborn infants.

#### *Growth in the national hospital bill for expensive conditions since 1997*

Figures 2 and 3 present information on the increase in the national bill from 1997 to 2005 for the 20 most expensive conditions in 2005. Charges for all of the top 20 conditions increased over this time period as shown in Figure 2. The national bill for sepsis increased faster than for any other condition—183 percent, or about twice as fast as for all conditions. This was closely followed by chest pain, showing a 181 percent increase in the national bill. Chest pain is a nonspecific diagnosis which indicates that no cause for the symptom could be found during the hospital stay.

The national bill for respiratory failure and back pain increased about 170 percent from 1997 to 2005, while the bill for osteoarthritis increased 165 percent. The national bill for cardiac dysrhythmias increased 131 percent. Two condition categories which reflect complications of procedures, surgeries, devices, transplants and grafts showed 113–120 percent growth in hospital charges. The national bill for diabetes hospitalizations grew at a rate slightly higher than overall—97 percent.

Figure 3 shows those top 20 most expensive conditions for which the national bill increased more slowly than the overall rate of increase for all conditions. The national bill for newborn and pregnancy/delivery hospital stays grew 78 and 75 percent, respectively from 1997 to 2005. Charges for rehabilitation care grew by 77 percent. Gall bladder disease, chronic obstructive pulmonary disease (COPD), heart attack, pneumonia, and hip fracture all experienced 61–67 percent increases in the national bill. Total charges for stroke grew by 51 percent and coronary artery disease grew by 44 percent over the time period.

#### *The national hospital bill, by primary payer*

In 2005, two government payers, Medicare and Medicaid, bore responsibility for almost two-thirds of the national hospital bill (figure 4). Medicare incurred approximately \$411 billion in total charges in 2005 for 14.5 million hospital stays, representing 47.0 percent of the total national hospital bill. Hospital stays billed to Medicaid totaled \$124 billion, or 14.2 percent of the national bill. Private insurance was billed for 13.7 million hospital stays with total charges of about \$272 billion (31.1 percent of the national hospital bill). Uninsured patients accounted for 4.4 percent (\$38 billion) of the national bill.

#### *Most expensive conditions requiring hospitalization, by primary payer*

Tables 2 through 5 illustrate the 20 most expensive conditions billed to Medicare, Medicaid, private insurance, and the uninsured in 2005. Some commonalities exist across payers in the conditions that generated high total charges. For all four payer groups, coronary artery disease and pneumonia are ranked among the top 10, while heart attack, congestive heart failure, acute cerebrovascular disease (stroke), sepsis, respiratory failure, and gall bladder disease are ranked among the top 20 most expensive conditions. Conditions related to a mother's pregnancy and delivery and newborn infants ranked in the top 5 for Medicaid, private insurance, and the uninsured. Diabetes with complications was included in the top 20 for Medicare, Medicaid, and the uninsured.

Predictably, given payer differences in demographic mix and service coverage, certain conditions are relatively more prominent in the top rankings of some payer groups than in others. For example, table 2 shows that circulatory diseases accounted for six of the top 20 most expensive conditions billed to Medicare, resulting in about \$95 billion of total hospital charges. Osteoarthritis, a degenerative disorder that becomes more commonplace and debilitating with age, was the sixth most expensive condition billed to Medicare (\$15 billion). More than 90 percent of these osteoarthritis patients were admitted for elective hip or knee joint replacement. Hip fracture ranked 12th for Medicare (\$9.1 billion), but was not in the top 20 ranking for other payers.

Table 3 illustrates that the most expensive hospital stays billed to Medicaid were related to pregnancy and delivery (\$18 billion) and the care of newborn infants (\$16 billion). Two mental health disorders—schizophrenia and affective disorders (depression and bipolar disorders)—were included among the top 20 most expensive reasons for hospitalization. These two conditions resulted in hospital bills totaling \$4.4 billion. Hospitalizations for cardiac and circulatory congenital anomalies (\$2.2 billion) and for HIV infection

(\$1.3 billion) were also among the top 20 most expensive conditions billed to Medicaid, but this was not the case for the other payers. The high ranking for these conditions is related to the categories of people with Medicaid as their primary payer for hospital care: women of childbearing age (and their children) and disabled persons.

The top 20 most expensive reasons for hospitalization among patients with private insurance included six circulatory diseases (totaling \$40 billion) and two conditions related to childbirth (totaling \$40 billion) (table 4). Coronary artery disease (\$15 billion), back pain (\$9.5 billion) and osteoarthritis (\$9.3 billion) constituted the third, fourth and fifth most expensive conditions billed to private insurers, respectively. Back pain and osteoarthritis did not appear among the top 20 most expensive disorders for Medicaid or the uninsured. Other nutritional, endocrine, and metabolic disorders—a condition which includes obesity—was the 17th most expensive reason for hospitalization among those covered by private insurance, though this condition did not appear in the top 20 rankings for other payer types.

Heart attack was the most expensive reason for hospitalization among the uninsured (table 5). Three of the top 20 most expensive reasons for hospitalization among the uninsured involved injuries. Hospitalizations for intracranial injury, crushing injury or external injury, and fracture of the lower limb, resulted in more than \$2.7 billion of total hospital charges. The top 20 most expensive conditions for the uninsured also included two mental health-related disorders— affective disorders and alcohol-related mental disorders—that totaled \$1.2 billion. Pancreatic disorders (\$ 0.7 billion) ranked 15th for the uninsured, but were not included among the top 20 for other payers.

## Data Source

The estimates in this Statistical Brief are based upon data from the HCUP 2005 Nationwide Inpatient Sample (NIS). Historical data are from the 1997 through 2004 NIS. The statistics were generated from HCUPnet, a free, online query system that provides users with *immediate access* to largest set of publicly available, all-payer national, regional, and State-level hospital care databases from HCUP.

## Definitions

### *Principal diagnoses, ICD-9-CM, and Clinical Classification Software (CCS)*

The principal diagnosis is that condition established after study to be chiefly responsible for the patient's admission to the hospital.

ICD-9-CM is the International Classification of Diseases, Ninth Revision, Clinical Modification, which assigns numeric codes to diagnoses. There are about 12,000 ICD-9-CM diagnosis codes.

CCS categorizes ICD-9-CM diagnoses into 260 clinically meaningful categories.<sup>1</sup> This "clinical grouper" makes it easier to quickly understand patterns of diagnoses.

For this report, "Mother's pregnancy and delivery" conditions were defined as CCS categories:

- 177 Spontaneous abortion
- 178 Induced abortion
- 180 Ectopic pregnancy
- 181 Other complications of pregnancy
- 182 Hemorrhage during pregnancy, abruptio placenta, placenta previa
- 183 Hypertension complicating pregnancy, childbirth and the puerperium
- 184 Early or threatened labor
- 185 Prolonged pregnancy
- 186 Diabetes or abnormal glucose tolerance complicating pregnancy, childbirth, or the puerperium
- 187 Malposition, malpresentation
- 188 Fetopelvic disproportion, obstruction
- 189 Previous C-section
- 190 Fetal distress and abnormal forces of labor
- 191 Polyhydramnios and other problems of amniotic cavity

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<sup>1</sup> HCUP CCS. Healthcare Cost and Utilization Project (HCUP). August 2006. U.S. Agency for Healthcare Research and Quality, Rockville, MD. [www.hcup-us.ahrq.gov/toolssoftware/ccs/ccs.jsp](http://www.hcup-us.ahrq.gov/toolssoftware/ccs/ccs.jsp)

- 192 Umbilical cord complication
- 193 Trauma to perineum and vulva
- 194 Forceps delivery
- 195 Other complications of birth, puerperium affecting management of the mother
- 196 Normal pregnancy and/or delivery

“Newborn infants” were defined as CCS categories:

- 218 Liveborn
- 219 Short gestation, low birth weight, and fetal growth retardation
- 220 Intrauterine hypoxia and birth asphyxia
- 221 Respiratory distress syndrome
- 222 Hemolytic jaundice and perinatal jaundice
- 223 Birth trauma
- 224 Other perinatal conditions

#### *Types of hospitals included in HCUP*

HCUP is based on data from community hospitals, defined as short-term, non-Federal, general and other hospitals, excluding hospital units of other institutions (e.g., prisons). HCUP data include OB-GYN, ENT, orthopedic, cancer, pediatric, public, and academic medical hospitals. They exclude long-term care, rehabilitation, psychiatric, and alcoholism and chemical dependency hospitals, but these types of discharges are included if they are from community hospitals.

#### *Unit of analysis*

The unit of analysis is the hospital discharge (i.e., the hospital stay), not a person or patient. This means that a person who is admitted to the hospital multiple times in one year will be counted each time as a separate "discharge" from the hospital.

#### *Charges*

Hospital charges reflect the amount the hospital billed for the entire hospital stay and do not include professional (physician) fees. The charge is generally more than the amount paid to the hospital by payers for the hospitalization and is also generally more than the hospital's costs of care. For this brief, when a hospital record is missing charge information, a value is imputed by calculating the mean charge for all discharges with the same diagnosis-related group (DRG) with non-missing charges. Fewer than 2 percent of hospital records in the 2005 NIS have missing charge data.

Charges are adjusted for economy-wide inflation by removing increases that reflect the effect of changing average prices for all goods and services. In this report, the U.S. Bureau of Economic Analysis Gross Domestic Product Price Index was used to remove economy-wide inflation; additional inflation that is specific to the hospital sector is not removed in this calculation. All dollar values are expressed in 2005 dollars.

#### *Primary payer*

Each hospitalization and its related hospital bill are attributed to the payer who was expected by the hospital to pay the major portion of the bill (i.e., the expected primary payer). The expected primary source of payment at admission may not be the ultimate primary payer. In addition, other (secondary) payers may pay a portion of the bill. For this report, if the primary payer is listed as “self-pay” or “no charge,” the payer is “uninsured.” If the primary payer is some other third-party payer besides Medicare, Medicaid, or private insurance, the payer is “other.” “Other” payer consists of Worker’s Compensation, TRICARE/CHAMPUS, CHAMPVA, Title V, and other government programs.

## **About HCUP**

HCUP is a family of powerful health care databases, software tools, and products for advancing research. Sponsored by the Agency for Healthcare Research and Quality (AHRQ), HCUP includes the largest all-payer encounter-level collection of longitudinal health care data (inpatient, ambulatory surgery, and emergency department) in the United States, beginning in 1988. HCUP is a Federal-State-Industry Partnership that brings together the data collection efforts of many organizations—such as State data organizations, hospital associations, private data organizations, and the Federal government—to create a national information resource.

HCUP would not be possible without the contributions of the following data collection Partners from across the United States:

**Arizona** Department of Health Services  
**Arkansas** Department of Health & Human Services  
**California** Office of Statewide Health Planning & Development  
**Colorado** Health & Hospital Association  
**Connecticut** Integrated Health Information (Chime, Inc.)  
**Florida** Agency for Health Care Administration  
**Georgia** GHA: An Association of Hospitals & Health Systems  
**Hawaii** Health Information Corporation  
**Illinois** Health Care Cost Containment Council and Department of Public Health  
**Indiana** Hospital & Health Association  
**Iowa** Hospital Association  
**Kansas** Hospital Association  
**Kentucky** Cabinet for Health and Family Services  
**Maryland** Health Services Cost Review Commission  
**Massachusetts** Division of Health Care Finance and Policy  
**Michigan** Health & Hospital Association  
**Minnesota** Hospital Association  
**Missouri** Hospital Industry Data Institute  
**Nebraska** Hospital Association  
**Nevada** Division of Health Care Financing and Policy, Department of Human Resources  
**New Hampshire** Department of Health & Human Services  
**New Jersey** Department of Health & Senior Services  
**New York** State Department of Health  
**North Carolina** Department of Health and Human Services  
**Ohio** Hospital Association  
**Oklahoma** Health Care Information Center for Health Statistics  
**Oregon** Association of Hospitals and Health Systems  
**Rhode Island** Department of Health  
**South Carolina** State Budget & Control Board  
**South Dakota** Association of Healthcare Organizations  
**Tennessee** Hospital Association  
**Texas** Department of State Health Services  
**Utah** Department of Health  
**Vermont** Association of Hospitals and Health Systems  
**Virginia** Health Information  
**Washington** State Department of Health  
**West Virginia** Health Care Authority  
**Wisconsin** Department of Health & Family Services

## About the NIS

The HCUP Nationwide Inpatient Sample (NIS) is a nationwide database of hospital inpatient stays. The NIS is nationally representative of all community hospitals (i.e., short-term, non-Federal, non-rehabilitation hospitals). The NIS is a sample of hospitals and includes all patients from each hospital, regardless of payer. It is drawn from a sampling frame that contains hospitals comprising about 90 percent of all discharges in the United States. The vast size of the NIS allows the study of topics at both the national and regional levels for specific subgroups of patients. In addition, NIS data are standardized across years to facilitate ease of use.

## About HCUPnet

HCUPnet is an online query system that offers instant access to the largest set of all-payer health care databases that are publicly available. HCUPnet has an easy step-by-step query system, allowing for tables and graphs to be generated on national and regional statistics, as well as trends for community hospitals in the U.S. HCUPnet generates statistics using data from HCUP's Nationwide Inpatient Sample (NIS), the Kids' Inpatient Database (KID), the State Inpatient Databases (SID) and the State Emergency Department Databases (SEDD).

## For More Information

For more information about HCUP, visit [www.hcup-us.ahrq.gov](http://www.hcup-us.ahrq.gov).

For additional HCUP statistics, visit HCUPnet, our interactive query system, at [www.hcup.ahrq.gov](http://www.hcup.ahrq.gov).

For information on other hospitalizations in the U.S., download HCUP Facts and Figures: Statistics on Hospital-based Care in the United States in 2005, located at <http://www.hcup-us.ahrq.gov/reports.jsp>.

For a detailed description of HCUP, more information on the design of the NIS, and methods to calculate estimates, please refer to the following publications:

Steiner, C., Elixhauser, A., Schnaier, J. The Healthcare Cost and Utilization Project: An Overview. *Effective Clinical Practice* 5(3):143–51, 2002.

Design of the HCUP Nationwide Inpatient Sample, 2005. Online. June 13, 2007. U.S. Agency for Healthcare Research and Quality.

[http://www.hcup-us.ahrq.gov/db/nation/nis/reports/NIS\\_2005\\_Design\\_Report.pdf](http://www.hcup-us.ahrq.gov/db/nation/nis/reports/NIS_2005_Design_Report.pdf)

Houchens, R., Elixhauser, A. Final Report on Calculating Nationwide Inpatient Sample (NIS) Variances, 2001. HCUP Methods Series Report #2003-2. Online. June 2005 (revised June 6, 2005). U.S. Agency for Healthcare Research and Quality.

<http://www.hcup-us.ahrq.gov/reports/CalculatingNISVariances200106092005.pdf>

Houchens RL, Elixhauser A. Using the HCUP Nationwide Inpatient Sample to Estimate Trends. (Updated for 1988-2004). HCUP Methods Series Report #2006-05 Online. August 18, 2006. U.S. Agency for Healthcare Research and Quality.

[http://www.hcup-us.ahrq.gov/reports/2006\\_05\\_NISTrendsReport\\_1988-2004.pdf](http://www.hcup-us.ahrq.gov/reports/2006_05_NISTrendsReport_1988-2004.pdf)

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AHRQ welcomes questions and comments from readers of this publication who are interested in obtaining more information about access, cost, use, financing, and quality of health care in the United States. We also invite you to tell us how you are using this Statistical Brief and other HCUP data and tools, and to share suggestions on how HCUP products might be enhanced to further meet your needs. Please e-mail us at [hcp@ahrq.gov](mailto:hcp@ahrq.gov) or send a letter to the address below:

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Rockville, MD 20850

**Table 1. Top 20 most expensive conditions treated in U.S. hospitals, 2005**

<b>Rank</b>	<b>Principal diagnosis</b>	<b>Total national hospital bill (millions)</b>	<b>Percentage of national hospital bill</b>	<b>Number of hospital stays (thousands)</b>
1	Coronary artery disease	\$45,985	5.3%	1,110
2	Mother's pregnancy and delivery	\$43,925	5.0%	4,712
3	Newborn infants	\$35,316	4.0%	4,429
4	Acute myocardial infarction (AMI, heart attack)	\$31,946	3.7%	662
5	Congestive heart failure (CHF)	\$30,230	3.5%	1,090
6	Pneumonia	\$29,535	3.4%	1,355
7	Osteoarthritis	\$26,157	3.0%	738
8	Complication of device, implant or graft	\$25,291	2.9%	616
9	Sepsis	\$24,801	2.8%	538
10	Back pain (spondylosis, intervertebral disc disorders, other back problems)	\$20,327	2.3%	647
11	Respiratory failure, insufficiency, arrest (adult)	\$19,723	2.3%	336
12	Cardiac dysrhythmias	\$17,224	2.0%	697
13	Acute cerebrovascular disease (stroke)	\$17,060	2.0%	526
14	Rehabilitation care, fitting of prostheses, and adjustment of devices	\$13,848	1.6%	517
15	Complications of surgical procedures or medical care	\$13,316	1.5%	463
16	Gall bladder disease	\$11,719	1.3%	456
17	Chronic obstructive pulmonary disease (COPD)	\$11,506	1.3%	630
18	Diabetes mellitus with complications	\$11,171	1.3%	491
19	Hip fracture	\$10,869	1.2%	317
20	Nonspecific chest pain	\$10,027	1.1%	825
Total for top 20 conditions		\$449,976	51.5%	21,155
Total for all hospitalizations		\$873,236	100.0%	39,164

Source: AHRQ, Center for Delivery, Organization, and Markets, Healthcare Cost and Utilization Project, Nationwide Inpatient Sample, 2005.

**Table 2. Top 20 most expensive conditions billed to Medicare, 2005**

<b>Rank</b>	<b>Principal diagnosis</b>	<b>Total hospital charges (millions)</b>	<b>Percentage of Medicare's hospital bill</b>	<b>Number of hospital stays (thousands)</b>
1	Coronary artery disease	\$26,210	6.4%	617
2	Congestive heart failure (CHF)	\$22,581	5.5%	840
3	Pneumonia	\$18,879	4.6%	816
4	Acute myocardial infarction (AMI, heart attack)	\$18,319	4.5%	391
5	Sepsis	\$16,597	4.0%	375
6	Osteoarthritis	\$15,353	3.7%	438
7	Complication of device, implant or graft	\$14,491	3.5%	352
8	Respiratory failure, insufficiency, arrest (adult)	\$12,501	3.0%	222
9	Cardiac dysrhythmias	\$11,669	2.8%	460
10	Acute cerebrovascular disease (stroke)	\$10,020	2.4%	354
11	Rehabilitation care, fitting of prostheses, and adjustment of devices	\$9,496	2.3%	378
12	Hip fracture	\$9,110	2.2%	268
13	Chronic obstructive pulmonary disease (COPD)	\$8,397	2.0%	452
14	Back pain (spondylosis, intervertebral disc disorders, other back problems)	\$7,024	1.7%	231
15	Complications of surgical procedures or medical care	\$6,404	1.6%	202
16	Acute and unspecified renal failure	\$5,823	1.4%	205
17	Diabetes mellitus with complications	\$5,745	1.4%	214
18	Heart valve disorders	\$5,708	1.4%	56
19	Urinary tract infections	\$5,435	1.3%	323
20	Gall bladder disease	\$5,213	1.3%	172
Total for top 20 conditions		\$234,975	57.2%	7,367
Total for all hospitalizations		\$410,692	100.0%	14,557

Source: AHRQ, Center for Delivery, Organization, and Markets, Healthcare Cost and Utilization Project, Nationwide Inpatient Sample, 2005.

**Table 3. Top 20 most expensive conditions billed to Medicaid, 2005**

<b>Rank</b>	<b>Principal diagnosis</b>	<b>Total hospital charges (millions)</b>	<b>Percentage of Medicaid's hospital bill</b>	<b>Number of hospital stays (thousands)</b>
1	Mother's pregnancy and delivery	\$18,133	14.6%	1,992
2	Newborn infant	\$16,048	12.9%	1,876
3	Pneumonia	\$3,699	3.0%	185
4	Sepsis	\$2,895	2.3%	52
5	Complication of device, implant or graft	\$2,722	2.2%	64
6	Respiratory failure, insufficiency, arrest (adult)	\$2,710	2.2%	40
7	Coronary artery disease	\$2,491	2.0%	68
8	Schizophrenia and related disorders	\$2,335	1.9%	120
9	Congestive heart failure (CHF)	\$2,316	1.9%	77
10	Cardiac and circulatory congenital anomalies	\$2,181	1.8%	20
11	Affective disorders (depression and bipolar disorders)	\$2,057	1.7%	170
12	Acute myocardial infarction (AMI, heart attack)	\$1,850	1.5%	34
13	Diabetes mellitus with complications	\$1,777	1.4%	89
14	Acute cerebrovascular disease (stroke)	\$1,624	1.3%	33
15	Skin and subcutaneous tissue infections	\$1,525	1.2%	107
16	Complications of surgical procedures or medical care	\$1,510	1.2%	52
17	Asthma	\$1,353	1.1%	130
18	Gall bladder disease	\$1,326	1.1%	54
19	Intracranial injury	\$1,320	1.1%	21
20	HIV infection	\$1,276	1.0%	32
Total for top 20 conditions		\$71,148	57.3%	5,215
Total for all hospitalizations		\$124,256	100.0%	7,642

Source: AHRQ, Center for Delivery, Organization, and Markets, Healthcare Cost and Utilization Project, Nationwide Inpatient Sample, 2005.

**Table 4. Top 20 most expensive conditions billed to private insurance, 2005**

<b>Rank</b>	<b>Principal diagnosis</b>	<b>Total hospital charges (millions)</b>	<b>Percentage of private insurers' hospital bill</b>	<b>Number of hospital stays (thousands)</b>
1	Mother's pregnancy and delivery	\$22,773	8.4%	2,389
2	Newborn infants	\$16,907	6.2%	2,221
3	Coronary artery disease	\$14,964	5.5%	359
4	Back pain (spondylosis, intervertebral disc disorders, other back problems)	\$9,531	3.5%	301
5	Osteoarthritis	\$9,300	3.4%	258
6	Acute myocardial infarction (AMI, heart attack)	\$9,256	3.4%	185
7	Complication of device, implant or graft	\$6,807	2.5%	168
8	Pneumonia	\$5,354	2.0%	273
9	Complications of surgical procedures or medical care	\$4,534	1.7%	178
10	Sepsis	\$4,167	1.5%	87
11	Cardiac dysrhythmias	\$4,143	1.5%	175
12	Congestive heart failure (CHF)	\$4,107	1.5%	124
13	Gall bladder disease	\$4,083	1.5%	180
14	Acute cerebrovascular disease (stroke)	\$4,017	1.5%	104
15	Nonspecific chest pain	\$3,653	1.3%	309
16	Appendicitis	\$3,648	1.3%	188
17	Other nutritional, endocrine, and metabolic disorders	\$3,582	1.3%	109
18	Secondary malignancies	\$3,503	1.3%	91
19	Respiratory failure, insufficiency, arrest (adult)	\$3,336	1.2%	55
20	Fracture of lower limb	\$3,039	1.1%	105
Total for top 20 conditions		\$140,703	51.8%	7,857
Total for all hospitalizations		\$271,777	100.0%	13,684

Source: AHRQ, Center for Delivery, Organization, and Markets, Healthcare Cost and Utilization Project, Nationwide Inpatient Sample, 2005.

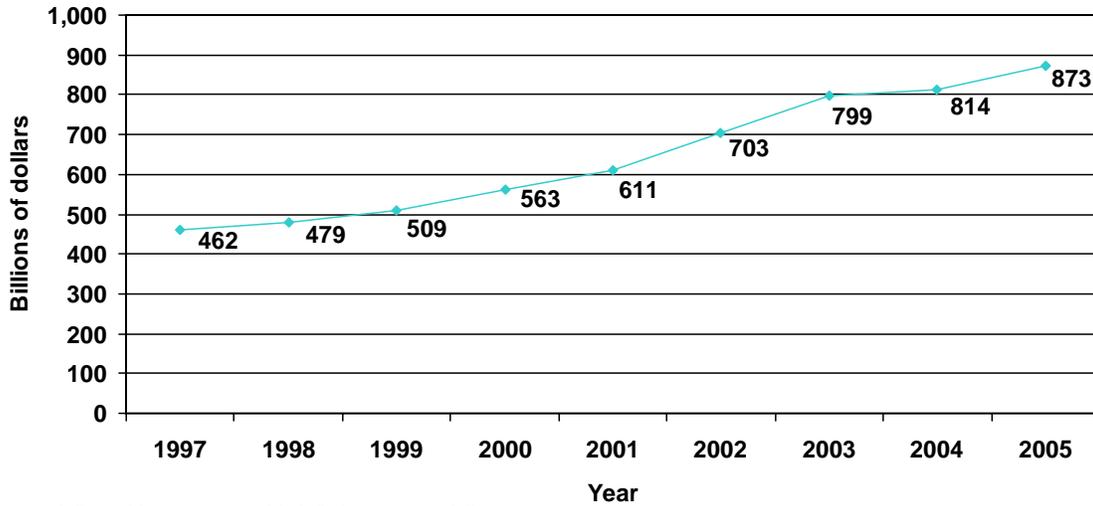
**Table 5. Top 20 most expensive conditions billed to the uninsured, 2005**

<b>Rank</b>	<b>Principal diagnosis</b>	<b>Total hospital charges (millions)</b>	<b>Percentage of uninsured hospital bill</b>	<b>Number of hospital stays (thousands)</b>
1	Acute myocardial infarction (AMI, heart attack)	\$1,747	4.6%	36
2	Mother's pregnancy and delivery	\$1,634	4.3%	184
3	Coronary artery disease	\$1,265	3.3%	39
4	Newborn infants	\$1,058	2.8%	212
5	Pneumonia	\$998	2.6%	53
6	Acute cerebrovascular disease (stroke)	\$997	2.6%	25
7	Skin and subcutaneous tissue infections	\$997	2.6%	71
8	Intracranial injury	\$951	2.5%	21
9	Crushing injury or internal injury	\$887	2.3%	21
10	Fracture of lower limb	\$847	2.2%	29
11	Nonspecific chest pain	\$844	2.2%	73
12	Diabetes mellitus with complications	\$804	2.1%	48
13	Congestive heart failure (CHF)	\$798	2.1%	34
14	Gall bladder disease	\$787	2.1%	37
15	Appendicitis	\$740	1.9%	38
16	Sepsis	\$716	1.9%	15
17	Pancreatic disorders (not diabetes)	\$700	1.8%	35
18	Respiratory failure, insufficiency, arrest (adult)	\$690	1.8%	13
19	Affective disorders (depression and bipolar disorders)	\$580	1.5%	54
20	Alcohol-related mental disorders	\$575	1.5%	50
Total for top 20 conditions		\$18,614	48.7%	1,088
Total for all hospitalizations		\$38,210	100.0%	2,096

Source: AHRQ, Center for Delivery, Organization, and Markets, Healthcare Cost and Utilization Project, Nationwide Inpatient Sample, 2005.



**Figure 1. Growth in the national bill for hospital care, 1997–2005\***

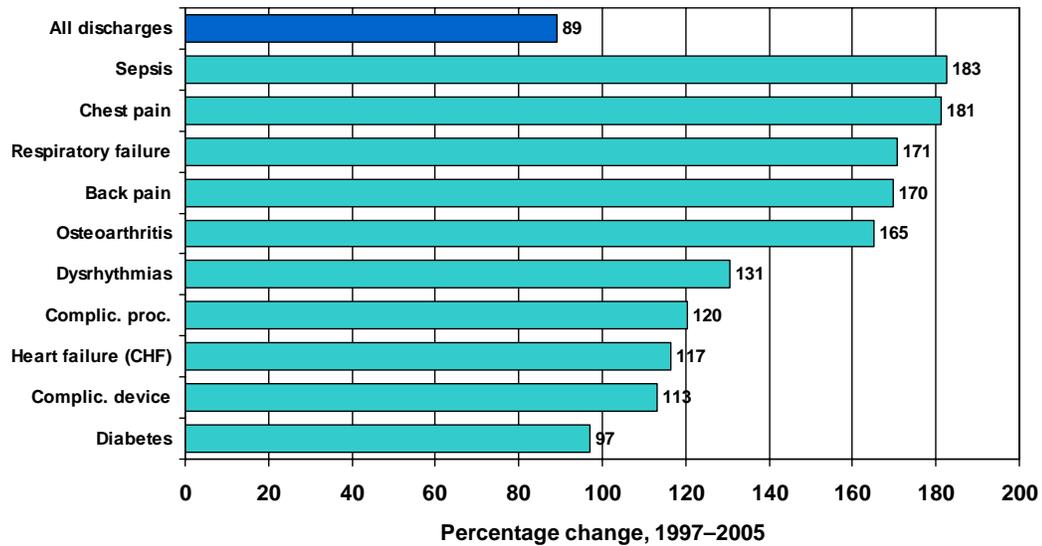


\* Adjusted for economy-wide inflation to 2005 dollars.

Source: AHRQ, Center for Delivery, Organization, and Markets, Healthcare Cost and Utilization Project, Nationwide Inpatient Sample



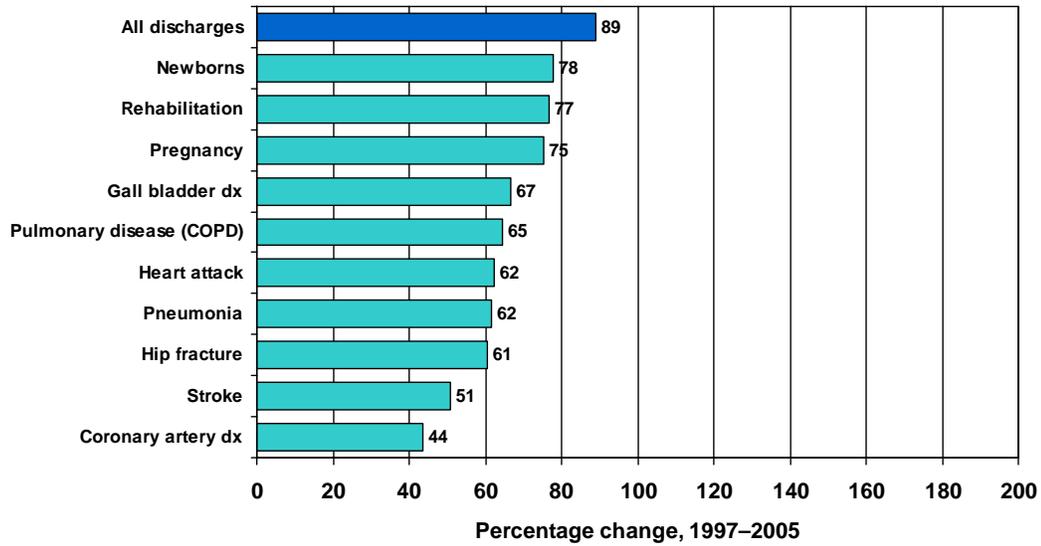
**Figure 2. Percentage increase in the national bill, for the most expensive conditions in which increase is *more* than overall**



Source: AHRQ, Center for Delivery, Organization, and Markets, Healthcare Cost and Utilization Project, Nationwide Inpatient Sample



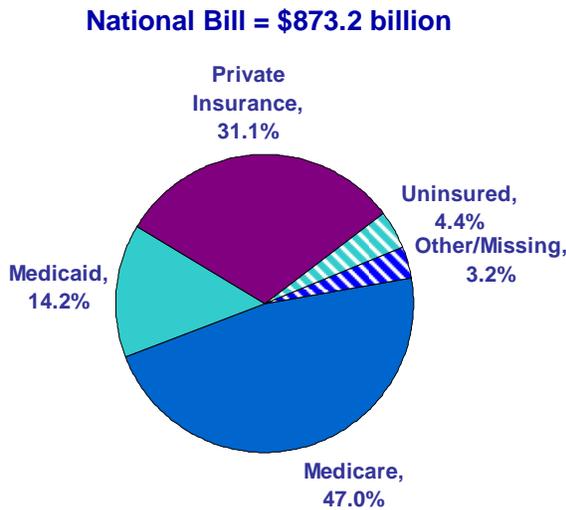
**Figure 3. Percentage increase in the national bill, for the most expensive conditions in which increase is *less* than overall**



Source: AHRQ, Center for Delivery, Organization, and Markets, Healthcare Cost and Utilization Project, Nationwide Inpatient Sample



**Figure 4. Distribution of the national hospital bill, by primary payer, 2005**



Note: "Other" insurers include Workers' Compensation, TRICARE, Title V, and other government programs.

Source: AHRQ, Center for Delivery, Organization, and Markets, Healthcare Cost and Utilization Project, Nationwide Inpatient Sample