FACT BRIEF · SUMMER 2026

Health Care

What is the ISSUE?

$15,474

SPENT PER PERSON ON HEALTH CARE IN 2024

The U.S. spends far more on health care than other wealthy countries, yet many people still struggle to afford care and results are uneven. It isn't one system but many — what you pay, what care costs, where the money goes, who covers the uninsured, and what a new law changes. ***This is a long Fact Brief, but each fact section below stands alone. Read the one you need.***

Know the Terms

Premium — the fixed amount you pay for insurance coverage each month.

Premium payment — what you actually pay after any tax credit. Not the same as the premium.

National Health Expenditure (NHE) — the official count of all U.S. health spending, from every source: government, insurance, and out-of-pocket.

Improper payments — payments that broke program rules: fraud, billing errors, missing documentation. Most are errors, not fraud.

Deductible — what you pay out of pocket each year before insurance starts paying.

Premium tax credit — a subsidy that lowers your premium payment. The enhanced version expired 1/1/26.

Uncompensated care — care the uninsured receive that no one directly pays for; hospitals, government, and taxpayers absorb the cost.

The 80/20 rule — insurers must spend at least 80 cents of every premium dollar on care, or refund the difference to customers.

What Are the Facts?

COVERAGE & COSTS

COVERED — AND NOT

In 2024, **92.0%** of Americans — **310 million** — had health insurance for some or all of the year. About 8%, roughly **27 million**, did not. [1]

THE PRICE OF CARE

In 2024, the U.S. spent about **$15,474 per person** on health care — per the government's own *National Health Expenditure Accounts*, roughly double other wealthy nations' average. [2][19]

CARE DELAYED

About **17%** of adults reported delaying or not getting care because of cost in 2024. [3]

WORRY AT THE KITCHEN TABLE

About **4 in 10** insured adults worry about their monthly *premium*, and **48%** worry about meeting their *deductible*. [4]

HEALTH CARE

What Are the Facts?

HOW AMERICANS ARE COVERED — 2024

Employment-based plans **53.8%**. Medicare **19.1%**. Medicaid **17.6%**. Direct-purchase, including the ACA Marketplace, **10.7%**. Military **4.0%**. These add to more than 100% because a person can hold more than one type during a year. [1]

ACA MARKETPLACE — private plans, bought through a government marketplace, with income-based tax credits

- The enhanced premium tax credits (2021–2025) expired **1/1/26**. Congress did not extend them; they were not repealed by the 2025 budget law. [20]
- Premium payments — what enrollees pay after credits — rose **58%**, from **$113 to $178/mo**. [20]
- Deductibles rose **37%**, from **$2,759 to $3,786/yr** — the steepest one-year rise since the Marketplaces opened in 2014. Had plan choices stayed the same they would have risen just **6%**; the jump came from people switching to cheaper bronze plans. [20]
- Sign-ups fell by more than a million, to **23.1 million** — the sharpest single-year drop in raw numbers on record. [20]

MEDICARE, PART B

- The standard premium rose **9.7%**, from **$185.00 to $202.90/mo**. Everyone on Part B pays it. [21]
- The annual deductible rose **10.1%**, from **$257 to $283**. [21]
- The **~8%** whose 2024 income was above **$109,000** (single) or **$218,000** (joint) pay a surcharge on top — **$284.10 to $689.90/mo** in total. [21]

JOB-BASED COVERAGE — 2025 data; covers about 154 million people under 65

- The average family premium rose **6%**, to **$26,993/yr** — against 2.7% general inflation and 4% wage growth. [22]
- Workers paid **$6,850** of that out of their paychecks; employers paid the rest. [22]

MEDICAID — the 2025 budget law (P.L. 119-21, signed July 4, 2025) takes full effect January 1, 2027 — after Election Day, November 3, 2026. States may start earlier with federal approval, and Nebraska, Montana and Arkansas began enforcing work requirements in 2026.

- **Jan. 1, 2027** — adults covered by the Medicaid expansion must document 80 hrs/month of work, school, or volunteering. States may start earlier; all must comply by Jan. 1, 2029. [23]
- **Jan. 1, 2027** — eligibility re-checked every 6 months instead of once a year. [23]
- The Congressional Budget Office — Congress's nonpartisan scorekeeper — projects **7.5 million** more people uninsured in 2034 and **$886.8 billion** less federal Medicaid spending through 2034. These are projections, not measurements. [24]
- **Most people who lose coverage will still be eligible for it.** Of those dropped at the six-month re-checks, CBO expects **30% to be genuinely ineligible**. The other **70%** lose coverage over missed paperwork, communication problems, or difficulty completing the process. [24]

WHO PAYS FOR THE UNINSURED

UNCOMPENSATED CARE

Care for the uninsured still gets paid for — often via emergency rooms. This "*uncompensated care*" ran about **$42 billion a year** in the mid-2010s; taxpayers covered roughly 80% (about $34 billion), around **$1,500 per full-year uninsured person**. [16] [17]

EMERGENCY MEDICAID

About **0.4%** of Medicaid spending in 2023 — roughly $3.8 billion — went to emergency care for undocumented immigrants. [18]

> Undocumented immigrants are barred from Medicare, full Medicaid, and government (ACA) subsidies.

HEALTH CARE

What Are the Facts?

SPENDING, OUTCOMES & OVERHEAD

ADMINISTRATIVE COSTS

U.S. administrative costs run about **$925 per person**, compared with **$245** in comparable countries — per the Peterson-KFF Health System Tracker. [5]

LIVING LONGER — RANKED LAST

In 2024, U.S. life expectancy hit a record **79.0 years** — still about 3.7 years below the ~82.7-year peer-nation average. The Commonwealth Fund's 2024 scorecard ranked the U.S. **last among 10 wealthy countries** on health-system performance. [6][7]

MEDICARE'S ERROR RATE

Medicare's "*improper payments*" (fraud, billing errors, and payments that don't meet program rules) were about **6.6%** of fee-for-service spending in 2025. [12][13]

WHERE PREMIUM DOLLARS GO

Overhead — money *not* spent on care: government-run Medicare spends about **1 to 2 cents** of every dollar on administration. Private insurers may keep *up to* **15 to 20 cents** per premium dollar for overhead, marketing, and profit — a legal cap, not a measured average (actual overhead often runs lower), and they must refund customers if they exceed it. [14][15]

What About Waste?

The *Journal of the American Medical Association* estimated that 25% of U.S. health care spending is waste, or $760–$935 billion a year. Percentages below are shares of total estimated waste, not of all health care spending. [8][9]

- ? **28–35%** Administrative complexity (billing, insurance paperwork, rules) [8][10]
- ? **25–30%** Pricing failure (higher-than-necessary prices for drugs, devices, and services) [8][10]
- ? **13–18%** Failures of care delivery (preventable complications, inefficient care, failure to use best practices) [8][10]
- ? **9–13%** Overtreatment or low-value care (tests and procedures that add little or no health benefit) [8][10]
- ? **6–9%** Fraud and abuse (phantom billing, upcoding, kickbacks, identity misuse, false claims) [8][10][11]
- ? **4–9%** Failure of care coordination (fragmented care that leads to avoidable complications or hospital use) [8][10]

WHAT DO THE FACTS SAY?

- ✔ The United States spends much more on health care than peer countries but still leaves many people uninsured or struggling to afford care. [1][2][3]
- ✔ Costs rose again in 2026 across ACA, Medicare, and job-based coverage. [20][21][22]
- ✔ Most of the 2025 budget law's health changes take effect after Election Day, November 3, 2026. [23]
- ✔ High costs are shaped not only by medical care itself but also by prices, administrative complexity, insurance design, and fraud by both institutions and users. [5][8][10]
- ✔ Government-run Medicare spends about 1–2% on overhead; private insurers may keep up to 15–20% of premiums for overhead and profit. Government programs also carry waste — Medicare's improper payments ran about 6.6% of fee-for-service spending. [12][14][15]
- ✔ We pay for the uninsured either way — through emergency rooms and taxes, or through coverage. [16][17]
- ✔ Undocumented immigrants receive some emergency care but are not eligible for full Medicaid or ACA subsidies. [18]

HEALTH CARE

Go Deeper

Stay Current

- **KFF Health Costs** — nonpartisan charts and explainers on health spending, affordability, insurance costs, medical debt, and barriers to care. [3][4]

Sources and Links · verified July 9, 2026

1. U.S. Census Bureau, *Health Insurance Coverage in the United States: 2024* (P60-288). census.gov/library/publications/2024/demo/p60-284.html
2. Peter G. Peterson Foundation, *How Does the U.S. Healthcare System Compare to Other Countries?* pgpf.org/article/how-does-the-us-healthcare-system-compare-to-other-countries/
3. Peterson-KFF Health System Tracker, *How Does Cost Affect Access to Health Care?* healthsystemtracker.org/chart-collection/cost-affect-access-care/
4. KFF, *Health Care Costs and Affordability* (Health Policy 101). kff.org/health-costs/health-policy-101-health-care-costs-and-affordability/
5. Peterson-KFF Health System Tracker, *What drives health spending in the U.S. compared to other countries?* healthsystemtracker.org/brief/what-drives-health-spending-in-the-u-s...
6. Commonwealth Fund, *Mirror, Mirror 2024: A Portrait of the Failing U.S. Health System.* commonwealthfund.org/publications/fund-reports/2024/sep/mirror-mirror-2024
7. KFF / Peterson-KFF Health System Tracker, *How Does U.S. Life Expectancy Compare to Other Countries?* (drawing on CDC National Vital Statistics and OECD data). healthsystemtracker.org/chart-collection/u-s-life-expectancy-compare-countries/
8. JAMA, *Waste in the US Health Care System.* jamanetwork.com/journals/jama/fullarticle/2752664
9. JAMA PDF, *Waste in the US Health Care System: Estimated Costs and Potential for Savings* (full-text copy hosted by the U-M V-BID Center). vbidcenter.org/wp-content/uploads/2021/10/jama_shrank_2019_sc_190005.pdf
10. Mercer summary table, *Yes, we can reduce waste in healthcare spending.* mercer.com/en-us/insights/us-health-news/yes-we-can-reduce-waste...
11. CMS, *Common Types of Health Care Fraud Fact Sheet.* cms.gov/files/document/overviewfwacommonfraudtypesfactsheet072616pdf
12. CMS, *Fiscal Year 2025 Improper Payments Fact Sheet.* cms.gov/newsroom/fact-sheets/fiscal-year-2025-improper-payments-fact-sheet
13. CMS, *Improper Payment Rates and Additional Data* (Comprehensive Error Rate Testing). cms.gov/data-research/monitoring-programs/improper-payment...
14. KFF, *What to Know about Medicare Spending and Financing* (Medicare administrative costs ~1.3%, per the Medicare Trustees). kff.org/medicare/what-to-know-about-medicare-spending-and-financing/
15. CMS / HealthCare.gov, *Rate Review & the 80/20 Rule* (Medical Loss Ratio). healthcare.gov/health-care-law-protections/rate-review/
16. KFF, *Sources of Payment for Uncompensated Care for the Uninsured.* kff.org/affordable-care-act/sources-of-payment-for-uncompensated-care...
17. Urban Institute, *Sources of Payment for Uncompensated Care for the Uninsured* (April 2021). urban.org/sites/default/files/publication/104173/sources-of-payment...
18. Georgetown Center for Children and Families, *More Fact-Checking on Medicaid Spending for Immigrants* (June 4, 2025). ccf.georgetown.edu/2025/06/04/more-fact-checking-on-medicaid-spending...
19. CMS, *National Health Expenditure Data / NHE Fact Sheet* (per-person U.S. health spending; OECD peer comparison). cms.gov/data-research/statistics-trends-and-reports/national-health-expenditure...
20. KFF, *What We Know So Far About 2026 ACA Marketplace Enrollment, Premiums, and Deductibles* (May 19, 2026). kff.org/affordable-care-act/what-we-know-so-far-about-2026-aca-marketplace...
21. CMS, *2026 Medicare Parts A & B Premiums and Deductibles* (Nov. 14, 2025). cms.gov/newsroom/fact-sheets/2026-medicare-parts-b-premiums-deductibles
22. KFF, *2025 Employer Health Benefits Survey.* kff.org/health-costs/2025-employer-health-benefits-survey/
23. Georgetown Center for Children and Families, *Medicaid, CHIP, and ACA Marketplace Cuts and Other Health Provisions in the Budget Reconciliation Law, Explained* (July 22, 2025). ccf.georgetown.edu/2025/07/22/medicaid-chip-and-affordable-care-act-marketplace-cuts...
24. Congressional Budget Office, *Supplemental Cost Estimate: P.L. 119-21, Title VII, Subtitle B, Chapter 1, Medicaid* (Oct. 28, 2025). cbo.gov/system/files/2025-10/PL-119-21-Medicaid_0.pdf

HEALTH CARE

Our Research Process

Every Fact Brief follows the same discipline — so you can trust what's on these pages, and check it yourself.

1. Identify issues voters care about.
2. Do independent, nonpartisan research using primary documents and verifiable, most up-to-date data.
3. Use three or more AI tools to assist searching and organizing; humans make all judgments.
4. Cross-check for accuracy and fairness.
5. Produce a concise Fact Brief.
6. Verify that each key factual claim is backed by a directly relevant, credible source.
7. Present the facts on contested points; note where credible sources disagree.
8. Use sources across the political spectrum, chosen for reliability — not for the conclusions they reach.

Get the Facts <> Share the Facts