

A Visual Summary of Federal Subsidies for Health Insurance Coverage for People Under Age 65: 2019 to 2029



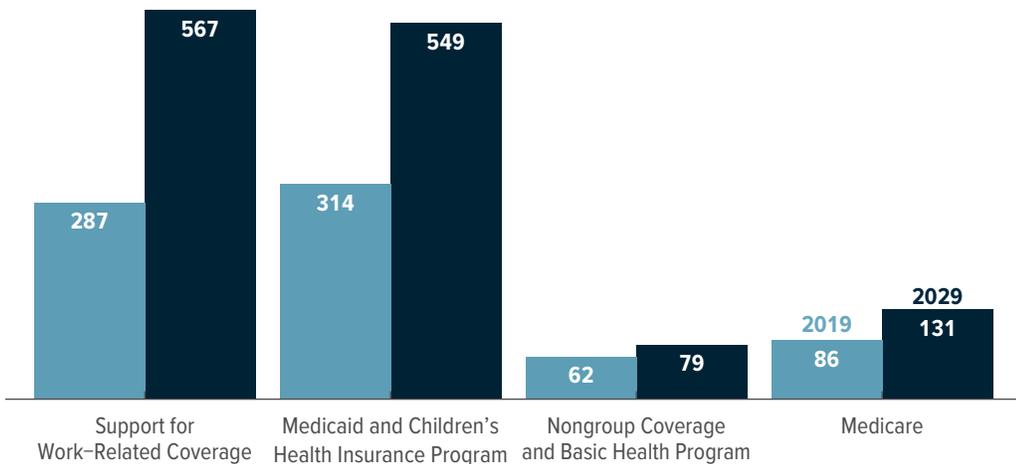
Congressional Budget Office
Nonpartisan Analysis for the U.S. Congress

May 2019

In a report issued each year, the Congressional Budget Office and the staff of the Joint Committee on Taxation provide projections of health insurance coverage for noninstitutionalized civilians under age 65 and the federal costs of that coverage for that year and the following decade. Net federal subsidies for health insurance coverage for people under age 65 are projected to total \$737 billion in 2019 and \$9.9 trillion over the 2020–2029 period.

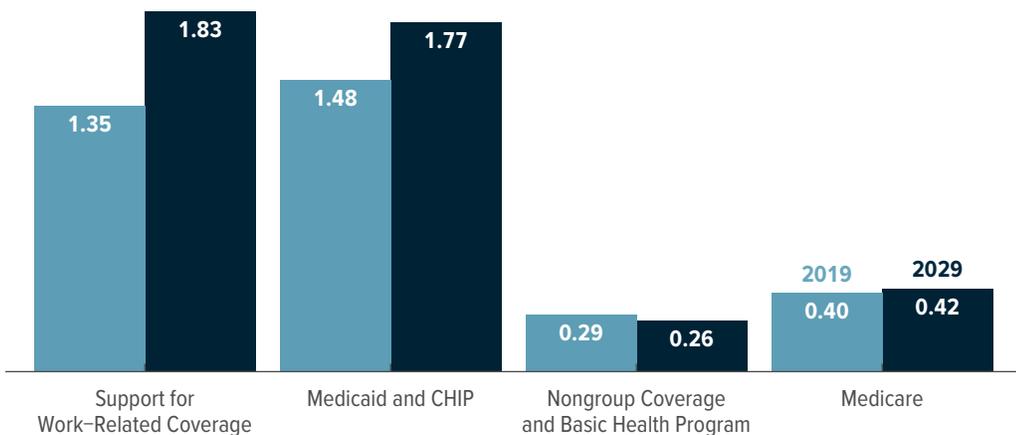
Federal Health Insurance Subsidies

Billions of Dollars



In 2019, the federal government is projected to spend \$314 billion for Medicaid and the Children's Health Insurance Program (CHIP) and \$287 billion on support for work-related coverage for people under age 65.

Percentage of Gross Domestic Product

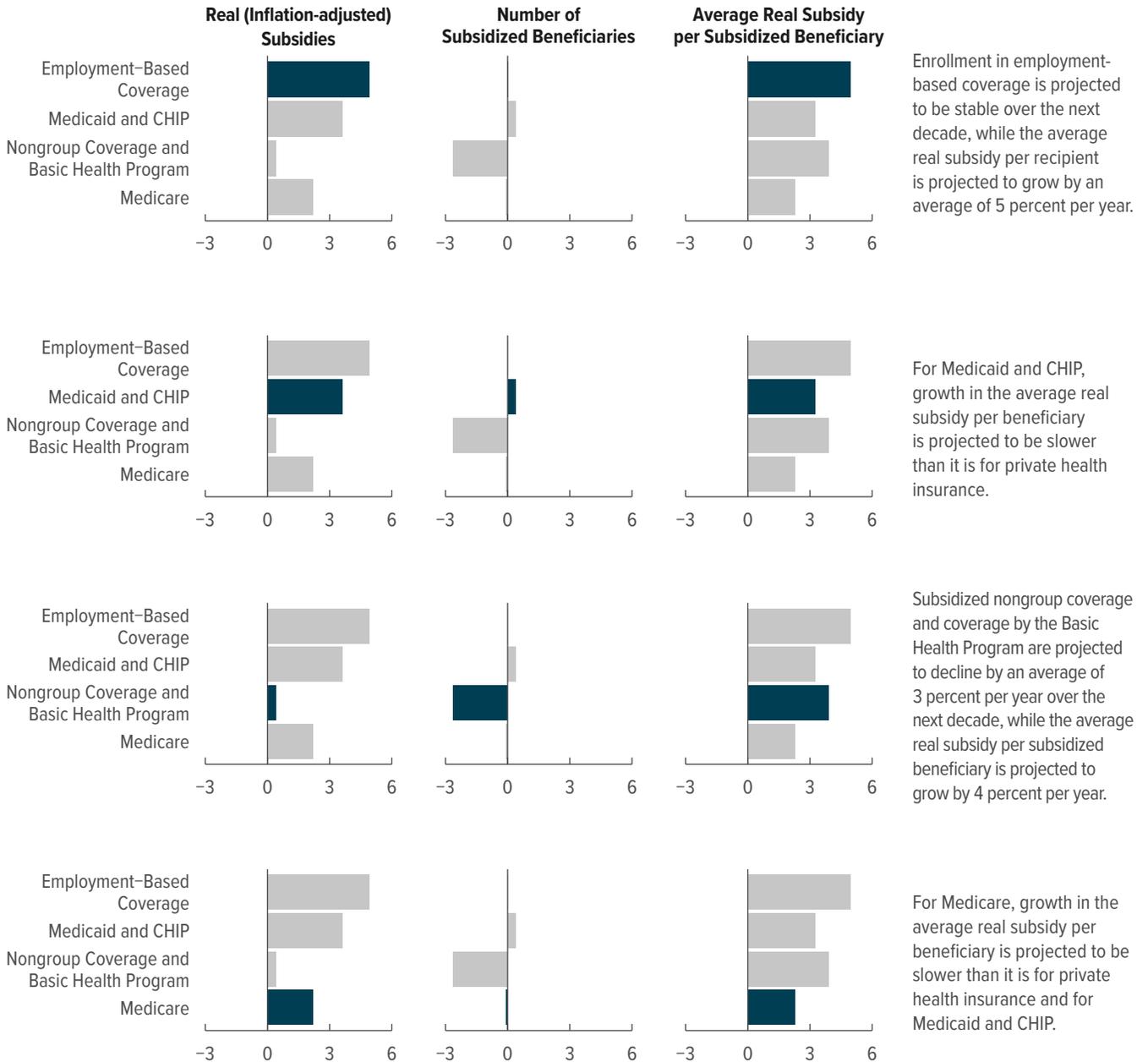


As a share of gross domestic product, total federal subsidies are projected to grow over the coming decade; subsidies for work-related coverage are projected to grow the fastest.

See Figure 2-1 on page 18 of the report

Average Annual Percentage Change in Health Insurance Coverage and Federal Subsidies, 2020 to 2029

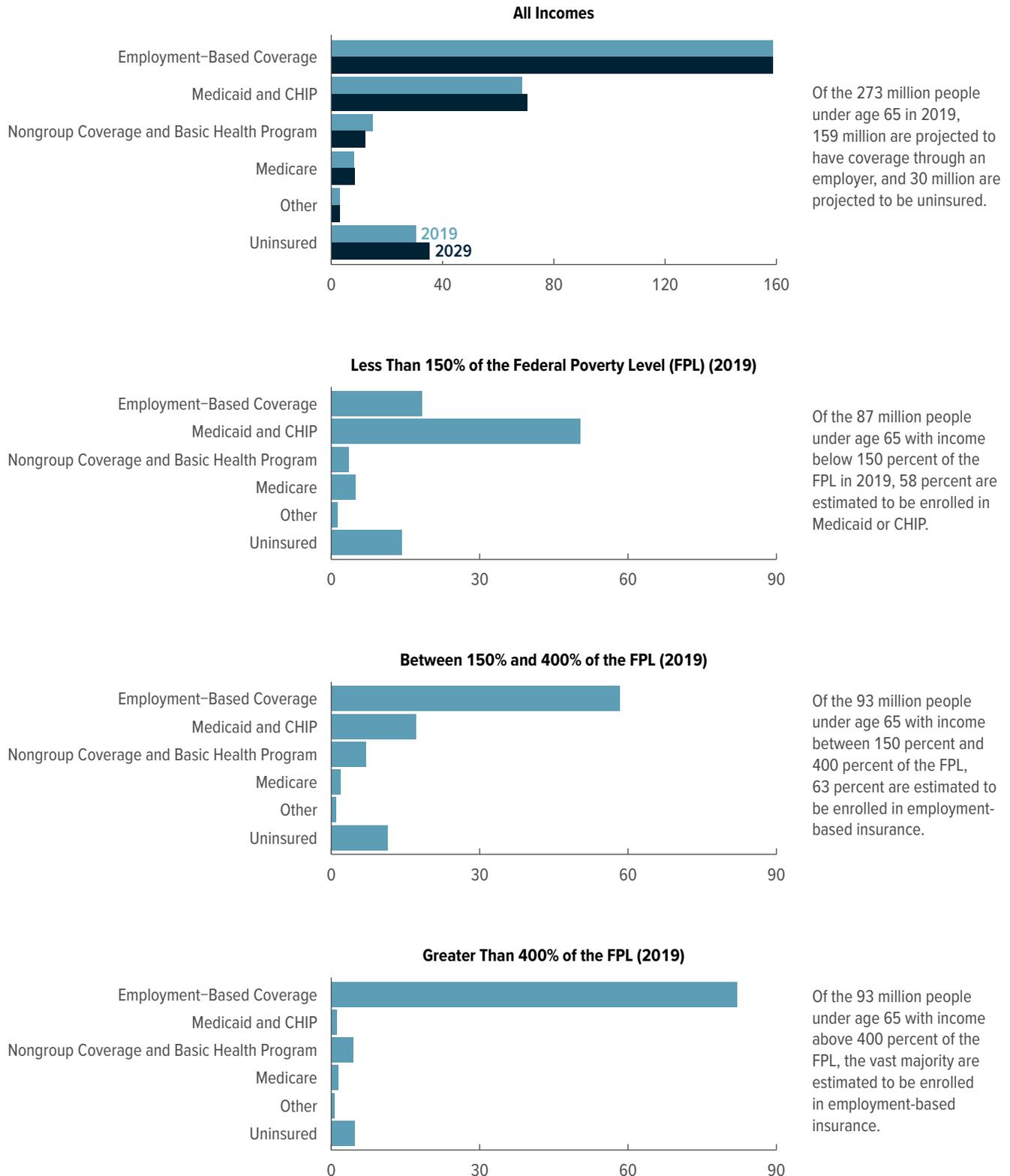
Percent



See Figure 1-2 on page 8

Health Insurance Coverage by Type and Income

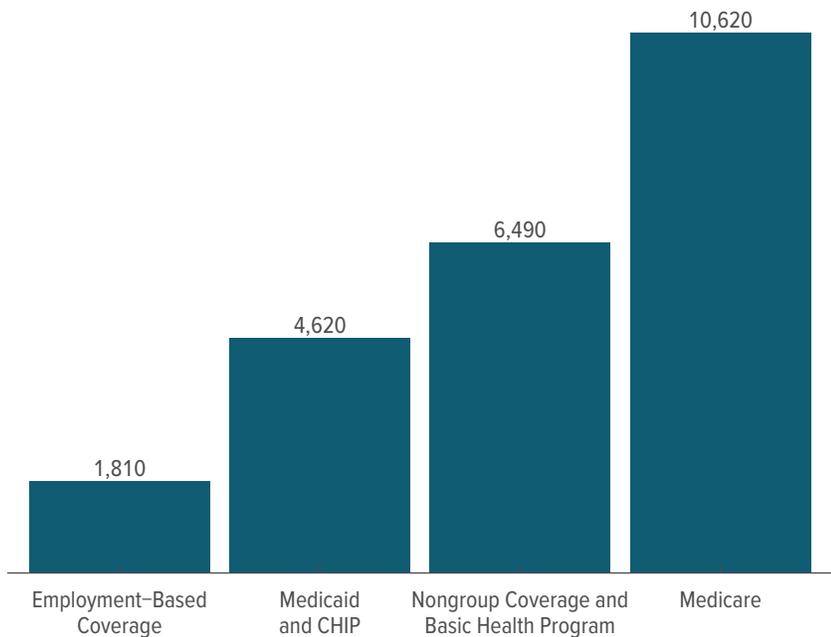
Millions of People



See Figure 1-1 on page 7

Average Federal Subsidies for Recipients by Type of Health Insurance, Calendar Year 2019

Dollars



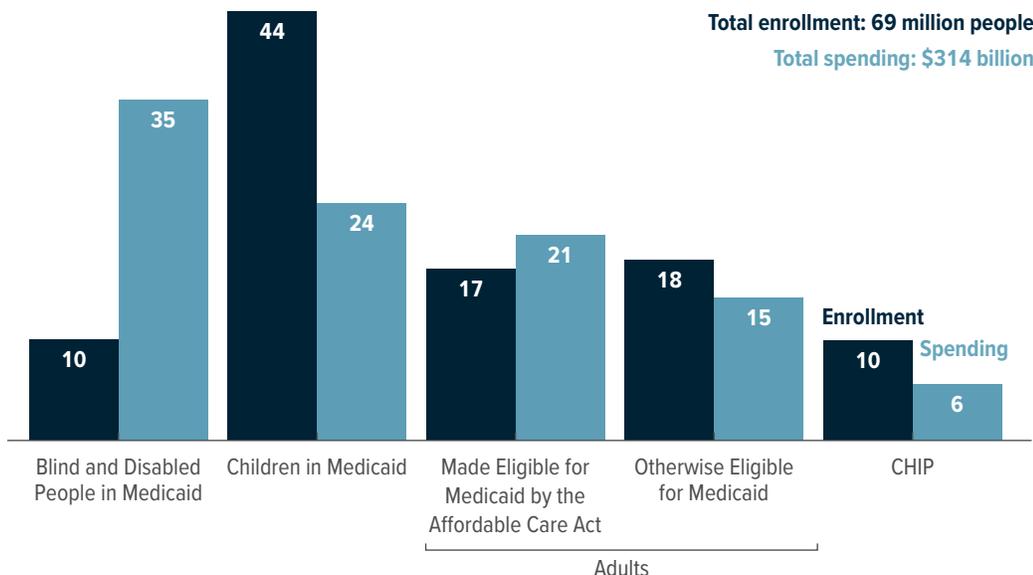
The average federal subsidy for health insurance costs per recipient varies substantially by type of health insurance. The variation occurs because the people who are eligible for each type of insurance differ by age, health status, income, and disability status; because the federal government subsidizes the coverage to different extents; and because the prices paid to providers differ for different types of coverage.

The amounts shown cannot be used to estimate the costs of shifting a group of people from one type of coverage to another because the average cost for each type of coverage depends on the characteristics of the people who are eligible for and enroll in it.

See Figure 2-2 on page 19

Share of Enrollment in and Spending for Medicaid and CHIP by Eligibility Category, 2019

Percentage of Total



Different eligibility categories for Medicaid and CHIP account for very different shares of enrollment and spending. For example, children in Medicaid are projected to constitute 44 percent of enrollment but only 24 percent of spending in 2019, whereas people with disabilities account for 10 percent of enrollment and 35 percent of spending.

See Figure 2-3 on page 20