

Notes

Public Social Welfare Expenditures, Fiscal Year 1986

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In fiscal year 1986, Federal, State, and local governments in the United States spent \$770.5 billion on the cash benefits, services, and administrative costs for public programs of direct benefit to individuals and families. Such social welfare expenditures included income maintenance, health, education, housing, and veterans' programs. These expenditures represented 18.4 percent of the gross national product (GNP) in 1986, and more than half of total government spending at all levels.

The social welfare expenditure data for 1986 differed little from those of previous years, and they reinforced a pattern that has been evident in the series since the late 1970's. The relative level of spending for social welfare remained generally stable over the years 1977-86, but its direction or emphasis changed. Table 1 shows this pattern with regard to the GNP.

With the exceptions of 1979 and 1983, total social welfare expenditures accounted for between 18.0 and 19.0 percent of the GNP from 1977 through 1986. However, the contribution of various kinds of social welfare programs to that stable percentage changed considerably. Table 2 shows several components of social welfare

expenditures as percentages of the total and reflects the changes that occurred from 1977 to 1986.

The Old-Age, Survivors, and Disability Insurance (OASDI) program and the combined programs of Medicare and Medicaid represented growing shares of total expenditures during this period. In fact, publicly financed health care expenditures increased nearly 60 percent when measured as a percentage of all social welfare expenditures. At the same time, public aid (other than medical services) spending for such programs as Aid to Families with Dependent Children, Food Stamps, and Supplemental Security Income, declined from 9.7 percent of total expenditures to 7.2 percent. Unemployment Insurance expenditures declined from 4.3 percent to 2.4 percent, although the rate of unemployment was the same in 1977, 1980, and 1986. The increases in U.S. social welfare spending were thus primarily in the areas of retirement and health care programs, which reflects the national emphasis on programs for elderly and disabled persons during the past 20 years. The elderly, in particular, represent an increasing proportion of the population, and have greater need for health care than do younger age groups. The increasing age of the elderly is also a factor in the increase in health

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care costs: In 1986, nearly 5 percent of the population was aged 75 or older.

The amount of public social welfare expenditures increased \$40.1 billion, or 5.5 percent, from 1985 to 1986 (table 3). Of that increase, 45 percent was in the category of social insurance, 30 percent in education, and 16 percent in public aid. Social insurance includes the OASDI and Medicare programs, and public aid includes the Medicaid program. Thus, the increases followed the pattern of observed growth in retirement and health costs noted above. Public housing, which received a decreasing share of resources in the 1980's, was the only category in which expenditures decreased from 1985 to 1986. Chart 1 illustrates the changes in the composition of social welfare expenditures by category from 1970 to 1986.

An examination of social welfare

expenditure data in per capita constant dollars—that is, with the effects of price and population changes removed—shows that expenditures in the "Health and medical programs" category increased the most from 1985 to 1986, 5 percent, followed by education at 4 percent (table 4). Health care costs in this series are distributed by the program category under which the expenditures are met. Thus, the Medicare program is assigned to the social insurance category, veterans' hospital care to the veterans' category, and so forth. The combination of all medical costs from all categories appears under the rubric of "All health and medical care." In 1986, this combination of health and medical care costs represented 24 percent of all social welfare expenditures and 4.5 percent of the GNP.

The Federal Government share of social welfare expenditures declined slightly in most categories in 1986

(table 5). The overall apportionment of responsibility showed little change, however. Education continued to be primarily a State-local responsibility, as social insurance and veterans' programs remained in the Federal domain. The broad category of "All health and medical care" continued to be more than 70 percent federally financed.

The years since 1980 have shown a decline in the percentage of government expenditures for social welfare purposes (table 6). Trust fund expenditures remained relatively stable over the period 1980-86; the decline in spending occurred in the area of discretionary funds. This is consistent with the observation of increased spending for the OASDI and publicly financed health care programs, which are paid for largely or entirely from trust fund monies.

Health care costs have become an important element of the U.S.

Table 1.—Social welfare expenditures under public programs as percent of gross national product, selected fiscal years, 1950-86

Fiscal year	Gross national product (in billions)	All programs ¹			Program category						
		Total	Federal	State and local	Social insurance	Public aid	Health and medical programs	Veterans' programs	Education	Other social welfare	All health and medical care ²
1950	\$286.5	8.2	3.7	4.5	1.7	0.9	0.7	2.4	2.3	0.1	1.1
1955	400.0	8.2	3.6	4.5	2.4	.8	.8	1.2	2.8	.2	1.2
1960	506.5	10.3	4.9	5.4	3.8	.8	.9	1.1	3.5	.2	1.3
1965	673.6	11.2	5.5	5.7	4.1	.9	.9	.9	4.1	.3	1.4
1970	990.5	14.7	7.8	6.9	5.5	1.7	1.0	.9	5.1	.4	2.6
1975	1,523.5	19.0	11.0	8.0	8.1	2.7	1.2	1.1	5.3	.5	3.4
1976	1,699.6	19.5	11.6	7.9	8.6	2.9	1.1	1.1	5.2	.5	3.5
1977	1,935.8	18.6	11.3	7.3	8.3	2.8	1.0	1.0	4.8	.5	3.5
1978	2,173.4	18.1	11.0	7.1	8.1	2.7	1.1	.9	4.7	.5	3.5
1979	2,452.2	17.5	10.7	6.8	7.9	2.6	1.0	.8	4.5	.5	3.5
1980	2,667.6	18.5	11.3	7.2	8.6	2.7	1.0	.8	4.5	.5	3.8
1981	2,986.2	18.4	11.5	6.9	9.0	2.8	1.0	.8	4.3	.4	3.9
1982	3,141.5	18.9	11.7	7.2	9.6	2.6	1.1	.8	4.3	.4	4.2
1983	3,322.7	19.4	12.1	7.3	10.0	2.6	1.0	.8	4.3	.4	4.3
1984	3,695.7	18.2	11.4	6.8	9.2	2.5	1.0	.7	4.1	.4	4.2
1985	3,950.8	18.5	11.5	7.0	9.4	2.4	1.0	.7	4.2	.4	4.4
1986 ³	4,191.1	18.4	11.3	7.1	9.3	2.5	1.1	.7	4.3	.4	4.5

¹ Includes housing, not shown separately here.

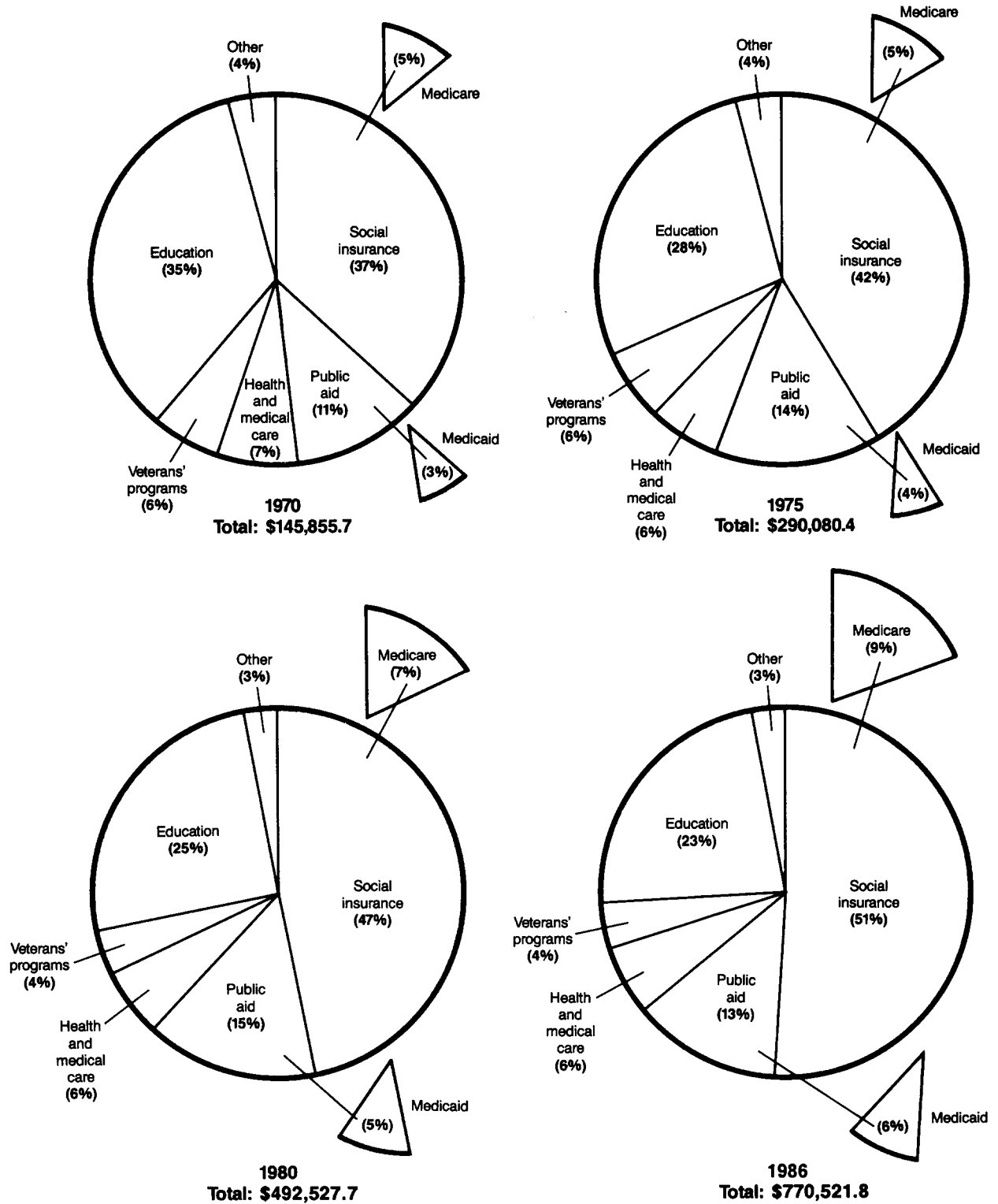
² Combines "health and medical programs" with medical services provided in connection with social

insurance, public aid, veterans', and "other social welfare" programs.

³ Preliminary estimates.

Chart 1.—Percentage distribution of social welfare expenditures, selected fiscal years, 1970-86

[Amounts in millions]



economy during the 1970's and 1980's. Table 7 shows that in 1986 the United States spent \$454 billion on public and private health care, an amount equal to more than 10 percent of the GNP. The increase in health and medical spending from 1985 to 1986 once again outdistanced the increase in the general cost of living—8.2 percent, compared with 1.9 percent. Private health care spending continued to account for nearly 60 percent of the total, with the bulk of that money going for health and medical services.

Table 2.—Percent of total social welfare expenditures for selected programs, by selected years

Program	1977	1980	1985	1986 ¹
Old-Age, Survivors, and Disability Insurance	23.3	23.8	25.8	25.4
Unemployment Insurance	4.3	3.7	2.5	2.4
Medicare/Medicaid	11.0	12.7	15.9	16.1
Public aid (other than medical)	9.7	9.0	7.2	7.2
Education	26.0	24.6	22.8	23.2
Total expenditures (in millions)	\$360,602.0	\$492,527.7	\$730,399.4	\$770,521.8
As a percent of gross national product	18.6	18.5	18.5	18.4

¹Preliminary figure.

Table 3.—Social welfare expenditures under public programs, selected fiscal years, 1950-86¹

[Amounts in millions]

Program	1950	1960	1965	1970	1975	1980	1983	1984	1985	1986 ²
Total expenditures										
Total	\$23,508.4	\$52,293.2	\$77,175.3	\$145,855.7	\$290,080.4	\$492,527.7	\$643,436.6	\$671,969.0	\$730,399.4	\$770,521.8
Social insurance	4,946.8	19,306.7	28,122.8	54,691.2	123,013.1	229,754.3	331,161.3	341,120.3	372,528.6	390,403.9
Old-Age, Survivors, Disability, and Health Insurance (OASDHI)	784.1	11,032.3	16,997.5	36,835.4	78,429.9	152,110.4	224,709.2	238,254.0	260,468.7	271,980.0
OASDI	784.1	11,032.3	16,997.5	29,686.2	63,648.5	117,118.9	167,778.9	175,773.2	188,275.2	196,077.4
HI (Medicare) ³ .....	...	...	...	7,149.2	14,781.4	34,991.5	56,930.3	62,480.8	72,193.5	75,902.6
Railroad Retirement ⁴	306.4	934.7	1,128.1	1,609.9	3,085.1	4,768.7	6,081.5	6,143.8	6,275.6	6,354.5
Public employee retirement ⁵	817.9	2,569.9	4,528.5	8,658.7	20,118.6	39,490.1	54,937.5	58,887.8	63,044.0	66,909.7
Unemployment Insurance and employment services ⁶	2,190.1	2,829.6	3,002.6	3,819.5	13,835.9	18,326.4	25,349.7	16,103.5	18,343.7	18,549.6
Railroad Unemployment Insurance	119.6	215.2	76.7	38.5	41.6	155.4	386.6	183.3	138.4	126.4
Railroad Temporary Disability Insurance	31.1	68.5	46.5	61.1	32.9	68.7	61.3	46.7	50.6	65.2
State Temporary Disability Insurance ⁷	72.1	347.9	483.5	717.7	990.0	1,377.7	1,766.9	1,817.7	1,944.1	2,036.5
Hospital and medical benefits ⁸	2.2	40.2	50.9	62.6	72.9	49.6	55.7	56.0	55.3	54.8
Workers' Compensation ⁹	625.1	1,308.5	1,859.4	2,950.4	6,479.1	13,457.2	17,868.6	19,683.5	22,263.5	24,382.0
Hospital and medical benefits ⁸	193.0	420.0	580.0	985.0	2,470.0	3,725.0	5,082.0	6,001.0	7,080.0	8,087.5
Public aid	2,496.2	4,101.1	6,283.4	16,487.8	41,308.3	71,799.4	86,643.6	90,685.4	96,776.8	103,079.3
Public assistance ¹⁰	2,490.2	4,041.7	5,874.9	14,433.5	27,360.4	44,888.3	56,620.6	61,000.1	66,079.9	71,370.8
Vendor medical payments ¹¹	51.3	492.7	1,367.1	5,212.8	13,501.6	27,394.1	36,619.6	39,462.8	43,938.5	47,975.7
Social services ¹¹ .....	...	...	...	712.6	2,622.4	2,342.8	2,507.8	2,789.0	2,742.8	2,670.7
Supplemental Security Income .....	...	...	...	...	6,091.6	8,226.5	10,793.7	11,136.7	11,840.0	12,812.8
Food stamps .....	...	...	35.6	577.0	4,693.9	9,083.3	12,540.7	12,375.2	12,512.7	12,397.0
Other ¹²	6.0	59.4	373.0	1,477.3	3,162.4	9,601.3	6,688.8	6,173.4	6,344.2	6,498.7
Health and medical programs ¹³	2,063.5	4,463.8	6,246.4	9,906.8	17,787.6	27,650.3	34,584.7	37,005.8	41,059.9	44,334.0
Hospital and medical care	1,222.3	2,853.3	3,452.3	5,313.4	9,219.6	12,287.3	15,242.5	16,302.1	18,190.2	19,528.4
Civilian programs	888.1	1,973.2	2,515.5	3,553.8	6,405.6	8,187.3	8,914.0	9,404.1	10,139.2	10,760.1
Defense Department ¹⁴	336.2	880.1	936.8	1,759.6	2,814.0	4,100.0	6,328.5	6,898.0	8,051.0	8,768.3
Maternal and child health programs ¹⁵	29.8	141.3	227.3	431.4	567.0	869.5	1,058.0	1,060.8	1,199.9	1,252.6
Medical research	69.2	448.9	1,165.2	1,635.4	2,928.0	4,822.8	5,683.2	6,271.2	6,934.4	7,530.6
School health (education agencies)	30.6	101.0	142.2	246.6	350.0	574.8	741.8	750.0	790.0	847.9
Other public health activities	350.8	401.2	671.0	1,348.0	2,919.0	6,955.7	9,593.0	10,459.6	11,944.0	13,358.7
Medical facilities construction	360.8	518.1	588.3	932.1	1,804.0	2,140.2	2,266.2	2,162.1	2,001.4	1,815.8
Defense Department	1.1	40.0	31.1	52.5	94.0	31.0	...	...	...	...

See footnotes at end of table.

Table 3.—Social welfare expenditures under public programs, selected fiscal years, 1950-86¹—Continued

[Amounts in millions]

Program	1950	1960	1965	1970	1975	1980	1983	1984	1985	1986 ²
Total expenditures—Continued										
Veterans' programs	\$6,865.7	\$5,479.2	\$6,031.0	\$9,078.0	\$17,018.9	\$21,465.5	\$25,801.9	\$26,275.0	\$27,042.4	\$27,444.9
Pensions and compensation ¹⁶	2,092.1	3,402.7	4,141.4	5,393.8	7,578.5	11,306.0	13,894.9	14,050.5	14,333.0	14,493.2
Health and medical programs	748.0	954.0	1,228.7	1,784.0	3,516.8	6,203.9	8,387.8	8,936.0	9,493.3	9,923.1
Hospital and medical care	582.8	879.4	1,114.8	1,651.4	3,287.1	5,749.9	7,762.6	8,179.9	8,808.6	9,119.8
Hospital construction	161.5	59.6	77.0	70.9	136.7	323.0	473.5	565.7	458.0	617.1
Medical and prosthetic research	3.7	15.1	36.9	61.8	93.0	131.0	151.6	190.3	226.6	186.2
Education	2,691.6	409.6	40.9	1,018.5	4,433.8	2,400.7	1,707.5	1,402.0	1,170.8	866.8
Life insurance ¹⁷	475.7	494.1	434.3	502.3	556.1	664.5	744.0	719.0	795.5	893.0
Welfare and other	858.3	218.8	185.8	379.4	933.7	890.4	1,067.7	1,167.5	1,249.8	1,268.8
Education ¹⁸	6,674.1	17,626.2	28,107.9	50,845.5	80,834.2	121,049.6	141,815.2	152,055.8	166,417.9	178,517.8
Elementary and secondary	5,596.2	15,109.0	22,357.7	38,632.3	59,745.6	87,149.9	102,651.7	110,066.7	120,751.9	142,291.0
Construction ¹⁹	1,019.4	2,661.8	3,267.0	4,659.1	5,746.0	6,524.0	7,199.5	7,258.0	8,358.0	5,705.5
Higher	914.7	2,190.7	4,826.4	9,907.1	16,384.1	26,175.9	30,467.4	32,663.6	35,445.4	34,747.2
Construction	310.0	357.9	1,081.4	1,566.9	1,512.7	1,528.1	2,058.6	2,270.8	2,716.9	2,668.3
Vocational and adult ¹⁹	160.8	298.0	853.9	2,144.4	4,441.3	7,375.2	8,386.4	9,069.4	9,891.3	1,207.6
Housing	14.6	176.8	318.1	701.2	3,171.7	7,209.5	10,963.5	11,531.7	12,627.3	12,036.5
Public housing	14.5	143.5	234.5	459.9	1,456.4	5,246.9	9,135.9	9,543.3	10,545.3	9,530.9
Other social welfare	447.7	1,139.4	2,065.7	4,145.2	6,946.6	13,599.1	12,466.4	13,295.0	13,946.5	14,705.4
Vocational rehabilitation ²⁰	30.0	96.3	210.5	703.8	1,036.4	1,251.1	1,333.2	1,447.7	1,536.7	1,770.5
Medical services	7.4	17.7	34.2	133.8	217.7	279.4	369.0	341.6	355.0	303.5
Medical research ²¹ .....	...	6.6	22.4	29.6	...	13.5	...	...	...	...
Institutional care ²²	145.5	420.5	789.5	201.7	296.1	482.4	660.0	721.1	774.3	840.9
Child nutrition ²³	160.2	398.7	617.4	896.0	2,517.6	4,852.3	4,981.4	5,198.9	5,308.5	5,676.7
Child welfare ²⁴	104.9	211.5	354.3	585.3	597.0	800.0	160.1	165.0	200.0	197.9
Special OEO and ACTION programs ²⁵ .....	...	...	51.7	752.8	638.3	2,302.7	457.4	479.1	503.8	504.5
Social welfare, not elsewhere classified ²⁶	7.1	12.4	42.3	1,005.6	1,861.2	3,910.6	4,874.3	5,283.2	5,623.2	5,714.9
Federal expenditures										
Total	\$10,541.1	\$24,956.7	\$37,711.7	\$77,337.2	\$167,426.0	\$302,631.1	\$401,413.3	\$420,399.3	\$452,859.5	\$472,364.4
Social insurance	2,103.0	14,307.2	21,806.8	45,245.6	99,715.0	191,162.0	274,315.4	288,742.6	313,108.3	326,588.2
Old-Age, Survivors, Disability, and Health Insurance (OASDI)	784.1	11,032.2	16,997.5	36,835.4	78,429.9	152,110.4	224,709.2	238,254.0	260,468.7	271,980.0
OASDI	784.1	11,032.2	16,997.5	29,686.2	63,648.5	117,118.9	167,778.9	175,773.2	188,275.2	196,077.4
HI (Medicare) ³ .....	...	...	...	7,149.2	14,781.4	34,991.5	56,930.3	62,480.8	72,193.5	75,902.6
Railroad Retirement ⁴	306.4	934.7	1,128.1	1,609.9	3,065.1	4,768.7	6,081.5	6,143.8	6,275.6	6,354.5
Public employee retirement ⁵	507.9	1,519.9	2,780.5	5,516.7	13,338.9	26,962.9	37,023.4	38,587.4	40,504.0	41,866.4
Unemployment Insurance and employment services ⁶	328.6	473.5	699.8	1,036.1	3,429.2	4,407.6	3,144.1	2,528.6	2,604.1	2,831.0
Railroad Unemployment Insurance	119.6	215.2	76.7	38.5	41.6	155.4	386.6	183.3	138.4	126.4
Railroad Temporary Disability Insurance	31.1	68.5	46.5	61.1	32.9	68.7	61.3	46.7	50.6	65.2
Workers' Compensation ⁹	25.1	63.1	77.6	147.9	1,357.4	2,668.3	2,909.3	2,998.8	3,066.9	3,364.7
Hospital and medical benefits ⁸	5.2	9.0	11.3	20.7	50.2	129.5	263.5	281.5	280.2	323.5
Public aid	1,103.2	2,116.9	3,593.9	9,648.6	27,186.5	48,666.5	56,708.8	58,480.0	61,985.2	65,614.8
Public assistance ¹⁰	1,097.2	2,057.5	3,185.4	7,594.3	14,528.6	23,542.1	28,796.4	30,837.7	33,523.1	36,402.5
Vendor medical payments ¹¹ .....	...	199.8	555.0	2,807.1	7,056.4	14,550.2	18,828.1	20,212.1	22,677.4	24,826.2
Social services ¹¹ .....	...	...	...	522.0	1,962.6	1,757.1	1,880.9	2,091.7	2,057.1	2,003.0
Supplemental Security Income .....	...	...	...	...	4,801.6	6,439.8	8,683.1	9,093.7	9,605.2	10,316.6
Food stamps .....	...	...	35.6	577.0	4,693.9	9,083.3	12,540.7	12,375.2	12,512.7	12,397.0
Other ¹²	6.0	59.4	373.0	1,477.3	3,162.4	9,601.3	6,688.6	6,173.4	6,344.2	6,498.7

See footnotes at end of table.

Table 3.—Social welfare expenditures under public programs, selected fiscal years, 1950-86¹—Continued

[Amounts in millions]

Program	1950	1960	1965	1970	1975	1980	1983	1984	1985	1986 ²
Federal expenditures—Continued										
Health and medical programs ¹³	\$803.5	\$1,737.1	\$2,780.6	\$4,775.2	\$8,521.0	\$12,702.8	\$15,440.3	\$16,622.4	\$18,629.5	\$19,925.6
Hospital and medical care.....	382.6	983.5	1,074.7	2,045.0	4,045.0	6,477.8	8,579.3	9,250.1	10,607.7	11,447.7
Civilian programs.....	48.4	103.4	137.9	285.8	1,231.0	2,377.8	2,250.8	2,352.1	2,556.7	2,679.4
Defense Department ¹⁴	336.2	880.1	936.8	1,759.6	2,814.0	4,100.0	6,328.5	6,898.0	8,051.0	8,768.3
Maternal and child health programs ¹⁶	20.1	35.3	73.4	196.0	271.0	354.0	401.0	371.0	412.0	395.0
Medical research.....	69.2	425.9	1,110.2	1,485.4	2,642.0	4,377.8	5,002.2	5,463.4	6,002.2	6,456.0
Other public health activities..	63.8	57.3	222.9	590.3	1,150.0	1,257.2	1,278.8	1,343.8	1,399.2	1,392.5
Medical facilities construction.	67.8	235.1	299.3	458.1	413.0	236.0	179.0	194.1	208.4	234.4
Defense Department.....	1.1	40.0	31.1	52.5	94.0	31.0	...	...	...	...
Veterans' programs.....	6,386.2	5,367.3	6,010.6	8,951.5	10,569.8	21,253.6	25,561.0	25,969.8	26,704.4	27,072.1
Pensions and compensation ¹⁶ ..	2,092.1	3,402.7	4,141.4	5,393.8	7,578.5	11,306.0	13,894.9	14,050.5	14,333.0	14,493.2
Health and medical programs.....	748.0	954.0	1,228.7	1,784.0	3,516.8	6,203.9	8,367.7	8,935.9	9,493.2	9,923.1
Hospital and medical care..	582.8	879.4	1,114.8	1,651.4	3,287.1	5,749.9	7,762.6	8,179.9	8,808.6	9,119.8
Hospital construction.....	161.5	59.6	77.0	70.9	136.7	323.0	473.5	565.7	458.0	617.1
Medical and prosthetic research.....	3.7	15.1	36.9	61.8	93.0	131.0	151.6	190.3	226.6	186.2
Education.....	2,691.6	409.6	40.9	1,018.5	4,433.8	2,400.7	1,707.5	1,402.0	1,170.8	866.8
Life insurance ¹⁷	475.7	494.1	434.3	502.3	556.1	664.5	744.0	719.0	795.5	893.0
Welfare and other.....	378.8	106.9	165.4	252.9	484.6	678.5	826.9	862.4	911.9	896.0
Education ¹⁸	156.7	867.9	2,469.8	5,875.8	8,629.4	13,452.2	12,399.3	13,009.5	13,796.2	15,022.4
Elementary and secondary.....	47.1	441.9	776.8	2,956.8	4,562.5	7,429.6	6,139.5	6,659.0	7,277.6	7,472.1
Construction ¹⁹	5.2	70.6	77.0	35.9	20.9	40.9	77.1	28.5	23.0	21.3
Higher.....	48.5	293.1	1,217.0	2,154.6	2,863.5	4,467.5	5,051.8	5,048.1	5,102.1	6,070.7
Construction.....	5.7	1.2	324.0	466.3	273.9	42.1	84.6	35.0	32.1	30.0
Vocational and adult ¹⁹	58.7	104.5	406.2	602.6	940.2	1,206.5	896.4	1,046.4	1,087.2	1,207.6
Housing.....	14.6	143.5	238.2	581.6	2,540.7	6,608.1	9,960.5	10,225.8	11,087.7	10,164.4
Public housing.....	14.5	143.5	234.5	459.9	1,456.4	5,246.9	9,135.9	9,543.3	10,545.3	9,530.9
Other social welfare.....	174.0	416.7	812.0	2,258.9	4,263.6	8,785.9	7,028.0	7,349.2	7,548.2	7,976.9
Vocational rehabilitation ²⁰	21.0	64.3	143.3	587.5	814.0	1,006.1	1,007.5	1,109.3	1,186.7	1,396.3
Medical services.....	5.1	11.2	21.2	107.0	174.2	223.5	269.4	259.0	275.0	228.7
Medical research ²¹.....	...	6.6	22.4	29.6	...	13.5	...	...	...	...
Institutional care ²²	20.5	20.5	34.5	22.5	20.3	74.2	107.1	117.9	120.8	139.6
Child nutrition ²³	121.2	306.1	503.7	710.9	2,064.0	4,209.3	4,099.0	4,270.5	4,348.7	4,588.2
Child welfare ²⁴	4.2	13.4	36.5	44.7	49.8	57.0	180.1	165.0	200.0	197.9
Special OEO and ACTION programs ²⁵.....	...	...	51.7	752.8	638.3	2,302.7	457.4	479.1	503.8	504.5
Social welfare, not elsewhere classified ²⁶	7.1	12.4	42.3	160.6	677.2	1,136.6	1,196.9	1,207.4	1,188.2	1,150.4
State and local expenditures										
Total.....	\$12,967.3	\$27,336.6	\$39,463.5	\$68,518.5	\$122,654.4	\$189,896.7	\$242,023.3	\$251,569.4	\$277,540.1	\$298,157.5
Social insurance.....	2,843.6	4,999.4	6,316.2	9,445.6	23,298.1	38,592.4	56,845.8	52,377.6	59,420.5	63,815.7
Public employee retirement ⁸ ..	310.0	1,050.0	1,748.0	3,142.0	6,779.7	12,507.3	17,914.1	20,300.4	22,540.0	25,043.3
Unemployment Insurance and employment services ⁶	1,861.5	2,356.1	2,302.8	2,783.4	10,406.7	13,918.8	22,205.6	13,574.9	15,739.7	15,718.6
State Temporary Disability Insurance ⁷	72.1	347.9	483.5	717.7	990.0	1,377.4	1,766.9	1,817.7	1,944.1	2,036.5
Hospital and medical benefits ⁸	2.2	40.2	50.9	62.6	72.9	49.6	55.7	56.0	55.3	54.8
Workers' Compensation ⁹	600.0	1,245.4	1,781.8	2,802.5	5,121.7	10,788.9	14,959.2	16,684.6	19,196.7	21,017.3
Hospital and medical benefits ⁸	187.8	411.0	568.7	964.3	2,419.8	3,595.5	4,818.5	5,728.5	6,799.8	7,764.0
Public aid.....	1,393.0	1,984.2	2,689.5	6,839.2	14,121.8	23,132.9	29,934.9	32,205.5	34,791.6	37,464.5
Public assistance ¹⁰	1,393.0	1,984.2	2,689.5	6,839.2	12,831.8	21,346.2	27,824.2	30,162.5	32,556.8	34,968.4
Vendor medical payments ¹¹ ..	51.3	292.9	812.1	2,605.6	6,445.2	12,843.9	17,791.5	19,250.7	21,261.1	23,149.4
Social services ¹¹.....	...	...	...	190.6	659.8	585.7	627.0	697.2	685.7	667.7
Supplemental Security Income.....	...	...	...	...	1,290.0	1,786.7	2,110.7	2,043.0	2,234.8	2,496.1

See footnotes at end of table.

Table 3.—Social welfare expenditures under public programs, selected fiscal years, 1950-86¹—Continued

[Amounts in millions]

Program	1950	1960	1965	1970	1975	1980	1983	1984	1985	1986 ²
State and local expenditures—Continued										
Health and medical programs ¹² ...	\$1,480.0	\$2,726.8	\$3,465.8	\$5,131.8	\$9,266.6	\$14,947.5	\$19,144.4	\$20,383.4	\$22,430.4	\$24,408.4
Hospital and medical care.....	839.7	1,869.8	2,377.6	3,268.0	5,174.6	5,809.5	6,663.2	7,052.0	7,582.5	8,080.7
Maternal and child health programs ¹⁵	9.7	106.1	153.9	235.3	296.0	515.5	657.0	689.8	787.9	857.6
Medical research.....	...	23.0	55.0	150.0	286.0	445.0	681.0	807.8	932.2	1,074.6
School health (education agencies).....	30.6	101.0	142.2	246.6	350.0	574.8	741.8	750.0	790.0	847.9
Other public health activities..	287.0	343.9	448.1	757.7	1,769.0	5,698.5	8,314.2	9,115.8	10,544.8	11,966.2
Medical facilities construction..	293.0	283.0	289.0	474.0	1,391.0	1,904.2	2,087.2	1,968.0	1,793.0	1,581.4
Veterans' programs.....	479.5	111.9	20.4	126.5	449.1	211.9	240.9	305.1	337.9	372.8
Education ¹⁸	6,517.5	16,758.3	25,638.1	44,969.7	72,204.8	107,597.4	129,415.9	139,046.2	152,621.7	163,495.4
Elementary and secondary.....	5,549.1	14,667.1	21,580.0	35,675.5	55,183.1	79,720.3	96,512.2	103,407.7	113,474.4	134,818.9
Construction ^{8 19}	1,041.2	2,591.2	3,190.0	4,623.2	5,725.1	6,483.1	7,122.4	7,229.5	8,335.0	5,684.3
Higher.....	866.3	1,897.7	3,609.4	7,752.4	13,520.6	21,708.4	25,415.7	27,615.5	30,343.3	28,676.5
Construction ^{8 19}	304.6	356.7	757.4	1,100.6	1,238.8	1,486.0	1,974.0	2,235.7	2,684.8	2,636.2
Vocational and adult ²⁰	102.1	193.5	447.7	1,541.8	3,501.1	6,168.7	7,488.0	8,023.0	8,804.0	...
Housing.....	...	33.2	80.0	119.6	631.0	601.4	1,003.0	1,305.9	1,539.7	1,872.2
Other social welfare.....	273.7	722.8	1,253.6	1,886.3	2,683.0	4,813.2	5,438.4	5,945.7	6,398.3	6,728.5
Vocational rehabilitation ²⁰	9.0	32.1	67.1	136.3	222.4	245.0	325.7	338.4	350.0	374.2
Medical services ²¹	2.3	6.6	13.0	26.8	43.5	55.9	99.6	82.6	80.0	74.8
Institutional care ²²	125.0	400.0	755.0	179.3	275.8	408.2	552.9	603.1	653.5	701.3
Child nutrition ²³	39.0	92.6	113.7	185.1	453.6	643.0	882.4	928.4	959.8	1,088.5
Child welfare ²⁴	100.7	198.1	317.8	540.7	547.2	743.0	...	...	...	...
Social welfare, not elsewhere classified ²⁶.....	...	...	...	845.0	1,184.0	2,774.0	3,677.4	4,075.8	4,435.0	4,564.5

¹Expenditures from Federal, State, and local revenues under public law; including capital outlay and administrative expenditures unless otherwise noted. Includes some payments abroad. Until 1977, fiscal years for the Federal Government ended June 30; subsequently they ended September 30.

²Preliminary figures.

³Includes Part A (Hospital Insurance) and Part B (Supplementary Medical Insurance).

⁴Excludes financial interchange between OASDHI and Railroad Retirement programs.

⁵Excludes refunds of employee contributions; includes payments to retired military personnel and their survivors. Administrative expenses for Federal noncontributory retirement not available.

⁶Includes unemployment compensation under State programs; programs for Federal employees and ex-servicemen; trade adjustment and cash training allowances; and payments under extended, emergency, disaster, and special Unemployment Insurance programs.

⁷Cash and medical benefits in five geographical areas. Includes private plans, where applicable, and State costs of administering State plans and overseeing private plans. Administrative expenses of all private plans and all data for Hawaii not available.

⁸Included in total directly above; excludes administrative expenses not available separately but included for entire program in preceding line.

⁹Cash and medical benefits paid under Federal and State laws by private insurance carriers, State funds, and self-insurers. Includes Alaska and Hawaii beginning 1960. Administrative cost of private carriers and self-insurers not available. Starting 1970, Federal expenditures include Black Lung benefit program.

¹⁰Represents categorical cash and medical payment programs under the Social Security Act and general assistance. Starting 1969, includes work incentive activities.

¹¹Included in public assistance total above; includes administrative expenses of Medicaid program.

¹²Work relief, other emergency aid, surplus food for the needy, repatriate and refugee assistance, temporary and emergency employment assistance, and employment training programs under OEO. Starting 1981, includes Low-Income Home Energy Assistance program.

¹³Excludes State and local expenditures for domiciliary care in institutions other than those for mental or tuberculosis patients. Services in connection with OASDHI, State Temporary Disability Insurance, Workers' Compensation, public assistance, vocational rehabilitation, and veterans' and antipoverty programs are included in total expenditures for these programs.

¹⁴Includes medical care for military dependent families.

¹⁵Includes services for crippled children.

¹⁶Includes burial awards. Starting 1965, includes special allowances for survivors of veterans who did not qualify under OASDHI. Starting 1973, includes clothing allowances.

¹⁷Excludes the servicemen's group life insurance program.

¹⁸Federal expenditures for administrative costs (Department of Education) and research included in total only.

¹⁹Construction for vocational and adult education included with elementary-secondary school

construction. For 1981 and 1982, higher education construction expenditures are Federal only.

²⁰Starting 1986, included with elementary and secondary school expenditures.

²¹Medical research included in vocational rehabilitation total. Starting 1981, no longer available separately.

²²Federal expenditures represent primarily surplus food for institutions.

²³Surplus food for schools and programs under National School Lunch and Child Nutrition Acts. State and local funds represent direct appropriations through 1979, all such expenditures starting in 1980.

²⁴Represents primarily child welfare services under the Social Security Act. Starting 1969, excludes administrative expenses. State and local data not available after 1980.

²⁵Includes domestic programs consolidated in fiscal year 1972 under ACTION and special OEO programs consolidated in fiscal year 1974 under Community Services Administration. Other OEO programs listed in appropriate subsections under public aid and education.

²⁶Federal expenditures include administrative and related expenses of the Secretary of Health and Human Services, Indian welfare and guidance, aging and juvenile delinquency activities, and certain manpower and human development activities. State and local expenditures include amounts for antipoverty and manpower programs, day care, child placement and adoption services, foster care, legal assistance, care of transients, and other unspecified welfare services; before 1970, these amounts included with institutional care.

Table 4.—Total and per capita social welfare expenditures under public programs in current and constant (1986) dollars, selected fiscal years, 1950-86

Fiscal year	Total expenditures		Per capita expenditures for—						
	Amount (in millions) ¹	Per capita ²	Social insurance	Public aid	Health and medical programs	Veterans' programs	Education	Other social welfare	All health and medical care ³
Current dollars									
1950	\$23,420.8	\$152.56	\$32.19	\$16.26	\$13.44	\$44.18	\$43.47	\$2.92	\$19.97
1960	52,106.3	285.42	105.35	22.46	24.45	29.52	96.43	6.24	35.03
1965	76,928.6	391.15	142.29	31.95	31.76	30.30	142.73	10.50	48.48
1970	145,483.9	698.90	261.75	79.26	46.88	43.16	244.56	19.93	121.32
1975	289,369.2	1,326.20	561.34	189.32	81.52	77.32	370.32	31.84	239.91
1976	331,181.7	1,518.98	665.60	223.33	87.28	86.23	402.23	38.86	267.94
1977	359,753.6	1,616.19	719.83	239.30	90.43	84.71	421.59	40.75	302.87
1978	393,451.0	1,749.18	775.20	264.05	101.56	87.04	451.14	46.96	341.67
1979	429,274.2	1,887.80	850.96	284.36	111.10	89.83	480.28	48.71	381.53
1980	491,410.9	2,136.51	995.06	312.16	120.22	92.50	526.11	59.12	436.05
1981	549,100.6	2,360.84	1,144.48	354.38	130.81	99.95	550.75	51.52	501.05
1982	593,314.7	2,525.90	1,282.75	344.21	141.42	104.32	569.73	49.62	557.15
1983	641,708.8	2,705.84	1,390.19	365.34	145.83	107.94	597.74	52.57	598.89
1984	670,317.4	2,800.75	1,419.28	378.91	154.62	108.95	635.27	55.55	644.68
1985	728,726.0	3,000.85	1,528.06	398.52	169.08	110.53	685.23	57.43	717.24
1986	768,779.6	3,137.26	1,586.96	420.65	180.92	111.18	728.42	60.01	761.42
Percentage increase from selected year to 1986									
1950	3,182	1,956	4,830	2,487	1,246	152	1,576	1,955	3,570
1960	1,375	999	1,406	1,773	640	277	655	862	1,992
1965	899	702	1,015	1,217	470	267	410	472	1,412
1970	428	349	506	431	286	158	198	201	504
1975	166	137	183	122	122	44	97	88	206
1976	132	107	138	88	107	29	81	54	174
1977	114	94	120	76	100	31	73	47	142
1978	95	79	105	59	78	28	61	28	115
1979	79	66	86	48	63	24	52	23	92
1980	56	47	59	35	50	20	38	2	68
1981	40	33	39	19	38	11	32	16	46
1982	30	24	24	22	28	7	28	21	32
1983	20	16	14	15	24	3	22	14	27
1984	15	12	12	11	17	2	15	8	18
1985	5	5	4	6	7	1	6	4	6
Constant (1986) dollars									
1950	\$102,175.5	\$665.56	\$140.43	\$70.94	\$58.63	\$192.74	\$189.64	\$12.74	\$87.12
1960	181,025.8	991.60	366.00	78.03	84.94	102.56	335.01	21.68	121.70
1965	246,992.7	1,255.86	456.85	102.58	101.97	97.28	458.26	33.71	155.65
1970	387,617.9	1,862.10	697.39	211.18	124.90	114.99	651.59	53.10	323.24
1975	558,697.6	2,560.55	1,083.80	365.53	157.39	149.29	714.99	61.47	463.20
1976	604,697.6	2,773.47	1,215.30	407.77	159.36	157.45	734.42	70.95	489.23
1977	616,489.3	2,769.57	1,233.53	410.07	154.96	145.16	722.45	69.83	519.01
1978	628,092.9	2,792.34	1,237.51	421.52	162.13	138.95	720.19	74.97	545.43
1979	627,443.0	2,759.28	1,243.79	415.63	162.39	131.30	701.99	71.20	557.66
1980	648,594.3	2,819.90	1,313.34	412.01	158.67	122.09	694.39	78.03	575.53
1981	663,448.2	2,852.47	1,382.81	428.18	158.05	120.76	665.44	62.25	605.39
1982	678,158.7	2,887.10	1,466.18	393.43	161.64	119.24	651.20	56.72	636.82
1983	704,585.2	2,970.97	1,526.40	401.14	160.12	118.52	656.31	57.72	657.57
1984	708,763.0	2,961.39	1,500.68	400.64	163.49	115.20	671.71	58.74	681.66
1985	744,355.5	3,065.21	1,560.83	407.07	172.71	112.90	699.93	58.66	732.62
1986	768,779.6	3,137.26	1,586.96	420.65	180.92	111.18	728.42	60.01	761.42

See footnotes at end of table.

Table 4.—Total and per capita social welfare expenditures under public programs in current and constant (1986) dollars, selected fiscal years, 1950-86—Continued

Fiscal year	Total expenditures		Per capita expenditures for—							
	Amount (in millions) ¹	Per capita ²	Social insurance	Public aid	Health and medical programs	Veterans' programs	Education	Other social welfare	All health and medical care ³	
	Percentage increase from selected year to 1986									
1950	652	371	1,030	493	209	-42	284	371	741	
1960	325	216	334	439	113	8	117	177	502	
1965	211	150	247	310	77	14	59	78	371	
1970	98	68	128	99	45	-3	12	13	127	
1975	38	23	46	15	15	-26	2	-2	58	
1976	27	13	31	3	14	-29	-1	-15	50	
1977	25	13	29	3	17	-23	1	-14	41	
1978	22	12	28	0	12	-20	1	-20	34	
1979	23	14	28	1	11	-15	4	-16	31	
1980	19	11	21	2	14	-9	5	-23	27	
1981	16	10	15	-2	14	-8	9	-4	21	
1982	13	9	8	7	12	-7	12	6	15	
1983	9	6	4	5	13	-6	11	4	16	
1984	8	6	6	5	11	-3	8	2	12	
1985	3	2	2	3	5	-2	4	2	4	

¹Excludes expenditures in foreign countries for OASDHI benefits, civil service retirement benefits, veterans' programs, and education. See table 1 for data including foreign payments.

²Includes housing, not shown separately.

³Combines "health and medical care" with medical services provided in connection with social insurance, public aid, veterans', and "other social welfare" programs.

Source: Constant dollar figures based on implicit price deflators for personal consumption expenditures prepared by the Bureau of Economic Analysis, Department of Commerce.

Table 5.—Social welfare expenditures under public programs: Federal funds as a percent of total expenditures, selected fiscal years, 1950-86

Program	1950	1960	1965	1970	1975	1980	1983	1984	1985	1986 ¹
Total	44.8	47.7	48.9	53.0	57.7	61.4	62.4	62.6	62.0	61.3
Social insurance	42.5	74.1	77.5	82.7	81.1	83.2	82.8	84.6	84.0	83.7
Public aid	44.2	51.6	57.2	58.5	65.8	67.8	65.4	64.5	64.0	63.7
Health and medical programs	29.2	38.9	44.5	48.2	47.9	45.9	44.6	44.9	45.4	44.9
Veterans' programs	93.0	98.0	99.7	98.6	97.4	99.0	99.1	98.8	98.8	98.6
Education	2.3	4.9	8.8	11.6	10.7	11.1	8.7	8.6	8.3	8.4
Housing	100.0	81.2	74.9	82.9	80.1	91.7	90.9	88.7	87.8	84.4
Other social welfare	38.9	36.6	39.3	54.5	61.4	64.6	56.4	55.3	54.1	54.2
All health and medical care ²	44.4	45.6	48.5	65.4	65.1	68.6	70.5	70.5	70.8	70.3

¹Preliminary estimates.

²Combines "health and medical programs" with medical services provided in connection with social insurance, public aid, veterans', and "other social welfare" programs.

Table 6.—Social welfare expenditures from public funds¹ as a percent of government expenditures for all purposes, by type of fund, selected fiscal years, 1950-86

Type of fund	1950	1960	1965	1970	1975	1980	1983	1984	1985	1986 ²
All public social welfare expenditures										
Total as percent of all government expenditures.....	34.7	38.4	42.2	48.2	57.3	56.5	54.6	52.8	51.8	51.5
Federal as percent of all Federal expenditures.....	26.2	28.1	32.6	40.1	53.8	54.3	52.2	50.2	48.6	48.4
State and local as percent of all State and local expenditures ³	59.2	60.1	60.4	64.0	63.5	60.8	59.8	58.6	59.0	58.2
Trust fund social welfare expenditures										
Total as percent of all government expenditures.....	6.8	13.2	14.3	17.0	22.4	24.4	26.5	25.4	25.0	24.7
Federal as percent of all Federal expenditures.....	4.5	15.2	17.7	22.0	29.1	31.3	33.1	32.3	31.4	31.3
State and local as percent of all State and local expenditures ³	11.2	9.1	7.8	7.1	11.0	10.7	12.4	10.3	10.7	10.4
Non-trust-fund social welfare expenditures										
Total as percent of all expenditures from general revenues.....	30.6	25.2	27.8	31.3	34.9	43.4	38.9	37.5	36.4	36.4
Federal as percent of all Federal expenditures from general revenues:										
All programs.....	21.7	12.9	14.8	18.1	24.7	34.7	29.3	27.3	25.8	25.8
Public aid.....	2.7	2.4	3.1	5.0	8.8	13.2	11.4	10.7	10.1	10.2
State and local as percent of all State and local expenditures from general revenues: ³										
All programs.....	48.1	51.1	52.6	56.9	52.8	56.1	54.1	53.9	54.1	53.3
Education.....	31.6	40.1	42.4	45.6	40.7	43.1	41.0	40.8	41.2	40.4
Public aid.....	6.8	4.8	4.5	6.9	8.0	9.3	9.5	9.5	9.4	9.3

¹Excluding that part of Workers' Compensation and Temporary Disability Insurance payments made through private carriers and self-insurers.

²Preliminary estimates.

³From State and local sources, excluding Federal grants.

Table 7.—Health and medical care: Private expenditures and expenditures under public programs, selected fiscal years, 1950-86

[Amounts in millions]

Source of expenditure	1950	1960	1965	1970	1975 ¹	1980	1983	1984	1985	1986 ²
Total	\$12,027.3	\$25,856.2	\$38,892.3	\$69,201.1	\$124,716	\$238,544	\$346,363	\$379,727	\$419,493	\$453,735
Private funds	8,962.0	19,461.0	29,357.0	43,810.0	72,367	138,249	204,333	225,433	245,318	267,151
Health and medical services	8,710.0	18,816.0	28,028.0	41,329.0	69,092	134,105	197,696	218,812	239,278	260,764
Medical research	37.0	121.0	157.0	193.0	258	304	349	361	374	387
Medical facilities construction	215.0	524.0	1,172.0	2,288.0	3,016	3,840	6,288	6,260	5,666	6,000
Public funds	3,065.3	6,395.2	9,535.3	25,391.1	52,349	100,295	142,030	154,294	174,175	186,584
Health and medical services	2,470.2	5,346.3	7,641.2	22,661.4	47,387	92,878	133,455	145,105	164,655	176,434
Medicare .....	...	...	...	7,149.2	14,781	34,992	56,930	62,481	72,194	75,903
Temporary Disability Insurance ³	2.2	40.2	50.9	62.6	73	50	56	56	55	55
Workers' Compensation ³	193.0	420.0	580.0	985.0	2,470	3,725	5,082	6,010	7,080	8,088
Public assistance medical payments	51.3	492.1	1,367.1	5,212.8	13,502	27,394	36,620	39,463	43,938	47,976
General hospital and medical care	866.1	1,973.2	2,515.5	3,553.8	6,406	8,187	8,914	9,404	10,139	10,760
Defense Department hospital and medical care (Armed Forces and dependents)	336.2	880.2	936.8	1,759.6	2,814	4,100	6,328	6,898	8,051	8,768
Maternal and child health programs	29.8	140.7	223.0	431.4	567	870	1,058	1,061	1,200	1,253
School health (education agencies)	30.6	101.0	142.2	246.6	350	575	742	750	790	848
Other public health activities	350.8	401.2	671.0	1,348.0	2,919	6,956	9,593	10,460	11,944	13,359
Veterans' hospital and medical care	582.8	879.4	1,114.8	1,651.4	3,287	5,750	7,763	8,180	8,809	9,120
Medical vocational rehabilitation	7.4	17.7	34.2	133.8	218	279	369	342	355	304
OEO health and medical care .....	...	...	5.6	127.3	...	...	...	...	...	...
Medical research	72.9	471.2	1,228.8	1,726.8	3,021	4,954	5,835	6,461	7,161	7,717
Medical facilities construction	522.3	577.7	665.3	1,003.0	1,941	2,463	2,740	2,729	2,459	2,433
Defense Department ⁴	1.1	40.0	31.1	52.5	94	31	...	...	...	...
Veterans' Administration	161.5	59.6	77.0	70.9	137	323	474	566	458	617
Total as percent of gross national product	4.2	5.1	5.8	8.2	8.2	8.9	10.4	10.3	10.6	10.8
Public as percent of total expenditures	25.5	24.7	24.5	36.7	42.0	42.0	41.0	40.6	41.5	41.1

¹Beginning 1975, revisions in source data preclude decimal fractions.

²Preliminary estimates.

³Includes medical benefits paid under public law by private insurance carriers and self-insurers.

⁴Not available after 1980.

Source: Health Care Financing Administration, Office of the Actuaries, Division of National Cost Estimates.