

MEPS: A Survey of Health Care Use and Spending

AHRQ

Agency for Healthcare Research and Quality

Advancing Excellence in Health Care

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MEPS

What Is MEPS?

The Medical Expenditure Panel Survey (MEPS) is a family of surveys on the financing and use of medical care in the United States. It is conducted by the Agency for Healthcare Research and Quality (AHRQ). MEPS collects data on:

- The health services that Americans use and how frequently they use them.
- The cost of these services and how they are paid for.
- Health insurance coverage.
- Household income and employment.
- The quality of health care.

The survey features five rounds of interviewing covering two full calendar years of information. This panel design makes it possible to determine how changes in respondents' health status, income, employment, eligibility for public and private insurance coverage, use of services, and payment for care are related.

All data for a household are reported by a single household respondent. At each interview, information is collected about each household member, and the survey builds on this information from interview to interview.

A new MEPS panel is initiated each year. MEPS data collection started in 1996. However, because the data are comparable to those from earlier medical expenditure surveys conducted in 1977 and 1987, it is possible to analyze long-term trends. Each annual sample size is about 15,000 households. Data must be weighted to produce national estimates. Data can be analyzed at either the person, family, or event level.

MEPS: A Family of Surveys

MEPS consists of three separate but related surveys.

Household Component (HC):

The MEPS HC uses the sampling frame from the National Health Interview Survey (NHIS), conducted by the National Center for Health Statistics. This sampling frame provides a nationally representative sample of the U.S. civilian noninstitutionalized population and reflects an oversampling of blacks, Asians, and Hispanics. In certain years, MEPS oversamples additional policy relevant subgroups, such as children with disabilities or people likely to have high medical expenses. This design allows linkage back to the previous year's NHIS for purposes of analysis.

Medical Provider Component (MPC):

After obtaining permission from the HC respondents, medical providers are contacted by

telephone. They provide information that household respondents cannot accurately provide: dates of visits, diagnosis and procedure codes, charges, and payments. The Pharmacy Component (PC), a subcomponent of the MPC, does not collect charges or diagnosis and procedure codes but does collect drug detail information, including National Drug Code (NDC) and medicine name, as well as date filled and sources and amounts of payment. The MPC is not designed to yield national estimates on its own. These data are primarily used to supplement or replace expenditure information reported by the household.

Insurance Component (IC):

The MEPS IC is conducted each year. It is a national independent survey of private and public-sector employers to collect data on employer-sponsored health insurance. This survey provides annual national and State-level estimates of the supply and cost of private health insurance available to American workers and is used to evaluate policy issues pertaining to health insurance. Data obtained in the IC include the number and type of private health insurance plans offered, benefits associated with these plans, premiums, contributions by employers and employees, eligibility requirements, and employer characteristics.

Who Uses MEPS?

MEPS provides policymakers, health care administrators, businesses, and the press with timely information on the determinants of health care use, spending, quality, and insurance coverage. In fact, the Institute of Medicine has indicated that MEPS produces the most comprehensive data on America's use of health services and how health care is paid for. The Bureau of Economic Analysis uses national estimates of employer contributions to group insurance derived from the MEPS IC when computing the Gross Domestic Product (GDP).

Data Availability

The primary method of MEPS data dissemination is through the MEPS Web site. All public-use data files can be downloaded free of charge from the MEPS Web site: www.meps.ahrq.gov. Besides being the primary source of MEPS public-use data files, the Web site contains:

- Useful background information on MEPS.
- Electronic versions of MEPS publications (Statistical Briefs, Methods Reports, Chartbooks, and Findings Reports).
- Information on the onsite data center.
- Copies of survey instruments.
- Tabular data.
- MEPSnet-an interactive query tool that facilitates the analysis of MEPS HC and IC data in a nonprogramming easy-to-use environment.

The Web site also allows users to subscribe to mailing lists and e-mail notifications when new data products and publications are available.

Researchers are invited to sign up to participate in the MEPS list server. It is a moderated forum designed to facilitate free exchange of ideas and information about MEPS. Currently over 400 data users have subscribed.

Periodically, MEPS user workshops are conducted. The Web site contains information on planned workshops and enrollment information.

For reasons of confidentiality, some of the MEPS data collected cannot be publicly released. To allow outside researchers selected access to these data, AHRQ has established an onsite data center. The AHRQ Data Center is located in Rockville, Md. Outside researchers whose research meets certain AHRQ criteria are allowed to use confidential data for research purposes only under AHRQ supervision. They are not allowed to take confidential data off the AHRQ premises. Data Center researchers conduct their own analyses on stand-alone PCs with minimal assistance from AHRQ staff. Arrangements can also be made to utilize nonpublic MEPS data at Census Bureau Research Data Centers.

For more information and application procedures, see the Data Center section of the MEPS Web site.

Sample MEPS Findings

MEPS produces a variety of publications that summarize important health information. Selected findings from MEPS have garnered significant national media attention. Some examples are shown here.

In 2004, an estimated total of \$963.9 billion were spent for health care. This total includes hospital inpatient and outpatient care, emergency room services, office-based medical provider services, dental services, and others.

Percentage distribution of health care spending, by type of service, U.S. civilian noninstitutionalized population, 2004

Hospital inpatient
Office-based
Prescription medicines
Hospital outpatient
Dental
Emergency room
Home health care
Other medical services and equipment
Total expenses = \$963.9 billion

Source: Statistical Brief #149: National Health Care Expenses in the U.S. Civilian Noninstitutionalized Population, 2004.

The national average expenditure for prescription drugs in 2004 for persons under 65 years of age who had an expenditure was \$838. The average expenditures for those under age 65 in California (\$727), Texas (\$704), and Michigan (\$749) were all lower than the national average.

Average prescription drug expenditures for persons under age 65 who had an expenditure in 2004, United States and 10 largest States

Source: Statistical Brief #158: Prescription Drug Expenditures in the 10 Largest States for Persons under Age 65, 2004

From 1997 to 2001, the proportion of children who were uninsured ranged from 13.4 percent to 14.9 percent for the first half of the year. Since 2002, the number of uninsured children has steadily declined to about 11 percent in 2005.

Percentage of children under 18 years, by health insurance status, first half 1996-2005

Source: Statistical Brief #131: Health Insurance Status of Children in America, First Half 1996-2005: Estimates for the U.S. Civilian Noninstitutionalized Population Under Age 18.

Employee contributions for family premiums in New Jersey (\$1,886, or 16.5 percent of the premium), Michigan (\$1,770, or 18.1 percent of the premium), and Pennsylvania (\$2,033, or 20.4 percent of the premium) were lower than the national average of \$2,438, or 24.4 percent of the premium.

Average annual employee premium contributions for family health insurance coverage at private-sector establishments in 2004, United States and 10 largest States

Source: Statistical Brief #135: State Differences in the Cost of Job-Related Health Insurance, 2004

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