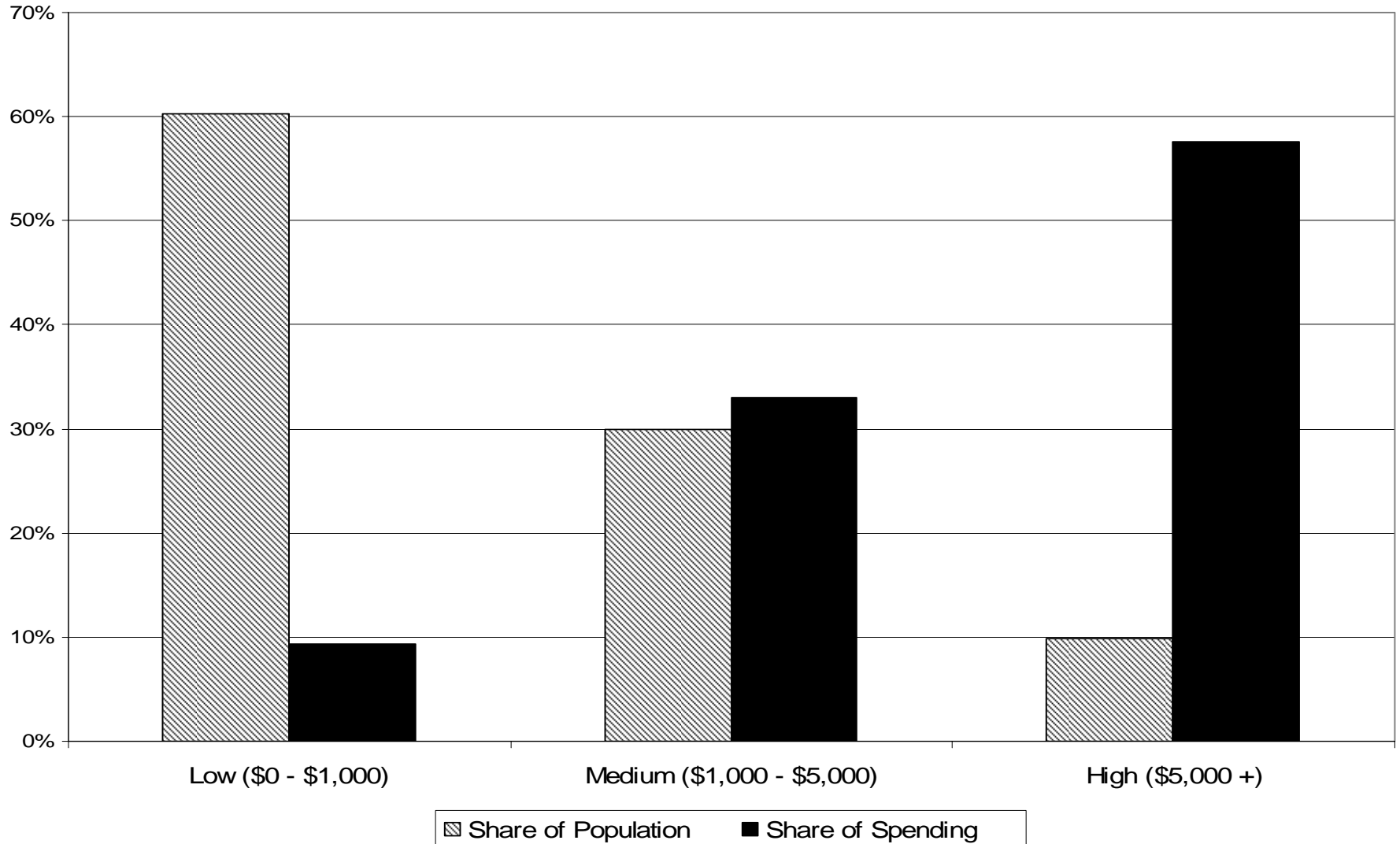


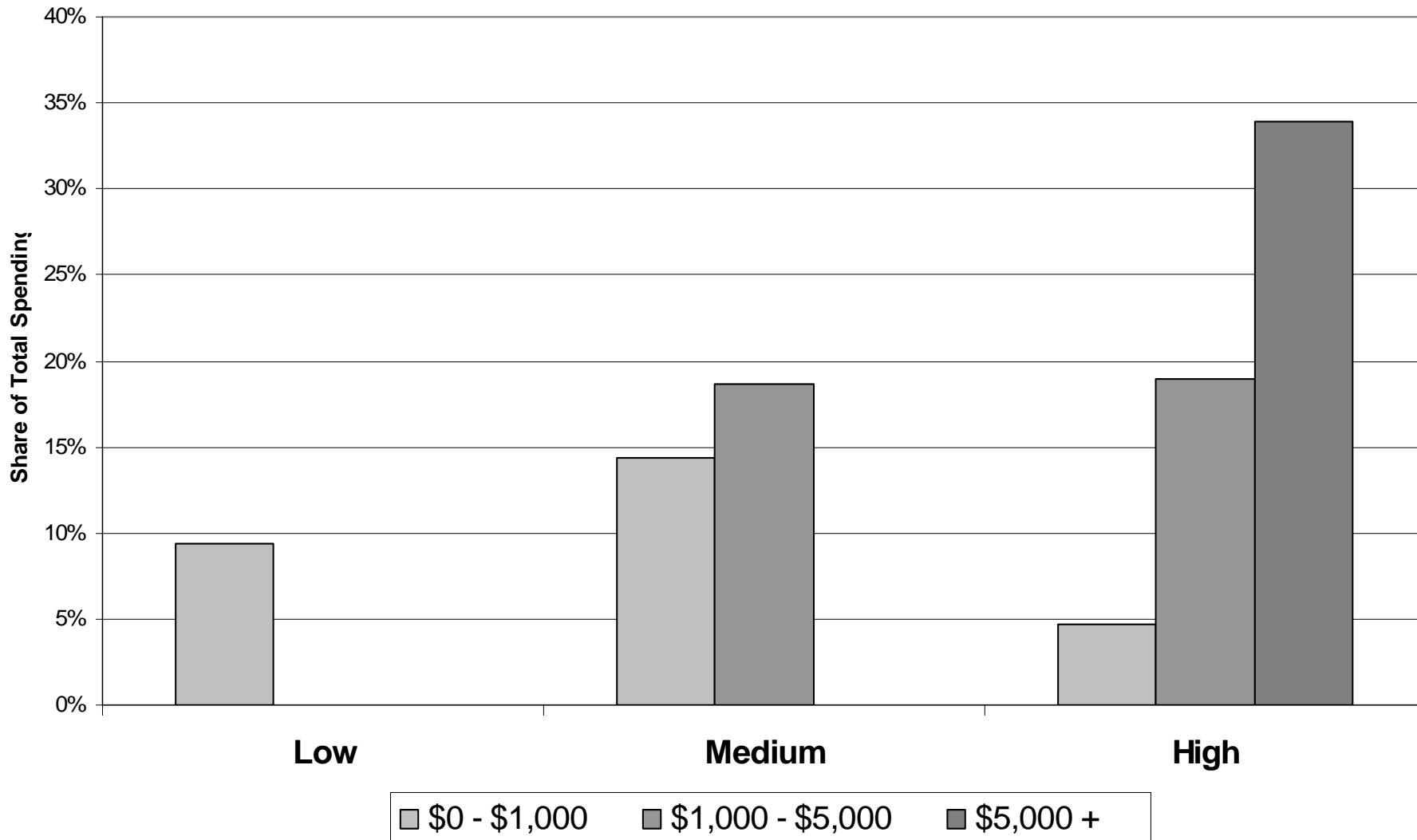
# Distribution of U.S. Health Spending (by last dollar of spending)



Source: 2001 MEPS for Non-Elderly, Full-Year Insured

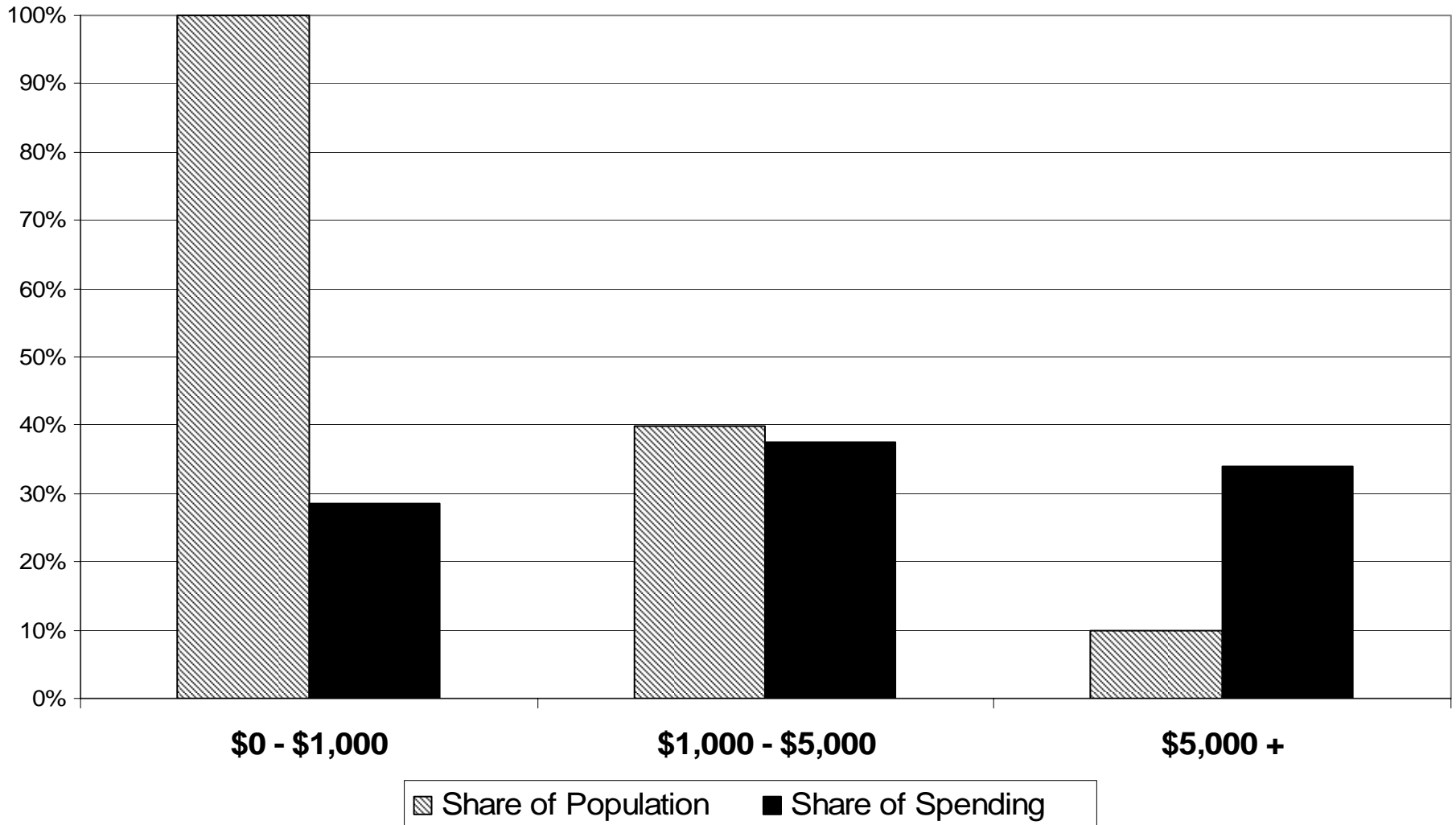
# Distribution of U.S. Health Spending

(by dollars within each interval)



Source: 2001 MEPS for Non-Elderly, Full-Year Insured

# Distribution of U.S. Health Spending (by spending within interval)



Source: 2001 MEPS for Non-Elderly, Full-Year Insured

# Persistence of Health Spending

(for non-elderly, full-year insured population)

		Probability that 2001 Spending Will Total:		
		\$0 - \$1,000	\$1,000 - \$5,000	\$5,000 +
Total Spending in 2000	\$0 - \$1,000	<b>76%</b>	<b>20%</b>	<b>4%</b>
	\$1,000 - \$5,000	<b>36%</b>	<b>50%</b>	<b>14%</b>
	\$5,000 +	<b>28%</b>	<b>36%</b>	<b>36%</b>

SOURCE: 2000 and 2001 MEPS, adjusted to 2004 using growth in per capita health costs