

Part B Insider (Multispecialty) Coding Alert

Health Care Costs Will Double In 10 Years, CMS Analysts Predict

The **Centers for Medicare & Medicaid Services- Office of the Actuary** has released a report detailing -National Health Expenditure Projections 2006-2016,- and it could be bad news for doctors hoping to escape an estimated 10-percent pay cut next year.

In the next 10 years the United States will double its spending on health care, according to CMS actuaries. Spending for 2006 should total \$2.1 trillion, but that number stands to rise to \$4.1 trillion in 2016, according to the report in Health Affairs.

Growth in health care spending has actually slowed slightly, says CMS. Health-care spending growth should drop from 6.9 percent in 2005 to 6.8 percent in 2006. If 2006 growth does indeed drop, it would mark the fourth consecutive year in which federal spending growth decreased.

As generic-drug dispensing rates level off and the **Food and Drug Administration** approves new drugs to treat cancer, prescription drug spending should maintain a growth rate of 8.6 percent until 2016, the report predicted.