

The Rising Cost of Health Care: Is it a Problem?

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Projected Expenditures, Revenues, and the Gap

Year

as percent of GDP

**Total
Outlays**

**Social
Security**

**Medicare
and
Medicaid**

**Rest of
Government**

Revenue

Gap

2004	20.6	4.3	4.2	12.1	15.8	4.8
2040 (1%)	31.8	6.5	11.2	14.4	18.4	13.3
2040 (2%)	39.1	6.5	18.5	15.1	18.4	20.7