

West Health Calls for Systemic Reform as U.S. Healthcare Spending Heads Toward One-Fifth of the Economy

SAN DIEGO, CA, UNITED STATES, June 1, 2026 /EINPresswire.com/ -- West Health, a nonpartisan nonprofit organization focused on healthcare and aging, has published an analysis titled "[The Rising Burden of U.S. Healthcare Costs](#)," examining the accelerating pace of national health expenditures and the mounting financial pressure on American families.

The resource arrives at a critical moment. National Health Expenditures rose an estimated 8.2% in 2024 and 7.1% in 2025, with spending projected to continue outpacing GDP growth through 2033, when healthcare is expected to account for roughly 20.3% of the nation's total economic output, up from 17.6% in 2023.

According to West Health, the composition of that spending reflects both the scale and the complexity of the challenge. Hospital care accounts for 31% of total expenditures; followed by physician and clinical services at 20%; other services, including dental and public health, at 27%; prescription drugs at 9%; administrative costs at 8%; and nursing care and home health at 5%. Funding is nearly evenly split between public sources (48%), such as Medicare, Medicaid, CHIP, and VA programs, and private sources (52%), including employer-sponsored insurance and out-of-pocket payments.

The analysis explains that the burden is not distributed evenly. Spending increases substantially with age, underscoring the financial stakes as the U.S. population continues to grow older and the demand for age-responsive, cost-effective care strategies intensifies.

For American families, West Health asserts that the impact is immediate and personal. In 2024, the average annual premium for employer-sponsored family health insurance exceeded \$25,000, with employees contributing roughly \$6,296 on average. Out-of-pocket costs have surged alongside premiums, with many families delaying or forgoing care because of financial concerns. A recent West Health–Gallup poll found that 58% of Americans worry that a major health event could result in personal medical debt, and 31 million reported borrowing an estimated \$74 billion in the past year to cover healthcare costs for themselves or a household member.

The analysis argues that reversing these trends requires decisive, coordinated action across the healthcare ecosystem, including greater cost transparency, reduced administrative burden, and fundamental reform of how healthcare services and pharmaceuticals are paid for.

“The Rising Burden of U.S. Healthcare Costs” is now available on the West Health Mosaic website.

About West Health

Solely funded by philanthropists Gary and Mary West, West Health is a family of nonprofit and nonpartisan organizations, including the Gary and Mary West Foundation and Gary and Mary West Health Institute in San Diego and the Gary and Mary West Health Policy Center in Washington, D.C. West Health is dedicated to lowering healthcare costs to enable seniors to successfully age with access to high-quality, affordable health and support services that preserve and protect their dignity, quality of life, and independence.

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