Comparison of aggregate expenditures for health care: Consumer Expenditure (CE) Survey and National Health Expenditures, 1992-95

Expenditure categories	Aggregate consumer expenditures Consumer Expenditure Survey (In billions)				Ratio of CE survey to National Health Expenditures			
	1992	1993	1994	1995	1992	1993	1994	1995
Health care, total	\$89.6	\$95.2	\$94.7	\$89.0	0.63	0.65	0.64	0.58
Medical commodities, total Drugs and supplies Medical equipment Medical services, total Professional services Hospital care	37.6 30.2 7.4 52.0 43.1 8.9	40.2 32.6 7.6 55.0 46.6 8.4	37.7 30.9 6.1 57.0 44.8 12.2	37.2 30.1 6.1 52.9 43.6 8.3	.72 .67 1.02 .58 .56	.74 .70 1.02 .60 .58	.68 .65 .81 .61 .54	.65 .60 .79 .54 .51

Excludes health insurance premiums, nursing home care, and medical equipment repairs.

NOTE: Sums may not equal totals, due to rounding. CE categories have been grouped as needed to match NHE.

SOURCE: The 1995 NHE data used to obtain the ratios are from the U.S. Department of Health and Human Services, Health Care Financing Administration, "Data View: National Health Expenditures, 1995" Health Care Financing Review, Volume 18, Number 1, Fall 1996. Earlier NHE data used in the comparisons are from previous issues of the Review.

Current Population Survey. The Bureau of the Census collects income data in the March Supplement to the Current Population Survey (CPS). Using data collected for calendar years 1992 through 1995, comparisons were made with Consumer Expenditure Interview survey estimates of total consumer unit income before taxes and by source of income. CPS estimates of aggregate income by source of income were derived from Census estimates of mean income of persons and the number of persons with the specified income.

There are several differences between the Consumer Expenditure Survey and the CPS. The CPS collects data in March for the previous calendar year. By comparison, in the Consumer Expenditure Interview survey, estimates of income are obtained in the second and fifth interviews of the consumer unit. These estimates refer to the prior 12 months; and, due to the rotating panel design of the Interview survey, interviews may occur any time during the year. Census imputes CPS income data that are missing (due to nonresponse to income questions), based on demographic characteristics. In contrast, income data that are missing in the Consumer Expenditure Survey, due to nonresponse, are not imputed as part of the Consumer Expenditure Survey estimation procedure; instead, Consumer Expenditure Survey income estimates are based on complete income reporters only. Neither procedure accounts for underreporting, which is especially prevalent for property income.

In addition to the differences between the Consumer Expenditure Survey and the CPS described above, the 1993 and later ratios reflect the collection of CPS income data by computer-assisted personal interview. By comparison, Consumer Expenditure Survey data are collected by traditional paper and pencil interview. The 1993-95 ratios reflect further revisions to CPS data to include the 1990 Census-based sample design, reductions in sample size, and selected editing procedures. Due to these changes in CPS collection and estimation methods, one should use caution when comparing 1993 and later ratios with those for earlier years.

Text table 13 shows that the Consumer Expenditure Survey estimates of total income before taxes are about 84 to 90 percent of the CPS. This reflects comparable levels of estimates from the two surveys for the largest sources of income, such as wages and salaries, self-employment income, and Social Security income. Some differences in estimates are expected, because of methodology differences between the two surveys described above and because the CPS is designed specifically to collect income data, while the Consumer Expenditure Survey is designed primarily to collect expenditure data. In addition, the CPS population is about 3 percent larger than the Consumer Expenditure Survey population. The low ratios for property income reflect imputations for missing data in the CPS and underreporting in the Consumer Expenditure Survey. Some variation in ratios reflects the general difficulty of obtaining income information via household survey, which is experienced by both the Consumer Expenditure Survey and CPS.

Text table 13. Comparison of money income before taxes: Consumer Expenditure (CE) Survey and Current Population Survey (CPS), 1992-95

Income category	Aggregate money income before taxes¹ Consumer Expenditure Survey (In billions)				Ratio of CE Survey to CPS			
	1992	1993	1994	1995	1992	1993	1994	1995
Money income before taxes ² Wage and salary income Self-employment income Social Security and retirement income Property income Unemployment, workers compensation, and veterans benefits Public assistance and Supplemental Security income Regular contributions and other income	\$3300 2502 250 351 114 24 26 33	\$3364 2507 249 389 113 34 32 41	\$3743 2841 251 430 119 32 34 37	\$3784 2936 210 449 89 29 33 39	0.90 .93 1.11 .97 .46 .52 .80	0.89 .89 1.10 1.02 .49 .68 .96	0.87 .87 1.07 1.04 .52 .68 .88	0.84 .85 .99 .99 .33 .61 .88

NOTE: Ratios are based on unrounded data.

SOURCE: CPS data on which ratios are based are from *Money Income of Households, Families, and Persons in the United States* (Annual), Series P-60: number 184, table 34, number 193, table 11. (Bureau of the Census)

¹CE data are for complete reporters of income. ²Excludes value of food stamps, meals as pay, and rent as pay.