

# U.S. healthcare costs rising at slower pace

By Noam N. Levey, Los Angeles Times

WASHINGTON – The relentless rise in healthcare spending – which had threatened government budgets and helped pave the way for President Obama’s health law – continued to moderate in 2012, the fourth year of a historic slowdown, newly released federal data show.

Overall spending on healthcare rose less than 4 percent in 2012, less than half the rate of a decade ago, independent economists at the U.S. Centers for Medicare and Medicaid Services concluded.

For only the third time in the last 15 years, health spending grew more slowly than the overall economy as measured by the non-inflation-adjusted U.S. gross domestic product. That meant that healthcare shrank slightly as a share of the U.S. economy, from 17.3 percent in 2011 to 17.2 percent in 2012.

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