TABLE 3.—*Charges incurred by families for health services, by income and health insurance status*

Family income	Mean gross charges			Median gross charges		
	All families	Insured	Un-insured	All families	Insured	Un-insured
Total, all income groups	$207	$237	$154	$110	$145	$63
Under $2,000	130	164	115	54	82	43
$2,000 to $3,499	152	168	132	82	103	54
$3,500 to $4,999	207	220	167	119	134	83
$5,000 to $7,499	259	262	247	176	187	105
$7,500 and over	353	362	312	238	255	185

Source: 1953 survey by Health Information Foundation and National Opinion Research Center, table A-15 in Odin W. Anderson, "Family Medical Costs and Voluntary Health Insurance," p. 113. Footnote omitted.

TABLE 4.—*Family outlays for medical care as a percentage of family income by income and health insurance status*

Family income	Aggregate family outlay as percent of aggregate family income			Median of family total outlay as percent of aggregate family income		
	All families	Insured	Unin-sured	All families	Insured	Unin-sured
Total, all income groups	4.8	4.8	4.8	4.1	4.4	3.0
Under $2,000	11.8	13.4	11.0	6.2	10.2	4.8
$2,000 to $3,499	6.1	6.6	5.3	4.0	5.1	2.6
$3,500 to $4,999	5.4	5.8	4.2	3.9	4.4	2.2
$5,000 to $7,499	4.7	4.9	4.2	3.6	3.9	2.2
$7,500 and over	3.0	3.1	2.8	3.3	3.3	3.0

Source: Table A-16 in Anderson, "Family Medical Costs and Voluntary Health Insurance," p. 114. Footnotes omitted.

Growth of prepayment

Prepaid health insurance programs cover an increasing proportion of the Nation's private medical care bills. The heavy burden of hospital and medical charges on low- and middle-income families, the unpredictability of individual family medical expenses, and the relative predictability of aggregate family medical care costs have contributed to the tremendous expansion during the past 12 years of voluntary health insurance coverage and prepayment programs which now cover more than 70 percent of the American people. (See chart 3.)

The growth of these prepayment plans, enabling families to finance the greater part of their medical care expenses on a regular budget basis, is a major feature of the new pattern of private demand for medical care. These programs reflect rising demand for medical care, but they also contribute to rising demand by financing medical care needs, converting need and health consciousness into effective demand.