

Health Care Is the Largest Industry in the US by Total Spending and Employment

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STORY AT-A-GLANCE

- › U.S. health care spending reached \$5.3 trillion, making it the largest industry and directly influencing your insurance costs, wages and access to care
- › Rising spending is driven primarily by increased use of medical services, which means your daily health choices influence how often you rely on the system
- › Per-person spending continues to rise faster than inflation, explaining why health expenses feel relentless even when overall prices stabilize
- › Administrative and non-medical costs account for a significant share of total spending, showing that system complexity – not just treatment – affects what you pay
- › Improving metabolic health, building cellular energy, and preventing chronic disease reduces your need for medical services, giving you greater control over long-term health costs

America spent \$5.3 trillion on health care in 2024.¹ That's not a typo, and it's not someone else's problem – it directly affects what you pay, what care you receive, and how the system around you operates. Health care now consumes roughly \$18 out of every \$100 spent in the U.S., making it the largest industry by both total spending and employment.²

Your health choices don't exist in a vacuum – they exist inside a massive economic engine that shapes your workplace benefits, your insurance premiums, and your take-home pay. That scale raises a direct question to consider: what exactly drives this spending surge, and why does it keep accelerating? The answer isn't what many people assume.

Record Spending Reveals What Drives the System

Where does all that money go? A detailed analysis of federal spending data – published by ZeroHedge – breaks down what's actually driving the expansion, and the answer challenges the assumption that prices alone are to blame.³ Instead of focusing only on price inflation, the report looks at total spending patterns, who pays, and which parts of the system grow fastest.

This matters because you experience the consequences directly through premiums, wages, taxes, and access to care. The analysis centers on national spending flows rather than individual medical treatments, which shifts the conversation from personal bills to structural drivers.

- **Spending growth reflects system use more than price spikes** – A central takeaway is that overall demand for medical services stands as the largest contributor to spending increases, not price growth alone. Prices rose 2.5% in 2024, below overall inflation at 2.9%, meaning the system grew because more medical care occurred – more visits, more procedures, more long-term management – rather than dramatic price surges.
- **Per-person spending growth explains why costs feel relentless** – Per-capita spending reached \$15,474 and has increased every year since 2000, rising 77% faster than inflation over that period. This statistic translates into a practical reality: even when general inflation slows, your health expenses continue to climb faster than most other household costs.

The pattern reflects structural expansion – population aging, **chronic disease** management, technology adoption – which steadily increases how much care each person consumes.

- **Health care dominates national spending categories** – Another key detail shows health care spending exceeds spending on housing, groceries, national defense, and vehicles. That comparison clarifies scale in everyday terms. When the largest slice of national spending flows into one sector, it shapes labor markets, policy decisions, and employer compensation. You experience that indirectly when wages shift toward benefits or when insurance design changes to manage rising costs.
- **Non-medical costs expand total spending** – The report identifies \$768 billion spent on non-medical health expenses, representing about 15% of total health care spending. Non-medical costs include administration, logistics, and system overhead – meaning money that doesn't go directly to treatment still drives overall spending growth.

This helps explain why system complexity matters to your wallet. More layers, more coordination, and more administrative processes increase total cost even without additional clinical care.

What This Means for You and Your Wallet

Policy debates focus on who controls spending decisions. The analysis describes competing approaches: proposals that give consumers more direct control through funded health savings accounts versus strategies that rely on regulation and subsidies to manage costs. Decision control influences how you shop for care, compare prices, and manage long-term expenses. When responsibility shifts toward consumers, financial literacy and decision tools become more important.

- **Funding flows reveal why the system feels complicated** – Most health care funding originates from individuals through out-of-pocket payments, insurance premiums, taxes, and employer contributions that substitute for wages. Yet that money moves

through multiple intermediaries — government programs, insurers, and employers — before reaching providers.

You pay, but the path between payment and care passes through many hands, which increases complexity and reduces transparency.

- **Consumer anxiety reflects structural cost pressure** — Polling cited in the report shows 66% of Americans worry about affording insurance premiums and medical bills, and 55% report rising health costs in the past year. Health expenses rank as a greater concern than utilities, food, housing, and gasoline, which highlights how strongly spending trends affect daily life. This emotional dimension matters because financial stress influences health behavior, care delays, and preventive choices.
- **The findings translate into actionable awareness for you** — Understanding that demand — not only price — drives spending growth changes how you evaluate prevention, lifestyle decisions, and long-term health strategy. When more care equals more spending, reducing disease burden becomes financially meaningful, not only medically important. Your daily choices influence how often you rely on the system.

Take Control of Your Health Spending Through Daily Choices

Here's the good news — you're not powerless in this. Health care spending rises because people rely on the system more often, not only because prices increase. If demand is the driver — and the data shows clearly that it is — then your daily health decisions directly shape how often you enter that system. That is power you already have. You just need to use it deliberately.

1. **Build cellular energy as your first priority** — Your **mitochondria** — the parts of your cells that generate energy — sit upstream of nearly every disease pathway. Think of mitochondria as your body's power grid. When the grid weakens, every system that

depends on electricity – your immune cells, your repair crews, your inflammation regulators – starts running on brownout mode.

When mitochondrial function declines, everything downstream suffers, and chronic symptoms that once would have resolved on their own become permanent fixtures.

So, how do you support them? Start with daily sunlight exposure – not through a window, but direct outdoor light, ideally in the morning. This sets your circadian rhythm, which governs mitochondrial efficiency. It's important to avoid intense, direct sunlight during peak hours (typically 10 a.m. to 4 p.m. in most regions), however, until you've eliminated seed oils from your diet for at least six months.

This is because stored **linoleic acid** (LA) – the polyunsaturated fat found in seed oils – in your skin increases your risk of sunburn. Also prioritize **consistent sleep** timing, because irregular sleep disrupts the very cycles your cells depend on to repair and regenerate. Aim for the same bedtime and wake time within a 30-minute window, seven days a week.

And make sure you're eating enough healthy carbohydrates – around 250 grams daily for most adults, and more if you're physically active – because glucose is the preferred fuel for clean adenosine triphosphate (ATP) production, the energy currency your cells depend on to power every function in your body. Glucose generates energy with fewer damaging byproducts (reactive oxygen species) compared to burning excessive amounts of fat, especially the LA found in seed oils.

When **cellular energy** improves, many people are able to reduce their reliance on medications, cut back on doctor visits, and resolve symptoms they had been managing for years. That's real spending reduction, starting at the cellular level.

- 2. Reduce the drivers of chronic disease** – Chronic disease is the main reason people use the health care system repeatedly. It's not acute injuries or infections driving the spending numbers you just read – it's the slow accumulation of metabolic dysfunction that turns into diabetes, heart disease, autoimmune conditions, and **cognitive decline**.

Every one of those conditions requires ongoing management, medications, specialist visits, and procedures. That is where much of the demand comes from.

It's important to identify the biggest contributors in your own life. **Ultraprocessed foods** top the list – they damage your gut lining, spike insulin, and create systemic inflammation. **Seed oils** like soybean, canola, corn, and sunflower oil are found in nearly every packaged and restaurant food, and they're high in LA, which embeds in your cell membranes and fat stores where it promotes oxidative damage long after you've eaten it. Replace them with stable, traditional fats: tallow, ghee, or grass fed butter.

Beyond diet, look at your movement and sleep. Sedentary behavior accelerates metabolic decline faster than many people realize. Walk every day, ideally for one hour – not as exercise, but as a baseline for human function. Build muscle through resistance training, because muscle is your largest metabolic organ and acts as a glucose sink that protects against insulin resistance.

Track simple, inexpensive markers like your resting heart rate (lower is generally better), and HOMA-IR, which tells you how insulin-resistant you're becoming. These numbers reveal your trajectory before disease shows up on a scan.

- 3. Strengthen metabolic resilience to reduce your reliance on the health care system** – If you find yourself frequently sick, persistently fatigued, or dependent on a growing list of prescriptions, metabolic resilience is the lever that changes your relationship with the health care system. Resilience means your body handles stress, recovers from illness, and maintains stable energy without constant medical intervention.

Protein intake is foundational here. I recommend about 0.8 grams per pound of ideal body weight, or 1.76 grams per kilogram – with one-third from **collagen-rich sources** like bone broth, slow-cooked meats with connective tissue, or a quality

collagen supplement. Collagen provides glycine and proline, amino acids that many people are deficient in, which support gut integrity, joint health, and liver detoxification.

The remaining two-thirds should come from complete protein sources like pastured eggs, grass fed beef and dairy. When it comes to carbohydrates, if you've been low-carb for a long time and your metabolic markers have stalled or worsened, consider restoring carbohydrate tolerance gradually. Start with whole fruit and white rice.

As your tolerance improves, you can expand into well-cooked root vegetables, then non-starchy vegetables, starchy vegetables like sweet potatoes or squash, beans, legumes and, finally, minimally processed whole grains. Stable metabolism means fewer doctor visits, fewer medication adjustments, fewer emergency situations, and fewer long-term interventions. That is how you personally reduce the demand side of the spending equation.

- 4. Question the default path before it becomes your spending pattern** – The health care system isn't designed to ask whether you need less of it. It's designed to deliver more. More referrals, more follow-ups, more imaging, more prescriptions – each one reasonable in isolation, but collectively they become a spending pattern that is very difficult to reverse once it starts.

I'm not telling you to avoid doctors or ignore symptoms. What I am telling you is to become a more deliberate participant in your own care. Before accepting a new medication, ask what the plan is for getting off of it or if nondrug alternatives exist. Before agreeing to a recurring appointment, ask what markers would indicate you no longer need it.

Before filling a prescription for a symptom that appeared after you started another prescription, pause and consider whether you're treating a side effect with another drug – because that cascade is one of the most common ways people end up deeply embedded in the system.

This is where your own knowledge becomes your greatest asset. When you understand how your body works — what drives **inflammation**, what supports recovery, what your labs actually mean — you stop being a passive recipient of care and start making informed decisions about when the system serves you and when it simply generates more utilization.

That shift in mindset is worth more than any single intervention, because it changes your relationship with the largest industry in the U.S. from one of dependency to one of selective, strategic engagement.

- 5. Lead a healthy lifestyle that lowers demand for medical services** — This is the most powerful solution, and it's the one that directly addresses the central finding of the research: service demand is the primary driver of health care spending. Every improvement you make in your daily habits reduces how often you need care, and that's what bends the cost curve — not for the system in the abstract, but for you personally.

Move your body every single day. Eat whole foods that your great-grandparents would recognize. Support your gut health by eating enough to maintain your metabolic rate — and be cautious about loading up on fiber before your digestion can handle it, because undigested fiber feeds bacterial overgrowth and worsens the problems you're trying to fix.

Avoid alcohol, which damages your gut lining, disrupts sleep architecture, and burdens your liver with a toxin it has to prioritize over everything else. Maintain and build muscle mass throughout your life, because sarcopenia — the age-related loss of muscle — is one of the strongest predictors of frailty, hospitalization, and long-term care dependence.

Every one of these choices reduces your interaction with the system that just hit \$5.3 trillion. You can't control what happens at the policy level, but you can control the single biggest variable in your own health care costs: how resilient and

metabolically healthy you are. That's not a small thing. In an industry built on utilization, the most radical act is needing less of it.

FAQs About Health Care Spending

Q: Why is health care the largest industry in the U.S.?

A: Health care is the largest industry because total spending reached \$5.3 trillion and continues to grow due to increased use of medical services, an aging population, and long-term management of chronic disease. More visits, prescriptions, and procedures expand the system even when price increases remain moderate.

Q: What's the main reason health care spending keeps rising?

A: The primary driver is demand for services rather than price inflation. People live longer, manage more chronic conditions, and rely on ongoing treatment, which increases how often the system is used and expands overall spending.

Q: How does rising health care spending affect my personal finances?

A: Higher spending influences insurance premiums, deductibles, wages, and taxes. Employer health costs often replace salary growth, while out-of-pocket expenses and insurance complexity increase the financial burden on individuals and families.

Q: What does "reducing demand for care" actually mean for my health?

A: Reducing demand means improving metabolic health, strengthening cellular energy, and preventing chronic disease so you need fewer medications, appointments, and procedures. Fewer symptoms and better resilience translate into less reliance on the health system.

Q: What daily actions help lower your long-term health care costs?

A: Consistent movement, adequate protein intake with collagen, sufficient carbohydrates for cellular energy, avoidance of ultraprocessed foods and seed oils, quality sleep, sunlight exposure, and maintaining muscle mass all reduce chronic disease risk and decrease how often you need medical care.

Sources and References

- [1 Centers for Medicare & Medicaid Services, NHE Fact Sheet](#)
- [2, 3 ZeroHedge February 8, 2026](#)