

BEA's Programs for R&D Investment and Health Statistics

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R&D Investment

- Treating expenditures on R&D as investment rather than current expenditure
- Effort cuts across all BEA programs
- BEA R&D on R&D: Price indexes, Depreciation rates, Rate of Return, Backcasting NSF data to NAICS basis (goal 1998-1959)

R&D Investment

- 2006 and 2007 Satellite Accounts released
 (<http://www.bea.gov/national/newinnovation.htm>)
- Extension to more industry detail and input-output tables
- R&D is one component of intangible assets that fall under innovation

Improving how we measure health care spending

- Supplemental measures for medical care that will include:
 - Reconciliation of expenditures with Center for Medicaid and Medicare Statistics (CMS) estimates.
 - New measures of spending by disease
 - facilitates assessments of the returns on health expenditures.
 - Improved price deflators
 - will better-account for changes in prices vs. real services.

Current efforts: *Alternative Price Deflators*

- Our research builds on existing academic literature:
 - Purchases of large claims databases
 - Also exploring available survey data (MEPS)
- Collaboration
 - academics (Cutler, Rosen, Chernew)
 - researchers at the BLS (Ralph Bradley)
- Preliminary findings in "Towards a Health Care Satellite Account," Survey of Current Business, May 2008 (Aizcorbe, Retus and Smith).