

Health Satellite Accounts

2012-2014 Pe

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In 2014, the current health expenditure increased by 1.3%, after a decrease of 1.6% observed in 2013. That increase was, however, lower than the nominal growth rate of GDP (2.2%). This evolution was determined by an increase in both public (0.7%) and private (2.5%) current expenditure. In 2013, public and private current expenditure decreased by 0.3% and 4.1%, respectively.

Statistics Portugal presents the first results of the Health Satellite Account (HSA), compiled according to the new methodological manual System of Health Accounts - 2011 Edition (SHA 2011), published in 2011. After the implementation of the new benchmark year 2011 in 2014, due to the adoption of the European System of Accounts 2010 (ESA 2010), the transition to the new methodological framework of health accounts was determined by the entry into force of Commission Regulation (EU) 2015/359, of March 4, 2015, with mandatory legal implementation in all Member States of the European Union from 2016 onwards.

The main methodological changes due to the implementation of Manual SHA 2011 are highlighted in the end of this press release. The information disclosed in this press release is final for the year 2012, provisional for 2013 and preliminary for 2014.

On Statistics Portugal website, in the area of National Accounts (section of satellite accounts¹) additional tables are published with more detailed data.

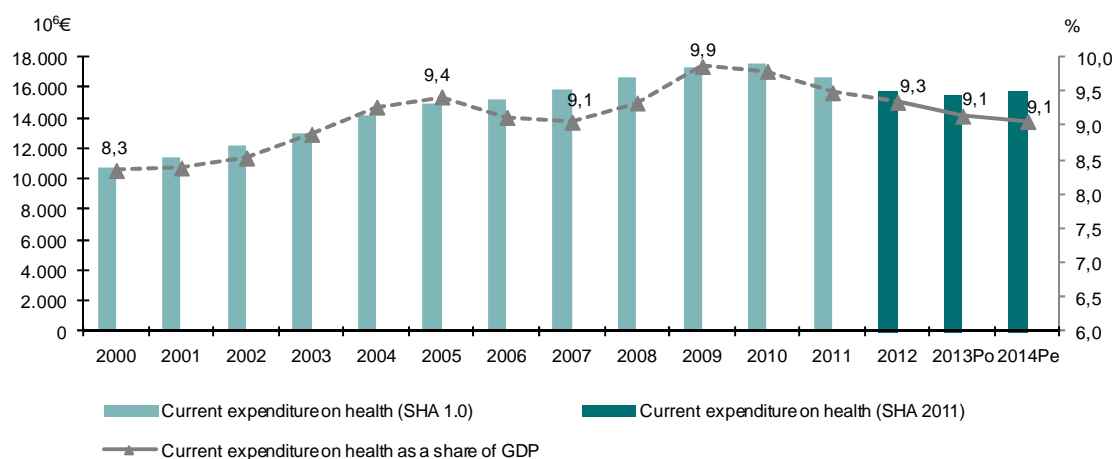
1. Current health expenditure and Gross Domestic Product (GDP)

In 2012, current health expenditure reached EUR 15.733,7 billion, which corresponds to 9.3% of Gross domestic product (GDP). In 2013, current health expenditure decreased 1.6%, settling at EUR 15.4832 billion (9.1% of GDP). For 2014 it is estimated an expenditure of EUR 15.681,9 billion, representing 9.1% of GDP, which represents a growth of 1.3% compared to 2013.

¹ https://www.ine.pt/xportal/xmain?xpid=INE&xpgid=ine_cnacionais&xlang=en

Considering the data series available for the period 2000-2014² it is observed, since 2009, a consecutive decrease in the relative weight of health in current expenditure in GDP, reaching, in 2013 and 2014, 9.1%, the same level as recorded in 2006 and 2007 (9.1%).

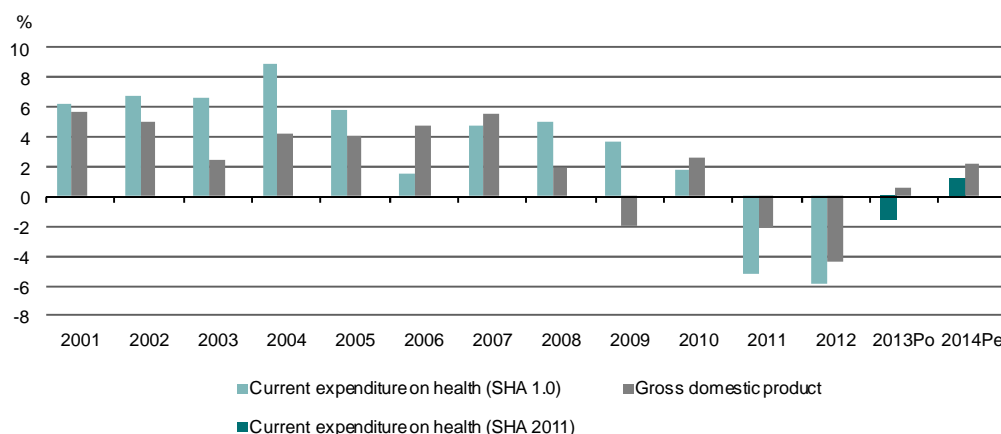
Graph 1: Current health expenditure and GDP (2000-2014Pe)



Since 2010, current health expenditure has recorded lower nominal growth rates than GDP. In the previous decade, only in 2006 and 2007 the same situation was recorded. In 2013, GDP grew again (0.6%), while current health expenditure decreased 1.6%. For 2014 it is estimated that current health expenditure has increased 1.3%, recording a growth rate lower than GDP (2.2%).

Graph 2: Current health expenditure and GDP (2000-2014Pe)

(Nominal change rate)

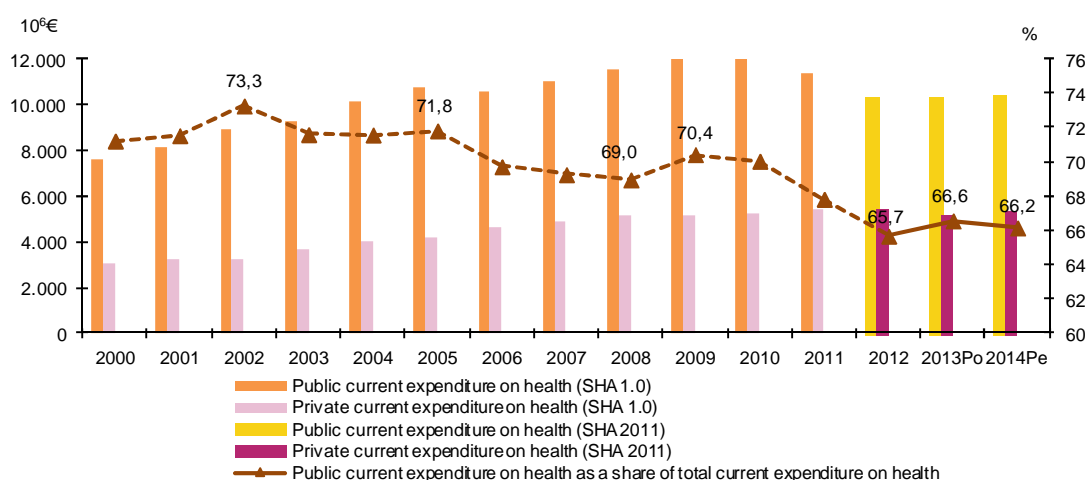


²The current health expenditure (total, public and private) for the period 2000-2011 was compiled according to the SHA 1.0 manual. On September 12, 2014, Statistics Portugal released the HSA results, with 2011 as benchmark year, final for the years 2010 and 2011, provisional for 2012 and preliminary for 2013. The backwards data series for the period 2000-2009 was published on Statistics Portugal website on February 12, 2015.

2. Public and private current health expenditure

The public current expenditure³ represented, in 2012, 65.7% of current expenditure. In 2013 there was an increase of 0.9 percentage points (p.p.) of the relative importance of current expenditure supported by public financing agents (66.6%), unlike the downwards trend observed in previous years. Preliminary results for 2014 show a slight decrease in the weight of public current expenditure (66.2%).

Graph 3: Current health expenditure, public and private (2000-2014Pe)



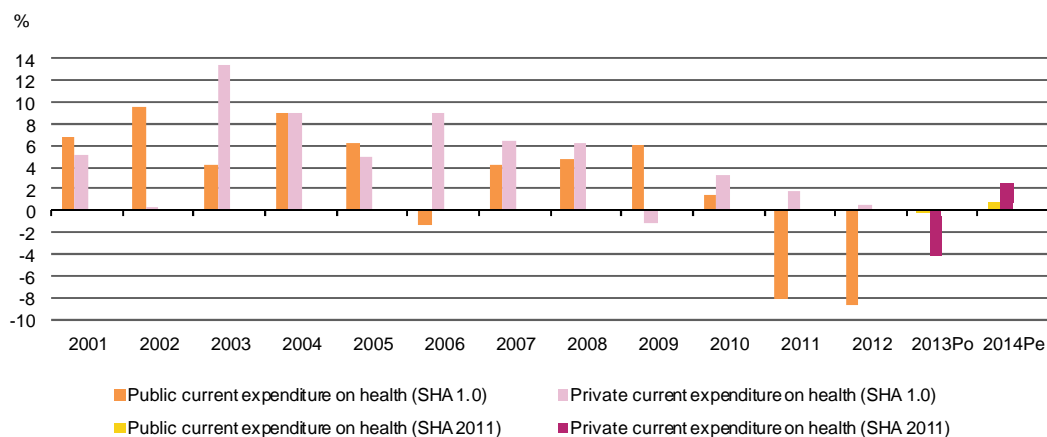
Between 2000 and 2010, public current expenditure on health grew, on average 5.0%, per year. During this period, the expenditure only decreased in 2006 (-1.5%). The years 2011 and 2012 presented a very significant reduction in public current expenditure on health, reflecting both the impact of general policy measures to contain the public expenditure and sectoral measures such as the drug policy. In 2013, public current expenditure continued to decline (-0.3%), but at a more moderate rate than in previous years. For 2014 it is estimated a slight increase (0.7%) of the public current expenditure.

Regarding private current expenditure⁴, it increased, on average, 5.6% per year between 2000 and 2010. In 2013, the private current expenditure decreased significantly (4.1%), after recording a moderate growth in 2011 and 2012. For 2014 it is estimated an increase of 2.5% in the private current expenditure.

³ The public current expenditure corresponds to the expenditure supported by public financing agents who manage and administer the government financing schemes and compulsory contributory schemes of government and mandatory contributory financing schemes. The public financing agents include the National Health Service (NHS) and the Regional Health Service (SRS), public health subsystems, other units of public administration and social security funds.

⁴ The private current expenditure corresponds to expenditure supported by private financing agents who manage and administer the voluntary financing schemes. The private financing agents include corporations (insurance and other corporations), Non-profit institutions serving households (NPISHs) (health subsystems and other NPISHs) and households.

Graph 4: Current health expenditure, public and private (2000-2014Pe)
(Nominal change rate)



The new System of Health Accounts - 2011 Edition

Statistics Portugal releases the first results of the Health Satellite Account, compiled according to the new methodology manual *System of Health Accounts - 2011 Edition* (SHA 2011).

It should be noticed that the SHA 2011 does not introduce changes in the principles and calculation methods for current health expenditure comparing with the previous manual. Therefore, revisions for the current expenditure in 2012 and 2013 are mostly due to the use of detailed data from the Final National Accounts for 2012 and to the use of updated source data for the public and private sectors.

In general, the new methodological manual sought to incorporate all the improvements resulting from the experience of implementing the SHA manual 1.0:

- 1) Presents, in more detail, the boundaries and definitions of the International Classification for Health Accounts (ICHA), which constitute the central accounting structure of the health system accounts (ICHA-HP (providers); ICHA- HC (Functions); ICHA-HF (Financing));
- 2) Proposes new extensions to the existing classifications (Classification of revenues of financing schemes (ICHA FS); Classification of factors of health care production (ICHA-FP));
- 3) Presents new dimensions of analysis of health expenditure, according to specific national interests (expenditure according to the beneficiary characteristics: disease, age, gender, and imports and exports, price and volume);
- 4) Improves concepts and methods in order to increase the comparability of data at international level.

For more information please consult: <http://www.oecd.org/els/health-systems/sha2011.htm>