3rd July 2025
HEALTH SATELLITE ACCOUNT
2021 – 2024Pe

NOMINAL GROWTH OF CURRENT HEALTH EXPENDITURE EXCEEDED THAT OF GDP IN 2024

In 2024, current health expenditure recorded a nominal growth of 8.7%, surpassing GDP growth, which was 6.4%. This growth was mainly driven by a 9.9% increase in public current expenditure, which represented 64.7% of current expenditure. The 10.2% increase in expenditure by the National Health Service and Regional Health Services (NHS and RHS) was crucial for this development.

In 2022, last year with available information**,** the Gross Fixed Capital Formation (GFCF) of healthcare providers grew moderately (2.7%), falling short of the 13.1% observed in the total GFCF of the economy. In that year, private providers of auxiliary services, particularly medical and diagnostic laboratories, stood out with a significant investment increase (102.0%). Conversely, there were notable reductions in the investment of hospitals (-7.5%) and private providers of ambulatory health care (-3.4%). The investment of public providers registered a slight increase of 0.2%, corresponding to 21.6% of the total GFCF of providers.

Statistics Portugal (INE) publishes the main results of the Health Satellite Account (HSA), according to the 2021 benchmark year, for the period 2021-2024. Additionally, the results of Gross Fixed Capital Formation (GFCF) of healthcare providers, including Research and Development (R&D) institutions and higher education institutions, for the years 2021 and 2022, as well as the GFCF of public healthcare providers for the year 2023, are made available.

These results are consistent with the base 2021 of the Portuguese National Accounts (PNA), published on 23 September 2024, which replaced the previous base 2016. The data released are final for the years 2021 and 2022, provisional for the year 2023, and preliminary for the year 2024. The preliminary results for 2024 were prepared based on information available until the end of April 2025. The release of the backwards data series for the period 2000–2020 is scheduled for July 2026.

The new benchmark year of the HSA introduced a wide range of changes, both in terms of data sources and methodology, leading to an upward revision of current health expenditure by just over 1% compared to the previous base. A detailed description of the changes resulting from the change of base can be found in the methodological note (Revisions - New HSA benchmark year (2021)) of this press release.

On the Statistics Portugal website, in the thematic dossier of the National Accounts (Satellite Accounts section), additional tables with more detailed information are available. The areas for disseminating results from previous bases (2006, 2011, and 2016) have been maintained.

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1. Main results

Current health expenditure is estimated to have increased by 8.7% in 2024

Current health expenditure is estimated to have increased by 8.7% in 2024, reaching €29,205.1 million, equivalent to €2,733.9 per capita and 10.2% of the Gross Domestic Product (GDP). The nominal growth of current health expenditure exceeded that of GDP by 2.3 p.p., contrary to what was observed in 2022 (-6.8 p.p.) and 2023 (-5.4 p.p.). The increase in the activity of hospitals, providers of ambulatory health care and pharmacies was crucial for this development.

In 2023, current health expenditure grew by 4.4%, reaching €26,866.3 million (10.0% of GDP and €2,539.8 per capita). This growth was driven by the activity of hospitals (public and private) and private providers of ambulatory health care, such as medical offices, dental practices, and multi-specialty medical clinics.

Figure 1. **Current health expenditure and GDP (2021 – 2024Pe)**

	2021	2022	2023Po	2024Pe
Current health expenditure				
Value (10^6 €)	24 291.3	25 735.6	26 866.3	29 205.1
Nominal rate of change (%)	-	5.9	4.4	8.7
% of GDP	11.2	10.5	10.0	10.2
Per capita (€)	2,334.0	2,458.3	2,539.8	2 733.9
Gross Domestic Product (GDP)				
Value (10^6 €)	216 493.7	243 957.1	267 923.2	285 180.6
Nominal rate of change (%)	7.7	12.7	9.8	6.4

Source: Statistics Portugal (Health Satellite Account and National Accounts)

In 2024, public current expenditure is expected to have grown more than private expenditure

In 2023, the share of public current expenditure[1] decreased by 0.8 p.p., settling at 63.9% of current expenditure. For 2024, an increase of 0.8 p.p. in the relative importance of public expenditure is estimated, reflecting a more pronounced growth compared to private expenditure[2].

[1] Public current expenditure on health corresponds to the expenditure borne by public funding agents. These include the National Health Service (NHS) and the Regional Health Services (RHS) of the Autonomous Regions of the Azores and Madeira, public health subsystems (mandatory and voluntary), other public administration entities, and Social Security funds.

[2] Private current expenditure on health corresponds to the expenditure borne by private funding agents. These include corporations (insurance and others), non-profit institutions serving households (NPISHs) (health subsystems and others) and households.

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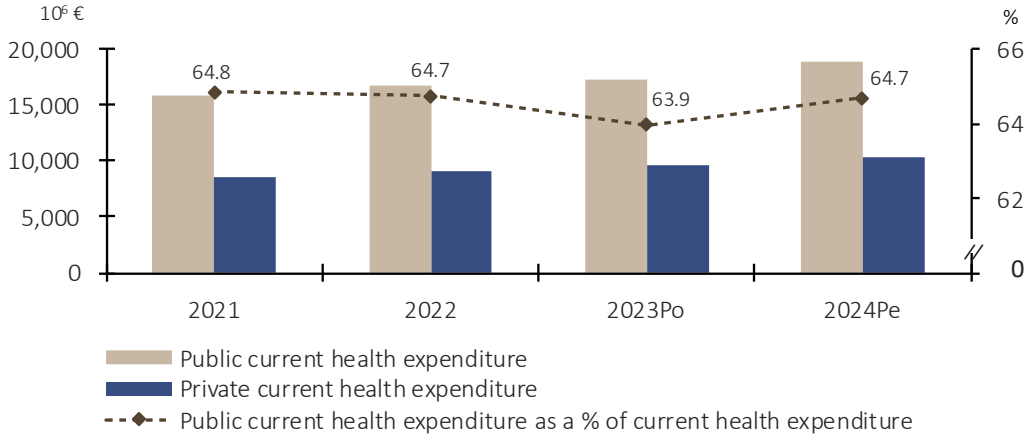
Figure 2. Current health expenditure, public and private (2021 – 2024Pe)



Source: Statistics Portugal (Health Satellite Account)

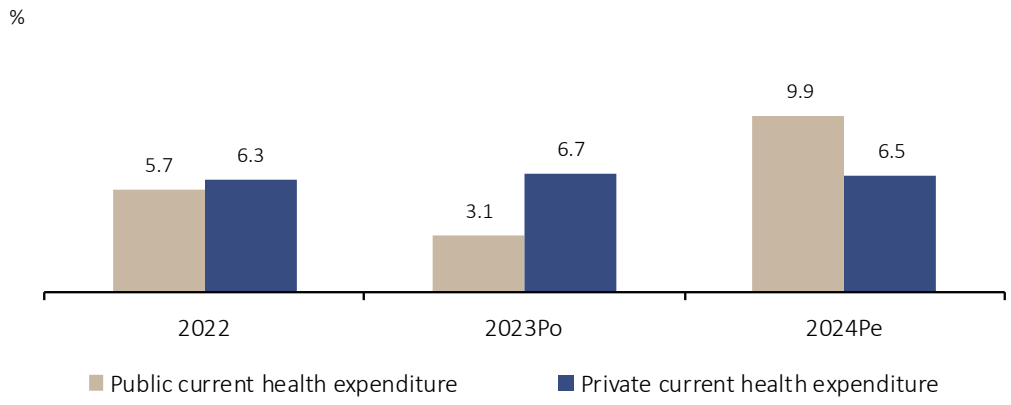
In 2024, public current expenditure is estimated to have increased significantly (9.9%), mainly due to the rise in compensation of employees and intermediate consumption of public providers, expenditure on contracting services to contracted entities (complementary diagnostic and therapeutic means) by the National Health Service (NHS), and the co-payments for products sold in pharmacies[3].

At the same time, private current expenditure rose by 6.5%, as a result of the increased activity of all private providers, especially hospitals.

[3] According to the information published in the Budget Execution Summary by the Directorate-General for the Budget, December 2024.

Figure 3. **Current health expenditure, public and private (2021 – 2024Pe)**

(Nominal rate of change)



Source: Statistics Portugal (Health Satellite Account)

2. International comparisons

In 2023, according to the latest available data[4], Portugal recorded the 7th lowest increase in current health expenditure (4.4%) and ranked 7th among Member States (MS) with the highest share of GDP (10.0%).

The most significant increases in current expenditure were observed in Poland (27.1%), Slovakia (25.1%), Romania (16.3%) and Croatia (16.3%). Only three countries recorded a decrease in this expenditure: Germany (-0.1%), Denmark (-1.1%) and Latvia (-2.6%).

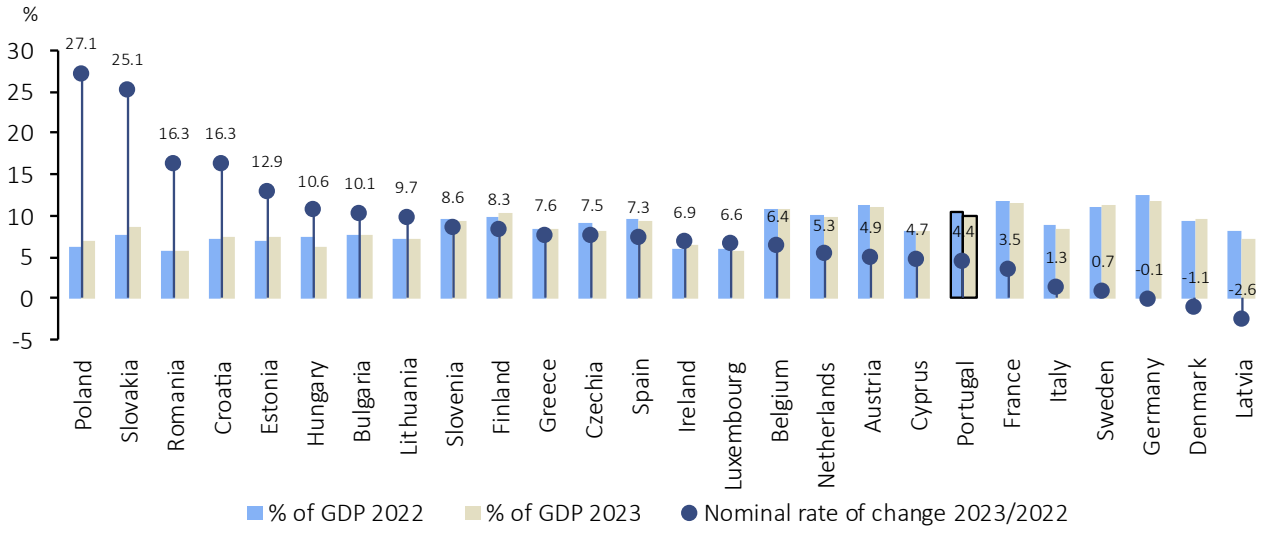
The Member States with the highest share of current expenditure in GDP[5] were Germany (11.7%), France (11.5%) and Sweden (11.3%). On the other hand, Romania (5.9%) and Luxembourg (5.7%) had the lowest share.

The largest reductions in the relative weight of current health expenditure in GDP occurred in Hungary (-1.1 p.p.), Czechia (-0.9 p.p.) and Latvia (-0.9 p.p.). The most significant increases were recorded in Slovakia (+0.9 p.p.), Poland (+0.7 p.p.) and Ireland (+0.6 p.p.).

[4] Data extracted on June 27, 2025, from Eurostat databases (last update: June 26, 2025) and OECD (last update: April 4, 2025), complemented with updated information published on the official statistics websites of each Member State.

[5] Data extracted from the Eurostat database on June 27, 2025 (last update: June 26, 2025).

Figure 4. Evolution of current health expenditure and share of current health expenditure in GDP in EU countries (2022 – 2023)



Source: Statistics Portugal (Health Satellite Account and National Accounts); OECD; Eurostat; Official Statistics websites of each MS

METHODOLOGICAL NOTE:

Health Satellite Account (HSA) has, as main methodological references, the System of Health Accounts Manual - 2011 Edition (SHA 2011) and the Commission Regulation (EU) 2021/1901, of October 29, 2021. SHA 2011 manual is consistent with the principles, concepts, definitions, and classifications of the European System of National and Regional Accounts 2010 (ESA 2010) and System of National Accounts 2008 (SNA 2008) of the United Nations, thus ensuring the harmonization of methodologies and international comparability of results.

According to the SHA 2011 manual, **current health expenditure** includes the final consumption expenditure of the statistical resident units in health goods and services. Excludes exports of health goods and services provided to non-resident units in the economic territory and includes imports of health goods and services provided to resident units outside the economic territory.

The international classification used in heath accounts is the *International Classification for Health Accounts* – ICHA. The structure of the health accounts system, according to SHA 2011, focuses on the three-dimensional analysis of health systems at the level of health care functions (ICHA-HC), provision (ICHA-HP) and their financing (ICHA-HF/ICHA-FA).

Figure 5: **Classification of functions (ICHA–HC) of health care (transposition for the Portuguese case)**

Functions of Health Care		Mode of production
HC.1	Curative care	Inpatient care
HC.2	Rehabilitative care	Day care
HC.3	Long-term care (health)	Outpatient care
		Home-based care
HC.4	Ancillary services (non-specified by function)	
HC.5	Medical goods (non-specified by function)	
HC.6	Preventive care	
HC.7	Governance and health system and financing administration	
HC.9	Other health care services not elsewhere classified (n.e.c.)	
Memorandum items: reporting items		
HC.RI.1	Total pharmaceutical expenditure	
Memorandum items: health care related		
HCR.1	Long-term care (social)	

Source: Statistics Portugal (Health Satellite Account)

The HSA presents the separation between public and private providers. It also considers the following specification:

- Health care centres specialized in ambulatory services of the National Health Service (NHS) and Regional Health Services (RHS): include the ambulatory health centres of the NHS and the RHS of the Azores and Madeira.

Figure 6: **Classification of providers (ICHA–HP) adopted in Portugal**

Health Care Providers		Public Providers	Private Providers
HP.1	Hospitals	√	√
HP.2	Residential long-term care facilities	√	√
HP.3.1	Medical practices		√
HP.3.2	Dental practices		√
HP.3.3	Other health care practitioners		√
HP.3.4	Ambulatory health care centres	√	√
HP.3.4	Ambulatory health care centres (NHS and RHS)	√	
HP.3.5	Providers of home health care services		√
HP.4.1	Providers of patient transportation and emergency rescue	√	√
HP.4.2	Medical and diagnostic laboratories	√	√
HP.5.1	Pharmacies		√
HP.5.2-5.9	All other retailers and providers of medical goods		√
HP.6	Providers of preventive care		√
HP.7	Providers of health care system administration and financing	√	√
HP.8	Rest of the economy	√	√
HP.9	Rest of the world		

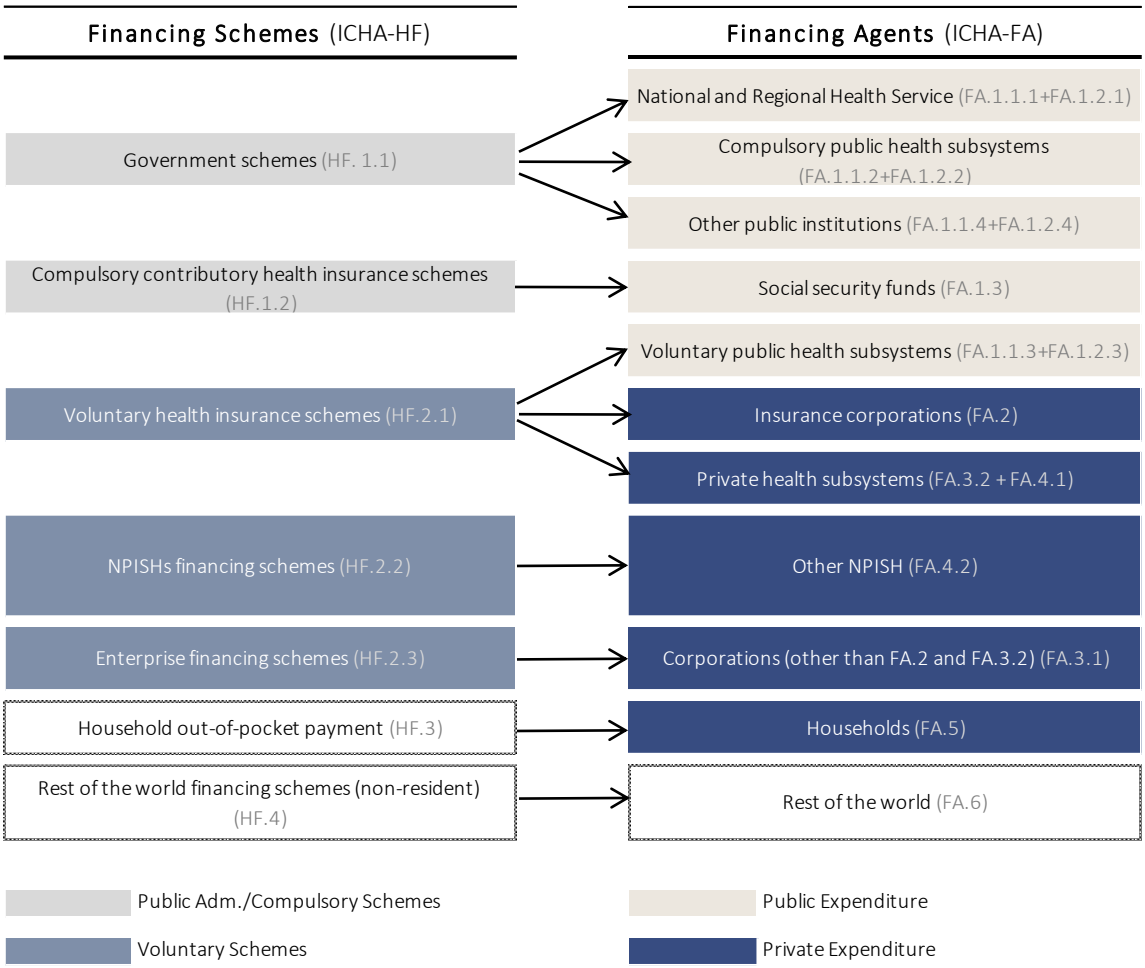
Source: Statistics Portugal (Health Satellite Account)

The financing schemes (ICHA-HF) constitute the structural components of health care financing systems through which individuals have access to health goods and services. In addition, the SHA 2011 manual considers the classification of financing agents (ICHA-FA), which are the institutional units that manage and administer financing schemes, collect revenues and/or purchase health goods and services.

European Commission Regulation (EU) 2021/1901 requires the adoption of the classification of financing schemes (ICHA-HF). In the Portuguese case, it was considered important to adopt, simultaneously, the classification of financing agents (ICHA-FA), allowing the results to be analysed in more detail in terms of the separation of expenditure from the NHS and RHS.

In the transposition of the financing classification, the relationship described in Figure 7 between financing schemes and financing agents was adopted, as well as the respective separation between private and public expenditure.

Figure 7: **Correspondence between financing schemes, financing agents and public and private expenditure**



Source: Statistics Portugal (Health Satellite Account)

Gross Fixed Capital Formation (GFCF) in the health system is measured by the total value of fixed assets that health care providers acquired during the accounting period (less the value of disposals of assets) and that are used repeatedly or continuously for more than one year in the provision of health services. Acquisitions and disposals of fixed assets are recorded when ownership is transferred to the provider who intends to use them in the provision (in the case of acquisitions) or from the provider who previously used them in the provision (in the case of disposals).

Note that GFCF includes Research and Development (R&D) expenditure by public health care providers, other institutions and higher education institutions that have developed health R&D projects. Although the 2011 SHA Manual recommends excluding R&D expenditure from GFCF, considering it as a related expenditure of the Capital Account, R&D expenditure was included in the estimate of GFCF in the HSA to ensure full consistency with the definition of GFCF from ESA 2010 and SNA 2008.

The total value of GFCF estimated by the Portuguese National Accounts (PNA) by the different industries[6], by type of asset and institutional sector, constituted the starting point for the calculation of the GFCF of the providers belonging to the universe of HSA. The available data did not allow the calculation of the GFCF of the financial corporations that manage health insurance and of the entities of the General Government that manage the compulsory public health subsystems, SAD-PSP and SAD-GNR, classified in the HP.7 (Providers of administration and financing services of health systems).

Compared with the GFCF results of the health function (Division 07) of the classification of public expenditure (COFOG)[7], the GFCF of public providers within the scope of HSA includes additional entities considered in the universe of the account, such as, for example, the Service for Intervention in Addictions and Dependencies (SICAD) and the National Institute of Legal Medicine and Forensic Sciences, I. P..

Revisions - New HSA benchmark year (2021)

As with the PNA, the HSA is updated regularly, approximately every five years. The aim of these revisions is to incorporate methodological developments, update procedures and the reference universe, revise classifications, integrate new data sources and ensure consistency and comparability with the PNA.

Main changes introduced in the 2021 HSA base:

a) Data sources:

- **E-invoice**;
- **Balance of Payments** of the Bank of Portugal;
- **More detailed information:** ADM (Assistance in Illness for Armed Forces Military), SSCGD (Social Services of Caixa Geral de Depósitos), ACSS, I.P. (Central Administration of the Health System, I.P.) and ASF (Insurance and Pension Funds Supervisory Authority);
- **Household Budget Survey** (HBS) 2022/2023.

b) Methodological developments:

- **Health Insurance:** update of the calculation formula for the production and financing of insurance corporations (production of health insurance services and health insurance claims), exclusion of insurers' activities outside the

[6] Mainly from the industries of PNA 86 (Human health activities), 87 (Residential care activities), 88 (Social work activities without accommodation), 84 (Public administration and defence; compulsory social security) and 47 (Retail trade, except of motor vehicles and motorcycles).

[7] Classification of the functions of government (COFOG)

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economic territory, inclusion of foreign branches' activities within the economic territory, and elimination of duplications between insurers and private health subsystems;

• **Financing of healthcare provided to municipal employees supported by municipalities:** recording of the amounts reimbursed directly to municipal employees under the ADSE free scheme, which had not been accounted for in the ADSE accounts or in the HSA;

• **Subsidies paid by Social Security for family assistance to sick, disabled, dependent elderly relatives recorded in the production of households as providers of home care (HP.8.1)** for work absences to care for sick relatives (subsidy for caring for a child due to illness, accident, disability, or chronic illness (within the scope of parental benefits)) recorded under household production as providers of home-based health care (HP.8.1);

• **Intra-consumption**[8] of health goods and services by providers: revision resulting from the update of the universe of providers in the non-financial corporations' sector and the appropriate values from the SBI;

• **Consumption of Fixed Capital:** incorporation of the revised series by the PNA in the calculation of expenditure for non-market providers belonging to the general government sector and NPISHs;

• **Expenditure on long-term care (HC3 (health) and HCR1 (social)) in the provider category "all other activities" (HP.8.2):** reassessment mainly due to the integration of expenditure on "day centres" that began to provide basic daily living activities (ADL) services to a higher proportion of dependent elderly and disabled people;

• **Others:**

- reassessment of expenditure on internal occupational health services of corporations (HP.8.2);

- revision of the financing of private health subsystems, NHS providers, and NHS-contracted entities;

- institutional sector reclassification of units and healthcare providers: Residential long-term care facilities (HP.2), Providers of ambulatory health care (HP.3), and All other industries (HP.8.2);

- more detail: Medical practices (HP.3.1), Dental practices (HP.3.2), Other health care practitioners (HP.3.3).

The change in base had an impact on the value of current health expenditure, with upward revisions ranging between 1.1% and 1.4%. The revision was more pronounced in private current expenditure (between 1.7% and 2.1%) than in public current expenditure (between 0.5% and 1.3%).

These revisions reflect the effects of the base change and the availability of more detailed and updated information on providers and financing agents.

[8] Intra-consumption corresponds to the intermediate consumption of health services by the health care providers themselves as part of their activity.

Figure 8. Revisions of current health expenditure, public and private (2021 – 2023)

	2021	2022	2023
Current expenditure			
Revision (10^6 €)	258.2	365.3	306.7
Revision (% of current expenditure)	1.1	1.4	1.2
Public current expenditure			
Revision (10^6 €)	86.0	215.2	134.5
Revision (% of public current expenditure)	0.5	1.3	0.8
Private current expenditure			
Revision (10^6 €)	172.2	150.2	172.2
Revision (% of private current expenditure)	2.1	1.7	1.8

Fonte: Statistics Portugal (Health Satellite Account)

CONVENTIONAL SIGNS

Pe - Preliminary data

Po - Provisional data

% - Percentage

ACRONYMS AND ABBREVIATIONS

ACSS, I.P. - Central Administration of the Health System, I.P.

ADM - Assistance in Illness for Armed Forces Military

ADL – Activities of daily living

ADSE, I.P. - Institute for Protection and Assistance in Illness, I.P.

ASF - Insurance and Pension Funds Supervisory Authority

COFOG - Classification of the functions of government

ESA - European System of National and Regional Accounts

EU - European Union

GDP - Gross Domestic Product

GFCF - Gross Fixed Capital Formation

HBS - Household Budget Survey

HSA - Health Satellite Account

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ICHA - International Classification for Health Accounts

ICHA-FA - Classification of Financing Agents

ICHA-HC - Classification of Functions of Health Care

ICHA-HF - Classification of Financing Schemes

ICHA-HP - Classification of Health Care Providers

INE - Statistics Portugal

MS - Member States

NHS - National Health Service

NPISH - Non-profit Institutions Serving Households

OECD - Organisation for Economic Co-operation and Development

PNA - Portuguese National Accounts

R&D - Research and Development

RHS - Regional Health Services of Azores and Madeira

SAD-GNR - Assistance in health care to Militaries of Republican National Guard

SAD-PSP - Assistance service in health care to Agents of Public Security Police

SBI - Simplified Business Information

SICAD - Intervention Service for Addictive Behaviours and Dependencies

SHA - System of Health Accounts

SNA - System of National Accounts

SSCGD - Social Services of Caixa Geral de Depósitos

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