
SHA-Based Health Accounts in the Asia/Pacific Region
: **Hong Kong SAR 2001-2002**

Keith YK Tin and Gabriel M Leung

3

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SHA-BASED HEALTH ACCOUNTS IN THE ASIA/PACIFIC REGION :
HONG KONG SAR 2001-2002

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ABSTRACT

In Hong Kong SAR, the first Domestic Health Accounts (DHA – the Special Administrative Region’s equivalent of National Health Accounts) were developed as part of a consultancy to review the local health system in November 1997, based on preliminary drafts of the *Principles of Health Accounting for International Data Collections, OECD 1997*. Since 2003, the Health, Welfare and Food Bureau of the Government of Hong Kong SAR has commissioned the University of Hong Kong to lead on the updating exercise based on the conceptual framework for HKDHA. The framework has been drawn up based on the OECD *A System of Health Accounts (SHA)*, subsequently modified with input from a wide spectrum of stakeholders and potential users of HKDHA.

This paper presents SHA-based estimates of total expenditure on health in Hong Kong SAR for fiscal year 2001/02, with breakdown by financing source, function, mode of production and provider.

Total expenditure on health (TEH) was HKD 68,620 million (9,055 million USD PPP) in fiscal year 2001/02, with per capita spending at HKD 10,204 (1,347 USD PPP). In real terms, TEH grew at an average annual rate of 7% from 1989/90 to 2001/02. However, real GDP grew at a rate of only 4%, meaning that total health spending as a percentage of GDP increased from 3.8% to 5.5% during the period. Compared to other, particularly developed, countries, Hong Kong SAR has devoted a relatively small percentage of its GDP to health expenditure.

While public spending was the major source of health financing in 2001/02, private household out-of-pocket expenditure accounted for the second largest share of total health expenditure (29.5%). The remaining sources of health financing were private insurance (8.3% private social insurance; 3.8% private insurance enterprises), non-profit institutions (0.3%) and other private sources of funding (1.1%; non-patient care related revenue and provider own funds).

93.6% of total current health expenditure was spent on personal health care, of which the two major modes of production were out-patient care (37.2%) and in-patient care (36.8%), whilst day care and home care together accounted for 5.3% of total current expenditure.

Analysis of current health expenditure by provider shows that hospitals accounted for the largest share (47.2%) and providers of ambulatory services the second largest share (32.0%) of total current health spending. This observed service consolidation at institutions (as opposed to free-standing ambulatory clinics, most of which are staffed by solo providers) is similar across both the public and private sectors.

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INTRODUCTION

Health financing system

1. Direct taxes contribute about one-half of government general revenue. Of Hong Kong SAR's 3.3 million working population (out of 6.9 million total population), only 55% pay any income tax, with the richest 1.4% of the working population who fall into the top tax bracket (ie 16% flat tax) contributing 38.8% of total salaries tax receipts. Personal income tax comprises around a third and corporate tax makes up around a half of all direct taxes. The remaining direct tax is property tax, which applies to the 60% of the population who live in private housing but not to the 40% who live in government-subsidized housing.

2. Because of its colonial background, Hong Kong SAR has reproduced a tax-financed health system based on the UK National Health Service as it developed the welfare state since the 1970s. Hong Kong SAR has achieved virtually universal health coverage through a financing system that derives over 55% of its funds from government general revenue, albeit sustained by a very narrow tax base. Government general revenue has funded most of hospital care, initially through publicly operated facilities and subvention of hospitals run by charities. Since 1991 these have been consolidated under the single corporatised umbrella of the Hospital Authority.

3. In contrast, most of ambulatory care has always been privately financed and provided where out-of-pocket (OOP) payments are common, amounting to about a third of total health expenditure, with limited prospective payment arrangements through employer-provided (mostly multinationals or large local firms), and to a much lesser degree self-purchased, medical insurance.

4. Tables 1 and 2 summarise Hong Kong SAR's health financing statistics and arrangements.

Table 1: Health financing overview, 2001

Population (million)	6.9 ^b
Gross domestic product (GDP) per capita (HKD ^a)	187,103 ^b
Total health spending per capita (HKD)	10,204 ^c
<i>funded by</i>	
Government general revenue	5,811
Private health insurance	1,235
Out-of-pocket payments	3,012
Total health spending as % of GDP	5.5%
General government spending on health as % of total government spending	16.4% ^d
Pharmaceuticals as share of total health spending	8.4% ^e

Note:

a. Pegged exchange rate (HKD 7.8 = USD 1)

b. Census and Statistics Department, Government of the Hong Kong SAR

c. Hong Kong's Domestic Health Accounts; Fiscal Year 2001/02

d. For government spending, Hong Kong Annual Digest of Statistics; Fiscal Year 2001/02

e. Estimate based on IMS data (purchase price of health care providers & sale price of pharmacies and other retail stores) and Household Expenditure Survey; Fiscal Year 2001/02

Table 2: Health financing arrangements

Health care coverage	Through a tax-financed system, all Hong Kong SAR residents are entitled to full, universal access to public hospitals and clinics for a minimal co-payment, where 95% total bed-days and 15-20% ambulatory episodes are provided. Supplementary private insurance, whether provided by employers or self purchased, generally covers the middle and upper socioeconomic strata but such coverage is usually inadequate in the case of serious or chronic illnesses which are predominantly provided for in the public sector.
Risk pool structure / fragmentation	The tax-financed public sector covers the entire population whereas private services are funded by household out-of-pocket payments and mostly employer-provided insurance policies.
Health insurance contributions	Public sector services are funded from government general revenue. Private supplementary schemes, such as employer-provided medical benefits for private care, typically form part of the remuneration package whereas individually purchased insurance premiums vary a great deal and such policies typically exclude pre-existing medical conditions.
Benefits package and copayments	The public sector provides the full range of health care services with minimal co-payments, amounting to 3-5% of total bed-day costs and about 10-20% of ambulatory episode costs. All in-patient pharmaceuticals are included and are not separately billed whereas there are very minimal co-payments with outpatient drugs (about USD1 per item).
Special arrangements for the poor	Free (ie the usually minimal co-payments are waived) public health care services for welfare (namely Comprehensive Social Security Assistance) recipients.

Hong Kong Domestic Health Accounts

5. In Hong Kong SAR, the first Domestic Health Accounts (DHA – the Special Administrative Region’s equivalent of National Health Accounts) were developed as part of a consultancy to review the local health system in November 1997. The review was commissioned by the then Health and Welfare Bureau and undertaken by the Harvard School of Public Health. The Harvard team subcontracted the Institute of Policy Studies, Sri Lanka to perform the actual estimation of domestic health expenditure between 1989/90 and 1996/97, and reported the results in January 1999 (*Special Report No. 1, “The Harvard Report”*). Hong Kong’s Domestic Health Accounts (HKDHA) were developed based on preliminary drafts of the *Principles of Health Accounting for International Data Collections, OECD 1997*.

6. Since 2003, the Health, Welfare and Food Bureau has commissioned the University of Hong Kong to lead on the updating exercise based on the conceptual framework for HKDHA. The framework has been drawn up based on the OECD *A System of Health Accounts (SHA)*, subsequently modified with input from a wide spectrum of stakeholders and potential users of

HKDHA. The first HKDHA estimates for the years 1989/90 to 1996/97 were also modified or updated in line with the framework, allowing for retrospective comparisons and longer term secular trend or time-series analysis. For the purposes of international comparability, the framework and classifications systems for HKDHA were designed to enable mapping to the OECD *SHA*. Estimates are currently available to fiscal year 2001/02, with data for the three years to 2004/05 currently being compiled.

7. While there is general acceptance within and outside government of the utility of regular updates in health accounts, there is not as yet complete institutionalisation in terms of the frequency and regular production of such updates.

8. The work of compiling and maintaining Hong Kong SAR's health accounts is guided by a Steering Committee and a Subcommittee on Data Priorities and Management, composed of principal stakeholders, data users and providers to give the responsible team advice on various aspects of health expenditure reporting.

STRUCTURE AND TRENDS OF HEALTH EXPENDITURE

Total health expenditure by financing source

9. Prior to the first set of DHA estimates being compiled in 1999, and up to the current time, there has been a parallel macro estimate of total health spending as a percentage of gross domestic product (GDP) by the government Treasury. The calculation of total health expenditure based on the SHA has produced figures broadly comparable with the Treasury estimates. For instance, for the year 2001/02 the DHA estimate of total domestic health expenditure was 5.5% of GDP compared to Treasury's estimate of 5.2% of GDP¹, mainly attributable to differences in staff on-cost/central administrative overheads and a broader definitional boundary of health expenditure used in the DHA estimates.

10. Total expenditure on health (TEH) was HKD 68,620 million (9,055 million USD PPP²) in fiscal year 2001/02, with per capita spending at HKD 10,204 (1,347 USD PPP). In real terms, TEH grew at an average annual rate of 7% from 1989/90 to 2001/02. However, real GDP grew at a rate of only 4%, meaning that total health spending as a percentage of GDP increased from 3.8% to 5.5% during the period.

11. Taking the growth of the population into account, TEH per capita increased by 6% per annum on average in real terms over the period 1989/90 to 2001/02, whereas with GDP declining in the late 1990s as a result of the economic downturn, the per capita average annual real growth rate was 3%. Of the HKD 68,620 million total health expenditure, HKD 65,397 million (95.3%) was current expenditure while HKD 3,223 million (4.7%) was capital expenditure. (see Table A2)

12. In terms of public versus private expenditure, the share of public spending grew from 43.0% to 56.9% of total health expenditure between 1989/90 and 2001/02 (see Table A1). It is difficult to precisely attribute the underlying reasons for this temporal change, although clearly the establishment of the Hospital Authority and the consequent improvements in public in-patient services is a major explanatory factor. The increase in the public share of total health expenditure from 1989/90 through the early 1990s reflects the initial expansion of services that were offered by the newly established and consolidated Hospital Authority system. A victim of its own success, the Hospital Authority has increasingly attracted the middle class, which used to consume private health services rather than withstand the "camp beds" of public hospitals. The small but financially independent middle class has increasingly opted for the public sector as both clinical quality and, perhaps more importantly, amenities have been upgraded in public hospitals. At the same time there has been only marginal improvements in private hospitals. The Asian financial crisis in 1997 that plunged Hong Kong SAR into a prolonged recession followed by a deflationary economic cycle that continued until the last quarter of 2004 also adversely affected the ability to pay and spending confidence of these middle class consumers, and lead increasingly to a choice of the lower cost public hospital option.

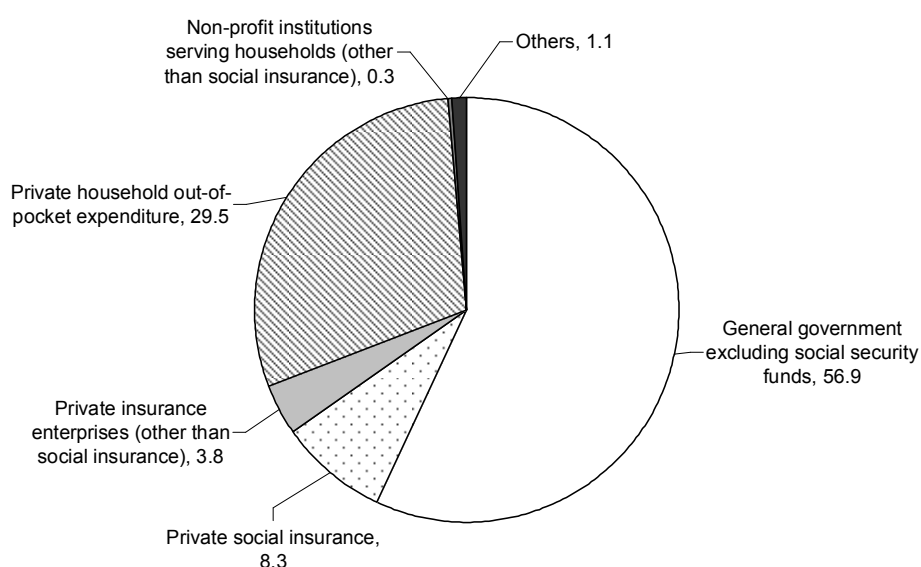
13. As Figure 1 and Table A1 show, while public spending was the major source of health financing in 2001/02, private household out-of-pocket expenditure accounted for the second

¹ Source: Hong Kong Annual Digest of Statistics (Public expenditure on health; Private consumption expenditure on health)

² Calculation based on WorldBank's PPP conversion factor (1993)

largest share of total health expenditure (29.5%), decreasing from 42.7% in 1989/90. The remaining sources of health financing were private insurance (8.3% private social insurance; 3.8% private insurance enterprises), non-profit institutions (0.3%) and other private sources of funding (1.1%; non-patient care related revenue and provider own funds³). Analysis of private spending shows that private insurance enterprises (other than social insurance) has played an increasingly important role in financing private spending (from 2.3% of total private spending in 1989/90 to 8.9% in 2001/02) whereas household expenditure has shown a corresponding decrease from 74.8% of total private spending in 1989/90 to 68.6% in 2001/02, with private social insurance staying at a reasonably constant percentage of private spending.

Figure 1: Total health expenditure by financing agent (Total health expenditure = 100) in Hong Kong SAR, 2001/02



Total health expenditure by function (Figure 2, Table A2)

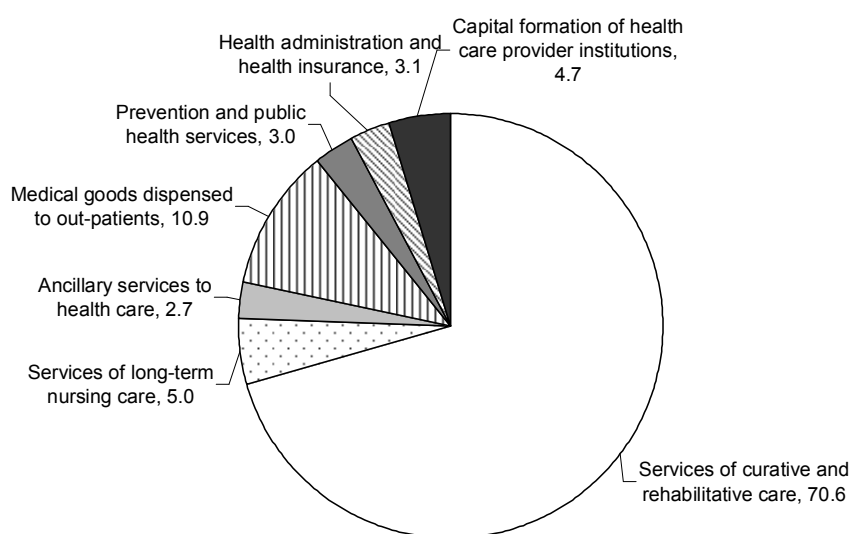
14. In 2001/02, services of curative and rehabilitative care accounted for the largest share of total health spending (70.6%) which were made up of out-patient care (35.5%), in-patient care (30.3%), day care (3.9%), and home care (0.9%). (Figure 2 and Table A2) The next largest share of total health expenditure was spent on medical goods dispensed to out-patients (10.9%) comprised of pharmaceuticals and other medical non-durables (7.4%) and therapeutic appliances and other medical durables (3.5%). The remaining health care functions, which also include prevention and public health services, constituted around 3% to 5% of total spending.

15. Demand for long-term nursing care has increased significantly – this is likely to be as a result of population ageing and Hong Kong SAR’s sociological transition away from the Confucian tradition of cohabitation with, and caring for, elders at home as its socio-economic structure increasingly resembles that of OECD countries.

³ See Annex 1 for definitions

16. Between 1989/90 and 2001/02, the share of expenditure on services of curative and rehabilitative care increased by more than 6 percentage points primarily due to the increase in in-patient care expenditure. Meanwhile, the share of expenditure on capital formation for health care provider institutions decreased by more than 8 percentage points as a consequence of the economic downturn in the late 1990s and as the Hospital Authority's heavy investments in commissioning new facilities were completed. Related to increasing demand as a result of population ageing, the expenditure shares on long-term nursing care nearly doubled during the period (from 2.7% in 1989/90 to 5.0% in 2001/02).

Figure 2: Total health expenditure by function (Total health expenditure = 100) in Hong Kong SAR, 2001/02

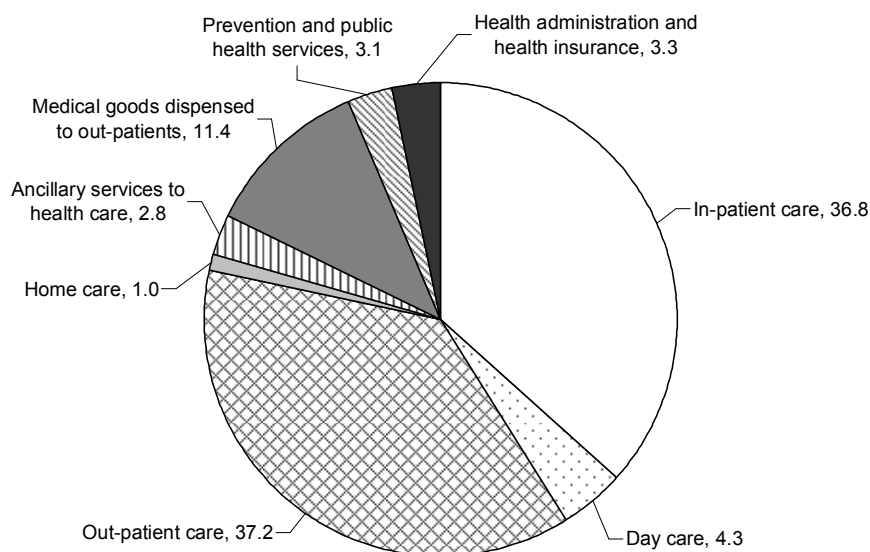


Current health expenditure by mode of production (Figure 3, Table A3)

17. In 2001/02, 93.6% of total current health expenditure was spent on personal health care. The major modes of production were out-patient care (37.2%) and in-patient care (36.8%), whilst day care and home care together accounted for 5.3% of total current expenditure. (Figure 3)

18. Between 1989/90 and 2001/02, the share of expenditure on in-patient care increased by 8.7 percentage points, whilst the share on out-patient care decreased by the same magnitude (from 45.9% to 37.2%). There were large increases in the shares of spending on day care and home care although their shares were still low as a relative proportion of total expenditure. The shares of other modes of production including ancillary services to health care, prevention and public health services and health administration and health insurance stayed at a relatively constant levels over the period.

Figure 3: Current health expenditure by mode of production (Current health expenditure = 100) in Hong Kong SAR, 2001/02



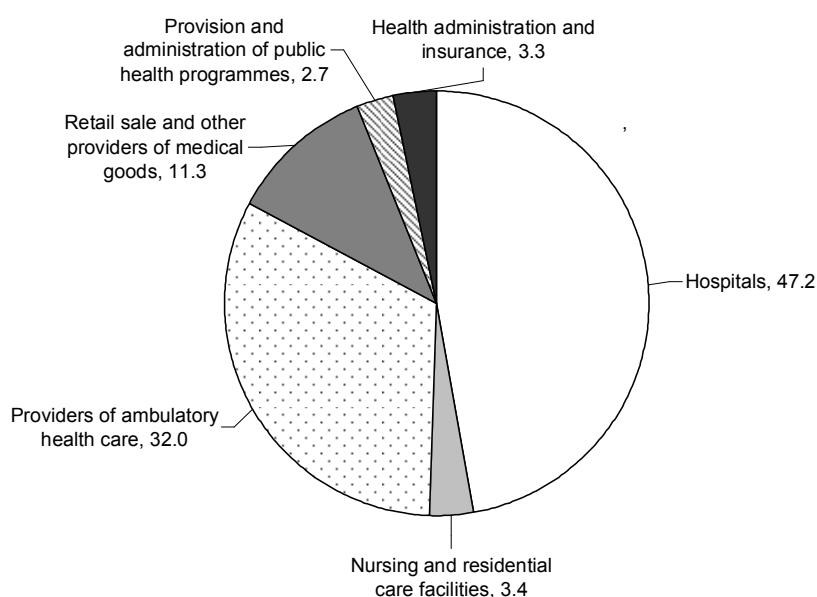
Current health expenditure by provider (Figure 3 and Table A3)

19. The largest share of current expenditure in 1989/90 was spent on providers of ambulatory health care (48.2%) with the second largest being on hospitals (31.0%). However, as a result of a gradual decrease in spending on ambulatory services and a corresponding increase in the number, service spectrum and quality of hospitals during the period, by 2001/02 the situation had reversed. In 2001/02 hospitals accounted for the largest share (47.2%) and providers of ambulatory services the second largest share (32.0%) of total current health spending. This observed service consolidation at institutions (as opposed to free-standing ambulatory clinics, most of which are staffed by solo providers) is similar across both the public and private sectors.

20. Analysis of expenditure by providers of ambulatory health care shows that the share of total ambulatory health care expenditure of offices of physicians (western allopathic medical doctors) decreased 3 percentage points, while that of all other providers of ambulatory health care (Chinese medicine doctors and allied health professionals) increased by more than 4 percentage points, which may either suggest a substitutional change in patient choice between western and Chinese medicine doctors during the period, but more likely a shift of private allopathic ambulatory episodes to the public sector Chinese medicine.

21. Nursing and residential care facilities providing long-term nursing care accounted for a relatively large increase in the expenditure share, from 1.9% in 1989/90 to 3.4% in 2001/02. While expenditure at retail sale and other providers of medical goods decreased slightly by 1.7 percentage points relative to total current health expenditure, spending on other providers including provision and administration of public health programmes and health administration and insurance constituted essentially the same relative shares of total current expenditure over the period.

**Figure 4: Current health expenditure by provider (Current health expenditure = 100)
Hong Kong SAR, 2001/02**



Current health expenditure by function and provider (SHA Tables 2.1, 2.2 and 2.3)

22. In 2001/02, expenditure on in-patient care was HKD 25,267 million (38.0% of total current expenditure). Hospitals accounted for most of this expenditure (88.8%) while the rest was shared between nursing and residential care facilities (6.7%), providers of ambulatory health care (4.5%) and offices of physicians (4.5%).

23. Expenditure on out-patient care was HKD 24,344 million (36.6% of total current expenditure) which was distributed between providers of ambulatory care and hospitals in the ratio of 69.6% to 30.4%. Amongst providers of ambulatory care, offices of physicians accounted for the largest share of expenditure (69.6%), offices of dentists the second largest (15.7%), with offices of other health practitioners and out-patient care centres accounting for the remainder (14.7%).

24. Of the HKD 2,805 million expenditure on day care (4.2% of total current expenditure), 80.4% was allocated to hospitals, 18.9% to nursing and residential care facilities and 0.7% to out-patient care centres.

25. Expenditure on ancillary services to health care was HKD 1,915 million (2.9% of total current expenditure), of which 96.1% was paid to providers of ambulatory health care (33.8% medical and diagnostic laboratories; 62.4% all other providers of ambulatory health care) and 3.9% to retail sale and other providers of medical goods.

26. Hong Kong SAR spent HKD 675 million (1.0% of total current expenditure) on home care in 2001/02. Almost all of this expenditure was incurred at providers of home health care (97.1%), with only 2.9% at nursing and residential care facilities.

27. Services provided by hospitals included in-patient care, day care and out-patient care that collectively accounted for HKD 32,094 million (48.2% of total recurrent expenditure). The distribution of hospital expenditure by health care function was 69.9% (in-patient care), 23.1% (out-patient care) and 7.0% (day care).

Current health expenditure by provider and financing agent (SHA Tables 3.1, 3.2 and 3.3)

Spending structure of the financing agents

28. Hong Kong SAR does not have social insurance financing, so general government revenue is the only mode through which the public sector funds expenditure on health and health care.

29. In 2001/02, public expenditure on health amounted to HKD 36,156 million (54.3% of total current expenditure), which was mostly incurred at hospitals (76.0%), whilst private expenditure (HKD 30,396 million) was mostly incurred at providers of ambulatory health care (54.3%). This reflects the mixed health care economy of Hong Kong SAR where public hospitals generally account for about 90-95% of total bed-days and private doctors provide 70-85% of out-patient care.

30. The other significant providers financed by public expenditure included providers of ambulatory health care (12.2%), nursing and residential care facilities (5.4%) and provision and administration of public health programmes (4.8%).

31. Apart from paying for providers of ambulatory care, private spending funded goods and services provided by retail sales and other providers of medical goods (23.5%), hospitals (15.2%) and general health administration and insurance (5.9%).

32. Private insurance only funded providers of ambulatory health care (54.8%), hospitals (24.0%), and their administration cost (21.2%). Disaggregated into private social insurance and private insurance enterprises, the former channelled 67.0% and 23.5% while the latter only directed 28.4% and 24.8% of their funds through providers of ambulatory health care and hospitals, respectively.

33. Private out-of-pocket payments funded a wide range of providers, the largest share being paid to providers of ambulatory care (55.5%), the second to retail sale and other providers of medical goods (33.1%) and the third to hospitals (9.8%), mostly for private care but with a small share also going to public hospitals as co-payments.

How different providers are financed

34. Of the HKD 32,094 million spent on hospital care, 85.6% came from general government revenue, 6.6% from private household out-of-pocket payments, 4.2% from private social insurance, and 2.0% from private insurance enterprises.

35. Nursing and residential care facilities were mostly financed by general government (87.0%) and private household out-of-pocket payments (12.3%).

36. Providers of ambulatory health care had a wider mix of financing sources which included private household out-of-pocket payments (57.0%), general government revenue (21.0%), private social insurance (18.2%), private insurance enterprises (3.6%) and non-profit organisations and other private sources (0.1%).

Current health expenditure by function and financing agent (SHA Tables 4.1, 4.2 and 4.3)

Functional structure of spending by financing agents (Table 4.3)

37. While both public and private spending were mostly expended on personal health care services and goods (93.8%), the distributional patterns among different functional categories were different. Public expenditure was targeted at in-patient care (54.6%) and out-patient care (25.5%). The rest of public funding was mostly distributed among day care (7.5%), prevention and public health services (5.4%) and ancillary services to health care (3.7%).

38. In comparison, private spending was mostly concentrated on out-patient care (49.8%), medical goods dispensed to out-patients (23.5%) and in-patient care (18.2%). Private out-of-pocket payments were expended on various functions. The largest share was for out-patient care (50.1%), the second for medical goods dispensed to out-patients (33.1%), followed by in-patient care (14.8%). Private insurance funded out-patient care (50.8%), in-patient care (24.0%), and ancillary services to health care (4.1%), with the rest of expenditure (21.2%) funding administration costs.

How the different functions are financed

39. 78.2% of expenditure on in-patient care was funded by general government and the remaining was shared between household out-of-pocket payments (12.6%), private insurance (7.9%) and other private funds (1.3%).

40. Out-patient care had a relatively more even mix of funds; specifically, 37.8% was from general government, 17.3% from private insurance and 44.2% from private household out-of-pocket payments.

41. Similarly across day care, home care and prevention of public health services, 95% or more of the funding of each function was from general government and the rest was made up of private household out-of-pocket payments (2-4%) and other private funds (1-2%).

42. Ancillary services were funded by general government (69.3%), private insurance (17.6%), private household out-of-pocket payments (12.9%) and other private funds (0.2%).

43. Medical goods dispensed to out-patients were predominately funded by private household out-of-pocket payments (95.9%) with general government revenue funding another 3.6% of this spending. Since pharmaceuticals made up two-thirds of medical goods dispensed to out-patients, the distribution of funds was similar, 95.3% from private household out-of-pocket payments and 4.2% from general government.

CONCLUSIONS

Summary of findings

44. Compared to other, particularly developed, countries, Hong Kong SAR has devoted a relatively small percentage of its GDP to health expenditure (5.5% in 2001/02) (Leung et al, 2006).
45. The share of public spending grew from 43.0% to 56.9% of total health expenditure between 1989/90 and 2001/02, which is still low compared to the OECD countries' average of 73% (OECD, 2006).
46. Private insurance enterprises have taken an increasingly important role of financing private spending (from 2.3% in 1989/90 to 8.9% in 2001/02 as a share of private spending).
47. Expenditure at hospitals increased while expenditure on providers of ambulatory health care decreased over the period from 1989/90 to 2001/02. This observed service consolidation at institutions (as opposed to free-standing ambulatory clinics, most of which are staffed by solo providers) is similar across both the public and private sectors.
48. Demand for long-term nursing care has increased significantly – this is likely to be as a result of population ageing and Hong Kong SAR's sociological transition away from the Confucian tradition of cohabitation with, and caring for, elders at home as its socio-economic structure increasingly resembles that of OECD countries.

Lessons drawn

49. In the estimation process, we encountered several conceptual, definitional and methodological challenges that warrant mention, in order to share best practice with other jurisdictions which may be facing similar difficulties and to assist in developing solutions which can improve future iterations of the OECD standards.
50. First, there might have been an artefactual, albeit very small, inflation of private spending due to definitional issues concerning instances of operating deficits, for example in the case of the Hospital Authority in recent years. Such deficits were accounted for by two extra source categories called "HFS.2.6 Non-patient care-related revenue" (expenditure which is financed by non-patient care-related revenue such as rental, interest or investment income) and "HFS.2.7 Provider own funds" (providers' surplus from previous years or reserve) in the Hong Kong SAR classification scheme, both of which are considered as "private" sources according to OECD SHA. However, the Hospital Authority is clearly a public provider and as such all funds, whether they are inter-temporally transferred or otherwise could also be deemed as "public" in nature.
51. Second, in OECD SHA, depreciation is usually booked as an expenditure item in providers' income and expenditure statements, while capital formation is booked as a change of fixed assets in the providers' balance sheet. This creates a dilemma of double-counting the same item (eg construction costs of a new hospital wing) over time, which remains an unresolved issue.

52. Third, the proper accounting of expenditure in the control of infectious diseases has yet to achieve consensus in the health accounts community. For instance, expenditure on the actual culling of poultry to control avian influenza was counted as health expenditure, but compensation to poultry operators was not in the present estimation exercise, following guidance sought specifically from the OECD Secretariat. One could reasonably argue that both should be part of total domestic health expenditure if the overriding objective of health accounts is to include all spending that has a “predominant purpose of improving health” and the latter activity is a preventive intervention and thus should be covered.

53. Fourth, notwithstanding a recent OECD document on refined definitions of long-term care (*Expenditure on long-term care: methodological issues and current estimates*), the definition of such remains vague and difficult to implement. Moreover, the data required probably exceed routine data collection in most territories including Hong Kong SAR. This issue deserves urgent attention given the rapidly ageing population and the growing importance of elderly care.

54. Finally, there are still limited local data on medical laboratories and diagnostic imaging facilities, employer-provided group medical benefits, and medical goods outside the patient care setting. More routine data gathering exercises, as opposed to ad hoc surveys, should be instituted to better inform the next round of estimations.

Future work

55. We are in the process of developing a web-based interactive information system for public and executive inquiries into domestic health expenditure issues. This system will be designed to function at various pre-defined levels of disaggregation to protect the privacy and confidentiality of the parties involved. Such a dissemination tool would promote further discussion and dialogue, and in turn facilitate policy design and implementation.

56. In addition, we will be exploring in the future the production of disease/condition-specific sub-accounts and value-added data analyses using HKDHA, especially cross-national comparisons.

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ANNEX 1: METHODOLOGY

Data sources

Public sector

Government bureaux and departments' administrative records and statistics

- Agriculture, Fisheries and Conservation Department
- Architectural Services Department
- Auxiliary Medical Service
- Department of Health
- Environmental Protection Department
- Financial Services and the Treasury Bureau
- Fire Services Department
- Food and Environmental Hygiene Department
- Government Flying Service
- Government Laboratory
- Health, Welfare and Food Bureau
- Hospital Authority
- Labour Department
- Security Bureau
- Social Welfare Department
- Water Supplies Department

Government publications

- Hong Kong Annual Digest of Statistics
- Estimates (government budget)
- Thematic Household Surveys Reports (on doctor consultation, dental consultation, hospitalisation, medical benefits and insurance)
- Household Expenditure Surveys Reports

Private sector

Financial statements

- Private hospitals
- Nursing homes
- Non-governmental organisations (NGOs)
- Research and education institutes
- Charities

Other private data sources

- IMS Health's data on pharmaceutical sales
- Mercer Human Resources Consulting Ltd's data on group medical benefits (private social insurance)
- The Medical Insurance Association of the Hong Kong Federation of Insurers (MIA)'s data on insurance premiums and claims

Ad hoc surveys

- Chinese medicine practitioners
- Medical laboratories and diagnostic imaging facilities

Differences between classification of health expenditure in national practice and the International Classification for Health Accounts

Extra source of funding codes

In the process of developing HKDHA, two codes were created under “Private source of funding” to accommodate the classification of financing sources as below:-

- i) Non-patient care related revenue - comprises private institutions which use revenue from non-patient care related activities to fund their health care services. Examples include investment and rental income of health care providers
- ii) Provider own funds - comprises private institutions which use reserves to fund their health care services.

Deviation from the boundary of TEH of HKDHA and OECD SHA

Due to lack of data, health expenditure for the benefits of the resident population incurred outside Hong Kong SAR was not included; and the expenditure for the benefit of non-resident incurred within Hong Kong SAR was not excluded. However, we believe that not adjusting the figures for these factors would not have had a significant effect as the two factors would offset each other to some extent and because the respective amounts involved are not large.

Deviation from the classification of source of funding

Expenditure on programmes set up by the government for civil servants was classified under source as “General government” instead of the “Private social insurance” category which the OECD’s *SHA* suggests. Dual coding will be adopted to map this expenditure to private social insurance in the updating exercise to be completed in 2007.

Estimates on total expenditure

The conceptual framework for HKDHA was developed based on OECD’s *SHA*, and HKDHA generally complies with *SHA*-based health accounts. However, the boundary of health expenditure defined by OECD *SHA* is broader than the one traditionally defined by the Hong Kong SAR Government. Therefore, the *SHA*-based estimates on health expenditure (i.e. HKDHA) are slightly larger than the Government official figures (see para 9 in the main report).

Other methodological issues

Preventive health expenditure

In Hong Kong SAR, the Department of Health is the main agency providing prevention and public health services. Therefore, expenditure on specific programmes carried out by the Department was classified and included in HKDHA according to OECD *SHA*. However, we did not make any effort to estimate “Prevention and public health services” (HC.6) expenditures incurred for such activities provided through general medical consultations.

Capital depreciation

Gross capital formation is included in “Capital formation of health care provider institutions” (HC.R.1) for HKDHA for both the public and private sectors, whereas capital depreciation is excluded for the public sector and distributed within the health care functional categories (HC.1-7) for the private sector.

Since the Government operates its accounts on a cash basis, none of the departmental expenditure on health includes depreciation. The only exception is the Hospital Authority which is a quasi-governmental organisation and provides depreciation statistics for their fixed assets in the health accounts. To comply with the definition of GDP where expenditure of quasi-governmental organisations is treated as government consumption expenditure, the Hospital Authority's depreciation is therefore not included. The Hospital Authority's depreciation, where available, is summarised below:-

<i>Fiscal year</i>	<i>92/93</i>	<i>93/94</i>	<i>94/95</i>	<i>95/96</i>	<i>96/97</i>	<i>97/98</i>	<i>98/99</i>	<i>99/00</i>	<i>00/01</i>	<i>01/02</i>
Depreciation (HK\$ million)	66	125	234	353	592	675	717	725	856	692

Given the for-profit nature of private health care providers, we focused on the income of private providers by function (or expenditure of users regardless of its source of finance) which is almost certainly greater than their expenditure and as a result, capital depreciation for the private sector is distributed within various health care functions (HC.1-7).

General practitioners versus specialists

Given the lack of a primary care system in Hong Kong SAR and the public's limited understanding/perception of the separation between general practitioners and specialists, these two are collapsed for both utilisation volume and unit price estimation for out-patient care in HKDHA.

Long-term nursing care

Although the definition of long-term care remains vague and difficult to implement, Hong Kong SAR deliberately estimated this portion of health expenditure by including all the expenditure on long-term care for the elderly who exceed a certain impairment level and thus require substantial nursing care, based on the understanding of the OECD guidelines on estimation of long-term care in health accounts.

ANNEX 2: TABLES

Table A1: Total health expenditure by financing agent

		1989/90		2001/02	
		HKD million	Percent	HKD million	Percent
HF.1	General government	8,788	43.0%	39,078	56.9%
HF.1.1	General government excluding social security funds	8,788	43.0%	39,078	56.9%
HF.1.2	Social security funds	-	0.0%	-	0.0%
HF.2	Private sector	11,661	57.0%	29,541	43.1%
HF.2.1	Private social insurance	2,305	11.3%	5,671	8.3%
HF.2.2	Private insurance enterprises (other than social insurance)	263	1.3%	2,637	3.8%
HF.2.3	Private household out-of-pocket expenditure	8,725	42.7%	20,255	29.5%
HF.2.4	Non-profit institutions serving households (other than social insurance)	4	0.0%	239	0.3%
HF.2.5	Corporations (other than health insurance)	4	0.0%	16	0.0%
	Others	360	1.8%	722	1.1%
HF.3	Rest of the world	1	0.0%	0	0.0%
	Total health expenditure	20,450	100.0%	68,620	100.0%

Table A2: Health expenditure by function of care

		1989/90		2001/02	
		HKD million	Percent	HKD million	Percent
HC.1;2	Services of curative and rehabilitative care	13,121	64.2%	48,437	70.6%
HC.1.1; 2.1	In-patient curative and rehabilitative care	4,477	21.9%	20,804	30.3%
HC.1.2; 2.2	Day cases of curative and rehabilitative care	440	2.2%	2,661	3.9%
HC.1.3; 2.3	Out-patient curative and rehabilitative care	8,170	39.9%	24,344	35.5%
HC.1.4; 2.4	Home care (curative and rehabilitative)	35	0.2%	629	0.9%
HC.3	Services of long-term nursing care	546	2.7%	3,452	5.0%
HC.3.1	In-patient long-term nursing care	535	2.6%	3,262	4.8%
HC.3.2	Day cases of long-term nursing care	11	0.1%	144	0.2%
HC.3.3	Long-term nursing care: home care	-	0.0%	46	0.1%
HC.4	Ancillary services to health care	565	2.8%	1,842	2.7%
HC.4.1	Clinical laboratory	127	0.6%	387	0.6%
HC.4.2	Diagnostic imaging	104	0.5%	259	0.4%
HC.4.3	Patient transport and emergency rescue	334	1.6%	1,195	1.7%
HC.4.9	All other miscellaneous ancillary services	-	0.0%	-	0.0%
HC.5	Medical goods dispensed to out-patients	2,454	12.0%	7,482	10.9%
HC.5.1	Pharmaceuticals and other medical non-durables	1,460	7.1%	5,095	7.4%
HC.5.2	Therapeutic appliances and other medical durables	995	4.9%	2,388	3.5%
HC.6	Prevention and public health services	540	2.6%	2,043	3.0%
HC.7	Health administration and health insurance	581	2.8%	2,141	3.1%
HC.R.1	Capital formation of health care provider institutions	2,642	12.9%	3,223	4.7%
	Total health expenditure	20,450	100.0%	68,620	100.0%

Table A3: Current health expenditure by mode of production

		1989/90		2001/02	
		HKD million	Percent	HKD million	Percent
	In-patient care	5,012	28.1%	24,065	36.8%
HC.1.1; 2.1	Curative and rehabilitative care	4,477	25.1%	20,804	31.8%
HC.3.1	Long-term nursing care	535	3.0%	3,262	5.0%
	Services of day-care	451	2.5%	2,805	4.3%
HC.1.2; 2.2	Day cases of curative and rehabilitative care	440	2.5%	2,661	4.1%
HC.3.2	Day cases of long-term nursing care	11	0.1%	144	0.2%
	Out-patient care	8,170	45.9%	24,344	37.2%
HC.1.3; 2.3	Out-patient curative and rehabilitative care	8,170	45.9%	24,344	37.2%
HC.1.3.1	Basic medical and diagnostic services	404	2.3%	1,534	2.3%
HC.1.3.2	Out-patient dental care	1,205	6.8%	2,666	4.1%
HC.1.3.3	All other specialised health care	861	4.8%	6,771	10.4%
HC.1.3.9; 2.3	All other out-patient curative care	267	1.5%	1,820	2.8%
	Home care	35	0.2%	675	1.0%
HC.1.4; 2.4	Home care (curative and rehabilitative)	35	0.2%	629	1.0%
HC.3.3	Long-term nursing care: home care	-	0.0%	46	0.1%
HC.4	Ancillary services to health care	565	3.2%	1,842	2.8%
HC.5	Medical goods dispensed to out-patients	2,454	13.8%	7,482	11.4%
HC.5.1	Pharmaceuticals and other medical non-durables	1,460	8.2%	5,095	7.8%
HC.5.2	Therapeutic appliances and other medical durables	995	5.6%	2,388	3.7%
	Total expenditure on personal health care	16,687	93.7%	61,213	93.6%
HC.6	Prevention and public health services	540	3.0%	2,043	3.1%
HC.7	Health administration and health insurance	581	3.3%	2,141	3.3%
	Total current expenditure on health	17,808	100.0%	65,397	100.0%

Table A4: Current health expenditure by provider

		1989/90		2001/02	
		HKD million	Percent	HKD million	Percent
HP.1	Hospitals	5,528	31.0%	30,892	47.2%
HP.2	Nursing and residential care facilities	345	1.9%	2,251	3.4%
HP.3	Providers of ambulatory health care	8,580	48.2%	20,911	32.0%
HP.3.1	Offices of physicians	5,575	31.3%	12,924	19.8%
HP.3.2	Offices of dentists	1,205	6.8%	2,666	4.1%
HP.3.3-3.9	All other providers of ambulatory health care	1,800	10.1%	5,322	8.1%
HP.4	Retail sale and other providers of medical goods	2,308	13.0%	7,417	11.3%
HP.5	Provision and administration of public health programmes	466	2.6%	1,785	2.7%
HP.6	Health administration and insurance	581	3.3%	2,141	3.3%
HP.6.1	Government administration of health	182	1.0%	379	0.6%
HP.6.2	Social security funds	-	0.0%	-	0.0%
HP.6.3;6.4	Other insurance	399	2.2%	1,762	2.7%
HP.7	Other industries (rest of the economy)	-	0.0%	-	0.0%
HP.7.1	Establishments as providers of occupational health care services	-	0.0%	-	0.0%
HP.7.2	Private households as providers of home care	-	0.0%	-	0.0%
HP.7.9	All other industries as secondary producers of health care	-	0.0%	-	0.0%
HP.9	Rest of the world	-	0.0%	-	0.0%
	Total current expenditure on health	17,808	100.0%	65,397	100.0%

SHA Table 2.2 Current expenditure on health by function of care and provider industry (% of expenditure on functional categories)

Health care by function	ICHA-HC code	Total current health expenditure	Health care provider industry																	Other industries	Row					
			HP.1	HP.2	HP.3	HP.3.1	HP.3.2	HP.3.3	HP.3.4	HP.3.5	HP.3.6	HP.3.9	HP.4	HP.4.1	HP.4.2-4.9	HP.5	HP.6	HP.6.1	HP.6.2			HP.6.3	HP.6.4	HP.6.9	HP.7	
<i>In-patient care</i>		100.0	88.8	6.7	4.5	4.5	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
Curative and rehabilitative care	HC.1.1; 2.1	100.0	94.4	0.4	5.1	5.1	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
Long-term nursing care	HC.3.1	100.0	50.7	49.3	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
Services of day-care	HC.1.2; 2.2	100.0	80.4	18.9	0.7	0.7	0.7	0.7	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
Curative and rehabilitative care	HC.3.2	100.0	84.8	14.5	0.7	0.7	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
Long-term nursing care		100.0	-	100.0	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
Out-patient care		100.0	30.4	-	69.6	48.4	10.9	10.0	0.2	0.2	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
Out-patient curative and rehabilitative care	HC.1.3; 2.3 (1)	100.0	30.4	-	69.6	48.4	10.9	10.0	0.2	0.2	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
Basic medical and diagnostic services	HC.1.3.1	100.0	10.2	-	89.8	89.4	-	0.5	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
Out-patient dental care	HC.1.3.2	100.0	-	-	100.0	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
All other specialised health care	HC.1.3.3	100.0	90.9	-	9.1	8.4	0.7	0.0	0.7	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
All other out-patient care	HC.1.3.9	100.0	48.6	-	51.4	51.4	-	51.4	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
Home care		100.0	100.0	-	97.1	-	-	-	-	97.1	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
Curative and rehabilitative care	HC.1.4; 2.4	100.0	-	2.9	-	-	-	-	-	97.1	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
Long-term nursing care	HC.3.3	100.0	-	42.4	57.6	-	-	-	-	57.6	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
Ancillary services to health care	HC.4	100.0	-	-	96.1	-	-	-	-	62.4	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
Medical goods dispensed to out-patients	HC.5	100.0	-	-	0.9	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
Pharmaceut. and other medical non-Therap. appliances and other med.	HC.5.1	100.0	-	-	1.3	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
HC.5.2	HC.5.2	100.0	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
Total expenditure on personal health care		100.0	51.4	3.6	33.1	20.7	4.3	4.0	0.1	1.1	1.9	4.9	7.0	-	-	-	-	-	-	-	-	-	-	-	-	
Prevention and public health services	HC.6	100.0	-	-	12.6	-	-	-	4.7	-	7.9	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
Health administration and health insurance	HC.7	100.0	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
Total current expenditure on health care		100.0	48.2	3.4	31.4	19.4	4.0	3.8	0.2	1.0	1.0	2.0	4.6	6.6	2.7	3.1	0.5	-	-	-	-	-	-	-	84.1	
																										2.6

(1) Not necessarily tally with sub-categories due to unallocated expenditure of HC.1.3

SHA Table 2.3 Current expenditure on health by function of care and provider industry (% of provider category expenditure)

Health care by function	ICHA-HC code	Health care provider industry											Other industries	Row									
		HP.1	HP.2	HP.3	HP.3.1	HP.3.2	HP.3.3	HP.3.4	HP.3.5	HP.3.6	HP.3.9	HP.4			HP.4.1	HP.4.2.4.9	HP.5	HP.6	HP.6.1	HP.6.2	HP.6.3	HP.6.4	HP.6.9
	Total current health expenditure	Hospitals	Nursing and residential care facilities	Providers of ambulatory health care	Offices of physicians	Offices of dentists	Offices of other health practitioners	Out-patient care centres	Medical and diagnostic laboratories	Providers of home health care services	All other providers of ambulatory health care	Retail sale and other providers of medical goods	Dispensing chemists	All other sales of medical goods	Provision and administration of public health programmes	General health administration and insurance	Government administration of health	Social security funds	Other social insurance	Other (private) insurance	All other health administration	All other industries	Rest of the world
<i>In-patient care</i>																							
Curative and rehabilitative care		69.9	75.6	5.4	8.8																		
Long-term nursing care	HC.1.1; 2.1	33.1	4.1	5.4	8.8																		
Services of day-care	HC.3.1	4.9	71.5	0.1			11.8																
Curative and rehabilitative care	HC.1.2; 2.2	4.0	23.6	0.1			11.8																
Long-term nursing care	HC.3.2	0.2	6.4	0.1																			
Out-patient care					91.2	100.0	97.4	29.3															
Out-patient curative and rehabilitative care	HC.1.3; 2.3 (1)	36.6	23.1	81.0	97.4	100.0	97.4	29.3															
Basic medical and diagnostic services	HC.1.3.1	4.9	1.0	14.0	22.5		0.6																
Out-patient dental care	HC.1.3.2	4.0		12.7	4.4	100.0		26.3															
All other specialised health care	HC.1.3.3	10.2		2.9																			
All other out-patient care	HC.1.3.9	2.7		4.5			37.4																
Home care		1.0		3.1					100.0														
Curative and rehabilitative care	HC.1.4; 2.4	0.9		0.9					4.0														
Long-term nursing care	HC.3.3	0.1		0.1																			
Ancillary services to health care	HC.4	2.9		8.8																			
Medical goods dispensed to out-patients	HC.5	11.1		0.3			2.6																
Pharmaceut. and other medical non-Therap. appliances and other med.	HC.5.1	7.7		0.3			2.6																
	HC.5.2	3.5																					
Total expenditure on personal health care		93.8	100.0	98.8	100.0	100.0	100.0	41.1	100.0	100.0	88.0	88.0	100.0	100.0	100.0								
Prevention and public health services	HC.6	3.1		1.2				56.9							100.0	100.0	100.0				100.0		
Health administration and health insurance	HC.7																						
Total current expenditure on health care		100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0				100.0		

(1) Not necessarily tally with sub-categories due to unallocated expenditure of HC.1.3

SHA Table 3.1 Current expenditure on health by provider industry and source of funding (HKD, millions)

	Total current expenditure on health	HF.1 General government			HF.2 Private sector (1)		HF.2.1 + HF.2.2			HF.2.3 Private household out-of-pocket payments	HF.2.4 Non-profit organisations (other than social ins.)	HF.2.5 Corporations (other than health insurance)	HF.3 Rest of the world
		HF.1.1 General government (excl. social security)	HF.1.2 Social security funds	Private insurance	HF.2.1 Private social insurance		HF.2.2 Other private insurance						
					Private insurance	Private social insurance							
<i>Health care goods and services by provider industry</i>													
HP.1 Hospitals	32,094	27,482	-	4,611	1,990	1,340	650	2,109	-	-	-	-	
HP.2 Nursing and residential care facilities	2,251	1,959	-	291	-	-	-	278	8	-	-	-	
HP.3 Providers of ambulatory health care	20,910	4,399	-	16,511	4,556	3,812	744	11,911	22	0	0	0	
HP.3.1 Offices of physicians	12,924	1,601	-	11,322	3,782	3,144	638	7,540	-	-	-	-	
HP.3.2 Offices of dentists	2,666	547	-	2,118	37	22	15	2,071	9	-	-	-	
HP.3.3 Offices of other health practitioners	2,500	49	-	2,451	400	365	35	2,038	9	-	-	-	
HP.3.4 Out-patient care centres	162	83	-	79	-	-	-	72	2	-	-	0	
HP.3.5 Medical and diagnostic laboratories	647	138	-	509	337	282	55	172	-	-	-	-	
HP.3.6 Providers of home health care services	656	630	-	26	-	-	-	16	-	-	-	-	
HP.3.9 Other providers of ambulatory health care	1,356	1,351	-	6	-	-	-	1	1	0	-	-	
HP.4 Retail sale and other providers of medical goods	7,417	266	-	7,151	-	-	-	7,109	41	-	-	-	
HP.4.1 Dispensing chemists	3,046	-	-	3,046	-	-	-	3,046	-	-	-	-	
HP.4.2-4.9 All other sales of medical goods	4,371	266	-	4,105	-	-	-	4,063	41	-	-	-	
HP.5 Provision and administration of public health programmes	1,785	1,743	-	42	-	-	-	28	4	-	-	-	
HP.6 General health administration and insurance	2,095	307	-	1,789	1,762	538	1,224	19	-	8	-	-	
HP.6.1 Government (excluding social insurance)	333	307	-	27	-	-	-	19	-	8	-	-	
HP.6.2 Social security funds	-	-	-	-	-	-	-	-	-	-	-	-	
HP.6.3 Other social insurance	-	-	-	-	-	-	-	-	-	-	-	-	
HP.6.4 Other (private) insurance	1,762	-	-	1,762	1,762	538	1,224	-	-	-	-	-	
HP.6.9 All other providers of health administration	-	-	-	-	-	-	-	-	-	-	-	-	
HP.7 Other industries (rest of the economy)	-	-	-	-	-	-	-	-	-	-	-	-	
HP.7.1 Occupational health care	-	-	-	-	-	-	-	-	-	-	-	-	
HP.7.2 Private households	-	-	-	-	-	-	-	-	-	-	-	-	
HP.7.9 All other secondary producers	-	-	-	-	-	-	-	-	-	-	-	-	
HP.9 Rest of the world	-	-	-	-	-	-	-	-	-	-	-	-	
Total current expenditure on health	66,552	36,156	-	30,396	8,308	5,690	2,618	21,454	75	16	0	0	

(1) Not necessarily tally with sub-categories due to 2 new sources of funding introduced in HKDHA (Non-patient care-related revenue, Provider own funds)

SHA Table 3.2 Current expenditure on health by provider industry and source of funding (% of provider category expenditure)

	Total current expenditure on health	HF.1 General government			HF.2 Private sector (1)		HF.2.1 + HF.2.2			HF.2.3 Private household out-of-pocket payments	HF.2.4 Non-profit organisations (other than social ins.)	HF.2.5 Corporations (other than health insurance)	HF.3 Rest of the world
		HF.1.1 General government (excl. social security)	HF.1.2 Social security funds	Private insurance	Private insurance	Private social insurance	HF.2.2 Other private insurance						
							HF.2.1 Private social insurance	HF.2.2 Other private insurance					
<i>Health care goods and services by provider industry</i>													
HP.1 Hospitals	100.0	85.6	-	14.4	6.2	4.2	2.0	6.6	-	-	-	-	
HP.2 Nursing and residential care facilities	100.0	87.0	-	13.0	-	-	-	12.3	0.3	-	-	-	
HP.3 Providers of ambulatory health care	100.0	21.0	-	79.0	21.8	18.2	3.6	57.0	0.1	-	0.0	0.0	
HP.3.1 Offices of physicians	100.0	12.4	-	87.6	29.3	24.3	4.9	58.3	-	-	-	-	
HP.3.2 Offices of dentists	100.0	20.5	-	79.5	1.4	0.8	0.6	77.7	0.4	-	-	-	
HP.3.3 Offices of other health practitioners	100.0	2.0	-	98.0	16.0	14.6	1.4	81.5	0.4	-	-	-	
HP.3.4 Out-patient care centres	100.0	51.2	-	48.7	-	-	-	44.4	1.5	-	-	0.1	
HP.3.5 Medical and diagnostic laboratories	100.0	21.3	-	78.7	52.1	43.6	8.5	26.6	-	-	-	-	
HP.3.6 Providers of home health care services	100.0	96.1	-	3.9	-	-	-	2.5	-	-	-	-	
HP.3.9 Other providers of ambulatory health care	100.0	99.6	-	0.4	-	-	-	0.0	0.1	-	-	-	
HP.4 Retail sale and other providers of medical goods	100.0	3.6	-	96.4	-	-	-	95.9	0.6	-	-	-	
HP.4.1 Dispensing chemists	100.0	-	-	100.0	-	-	-	100.0	-	-	-	-	
HP.4.2-4.9 All other sales of medical goods	100.0	6.1	-	93.9	-	-	-	93.0	0.9	-	-	-	
HP.5 Provision and administration of public health programmes	100.0	97.6	-	2.4	-	-	-	1.6	0.2	-	-	-	
HP.6 General health administration and insurance	100.0	14.6	-	85.4	84.1	25.7	58.4	0.9	-	-	0.4	-	
HP.6.1 Government (excluding social insurance)	100.0	92.0	-	8.0	-	-	-	5.7	-	-	2.4	-	
HP.6.2 Social security funds	-	-	-	-	-	-	-	-	-	-	-	-	
HP.6.3 Other social insurance	-	-	-	-	-	-	-	-	-	-	-	-	
HP.6.4 Other (private) insurance	100.0	-	-	100.0	100.0	30.5	69.5	-	-	-	-	-	
HP.6.9 All other providers of health administration	-	-	-	-	-	-	-	-	-	-	-	-	
HP.7 Other industries (rest of the economy)	-	-	-	-	-	-	-	-	-	-	-	-	
HP.7.1 Occupational health care	-	-	-	-	-	-	-	-	-	-	-	-	
HP.7.2 Private households	-	-	-	-	-	-	-	-	-	-	-	-	
HP.7.9 All other secondary producers	-	-	-	-	-	-	-	-	-	-	-	-	
HP.9 Rest of the world	-	-	-	-	-	-	-	-	-	-	-	-	
Total current expenditure on health	100.0	54.3	-	45.7	12.5	8.5	3.9	32.2	0.1	-	0.0	0.0	

(1) Not necessarily tally with sub-categories due to 2 new sources of funding introduced in HKDHA (Non-patient care-related revenue, Provider own funds)

SHA Table 3.3 Current expenditure on health by provider industry and source of funding (% of expenditure by financing agent category)

	Total current expenditure on health	HF.1 General government		HF.1.1 General government (excl. social security)		HF.1.2 Social security funds		HF.2 Private sector (1)	HF.2.1 + HF.2.2		HF.2.3 Private household out-of-pocket payments	HF.2.4 Non-profit organisations (other than social ins.)	HF.2.5 Corporations (other than health insurance)	HF.3 Rest of the world
		Private insurance	Private social insurance	Other private insurance	Private insurance	Other private insurance								
							Private insurance		Private social insurance	Other private insurance				
<i>Health care goods and services by provider industry</i>														
Hospitals	48.2	76.0	76.0	76.0	-	-	15.2	24.0	23.5	24.8	9.8	-	-	-
Nursing and residential care facilities	3.4	5.4	5.4	5.4	-	-	1.0	-	-	-	1.3	10.3	-	-
Providers of ambulatory health care	31.4	12.2	12.2	12.2	-	-	54.3	54.8	67.0	28.4	55.5	29.4	1.9	100.0
Offices of physicians	19.4	4.4	4.4	4.4	-	-	37.2	45.5	55.2	24.4	35.1	-	-	-
Offices of dentists	4.0	1.5	1.5	1.5	-	-	7.0	0.4	0.4	0.6	9.7	12.6	-	-
Offices of other health practitioners	3.8	0.1	0.1	0.1	-	-	8.1	4.8	6.4	1.4	9.5	11.8	-	-
Out-patient care centres	0.2	0.2	0.2	0.2	-	-	0.3	-	-	-	0.3	3.2	-	-
Medical and diagnostic laboratories	1.0	0.4	0.4	0.4	-	-	1.7	4.1	5.0	2.1	0.8	-	-	100.0
Providers of home health care services	1.0	1.7	1.7	1.7	-	-	0.1	-	-	-	0.1	-	-	-
Other providers of ambulatory health care	2.0	3.7	3.7	3.7	-	-	0.0	-	-	-	0.0	1.8	1.9	-
Retail sale and other providers of medical goods	11.1	0.7	0.7	0.7	-	-	23.5	-	-	-	33.1	55.0	-	-
Dispensing chemists	4.6	-	-	-	-	-	10.0	-	-	-	14.2	-	-	-
All other sales of medical goods	6.6	0.7	0.7	0.7	-	-	13.5	-	-	-	18.9	55.0	-	-
Provision and administration of public health programmes	2.7	4.8	4.8	4.8	-	-	0.1	-	-	-	0.1	5.3	49.2	-
General health administration and insurance	3.1	0.8	0.8	0.8	-	-	5.9	21.2	9.5	46.8	0.1	-	48.9	-
Government (excluding social insurance)	0.5	0.8	0.8	0.8	-	-	0.1	-	-	-	0.1	-	48.9	-
Social security funds	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Other social insurance	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Other (private) insurance	2.6	-	-	-	-	-	5.8	21.2	9.5	46.8	-	-	-	-
All other providers of health administration	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Other industries (rest of the economy)	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Occupational health care	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Private households	-	-	-	-	-	-	-	-	-	-	-	-	-	-
All other secondary producers	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Rest of the world	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Total current expenditure on health	100.0	100.0	100.0	100.0	-	-	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0

(1) Not necessarily tally with sub-categories due to 2 new sources of funding introduced in HKDHA (Non-patient care-related revenue, Provider own funds)

SHA Table 4.1 Current expenditure on health by function of care and source of funding (HKD, millions)

	Total expenditure	HF.1 General government		HF.1.1		HF.1.2		HF.2		HF.2.1 + HF.2.2			HF.2.3		HF.2.4		HF.2.5		HF.3	
		General government	Social security funds	Private sector (1)		Private insurance	HF.2.1		Private social insurance schemes	Other private insurance	Private household out-of-pocket payments	Non-profit institutions (other than social insurance)	Corporations (other than health insurance)	Rest of the world						
				General government (excl. social security)	Private insurance		Private social insurance schemes	Other private insurance												
<i>Current expenditure on health care</i>																				
Personal health care services HC.1-HC.3	53,091	32,315	-	20,776	32,315	-	-	6,209	1,339	14,006	29	-	-	-	-	-	-	-	-	-
In-patient services	25,267	19,750	-	5,517	19,750	-	-	1,990	650	3,172	8	-	-	-	-	-	-	-	-	-
Day care services	2,805	2,708	-	97	2,708	-	-	-	-	56	2	-	-	-	-	-	-	-	-	-
Out-patient services	24,344	9,211	-	15,133	9,211	-	-	4,219	689	10,758	18	-	-	-	-	-	-	-	-	-
Home care services	675	646	-	29	646	-	-	-	-	20	-	-	-	-	-	-	-	-	-	-
Ancillary services to health care HC.4	1,915	1,328	-	587	1,328	-	-	337	282	247	1	0	-	-	-	-	-	-	-	-
Medical goods dispensed to out-patients HC.5	7,408	266	-	7,142	266	-	-	-	-	7,101	41	-	-	-	-	-	-	-	-	-
Pharmaceuticals and other medical non-durables HC.5.1	5,095	215	-	4,880	215	-	-	-	-	4,855	25	-	-	-	-	-	-	-	-	-
Therapeutic appliances and other medical HC.5.2	2,313	52	-	2,262	52	-	-	-	-	2,246	16	-	-	-	-	-	-	-	-	-
Personal health care services and goods HC.1 - HC.5	62,414	33,909	-	28,505	33,909	-	-	6,546	5,152	21,354	71	0	-	-	-	-	-	-	-	-
Prevention and public health services HC.6	2,043	1,940	-	102	1,940	-	-	-	-	82	4	8	-	-	-	-	-	-	-	0
Health administration and health insurance HC.7	2,095	307	-	1,789	307	-	-	1,762	538	19	-	8	-	-	-	-	-	-	-	-
Total expenditure	66,552	36,156	-	30,396	36,156	-	-	8,308	5,690	21,454	75	16	-	-	-	-	-	-	-	0

(1) Not necessarily tally with sub-categories due to 2 new sources of funding introduced in HKDHA (Non-patient care-related revenue, Provider own funds)

SHA Table 4.2 Current expenditure on health by function of care and source of funding (% of expenditure on functional category (mode of production))

	Total expenditure	HF.1 General government	HF.1.1 General government (excl. social security)		HF.1.2 Social security funds		HF.2 Private sector (1)	HF.2.1 + HF.2.2			HF.2.3 Private household out-of-pocket payments	HF.2.4 Non-profit institutions (other than social insurance)	HF.2.5 Corporations (other than health insurance)	HF.3 Rest of the world
			Private insurance	Private social insurance schemes		Other private insurance								
				Private insurance	Private social insurance schemes									
<i>Current expenditure on health care</i>														
Personal health care services HC.1-HC.3	100.0	60.9	60.9	-	-	39.1	11.7	9.2	2.5	26.4	0.1	-	-	
In-patient services	100.0	78.2	78.2	-	-	21.8	7.9	5.3	2.6	12.6	0.0	-	-	
Day care services	100.0	96.5	96.5	-	-	3.5	-	-	-	2.0	0.1	-	-	
Out-patient services	100.0	37.8	37.8	-	-	62.2	17.3	14.5	2.8	44.2	0.1	-	-	
Home care services	100.0	95.7	95.7	-	-	4.3	-	-	-	3.0	-	-	-	
Ancillary services to health care	100.0	69.3	69.3	-	-	30.7	17.6	14.7	2.9	12.9	0.1	0.0	-	
Medical goods dispensed to out-patients	100.0	3.6	3.6	-	-	96.4	-	-	-	95.9	0.6	-	-	
Pharmaceuticals and other medical non-durables	100.0	4.2	4.2	-	-	95.8	-	-	-	95.3	0.5	-	-	
Therapeutic appliances and other medical	100.0	2.2	2.2	-	-	97.8	-	-	-	97.1	0.7	-	-	
Personal health care services and goods	100.0	54.3	54.3	-	-	45.7	10.5	8.3	2.2	34.2	0.1	0.0	-	
Prevention and public health services	100.0	95.0	95.0	-	-	5.0	-	-	-	4.0	0.2	0.4	0.0	
Health administration and health insurance	100.0	14.6	14.6	-	-	85.4	84.1	25.7	58.4	0.9	-	0.4	-	
Total expenditure	100.0	54.3	54.3	-	-	45.7	12.5	8.5	3.9	32.2	0.1	0.0	0.0	

(1) Not necessarily tally with sub-categories due to 2 new sources of funding introduced in HKDHA (Non-patient care-related revenue, Provider own funds)

SHA Table 4.3 Current expenditure on health by function of care and source of funding (% of expenditure by financing agent category)

	Total expenditure	HF.1 General government		HF.1.1		HF.1.2		HF.2 Private sector (1)		HF.2.1 + HF.2.2			HF.2.3		HF.2.4		HF.2.5		HF.3			
			General government (excl. social security)	Social security funds	Private sector (1)	Private insurance	Private social insurance schemes	Other private insurance	Private household out-of-pocket payments	Non-profit institutions (other than social insurance)	Corporations (other than health insurance)	Rest of the world	HF.2.1		HF.2.2		HF.2.3		HF.2.4		HF.2.5	
													Private insurance	Private social insurance schemes	Other private insurance	Private household out-of-pocket payments	Non-profit institutions (other than social insurance)	Corporations (other than health insurance)	Rest of the world			
<i>Current expenditure on health care</i>																						
Personal health care services HC.1-HC.3	79.8	89.4	-	68.4	74.7	85.6	51.2	65.3	37.9	-	-	-	-	-	-	-	-	-	-	-	-	
In-patient services	38.0	54.6	-	18.2	24.0	23.5	24.8	14.8	10.3	-	-	-	-	-	-	-	-	-	-	-	-	
Day care services	4.2	7.5	-	0.3	-	-	-	0.3	3.2	-	-	-	-	-	-	-	-	-	-	-	-	
Out-patient services	36.6	25.5	-	49.8	50.8	62.0	26.3	50.1	24.4	-	-	-	-	-	-	-	-	-	-	-	-	
Home care services	1.0	1.8	-	0.1	-	-	-	0.1	-	-	-	-	0.1	-	-	-	-	-	-	-	-	
Ancillary services to health care	2.9	3.7	-	1.9	4.1	5.0	2.1	1.2	1.8	-	-	-	1.2	-	-	-	-	-	-	-	-	
Medical goods dispensed to out-patients	11.1	0.7	-	23.5	-	-	-	33.1	55.0	-	-	-	-	-	-	-	-	-	-	-	-	
Pharmaceuticals and other medical non-durables	7.7	0.6	-	16.1	-	-	-	22.6	33.5	-	-	-	-	-	-	-	-	-	-	-	-	
Therapeutic appliances and other medical	3.5	0.1	-	7.4	-	-	-	10.5	21.5	-	-	-	-	-	-	-	-	-	-	-	-	
Personal health care services and goods	93.8	93.8	-	93.8	78.8	90.5	53.2	99.5	94.7	-	-	-	99.5	-	-	-	-	-	-	-	-	
Prevention and public health services	3.1	5.4	-	0.3	-	-	-	0.4	5.3	-	-	-	0.4	-	-	-	-	-	-	-	100.0	
Health administration and health insurance	3.1	0.8	-	5.9	21.2	9.5	46.8	0.1	-	-	-	-	0.1	-	-	-	-	-	-	-	-	
Total expenditure	100.0	100.0	-	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	

(1) Not necessarily tally with sub-categories due to 2 new sources of funding introduced in HKDHA (Non-patient care-related revenue, Provider own funds)

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