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SHA-Based Health Accounts in the Asia/Pacific Region  
: **Korea 2004**

Hyung-Sun Jeong

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**THE JOINT OECD/KOREA RCHSP SHA TECHNICAL PAPERS NO. 5**

**SHA-BASED HEALTH ACCOUNTS IN THE ASIA/PACIFIC REGION :  
KOREA 2004**

**Hyung-Sun Jeong**

*JEL Classification : I10, H51*

## **THE JOINT OECD/KOREA RCHSP SHA TECHNICAL PAPERS**

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## EXECUTIVE SUMMARY

Several Korean researchers had previously produced independent estimates of total health expenditure in Korea. While most estimates were sound within the different frameworks chosen, it was difficult to compare them with OECD estimates for other countries because they included different health expenditure items. Since 2003, the Ministry of Health and Welfare has commissioned Yonsei University to undertake a project involving the construction of Korean National Health Accounts according to the OECD's SHA, which was judged as a very useful standard for presenting national health accounts.

The availability of OECD's manual SHA has been a great opportunity in producing National Health Accounts in Korea. Both differences in data on which the estimates are based and in methodology used resulted in significant changes in the structure and value of total health expenditure between the pre-SHA estimates and the SHA estimates. With these new estimates it is possible to compare the total health expenditure of Korea with other OECD countries better. Awareness and appreciation of the need and gains from applying SHA for the health expenditure classification has been increasing as OECD health expenditure figures get more frequently quoted among health policy makers. In the process of construction and submission to the OECD of SHA data for the last few years, a general acceptance of the value of regularly updating health accounts has been formulated inside and outside government.

Korea's SHA tables are produced based on existing statistics using a mapping process recorded in Jeong (2005 and 2006). Data sources for public sector include comprehensive budget and settlement documents from all levels of government and social insurance statistics from the National Health Insurance, Industrial Accident Compensation Insurance etc. For private sector spending, the annual household survey on income and expenditures by the National Statistical Office is used as the main source and other survey data such as private insurance reports are used complementarily. The SHA estimates are currently available for the years 1983-2005. Main findings centered on the year 2004 in the SHA estimation for the OECD Health Data 2007 can be capitulated as follows.

Korea devoted 42.8 trillion won (47.0 US\$ billion) to health care in 2004, which accounted for 5.5% of GDP, averaging 889,791 won (1,135 US\$PPP) per capita. Korea's health expenditure per capita has been increasing since the early 1990s. However the gap between Korea and OECD averages with respect to health expenditure is still considerably greater than the gap related to general economic development: per capita health expenditure amounted to just 44% of the OECD average, while per capita GDP was 75% of the OECD average in 2004. Total health expenditure as a share of GDP in Korea is still the lowest among OECD countries.

The share of public health expenditure grew from 29.6% to 52.6% of the total health expenditure between 1984 and 2004, which is low compared to the OECD countries' average of 73%. Social security fund (most of which is from the National Health Insurance) is the major source of funding (41.6% of the total expenditures on health) for health care providers, 40.2% of the total funding for hospitals and 57.5% of funding for offices of physicians. Private household direct payments still played a significant role in financing health care accounting for 38.1% of the total health expenditures, of which 40.7% was allocated to

providers of ambulatory health care, 31.7% to retail sale and other providers of medical goods, and 27.4% to hospitals. Patients have to pay high co-payments towards their treatment charges; moreover they pay the full cost of services which are not included in the National Health Insurance benefit range. Although spending by private insurance has recently increased, its share has remained relatively low at 3.4%.

Korea spends a relatively large share of its health care resources on out-patient care (35.1% of total health expenditure and 37.1% of current health expenditure) and medical goods (30.1% and 31.8%, respectively), and a correspondingly low share on inpatient care (23.8% and 25.2%, respectively) compared with most other OECD countries. The share of health expenditure on out-patient care increased considerably while the share on inpatient care increased slightly over the past two decades.

In 2004, 37.1% of the total health expenditure and 33.4% of the current health expenditure were spent through hospitals, while 32.8% was spent through providers of ambulatory health care (18.9% and 20.0% through offices of physicians; 7.5% and 8.0% through offices of dentists; 6.4% and 6.7% through offices of other health practitioners), and 23.8% and 25.1% through retail sellers and other providers of medical goods (21.8% and 23.1% on dispensing chemists). the share of health expenditure by providers of ambulatory health care increased considerably while the share by hospitals decreased slightly over the past two decades.

## TABLE OF CONTENTS

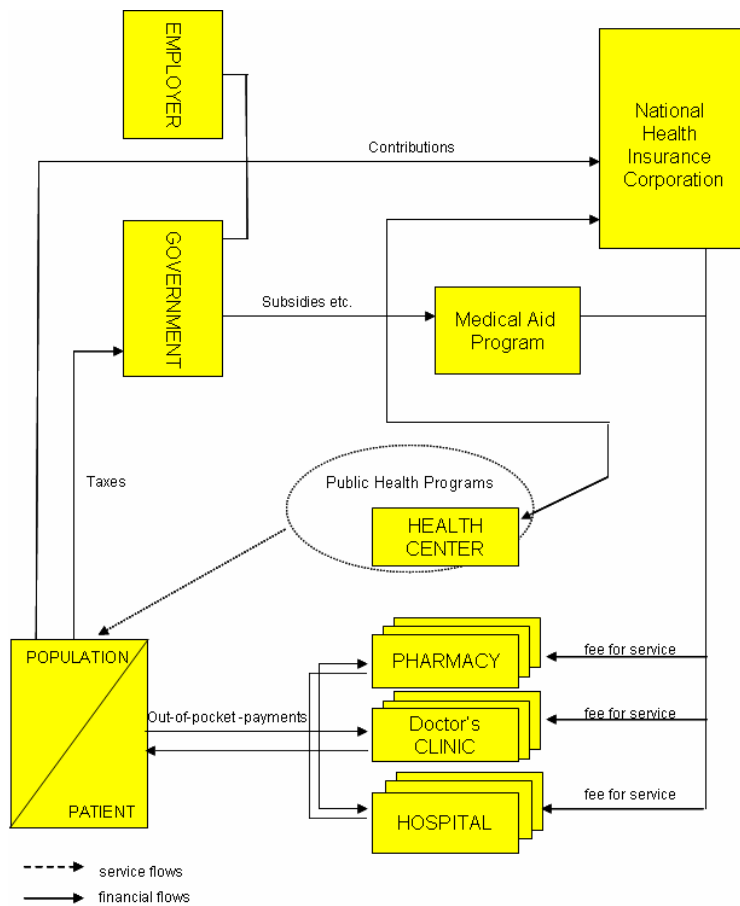
Acknowledgement.....	3
Executive Summary .....	4
Introduction.....	7
Korean health care system.....	7
Health accounts in Korea .....	9
Structure and Trends of Health Expenditure.....	10
A.1. Total health expenditure by sources of funding.....	12
A.2. Total and current health expenditure by function.....	13
A.3. Total and current health expenditure by providers .....	15
B. Two-dimensional structure of total health expenditure .....	16
B.1. Financing structure of different services .....	16
B.2. Service structure of different financing agents .....	18
B.3. Provider structure of different services .....	22
B.4. Service structure of different providers .....	23
B.5. Financing structure of different providers .....	25
B.6. Provider structure of different financing agents.....	27
Conclusions.....	31
References.....	34
Annex 1: Methodology.....	35
Data sources: .....	35
Methodology.....	36
Annex 2: Tables .....	39
Annex 3: Korea 2004 SHA Tables.....	44

# INTRODUCTION

## Korean health care system

1. The Korean health care system can be characterized as a mix of public and private participation, with private provision on the supply-side and mixed public and private financing on the demand-side. Although many other countries – for example much of Western Europe – also have public financing of privately provided health services, in Korea the extent of private provision is more pronounced than in most health systems.

Chart 1. Korean Health Care System



2. Like most OECD countries, the Korean government provides public health services, however private providers are responsible for the provision of the greater part of medical services. Private hospitals and clinics comprise over 90% of the total number of medical institutions and hold nearly 90% of the total number of beds. Additionally, over 90% of specialist doctors are employed in the private sector.

3. Patients are given considerable freedom when it comes to choosing care providers being able to choose between western and traditional (oriental) medicine. This, together with the universal coverage of the National Health Insurance (NHI) Scheme (see below), has led



to relatively high demand for medical services in Korea. For example, consultations per capita are relatively high (10.6 visits per annum compared to the OECD average of 6.6), even though the number of practicing doctors per capita is the second or third lowest among OECD countries (1.6 per 1,000 population compared to the OECD average of 3.0). Similarly (see below) both the number of acute-care beds (5.9 beds per 1,000 population) and average length of stay (10.6 days) are higher than OECD averages (4.1 beds and 7.0 days, respectively).

4. The provision of private medical facilities has not been subject to stringent regulation. This 'laissez-faire' policy for the private medical care sector is sometimes blamed for the skewed distribution of health resources between different regions, particularly between urban and rural areas. While less than 80% of the population resides in urban areas in Korea, more than 90% of physicians and hospital beds are concentrated in urban areas. Furthermore the government's role in disease prevention and health promotion remains comparatively weak.

5. The public sector's involvement on the demand-side focuses mainly on setting the medical fee schedule and specifying the list of NHI benefits. The government has retained strong control over the annual revisions of fees, although fees are now negotiated in a legal sense. In this respect, the expansion of coverage for the NHI has had significant implications for the public-private mix on the demand-side.

6. Rapid economic growth in Korea during the 1970s enabled the first compulsory Medical Insurance Scheme (the NIS) to be introduced in 1977, with coverage of enterprises with 500 or more employees. Coverage has gradually been broadened to enterprises with fewer employees since then: 300 or more employees in 1979; 100 or more employees in 1981; 16 or more employees in 1983; and 5 or more employees in 1988. As a further step, the Medical Insurance System was also expanded to include the rural self-employed, with the government subsidizing half of the insurance expenditure. The Medical Insurance System achieved universal population coverage in July 1989, having incorporated the urban self-employed who were previously uncovered. Drugs dispensed at pharmacies started to be covered by the NHI in October 1989. The number of days covered by NHI per year was gradually increased from a maximum of 180 days in 1995 to no limit in 2000. In 1996 high-technology services like CT scanning also started to be reimbursable. Nonetheless, a policy of low contributions and low benefits with high co-payments has continued since the beginning of the NHI, which has allowed universal population coverage without the government's burden being excessive.

7. On the other hand, the government has played a direct insurance role for the very poor. The Medical Aid Program (MAP) is financed by the government as part of the public assistance system. In relation to the service package available, there are basically no differences between NHI and MAP benefits.

## Health accounts in Korea

8. National health accounts are a set of accounts for describing the expenditure flows in both the public and private components of the health sector. The estimates from the national health accounts give decision makers an overall picture of the health sector, showing the division of spending and the roles of different payers. In addition they provide a consistent foundation for modeling reforms and for monitoring the results of modifications in financing and provision. OECD(2000) provided a framework (System of Health Accounts: SHA) for a family of interrelated tables for standard reporting of Total Health Expenditure and its financing in order to enhance their comparability over time and across countries. The SHA has been accepted as the international standard for the national health accounts.

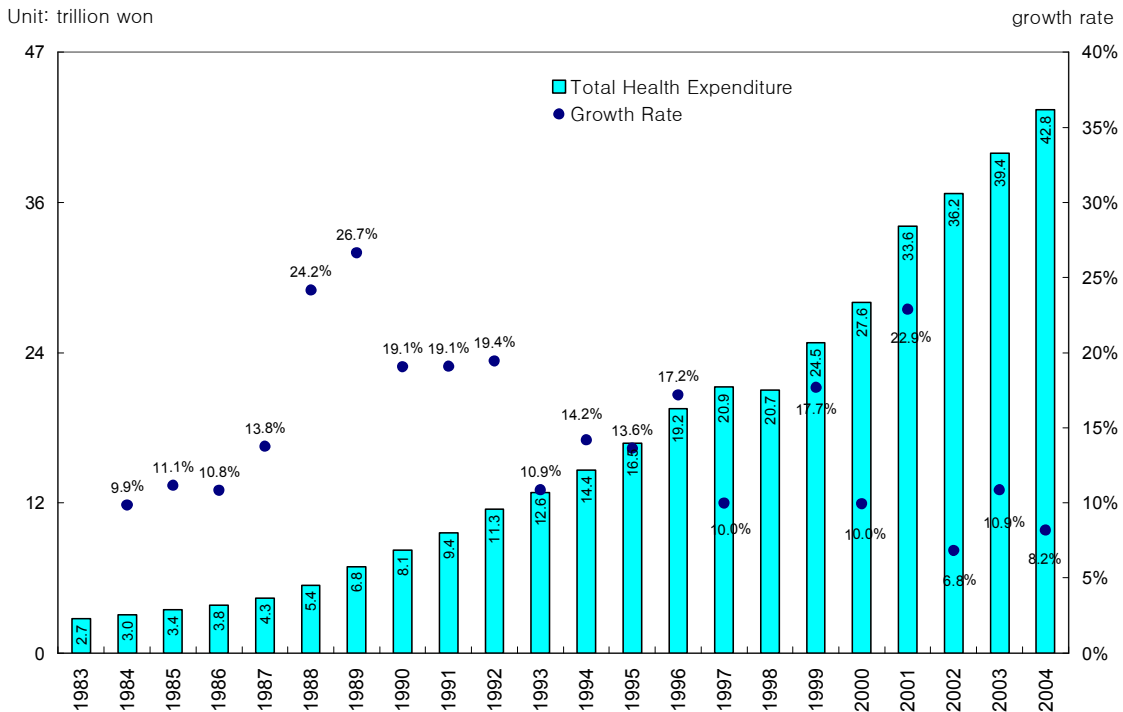
9. Several Korean researchers had previously produced independent estimates of total health expenditure in Korea. However, considerable differences emerged in both methods and results, and total health expenditure estimates differed by over 30%. While most estimates were sound within the different frameworks chosen, it was difficult to compare them with OECD estimates for other countries because they included different health expenditure items. Since 2003, the Ministry of Health and Welfare has commissioned Yonsei University to undertake a project involving the construction of Korean National Health Accounts according to the OECD's SHA, which was judged as a very useful standard for presenting national health accounts. In the process of construction and submission to the OECD of SHA data for the last few years, a general acceptance of the value of regularly updating health accounts has been formulated inside and outside government.

10. Korea's SHA tables are produced based on existing statistics using a mapping process recorded in Jeong (2005 and 2006). Data sources for public sector include comprehensive budget and settlement documents from all levels of government and social insurance statistics from the National Health Insurance, Industrial Accident Compensation Insurance etc. For private sector spending, the annual household survey on income and expenditures by the National Statistical Office is used as the main source and other survey data such as private insurance reports are used complementarily. [Refer to Annex 1. Methodology]

## STRUCTURE AND TRENDS OF HEALTH EXPENDITURE

11. Korean total health expenditure as a share of GDP was 5.5% in 2004, and total health expenditure per capita was 889,791 won (1,135 US\$PPP). Korea has a relatively low, but rapidly growing, level of health expenditure compared to other OECD countries (Chart 2). Contrary to many other countries, and partly because of its rapidly expanding economy, Korea's total health expenditure to GDP ratio had been relatively stable until 1998. Since then, due to a significant increase in the level of public expenditure on health, particularly which funded through social security (social insurance), the share of health expenditure to GDP has been increasing.

Chart 2. Trends in Total Health Expenditure and its annual growth rates in Korea, 1983-2004



12. Korea's health expenditure per capita has also been increasing since the early 1990s such that Korea's percentage of OECD rose during the decade from 1994 from 34.1% to 43.7% (Chart 3).

13. However the gap between Korea and OECD averages with respect to health expenditure is still considerably greater than the gap related to general economic development: per capita health expenditure amounted to just 44% of the OECD average, while per capita GDP was 75% of the OECD average in 2004. Total health expenditure as a share of GDP in Korea is still the lowest among OECD countries (Chart 4).

Chart 3. Change in health expenditure per capita, public and private, 1984 to 2004

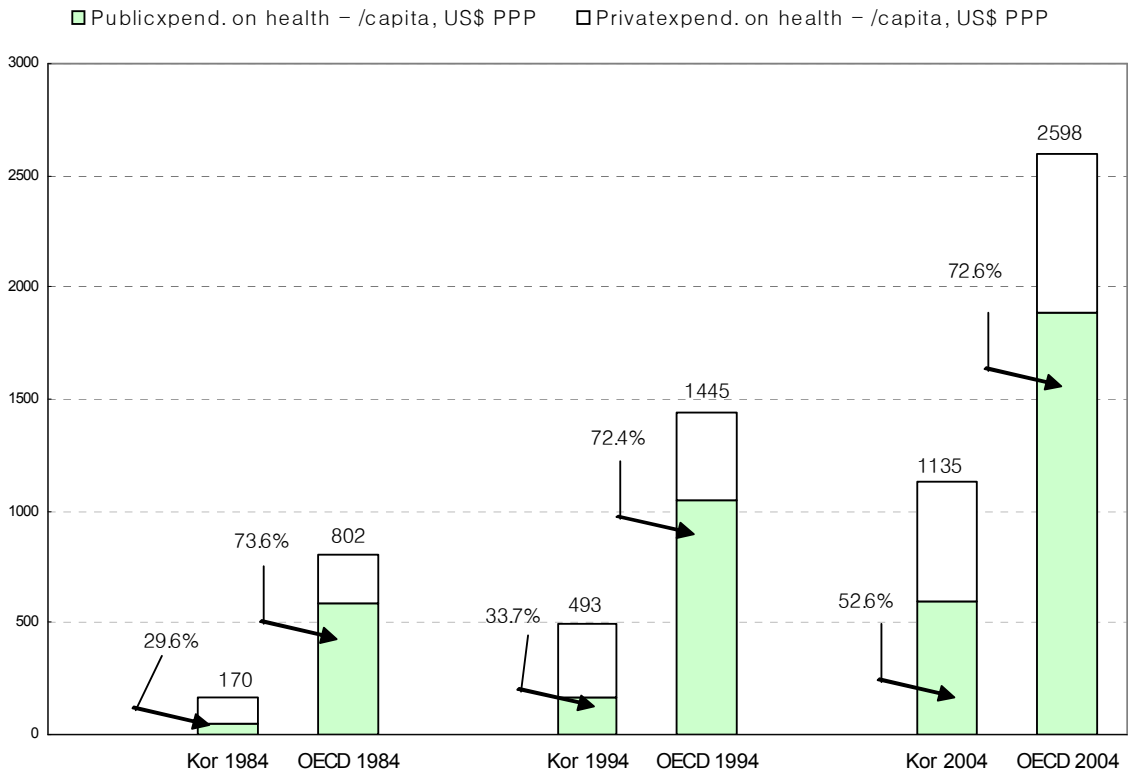
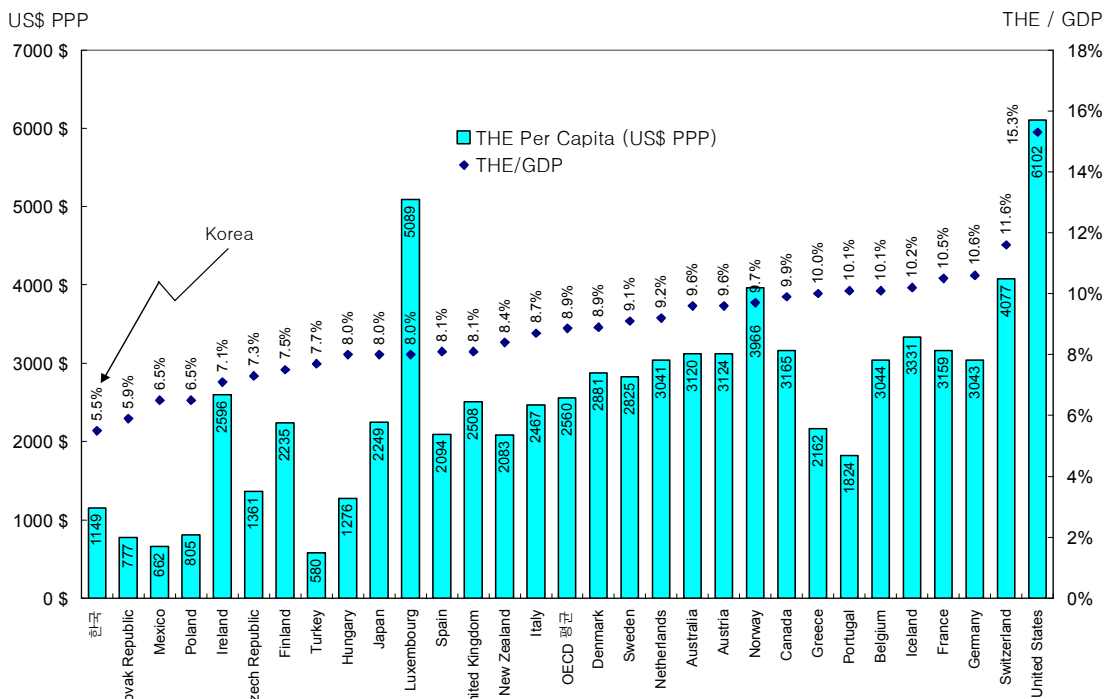


Chart 4. Health expenditure per capita and total health expenditure as a share of GDP in OECD countries, 2004



One-dimensional structure of total health expenditure

## **A.1. Total health expenditure by sources of funding**

14. Financing agents include institutions that pool health resources collected from different sources, as well as entities (such as households and firms) that pay directly for health care from their own resources (WHO, 2003). Compared with “financing sources,” classification is useful in tracking changes such as who is paying for different types of health care. It is also useful in analyzing the impact of specific public program policy changes.<sup>1</sup>

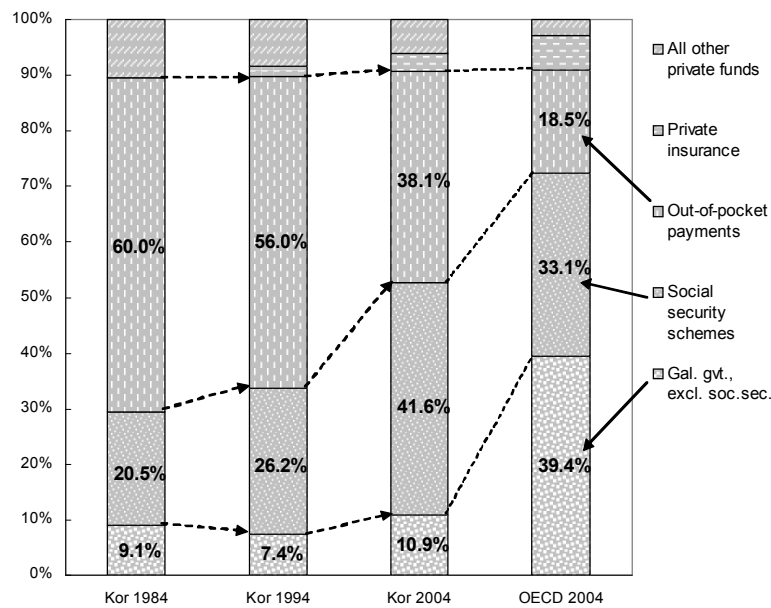
15. The way health care resources are pooled can influence access to services and the burden of health care financing on households at their point of use. In Korea, there are three major financing agents for health care: the National Health Insurance (through contributions), the Medical Aid Program (through taxes), and households (from out-of-pocket payments). Table A1 and Chart 5 indicate that in 2004 the general government sector’s share of total health expenditure was 52.6% (social security 41.6% and other general government 10.9%), and the private sector’s share of total health expenditure was 47.4% (out-of-pocket 38.1%, corporations 5.5%, private insurance 3.4% and non-profit institutions 0.5%).

16. Although, the general government sector’s share exceeded the private sector’s in 2004, the share is still low compared to the OECD countries’ average of 73% and is the third lowest among OECD countries, after the United States and Mexico. The relatively high private financing share is linked to substantial out-of-pocket payments, which may be indicative of limitations in access to services in Korea. Patients have to pay high co-payments towards their treatment charges; moreover they pay the full cost of services which is not included in the National Health Insurance benefit range (14.9% and 23.2% in total health expenditure, respectively). Although spending by private insurance has recently increased, its share has remained relatively low.

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<sup>1</sup> The term “financing sources” indicates the entities that provide funding to “financing agents,” which are entities that pay for or purchase health care. The term “sources of funding” used by OECD (2000) is deliberately divided into two such categories by WHO(2003). The term “financing sources” is used to describe the broad categories of actors which provide the funds used to purchase health care and related services.

Chart 5. Trends in composition of total health expenditure by financing agents



## A.2. Total and current health expenditure by function

17. As countries are spending an increasing share of their income on health care, the importance of a transparent picture of the distribution of resources across different type of services, diseases and population groups, as well as provider categories is also increasing. Such information can be a useful input to decision-making in resource allocation and to monitoring the impact of government interventions (e.g., changes in regulations or financing methods). A feature of the SHA is that it provides detailed information about the functional structure of health expenditure, which is crucial for reliable comparisons across countries and over time. Although a comparison across countries does not itself provide information about how efficiently health resources are used, it can raise questions for further analysis. This section highlights a few key features of how Korea uses its health resources.

18. Korea spends a relatively large share of its health care resources on out-patient care (35.1% of total health expenditure and 37.1% of current health expenditure in 2004) and medical goods (30.1% and 31.8%, respectively), and a correspondingly lower share on inpatient care (23.4% and 24.8%, respectively) compared with most other OECD countries (Tables A2a and A2b, and Charts 6a and 6b). This composition, however, includes the impact caused by the mid-2000 “separation reform.”(Jeong, 2005) The in-patient share had been gradually increased during the latter part of the 1990s, due in part to a rapid increase in the availability of hospital beds, before the separation reform reversed this trend. The share of total health expenditure pharmaceutical expenditure constituted had decreased during the 1990s, contrary to most OECD countries, but, again, the reform reversed it. The Korean pharmaceutical share currently ranks among the highest of OECD countries. The share of total health expenditure made up by long-term care is relatively low as Korea has a relatively young population. On the other hand, families generally take care of the elderly (though this is also changing rapidly). The majority of existing long-term care facilities are free-of-charge for the very poor, recipients of the public (social) assistance programs. Health administration

costs make up 3.8% of total health expenditure (4.0% of current health expenditure), and prevention and public health services, 1.4%.

Chart 6a. Trends in composition of total health expenditure by functions

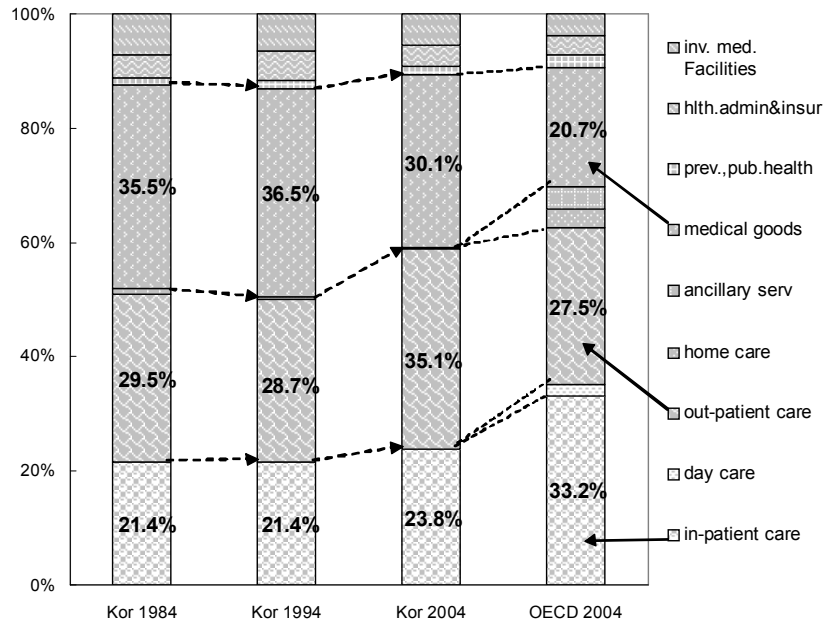
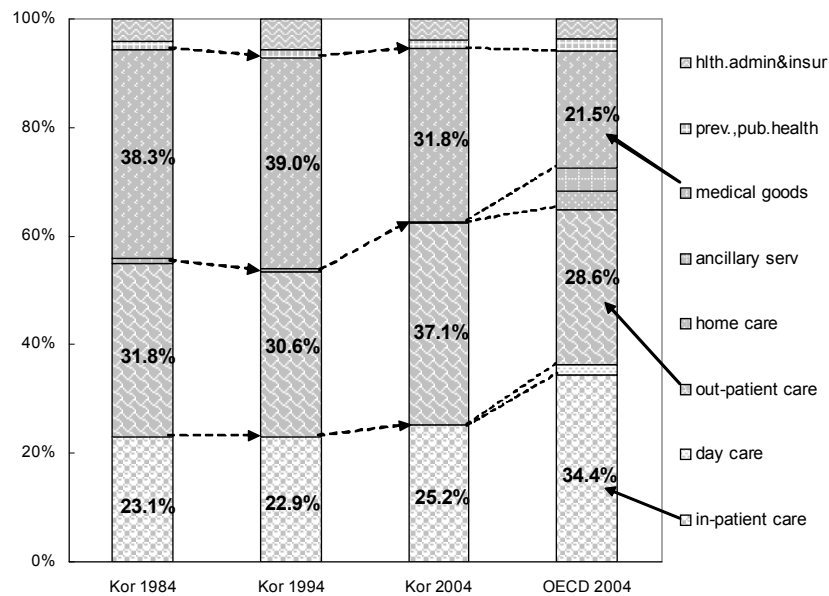


Chart 6b. Trends in composition of current health expenditure by functions



### A.3. Total and current health expenditure by providers

19. As shown in Tables A3a and A3b, and Chart 7, 37.1% of the total health expenditure and 33.4% of the current health expenditure went into hospitals in 2004, 32.8% and 34.7% into providers of ambulatory health care (18.9% and 20.0% on offices of physicians; 7.5% and 8.0% on offices of dentists; 5.7% and 6.0% on offices of other health practitioners; and 0.5% and 0.5% on out-patient care centres), and 23.8% and 25.1% into retail sellers and other providers of medical goods (21.8% and 23.1% on dispensing chemists). But it was quite a different picture before the mid-2000 separation reform when the roles between doctors and dispensing chemists were not taken separately. In the 1990s a larger share of pharmaceuticals had been dispensed directly by doctors rather than by pharmacists.<sup>2</sup> The separation reforms reversed this trend as mentioned in the Introduction (Jeong, 2005).

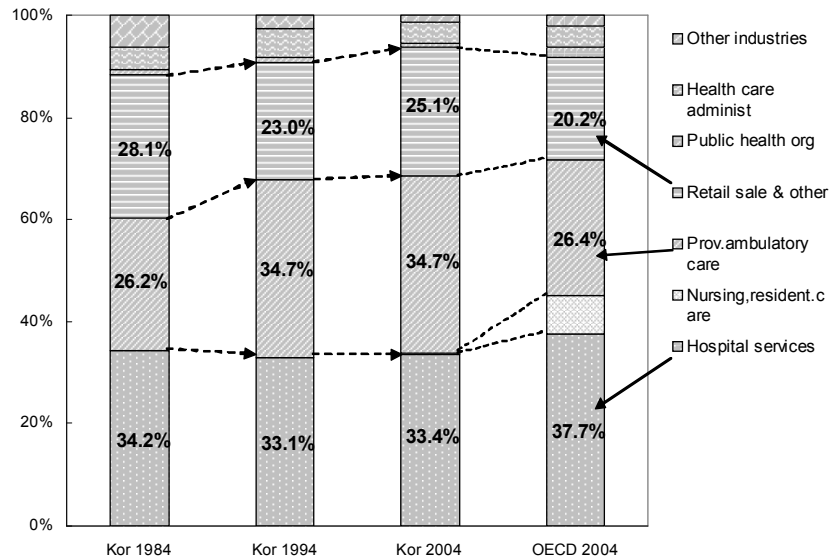
20. Korea spends a relatively large share of its expenditure on ambulatory medical facilities compared with the OECD average. This partly reflects the fact that Koreans prefer outpatient to inpatient care as shown in previous Chart 6, but it is also due to ambulatory medical facilities being defined in Korea to include not only the typical doctors' offices but also medical facilities with less than 30 beds. [In Korea, medical facilities with less than 30 beds are classified as so-called "doctors' clinics," which are named hereafter as "offices of physicians" following the OECD/SHA manual]. A close, comparative look at Charts 6 and 7 illustrates that reliable comparisons across countries and over time can more be based on data by functional categories than by providers. Charts 6a and 6b show a decreasing share of spending on medical goods, while, in contrast, Chart 7 shows that the share of spending on *retailers* of medical goods increased after the mid-2000's separation reform. The explanation for these differing trends is that Chart 7 shows that the role (the income, exactly saying) of retailers in providing medical goods increased (while the role of physicians and other providers have decreased), but it does not provide adequate information about the changes in total spending on medical goods.

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<sup>2</sup> In 1999, 38.5% of the current health expenditure went into hospitals, 24.0% into offices of physicians and 14.0% into dispensing chemists.



Chart 7. Trends in composition of current health expenditure by providers



## B. Two-dimensional structure of total health expenditure

### B.1. Financing structure of different services

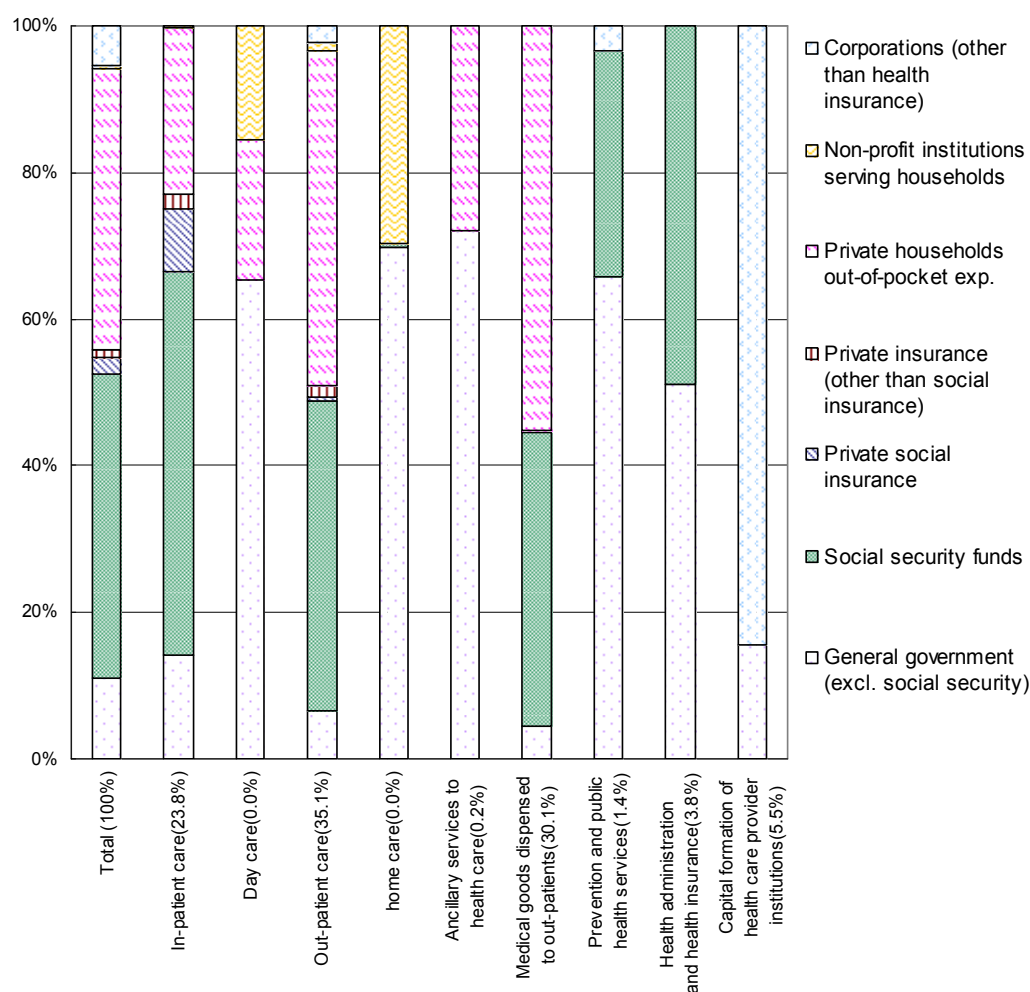
21. Understanding the role of the public and private sectors in financing health care is of vital importance for policy-making. The information provided in Tables B1.1, B1.2, B1.3a and B1.3b and in Charts 8, 9a and 9b can be a useful input, among others, to designing and monitoring health policies. Table B1.2 and Chart 8 show the role (share) of different financing agents in financing the major types of services (that is expenditure cross-classified by function and financing agent). The role of public and private sources differs considerably according to the type of service. For example while two thirds of spending on in-patient care comes from public sources, households' out-of-pocket payments and other private sources still play a big role in financing out-patient care and medical goods. More detailed descriptions on Table B1.2 and Chart 8 follow:

- Of *total* health care expenditure in 2004, 52.6% was financed by the public sector (HF.1) (41.6% by social security, and 10.9% by general government excluding social security), and 47.4%, by the private sector (HF.2) (38.1% by out-of-pocket payments; 5.5% by corporations, 3.4% by private insurance; and 0.5% by non-profit institutions).
- Of *current* health care expenditure in 2004, 54.7% was financed by the public sector (HF.1) (44.0% by social security, and 10.7% by general government excluding social security), and 45.3%, by the private sector (HF.2) (40.4% by out-of-pocket payments; 3.6% by private insurance; 0.9% by corporations; and 0.5% by non-profit institutions).
- Of *personal* health care expenditure, 52.2% was financed by the public sector (44.1% by social security, and 8.1% by general government excluding social security), and

47.8%, by the private sector (42.7% by out-of-pocket payments; 3.8% by private insurance; 0.9% by corporations; and 0.5% by non-profit institutions).

- i. Of total health expenditure on in-patient services, 66.3% was financed by the public sector (52.2% by social security, and 14.1% by general government excluding social security), and 33.7%, by the private sector (22.9% by out-of-pocket payments; and 10.7% by private insurance).
  - ii. Of total health expenditure on out-patient services, 48.9% was financed by the public sector (42.4% by social security, and 6.4% by general government excluding social security), and 51.1%, the private sector (45.7% by out-of-pocket payments; 2.2% by corporations; 2.1% by private insurance; and 1.2% by non-profit institutions).
  - iii. Of total health expenditure on long-term care, 66.6% was financed by the public sector (66.6% by general government excluding social security), and 33.4%, by the private sector (23.6% by out-of-pocket payments; and 9.8% by non-profit institutions).
  - iv. Of total health expenditure on medical goods, 44.5% was financed by the public sector (39.9% by social security, and 4.6%, by general government excluding social security), and 55.5% by the private sector (55.1% by out-of-pocket payments; 0.3% by private insurance).
  - v. Of total health expenditure on pharmaceuticals and other medical non-durables, 47.6% was financed by the public sector (42.7% by social security, and 4.9% by general government excluding social security), and 52.4% by the private sector (52.0% by out-of-pocket payments; 0.3% by private insurance).
- Of total health expenditure on prevention and public health services, 96.6% was financed by the public sector (65.7% by general government excluding social security, and 30.9% by social security), and 3.4% by the private sector (corporations).
  - All of total expenditure on health administration and health insurance was financed by the public sector (51.2% by general government excluding social security, and 48.8% by social security). Administration at the private insurance was difficult to distinguish because most private health insurance policies in Korea are administered in a mixed form by general insurance companies and there is not clear-cut accounting distinction between the two administrations.
  - Of total health expenditure on capital formation, 84.5% was financed by the corporations (mainly, hospitals as private corporations) and 15.5% by the general government excluding social security.

Chart 8. Financing structure of different services, 2004



## B.2. Service structure of different financing agents

### Total Health Expenditure

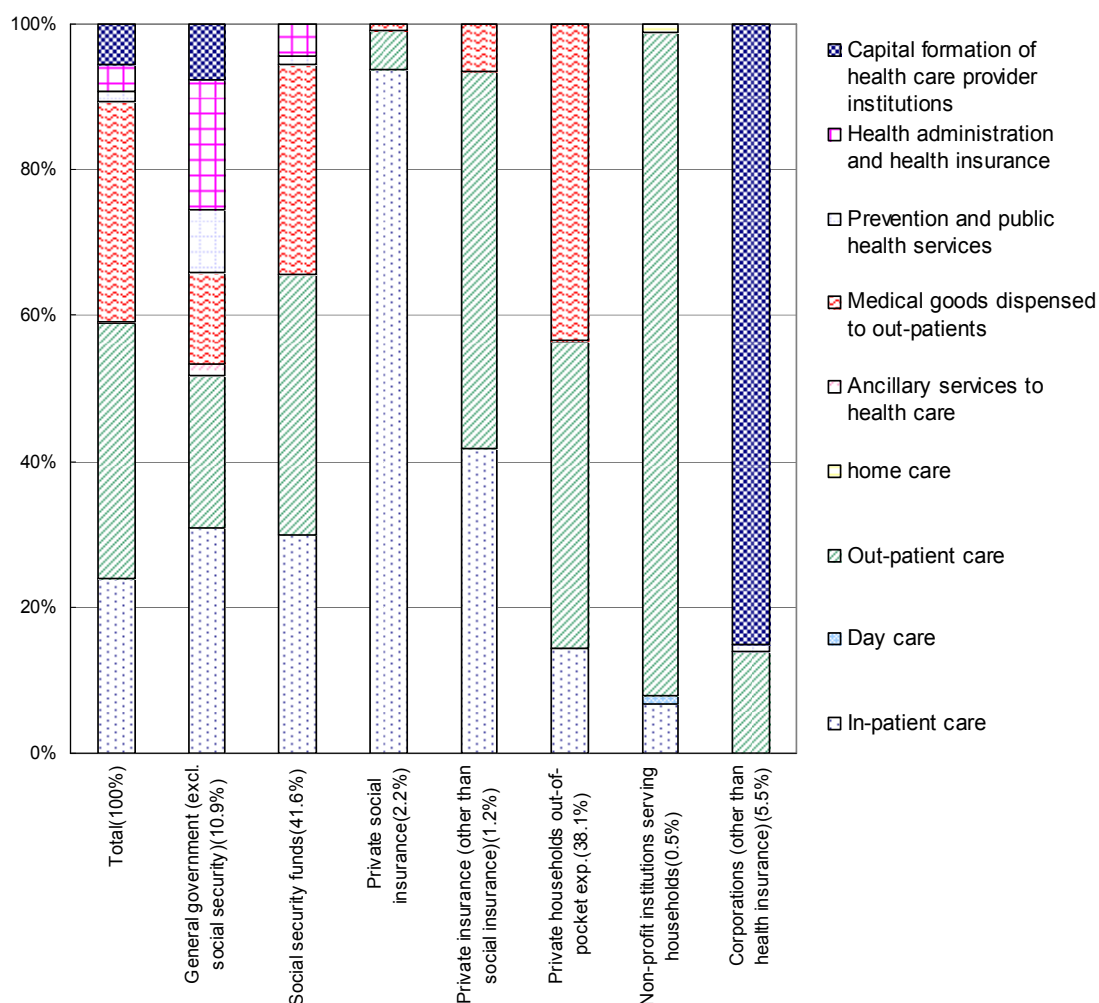
22. Health care financing agents jointly fund the different health care functions, but their contributions vary with each function. Table B1.3a and Chart 9a indicate that 30.1% and 32.6% of public funds are spent on inpatient and outpatient care respectively, while a smaller part of public funds are spent on medical goods, although medical goods share in the public funds is not small in international comparison. Households devote 43.5% of their health spending to medical goods, while only 14.3% is spent on in-patient care. More detailed descriptions on Table B1.3a follow.

- Of total health expenditure by the public sector in 2004, 88.6% was for personal health care services and goods (32.6% for out-patient services; 30.1% for in-patient services; and 25.5% for pharmaceuticals etc.), 9.8%, for collective health services

(health administration and health insurance, 7.2%; and prevention and public health services, 2.6%) and 1.6%, for capital formation of health care provider institutions.

- i. Of total health expenditure by general government (excluding social security), 66.0% was on personal health care services and goods (among them, 30.8% for in-patient services; 20.7% for out-patient services; and 12.6% for pharmaceuticals etc.) and 26.2%, for collective health services (17.7% for health administration and health insurance; and 8.5% for prevention and public health services).
  - ii. Of total health expenditure by social security, 94.5% was on personal health care services and goods (35.8% for out-patient services; 29.9% for in-patient services; and 28.9% for pharmaceuticals etc.), and 5.5%, for collective health services (4.4% for health administration and health insurance; and 1.1% for prevention and public health services).
- Of total health expenditure from the private sector, 90.1% was on personal health care services and goods (37.8% for out-patient services; 31.1% for pharmaceuticals etc.; 16.9% for in-patient services; and 4.1% for therapeutic appliances) and 9.8% on capital formation of health care provider institutions.
    - i. All of the total health expenditure from private insurance was on personal health care services and goods (75.8% for in-patient services; 21.4% for out-patient services; and 2.8% for pharmaceuticals etc.).
    - ii. All of the total health expenditure from out-of-pocket payments was on personal health care services and goods (42.0% for out-patient services; and 38.4% for pharmaceuticals etc.; 14.3% for in-patient services; and 5.1% for therapeutic appliances).
    - iii. Corporations (mainly, hospitals as private corporations) used 85.1% of their funds for capital formation of health care provider institutions, and 14% for out-patient services.

Chart 9a. Service structure of different financing agents, Total Health Expenditure, 2004



## Current Health Expenditure

23. Detailed descriptions on Table B1.3b and Chart 9b follow.

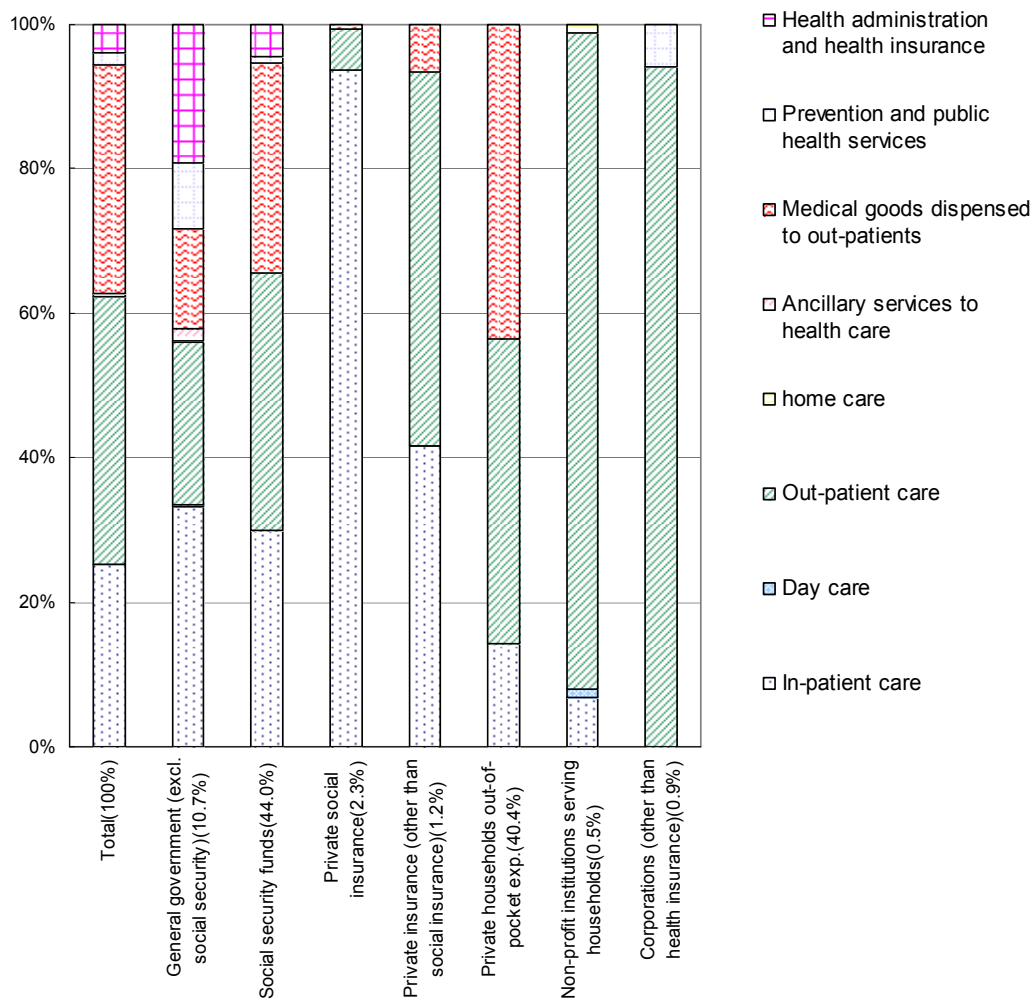
- Of current health expenditure by the public sector in 2004, 90.0% was for personal health care services and goods (33.2% for out-patient services; 30.6% for in-patient services; and 25.9% for pharmaceuticals etc.) and 10.0%, for collective health services (health administration and health insurance, 7.3%; and prevention and public health services, 2.7%).

- i. Of current health expenditure by general government (excluding social security), 71.5% was on personal health care services and goods (among them, 33.4% for in-patient services; 22.4% for out-patient services; and 13.7% for pharmaceuticals etc.) and 28.5%, for collective health services (19.2% for health administration and health insurance; and 9.3% for prevention and public health services).
- ii. Of current health expenditure by social security, 94.5% was on personal health care services and goods (35.8% for out-patient services; 29.9% for in-

patient services; and 28.9% for pharmaceuticals etc.), and 5.5%, for collective health services (4.4% for health administration and health insurance; and 1.1% for prevention and public health services).

- Of current health expenditure from the private sector, 99.9% was on personal health care services and goods (42.0% for out-patient services; 34.4% for pharmaceuticals etc.; 18.7% for in-patient services; and 4.6% for therapeutic appliances), and 0.1%, for collective health services (all prevention and public health).
  - i. All of current health expenditure from private insurance was on personal health care services and goods (75.8% for in-patient services; 21.4% for out-patient services; and 2.8% for pharmaceuticals etc.).
  - ii. All of current health expenditure from out-of-pocket payments was on personal health care services and goods (42.0% for out-patient services; and 38.4% for pharmaceuticals etc.; 14.3% for in-patient services; and 5.1% for therapeutic appliances).

Chart 9b. Service structure of different financing agents, Current Health Expenditure, 2004



### B.3. Provider structure of different services

24. Detailed descriptions on Table B2.2 and Chart 10 follow.

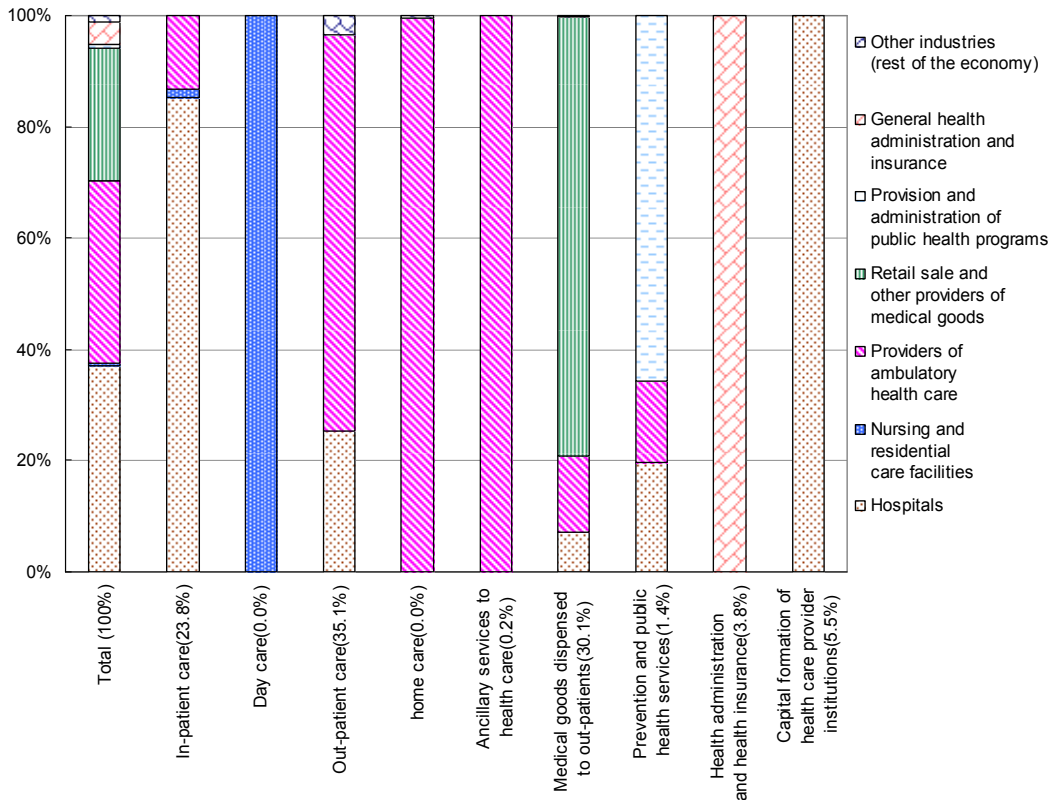
- Of *total* health expenditure in 2004, 37.1% was spent in hospitals; 32.8% in providers of ambulatory health care (offices of physicians, 18.9%; offices of dentists, 7.5%; and offices of other health practitioners 5.7%); 23.8% in retail sale and other providers of medical goods (dispensing chemists, 21.8%); 3.8% in general health administration and insurance; 1.2% in other industries; 0.9% in providers and administration of public health programs; and 0.4% in nursing and residential care facilities.

- Of *current* health expenditure in 2004, 34.7% was spent by providers of ambulatory health care (offices of physicians, 20.0%; offices of dentists, 8.0%; and offices of other health practitioners 6.0%); 33.4% in hospitals; 25.1% in retail sale and other providers of medical goods (dispensing chemists, 23.1%); 4.0% in general health administration and insurance; 1.0% in provision and administration of public health programs; 1.3% in other industries; and 0.4% in nursing and residential care facilities.

- Of *personal* health expenditure, 36.5% was spent by providers of ambulatory health care (offices of physicians, 21.0%; offices of dentists, 8.4%; and offices of other health practitioners 6.3%); 35.1% in hospitals; 26.6% in retail sale and other providers of medical goods (dispensing chemists, 24.4%); and 0.5% in nursing and residential care facilities.

- i. In the provision of in-patient care, hospitals' share was 85.2% and that by providers of ambulatory health care 13.2%.
- ii. In the provision of out-patient care, the share by providers of ambulatory health care was 71.4% (among them, offices of physicians 41.7%, offices of dentists 21.1%, offices of other health practitioners 7.5%, and out-patient care centers 1.1%); hospitals, 25.2%; and other industries, 3.4%.
- iii. In the provision of medical goods, the share by retail sale and other providers of medical goods was 79.0% (dispensing chemists, 72.5%; and retail sale and other suppliers of optical glasses and other vision products, 4.0%); providers of ambulatory health care, 13.7% (offices of other health practitioners 10.0%; offices of physicians, 3.1%; and offices of dentists, 0.4%); and hospitals, 7.1%. In the provision of pharmaceuticals and non-durables the share by retail sale and other providers of medical goods was 77.6% (dispensing chemists, 77.6%); providers of ambulatory health care, 14.6% (offices of other health practitioners 10.7%; offices of physicians, 3.4%; and offices of dentists, 0.5%); and hospitals, 7.6%.
- iv. In the provision of prevention and public health services, the share by providers of administration of public health programs was 65.7%; hospitals, 19.7%; providers of ambulatory health care, 14.5%.
- v. Expenditure on health administration and health insurance was shared by government administration of health, 51.2%, and social security funds, 48.8%.
- vi. Expenditure on capital formation of health care provider institutions here includes only that by the hospitals.

Chart 10. Provider structure of different services, 2004



#### B.4. Service structure of different providers

##### Total Health Expenditure

25. Detailed descriptions on Table B2.3a and Chart 11a follow:

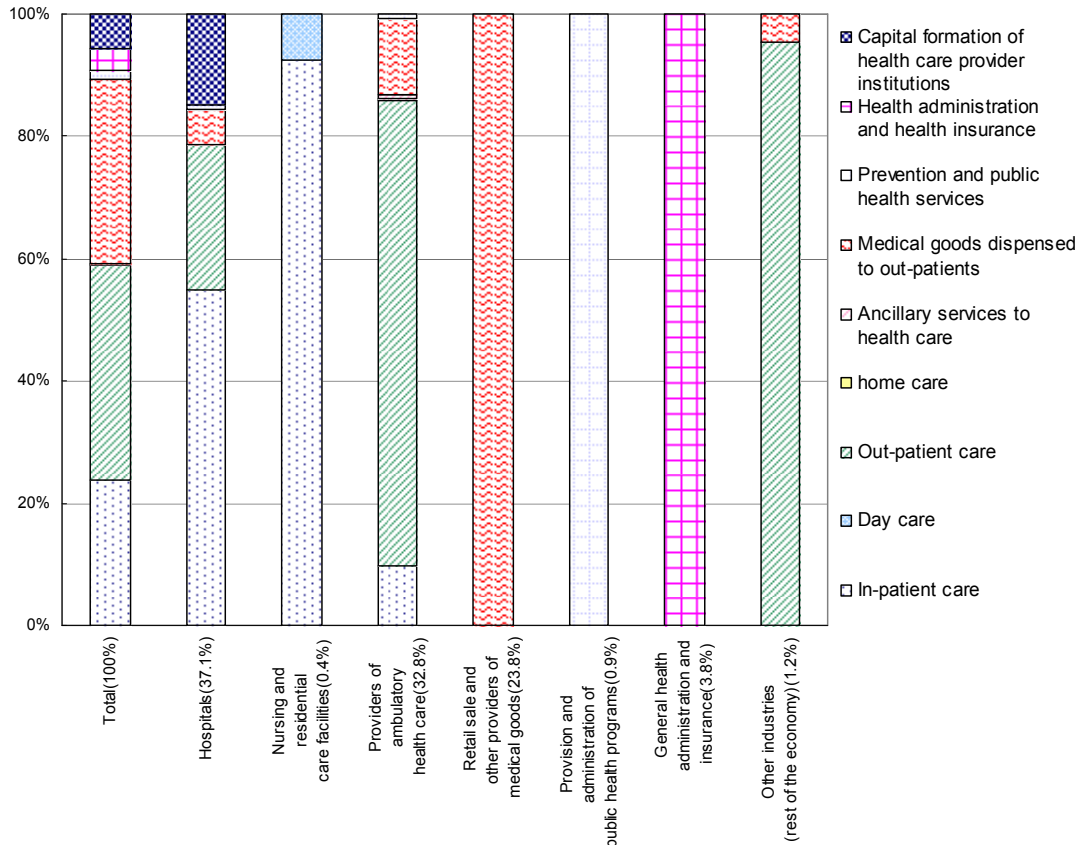
- Of total health expenditure at hospitals in 2004, 84.4% was for personal health care services and goods (54.7% for in-patient services; 23.9% for out-patient services; and 5.8% for pharmaceuticals etc.); 0.8% for collective health services (prevention and public health services); and 14.8% for capital formation of health care provider institutions (HC.R.1).
- Of total health expenditure at providers of ambulatory health care, 99.4% was for personal health care services and goods (76.4% for out-patient services; 12.5% for pharmaceuticals etc. 9.6%; and for in-patient services); and 0.6% for collective health services (prevention and public health services).
- Of total health expenditure at offices of physicians, 99.0% was for personal health care services and goods (77.4% for out-patient services; 16.6% for in-patient services; and 5.0% for pharmaceuticals etc.); and 1.0% for collective health services (prevention and public health services).
- Of total health expenditure at offices of other health practitioners, 53.3% was for pharmaceuticals etc. and 46.7% was for out-patient services. [“Offices of other health practitioners” here mainly consists of traditional medicine doctors’ offices. As dispensing of herbal medicine, which belongs to the category of pharmaceuticals



following OECD's SHA, is their main work, the pharmaceutical share is high in total health expenditure at these offices.]

- Of total health expenditure at pharmacies, 71.8% was for prescribed medicines; 19.5% for over-the-counter medicines; and 8.7% for other medical non-durables. [Not shown in Table B2.3a]

Chart 11a. Service structure of different providers, Total Health Expenditure, 2004



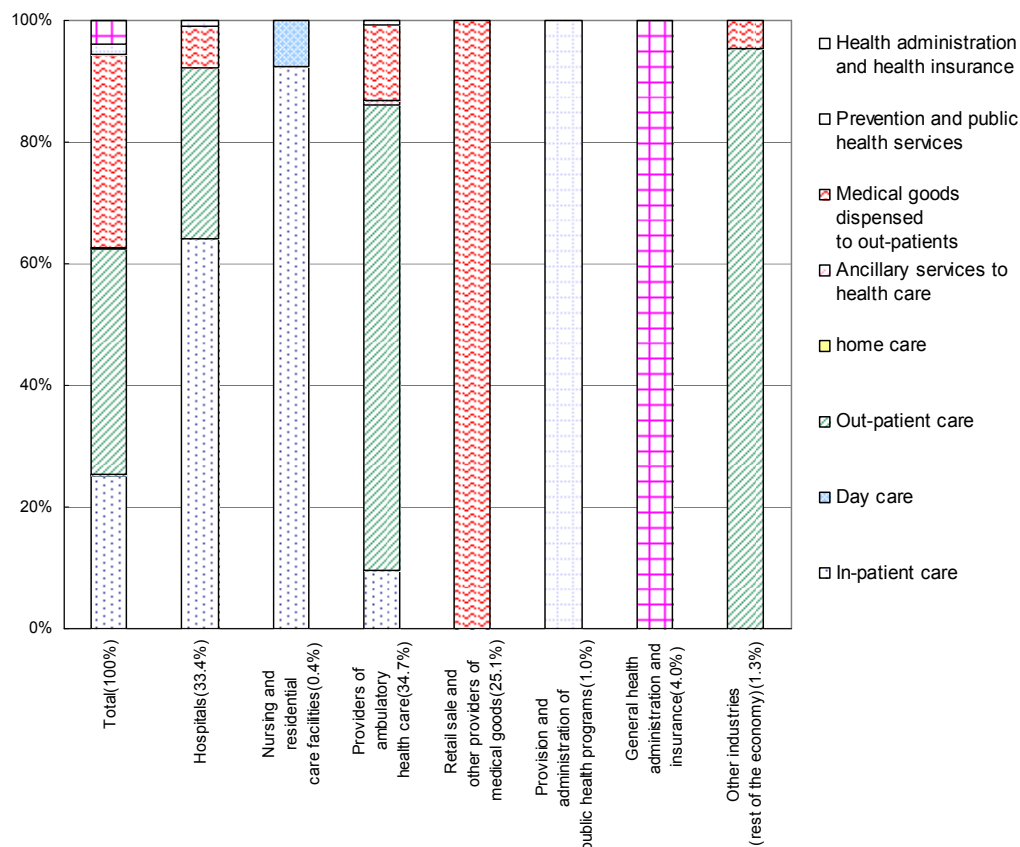
## Current Health Expenditure

26. Health accounts also provide useful information about how services are provided and the kinds of service structure of the different providers. More detailed descriptions on Table B2.3b and Chart 11b follow:

- Of current health expenditure provided through hospitals in 2004, 99.1% was for personal health care services and goods (64.3% for in-patient services; 28.0% for out-patient services; and 6.8% for pharmaceuticals etc.); 0.9% for collective health services (prevention and public health services).
- Of current health expenditure at providers of ambulatory health care, 99.4% was for personal health care services and goods (76.4% for out-patient services; 12.5% for pharmaceuticals etc.; and 9.6% for in-patient services); and 0.6% for collective health services (prevention and public health services).
- Of current health expenditure at offices of physicians, 99.0% was for personal health care services and goods (77.4% for out-patient services; 16.6% for

in-patient services; and 5.0% for pharmaceuticals etc.); and 1.0% for collective health services (prevention and public health services).

Chart 11b. Service structure of different providers, Current Health Expenditure, 2004



## B.5. Financing structure of different providers

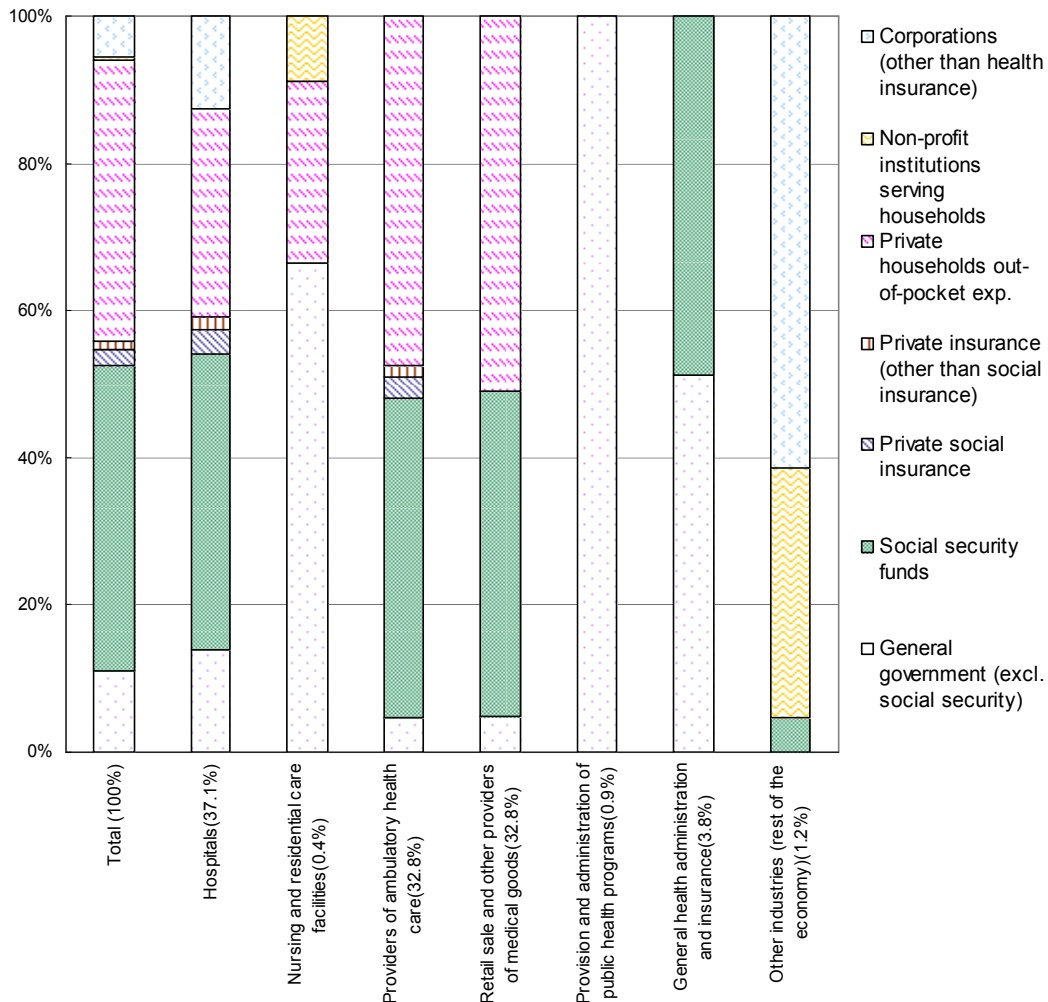
### Total Health Expenditure

27. Detailed descriptions on Table B3.2a and Chart 12a follow:

- Of total health expenditure at hospitals in 2004, 54.1% was financed by the public sector (40.2% by social security; and 14.0% by general government excluding social security); 45.9% by the private sector (28.2% by out-of-pocket payments; 12.6% by corporations; and 5.1% by private insurance).
- Of total health expenditure at nursing and residential care facilities, 66.4% was financed by the public sector (all by general government excluding social security); and 33.6% by the private sector (24.7% by out-of-pocket payments; and 8.9% by non-profit institutions serving households).
- Of total health expenditure at providers of ambulatory health care, 48.2% was financed by the public sector (43.6% by social security, and 4.5% by general government excluding social security), and 51.8% by the private sector (47.3% by out-of-pocket payments; and 4.5% by private insurance).

- Of total health expenditure at offices of physicians, 63.2% was financed by the public sector (57.5% by social security, and 5.7% by general government excluding social security), and 36.8% by the private sector (29.0% by out-of-pocket payments; and 7.7% by private insurance).

Chart 12a. Financing structure of different providers, Total Health Expenditure, 2004



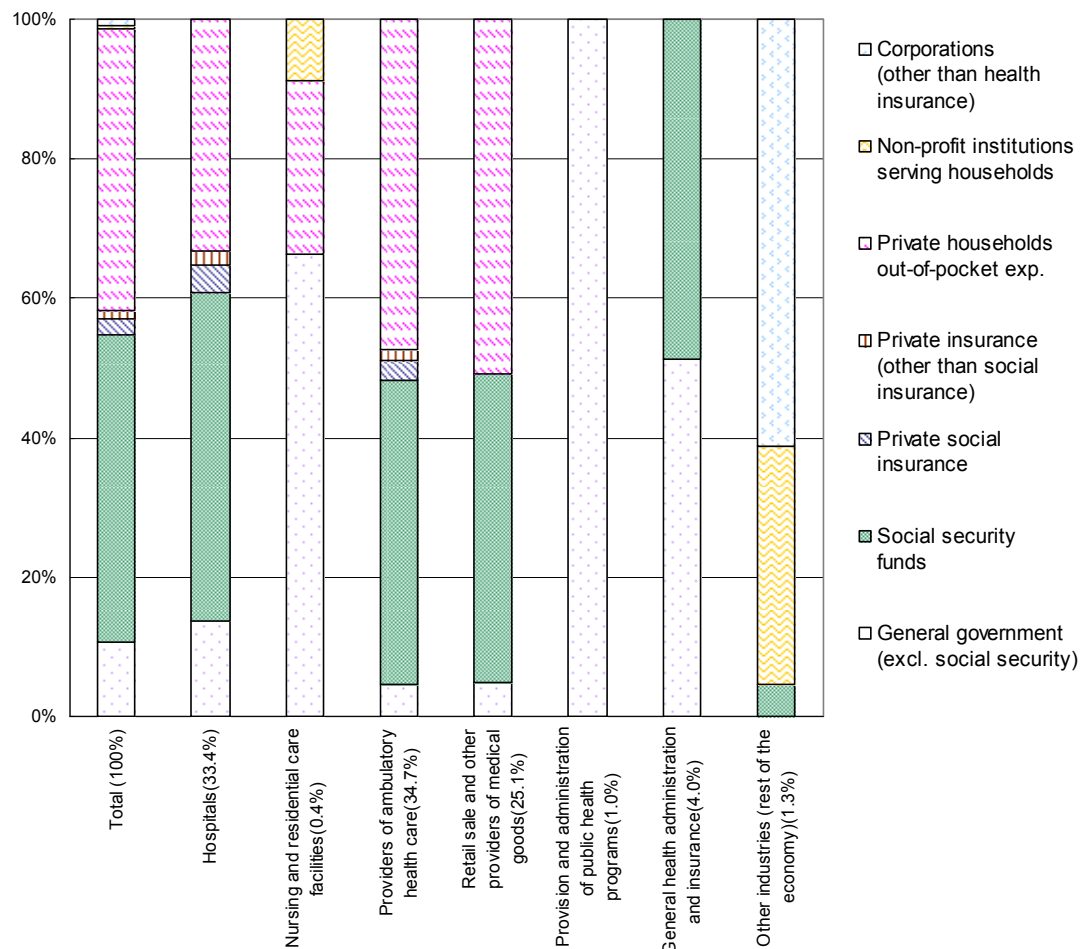
## Current Health Expenditure

28. Detailed descriptions on Table B3.2b and Chart 12b follow:

- Of current health expenditure at hospitals in 2004, 60.9% was financed by the public sector (47.2% by social security; and 13.7% by general government excluding social security); 39.1% by the private sector (33.1% by out-of-pocket payments; 6.0% by private insurance; and 0.1% by corporations).
- Of current health expenditure at nursing and residential care facilities, 66.4% was financed by the public sector (all by general government excluding social security); and 33.6% by the private sector (24.7% by out-of-pocket payments; and 8.9% by non-profit institutions serving households).

- Of current health expenditure at providers of ambulatory health care, 48.2% was financed by the public sector (43.6% by social security, and 4.5% by general government excluding social security), and 51.8% by the private sector (47.3% by out-of-pocket payments; and 4.5% by private insurance).
- Of current health expenditure at offices of physicians, 63.2% was financed by the public sector (57.5% by social security 5.7%, and by general government excluding social security), and 36.8% by the private sector (29.0% by out-of-pocket payments 7.7% by private insurance).

Chart 12b. Financing structure of different providers, Current Health Expenditure, 2004



## B.6. Provider structure of different financing agents

### Total Health Expenditure

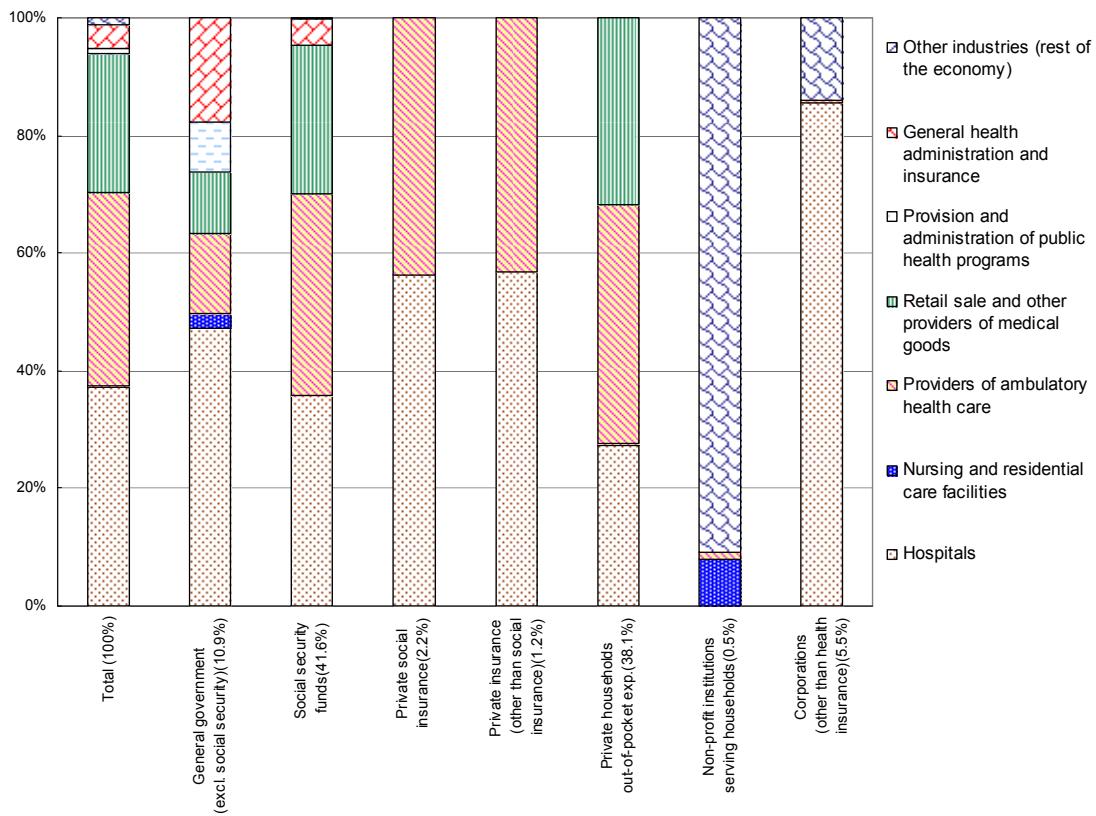
29. Detailed descriptions on Table B3.3a and Chart 13a follow:

- Of total health expenditure financed by the public sector, 38.2% funded hospitals; 30.0%, providers of ambulatory health care (offices of physicians, 22.7%; offices of other health practitioners, 3.3%; and offices of dentists, 3.1%); 22.2%, retail sale and other providers of medical goods (all dispensing chemists); 7.2%,

general health administration and insurance; 1.8%, provision and administration of public health programs; and 0.5%, nursing and residential care facilities.

- i. Of total health expenditure financed by general government (excluding social security), 47.3% funded hospitals; 17.7%, general health administration and insurance; 13.6%, providers of ambulatory health care (offices of physicians, 9.9%; offices of other health practitioners, 1.0%; and offices of dentists, 0.6%); 10.4%, retail sale and other providers of medical goods (all dispensing chemists); 8.5%, provision and administration of public health programs; and 2.5%, nursing and residential care facilities.
  - ii. Of total health expenditure financed by social security, 35.8% funded hospitals; 34.4%, providers of ambulatory health care (offices of physicians, 26.1%; offices of other health practitioners 3.9%; and offices of dentists, 3.8%); 25.3%, retail sale and other providers of medical goods (all dispensing chemists); and 4.4%, general health administration and insurance.
- Of total health expenditure financed by the private sector, 35.9% funded hospitals; 35.8%, providers of ambulatory health care (offices of physicians, 14.7%; offices of dentists, 12.4%; and offices of other health practitioners, 8.3%); 25.5%, retail sale and other providers of medical goods (dispensing chemists, 21.4%; retail sale and other suppliers of optical glasses and other vision products, 2.5%; and all other miscellaneous sale and other suppliers of pharmaceuticals and medical goods, 1.5%); 2.5%, all other industries; and 0.3%, nursing and residential care facilities.
- i. Of total health expenditure financed by private insurance, 56.5% funded hospitals; and 43.5%, providers of ambulatory health care (predominantly offices of physicians).
  - ii. Of total health expenditure financed by out-of-pocket payments, 40.7% funded providers of ambulatory health care (offices of dentists, 15.4%; offices of physicians, 14.4%; and offices of other health practitioners, 10.3%); 31.7%, retail sale and other providers of medical goods (dispensing chemists, 26.6%; retail sale and other suppliers of optical glasses and other vision products, 3.1%; and all other miscellaneous sale and other suppliers of pharmaceuticals and medical goods, 1.8%); 27.4%, funded hospitals; and 0.3%, nursing and residential care facilities.

Chart 13a. Provider structure of different financing agents, Total Health Expenditure, 2004



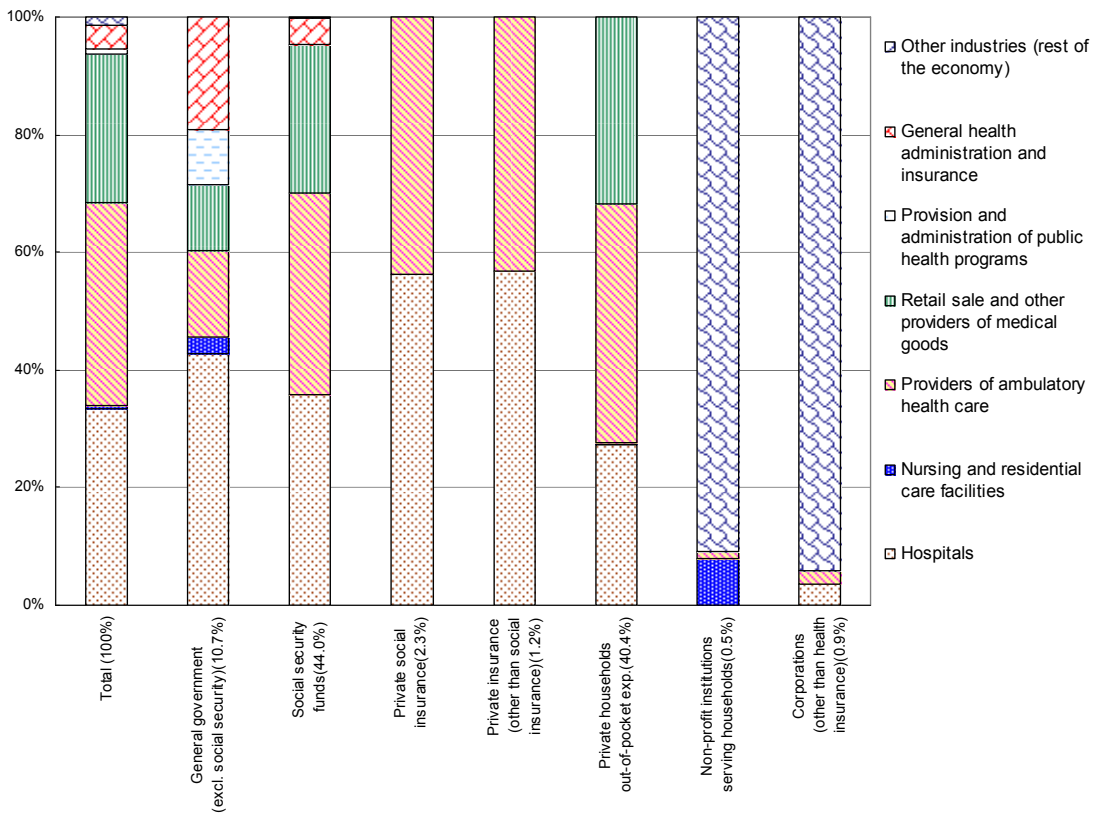
## Current Health Expenditure

30. Detailed descriptions on Table B3.3b and Chart 13b follow:

- Of current health expenditure financed by the public sector, 37.2% funded hospitals; 30.5%, providers of ambulatory health care (offices of physicians, 23.1%; offices of other health practitioners, 3.3%; and offices of dentists, 3.1%); 22.6%, retail sale and other providers of medical goods (all dispensing chemists); 7.3%, general health administration and insurance; 1.8%, provision and administration of public health programs; and 0.5%, nursing and residential care facilities.
  - i. Of current health expenditure financed by general government (excluding social security), 42.8% funded hospitals; 14.7%, providers of ambulatory health care (offices of physicians, 10.7%; offices of other health practitioners 1.0%; and offices of dentists, 0.6%); 19.2%, general health administration and insurance; 11.3%, retail sale and other providers of medical goods (all dispensing chemists); 9.3%, provision and administration of public health programs; and 2.7%, nursing and residential care facilities.
  - ii. Of current health expenditure financed by social security, 35.8% funded hospitals; 34.4% providers of ambulatory health care (offices of physicians, 26.1%; offices of other health practitioners 3.9%; and offices of dentists, 3.8%); 25.3% retail sale and other providers of medical goods (all dispensing chemists); and 4.4% general health administration and insurance.

- Of current health expenditure financed by the private sector, 39.7% funded providers of ambulatory health care (offices of physicians, 16.3%; offices of dentists, 13.8%; and offices of other health practitioners, 9.2%); 28.9%, hospitals; 28.3%, retail sale and other providers of medical goods (dispensing chemists, 23.7%; retail sale and other suppliers of optical glasses and other vision products, 2.8%; and all other miscellaneous sale and other suppliers of pharmaceuticals and medical goods, 1.6%); 2.8%, all other industries; and 0.3%, nursing and residential care facilities.
  - i. Of current health expenditure financed by private insurance, 56.5% funded hospitals; and 43.5%, providers of ambulatory health care (predominantly offices of physicians).
  - ii. Of current health expenditure financed by out-of-pocket payments, 40.7% funded providers of ambulatory health care (offices of dentists, 15.4%; offices of physicians, 14.4%; and offices of other health practitioners, 10.3%); 31.7%, retail sale and other providers of medical goods (dispensing chemists, 26.6%; retail sale and other suppliers of optical glasses and other vision products, 3.1%; and all other miscellaneous sale and other suppliers of pharmaceuticals and medical goods, 1.8%); 27.4%, hospitals; and 0.3%, nursing and residential care facilities.

Chart 13b. Provider structure of different financing agents, Current Health Expenditure, 2004



## CONCLUSIONS

### Major findings

31. Both differences in data on which the estimates are based and in methodology used resulted in significant changes in the structure and value of total health expenditure between the pre-SHA estimates and the SHA ones. The SHA estimates are currently available for the years 1983-2005. With these new estimates, it became possible to compare the total health expenditure of Korea and other OECD countries better. The availability of SHA has been most opportune in producing National Health Accounts in Korea. Awareness and appreciation of the need and gains from applying SHA for the health expenditure classification has been increasing as OECD health expenditure figures get more frequently quoted among health policy makers.

32. Main findings centered on the year 2004 in the SHA estimation for the OECD Health Data 2007 can be capitulated as follows;

33. Korea devoted 42.8 trillion won (47.0 US\$ billion) to health care in 2004, which accounted for 5.5% of GDP, averaging 889,791 won (1,135 US\$PPP) per capita. Korea's health expenditure per capita has been increasing since the early 1990s. However the gap between Korea and OECD averages with respect to health expenditure is still considerably greater than the gap of general economic development: per capita health expenditure amounted to just 44% of the OECD average, while per capita GDP was 75% of the OECD average in 2004. Total health expenditure as a share of GDP in Korea is still the lowest among OECD countries.

34. The share of public health expenditure grew from 29.6% to 52.6% of total health expenditure between 1984 and 2004, which is low compared to the OECD countries' average of 73%. Social security fund (most of which is from the National Health Insurance) is the major source of funding (41.6% of the total expenditures on health) for health care providers, 40.2% of the total funding for hospitals and 57.5%, for offices of physicians. Private household direct payments still played a significant role in financing health care accounting for 38.1% of the total health expenditures, of which 40.7% was allocated to providers of ambulatory health care, 31.7% to retail sale and other providers of medical goods, and 27.4% to hospitals. Patients have to pay high co-payments towards their treatment charges; moreover they pay the full cost of services which are not included in the National Health Insurance benefit range. Although spending by private insurance has recently increased, its share has remained relatively low at 3.4%.

35. Korea spends a relatively large share of its health care resources on out-patient care (35.1% of total health expenditure and 37.1% of current health expenditure) and medical goods (30.1% and 31.8%, respectively), and a correspondingly lower share on inpatient care (23.8% and 25.2%, respectively) compared with most other OECD countries. The share of health expenditure on out-patient care increased considerably while the share on inpatient care increased slightly over the past two decades.

36. In 2004, 37.1% of the total health expenditure and 33.4% of the current health expenditure were spent through hospitals, while 32.8% was spent through providers of ambulatory health care (18.9% and 20.0% through offices of physicians; 7.5% and 8.0% through offices of dentists; 6.4% and 6.7% through offices of other health practitioners), and



23.8% and 25.1% through retail sellers and other providers of medical goods (21.8% and 23.1% on dispensing chemists). The share of health expenditure by providers of ambulatory health care increased considerably while the share by hospitals decreased slightly over the past two decades.

### **Limitations and future works**

37. Various major challenges loom towards further integration of SHA. A few health services are not in vogue in Korea. These include day care services, ancillary services by independently managed clinical laboratories, and to a large extent long-term care services. Non-availability of some data either leads to approximation or incomplete completion of some SHA tables.

38. Although Korea currently collects data on most of the major health expenditure aggregates and core variables, there is a lack of detail available on some of the important sub-aggregates such as the disaggregation of in-patient expenditures. For example, the small levels of expenditure on day-care is currently included in in-patient care expenditure. Similarly, Korea does not yet have a breakdown of curative and rehabilitative care - these services are provided together and there is no clear-cut accounting distinction between the two in Korea. More in-depth reviews are warranted in the future work.

39. Only emergency transportation is included in Ancillary Services (HC.4). Independently managed clinical laboratories do not exist in Korea, with such functions usually performed within hospitals or more rarely in doctors' clinics as an inpatient care function. While there are some diagnostic imaging facilities which are independently managed, most diagnostic imaging is performed within hospitals, with some minor provision by doctors' clinics as inpatient care function. This also needs a bit of an overhaul.

40. Since long-term care services are mainly provided by the informal sector and funded by private means, accurate estimates are difficult to derive. Both administrative data for the number of facilities and the number of elderly admitted provided by the Ministry of Health and Welfare (MOHW) and the survey on elderly facilities conducted in 2004 by the Korean Institute for Health and Welfare (KIHSA) are combined to produce estimates. The latter gives the information on financial sources according to characteristics of LTC facilities and services provided by them. The figures on long-term care should be considered as a lower-bound estimate. Given Korea has a rapidly growing aging population and an increasing demand for elderly care, a routine data collection process is required to be instituted and estimates be validated for long-term care. (The provision of long term care for elderly paying customers is in its early stages in Korea, with the majority of existing LTC facilities being free-of-charge facilities for the very poor who are recipients of public (social) assistance programs. Most elderly people spend their lives in their homes or with their family members, with hospitals sometimes being used in the final stages of their life, such as when patients have terminal illnesses such as cancer etc.)

41. Expenditures on administration for private insurance are not included since it is difficult to separate them from other general insurance administration. Next version will solve this problem.

42. Gross capital formation is included in "Capital formation of health care provider institutions" (HC.R.1) for both the public and private sectors. In Korean health accounts,

duplication in terms of capital depreciation is not a big issue, as because the majority of health care providers are private and capital depreciation could be considered to be distributed within various health care functions (HC.1-7). The income of private providers by function or expenditure paid for them is almost certainly greater than their expenses. However capital depreciation is not cleared in the public sector and needs more observation.

43. Due to lack of data, health expenditure incurred by Korean residents outside the country has not been included; and the health expenditures on non-residents incurred within Korea have not been excluded when they belong to the public health insurance scheme. However, not adjusting the figures for these factors would not have had a significant effect as the respective amounts involved are not large and the two would tend to offset each other to some extent. This issue will also be treated as appropriate data are supplemented.

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## ANNEX 1: METHODOLOGY

### Data sources:

#### Main sources for public expenditure:

- NATIONAL HEALTH INSURANCE STATISTICAL YEARBOOK, National Health Insurance Corporation
- MEDICAL AID STATISTICAL YEARBOOK, National Health Insurance Corporation

#### Main sources for private expenditure:

- ANNUAL REPORT ON FAMILY INCOME AND EXPENDITURE SURVEY, National Statistical Office
- NATIONAL HEALTH AND NUTRITION SURVEY, Ministry of Health and Welfare

### A. General government expenditure (excluding social security) (HF.1.1)

- REVENUES & EXPENDITURES OF GOVERNMENT, Ministry of Health and Welfare, Ministry of Home Affairs, and National Police Agency
- UNPUBLISHED DATA, Ministry of Justice, Ministry of National Defense, and Patriots & Veterans Agency
- NATIONAL HEALTH INSURANCE STATISTICAL YEARBOOK, National Health Insurance Corporation (2000 and after)
- MEDICAL INSURANCE STATISTICAL YEARBOOK, National Federation of Medical Insurance (1999 and before)
- MEDICAL AID STATISTICAL YEARBOOK, National Health Insurance Corporation
- NATIONAL ACCOUNTS, The Bank of Korea

### B. Social Security expenditure (HF.1.2)

- NATIONAL HEALTH INSURANCE STATISTICAL YEARBOOK, National Health Insurance Corporation (2000 and after)
- MEDICAL INSURANCE STATISTICAL YEARBOOK, National Federation of Medical Insurance (1999 and before)
- MEDICAL AID STATISTICAL YEARBOOK, National Health Insurance Corporation
- YEARBOOK OF INDUSTRIAL ACCIDENT COMPENSATION INSURANCE, Ministry of Labor
- REVENUES & EXPENDITURES OF GOVERNMENT, Ministry of Health and Welfare, Ministry of Labor
- SUBSIDY TO LOCAL GOVERNMENTS, Ministry of Health and Welfare

### C. Private Insurance (HF.2.1+HF.2.2)

- UNPUBLISHED DATA, Korea Insurance Development Institute
- INSURANCE STATISTICS YEARBOOK, Insurance Supervisory Board

#### **D. Household Out-of-pocket Expenditure (HF.2.3)**

- NATIONAL HEALTH AND NUTRITION SURVEY, Ministry of Health and Welfare
- NATIONAL HEALTH INSURANCE STATISTICAL YEARBOOK, National Health Insurance Corporation (2000 and after)
- MEDICAL INSURANCE STATISTICAL YEARBOOK, National Federation of Medical Insurance (1999 and before)
- MEDICAL AID STATISTICAL YEARBOOK, National Health Insurance Corporation
- YEARBOOK OF INDUSTRIAL ACCIDENT COMPENSATION INSURANCE, Ministry of Labor
- REPORT ON THE FAMILY INCOME AND EXPENDITURE SURVEY, National Statistical Office
- REPORT ON THE FARM HOUSEHOLD ECONOMY SURVEY, National Statistical Office
- REPORT ON THE FISHERY HOUSEHOLD ECONOMY SURVEY, National Statistical Office
- ANNUAL REPORT ON THE FAMILY INCOME AND EXPENDITURE SURVEY, National Statistical Office
- STATISTICAL YEARBOOK OF AGRICULTURE, Ministry of Agriculture & Forestry
- STATISTICAL YEARBOOK OF FISHERIES, Ministry of Maritime & Fisheries

#### **G. Non-profit institutions serving households (HF.2.4)**

- NATIONAL ACCOUNTS, The Bank of Korea

#### **H. Corporations and private employers (HF.2.5)**

- SURVEY REPORT ON LABOR COST OF ENTERPRISE, Ministry of Labor
- SURVEY REPORT ON ESTABLISHMENT LABOR CONDITIONS, Ministry of Labor
- REPORT ON HEALTH SCREENING OF LABORER, Ministry of Labor

### **Methodology**

#### **Estimation**

44. Data on public health expenditure is quite reliable but the biggest problems arise when trying to assess the scale and constitution of private health expenditures. This gap is significant as private expenditure, especially household out of pocket expenditure, is an important source of spending in countries such as Korea. This expenditure is usually underestimated.

45. Household out-of-pocket spending can usually be estimated from three sources: firstly, a national household expenditure survey; secondly, a more focused household health care use and expenditure survey; and thirdly, reported provider earnings data. The former two sources are more often used. Provider earnings data may be sourced from tax records or

separate administrative surveys, but, due to under-reporting of earnings for the purposes of tax returns, this data cannot be considered to be entirely accurate.

46. In this study, estimation of out-of-pocket expenditure used as a base the “Report on the Household Income and Expenditure Survey” by the National Statistical Office (hereafter, HIE survey) [29], and used complementarily the information from the “Health Care Utilization Survey” in the “Health and Nutrition Survey” by the Ministry of Health and Welfare (hereafter, HCU survey). The HIE survey is a *national household expenditure survey*, and is using the *diary technique*, while the HCU survey is a *health-care-focused household expenditure survey*, and is using the *interview method*.

47. The estimates of total out-of-pocket payments by basic headings or corresponding functions were calculated from the published monthly average by number of household members in the HIE. Each estimate by functional items is then distributed across providers according to their relative proportions obtained from the HCU survey. This means that the share of expenditure among different providers in the case of the HIE survey was assumed to be the same as that in the case of the HCU data. The scale and mode of sampling in the HCU survey indicate that this is probably a reasonable assumption. By using the HIE data obtained using the year-round diary record for the total scale of out-of-pocket expenditure, the statistical anomaly caused by, for example, seasonal factors in annualizing short-term survey estimates could be avoided. In addition, the relative proportions of expenditure across providers in the year of the HCU survey were applied to both its previous and following years in the same manner.

48. The sample of the HCU survey is stratified and selected from all over the country to be representative of the whole population. In the 2001 survey, for example, 600 blocks were taken by systematic random sampling from about 246,000 enumeration blocks nationwide. 22 houses were selected in each block by simple random sampling. Finally, members of 12,183 households were interviewed using structured questionnaires and information on 37,769 individuals was collected.

49. The HCU survey initially identifies health problems by the use of probing and filtering questions, and then uses follow-up questions to establish such information as the name of the disease, health care providers, number of visits, money paid out of pocket etc. The data also provides information about health care used in the two-week period prior to the interview in the case of out-patient care and in the previous twelve months in the case of in-patient care, which naturally has caused underestimation of household spending due to memory lapse and recall bias. The expenditure of a health contact constitutes the cost of health care at a particular provider. The costs for diagnosis and/or treatment and care taking are included in this expenditure.

50. The assumption was made that the information from the HCU survey would be representative of the whole of the Korean population. For this, besides the method of stratified random cluster sampling, various weights were used to obtain nationally representative estimates. The weights are the inverse of the probability of a household in the survey district being sampled multiplied by the response rate of the district.

## Proposals for the SHA classification

51. The OECD SHA manual classifies oriental (traditional) medicine clinics as “Offices of other health practitioners” (HP.3.3), which comprises establishments of independent health practitioners (other than physicians and dentists). In Korea, however, oriental medical services and herbal medicine have played a far greater role than in many other countries. (An indication of the importance of oriental medicine in Korea is that students who want to enter oriental medicine schools need to score as high a score in the entrance examination as those who enter western medical schools.) Estimates in this chapter followed the SHA, and thus, oriental medicine doctors’ clinics are classified as “Offices of other health practitioners”, however, it is recommended that they should be classified as “Offices of Physicians”(HP.3.1) and, if necessary, an additional three-digit item such as HP 3.1.1 and HP 3.1.2 be created to distinguish the two.

52. The definitions and explanations for both “Provision and administration of public health programs” (HP.5) and “General health administration and insurance” (HP.6) are not very clear in the OECD SHA manual. Factors of both function and provider are mixed. “Provision and administration of public health programs” or “General health administration and insurance” are not names for providers, but for functions. Current ICHA-HP items HP.5 and HP.6 are proposed to be replaced by ‘HP.5 Government Organization’ and ‘HP.6 Social Security Organization’, respectively. Similarly, the current ICHA-HC item ‘HC.6 Prevention and Public Health Services’ is proposed to be replaced by ‘HC.6 Public Health Services’, which comprises ‘HC.6.1 Prevention’, ‘HC.6.2 Promotion of Healthy Life-style’ and ‘HC.6.3 Others’

53. Under the current SHA classification, “Rest of the economy” (HP.7) contains only providers that provide health care as secondary activity. Therefore, providers of health related functions do not belong to it, and a new category has been prepared outside of the current provider classification in practice. In this concept the economy is divided for 3 main categories; Providers with a primary activity of providing health services or distributing health care goods (HP.1-6), Rest of the economy (HP.7) and Providers of health related functions (M1(HP)). This classification principle has some limits. Firstly, providers cannot be categorized consistently based on their primary activity. For example, a research institute providing prevention will be categorized under the Rest of Economy, and will be included in total expenditure on research, but a similar research institute that does only research will not be included in Rest of Economy and total expenditure on research. (Or an additional "total" should be created). Secondly, the term “health-related” is originally for the functional classification. It was used to fix the boundary for health expenditure by sorting out the “health-related” from the “core” functions. It would cause confusion to add such concept as ‘providers of health-related function’. It does not make sense to put research institutes outside the table of providers, while putting households inside. In this respect, it is proposed that ‘HP.7 Other industries’ is renamed as ‘HP.7 Other providers’, which includes as its sub-items ‘HP.7.1 Worksites’, ‘HP.7.2 Households’, ‘HP.7.3 Education and training institution’, ‘HP.7.4 Research institutions’, ‘HP.7.5 NGOs, NPOs etc.’ and ‘HP.7.9 Others’, removing the category for Providers of health related functions (M1(HP)).

## ANNEX 2: TABLES

**Table A1: Total health expenditure by financing agent**

		First available year 1983		Last available year 2004	
		KRW billion	Percent	KRW billion	Percent
HF.1	General government	703	26.0%	22,495	52.6%
HF.1.1	General government excluding social security funds	236	8.7%	4,684	10.9%
HF.1.2	Social security funds	466	17.3%	17,810	41.6%
HF.2	Private sector	2,000	74.0%	20,288	47.4%
HF.2.1	Private social insurance			940	2.2%
HF.2.2	Private insurance enterprises (other than social insurance)			496	1.2%
HF.2.3	Private household out-of-pocket expenditure	1,689	62.5%	16,317	38.1%
HF.2.4	Non-profit institutions serving households (other than social insurance)	18	0.7%	200	0.5%
HF.2.5	Corporations (other than health insurance)	293	10.8%	2,335	5.5%
	Others				
HF.3	Rest of the world				
	Total health expenditure	2,703	100.0%	42,783	100.0%



**Table A2a: Total health expenditure by function of care**

		First available year 1983		Last available year 2004	
		KRW billion	Percent	KRW billion	Percent
HC.1;2	Services of curative and rehabilitative care	1,378	51.0%	25,049	58.5%
HC.1.1; 2.1	In-patient curative and rehabilitative care	579	21.4%	10,030	23.4%
HC.1.2; 2.2	Day cases of curative and rehabilitative care				
HC.1.3; 2.3	Out-patient curative and rehabilitative care	797	29.5%	15,018	35.1%
HC.1.4; 2.4	Home care (curative and rehabilitative)	1	0.0%	0	0.0%
HC.3	Services of long-term nursing care			186	0.4%
HC.3.1	In-patient long-term nursing care			164	0.4%
HC.3.2	Day cases of long-term nursing care			14	0.0%
HC.3.3	Long-term nursing care: home care			8	0.0%
HC.4	Ancillary services to health care	31	1.1%	107	0.2%
HC.4.1	Clinical laboratory				
HC.4.2	Diagnostic imaging				
HC.4.3	Patient transport and emergency rescue	31	1.1%	107	0.2%
HC.4.9	All other miscellaneous ancillary services				
HC.5	Medical goods dispensed to out-patients	975	36.1%	12,864	30.1%
HC.5.1	Pharmaceuticals and other medical non-durables	936	34.6%	12,030	28.1%
HC.5.2	Therapeutic appliances and other medical durables	39	1.4%	834	1.9%
HC.6	Prevention and public health services	30	1.1%	609	1.4%
HC.7	Health administration and health insurance	87	3.2%	1,618	3.8%
HC.R.1	Capital formation of health care provider institutions	202	7.5%	2,351	5.5%
	Total health expenditure	2,703	100.0%	42,783	100.0%

**Table A2b: Current health expenditure by mode of production**

		First available year 1983		Last available year 2004	
		KRW billion	Percent	KRW billion	Percent
	In-patient care	579	23.2%	10,194	25.2%
HC.1.1; 2.1	Curative and rehabilitative care	579	23.2%	10,030	24.8%
HC.3.1	Long-term nursing care			164	0.4%
	Services of day-care			14	0.0%
HC.1.2; 2.2	Day cases of curative and rehabilitative care				
HC.3.2	Day cases of long-term nursing care			14	0.0%
	Out-patient care	797	31.9%	15,018	37.1%
HC.1.3; 2.3	Out-patient curative and rehabilitative care	797	31.9%	15,018	37.1%
HC.1.3.1	Basic medical and diagnostic services	553	22.1%	10,546	26.1%
HC.1.3.2	Out-patient dental care	220	8.8%	3,310	8.2%
HC.1.3.3	All other specialised health care	24	1.0%	1,162	2.9%
HC.1.3.9; 2.3	All other out-patient curative care				
	Home care	1	0.0%	8	0.0%
HC.1.4; 2.4	Home care (curative and rehabilitative)	1	0.0%	0	0.0%
HC.3.3	Long-term nursing care: home care			8	0.0%
HC.4	Ancillary services to health care	31	1.2%	107	0.3%
HC.5	Medical goods dispensed to out-patients	975	39.0%	12,864	31.8%
HC.5.1	Pharmaceuticals and other medical non-durables	936	37.4%	12,030	28.1%
HC.5.2	Therapeutic appliances and other medical durables	39	1.5%	834	1.9%
	Total expenditure on personal health care	2,383	95.3%	38,205	94.5%
HC.6	Prevention and public health services	30	1.2%	609	1.5%
HC.7	Health administration and health insurance	87	3.5%	1,618	4.0%
	Total current expenditure on health	2,500	100.0%	40,432	100.0%

**Table A3a: Total health expenditure by provider**

		First available year 1983		Last available year 2004	
		KRW billion	Percent	KRW billion	Percent
HP.1	Hospitals	1,070	39.6%	15,863	37.1%
HP.2	Nursing and residential care facilities			178	0.4%
HP.3	Providers of ambulatory health care	633	23.4%	14,025	32.8%
HP.3.1	Offices of physicians	375	13.9%	8,088	18.9%
HP.3.2	Offices of dentists	216	8.0%	3,216	7.5%
HP.3.3-3.9	All other providers of ambulatory health care	10	0.4%	2,721	6.4%
HP.4	Retail sale and other providers of medical goods	727	26.9%	10,165	23.8%
HP.5	Provision and administration of public health programs	25	0.9%	400	0.9%
HP.6	Health administration and insurance	87	3.2%	1,618	3.8%
HP.6.1	Government administration of health	59	2.2%	829	1.9%
HP.6.2	Social security funds	28	1.0%	789	1.8%
HP.6.3;6.4	Other insurance				
HP.7	Other industries (rest of the economy)	162	6.0%	533	1.2%
HP.7.1	Establishments as providers of occupational health care services	143	5.3%	327	0.8%
HP.7.2	Private households as providers of home care	1	0.0%	24	0.1%
HP.7.9	All other industries as secondary producers of health care	18	0.7%	182	0.4%
HP.9	Rest of the world				
	Total expenditure on health	2,703	100.0%	42,783	100.0%

**Table A3b: Current health expenditure by provider**

		First available year 1983		Last available year 2004	
		KRW billion	Percent	KRW billion	Percent
HP.1	Hospitals	867	34.7%	13,513	33.4%
HP.2	Nursing and residential care facilities			178	0.4%
HP.3	Providers of ambulatory health care	633	25.3%	14,025	34.7%
HP.3.1	Offices of physicians	375	15.0%	8,088	20.0%
HP.3.2	Offices of dentists	216	8.7%	3,216	8.0%
HP.3.3-3.9	All other providers of ambulatory health care	41	1.6%	2,721	6.7%
HP.4	Retail sale and other providers of medical goods	727	29.1%	10,165	25.1%
HP.5	Provision and administration of public health programs	25	1.0%	400	1.0%
HP.6	Health administration and insurance	87	3.5%	1,618	4.0%
HP.6.1	Government administration of health	59	2.4%	829	2.1%
HP.6.2	Social security funds	28	1.1%	789	2.0%
HP.6.3;6.4	Other insurance				
HP.7	Other industries (rest of the economy)	162	6.5%	533	1.3%
HP.7.1	Establishments as providers of occupational health care services	143	5.7%	327	0.8%
HP.7.2	Private households as providers of home care	1	0.0%	24	0.1%
HP.7.9	All other industries as secondary producers of health care	18	0.7%	182	0.5%
HP.9	Rest of the world				
	Total current expenditure on health	2,500	100.0%	40,432	100.0%

## ANNEX 3: KOREA 2004 SHA TABLES

**SHA Table B1.1 Total and Current expenditure on health by function of care and source of funding (KRW, billions)**

Health care function	ICHA-HC code	Source of funding															
		HF.1	HF.1.1	HF.1.1.1	HF.1.1.1.1	HF.1.1.1.2	HF.1.1.1.3	HF.1.2	HF.2.1 + HF.2.2	HF.2.1	HF.2.2	HF.2.3	HF.2.3.1	HF.2.3.2.5	HF.2.4	HF.2.5	HF.3
		General government	General government (excl. social security)	Central government	State / provincial government	Local / municipal government	Social security funds	Private sector	Private insurance	Private insurance schemes	Other private insurance	Private household out-of-pocket payments	out-of-pocket excluding cost-sharing	Cost-sharing: central government; state / provincial government; Local / municipal government; Social security funds	Non-profit institutions (other than social insurance)	Corporations (other than health insurance)	Rest of the world
Personal health care services	HC.1+HC.3	14,195	2,501	2,501	-	-	11,694	11,146	1,396	932	463	9,223	9,223	-	200	327	-
In-patient services		6,763	1,442	1,442			5,321	3,431	1,088	881	207	2,330	2,330		14		
Day care services		9	9	9				5				3	3		2		
Out-patient services		7,340	968	968			6,373	7,678	308	51	256	6,861	6,861		182	327	
Home care services		6	6	6				2							2		
Ancillary services	HC.4	77	77	77				30				30	30				
Medical goods dispensed to out-patients	HC.5	5,730	591	451	119	21	5,139	7,135	40	8	32	7,094	4,982	2,112			
Pharmaceuticals and other medical non-durables	HC.5.1	5,730	591	451	119	21	5,139	6,301	40	8	32	6,260	4,148	2,112			
Therapeutic appliances and other medical durables	HC.5.2	-	-	-				834				834					
Personal health care services and goods	HC.1+HC.5	19,925	3,092	2,952	119	21	16,833	18,280	1,436	940	496	16,317	14,205	2,112	200	327	-
Prevention and public health services	HC.6	609	400	23	37	340	188	21								21	
Health administration and health insurance	HC.7	1,618	829	314	83	432	789										
<b>Current expenditure on health care</b>		40,432	4,321	3,289	239	793	17,810	18,301	1,436	940	496	16,317	14,205	2,112	200	348	-
Capital formation of health care provider institutions	HC.R.1	2,351	363	363				1,987								1,987	
<b>Total expenditure on health care</b>		42,783	4,684	3,652	239	793	17,810	20,288	1,436	940	496	16,317	14,205	2,112	200	2,335	-

**SHA Table B1.2 Total and Current expenditure on health by function of care and source of funding (% of expenditure on functional categories)**

Health care function	ICHA-HC code	HF.1 HF.2 HF.1.2 HF.2 HF.2.1 + HF.2.2 HF.2.3 HF.2.3.1 HF.2.3.2.5 HF.2.4 HF.2.5 HF.3														
		General government (excl. social security)	Central government	State / provincial government	Local / municipal government	Social security funds	Private sector	Private insurance	Private social insurance schemes	Other private insurance	Private household out-of-pocket payments	Out-of-pocket excluding cost-sharing	Cost-sharing: central government / state / provincial government / Local / municipal government / Social security funds	Non-profit institutions (other than health insurance)	Corporations (other than health insurance)	Rest of the world
Personal health care services	HC.1.HC.3	58.0	9.9	9.9	-	48.1	44.0	5.5	3.7	1.8	36.4	36.4	-	0.8	1.3	-
In-patient services		66.3	14.1	14.1	-	52.2	33.7	10.7	8.6	2.0	22.9	22.9	-	0.1	-	-
Day care services		65.4	65.4	65.4	-	-	34.6	-	-	-	19.1	19.1	-	15.4	-	-
Out-patient services		48.9	6.4	6.4	-	42.4	51.1	2.1	0.3	1.7	45.7	45.7	-	1.2	2.2	-
Home care services		70.2	70.2	70.2	-	-	29.8	-	-	-	-	-	-	29.8	-	-
Ancillary services	HC.4	72.2	72.2	72.2	-	-	27.8	-	-	-	27.8	27.8	-	-	-	-
Medical goods dispensed to out-patients	HC.5	44.5	4.6	3.5	0.9	39.9	55.5	0.3	0.1	0.3	55.1	38.7	16.4	-	-	-
Pharmaceuticals and other medical non-durables	HC.5.1	47.6	4.9	3.7	1.0	42.7	52.4	0.3	0.1	0.3	52.0	34.5	17.6	-	-	-
Therapeutic appliances and other medical durables	HC.5.2	-	-	-	-	-	100.0	-	-	-	100.0	100.0	-	-	-	-
Personal health care services and goods	HC.1-HC.5	52.2	8.1	7.7	0.3	44.1	47.8	3.8	2.5	1.3	42.7	37.2	5.5	0.5	0.9	-
Prevention and public health services	HC.6	96.6	65.7	3.8	6.1	30.9	3.4	-	-	-	-	-	-	-	3.4	-
Health administration and health insurance	HC.7	100.0	51.2	19.4	5.1	48.8	-	-	-	-	-	-	-	-	-	-
<b>Current expenditure on health care</b>		54.7	10.7	8.1	0.6	44.0	45.3	3.6	2.3	1.2	40.4	35.1	5.2	0.5	0.9	-
Capital formation of health care provider institutions	HC.R.1	15.5	15.5	15.5	-	-	84.5	-	-	-	-	-	-	-	84.5	-
<b>Total expenditure on health care</b>		52.6	10.9	8.5	0.6	41.6	47.4	3.4	2.2	1.2	38.1	33.2	4.9	0.5	5.5	-

**SHA Table B1.3a Total expenditure on health by function of care and source of funding (% of provider category expenditure)**

Health care function	ICHA-HC code	Source of funding														
		HF.1	HF.1.1	HF.1.1.1	HF.1.1.2	HF.1.1.3	HF.1.2	HF.2.1 + HF.2.2	HF.2.3	HF.2.4	HF.2.5	HF.3				
		General government (excl. social security)	Central government	State / provincial government	Local / municipal government	Social security funds	Private sector	Private insurance	Private social insurance schemes	Other private insurance	Private household out-of-pocket payments	Out-of-pocket cost-sharing excluding cost-sharing	Cost-sharing: central government / provincial government / local / municipal government / social security funds	Non-profit institutions (other than health insurance)	Corporations (other than health insurance)	Rest of the world
Personal health care services	HC.1.HC.3	63.1	53.4	66.5	-	65.7	54.9	97.2	98.2	93.5	56.5	64.9	-	100.0	14.0	-
In-patient services		23.8	30.1	39.5	-	29.9	16.9	75.8	93.7	41.7	14.3	16.4	-	6.8	-	-
Day care services		0.0	0.2	0.2	-	-	0.0	-	-	-	0.0	0.0	-	1.0	-	-
Out-patient services		35.1	20.7	26.5	-	35.8	37.8	21.4	5.5	51.7	42.0	48.3	-	90.9	14.0	-
Home care services		0.0	0.1	0.2	-	-	0.0	-	-	-	-	-	-	1.2	-	-
Ancillary services	HC.4	0.2	0.3	1.6	-	-	0.1	-	-	-	-	0.2	-	-	-	-
Medical goods dispensed to out-patients	HC.5	30.1	12.6	12.3	2.7	28.9	35.2	2.8	0.8	6.5	43.5	35.1	100.0	-	-	-
Pharmaceuticals and other medical non-durables	HC.5.1	28.1	12.6	12.3	2.7	28.9	31.1	2.8	0.8	6.5	38.4	29.2	100.0	-	-	-
Therapeutic appliances and other medical durables	HC.5.2	1.9	-	-	-	-	4.1	-	-	-	5.1	5.9	-	-	-	-
Personal health care services and goods	HC.1.HC.5	88.6	66.0	80.8	2.7	94.5	90.1	100.0	100.0	100.0	100.0	100.0	100.0	100.0	14.0	-
Prevention and public health services	HC.6	1.4	8.5	0.6	15.5	1.1	0.1	-	-	-	-	-	-	-	0.9	-
Health administration and health insurance	HC.7	3.8	17.7	8.6	34.8	4.4	-	-	-	-	-	-	-	-	-	-
<b>Current expenditure on health care</b>		<b>94.5</b>	<b>92.2</b>	<b>90.1</b>	<b>100.0</b>	<b>100.0</b>	<b>90.2</b>	<b>100.0</b>	<b>100.0</b>	<b>100.0</b>	<b>100.0</b>	<b>100.0</b>	<b>100.0</b>	<b>100.0</b>	<b>14.9</b>	<b>-</b>
Capital formation of health care provider institutions	HC.R.1	5.5	7.8	9.9	-	-	9.8	-	-	-	-	-	-	-	85.1	-
<b>Total expenditure on health care</b>		<b>100.0</b>	<b>100.0</b>	<b>100.0</b>	<b>100.0</b>	<b>100.0</b>	<b>100.0</b>	<b>100.0</b>	<b>100.0</b>	<b>100.0</b>	<b>100.0</b>	<b>100.0</b>	<b>100.0</b>	<b>100.0</b>	<b>100.0</b>	<b>-</b>

**SHA Table B1.3b Current expenditure on health by function of care and source of funding (% of provider category expenditure)**

Health care function	ICHA-HC code	HF.2.1 + HF.2.2													HF.3		
		HF.1	HF.1.1	HF.1.1.1	HF.1.1.2	HF.1.1.3	HF.1.2	HF.2	HF.2.1 + HF.2.2	HF.2.1	HF.2.2	HF.2.3	HF.2.4	HF.2.5			
		General government	General government (excl. social security)	Central government	Slate / provincial government	Local / municipal government	Social security funds	Private sector	Private insurance	Private social insurance schemes	Other private insurance	Private household out-of-pocket payments	Out-of-pocket cost-sharing excluding cost-sharing	Cost-sharing: central government / state / provincial government / Local / municipal government / Social security funds	Non-profit institutions (other than health insurance)	Corporations (other than health insurance)	Rest of the world
Personal health care services	HC.1.HC.3	64.1	57.9	76.0	-	-	65.7	60.9	97.2	99.2	93.5	56.5	64.9	-	100.0	94.1	-
In-patient services		30.6	33.4	43.8	-	-	29.9	18.7	75.8	93.7	41.7	14.3	16.4	-	6.8	-	-
Day care services		0.0	0.2	0.3	-	-	-	0.0	-	-	-	0.0	0.0	-	1.0	-	-
Out-patient services		33.2	22.4	29.4	-	-	35.8	42.0	21.4	5.5	51.7	42.0	48.3	-	90.9	94.1	-
Home care services		0.0	0.1	0.2	-	-	-	0.0	-	-	-	-	-	-	1.2	-	-
Ancillary services	HC.4	0.3	1.8	2.3	-	-	-	0.2	-	-	-	0.2	0.2	-	-	-	-
Medical goods dispensed to out-patients	HC.5	31.8	13.7	13.7	49.7	2.7	28.9	39.0	2.8	0.8	6.5	43.5	35.1	100.0	-	-	-
Pharmaceuticals and other medical non-durables	HC.5.1	29.8	13.7	13.7	49.7	2.7	28.9	34.4	2.8	0.8	6.5	38.4	29.2	100.0	-	-	-
Therapeutic appliances and other medical durables	HC.5.2	2.1	-	-	-	-	-	4.6	-	-	-	5.1	5.9	-	-	-	-
Personal health care services and goods	HC.1.HC.5	94.5	71.5	89.7	49.7	2.7	94.5	99.9	100.0	100.0	100.0	100.0	100.0	100.0	100.0	94.1	-
Prevention and public health services	HC.6	1.5	2.7	9.3	0.7	15.5	42.9	1.1	-	-	-	-	-	-	-	-	5.9
Health administration and health insurance	HC.7	4.0	7.3	19.2	9.5	34.8	54.5	4.4	-	-	-	-	-	-	-	-	-
<b>Current expenditure on health care</b>		<b>100.0</b>	<b>100.0</b>	<b>100.0</b>	<b>100.0</b>	<b>100.0</b>	<b>100.0</b>	<b>100.0</b>	<b>100.0</b>	<b>100.0</b>	<b>100.0</b>	<b>100.0</b>	<b>100.0</b>	<b>100.0</b>	<b>100.0</b>	<b>100.0</b>	<b>-</b>



**SHA Table B2.1 Total and Current expenditure on health by function of care and provider industry (KRW, billions)**

Health care by function IOHA-HC code	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, 6.4 HP.7 HP.9																				
	Hospitals	Nursing and residential facilities	Providers of ambulatory 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 of medical goods	Dispensing chemists	All other sales of medical goods	Providers of public health programmes	General health admin. and insurance	Government of health admin. of health	Social security funds	Private insurance	All other industries	Rest of the world	
<i>In-patient care</i>	8,684	164	1,346	1,343		0	3														
Curative and rehabilitative care	8,684	1,346	1,346	1,343		0	3														
Long-term nursing care	164	164	-	-	-	0	3														
<i>Services of day-care</i>	14	14	-	-	-	-	-														
Curative and rehabilitative care	-	-	-	-	-	-	-														
Long-term nursing care	14	14	-	-	-	-	-														
<i>Out-patient care</i>	3,790		10,719	6,256	3,161	1,131	170														
Basic medical and diagnostic services	3,611		6,426	6,256			170													509	509
Out-patient dental care	149		3,161		3,161																
All other specialised health care	31		1,131			1,131															
All other out-patient care	-	-	-	-	-	-	-														
<i>Home care</i>	8		8					8													
Curative and rehabilitative care	0		-																		0
Long-term nursing care	8		8					8													
<i>Ancillary services</i>	107		107						107												
Medical goods	12,864		1,756	405	54	1,289	8				10,165	9,331	834								24
Pharmaceuticals / non-durables	12,030		1,756	405	54	1,289	8				9,331	9,331									24
Therapeutic appliances	834		-	-	-	-	-				834		834								
<b>Personal health care services and goods</b>	38,205	178	13,937	8,004	3,216	2,421	180	-	8	107	10,165	9,331	834	-	-	-	-	-	-	-	533
Prevention and public health services	609		89	84			5							400							
Health administration and health insurance	1,618		-	-	-	-	-								1,618	829	789				
<b>Current expenditure on health care</b>	40,432	178	14,025	8,088	3,216	2,421	185	-	8	107	10,165	9,331	834	400	1,618	829	789				533
Capital formation of health care provider	2,351																				
<b>Total expenditure on health care</b>	42,783	178	14,025	8,088	3,216	2,421	185	-	8	107	10,165	9,331	834	400	1,618	829	789				533

**SHA Table B2.2 Total and Current expenditure on health by function of care and provider industry (% of expenditure on functional categories)**

Health care by function ICHA-HC code	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, 6.4	HP.7	HP.9
	Hospitals	Nursing and residential facilities	Providers of ambulatory 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 of medical goods	Dispensing chemists	All other sales of medical goods	Providers of public health programmes	General health admin. and insurance	Government admin. of health	Social security funds	Private insurance	All other industries	Rest of the world
In-patient care	85.2	1.6	13.2	13.2	-	0.0	0.0	-	-	-	-	-	-	-	-	-	-	-	-	-
Curative and rehabilitative care	86.6	-	13.4	13.4	-	0.0	0.0	-	-	-	-	-	-	-	-	-	-	-	-	-
Long-term nursing care	-	100.0	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Services of day-care	-	100.0	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Curative and rehabilitative care	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Long-term nursing care	-	100.0	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Out-patient care	25.2	-	71.4	41.7	21.1	7.5	1.1	-	-	-	-	-	-	-	-	-	-	-	3.4	-
Basic medical and diagnostic services	34.2	-	60.9	59.3	-	-	1.6	-	-	-	-	-	-	-	-	-	-	-	4.8	-
Out-patient dental care	4.5	-	95.5	-	95.5	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
All other specialised health care	2.7	-	97.3	-	-	97.3	-	-	-	-	-	-	-	-	-	-	-	-	-	-
All other out-patient care	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Home care	-	-	100.0	-	-	-	-	-	100.0	-	-	-	-	-	-	-	-	-	100.0	-
Curative and rehabilitative care	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Long-term nursing care	-	-	100.0	-	-	-	-	100.0	-	-	-	-	-	-	-	-	-	-	-	-
Ancillary services	-	-	100.0	-	-	-	-	-	-	100.0	-	-	-	-	-	-	-	-	-	-
Medical goods	7.1	-	13.7	3.1	0.4	10.0	0.1	-	-	-	79.0	72.5	6.5	-	-	-	-	-	0.2	-
Pharmaceuticals / non-durables	7.6	-	14.6	3.4	0.5	10.7	0.1	-	-	-	77.6	77.6	-	-	-	-	-	-	0.2	-
Therapeutic appliances	-	-	-	-	-	-	-	-	-	-	100.0	-	100.0	-	-	-	-	-	-	-
Personal health care services and goods	35.1	0.5	36.5	21.0	8.4	6.3	0.5	-	0.0	0.3	26.6	24.4	2.2	-	-	-	-	-	1.4	-
Prevention and public health services	19.7	-	14.5	13.8	-	-	0.8	-	-	-	-	-	-	65.7	-	-	-	-	-	-
Health administration and health insurance	-	-	-	-	-	-	-	-	-	-	-	-	-	-	100.0	51.2	48.8	-	-	-
Current expenditure on health care	33.4	0.4	34.7	20.0	8.0	6.0	0.5	-	0.0	0.3	25.1	23.1	2.1	1.0	4.0	2.1	2.0	-	1.3	-
Capital formation of health care provider	100.0	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Total expenditure on health care	37.1	0.4	32.8	18.9	7.5	5.7	0.4	-	0.0	0.2	23.8	21.8	1.9	0.9	3.8	1.9	1.8	-	1.2	-

**SHA Table B2.3a Total expenditure on health by function of care and provider industry (% of provider category expenditure)**

Health care by function	IOHA-HC code	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, 6.4	HP.7	HP.9
		Hospitals	Nursing and residential facilities	Providers of ambulatory 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	All other providers of ambulatory health care	Retail sale of medical goods	Dispensing chemists	All other sales of medical goods	Providers of public health programmes	General health admin. and insurance	Government health admin. of health insurance	Social security funds	Private insurance	All other industries	Rest of the world
<i>In-patient care</i>		23.8																			
Curative and rehabilitative care	HC.1.1; 2.1	54.7	92.4	9.6	16.6	-	0.0	1.5	-	-	-	-	-	-	-	-	-	-	-	-	-
Long-term nursing care	HC.3.1	0.4	92.4	-	16.6	-	0.0	1.5	-	-	-	-	-	-	-	-	-	-	-	-	-
<i>Services of day-care</i>		0.0																			
Curative and rehabilitative care	HC.1.2; 2.2	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Long-term nursing care	HC.3.2	0.0	7.6	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
<i>Out-patient care</i>		35.1																			
Basic medical and diagnostic services	HC.1.3.1	23.9	-	76.4	77.4	98.3	46.7	91.7	-	-	-	-	-	-	-	-	-	-	-	95.5	-
Out-patient dental care	HC.1.3.2	22.8	-	45.8	77.4	-	-	91.7	-	-	-	-	-	-	-	-	-	-	-	95.5	-
All other specialised health care	HC.1.3.3	7.7	0.9	22.5	-	98.3	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
All other out-patient care	HC.1.3.9; 2.3	2.7	0.2	8.1	-	-	46.7	-	-	-	-	-	-	-	-	-	-	-	-	-	-
<i>Home care</i>		0.0																			
Curative and rehabilitative care	HC.1.4; 2.4	0.0	-	-	-	-	-	-	-	100.0	-	-	-	-	-	-	-	-	-	0.0	-
Long-term nursing care	HC.3.3	0.0	-	-	-	-	-	-	-	100.0	-	-	-	-	-	-	-	-	-	-	-
<i>Ancillary services</i>		0.2																			
Medical goods	HC.4	5.8	-	0.8	-	-	-	-	-	-	100.0	-	-	-	-	-	-	-	-	-	-
Pharmaceuticals / non-durables	HC.5	30.1	-	12.5	5.0	1.7	53.3	4.2	-	-	-	100.0	100.0	100.0	-	-	-	-	-	4.5	-
Therapeutic appliances	HC.5.1	28.1	-	12.5	5.0	1.7	53.3	4.2	-	-	-	100.0	100.0	100.0	-	-	-	-	-	4.5	-
<i>Personal health care services and goods</i>		1.9																			
Prevention and public health services	HC.5.2	84.4	100.0	99.4	99.0	100.0	100.0	97.4	-	100.0	100.0	100.0	100.0	100.0	-	-	-	-	-	100.0	-
Health administration and health insurance	HC.6	1.4	0.8	0.6	1.0	-	-	2.6	-	-	-	-	-	100.0	-	-	-	-	-	-	-
<i>Current expenditure on health care</i>		94.5																			
Capital formation of health care provider	HC.7	85.2	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	-
<i>Total expenditure on health care</i>		5.5																			
	HC.R.1	14.8	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
<i>Total expenditure on health care</i>		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	-

**SHA Table B2.3b Current expenditure on health by function of care and provider industry (% of provider category expenditure)**

Health care by function ICHA-HC code	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, 6.4	HP.7	HP.9
	Hospitals	Nursing and residential facilities	Providers of ambulatory 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 of medical goods	Dispensing chemists	All other sales of medical goods	Providers of public health programmes	General health admin and insurance	Government admin. of health	Social security funds	Private insurance	All other industries	Rest of the world
<i>In-patient care</i>	25.2																			
Curative and rehabilitative care	64.3	92.4	9.6	16.6	-	0.0	1.5	-	-	-	-	-	-	-	-	-	-	-	-	-
Long-term nursing care	64.3	-	9.6	16.6	-	0.0	1.5	-	-	-	-	-	-	-	-	-	-	-	-	-
<i>Services of day-care</i>	0.4	92.4	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Curative and rehabilitative care	0.0	7.6	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Long-term nursing care	0.0	7.6	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
<i>Out-patient care</i>	37.1	28.0	76.4	77.4	98.3	46.7	91.7	-	-	-	-	-	-	-	-	-	-	-	95.5	-
Basic medical and diagnostic services	26.1	26.7	45.8	77.4	-	-	91.7	-	-	-	-	-	-	-	-	-	-	-	95.5	-
Out-patient dental care	8.2	1.1	22.5	-	98.3	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
All other specialised health care	2.9	0.2	8.1	-	-	46.7	-	-	-	-	-	-	-	-	-	-	-	-	-	-
All other out-patient care	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
<i>Home care</i>	0.0	-	0.1	-	-	-	-	100.0	-	-	-	-	-	-	-	-	-	-	0.0	-
Curative and rehabilitative care	0.0	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Long-term nursing care	0.0	-	0.1	-	-	-	-	100.0	-	-	-	-	-	-	-	-	-	-	-	-
<i>Ancillary services</i>	0.3	-	0.8	-	-	-	-	-	100.0	-	-	-	-	-	-	-	-	-	-	-
Medical goods	31.8	6.8	12.5	5.0	1.7	53.3	4.2	-	-	100.0	100.0	100.0	-	-	-	-	-	-	4.5	-
Pharmaceuticals / non-durables	29.8	6.8	12.5	5.0	1.7	53.3	4.2	-	-	91.8	100.0	-	-	-	-	-	-	-	4.5	-
Therapeutic appliances	2.1	-	-	-	-	-	-	-	-	8.2	-	100.0	-	-	-	-	-	-	-	-
<b>Personal health care services and goods</b>	94.5	100.0	99.4	99.0	100.0	100.0	97.4	-	100.0	100.0	100.0	100.0	100.0	-	-	-	-	-	100.0	-
Prevention and public health services	1.5	0.9	0.6	1.0	-	-	2.6	-	-	-	-	-	-	100.0	-	-	-	-	-	-
Health administration and health insurance	4.0	-	-	-	-	-	-	-	-	-	-	-	-	-	100.0	100.0	100.0	-	-	-
<b>Current expenditure on health care</b>	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	-

**SHA Table B3.1a Total expenditure on health by provider industry and source of funding (KRW, billions)**

Health care provider category	ICHA-HP code	Source of funding											HF.3				
		HF.1	HF.1.1	HF.1.1.1	HF.1.1.2	HF.1.1.3	HF.1.2	HF.2	HF.2.1 + HF.2.2	HF.2.1	HF.2.2	HF.2.3		HF.2.3.1	HF.2.3.2-5	HF.2.4	HF.2.5
		General government	General government (excl. social security)	Central government	State/provincial government	Local/municipal government	Social security funds	Private insurance	Private insurance	Private social insurance	Other private insurance	Private household out-of-pocket payments	Out-of-pocket sharing	Cost-sharing: central government, state/provincial government, Local/municipal government, Social security funds	Non-profit organisations (other than social ins.)	Corporations (other than health insurance)	Rest of the world
Hospitals	HP.1	8,586	2,214	1,852	307	54	6,373	7,277	811	530	281	4,467	2,076	2,391	16	1,999	
Nursing and residential care facilities	HP.2	118	118	118	-	-	-	60	-	-	-	44	44	-	-	-	
Providers of ambulatory health care	HP.3	14,025	6,766	505	111	20	6,120	7,269	625	410	215	6,633	4,348	2,286	2	9	
Offices of physicians	HP.3.1	8,088	464	354	93	17	4,648	2,976	625	410	215	2,343	584	1,758	-	8	
Offices of dentists	HP.3.2	3,216	27	21	5	1	670	2,519	-	-	-	2,519	2,233	286	-	-	
Offices of other health practitioners	HP.3.3	2,421	737	34	9	2	693	1,684	-	-	-	1,684	1,470	214	-	-	
Out-patient care centres	HP.3.4	185	17	13	3	1	110	58	-	-	-	58	31	27	-	0	
Medical and diagnostic laboratories	HP.3.5	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
Providers of home health care services	HP.3.6	8	6	6	-	-	-	2	-	-	-	-	-	-	2	-	
Other providers of ambulatory health care	HP.3.9	107	77	77	-	-	-	30	-	-	-	30	30	-	-	-	
Retail sale and other providers of medical goods	HP.4	10,165	4,991	488	98	17	4,504	5,173	-	-	-	5,173	3,464	1,709	-	-	
Dispensing chemists	HP.4.1	9,331	4,991	488	98	17	4,504	4,339	-	-	-	4,339	2,630	1,709	-	-	
All other sales of medical goods	HP.4.2-4.9	834	-	-	-	-	-	834	-	-	-	834	834	-	-	-	
Provision and administration of public health programmes	HP.5	400	400	23	37	340	-	-	-	-	-	-	-	-	-	-	
General health administration and insurance	HP.6	1,618	829	314	83	432	789	-	-	-	-	-	-	-	-	-	
Government (excluding social insurance)	HP.6.1	829	829	314	83	432	-	-	-	-	-	-	-	-	-	-	
Social security funds	HP.6.2	789	-	-	-	-	789	-	-	-	-	-	-	-	-	-	
Other social insurance	HP.6.3	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
Other (private) insurance	HP.6.4	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
All other providers of health administration	HP.6.9	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
Other industries (rest of the economy)	HP.7	533	-	-	-	-	24	509	-	-	-	-	-	-	182	327	
Occupational health care	HP.7.1	327	-	-	-	-	24	327	-	-	-	-	-	-	327	-	
Private households	HP.7.2	24	-	-	-	-	24	182	-	-	-	-	-	-	182	-	
All other secondary producers	HP.7.9	182	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
Rest of the world	HP.9	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
<b>Total expenditure on health</b>		<b>42,783</b>	<b>22,495</b>	<b>4,684</b>	<b>637</b>	<b>863</b>	<b>17,810</b>	<b>20,288</b>	<b>1,436</b>	<b>940</b>	<b>496</b>	<b>16,317</b>	<b>9,931</b>	<b>6,386</b>	<b>200</b>	<b>2,335</b>	<b>-</b>

SHA Table B3.1b Current expenditure on health by provider industry and source of funding (KRW, billions)

Health care provider category	ICHA-HP code	Source of funding											HF.3			
		HF.1	HF.1.1	HF.1.1.1	HF.1.1.2	HF.1.1.3	HF.1.2	HF.2	HF.2.1 + HF.2.2	HF.2.1	HF.2.2	HF.2.3		HF.2.3.1	HF.2.3.2-5	HF.2.4
		General government (excl. social security)	Central government	State/provincial government	Local/municipal government	Social security funds	Private insurance	Private insurance	Private social insurance	Other private insurance	Private household out-of-pocket payments	Private out-of-pocket sharing	Cost-sharing: central government, state/provincial government, Local/municipal government, Social security funds	Non-profit organisations (other than social ins.)	Corporations (other than health insurance)	Rest of the world
Hospitals	HP.1	8,223	1,851	1,852	307	54	6,373	5,290	811	530	281	4,467	2,076	2,391	12	-
Nursing and residential care facilities	HP.2	178	118	118	-	-	-	60	-	-	-	44	44	16	-	-
Providers of ambulatory health care	HP.3	14,025	6,756	505	111	20	6,120	7,269	625	410	215	6,633	4,348	2,286	9	-
Offices of physicians	HP.3.1	8,088	464	354	93	17	4,648	2,976	625	410	215	2,343	584	1,758	8	-
Offices of dentists	HP.3.2	3,216	27	21	5	1	670	2,519	-	-	-	2,519	2,233	286	-	-
Offices of other health practitioners	HP.3.3	2,421	737	34	9	2	693	1,684	-	-	-	1,684	1,470	214	-	-
Out-patient care centres	HP.3.4	185	17	13	3	1	110	58	-	-	-	58	31	27	0	-
Medical and diagnostic laboratories	HP.3.5	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Providers of home health care services	HP.3.6	8	6	6	-	-	-	2	-	-	-	-	-	2	-	-
Other providers of ambulatory health care	HP.3.9	107	77	77	-	-	-	30	-	-	-	30	30	-	-	-
Retail sale and other providers of medical goods	HP.4	10,165	4,991	488	98	17	4,504	5,173	-	-	-	5,173	3,464	1,709	-	-
Dispensing chemists	HP.4.1	9,331	4,991	488	98	17	4,504	4,339	-	-	-	4,339	2,630	1,709	-	-
All other sales of medical goods	HP.4.2-4.9	834	-	-	-	-	-	834	-	-	-	834	834	-	-	-
Provision and administration of public health programmes	HP.5	400	400	23	37	340	-	-	-	-	-	-	-	-	-	-
General health administration and insurance	HP.6	1,618	829	314	83	432	789	-	-	-	-	-	-	-	-	-
Government (excluding social insurance)	HP.6.1	829	829	314	83	432	-	-	-	-	-	-	-	-	-	-
Social security funds	HP.6.2	789	-	-	-	-	789	-	-	-	-	-	-	-	-	-
Other social insurance	HP.6.3	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Other (private) insurance	HP.6.4	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
All other providers of health administration	HP.6.9	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Other industries (rest of the economy)	HP.7	533	24	-	-	-	24	509	-	-	-	-	-	182	327	-
Occupational health care	HP.7.1	327	-	-	-	-	24	327	-	-	-	-	-	327	-	-
Private households	HP.7.2	24	-	-	-	-	24	-	-	-	-	-	-	-	-	-
All other secondary producers	HP.7.9	182	-	-	-	-	182	-	-	-	-	-	-	182	-	-
Rest of the world	HP.9	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
<b>Current expenditure on health</b>		<b>40,432</b>	<b>22,131</b>	<b>4,321</b>	<b>637</b>	<b>863</b>	<b>17,810</b>	<b>18,301</b>	<b>1,436</b>	<b>940</b>	<b>496</b>	<b>16,317</b>	<b>9,931</b>	<b>6,386</b>	<b>200</b>	<b>348</b>

**SHA Table B3.2a Total expenditure on health by provider industry and source of funding (% of provider category expenditure)**

Health care provider category	ICHA-HP code	Source of funding															
		HF.1	HF.1.1	HF.1.1.1	HF.1.1.2	HF.1.1.3	HF.1.2	HF.2	HF.2.1 + HF.2.2	HF.2.1	HF.2.2	HF.2.3	HF.2.3.1	HF.2.3.2-5	HF.2.4	HF.2.5	HF.3
		General government	General government (excl. social security)	Central government	State/provincial government	Local/municipal government	Social security funds	Private sector	Private insurance	Private social insurance	Other private insurance	Private household out-of-pocket payments	Out-of-pocket sharing	Cost-sharing: central government, state/provincial government, Local/municipal government, Social security funds	Non-profit organisations (other than social ins.)	Corporations (other than health insurance)	Rest of the world
Hospitals	HP.1	100.0	54.1	14.0	11.7	1.9	0.3	40.2	45.9	5.1	3.3	1.8	28.2	13.1	15.1	-	-
Nursing and residential care facilities	HP.2	100.0	66.4	66.4	-	-	-	-	33.6	-	-	-	24.7	24.7	-	8.9	-
Providers of ambulatory health care	HP.3	100.0	48.2	4.5	3.6	0.8	0.1	43.6	51.8	4.5	2.9	1.5	47.3	31.0	16.3	0.0	0.1
Offices of physicians	HP.3.1	100.0	63.2	5.7	4.4	1.2	0.2	57.5	36.8	7.7	5.1	2.7	29.0	7.2	21.7	-	0.1
Offices of dentists	HP.3.2	100.0	21.7	0.8	0.6	0.2	0.0	20.8	78.3	-	-	-	78.3	69.4	8.9	-	-
Offices of other health practitioners	HP.3.3	100.0	30.5	1.9	1.4	0.4	0.1	28.6	69.5	-	-	-	69.5	60.7	8.8	-	-
Out-patient care centres	HP.3.4	100.0	68.6	9.2	7.0	1.9	0.3	59.3	31.4	-	-	-	31.2	16.7	14.5	-	0.3
Medical and diagnostic laboratories	HP.3.5	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Providers of home health care services	HP.3.6	100.0	70.2	70.2	-	-	-	-	29.8	-	-	-	-	-	-	29.8	-
Other providers of ambulatory health care	HP.3.9	100.0	72.2	72.2	-	-	-	-	27.8	-	-	-	27.8	27.8	-	-	-
Retail sale and other providers of medical goods	HP.4	100.0	49.1	4.8	3.7	1.0	0.2	44.3	50.9	-	-	-	50.9	34.1	16.8	-	-
Dispensing chemists	HP.4.1	100.0	53.5	5.2	4.0	1.1	0.2	48.3	46.5	-	-	-	46.5	28.2	18.3	-	-
All other sales of medical goods	HP.4.2-4.9	100.0	-	-	-	-	-	-	100.0	-	-	-	100.0	100.0	-	-	-
Provision and administration of public health programmes	HP.5	100.0	100.0	5.8	5.8	9.3	84.9	-	-	-	-	-	-	-	-	-	-
General health administration and insurance	HP.6	100.0	51.2	19.4	19.4	5.1	26.7	48.8	-	-	-	-	-	-	-	-	-
Government (excluding social insurance)	HP.6.1	100.0	100.0	37.9	37.9	10.0	52.1	-	-	-	-	-	-	-	-	-	-
Social security funds	HP.6.2	100.0	-	-	-	-	-	100.0	-	-	-	-	-	-	-	-	-
Other social insurance	HP.6.3	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Other (private) insurance	HP.6.4	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
All other providers of health administration	HP.6.9	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Other industries (rest of the economy)	HP.7	100.0	4.5	-	-	-	-	4.5	95.5	-	-	-	-	-	-	34.1	61.3
Occupational health care	HP.7.1	100.0	-	-	-	-	-	-	100.0	-	-	-	-	-	-	-	100.0
Private households	HP.7.2	100.0	-	-	-	-	-	100.0	-	-	-	-	-	-	-	-	-
All other secondary producers	HP.7.9	100.0	-	-	-	-	-	-	100.0	-	-	-	-	-	-	100.0	-
Rest of the world	HP.9	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
<b>Total expenditure on health</b>		100.0	52.6	10.9	7.4	1.5	2.0	41.6	47.4	3.4	2.2	1.2	38.1	23.2	14.9	0.5	5.5

SHA Table B3.2b Current expenditure on health by provider industry and source of funding (% of provider category expenditure)

ICHA-HP code	Health care provider category	Source of funding													HF.3		
		HF.1	HF.1.1	HF.1.1.1	HF.1.1.1.1	HF.1.1.1.2	HF.1.1.1.3	HF.1.2	HF.2	HF.2.1 + HF.2.2	HF.2.1	HF.2.2	HF.2.3	HF.2.3.1		HF.2.3.2-5	HF.2.4
		General government (excl. social security)	General government (incl. social security)	Central government	State / provincial government	Local / municipal government	Social security funds	Private sector	Private insurance	Private social insurance	Other private insurance	Private household out-of-pocket payments	Out-of-pocket excluding cost-sharing	Cost-sharing: central government; state / provincial government; Local / municipal government; Social security funds	Non-profit organisations (other than social ins.)	Corporations (other than health insurance)	Rest of the world
HP.1	Hospitals	60.9	13.7	13.7	2.3	0.4	47.2	39.1	6.0	3.9	2.1	33.1	15.4	17.7	-	0.1	-
HP.2	Nursing and residential care facilities	66.4	66.4	66.4	-	-	-	33.6	-	-	-	24.7	24.7	-	8.9	-	-
HP.3	Providers of ambulatory health care	48.2	4.5	3.6	0.8	0.1	43.6	51.8	4.5	2.9	1.5	47.3	31.0	16.3	0.0	0.1	-
HP.3.1	Offices of physicians	63.2	5.7	4.4	1.2	0.2	57.5	36.8	7.7	5.1	2.7	29.0	7.2	21.7	-	0.1	-
HP.3.2	Offices of dentists	21.7	0.8	0.6	0.2	0.0	20.8	78.3	-	-	-	78.3	69.4	8.9	-	-	-
HP.3.3	Offices of other health practitioners	30.5	1.9	1.4	0.4	0.1	28.6	69.5	-	-	-	69.5	60.7	8.8	-	-	-
HP.3.4	Out-patient care centres	68.6	9.2	7.0	1.9	0.3	59.3	31.4	-	-	-	31.2	16.7	14.5	-	0.3	-
HP.3.5	Medical and diagnostic laboratories	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
HP.3.6	Providers of home health care services	70.2	70.2	70.2	-	-	-	29.8	-	-	-	-	-	-	29.8	-	-
HP.3.9	Other providers of ambulatory health care	72.2	72.2	72.2	-	-	-	27.8	-	-	-	27.8	27.8	-	-	-	-
HP.4	Retail sale and other providers of medical goods	49.1	4.8	3.7	1.0	0.2	44.3	50.9	-	-	-	50.9	34.1	16.8	-	-	-
HP.4.1	Dispensing chemists	53.5	5.2	4.0	1.1	0.2	48.3	46.5	-	-	-	46.5	28.2	18.3	-	-	-
HP.4.2-4.9	All other sales of medical goods	-	-	-	-	-	-	100.0	-	-	-	100.0	100.0	-	-	-	-
HP.5	Provision and administration of public health programmes	100.0	100.0	5.8	9.3	84.9	-	-	-	-	-	-	-	-	-	-	-
HP.6	General health administration and insurance	100.0	51.2	19.4	5.1	26.7	48.8	-	-	-	-	-	-	-	-	-	-
HP.6.1	Government (excluding social insurance)	100.0	100.0	37.9	10.0	52.1	-	-	-	-	-	-	-	-	-	-	-
HP.6.2	Social security funds	100.0	-	-	-	-	100.0	-	-	-	-	-	-	-	-	-	-
HP.6.3	Other social insurance	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
HP.6.4	Other (private) insurance	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
HP.6.9	All other providers of health administration	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
HP.7	Other industries (rest of the economy)	4.5	-	-	-	-	4.5	95.5	-	-	-	-	-	-	34.1	61.3	-
HP.7.1	Occupational health care	-	-	-	-	-	-	100.0	-	-	-	-	-	-	-	100.0	-
HP.7.2	Private households	100.0	-	-	-	-	100.0	-	-	-	-	-	-	-	-	-	-
HP.7.9	All other secondary producers	-	-	-	-	-	-	100.0	-	-	-	-	-	-	100.0	-	-
HP.9	Rest of the world	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
	<b>Current expenditure on health</b>	54.7	10.7	7.9	1.6	2.1	44.0	45.3	3.6	2.3	1.2	40.4	24.6	15.8	0.5	0.9	-



**SHA Table B3.3a Total expenditure on health by provider industry and source of funding (% of expenditure by financing agent category)**

Health care provider category	ICHA-HP code	Source of funding											HF.3				
		HF.1	HF.1.1	HF.1.1.1	HF.1.1.1.1	HF.1.1.1.2	HF.1.1.1.3	HF.1.2	HF.2	HF.2.1 + HF.2.2	HF.2.1	HF.2.2		HF.2.3	HF.2.3.1	HF.2.3.2-5	HF.2.4
		General government	General government (excl. social security)	Central government	State/provincial government	Local/municipal government	Social security funds	Private sector	Private insurance	Private social insurance	Other private insurance	Private household out-of-pocket payments	Private out-of-pocket excluding cost-sharing	Cost-sharing: central government; state/provincial government; Local/municipal government; Social security funds	Non-profit organisations (other than social ins.)	Corporations (other than health insurance)	Rest of the world
Hospitals	HP.1	38.2	47.3	58.2	48.2	6.3	35.8	35.9	56.5	56.4	56.7	27.4	20.9	37.4	-	85.6	-
Nursing and residential care facilities	HP.2	0.4	2.5	3.7	-	-	-	0.3	-	-	-	0.3	0.4	-	7.9	-	-
Providers of ambulatory health care	HP.3	32.8	13.6	15.8	17.5	2.3	34.4	35.8	43.5	43.6	43.3	40.7	43.8	35.8	1.2	0.4	-
Offices of physicians	HP.3.1	18.9	9.9	11.1	14.7	1.9	26.1	14.7	43.5	43.6	43.3	14.4	5.9	27.5	-	0.4	-
Offices of dentists	HP.3.2	7.5	0.6	0.6	0.9	0.1	3.8	12.4	-	-	-	15.4	22.5	4.5	-	-	-
Offices of other health practitioners	HP.3.3	5.7	3.3	1.0	1.1	0.2	3.9	8.3	-	-	-	10.3	14.8	3.4	-	-	-
Out-patient care centres	HP.3.4	0.4	0.4	0.4	0.5	0.1	0.6	0.3	-	-	-	0.4	0.3	0.4	-	0.0	-
Medical and diagnostic laboratories	HP.3.5	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Providers of home health care services	HP.3.6	0.0	0.1	0.2	-	-	-	0.0	-	-	-	-	-	-	1.2	-	-
Other providers of ambulatory health care	HP.3.9	0.2	1.6	2.4	-	-	-	0.1	-	-	-	0.2	0.3	-	-	-	-
Retail sale and other providers of medical goods	HP.4	23.8	10.4	11.7	15.4	2.0	25.3	25.5	-	-	-	31.7	34.9	26.8	-	-	-
Dispensing chemists	HP.4.1	22.2	10.4	11.7	15.4	2.0	25.3	21.4	-	-	-	26.6	26.5	26.8	-	-	-
All other sales of medical goods	HP.4.2-4.9	1.9	-	-	-	-	-	4.1	-	-	-	5.1	8.4	-	-	-	-
Provision and administration of public health programmes	HP.5	1.8	8.5	0.7	5.8	39.4	-	-	-	-	-	-	-	-	-	-	-
General health administration and insurance	HP.6	7.2	17.7	9.9	13.1	50.0	4.4	-	-	-	-	-	-	-	-	-	-
Government (excluding social insurance)	HP.6.1	3.7	17.7	9.9	13.1	50.0	-	-	-	-	-	-	-	-	-	-	-
Social security funds	HP.6.2	-	-	-	-	-	4.4	-	-	-	-	-	-	-	-	-	-
Other social insurance	HP.6.3	3.5	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Other (private) insurance	HP.6.4	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
All other providers of health administration	HP.6.9	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Other industries (rest of the economy)	HP.7	1.2	-	-	-	-	0.1	2.5	-	-	-	-	-	-	90.9	14.0	-
Occupational health care	HP.7.1	0.8	-	-	-	-	-	1.6	-	-	-	-	-	-	-	14.0	-
Private households	HP.7.2	0.1	-	-	-	-	0.1	-	-	-	-	-	-	-	-	-	-
All other secondary producers	HP.7.9	0.4	-	-	-	-	-	0.9	-	-	-	-	-	-	90.9	-	-
Rest of the world	HP.9	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
<b>Total expenditure on health</b>		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

**SHA Table B3.3b Current expenditure on health by provider industry and source of funding (% of expenditure by financing agent category)**

ICHA-HP code	Source of funding											HF.3					
	HF.1	HF.1.1	HF.1.1.1	HF.1.1.1.1	HF.1.1.1.2	HF.1.1.1.3	HF.1.2	HF.2	HF.2.1 + HF.2.2	HF.2.1	HF.2.2		HF.2.3	HF.2.3.1	HF.2.3.2-5	HF.2.4	HF.2.5
	General government	General government (excl. social security)	Central government	State/provincial government	Local/municipal government	Social security funds	Private sector	Private insurance	Private insurance	Private social insurance	Other private insurance	Private household out-of-pocket payments	Private out-of-pocket excluding cost-sharing	Cost-sharing: central government; state/provincial government; Local/municipal government; Social security funds	Non-profit organisations (other than social ins.)	Corporations (other than health insurance)	Rest of the world
Health care provider category																	
HP.1	37.2	42.8	58.2	48.2	6.3	35.8	28.9	56.5	56.4	56.7	27.4	20.9	37.4	-	-	-	-
Hospitals	0.4	2.7	3.7	-	-	-	0.3	-	-	-	0.3	0.4	-	-	-	-	-
HP.2	30.5	14.7	15.8	17.5	2.3	34.4	39.7	43.5	43.6	43.3	40.7	43.8	35.8	1.2	7.9	-	-
Nursing and residential care facilities	20.0	10.7	11.1	14.7	1.9	26.1	16.3	43.5	43.6	43.3	14.4	5.9	27.5	-	-	-	-
Providers of ambulatory health care	8.0	3.1	0.6	0.9	0.1	3.8	13.8	-	-	-	15.4	22.5	4.5	-	-	-	-
Offices of physicians	6.0	3.3	1.0	1.1	0.2	3.9	9.2	-	-	-	10.3	14.8	3.4	-	-	-	-
Offices of dentists	0.5	0.4	0.4	0.5	0.1	0.6	0.3	-	-	-	0.4	0.3	0.4	-	-	-	-
Offices of other health practitioners	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Out-patient care centres	0.0	0.1	0.2	-	-	-	0.0	-	-	-	-	-	-	1.2	-	-	-
Medical and diagnostic laboratories	0.0	0.1	0.2	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Providers of home health care services	0.3	1.8	2.4	-	-	-	0.2	-	-	-	0.2	0.3	-	-	-	-	-
Other providers of ambulatory health care	25.1	11.3	11.7	15.4	2.0	25.3	28.3	-	-	-	31.7	34.9	26.8	-	-	-	-
Retail sale and other providers of medical goods	22.6	11.3	11.7	15.4	2.0	25.3	23.7	-	-	-	26.6	26.5	26.8	-	-	-	-
Dispensing chemists	2.1	-	-	-	-	-	4.6	-	-	-	5.1	8.4	-	-	-	-	-
All other sales of medical goods	1.0	9.3	0.7	5.8	39.4	-	-	-	-	-	-	-	-	-	-	-	-
Provision and administration of public health programmes	4.0	7.3	9.9	13.1	50.0	4.4	-	-	-	-	-	-	-	-	-	-	-
General health administration and insurance	2.1	19.2	9.9	13.1	50.0	4.4	-	-	-	-	-	-	-	-	-	-	-
Government (excluding social insurance)	2.0	-	-	-	-	4.4	-	-	-	-	-	-	-	-	-	-	-
Social security funds	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Other social insurance	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Other (private) insurance	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
All other providers of health administration	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
HP.5.9	1.3	-	-	-	-	0.1	2.8	-	-	-	-	-	-	90.9	-	94.1	-
Other industries (rest of the economy)	0.8	-	-	-	-	1.8	-	-	-	-	-	-	-	-	-	94.1	-
Occupational health care	0.1	-	-	-	-	0.1	-	-	-	-	-	-	-	-	-	-	-
HP.7.1	0.5	-	-	-	-	1.0	-	-	-	-	-	-	-	-	-	-	-
Private households	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
HP.7.2	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
All other secondary producers	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
HP.7.9	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Rest of the world	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
Current expenditure on health																	

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