

# Indicators of Health Care in the system of National Accounts

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# Motivation

- Health and social care important part of households wellbeing
- A well-rounded picture of a country's economy should include data that enables policymakers and other users of official statistics to assess
  - resources committed to health care (and who benefits) and
  - real output of health care
- The objective of the guidance note is to
  - to consider options for indicators of health care that can either be embedded in the core framework of the *System of National Accounts 2008 (2008 SNA)* or
  - provide extensions of the core framework as a way to expand official measures of well-being



# Questions we asked

- What classifications yield the most relevant details for health care in a national accounting context?
- What products are relevant to construct meaningful indicators of health care?
- What detail could be introduced to supply-use tables to generate more policy-relevant indicators and do source data provide the requested detail?
- How should volumes of health services be measured in light of quality differences?
- Should national accounts boundaries be extended to include unpaid household production of health care, or should unpaid household production at least be measured given its implications for government policy to promote well-being?
- To what extent should national accounts include separate indicators from health care services to cover a broader part of well-being?



# A System of Health Accounts 2011 (SHA 2011)

- Well-developed framework for classifying health expenditures
  - *“Health accounts provide a systematic description of the financial flows related to the consumption of health care goods and services.”*
- **Foundation for recommendations on health indicators**
- Organized around a tri-axial system defining
  - the consumption of health care goods and services by function,
  - the provision of health care services by industry,
  - and the financing of health care, i.e. sources of funding

 A System of Health  
Accounts 2011  
REVISED EDITION



 OECD  eurostat  World Health Organization



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# Classifications

- International Classifications of Health Accounts (ICHS)
  - Health care functions (HC)
  - Health care providers (HP)
  - Health care financing schemes (HF)
- COICOP 2018 (division 06)
  - Reflects restructuring to better align with ICHA
- COFOG 1999 (division 07)
  - Needs to be updated to better align with COICOP 2018
- **Recommendation**
  - **Update and harmonize ICHA, COICOP, and COFOG**



# Health Care Products – SHA 2011

- Definition

- *“A health care product is the result of the interaction of capital, labour, and entrepreneurship in the production process, which has the primary purpose of improving, maintaining, or preventing deterioration of the health status of persons or mitigating consequences of ill-health.”*

- Provide policy-relevant detail for analysis

- Recommendations

- Review, update, and harmonize product classifications
  - Compile supplementary supply-use table from health accounts to ensure consistency and completeness in analyses of health care



# Paid Long-Term Social Care

- LTC (health) and LTC (social) kept separate in *SHA*
  - LTC (health) is within scope of “health care”
  - LTC (social) is a memorandum item that includes lower level social care services (shopping, laundry, cooking etc)
- Line between LTC (health) and LTC (social) is fuzzy
- LTC (social) is also important for well-being
  - Start with LTC (social) in *SHA 2011*
  - Add child welfare and others as relevant
- **Recommendation**
  - Scope of indicators for well-being should include all health care and long-term social care





# Unpaid Household Production of Care

- Plays an significant role in understanding well-being
- Guidance note on Unpaid Household Activities
  - Provides definitions and recommendations
- **Recommendation**
  - A framework on well-being and sustainability should expand the production boundary to include imputed values for unpaid household production of health care and long-term social care in an extension outside the *SNA* central system



# Indicators

- Embedded in SNA core framework
  - Final consumption expenditures with breakdowns by function, provider, and financing schemes
- Extension of SNA core framework (extended accounts)
  - Physical measures (e.g., employment)
  - Supplemental classifications of private health insurance (for analyses of health insurance as a financing mechanism)
  - Unpaid household production
- **Recommendations**
  - Review the *SHA* for relevant indicators based on final consumption expenditures
  - Compile a list of relevant indicators based on extensions of the *SNA* core framework



# Changes and Supplements to SNA 2008

- Primary changes
  - Current classifications for *SHA* functions and providers need to be introduced to the *SNA*
  - Own-account production of occupational health services that is currently included in compensation of employees should be imputed as secondary output and allocated to intermediate consumption
- Primary supplements
  - Expand the production boundary to include unpaid household production of health and long-term social care
  - Compile supplementary supply-use tables for health and long-term social care from *SNA* core supply-use tables
- **Feasibility?** SHA already produced in more than 40 countries

# Thank you!

