Health Accounts (HA) and National Health Accounts (NHA)

Health Accounts and National Health Account in the Americas
Executive Summary
September 2004

Area of Strategic Health Development
Health Systems and Policies Unit
Health Economics Group
Health Accounts (HA) and National Health Accounts (NHA) in the Americas

Pan American Health Organization (PAHO) work on Health Accounts (HA) / National Health Accounts (NHA) in the Americas1

September 2004

Executive Summary

PAHO’s work on health accounts (HA)/national health accounts (NHA) in countries of the Americas includes the development of economic and financial indicators related to health, health care services and national health care systems. PAHO provides technical assistance to countries and maintains regional databases on national health care expenditures and on international trade in health related goods and services.

A. Technical assistance and support is provided to countries of the region in the following areas:

1. The development of country studies on national health care expenditure and financing.

2. Conducting studies to assess the economic dimensions of health and health care services activities as part of the national economies.

PAHO’s Technical assistance and support to country activities in the area of HA/NHA includes:

(a) Technical and financial support for developing country studies on national health care expenditures and financing indicators: absolute and relative levels of national health care expenditures and financing.

(b) Studies on the composition of national health care expenditures according to its public-private composition, functional and economic classifications, and/or according to levels or type of health care services; matrices of flows of funds, and matrices of sources of financing (revenues) of national health care expenditures.

(c) Country estimations of standard national accounts indicators of health and health care services activities: Production, consumption or utilization of health related goods and services; indicators of value added, employment, intermediate and final consumption, gross capital formation, exports, imports, etc.)

1 PAHO’s Work in the area of Health Accounts/National Health Accounts is developed in coordination with the Health Accounts/National Health Accounts (HA/NHA) Working Group of the Share Agenda for Health in the Americas. Information on the Share Agenda and the Coordinated Plan of Action for the Development of Health Accounts in the Americas can be consulted at: http://www.paho.org/English/DPM/SHD/HP/ha-nha-saplan.pdf
(d) Technical assistance for the development of Health Sector Satellite Accounts (HSSA) and/or Health Sector Social Accounting Matrices (SAM); for an in depth analysis of economic and social dimensions of health and health care activities.

Country studies on national health care expenditure and financing issues may be based on country specific concepts, definitions and accounting procedures – more relevant for national policy debate (Administrative based studies); and/or on existing international standard concepts, classifications and accounting procedures developed within the framework of the Government Finance Statistics Manual (International Monetary Fund - IMF) and the System of National Accounts SNA (United Nations UN) – more relevant for addressing public finance and international comparison issues related to national health systems expenditure and financing patterns (SNA based studies).

Also, upon request from countries, PAHO provides technical support and guidance in the development of Pilot Studies based on new and innovative health accounts approaches developed and promoted by other international organizations, bilateral and multilateral agencies. These new approaches include:

OECD’s System of Health Accounts (OECD’s SHA)
Harvard/PHR National Accounts approach (Harvard NHA)
WHO National Health Accounts Concepts and Principles (WHO’s NHA)

Access to these new approaches to health accounts/national health accounts may be consulted at:

http://www.paho.org/English/DPM/SHD/HP/ha-nha-approaches.pdf
or at
http://www.iadb.org/sds/specialprograms/lachealthaccounts/Other/estimation_methods_en.htm

Country studies developed with technical and/or financial support from PAHO can be consulted at:

or at
http://www.paho.org/English/DPM/SHD/HP/ha-nha_paho_countrystudies.pdf

B. PAHO’s Regional data-base on national health care expenditure (NHExp Data-base) and on trade in health related goods and services (Trade in Health Data-base.)

In addition, to technical assistance to countries and supporting the development of country studies on health care expenditure and financing, PAHO has developed and maintains regional data-bases on international comparable indicators of national health care expenditures (NHExp Data-base) and on the international trade (exports and imports) in health related goods and services (Trade in Health Data-base.)

PAHO’s regional data-base on national health care expenditure (NHExp Data-base) contains:
(a) Estimates on expenditures in health by the economic agents of the different institutional sectors of the economy- governments, households and non profit institutions. Governments, including social insurance funds and other public sector institutions (public expenditures). Out-of-pocket expenditures by households in health related goods and services (direct) and in health insurance and pre-paid health plans (indirect), and estimates on expenditures in health by non-profit institutions serving the households NPISH (private expenditures). There are no estimates on health expenditures by financial and non-financial corporations.

(b) Time series of macroeconomic variables (GDP; Population, exchange rates, estimates on total government expenditures, etc) commonly used in deriving NHEA indicators and projections: per capita expenditures, share of health expenditures as percentage of GDP or GNI; income-expenditure elasticity, conversion to current or PPP, etc.


- **PAHO’s NHEXp Data-base** can be consulted at: [http://www.iadb.org/sds/specialprograms/lachealthaccounts/Other/identifying_data_sources_en.htm](http://www.iadb.org/sds/specialprograms/lachealthaccounts/Other/identifying_data_sources_en.htm)

**PAHO’s Regional Data-Base on Trade in Health Related Goods and Services (Trade in Health Data-Base)**

PAHO’s Regional data-base on trade in health related goods and services contains information on statistics of international trade in health related commodities in countries of the American Region. It presents information on the value of exports and imports of health related goods or commodities for Canada, United States and countries of the Latin America and Caribbean Region for the period 1994-2000. Health related goods or commodities included are the value of the exports and imports of *Pharmaceutical, medicinal chemical and botanical products* (2423) and of *Medical and surgical equipment and orthopedic appliances* (3311); as classified in the International Standard Industrial Classification (ISIC), Revision 3 (ISIC Rev.3).

- **PAHO’s Regional Data-base on Trade in Health Related Goods or commodities can be consulted at:** [http://www.paho.org/English/DPM/SHD/HP/trade-datab.pdf](http://www.paho.org/English/DPM/SHD/HP/trade-datab.pdf) (updated)

Go to: Trade in Health Database

Ongoing work on *Statistics of Trade in Health Related Services* includes preparation of guidelines for the international collection of international statistics of international trade in health
services. A Manual for compiling international comparable statistics on international trade in health services is being developed using as reference, the Manual of Statistics of International Trade in Services published by the Organization for Economic Cooperation and Development (MSITS Version 1). This Manual is a joint publication of six agencies: the UN, EC, IMF, OECD, UNCTAD, and WTO. It addresses a growing demand from governments, businesses and analysts for more relevant, detailed and internationally comparable statistics on services trade. Special emphasis is given to the statistical information needs of international trade negotiations and agreements.

- The Manual of Statistics of International Trade in **Health Services**
  MSITS-H (Version 1.)

- Information on the Manual of Statistics of International Trade in Services (MISTS Version 1.) can be consulted at:

For further information on PAHO’s work on HA/NHA, please contact:

**Ruben M. Suarez-Berenguela**
Regional Advisor, Health Economics and Financing

**Pan American Health Organization**
**World Health Organization - PAHO/WHO**
525 23rd Street, Washington, D.C. 20037-2895
Phone: +1-202 974 3482
Fax: +1-202 974 3675
E-mail: suarezru@paho.org
Visit: [www.paho.org](http://www.paho.org)
Health Accounts/National Health Accounts

Background Information

1. **United Nations Statistical Commission:**

   The Statistical Commission's was established in 1947. The terms of reference as set forth in Economic and Social Council (February and June 1946; May 1971) states that the Commission shall assist the Council:

   (a) *In promoting the development of national statistics and the improvement of their comparability;*

   (b) *In the coordination of the statistical work of specialized agencies;*

   (c) *In the development of the central statistical services of the Secretariat;*

   (d) *In advising the organs of the United Nations on general questions relating to the collection, analysis and dissemination of statistical information;*

   (e) *In promoting the improvement of statistics and statistical methods generally.*

   The Council stressed the importance of the Commission's coordination function and the need to achieve an integrated system in the collection, processing and dissemination of international statistics. The Statistical Commission considers special issues of concern in international statistical development, methodological issues, coordination and integration of international statistical programmes, support of technical cooperation activities in statistics and organizational matters.

   For more information on Statistical Commission work, visit:

2. **The Statistical Conference of the Americas (SCA – ECLAC):**

   The establishment of the Statistical Conference of the Americas as a subsidiary body of the Economic Commission for Latin America and the Caribbean (SCA - ECLAC) has been an especially significant milestone in the work to advance statistical policies and activities in the region (June 2001). All of the member countries of ECLAC are members of the SCA, and ECLAC acts as the Secretariat. *The agreements reached at the SCA are binding in nature.* This means that they are commitments that the countries agree to implement in accordance with the agreed terms and deadlines. The program is designed to strengthen the statistical capacity of the Region. The work of the SCA-ECLAC builds on a set of initiatives aiming to strengthen the capacity for generating official statistical data, which includes *Partnerships in Statistics for Development in the 21st Century*, the cooperation agreements between the European Union and various countries in the region and the programs for data dissemination and the quality of statistical information initiated by the International Monetary Fund (IMF).

   - For more information on SCA-ECLA, visit:
     [http://www.eclac.cl/deype/publicaciones/xml/2/9412/lcl1697i.pdf](http://www.eclac.cl/deype/publicaciones/xml/2/9412/lcl1697i.pdf)

   - Information on activities related to the Paris21 initiative:
3. **System of National Accounts (SNA 1993):**

   The System of National Accounts (SNA) consists of a coherent, consistent and integrated set of macroeconomic accounts, balance sheets and tables based on a set of internationally agreed concepts, definitions, classifications and accounting rules. It provides a comprehensive accounting framework within which economic data can be compiled and presented in a format that is designed for purposes of economic analysis, decision-taking and policy-making. It also serves as a point of reference in establishing standards for related statistics. SNA 1993 describes the SNA conceptual system, which is applicable to economies around the world. It does not attempt to provide guidance on how to make estimates, on the priority with which different accounts should be implemented or on the frequency and format of their presentation. Practical guidance can be found in the handbooks of national accounting prepared by the United Nations Statistics Division and other international agencies.


   The 2001 edition describes an integrated statistical system that is harmonized, to the extent possible, with the 1993 edition of the System of National Accounts (1993 SNA). The GFSM 2001 is intended to be a reference volume describing the GFS system. The Manual, which updates the first edition published in 1986, is a major advancement in the standards for compilation and presentation of fiscal statistics and part of a worldwide trend toward greater accountability and transparency in government finances, operations, and oversight. It covers concepts, definitions, classifications, and accounting rules, and it provides a comprehensive analytic framework within which the statistics can be summarized and presented in a form appropriate for analysis, planning, and policy determination. The use and interpretation of government finance statistics, however, is beyond the scope of the GFSM 2001, and practical guidance on the compilation of the statistics is reserved for the GFSM 2001 companion material. This Manual represents a major step forward in the standards for compilation and presentation of fiscal statistics and thus takes its place as part of the worldwide effort to improve government accounting and transparency in operations. Government finance statistics are a key to fiscal analysis, and they play a vital role both in developing and monitoring sound financial programs and in conducting surveillance of economic policies.

   - The complete Government Finance Statistics Manual (GFSM 2001)
   - Access to the new approaches to health accounts/national health accounts may be consulted at [http://www.paho.org/English/DPM/SHD/HP/ha-nha-approaches.pdf](http://www.paho.org/English/DPM/SHD/HP/ha-nha-approaches.pdf)

*OECD’s System of Health Accounts (OECD’s SHA)*


*Harvard/PHR National Accounts approach (Harvard NHA)*

[http://www.hsph.harvard.edu/ihsg/NHA.html#1](http://www.hsph.harvard.edu/ihsg/NHA.html#1)

*WHO National Health Accounts Concepts and Principles (WHO’s NHA)*

[http://www3.who.int/whosis/discussion_papers/pdf/paper47.pdf](http://www3.who.int/whosis/discussion_papers/pdf/paper47.pdf)
