



8. SUSTAINABILITY OF THE HEALTHCARE SYSTEM

8.1. Current expenditure on health as % Gross Domestic Product (GDP) (S-1), Current expenditure on health in € per capita (S-2) & Current expenditure on health as % financed by government/compulsory schemes (S-3)

8.1.1. Documentation sheet

Description	<p>Current expenditure on health according to the System of Health Accounts (SHA, OECD), expressed for a given year:</p> <ul style="list-style-type: none"> - For the total health sector (in million €) - As a percentage of the gross domestic product (GDP) (indicator S-1) - Per capita (in million €/inhabitant) (indicator S-2) - As a percentage financed by government/compulsory schemes (indicator S-3)
Calculation	All calculations are done by OECD on the basis of data provided by experts from each country. ¹
Rationale	<p>Trends in health expenditure are an important indicator of sustainability. For international comparisons, the standard international definitions for healthcare and healthcare expenditure of the OECD's System of Health Accounts (SHA) are classically used. SHA aims at measuring consumption of health and long-term care services. This includes spending by both public and private sources on medical services and goods, public health and prevention programmes and administration. Current expenditure on health is broken down by healthcare function, providers and funding agents for the purpose of monitoring healthcare consumption.</p> <p>The proportion of GDP devoted to healthcare and how this proportion changes over the course of time are also monitored.</p> <p>In OECD, Gross Domestic Product (GDP) is defined as final consumption plus gross capital formation plus net exports. Final consumption of households includes goods and services used by households or the community to satisfy their individual needs. It includes final consumption expenditure of households, general government and non-profit institutions serving households.</p>
Primary Data source	Current expenditure on health: FPS Social Security
Indicator results:	OECD Health Statistics 2018 (https://stats.oecd.org/)
Technical definitions	See SHA technical manual ¹ and specific technical note for Belgium (under information for country)
International comparability	<p>OECD and EU Member countries are at varying stages of implementing the System of Health Accounts (SHA). Therefore, the data reported in OECD Health Statistics are at varying levels of comparability.</p> <p><i>"To compare spending levels between countries, per capita health expenditure are converted to a common currency (US dollar) and adjusted to take account of the different purchasing power of the national currencies, in order to compare spending levels. Economy-wide (GDP) Purchasing Power Parities (PPPs) are used as the most available and reliable conversion rates".²</i></p>
Related performance indicators	Out-of-pocket payments



Box 1 – Total health expenditure vs current health expenditure

- For all indicators related to expenditures on health, we adopted OECD definition based on the System of Health Accounts (SHA) 2011 methodology.¹ Since few years, it is recommended in SHA to use "current health expenditure" instead of "total health expenditure".
- Actually, in OECD database all indicators are expressed as a percentage of "current health expenditure" which is defined as final consumption expenditures of resident units on health care goods and services.

8.1.2. Results

Belgium

In 2016, current expenditure on health amounted to 42.43 billion € in Belgium. This represents € 3 745 spent on health per inhabitant. In 2016, health spending accounted for 10% of Belgian Gross Domestic Product (GDP) and remained quite stable over the years (Figure 97). 78.8% of current expenditure on health is financed by the public sector and accounted for 33.44 billion € (see Table 63).

The three revenue sources of the public sector are social insurance contributions from employees (17.7%) and employers (32.6%) and transfers from government domestic revenue (49.7%, see Table 63).

International comparison

To allow comparisons between countries, these data are also expressed in US\$ Purchasing Power Parities (PPP). Belgium spent slightly more on health than the EU-15 mean (i.e. 10% of the GDP versus a EU-15 mean of 9.5%). In Belgium as well as in most European countries, per capita spending on health continued to grow in 2016 following the usual trend (Figure 97). Current expenditure on health per capita grew from € 2 595 per inhabitant in 2004 to € 3 745 in 2016.

Table 63 – Current expenditure on health in Belgium (2004-2016)

OECD 2018	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016
Absolute amounts (in million € - current prices)	27 044.6	27 928.4	28 951.6	30 641.9	32 830.1	34 864.9	35 930.0	37 924.0	39 162.7	40 295.5	41 368.1	41 462.5	42 430.1
Per capita, current prices (in €)	2595.2	2665.3	2744.8	2883.8	3065.4	3229.3	3297.7	3435.7	3526.0	3610.9	3690.6	3677.6	3744.5
Per capita (US\$ PPP)	2919.8	2988.7	3136.6	3277.1	3535.9	3798.8	3945.4	4129.9	4288.8	4479.1	4612.0	4589.5	4659.5
% GDP	9.05%	8.97%	8.86%	8.89%	9.27%	10.00%	9.84%	10.00%	10.11%	10.27%	10.34%	10.11%	10.04%
Amounts financed by public sector	20 661.5	21 495.6	22 095.4	23 232.9	25 451.9	27 224.1	28 048.5	29 527.2	30 665.2	31 421.2	32 361.2	32 505.8	33 439.3



(government and compulsory schemes) (in million € - current prices)

% financed by public sector (government and compulsory schemes)	76.4%	77.0%	76.3%	75.8%	77.5%	78.1%	78.1%	77.9%	78.3%	78.0%	78.2%	78.4%	78.8%
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Source: System of Health accounts – SHA – OECD Health Statistics 2018; GDP: Gross Domestic Product; PPP: Purchasing Power Parities.

Table 64 – Financing sources of public sector (government and compulsory insurance) by type of revenue, in Belgium (2004-2016)

OECD 2018	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016
Amounts financed by public sector (in million € - current prices)	20 661.5	21 495.6	22 095.4	23 232.9	25 451.9	27 224.1	28 048.5	29 527.2	30 665.2	31 421.2	32 361.2	32 505.8	33 439.3
Transfers from government domestic revenue (in million € - current prices)	9360.4	10 404.8	10 782.6	11 239.2	12 332.1	13 073.4	14 175.3	14 974.2	15 465.7	16 093.6	16 586.9	15 917.6	16 607.8 (49.7%)
Social insurance contributions from employees (in million € - current prices)	3614.1	3620.7	3919.1	4145.9	4536.5	4895.0	4821.2	5084.5	5307.8	5380.5	5541.5	5809.0	5914.1 (17.7%)
Social insurance contributions from employers (in million € - current prices)	7686.9	7470.1	7393.7	7847.8	8583.3	9255.7	9052.0	9468.6	9891.6	9947.0	10 232.8	10 779.2	10 917.4 (32.6%)

Source: System of Health accounts – SHA – OECD Health Statistics 2018.



Figure 97 – Financing sources of public sector by type of revenue, Belgium (2004-2016)

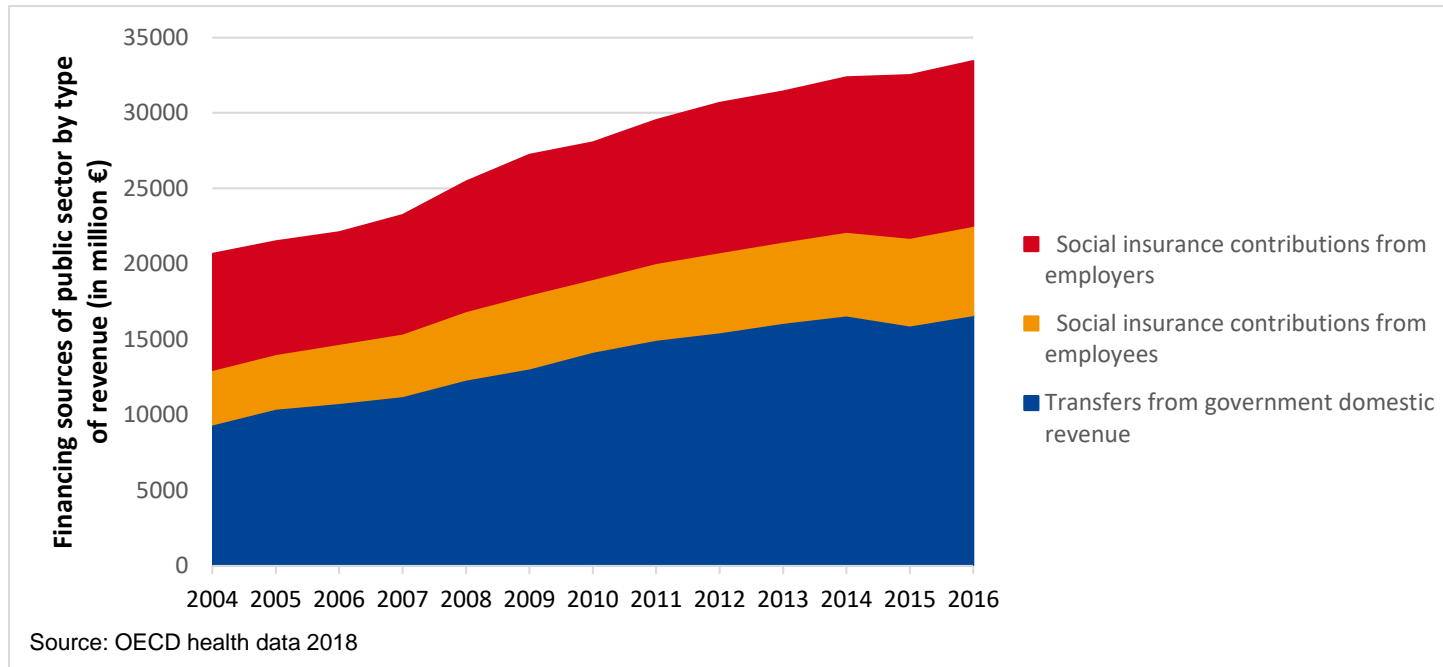
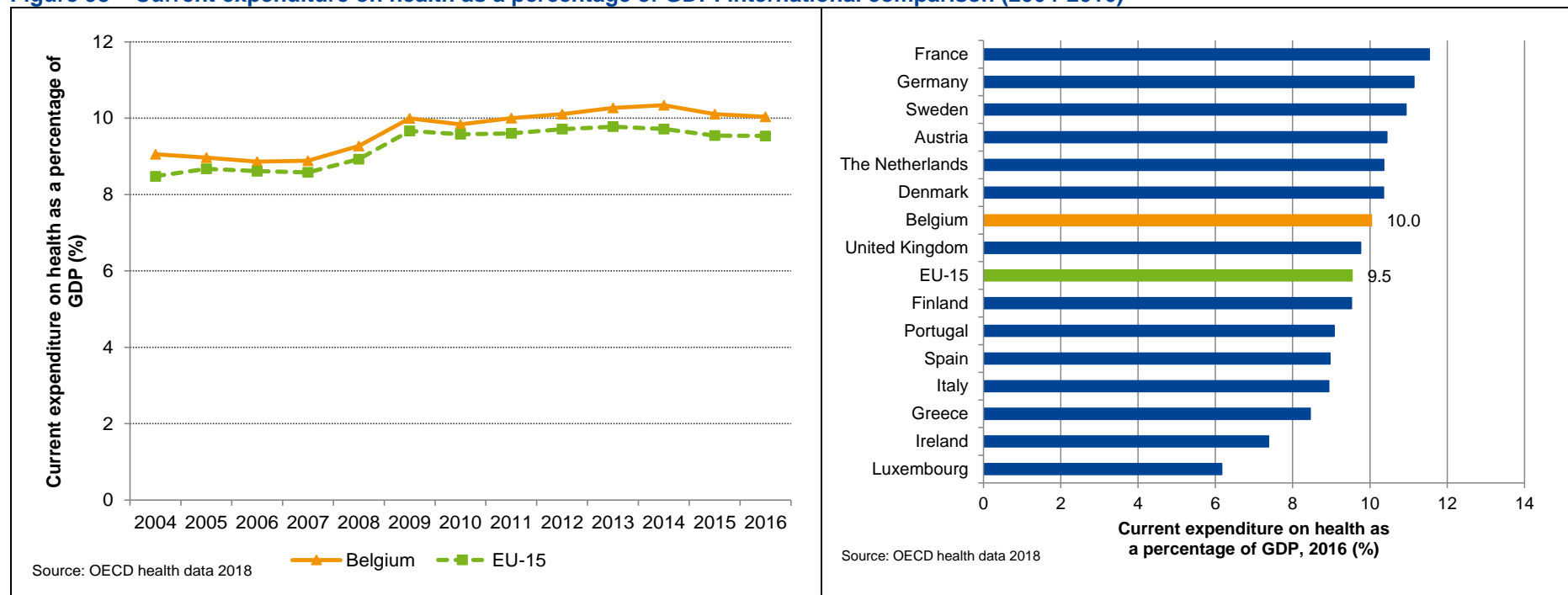




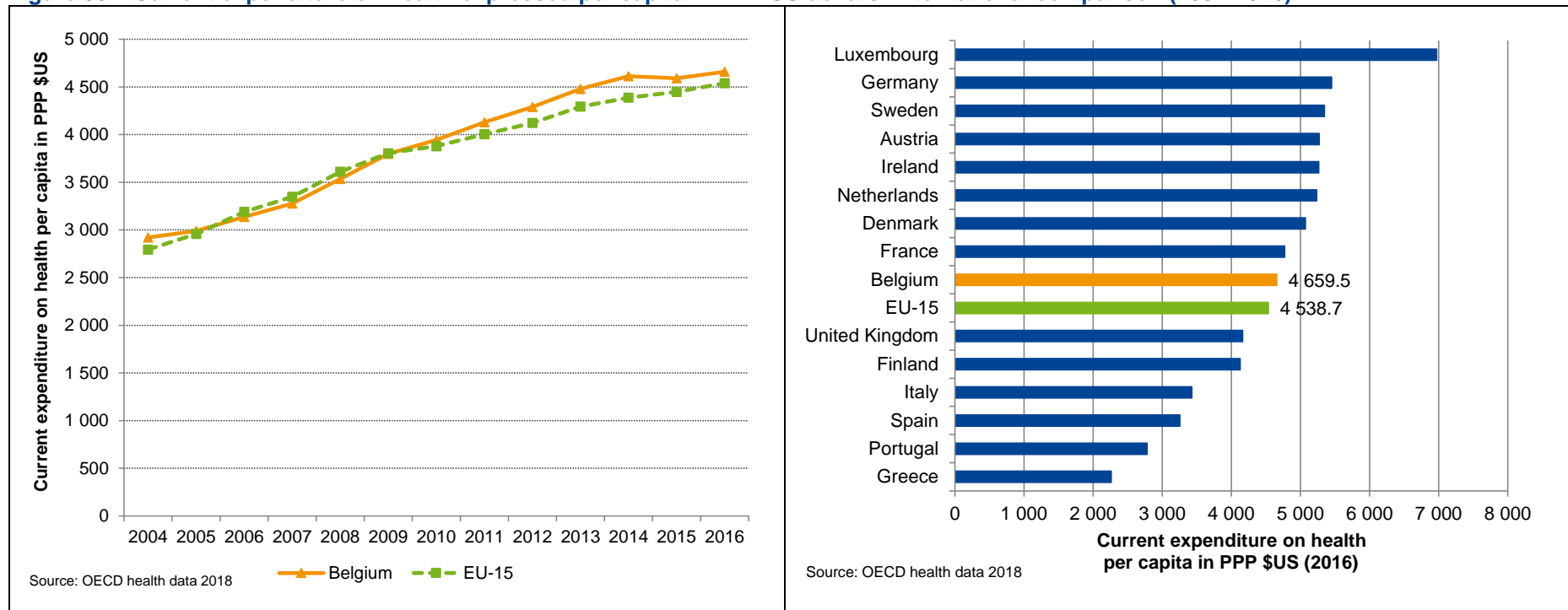
Figure 98 – Current expenditure on health as a percentage of GDP: international comparison (2004-2016)



Source: OECD Health Statistics 2018



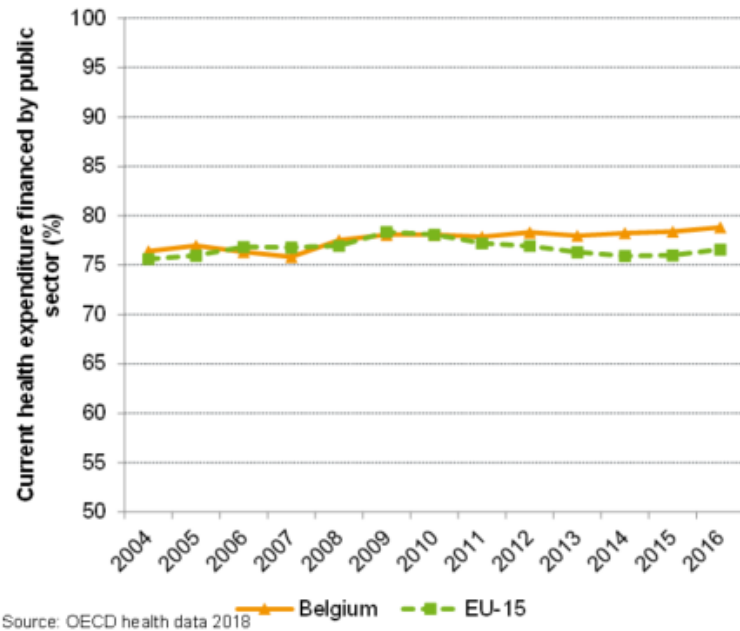
Figure 99 – Current expenditure on health expressed per capita in PPP US dollars: international comparison (2004-2016)



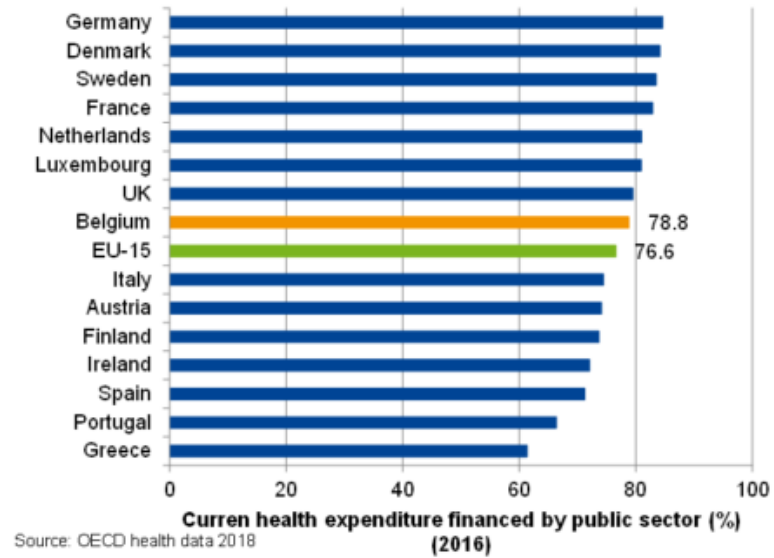
Source: OECD Health data 2018



Figure 100 – Current expenditure on health, percentage financed by public sector: international comparison (2004-2016)



Source: OECD Health Statistics 2018. UK = United Kingdom



Key points

- In 2016, current expenditure on health amounted to 42.43 billion € in Belgium. Belgian population spent € 3 745 on health per inhabitant in 2016. Per capita spending on health continued to grow in 2016.
- In 2016, 10% of Belgian GDP was spent on health and 79% of this current expenditure on health was financed by the public sector.
- Current expenditure on health, expressed as a share of GDP or per capita, is very close (slightly higher) to the EU-15 average.

References

1. OECD, Eurostat, WHO. A System of Health Accounts. OECD Publishing. 2011.
2. OECD. Health at a Glance 2017: OECD Indicators. Paris: 2017. Available from: http://dx.doi.org/10.1787/health_glance-2017-en