

# NATIONAL HEALTH ACCOUNTS

*Tracking Resources in Health*

2009-2010



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POLICY AND PLANNING DIVISION  
MINISTRY OF HEALTH  
ROYAL GOVERNMENT OF BHUTAN

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## EXECUTIVE SUMMARY

Health system in Bhutan is predominantly financed by the Government from the general revenues of the Royal Government of Bhutan. Health care is provided freely to all the citizens of the country by the Government. The Ministry of Health attempted to develop the National Health Accounts (NHA) framework to understand the flow of funds in the health sector for the year 2009-10 for which latest public expenditure accounts are available.

The NHA developed in this study relied upon data on government expenditure on health, including external assistance, as reported by the Department of Public Accounts, household expenditures as estimated based on Bhutan Living Standards Survey (BLSS) 2007 and a number of other sources. Due adjustments to the available data were made as per the standard practices followed in similar settings in order to enable cross country comparisons.

This is the first NHA developed for the country. NHA estimates reveal that the public health expenditures as a percentage of total government expenditure is 6.27 percent and as a percentage of country's GDP is 3.23 percent.

Macro Indicators	2009-10
PHE as % of THE	88.00
PHE as % of TGE	6.27
PHE as % GDP	3.23
THE as % GDP	3.68
PHE – Public health expenditure THE – Total health expenditure TGE – Total government expenditure GDP – Gross domestic product	

The estimated numbers reveal that about 88 percent of the resources for health care are from the government and about 11 percent from households. Of the total government resources, nearly 30 percent is allocated to districts under the decentralised system. External assistance plays a considerable role in the health sector of the country. This accounts for about 18 percent of the total government spending on health.

Of the total resources spent on health in the country, 52 percent is spent on public providers, while about 24 percent is spent on general health administration. It is interesting to note that about 9 percent of the resources are spent on private providers which include treatments outside country and care from traditional practitioners.

It should be admitted at the outset that the estimates of health expenditures in the country can further be improved, particularly the spending by households. A special survey on health care and utilisation among households may prove to be useful in this direction.

## BHUTAN NATIONAL HEALTH ACCOUNTS: 2009-10

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### 1. Background

Health sector in Bhutan is largely financed by the public systems through general revenues of the Government. Public financing of health system accounts for nearly 90 percent of the total health expenditures in the country. This is in line with the Country's commitment as expressed through the Tenth Five Year Plan that "the Royal Government will continue to attach high priority to maintain universal access to basic health services and ensure that basic health services are distributed more widely throughout the country, including the more vulnerable and isolated communities"<sup>1</sup>. As a result, per-capita public spending on health in the country has increased substantially from Nu.1400 in 2000-01 to Nu.2569 in 2006-07.

In the context of increased volume of funds both from national budget and external assistance, the Ministry of Health, Royal Government of Bhutan proposes to develop the National Health Accounts (NHA) for Bhutan in an attempt to understand the overall financing structure, flow of funds and allocation of funds over various functions such as curative, rehabilitative, reproductive and child health, etc., of the health system in the Country.

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1 Royal Government of Bhutan, Tenth Five Year Plan, Vol.1, p.119.



## **2. National Health Accounts Framework**

National Health Accounts is a widely accepted tool that comprehensively measures health expenditures, including those incurred by the government, private sector such as households, corporate sector, NGOs as well as donors. NHA provides a transparent and consistent approach to describe health expenditures by financing sources and by application. NHA is designed to influence a country's health policy process. In other words, NHA carefully tracks the flow of funds from one health care dimension to another, such as the distribution of funds from the Ministry of Health (MOH) to each government health provider and health service program. NHA primarily aims to shape the country's health policy and contribute to evidence-based policymaking. Certain key questions that NHA can address include:

- Who in the country is financing health services?
- How much do they spend on health?
- How are health resources distributed across different health services, interventions, and activities?
- Who benefits from these services? (e.g, are urban populations benefiting more than rural population groups?)

## **3. Scope of National Health Accounts**

The NHA framework developed in this context covers three main entities which in one way or the other finance and deliver health care services in the country; i). public health system, ii). households and iii). employers (through insurance schemes).

### **3.1. Public health system**

Public health system in Bhutan is decentralised and supported by the Ministry of Finance through annual budgets. Ministry

of Health which is the line Ministry provides administrative, planning and policy support to the country's health system. Also administers the functioning and service delivery of nationally important programs and facilities such as national and regional referral hospitals, public health programs, etc. District health systems are supported through a line budget under decentralised system to facilitate the service delivery through district hospitals, basic health units and out reach camps.

In addition to the Country's own financing, health system also is supported by agencies such as World Bank, WHO, Indian Government, DANIDA, and others. External financial assistance earmarked for health sector is routed through the annual budget and is reflected through the line items of the budget. It is to be noted that entire health system of the country is administered by the Ministry of Health its district counterparts. Other ministries do not implement any health program in the country. Medical reimbursements or referral for treatment in other countries are also through the Ministry of Health.

### **3.2. Households**

The surveys conducted by the National Statistical Bureau (NSB) reveal that even though the health services are provided free of cost, household do end up paying for incidental expenses as well as for purchase of medicines and related supplies in the country. The expenditures thus incurred by the households are possible only through representative surveys as no alternate system of data on this is available. Three national level household surveys available in the country;

- a. Bhutan Population and Housing Census (BPHC): 2005
- b. Bhutan Living Standards Survey (BLSS): 2007, and
- c. Bhutan Multiple Indicator Survey (BMIS): 2010.

Of these, only the BLSS 2007 collected information on health expenditures incurred by the households.

### **3.3. Insurance by employers**

Insurance schemes for health are in nascent stage in the country. However, few organised manufacturing and service sector industries offer financing/ reimbursement mechanisms (both contributory as well as non-contributory) for their employees. These have also been covered in the present study to the extent data were available.

User charges are levied in the public system for facilities such as private cabins (rooms) in the hospital for in-patients, x-rays, dental services, etc. Collection out of these services does not constitute much revenue for the Government. The funds collected through the user charges are pooled into to the general revenues of the Government. Since these are not earmarked or transferred back to the health sector, user charges are not considered as part of NHA in the current framework.

Similarly, employees in the organised sector contribute 1% of their salaries (deducted at source) towards health which gets into the general revenue of the government. As in the case of user charges, these funds are also not earmarked and hence not under ambit of current NHA framework.

The time period covered for the current NHA is 2009-10 fiscal year. This is the year for which government expenditure on health are available on actual basis. Detailed data by activity and by objects were collected from the Department of Public Accounts for this purpose. Relevant data on health expenditures from other agencies were collected from respective sources. Expenditures incurred by the households

on health were estimated from the BLSS 2007 survey data. Details on methodology used to arrive at the expenditure figures for 2009-10 are given in methodology section.

## **4. Data Sources and Methodology**

### **4.1. Government Expenditure on Health**

Health care expenditure in Bhutan is largely financed by the Ministry of Health, Royal Government of Bhutan. The health care delivery is organised under a four tier system, consisting of National and Regional Referral Hospitals, District Hospitals, Basic Health Units (BHUs) and Out Reach Camps (ORCs). This entire public system is financed through the general budget of the Government. Under the decentralised system of health care service delivery, the Ministry of Health and District Governments are financed through separate budgets by the Ministry of Finance.

Detailed records of public spending on health are maintained by the Department of Public Accounts of Government of Royal Bhutan. The spending on health by object heads as well as activity heads are maintained separately. The latest available information is for the financial year July 2009 to June 2010. The data on these have been obtained and classified for NHA purposes. In the construction of NHA matrices, activity budget has been relied upon while budget by objects was used to understand and classify the items of expenditures.

Unlike other country systems, in Bhutan the whole of health financing is through the Ministry of Health. The cases such as referrals to other countries for treatment are also financed through the Ministry of Health over a budget allocation to the referral hospitals. Therefore, spending on health by other ministries is unlikely in this system. One likely exception to

this is the spending on Army hospitals in the country. Given the nature of its sensitivity, the details on health spending by these hospitals were not made available for inclusion in the present NHA estimates.

Sources of financing health in the country, i.e., Royal Government of Bhutan and external sources, have been presented in a well defined manner in the budget documents. Estimating the resources spent on health care providers and functions is as hard as in many other countries. Essentially the budget documents are meant for financial allocation, management and audit. Therefore, a number of assumptions are required to be used to develop NHA matrices comparable to other countries. Key assumptions and derivations of expenditures are discussed in the sections below.

#### **4.1.1. Expenditure on Hospitals**

Major burden of treatment in the country lies on national and regional referral hospitals as well as to some extent on district hospitals under public system as there are no private hospitals or health care providers. At these levels of health facilities resources are spent primarily on treating in-patients and out-patients. As in many other settings, the budget allocation is not earmarked separately for in-patient and out-patient treatments. Therefore, estimations of the money spent on these services were necessitated.

The study depended on in-patient and out-patient case loads in national, regional and district hospitals. As the unit costs of these services are not available, cost factors/ weights were derived with an assumption that treatment as an in-patient would cost 20 times higher than treatment as an out-patient. This was based on discussion with officials of selected health

facilities. Also, the assumption of 20 times is comparable with similar settings elsewhere in the world.

Similarly, there are services which are appropriated across various levels of service providers such as drugs and medicines, blood bank services, laboratory, etc. Expenditures on such items have been clubbed and distributed according to the case load at each level of provider namely, national referral hospital, regional referral hospitals, district hospitals and BHUs I and II.

Government expenditure on the remaining items of services as reported in the budget were allocated to health care function and provider categories as per the definition of the budget line item.

#### **4.2. Data on household out-of-pocket expenditures on health**

As discussed in an earlier section, Bhutan Living Standards Survey 2007 collected some information on health expenditures by households. This survey covered the illness reported during the past 4 weeks of the survey and expenditures incurred by the households in treating them. However, numbers of hospitalised episodes, expenditures incurred by households on child birth, immunization, etc., have not been explicitly collected. At the outset, BLSS was intended as a survey on health care utilisation and expenditure. Also because of the fact that basic health services are provided free of cost from all the public health facilities to everyone, need for collection of such detailed data might not have been felt.

In spite of the limitations, it is proposed to use the data available from BLSS-2007 for developing NHA because this

is the only source of data that can help understanding/estimating, however limited, out-of-pocket expenditure in the country. The survey covered all the twenty districts of the country covering 9,798 households from both rural and urban areas during March - May 2007. The survey adopted a stratified two stage sampling method for data collection.

Data on any reported sickness and injury during the past four weeks of the survey and their corresponding expenditures have been elicited and recorded during the survey. The data thus collected have been used for estimating the total household expenditure on health in the country. Total expenditures were estimated by applying the sample weights of the households provided in the sampling framework.

The total health expenditures estimated as above from the survey data represent only the expenditures incurred during a four weeks period. This was adjusted by a factor of 52/4 to arrive at annual health expenditures incurred during 2007. These estimates were further adjusted using the consumer price index (CPI) of health of 2008, 2009 and 2010 to reflect inflation in the country and to arrive at health expenditure for the year 2010<sup>2</sup>.

Further, sample design for the survey (BLSS 2007) was based on a population size of 629,700, while the population estimated by the Census Bureau for the year was 643,000<sup>3</sup>. Population of country has increased from 629,700 in 2007 to 695,800 in 2010. Therefore, health expenditure estimates based on the survey had to be corrected for the population increase as

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2 Statistical year book, 2010, NSB

3 Projection based on Bhutan Population and Households Census 2005, Statistical Year Book 2010, p.122.

well, in addition to inflation, to reflect the actual expenditure in the country in the year 2010. The household expenditures presented in the present report hence represent changes in both inflation and population over the years since the survey.

#### 4.2.1. Limitations of the BLSS data

BLSS 2007 is fairly a representative data of the country. However, the coverage of the survey on health related issues does not facilitate the estimation of household health expenditure completely, primarily on account of the following reasons.

- a. The reference period used to collect data on sickness and injury of households was four weeks. This reference would not have captured the long term illnesses adequately. Household surveys, under standard guidelines, use one year reference period to capture utilisation and expenditures of in-patient and long term health care services.
- b. BLSS 2007 did not distinguish between in-patient care and out-patient care while collecting data. As a result, estimation of expenditures on in-patient and out-patient services had to be done based on an estimated cost weight and in-patient and out-patient case loads at various health facilities.
- c. The survey also does not distinguish between travel expenses incurred for treatment in-country and treatment abroad by households.



### **4.3. Other sources of Financing**

In addition to the above, Ministry of Health identified nine entities, including Royal Monetary Authority, Bhutan National Bank and others which reimburse health expenditures incurred by their employees. A survey was conducted by the Ministry of Health during Feb-March 2011 to assess the expenditures incurred by these entities for the purpose of development of NHA.

Bhutan Health Trust Fund is another entity created by the Government as an autonomous organisation that can help in financing essential drugs and vaccines which are not provided through the regular budgetary support under essential medicines through the public health systems. The Trust receives funds from the Ministry of Health Budget and also generates its own resources through donations and interest earnings. The Trust spends its resources for earmarked health and health related activities. During the year under reference, the Trust co-financed procurement of vaccines which has been duly accounted in the NHA framework.

## **5. Health care Expenditures in Bhutan**

### **5.1. Government Spending on Health**

Public financing which is the primary source of health financing comprises the resources from the Royal Government allocated to ministry of health and districts as well as the external assistance received by the Government. These sources of public financing amounted to Nu.1,981 million during the year 2009-10. Of these, the spending by the Ministry of Health accounted for 51 percent and spending by districts accounted for 31 percent. The pre-capita government spending on health is estimated to be Nu.2,847 for the year 2009-10.

**Table – 1 Public Spending on Health: 2009-10**

Source	Nu.Million	% Share	Per-Capita (Nu.)
RGOB-MOH	1,006.01	50.79	1,446
RGOB-Districts	623.79	31.49	896
External Assistance	351.04	17.72	504
<b>Total</b>	<b>1,980.83</b>	<b>100.00</b>	<b>2,847</b>

Source: Expenditure Summary 2009-10, Department of Public Accounts, Ministry of Finance, Royal Government of Bhutan.

## 5.2. Household Spending on Health

Even though health services are freely provided through the public system in the country, households do spend a substantial volume of resources in accessing these services. The survey on BLSS-2007 collected details of spending on items such as consultation, medicines, transportation and others. Of these categories of expenditures, households spend primarily on transportation, more than 45 percent to access health services and on purchase of medicines, about 33 percent of household spending on health. Given the geographical terrain of the country, such major costs on transportation by households is unavoidable in the present circumstances. Part of this high cost on transportation is attributable to the fact that people travel to neighbouring countries for specialised medical treatments. High cost of transportation both in-country as well as outside country also results in self medication through purchase of medicines at pharmacies across the country, however limited in number, by the households. Thus the total spending on health by households as estimated through the BLSS survey is Nu.430 million which is about 21 percent of government spending on health in the country during 2009-10.

It should be noted here that the expenditures incurred by the households on transportation for availing treatments have been excluded from the NHA framework to be consistent with the definitions of ICHA. Hence, the household expenditures in the NHA matrices do not include transportation expenditures by households.

**Table – 2 Household Out-of-Pocket Expenditure on Health**

Items of Expenditure	Total (Nu.Million)		Per-Capita (Nu.)	
	2006-07	2009-10	2006-07	2009-10
Consultation Fees	37.87	44.76	57.48	64.33
Exp.on Medicines	121.55	143.66	184.48	206.46
Other Expenditures	45.07	53.26	68.40	76.54
Exp. On Transport	159.87	188.95	242.64	271.55
<b>Health Expenditure by Households</b>	<b>364.37</b>	<b>430.63</b>	<b>553.00</b>	<b>618.88</b>

Source: Estimates based on household data from Bhutan Living Standards Survey 2007.

Note: Estimates presented above are adjusted for population and inflation from the base year, i.e. 2007, year of household survey. These figures are in nominal terms for respective years.

### 5.3. Spending on Health by Other Agencies

In addition to government and households, expenditures on health are incurred by way of user charges, funds from Bhutan Health Trust which includes donations, payment for private insurance by employees, and reimbursement by employers. All these sources together contribute to an extent of Nu.25 million in the country as seen in Table 3.

**Table – 3 Expenditure on Health by Other Entities: 2009-10  
(Nu. Million)**

Entities	Nu. Million	% Share
User Charges	18.079	71.28
Health Trust Fund	0.251	0.99
Private Insurance	5.518	21.75
Employer Reimbursement (net)	1.52	5.98
<b>Total</b>	<b>25.36</b>	<b>100.00</b>

Notes: Based on data collected from respective agencies. For details, please refer the section on data and methodology section of this report.

1. User charges presented above is estimated based on collections reported by districts. This is not included for the purpose of present NHA.
2. Private insurance refers to contributions made by public sector employees for insurance.
3. Employer reimbursement presented above is net of collections (contributions by employees).

## 6. NHA Matrices

The estimated total expenditures on health as a percentage of GDP works out to be 3.68% in 2009-10. Of this, public expenditure on health alone constitutes 3.23 percent. Of the total health expenditure in the country, nearly 88 percent is financed by public sector while the remaining 12 percent is accounted by other sources. The level of spending by the Government on health exhibits a declining trend as evidenced through the budgets since 2005-06. The share of health in total government spending was 7.60 percent in 2005-06 and it declined to 6.27 percent in 2009-10.

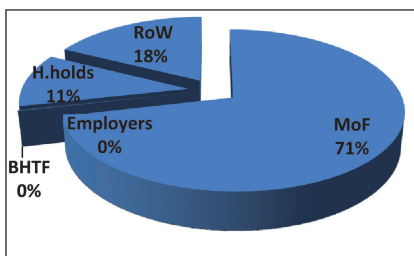
Using the data available from the above sources, the three key matrices of NHA have been constructed for the year 2009-10 and presented in the subsequent section. One of

the key questions that NHA answers is “where money comes from for health?”. As can be seen from Chart 1-A, the Royal Government spends more than 70 percent of total health care expenditure in the country while the external assistance accounts for 18 percent and households spending accounts for 11 percent. Other sources of spending are insignificant in the total volume during 2009-10.

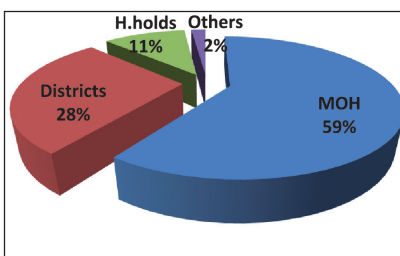
Another way of analysing the resources spent on health is, who really spends the money or which are the agents through whom these resources are spent?. Distribution of the total resources on health by agents reveal that Ministry of Health as an agent spends about 60 percent of resources and about 28 percent of resources are spent through district level agents (Chart 1-B). Remaining resources are spent through household and other agents such as NGO.

**Chart-1 Where money comes from for Health Care in Bhutan: 2009-10?.**

**Chart-1-A Financing Sources**



**Chart-1-B Financing Agents**



Source: NHA Matrix 1 of this report.

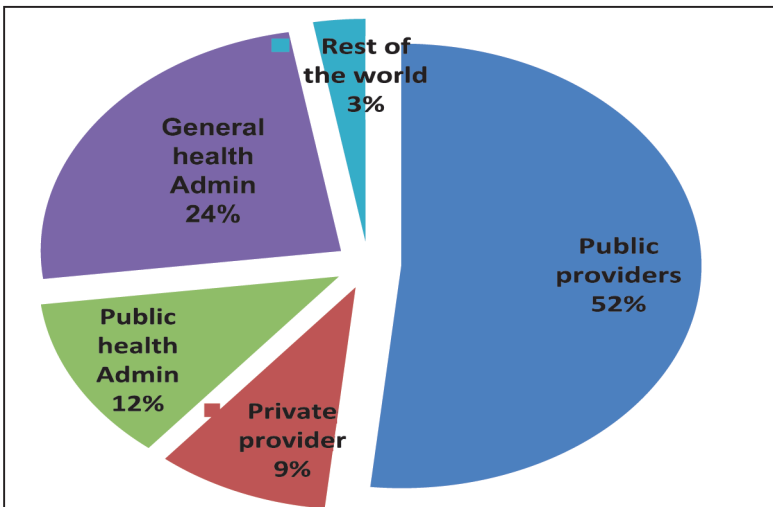
The second key question that NHA address is “Where the money goes to?”. The present estimates reveal that nearly 52 percent of the country’s health resources are spent on public providers while 24 percent is spent on general health

administration during 2009-10. The remaining resources are spent on administration of public health programs, private providers and on services obtained outside the country (Chart-2).

Chart-3 further reveals that the amount of resources spent on out-patient, in-patient and day care services account for nearly 45 percent of the country's spending on health while capital formation accounts for 20 percent of the total spending.

**Chart-2 Where money goes to?.**

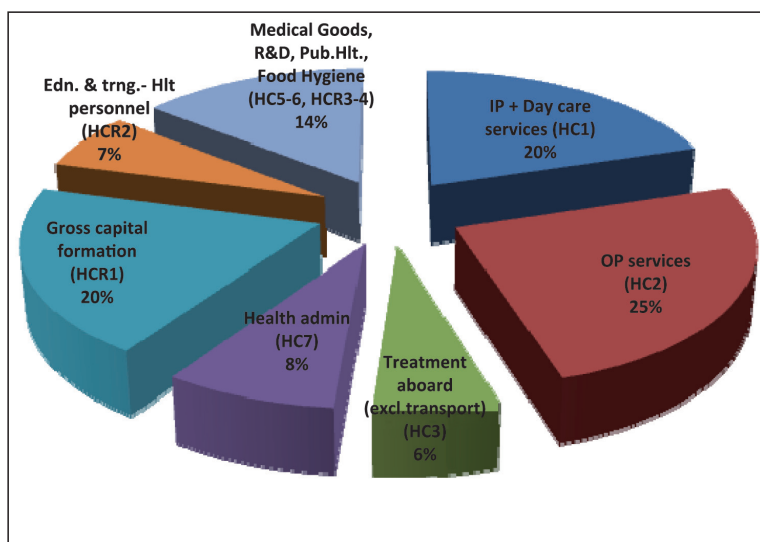
**Expenditure by Providers in Bhutan: 2009-10**



Source: NHA Matrix 3 of this report.

### Chart-3 Where money goes to?.

#### Expenditure by Health Care Functions in Bhutan: 2009-10



Source: NHA Matrix 2 of this report.

## 7. Implications of the NHA Estimates

NHA facilitates to understand the volume of resources in the health sector of a country. This becomes essential particularly in settings where there are multiple sources of financing as well as service providers. These estimates along with other relevant information such as morbidity pattern, disease burden, etc., will help in deriving useful policy suggestions.

The reliability of NHA estimates largely depends on the data sources used to develop the estimates. In the present context, while the public spending is well documented, the spending by households has not been adequately captured. Therefore, well designed surveys would add value to estimate health expenditures in the future.

### NHA Matrix-1 Health Care Financing by Sources and Agents (Nu.Million)

Health Financing Agents	Ultimate sources of fund					Total
	FS1.1		FS2.1	FS2.2	FS3	
	MOF		Employers	Households	ROW	
HF1 MOH	988.469	0.669			351.036	<b>1,340.174</b>
HF2 Other ministries	18.893	0.251				<b>19.144</b>
HF3 District government	580.444				43.347	<b>623.791</b>
HF4 Employers			1.516			<b>1.516</b>
HF5 Private insurance				5.518		<b>5.518</b>
HF6 Households				241.680		<b>241.680</b>
HF7 NGOs	16.868					<b>16.868</b>
HF8 Rest of the world						<b>0.000</b>
<b>Total</b>	<b>1,604.674</b>	<b>0.920</b>	<b>1.516</b>	<b>247.198</b>	<b>394.383</b>	<b>2,248.690</b>



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NHA Matrix-2 Health Care Financing by Agents by Functions (Nu.Million)

Healthcare functions	Healthcare financing agents								Total
	HF1 MOH	HF2 Other ministries	HF3 District government	HF4 Employers	HF5 Private insurance	HF6 Households	HF7 NGOs	HF8 ROW	
HC1 In-patient + day care services	182.755	-	212.915	1.516	5.518	51.384	-	-	454.086
HC2 Out-patient services	331.831	-	44.563	-	-	187.832	-	-	564.225
HC3 Treatment aboard (medical care cost, excluding transportation)	114.997	18.893	-	-	-	-	-	-	133.889
HC4 Ancillary services to health care	-	-	-	-	-	-	-	-	-
HC5 Medical goods dispensed to out-patients	-	-	-	-	-	2.465	-	-	2.465
HC6 Prevention and public health services	83.592	0.251	191.103	-	-	-	-	-	274.945
HC7 Health administration	161.835	-	15.704	-	-	-	6.376	-	183.915
<i>Total current health expenditure (HC1-7 and treatment aboard)</i>	<i>875.009</i>	<i>19.144</i>	<i>464.284</i>	<i>1.516</i>	<i>5.518</i>	<i>241.680</i>	<i>6.376</i>	<i>-</i>	<i>1,613.526</i>
HCR1 Gross capital formation	277.989	-	155.901	-	-	-	10.492	-	444.382
HCR2 Education & training of health personnel	144.190	-	3.606	-	-	-	-	-	147.795
HCR3 Research & development in health	40.409	-	-	-	-	-	-	-	40.409
HCR4 Food, hygiene & drinking water control	2.577	-	-	-	-	-	-	-	2.577
HCR5 Environmental health	-	-	-	-	-	-	-	-	-
HCR6 Administration and provision of social services in kind to assist living with disease and impairment	-	-	-	-	-	-	-	-	-
HCR7 Administration and provision of health-related cash-benefits	-	-	-	-	-	-	-	-	-
<i>Total capital health expenditure (HCR1-7)</i>	<i>465.165</i>	<i>-</i>	<i>159.507</i>	<i>-</i>	<i>-</i>	<i>-</i>	<i>10.492</i>	<i>-</i>	<i>635.164</i>
<b>Total Health Expenditure, THE (HC1-7 and HCR 1-7)</b>	<b>1,340.174</b>	<b>19.144</b>	<b>623.791</b>	<b>1.516</b>	<b>5.518</b>	<b>241.680</b>	<b>16.868</b>	<b>-</b>	<b>2,248.690</b>

NATIONAL HEALTH ACCOUNTS: 2009-10

NHA Matrix-3 Health Care Financing by Agents by Providers (Nu. Million)

Healthcare Providers	Healthcare financing agents								Total
	HF1 MOH	HF2 Other ministries	HF3 District government	HF4 Employers	HF5 Private insurance	HF6 Households	HF7 NGOs	HF8 ROW	
<b>HP1 Public healthcare providers</b>	<b>641,520</b>	-	<b>348,464</b>	-	-	<b>154,427</b>	<b>16,868</b>	-	<b>1,161,279</b>
1.1 JDW/NH (also evening clinics)	285,610	-	-	-	-	-	-	-	285,610
1.2 Regional referral hospitals	145,430	-	-	-	-	-	-	-	145,430
1.3 District hospitals (27 DH)	170,144	-	210,696	-	-	154,427	-	-	535,267
1.4 BHU grade 1 (10 BHUs-MD)	3,609	-	124,859	-	-	-	-	-	128,468
1.5 BHU grade 2 (176 BHUs), including extended PHC	36,727	-	12,909	-	-	-	-	-	49,636
1.6 Traditional medicine hospitals	-	-	-	-	-	-	16,868	-	16,868
<b>HP2 Private healthcare provider</b>	<b>114,997</b>	-	-	<b>1,516</b>	<b>5,518</b>	<b>87,253</b>	-	-	<b>209,283</b>
2.1 Private hospital (future possibility)	-	-	-	-	-	-	-	-	-
2.2 Private hospital outside country (medical care/ treatment cost only)	114,997	-	-	1,516	5,518	-	-	-	122,030
2.3 Private clinics	-	-	-	-	-	3,933	-	-	3,933
2.4 Private pharmacies	-	-	-	-	-	2,465	-	-	2,465
2.5 Private diagnostic centers	-	-	-	-	-	-	-	-	-
2.6 Private traditional medicines	-	-	-	-	-	80,855	-	-	80,855
<b>HP3 Provision and administration of public health programmes</b>	<b>241,588</b>	<b>0,251</b>	<b>29,063</b>	-	-	-	-	-	<b>270,902</b>
<b>HP4 General health administration</b>	<b>342,070</b>	-	<b>202,318</b>	-	-	-	-	-	<b>544,388</b>
<b>HP5 Rest of the world</b>	-	<b>18,893</b>	-	<b>43,946</b>	-	-	-	-	<b>62,839</b>
India military hospital	-	-	-	-	-	-	-	-	-
Others e.g. NGO	-	-	-	-	-	-	-	-	-
<b>Total Health Expenditure, THE</b>	<b>1,340,174</b>	<b>19,144</b>	<b>623,791</b>	<b>1,516</b>	<b>5,518</b>	<b>241,680</b>	<b>16,868</b>	-	<b>2,248,690</b>

**Annex-1 Health Expenditures by Type of Services: 2009-10**

Type of Service	MOH	Districts	House-holds	Total
Curative	46.98	41.28	100.00	<b>51.35</b>
Preventive	9.44	30.64	-	<b>14.14</b>
Health Admin	12.08	2.52	-	<b>8.18</b>
Education & Training	10.76	0.58	-	<b>6.57</b>
Capital formation	20.74	24.99	-	<b>19.76</b>
All Services	100.00	100.00	100.00	100.00

**Annex – 2 User Charges Collected by Health Facilities: 2009-10**

Services	Nu. (Million)	% Share
OPD (incl.Non-residents), IPD Charges, MCH Services	0.866	4.79
Cabin Charges	3.082	17.05
Registration, Medicines, X-Ray, Lab charges	1.310	7.25
Dental Charges	1.634	9.04
Medical Certificate (incl.Labourers), Report Examination Fees	1.783	9.86
Other Health Receipts	9.404	52.02
<b>Total User Charges</b>	<b>18.079</b>	<b>100.00</b>

Source: Derived from data on district-wise collection of user charges as provided by the Department of Public Accounts, Ministry of Finance, Royal Government of Bhutan.

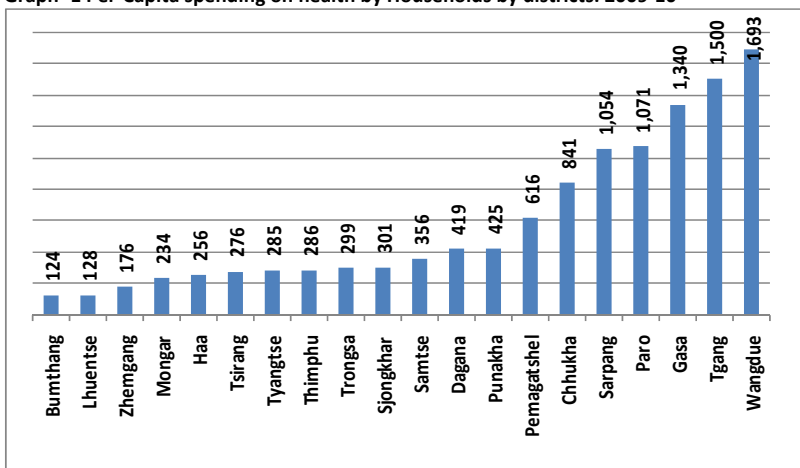
**Annex – 3 Household Expenditure on Health by Type of Providers: 2009-10 (Nu.Million)**

Provider Category	Consultation Fees	Exp.on Medicines	Other Expenditures	Exp. On Transport	Total Health Expenditure
1 Private Doctor/ Nurse	0.728	1.925	0.353	2.745	5.751
2 Hospital/ BHU	15.558	97.931	40.938	144.835	299.262
3 Pharmacist	0.104	2.357	0.004	1.648	4.113
4 Dentist	0.051	0.581	0.294	0.605	1.531
5 Indigenous Centres	-	0.056	-	0.519	0.575
6 Traditional Practitioners (religious)	0.287	1.550	1.321	3.071	6.229
7 Others	0.211	9.750	0.523	2.189	12.673
8 Unspecified	27.822	29.508	9.828	33.337	100.495
<b>Total</b>	<b>44.761</b>	<b>143.658</b>	<b>53.261</b>	<b>188.949</b>	<b>430.630</b>

Source: Estimates based on household data from Bhutan Living Standards Survey 2007.

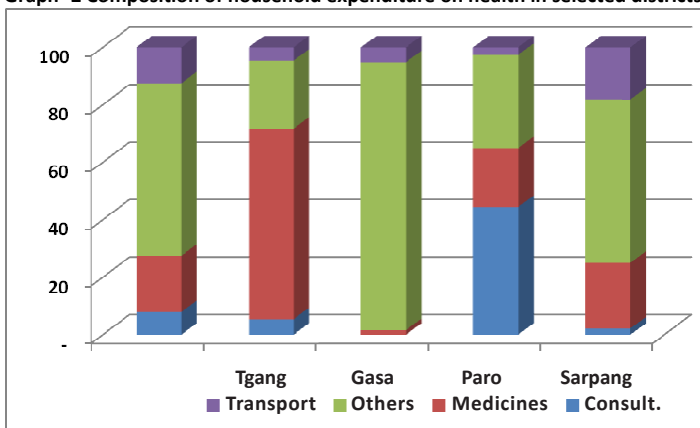
**NATIONAL HEALTH ACCOUNTS: 2009-10**

**Graph -1 Per-Capita spending on health by Households by districts: 2009-10**



Source: Compiled from district-wise Expenditure Summary 2009-10, Department of Public Accounts, Ministry of Finance, Royal Government of Bhutan.

**Graph -2 Composition of household expenditure on health in selected districts**



Notes:

1. Household expenditure on health as reported in BLS5 2007.
2. The five districts presented here account for nearly 55 percent of the total health expenditure incurred by households in the country. Per-capita expenditure on health by households is also high in these districts.