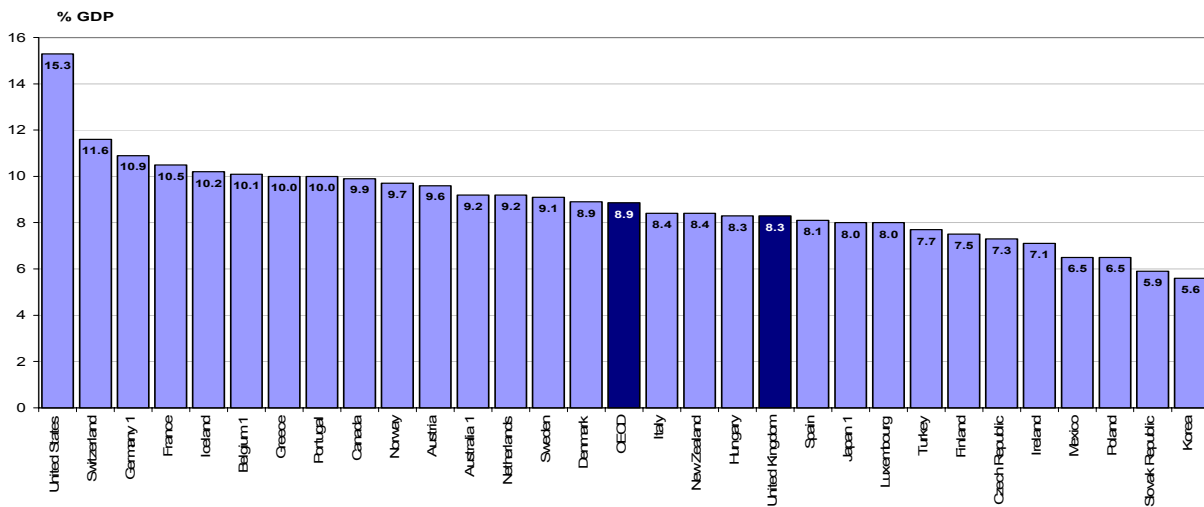


OECD Health Data 2006

How Does the United Kingdom Compare

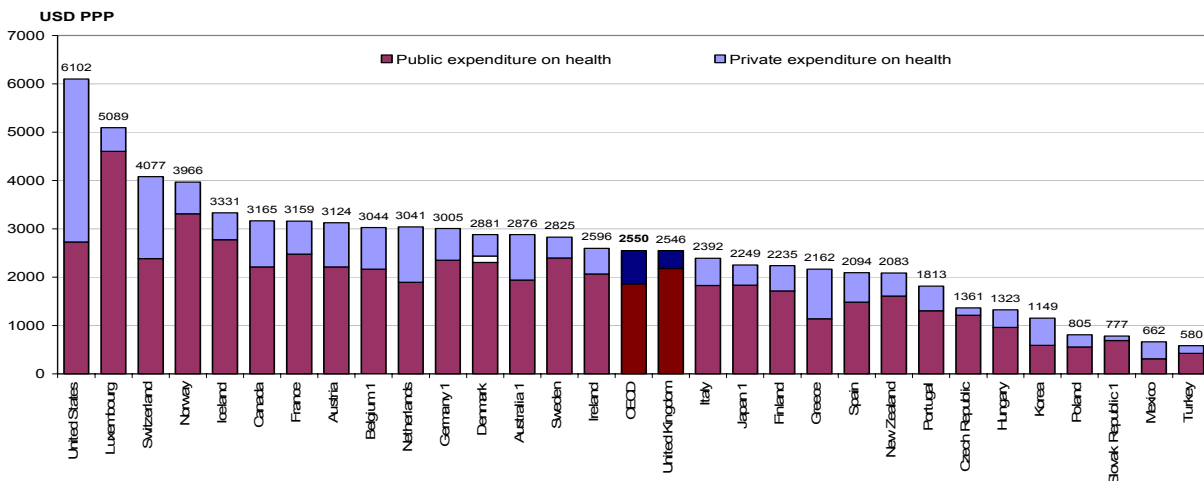
Total health spending accounted for 8.3% of GDP in the **United Kingdom** in 2004¹, compared with an average of 8.9% across all OECD countries. The United States is, by far, the country that spends the most on health as a share of its economy, with 15.3% of its GDP allocated to health in 2004. Switzerland and Germany followed with 11.6% and 10.9% of their GDP spent on health, respectively. Several EU countries - France, Belgium, Greece and Portugal – also devote 10% or more of GDP to health. In terms of per capita spending on health, the **United Kingdom** closely matches the OECD average, with spending of 2545 USD in 2004 (adjusted for purchasing power parity), compared with an OECD average of 2550 USD. However, this is dwarfed in comparison with the United States (which spent 6102 USD per capita in 2004), and significantly lower than some other big spenders, such as Luxembourg, Switzerland and Norway (with spending from 4000 to 5000 USD).

Health expenditure as a share of GDP, OECD countries, 2004



1. 2003. Source: OECD Health Data 2006, June 2006.

Health expenditure per capita, public and private expenditure, OECD countries, 2004



1. 2003. Source: OECD Health Data 2006, June 2006.

Data are expressed in US dollars adjusted for purchasing power parities (PPPs), which provide a means of comparing spending between countries on a common base. PPPs are the rates of currency conversion that equalise the cost of a given 'basket' of goods and services in different countries.

¹ Note that estimates of UK total health expenditure for 2003 and 2004 are based on UK National Accounts and therefore do not conform to the boundaries of health expenditure as defined by the System of Health Accounts. A comparison of National Accounts based estimates with SHA-based estimates between 1998 and 2002 typically show the National Accounts estimates lower by between 0.2 and 0.5% of GDP.

However, between 1999 and 2004, health spending per capita in the **United Kingdom** increased in real terms by 5.8% per year on average, above the OECD average growth rate of 5.2% per year, and ahead of most other EU countries. Following a period of relatively stagnant growth in the mid 1990s, when health expenditure lagged behind economic growth, health spending in the **United Kingdom** has risen steadily since then, reflecting, in particular, increases in public finances allocated to the National Health Service.

The public sector continues to be the main source of health funding in all OECD countries, except the United States and Mexico. In the **United Kingdom**, 86% of health spending was funded by public sources in 2004, above the average of 73% for OECD countries. The share of public spending in the **United Kingdom** has increased from around 80% in 1998, reflecting the UK government's commitment to increase public spending on health. In 2004, the share of public spending among OECD countries was the lowest in the United States (45%) and Mexico (46%), and relatively high in several Nordic countries (Denmark, Norway and Sweden), and Japan.

Resources in the health sector (human, physical, technological)

Following a perceived shortage of health professionals in the United Kingdom, there has also, over recent years, been a determined and active campaign to increase numbers. Latest figures show that in 2004, the United Kingdom had 2.3 practising physicians per 1 000 population, up from 1.9 doctors per 1 000 population in 1998, but still below the OECD average of 3.0, and well behind some other European countries such as France, Germany, Spain and Portugal, who all record 3.4 physicians per 1 000 population.

Similarly, there has been a notable increase in the number of nurses in recent years, after a period of relative stability. In 2004, there were 9.2 nurses per 1 000 population in the **United Kingdom**, compared with 8.0 in 1998. The OECD average was 8.3 nurses per 1 000 population in 2004.

The number of acute care hospital beds in the **United Kingdom** was 3.6 per 1 000 population in 2004, a little below the OECD average of 4.1 beds per 1 000 population. In line with many OECD countries, the number of hospital beds per capita in the **United Kingdom** has fallen gradually over the last ten years. This decline has coincided with a reduction of average length of stays in hospitals and an increase in the number of surgical procedures performed on a same-day (or ambulatory) basis.

During the past decade, there has been rapid growth in the availability of diagnostic technologies such as computed tomography (CT) scanners and magnetic resonance imaging (MRI) units in most OECD countries. Although the **United Kingdom** has also seen some increase in such technologies, the number of MRIs in 2004 was 5 per million population, some way below the latest OECD average of 8.0. Furthermore, the number of CT scanners in the United Kingdom stood at 7.0 per million population in 2004, less than half the OECD average of 18.0.

Health status and risk factors

Most OECD countries have enjoyed large gains in life expectancy over the past 40 years, thanks to improvements in living conditions, public health interventions and progress in medical care. In 2003, life expectancy at birth in the **United Kingdom** was 78.5 years, just above the latest OECD average. However, its major European partners – France, Germany, Italy and Spain – all registered a higher life expectancy than the **United Kingdom**.

The infant mortality rate in the **United Kingdom**, as in other OECD countries, has fallen significantly over the past decades. It stood at 5.1 deaths per 1 000 live births in 2004 - although lower than the OECD average of 5.7, this is still higher than most European countries. The lowest infant mortality rates are reported in Japan and in Nordic countries (Iceland, Sweden, Finland and Norway).

The proportion of daily smokers among adults has shown a marked decline over the past two decades in most OECD countries. The **United Kingdom** has achieved some progress in reducing tobacco consumption, with current rates of daily smokers among adults standing at 25% in 2004, in line with the OECD average. Much of this decline occurred during the 1970s and 1980s with a leveling off in the fall in more recent years. Currently, the lowest rates among all OECD countries are in Australia, Canada, Sweden and the United States, all with fewer than 18% of adults reporting to be daily smokers.

At the same time, obesity rates have increased in recent decades in all OECD countries, although there remain notable differences across countries. In the **United Kingdom**, the obesity rate among adults, at 23% in 2004, ranks as one of the highest in the OECD, although it remains lower than in the United States (30.6% in 2002) and similar to Australia, Canada and New Zealand². The rate of obesity has more than doubled over the past twenty years in the United States, while it has almost tripled in Australia and more than tripled in the **United Kingdom**. There is a time lag of several years between the onset of obesity and related health problems (such as diabetes and asthma), suggesting that the rise in obesity that has occurred in most OECD countries, including the **United Kingdom**, will mean higher health care costs in the future.

More information on *OECD Health Data 2006* is available at www.oecd.org/health/healthdata.

For more information on OECD's work on the United Kingdom, please visit www.oecd.org/uk.



² It should be noted however that the data for the United States, the United Kingdom, New Zealand, Australia and Canada are more accurate than those from other countries since they are based on *actual measures* of people's height and weight, while estimates for other countries are based on *self-reported* data, which generally under-estimate the real prevalence of obesity.