

Revision of the

System of Health Accounts

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Comment
Unit 5

French comments on the draft versions of unit 5 of the SHA manual

Author Michel Duée
Affiliation DREES-BCPE
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**Ministère du travail, des relations sociales, de la famille et de la solidarité
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économiques et évaluation'**

Bureau 'comptes et prévisions d'ensemble'

Dossier suivi par : Michel Duée

Tel : +33 (0) 1 40 56 81 41

Fax: +33 (0) 1 40 56 88 00

Mél : <mailto:michel.duee@sante.gouv.fr>

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Unit 5: Types of Health Accounts

Until now, SHA 1 was a tool to evaluate the health consumption and the financing of health expenditure. The idea of that paper is to expand a new field in SHA 2: the production side of health. The same idea was already presented in the past, for instance at the 2007 OECD meeting of health accounts experts. The French point of view is that SHA is not the right tool for analysing health production, and the discussions at the 2008 OECD meeting showed that several OECD members shared our opinion. The answer of countries to the Joint health accounts questionnaire (JHAQ) show that the production side is not a priority for them: in 2008 JHAQ, only about 1 country out of 5 filled the RC table (which can be considered as a first step towards an analysis of production, as indicated at point 16.ii of the paper).

So we consider that the production side should not be a priority in SHA 2 and, as said at point 9, it should not become an integral part of the data compilation.

We also want to point out several things that, from our point of view, should be corrected.

- Point 5: "Produce information on the importance of the health sector within the national economy and the contribution of health care to economic development". To estimate the contribution of health care to economic development, one need not only to measure the value added generated in the health sector, but one has also to measure the impact of health care financing. In most developed countries, public funds finance a large part of health consumption; so if health consumption grows, it means not only more value added in the health sector, but also more taxes, which have a negative impact on the rest of the economy.

- Point 5: "Provide adequate input for the analysis of the financial sustainability of the health systems". To study the sustainability of the health systems, it seems more logical to develop the financing side in SHA 2.

- Point 6: "the provision of information on the productivity of the health system as costs currently not reported in SHA 1.0 would be estimated". As we already mentioned in the paper we send to IHAT in March:

"The use of aggregate data from SHA for the measurement of productivity and input efficiency does not seem the best approach: productivity is a complicated issue, which is linked to other complicated issues like quality, and it should rather be measured on a microeconomic level.

Furthermore, it is also a heavily debated issue at the national level in France, especially for comparisons between public and private hospital sectors: so it would be difficult for us to accept the construction of a macroeconomic productivity indicator that would be completely different from our national microeconomic studies on the same subject."

USA, for instance, seem to share the same point of view. In their comments on the framework for the consultation process related to the revision of SHA, they said:

"Other examples of applied micro-economic analysis are production functions for providers and estimates of patient outcomes. These types of issues cannot be reasonably investigated using aggregate data of the kind found in national health accounts."

- Point 23:

We consider change in inventories can be neglected in SHA.

As already said in our comments on unit 2, all intermediate activities of production should be excluded from the core boundaries of SHA 2. So the present convention in SHA (i.e. health goods producers are not included as providers in SHA) should be kept.

- Point 25, iii: "For both sets of countries the compilation of the full set of economic accounts proposed in this paper would be relatively straightforward."

France belongs to the countries where the compilation of SHA is based on national accounts. But for us the compilation of the proposed tables is not straightforward at all. It may be possible to use data from national accounts for public hospitals. But for the other providers, the HP classification used in SHA is not compatible with the classification used for the publication of the French national accounts; so we would have to find other data sources.