

Input Document Unit 3

Expenditure on health related functions, ICHA-HC.R

Summary

The views of the Swedish SHA network regarding Expenditure on health related functions, ICHA-HC.R are presented in this input paper.

HC.R.1: Capital formation of health care provider institutions classified under HP.4 "Retail sale and other providers of medical goods" should not be included in SHA. SHA 2.0 should also follow the example of the revision of SNA where R&D will be classified as capital formation.

HC.R.2: It is only the expenditures related to education and training of medical and paramedical licensed professionals that should be included in this group.

HC.R.3: The Frascati Manual's definition of R&D is in line with national accounts and SHA 2.0 should also refer to it. Regardless of where R&D is reported, it should consist of the part representing COFOG 07.5 and the health care component of COFOG 01.4.

HC.R.4: Detailed explanations as well as examples are lacking for this HC.R in SHA 1.0. It is not a priority to include HC.R.4 for Sweden. If it is to be a part of SHA 2.0, only activities of public control should be included.

HC.R.5: Detailed explanations as well as examples are lacking for this HC.R in SHA 1.0. It is not a priority to include HC.R.5 for Sweden. Why not refer the satellite environmental account system based on UN standards that many other countries report to?

HC.R.6: Sweden refers to input paper for unit 2 "Global boundaries of health care" previously submitted. In addition to the new HC.R.6 yet another HC.R.X might be needed for expenditures of social care related to other areas not specified elsewhere.

HC.R.7: The Swedish view is that HC.R.7 should not be included in SHA 2.0 at all and refers to ESSPROS.

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Sweden would like to address the issue "Expenditure on health related functions, ICHA-HC.R" in this input paper for unit 3 "Key concepts and definitions in health accounts". This input paper compiles the view of the Swedish SHA network.

HC.R.1 Capital formation of health care provider institutions

Capital formation of health care provider institutions that are classified under HP.4 "Retail sale and other providers of medical goods" i.e. providers mainly involved in administration and trading of medical goods should not be included in SHA. One of the major objections is that the providers in HP.4 already have included these expenditures in the prices of the medical goods.

Then there is the ongoing revision of SNA, where R&D will be classified as capital formation. The Swedish view is that SHA 2.0 should follow the example of SNA in this case. It is vital that SHA corresponds to SNA as far as possible in this respect. This will have the implication that total health care expenditures will be increased by the same amount. We suggest that HC.R.1 have separated sub-groups making it possible to distinguish R&D. *The Swedish view of what should be classified as R&D is presented below under HC.R.3.*

HC.R.2 Education and training of health personnel

Swedish view is that it is only the expenditures related to education of medical and paramedical licensed professionals that should be included in this group. Training during the medical and paramedical professional education should also be included. Below is a list of licensed professions in Sweden.

Licensed professions in Sweden

- Pharmacist (In the international arena, the term pharmacist refers to the Swedish profession “apotekare” together with the profession “receptarie”)
- Occupational therapist
- Audiologist
- Midwife
- Biomedical scientist/technologist
- Dietician
- Chiropractor
- Speech therapist
- Physicians
- Naprapath
- Optician
- Orthopaedic engineer/technologist
- Psychologist
- Psychotherapist
- Prescriptionist
- Radiographer
- Physiotherapist
- Medical physicist
- Nurse
- Dental hygienist
- Dentist

If the required information can be gathered from already existing international statistical fields, e.g. education, then this should be the first choice as source for this data. SHA 2.0 should use the already agreed upon definitions from this statistical field.

HC.R.3 Research and development in health

The Frascati Manual’s definition of R&D is in line with national accounts and the Swedish view is that SHA 2.0 should also refer to it. Though we believe that there still needs some work on specifying the health care components in basic research, i.e. classified as COFOG 01.4 “Basic research”. SHA 1.0 only specifies COFOG 07.5 “R&D Health” as source. In line with the same reasoning as for HC.R.1, Sweden prefer not to include R&D for medical goods in SHA. The expenditures for R&D as well as for capital formations are included in the price of the medical goods.

As mentioned under HC.R.1, R&D will be classified as capital formation in the ongoing revision of SNA. The Swedish view is that regardless of where R&D is reported, as HC.R.1 or as HC.R.3, it should consist of the part representing COFOG 07.5 and the health care component of COFOG 01.4, as described above.

HC.R.4 Food, hygiene and drinking water control

SHA 1.0 does not offer any detailed explanation of what is to be included under HC.R.4. If this is an area to be included in SHA 2.0, more attention needs to be given to detailed explanations as well as examples.

It is not a priority to include HC.R.4 in SHA from the Swedish perspective, but we acknowledge the importance of this HC.R in other countries. The Swedish recommendation is that it is only the activities of public control within HC.R.4 that should be included in SHA 2.0. These public control activities can be executed by both the public sector as well as the private sector, depending on organizational structure in different countries. The important aspect is that the focus of the activities should be on public health.

HC.R.5 Environmental health

SHA 1.0 does not offer any detailed explanation of what is to be included under HC.R.5. If this is an area to be included in SHA 2.0 more attention needs to be given to detailed explanations as well as examples.

It is not a priority to include HC.R.5 in SHA from the Swedish perspective. In line with the current international discussion of reduction of the administrative burden related to statistics, Sweden would like to refer to the satellite environmental account system based on UN standards that we as well as many other countries report. These environmental accounts should suffice as source for this information.

HC.R.6 Administration and provision of social services in kind to assist living with disease and impairment

Sweden would like to refer to the input paper for unit 2 "Global boundaries of health care" previously submitted. In this input paper Sweden presents a new HC.R.6 "Long-term care

excluding long-term health care". This is an area of such importance that it needs a separate HC.R.

In addition to the new HC.R.6 yet another HC.R might be needed. This HC.R.X should report the expenditures for social care related to other areas not specified elsewhere, like e.g. substance abuse and mental health disorders, those cases where the possibility exists that the persons concerned could be treated, but where the treatment has a longer time span than in health care.

Today HC.R.6 in SHA 1.0 also includes education of bed-bound children and special schooling for the handicapped (ICD-9- CM, 93.82); occupational therapy (ICD-9-CM, 93.83); vocational rehabilitation and sheltered employment (ICD-9-CM, 93.85). From the Swedish perspective none of these activities should be a part of SHA.

HC.R.7 Administration and provision of health related cash-benefits

The Swedish view is that HC.R.7 should not be included in SHA 2.0 at all. As many other European countries, Sweden already reports these data through the European System of Integrated Social Protection Statistics (ESSPROS). In line with the current international discussion of reduction of the administrative burden related to statistics, this is a typical example of where SHA should not ask for information. These expenditure data should be analysed in their own statistical field of social protection, by people knowledgeable of what these data consist of.