Country Note:
How does health spending in PORTUGAL compare?

7 July 2015

OECD Health Statistics 2015 is the most comprehensive source of comparable statistics on health and health systems across the 34 OECD countries. Covering the period 1960 to 2014, this interactive database can be used for comparative analyses on health status, risk factors to health, health care resources and utilisation, as well as health expenditure and financing. OECD Health Statistics 2015 is available in OECD.Stat, the statistics portal for all OECD databases.

- **Growth**: While average per capita health spending in OECD countries has increased slowly since 2010, spending in Portugal has severely contracted between 2010 and 2013 in real terms.

- **Share of GDP**: The share of GDP allocated to health spending (excluding capital expenditure) in Portugal was 9.0% in 2013, compared with an OECD average of 8.9%. This was down from 2012 and nearly 1 percentage point below a high of 9.9% in 2009.

- **Per capita spending**: Portugal spent the equivalent of USD 2482 per person on health in 2013, compared with an OECD average of USD 3453. Public sources accounted for 66% of overall health spending, well below the OECD average.

**Figure 1. Annual health spending growth*, 2010-2013**

<table>
<thead>
<tr>
<th>Year</th>
<th>Portugal</th>
<th>OECD</th>
</tr>
</thead>
<tbody>
<tr>
<td>2010</td>
<td>1.1%</td>
<td>0.1%</td>
</tr>
<tr>
<td>2011</td>
<td>0.5%</td>
<td>0.7%</td>
</tr>
<tr>
<td>2012</td>
<td>-5.8%</td>
<td>-3.7%</td>
</tr>
<tr>
<td>2013</td>
<td>-3.7%</td>
<td>1.0%</td>
</tr>
</tbody>
</table>

* Per capita spending in real terms.

**Source: OECD Health Statistics 2015**

Health spending in Portugal continues to contract

In 2013, per capita health spending in Portugal dropped by 3.7% in real terms - the third year in succession that health expenditure has fallen in real terms. Public health spending has been continuously reduced since 2010 while private health spending decreased in 2013 after moderate growth in previous years. As a result, per capita spending on health in Portugal remains at a level below that prior to the economic crisis.

A number of cost-containment measures have been taken in the wake of the economic crisis to reduce public spending on health. Wages for health workers have been frozen and their benefits cut as well as new recruitment postponed. Pharmaceutical spending was also targeted via price reductions for branded medicines and generics and by changes to the reference pricing system. User charges for emergency hospital departments, primary care and GP visits as well as hospital services were increased, and co-payments for a number of drugs targeting patients with mental illnesses introduced.
Health spending as a share of GDP in Portugal remains just above the OECD average

Health spending in Portugal (excluding investment expenditure in the health sector) was 9.0% of GDP in 2013 (Figure 2), slightly below the OECD average of 8.9%. This has decreased by nearly 1 percentage point since 2009, mainly due to strong negative growth in health spending in recent years.

The share of the economy allocated to health spending is similar to Spain, Italy and Greece, but well below the levels of France and Germany (10.9% and 11.0% respectively).

The share of government spending in Portugal as a share of total spending on health has decreased by about 6 percentage points over the last decade and stood at 66% in 2013. This is well below the OECD average of 73%. Among OECD countries, only the United States and Chile report public spending on health below 50%.

The share of out-of-pocket spending has increased in Portugal by around 5 percentage points in the last decade, reaching 28% in 2013. This is well above the average across OECD countries (19%) and also higher than in a number of other southern European countries such as Spain and Italy (both at 22%) but below the level of Greece (31%). It remains relatively high compared to other European countries such as France (7%) or the United Kingdom (10%).

In per capita terms (adjusted for different price levels using economy-wide purchasing power parities), Portugal spent USD 2482 per head in 2013. This compares with an OECD average of USD 3453.

Further Reading
Focus on health spending:

OECD Health Statistics 2015:
www.oecd.org/health/health-data.htm

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