

## Country Note:

# How does health spending in TURKEY compare?

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www.oecd.org/health

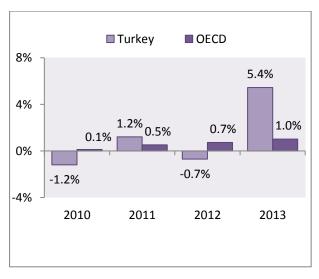
## **OECD Health Statistics 2015**



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**: Per capita health spending in Turkey increased by 5.4% in 2013 after three years of low or negative growth.
- ▶ Share of GDP: The share of GDP allocated to health spending (excluding capital expenditure) in Turkey was 5.1% in 2013, compared with an OECD average of 8.9%. This was slightly up from 2012 but remains well below the high of 5.8% in 2009 as GDP growth has outpaced health spending.
- Per capita spending: Turkey spent the equivalent of USD 941 per person on health in 2013, compared with an OECD average of USD 3453. Public sources accounted for 78% of overall health spending, above the OECD average.

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



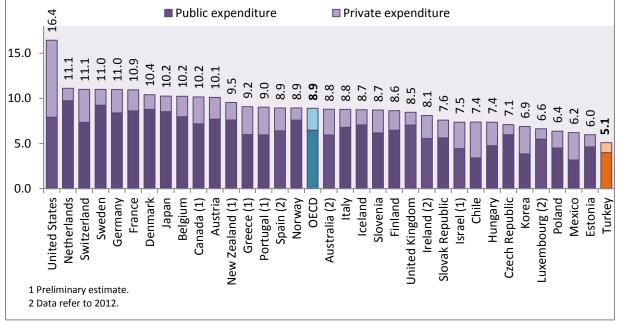
\* Per capita spending in real terms Source: OECD Health Statistics 2015

## Health spending increased strongly in 2013 after slow or negative growth

In 2013, Turkey registered its biggest increase in health spending since 2007 as per capita expenditure grew in real terms by 5.4%. This followed reductions in health spending in four out the previous five years and meant that per capita levels of spending were back above those in 2008. Public spending of health grew by 4.3% in 2013, while private out-of-pocket spending increased by 12%.

Hospitals play a dominant role in the Turkish health system accounting for 52% of all health spending - this is the highest among OECD countries and compares with an average of less than 40%. There has been rapid increase in hospital spending (35% increase in real terms between 2010 and 2013). At the beginning of 2012, the Turkish Hospital Agency was established to run hospitals in Turkey. With this new structure, access to hospitals and administrative costs increased; as a result the hospital expenditure growth rate is higher than other health expenditures and the share of hospital spending increased.

Figure 2. Health spending\* as a share of GDP, 2013 ■ Public expenditure Private expenditure



<sup>\*</sup> Excluding capital expenditure. Source: OECD Health Statistics 2015

### Health spending as a share of GDP in Turkey remains the lowest among OECD countries

Health spending in Turkey (excluding investment expenditure in the health sector) was 5.1% of GDP in 2013 (Figure 2), well below the OECD average of 8.9%. Turkey remains the lowest spender among OECD countries in terms of share of GDP. The rate in 2013 is well below the high of 5.8% reached in 2009, when GDP declined sharply by 5%. The subsequent rise in economic activity combined with a slowdown in health spending has resulted in the ratio to GDP dropping sharply between 2010 and 2013.

The share of government spending in Turkey has increased significantly over the years as insurance coverage to the population has been expanded. From around 62% of health spending in 2000, government spending has increased to 78% in 2013 - above the current OECD average of 73%.

By consequence the burden on households in the form of out-of-pocket spending has almost halved over the same period to reach 22% in 2013. While this is still relatively high in comparison to some western European countries such as France (7%), Germany (14%) and United Kingdom (10%), it is well below some southern European countries such as Greece (31%) and Portugal (28%).

In per capita terms (adjusted for different price levels using economy-wide purchasing power parities), Turkey spent USD 941 per head in 2013 - a similar level of spending to Mexico. This compares with an OECD average of USD 3453.

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**Further Reading** 

Focus on health spending:

www.oecd.org/health/health-systems/Focus-Health-Spending-2015.pdf

**OECD Health Statistics 2015:** 

www.oecd.org/health/health-data.htm

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