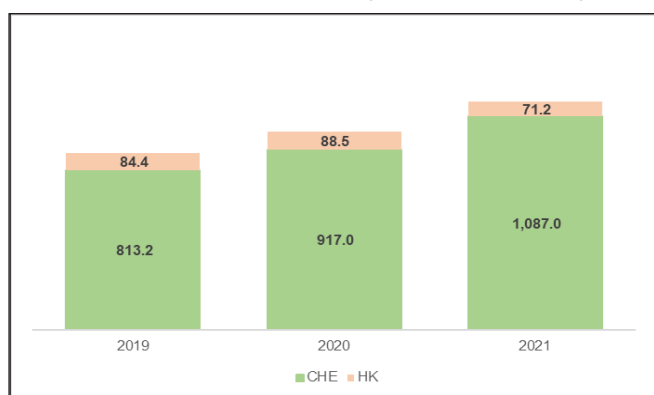


INSIGHTS FROM THE PHILIPPINE NATIONAL HEALTH ACCOUNTS

The Philippine Total Health Expenditure (THE)—which comprised current health expenditure (CHE) (93.9%) and health capital formation expenditure (HK) (6.1%)—amounted to P1.16 trillion in 2021 or 6.0% of the 2021 Gross Domestic Product (GDP) at current prices. This amount is higher by 15.2% from P1.01 trillion in 2020. This is based on the Philippine National Health Accounts (PHNA) as reported by the Philippine Statistics Authority (PSA). (Chart 1)

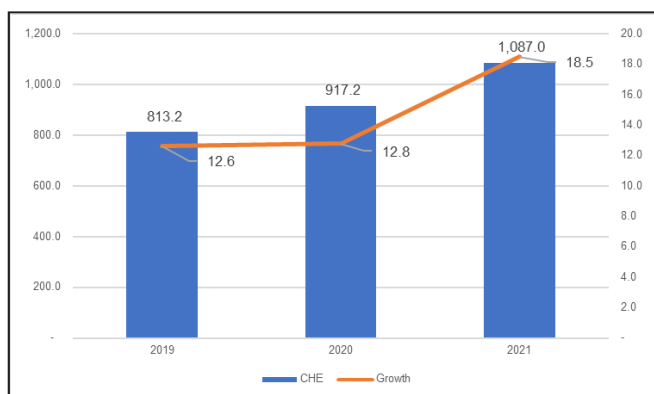
**CHART 1
TOTAL HEALTH EXPENDITURE
PHILIPPINES, 2019-2021 (IN BILLION PESOS)**



Source of basic data: PHNA 2021, PSA

Current Health Expenditure. The final consumption of health goods and services by households, the government, and other institutions or CHE totaled P1,087.0 billion in 2021. This is higher by 18.5% compared to the P917.2 billion in 2020. (Chart 2)

**CHART 2
CURRENT HEALTH EXPENDITURE, 2019 - 2021
(LEVELS IN BILLION PESOS, RATES IN %)**



Source of basic data: PHNA 2021, PSA

Health Capital Formation Expenditure. Health investments or the demand by health providers for capital goods reached P71.2 billion in 2021, lower by 19.6% than the P88.5 billion recorded in 2020 (Table 1).

Facts in Figures

Congressional Policy and Budget Research Department
House of Representatives
November 2022 (No. 61)

The three assets acquired by health providers in 2021 were machinery and equipment (P42.8 billion), infrastructure (P28.1 billion), and intellectual property products (P165.2 million).

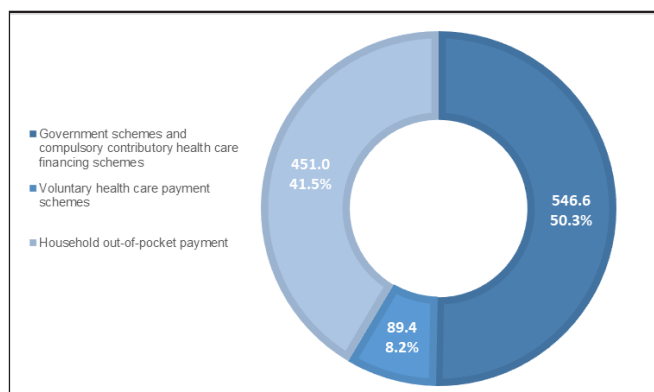
**TABLE 1
HEALTH CAPITAL FORMATION EXPENDITURE, 2019 – 2021
(IN MILLION PESOS)**

	2019	2020	2021
Infrastructure	40,400.2	34,256.8	28,140.6
Residential and non-residential buildings	39,749.6	34,256.8	28,140.6
Other structures	650.7	-	-
Machinery and equipment	43,989.4	54,012.6	42,844.8
Medical equipment	15,612.4	30,992.8	29,407.1
Transport equipment	3,952.5	2,654.1	3,031.6
ICT equipment	9,387.2	2,312.0	539.8
Machinery and equipment n.e.c.	15,037.2	18,053.7	9,866.2
Intellectual property products	-	272.3	165.2
Computer software and databases	-	272.3	53.3
Intellectual property products n.e.c.	-	-	111.9
TOTAL	84,389.6	88,541.7	71,150.6

Source of basic data: PHNA 2021, PSA

Health Care Financing Schemes. Government schemes and compulsory contributory health care financing schemes recorded the highest share of CHE at 50.3% amounting to P546.6 billion. Household-out-of-pocket payment (OOP) had a share of P451 billion or 41.5%, while voluntary healthcare payment schemes contributed P89.4 billion or 8.2% of CHE. (Chart 3) Financing schemes include the country's health financial system groups that direct their revenues to pay for or purchase healthcare goods, services, and activities.

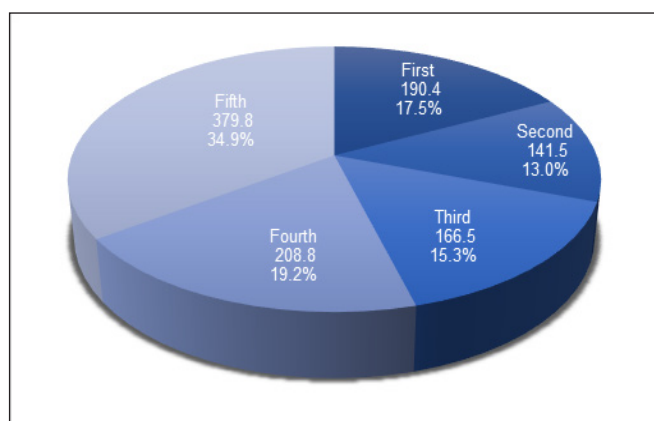
CHART 3
CURRENT HEALTH EXPENDITURE BY FINANCING SCHEME
PHILIPPINES, 2021 (IN BILLION PESOS)



Source of basic data: PHNA 2021, PSA

By income quintile, the fifth quintile had the highest health expenditure of P379.76 billion or 34.9% of the CHE (*Chart 4*). Those in the first quintile spent P190.43 billion or 17.5% of the CHE.

CHART 4
CURRENT HEALTH EXPENDITURE
BY INCOME QUINTILE 2021
(LEVELS IN BILLION PESOS, SHARES IN %)



Source of basic data: PHNA 2021, PSA

Health Care Providers. Among health care providers, the bulk of CHE were spent on hospitals (41.7%), amounting to P453.2 billion (*Table 2*). Hospitals include private and public hospitals, mental hospitals, other specialized hospitals, among others. Retailers and other providers of medical goods received P284.7 billion or 26.2% share, while the providers of health care system administration and financing got P160.4 billion or 14.8%. Health care providers are entities that receive money in exchange for, or in anticipation of producing the activities covered by the national health accounts.

Per capita health spending was at P9,839.2 at current prices in 2021, higher by 17.0% than the P8,411.5 in 2020 (*Table 3*). The 2021 amount used the updated 2015 census-based population projections,

while the value for 2020 used actual population count from the 2020 Census of Population and Housing (CPH).

TABLE 2
CURRENT HEALTH EXPENDITURE
BY HEALTH CARE PROVIDER 2019-2021
(LEVELS IN MILLION PESOS, SHARES IN %)

Health Care Provider	2019		2020		2021	
	Level	Share	Level	Share	Level	Share
Hospitals	356,972.3	43.9	401,617.6	43.8	453,226.6	41.7
Mental health and substance abuse facilities	1,306.7	0.2	2,080.7	0.2	2,121.8	0.2
Providers of ambulatory health care	35,414.2	4.4	40,230.3	4.4	46,053.0	4.2
Providers of ancillary services	911.3	0.1	1,343.3	0.1	919.5	0.1
Retailers and Other providers of medical goods	250,510.3	30.8	260,743.0	28.4	284,695.2	26.2
Providers of preventive care	60,699.2	7.5	79,219.4	8.6	86,132.9	7.9
Providers of health care system administration and financing	56,564.3	7.0	88,845.8	9.7	160,438.1	14.8
Unspecified health care providers	50,825.7	6.3	43,073.1	4.7	53,404.5	4.9
Total	813,204.0	100.0	917,153.2	100.0	1,086,991.6	100.0

Source of basic data: PHNA 2021, PSA

TABLE 3
PER CAPITA CURRENT HEALTH EXPENDITURE 2019-2021
(LEVELS IN PESOS, RATES IN %)

	2019	2020	2021	Growth Rate	
				2019-20	2020-21
Per Capita Current Health Expenditure	7,586.6	8,411.5	9,839.2	10.9	17.0

Source of basic data: PHNA 2021, PSA

By age of beneficiaries, P720.8 billion or roughly 66.3% of CHE was spent in 2021 for the age groups from 15 to 64 years old (*Table 4*). CHE for the vulnerable 65 and over age group was at P95.1 billion or 8.7% share. Persons in this age group are more likely to get ill due to infectious diseases like COVID-19 and may likely be suffering from non-communicable diseases. Based on the last two CPHs, those 65 years and over comprised 5.6% and 6.3% of the total population in 2015 and 2020, respectively.

TABLE 4
CURRENT HEALTH EXPENDITURE BY AGE GROUP
2019-2021 (LEVELS IN MILLION PESOS, RATES IN %)

Age	Current Health Expenditure					
	2019		2020		2021	
	Level	Share	Level	Share	Level	Share
< 1 year old	52,476.7	6.4	44,601.3	4.9	80,444.8	7.4
1-4	71,020.3	8.7	38,279.3	4.2	63,852.8	5.9
5-9	50,723.4	6.2	37,606.2	4.1	62,675.8	5.8
10-14	38,429.1	4.7	36,332.4	4.0	64,115.9	5.9
15-19	45,052.2	5.5	55,412.1	6.0	80,715.8	7.4
20-29	101,908.9	12.5	138,581.3	15.1	133,841.0	12.3
30-39	101,019.9	12.4	149,085.1	16.2	140,896.0	12.9
40-49	82,451.2	10.1	140,201.1	15.3	134,113.5	12.3
50-59	85,528.1	10.5	142,402.7	15.5	135,705.7	12.5
60-64	72,382.7	8.9	64,320.9	7.0	95,530.2	8.8
65 and over	112,211.6	13.8	70,330.7	7.7	95,100.1	8.7
Total CHE	815,223.0	100.0	919,173.2	100.0	1,089,012.6	100.0

Source of basic data: PHNA 2021, PSA