

5 International comparisons

In this publication, apart from this chapter, the health expenditure estimates are derived using boundaries and definitions that have provided the basis for estimation of health expenditure in Australia since the 1970s. Those boundaries and definitions are not necessarily consistent with those used by other countries. This chapter compares Australia's expenditure on health with that of OECD member economies and a number of countries in the Asia-Pacific region. For the purpose of this comparison, Australian health expenditure estimates in this chapter have been derived using the framework for estimating and reporting national health expenditure developed by the OECD as part of its System of Health Accounts (SHA) (see Section 5.3 for further details). Therefore, the estimates of Australia's total health expenditure and recurrent health expenditure discussed here differ somewhat from similarly titled estimates in the other chapters of this report. For example, in Table 2.2 health expenditure as a proportion of GDP is shown as 9.1% in 2007–08, but using the SHA estimating framework, expenditure on health is estimated at 8.9% of GDP in 2007 (Table 5.1).

One method for comparing different countries' health expenditures is by reference to the proportion of GDP that is related to health expenditure – the 'health to GDP' ratio. This gives a measure of the proportion of a nation's productive effort that is spent on funding its health goods and services. Fluctuations in the health to GDP ratio can be due to movements in GDP as well as in health expenditure. Therefore caution should be exercised when drawing inferences about changes in health expenditure from changes in the health to GDP ratio itself.

Estimates of average health expenditure per person also allow comparisons to be made between countries and within a country over time without the potentially confounding effect that annual movements in GDP and different population sizes can have.

In this chapter both the health to GDP ratios and the average expenditure per person are used to compare Australia with other countries.

The comparison of average health expenditure per person is undertaken using a common currency unit. This is achieved using purchasing power parities (PPPs), sourced from the OECD, for the whole of GDP for each country to convert its expenditures, from the different national currency units into Australian dollars. The PPPs for the whole of GDP are used for this conversion because of the poor reliability of health-specific PPPs, particularly in the early part of the decade ending in 2007.

For comparing different countries with the OECD, as a whole, weighted averages have been calculated. For example, the weighted average of the per person health expenditure is 'total health expenditure' divided by the 'total OECD population'.

The months covered by the OECD data for a particular year differ from one country to another (see Box 5.1). The OECD averages (both weighted averages and medians) are (where possible) averages of member countries for which data are available for all the years presented.

Box 5.1: Periods equating to OECD year 2007

<i>Country</i>	<i>Financial year</i>
<i>Australia</i>	<i>1 July 2007 to 30 June 2008</i>
<i>Canada</i>	<i>1 April 2007 to 31 March 2008</i>
<i>France</i>	<i>1 January 2007 to 31 December 2007</i>
<i>Germany</i>	<i>1 January 2007 to 31 December 2007</i>
<i>Japan</i>	<i>1 April 2007 to 31 March 2008</i>
<i>New Zealand</i>	<i>1 July 2007 to 30 June 2008</i>
<i>Sweden</i>	<i>1 January 2007 to 31 December 2007</i>
<i>United Kingdom</i>	<i>1 April 2007 to 31 March 2008</i>
<i>United States</i>	<i>1 October 2006 to 30 September 2007</i>

5.1 Health expenditure in OECD countries

The OECD median health to GDP ratio for 1997, 2002 and 2007 was 7.7%, 8.4% and 8.9%, respectively. Average expenditure per person for the whole of the OECD was estimated at \$2,725, \$3,722 and \$5,213 in those same years (Table 5.1).

Australia's health to GDP ratio (7.6%) was slightly lower than the OECD median in 1997, higher in 2002 (8.6%) and the same as the OECD median (8.9%) in 2007 (Table 5.1 and Figure 5.1). Average per person expenditure on health in Australia (\$2,371 in 1997, \$3,398 in 2002 and \$4,732 in 2007) was higher than the OECD median expenditure (\$2,259, \$3,075 and \$4,481, respectively, in all 3 years (Table 5.1).

The United States was by far the highest spender on health care, spending 16.0% of GDP in 2007 with an average expenditure per person that was more than double the amount for Australia (\$10,352 per person compared with \$4,732 for Australia) (Table 5.1).

In 2007, Australia spent a similar proportion of GDP on health as Italy, Norway, Sweden and New Zealand, and more than the United Kingdom (Table 5.1).

Australia's three tiers of government funded an average of 67.5% of total health expenditure in 2007, which was 7.1 percentage points below the OECD median of 74.6%. Of the countries that provided data for 2007, the Czech Republic had the highest proportion of government health funding (85.2%)—Mexico (45.2%) and the United States (45.4%) the lowest. Over the decade, the government contribution to the funding of health care in Australia edged up by 0.3 percentage points, while the average government share for the OECD overall increased by 0.7 percentage points (Table 5.2).

Government health expenditure in 2007 as a proportion of GDP was 6.0% in Australia, 0.6 percentage points below the OECD median, 0.9 percentage points below the United Kingdom, 1.1 percentage points below Canada and 1.3 percentage points below that spent by the United States (Table 5.2).

Australia's average out-of-pocket expenditure per person (\$393) was \$74 below the weighted OECD average in 1997, but \$49 above the weighted average in 2007 (Table 5.3). Australia's out-of-pocket expenditure as a percentage of total expenditure and total household final consumption expenditure (HFCE) rose between the two periods from 16.6% to 18.0% and from 2.2% to 2.9%, respectively. For the OECD as a whole, while out-of-pocket expenditure

rose as a percentage of total HFCE (2.6% to 2.7%), it declined as a percentage of total health expenditure (16.2% to 14.5%) (Table 5.3 and Figure 5.2).

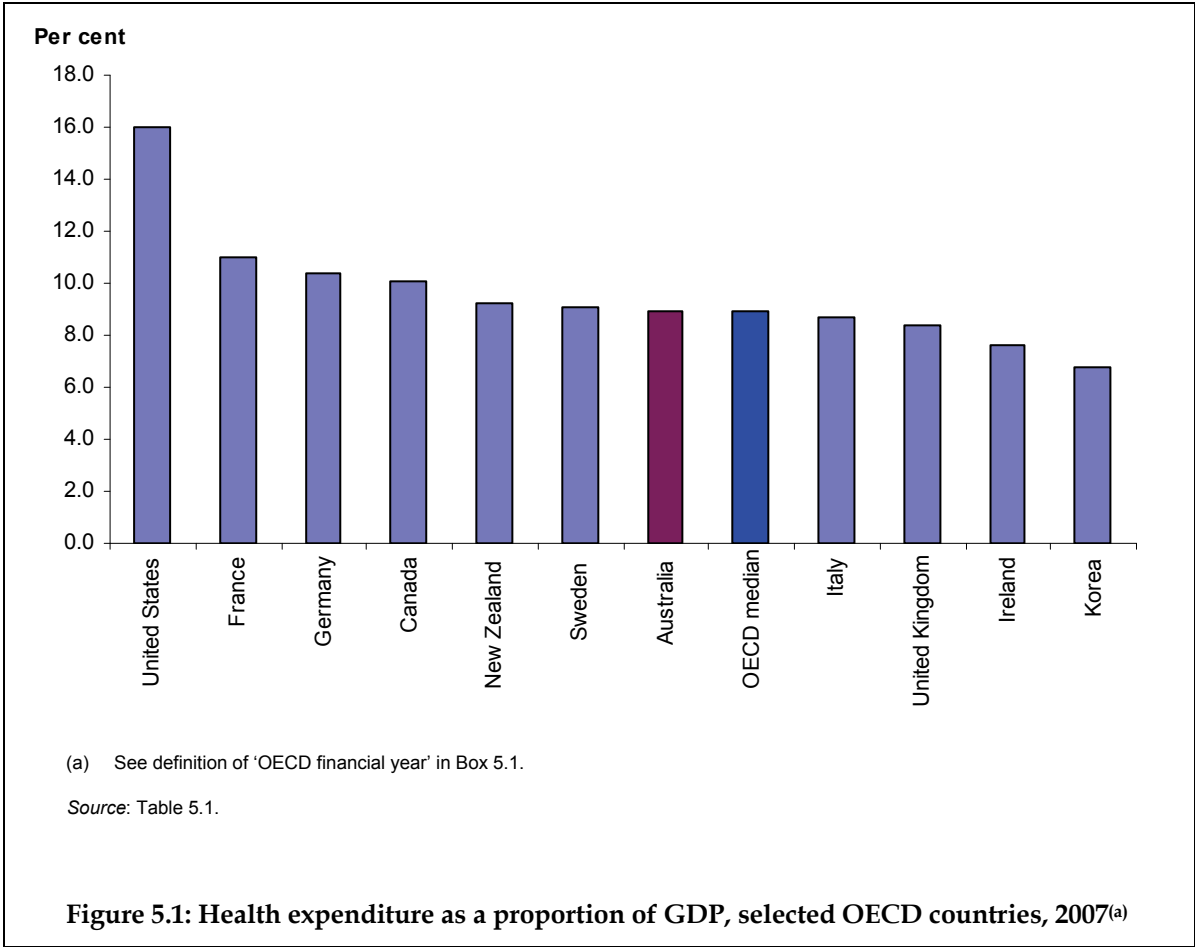


Table 5.1: Health expenditure as a proportion of GDP and per person, OECD countries, 1997 to 2007^(a)

Country ^(b)	1997		2002		2007	
	Health to GDP (%)	Per person (A\$)	Health to GDP (%)	Per person (A\$)	Health to GDP ^(b) (%)	Per person (A\$)
United States	13.4	5,353	15.1	7,307	16.0	10,352
France	10.2	2,938	10.5	3,915	11.0	5,113
Switzerland	10.0	3,757	10.9	4,922	10.8	6,272
Germany	10.2	3,185	10.6	3,936	10.4	5,095
Belgium	8.3	2,599	9.0	3,598	10.2	5,105
Austria	9.8	3,189	10.1	4,096	10.1	5,343
Canada	8.8	2,841	9.6	3,854	10.1	5,531
Denmark	8.2	2,719	8.8	3,613	9.8	4,987
Netherlands	7.9	2,529	8.9	3,796	9.8	5,449
Greece	8.4	1,787	9.1	2,633	9.6	3,872
Iceland	8.1	2,790	10.2	4,229	9.3	4,713
New Zealand	7.3	1,785	8.2	2,468	9.2	3,564
Sweden	8.1	2,491	9.3	3,614	9.1	4,719
Australia^(c)	7.6	2,371	8.6	3,398	8.9	4,732
Norway	8.4	3,102	9.8	4,863	8.9	6,763
Italy	7.7	2,281	8.3	2,979	8.7	3,814
Spain	7.3	1,715	7.3	2,338	8.5	3,793
United Kingdom	6.6	1,964	7.6	2,935	8.4	4,249
Finland	7.6	2,120	7.8	2,873	8.2	4,033
Slovak Republic	5.8	744	5.6	978	7.7	2,208
Ireland	6.4	1,843	7.1	3,172	7.6	4,862
Hungary	6.8	896	7.6	1,493	7.4	1,971
Czech Republic	6.7	1,217	7.1	1,601	6.8	2,309
Korea	4.3	822	5.3	1,336	6.8	2,397
Poland	5.6	657	6.3	982	6.4	1,470
Mexico	4.8	537	5.6	783	5.9	1,169
Japan	7.0	2,237	8.0	2,864	n.a.	n.a.
Luxembourg	5.6	2,603	6.8	4,129	n.a.	n.a.
Portugal	8.0	1,566	9.0	2,220	n.a.	n.a.
Turkey	3.1	330	5.9	647	n.a.	n.a.
Weighted average^{(d)(e)}	9.6	2,725	10.7	3,722	11.3	5,213
Median^(d)	7.7	2,259	8.4	3,075	8.9	4,481

(a) See definition of 'OECD financial year' in Box 5.1.

(b) Countries in this table are sorted in descending order according to the 2007 health to GDP ratio.

(c) Expenditure based on the OECD System of Health Accounts (SHA) framework.

(d) Averages for 2007 incorporate 2006 data for Japan, Luxembourg and Portugal, and 2005 data for Turkey.

(e) Average weighted by GDP or population.

Note: Expenditures converted to Australian dollar values using GDP purchasing power parities.

Sources: AIHW health expenditure database; OECD 2009.

Table 5.2: Government health expenditure as a proportion of total health expenditure and GDP, OECD countries, 1997 to 2007^(a) (per cent)

Country ^(b)	1997		2002		2007	
	Share of total health expenditure	Share of GDP	Share of total health expenditure	Share of GDP	Share of total health expenditure ^(b)	Share of GDP
Mexico	44.7	2.1	43.9	2.5	45.2	2.7
United States	44.7	6.0	44.1	6.6	45.4	7.3
Korea	41.7	1.8	50.6	2.7	54.9	3.7
Switzerland	55.0	5.5	57.7	6.3	59.3	6.4
Greece	52.8	4.5	58.0	5.3	60.3	5.8
Slovak Republic	91.7	5.3	89.1	5.0	66.8	5.2
Australia^(c)	67.2	5.1	66.9	5.8	67.5	6.0
Canada	70.1	6.2	69.6	6.7	70.0	7.1
Hungary	81.3	5.5	70.2	5.3	70.6	5.2
Poland	72.0	4.0	71.2	4.5	70.8	4.6
Spain	72.5	5.3	71.3	5.2	71.8	6.1
Finland	72.2	5.5	72.3	5.6	74.6	6.1
Austria	75.7	7.4	75.8	7.7	76.4	7.7
Italy	70.8	5.4	74.5	6.2	76.5	6.7
Germany	80.8	8.3	79.2	8.4	76.9	8.0
France	79.6	8.1	79.7	8.4	79.0	8.7
Ireland	73.9	4.7	75.8	5.4	80.7	6.1
Sweden	85.8	6.9	82.1	7.6	81.7	7.4
United Kingdom	80.4	5.3	79.9	6.1	81.7	6.9
Iceland	82.1	6.6	81.9	8.3	82.5	7.7
Norway	81.3	6.8	83.5	8.2	84.1	7.5
Denmark	82.3	6.7	82.9	7.3	84.5	8.2
Czech Republic	90.3	6.0	90.5	6.4	85.2	5.8
Belgium	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.
Japan	81.5	5.7	81.5	6.5	n.a.	n.a.
Luxembourg	92.5	5.2	90.3	6.1	n.a.	n.a.
Netherlands	67.8	5.4	62.5	5.5	n.a.	n.a.
New Zealand	77.3	5.7	77.9	6.4	n.a.	n.a.
Portugal	65.7	5.3	72.2	6.5	n.a.	n.a.
Turkey	71.6	2.2	70.4	4.1	n.a.	n.a.
Weighted average (28 countries)^{(d)(e)}	60.0	5.9	59.2	6.5	59.3	6.9
Median (28 countries)^(d)	73.9	5.5	74.5	6.3	74.6	6.6

(a) See definition of 'OECD financial year' in Box 5.1.

(b) Countries in this table are sorted in ascending order according to the 2007 share of government to total health expenditure.

(c) Expenditure based on the OECD SHA framework.

(d) The 28 countries included in the averages exclude Belgium and the Netherlands. Averages for 2007 incorporate 2006 data for Japan, Luxembourg, New Zealand and Portugal, and 2005 data for Turkey.

(e) Average weighted by total health expenditure or GDP.

Sources: AIHW health expenditure database; OECD 2009.

Table 5.3: Out-of-pocket health expenditure per person, and as shares of total health expenditure and household final consumption expenditure^(a), OECD countries, 1997 and 2007^(b)

Country ^(c)	1997			2007		
	Per person out-of-pocket expenditure (A\$)	Share of total health expenditure (%)	Share of total HFCE (%)	Per person out-of-pocket expenditure ^(c) (A\$)	Share of total health expenditure (%)	Share of total HFCE (%)
Switzerland	1,217	32.4	5.5	1,917	30.6	5.9
United States	785	14.7	2.9	1,264	12.2	2.8
Norway	553	17.8	3.3	1,022	15.1	3.4
Belgium	n.a.	n.a.	n.a.	934	18.3	3.6
Korea	403	48.9	4.1	856	35.7	4.6
Australia^(d)	393	16.6	2.2	853	18.0	2.9
Canada	477	16.8	2.6	824	14.9	2.8
Austria	494	15.5	2.8	822	15.4	3.0
Spain	396	23.1	2.9	798	21.1	3.2
Italy	602	26.4	3.5	770	20.2	3.0
Finland	458	21.6	3.4	760	18.9	3.2
Iceland	500	17.9	2.6	755	16.0	2.7
Sweden	n.a.	n.a.	n.a.	750	15.9	3.2
Denmark	444	16.3	2.7	689	13.8	2.8
Germany	330	10.3	1.9	667	13.1	2.5
Mexico	285	53.1	4.1	596	51.1	4.6
Slovak Republic	62	8.3	0.9	579	26.2	3.7
New Zealand	279	15.6	2.0	498	14.0	2.3
Hungary	168	18.7	2.6	491	24.9	3.5
United Kingdom	277	14.1	1.5	487	11.4	1.6
Ireland	232	12.6	1.7	481	9.9	1.7
Poland	185	28.0	2.5	356	24.3	2.6
France	211	7.2	1.3	349	6.8	1.4
Czech Republic	119	9.7	1.2	304	13.2	1.9
Netherlands	n.a.	n.a.	n.a.	302	5.5	1.2
Greece	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.
Japan	376	16.8	2.2	n.a.	n.a.	n.a.
Luxembourg	194	7.5	1.0	n.a.	n.a.	n.a.
Portugal	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.
Turkey	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.
Weighted average (25 countries)^{(e)(f)}	467	16.2	2.6	804	14.5	2.7
Median (25 countries)^(e)	376	16.6	2.6	667	15.1	2.8

(a) Total HFCE covers all goods and services, including health.

(b) See definition of 'OECD financial year' in Box 5.1.

(c) Countries in this table are sorted in descending order according to the 2007 per person out-of-pocket expenditure.

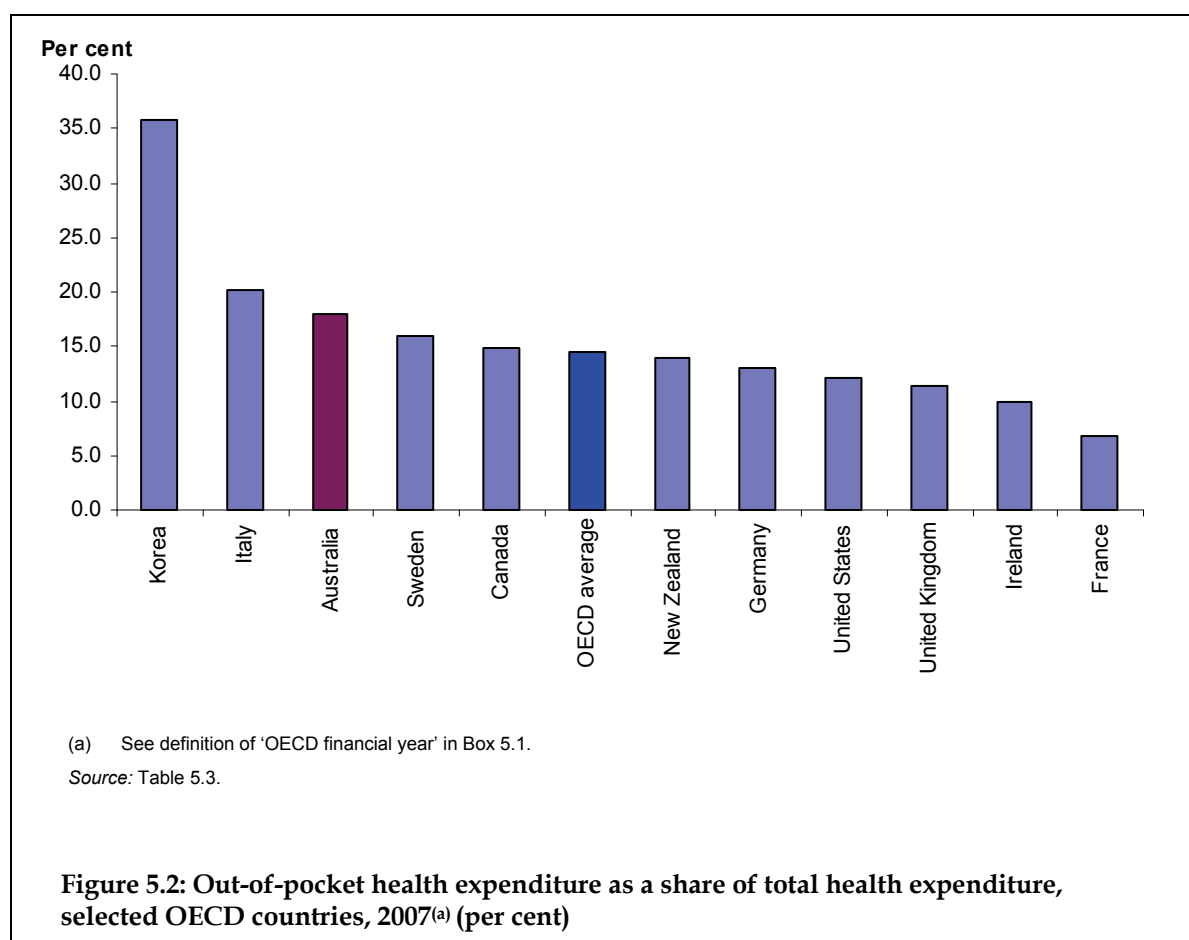
(d) Expenditure based on the OECD SHA framework.

(e) The 25 countries included in the averages exclude Belgium, Greece, Portugal, Sweden and Turkey. Averages for 1997 incorporate 1998 data for the Netherlands. Averages for 2007 incorporate 2006 data for Japan and Luxembourg.

(f) Averages weighted by population for per person out-of-pocket expenditure.

Note: Expenditures converted to Australian dollar values using GDP purchasing power parities.

Sources: AIHW health expenditure database; OECD 2009.



Factors contributing to the growth in the health to GDP ratio are inflation (both general inflation and excess health inflation) and changes in the level of goods and services used, from population growth and/or from more intensive per person use of goods and services.

The general rate of inflation is an indication of average price changes that apply throughout the economy, and the rate of excess health inflation indicates additional price rises specific to the health sector.

To enable comparison with Table 6.4 in *Health expenditure Australia 2006–07* (AIHW 2008a), this part of the analysis compares Australia with seven European member countries and with the United States and Canada.

For the decade to 2007, Australia recorded zero excess health inflation. That means that health prices changed over the period at about the same rate as prices elsewhere in the economy. Over the same period, Canada and Denmark both recorded positive excess health inflation rates of 0.1%, while France, Spain and Switzerland recorded negative excess health inflation. The Nordic countries, Finland and Sweden recorded the highest rates of excess health inflation at 2.1% over the decade (Table 5.4).

Australia had an average annual real growth in per person expenditure of 3.7% between 1997 and 2007 (Table 5.4). This represents the growth in the average volume of health services per resident and was the third highest growth rate of the 10 countries.

Table 5.4: Components of growth in health expenditure, selected OECD countries, 1997 to 2007^(a), (per cent)

Country	Nominal change	Average annual inflation			Average annual real growth		
		General	Excess health	Health	Population component	Utilisation component	Total
Australia^(b)	8.6	3.4	—	3.4	1.3	3.7	5.1
Canada	7.2	2.3	0.1	2.4	1.0	3.6	4.6
Denmark ^(c)	5.7	2.1	0.1	2.2	0.3	3.1	3.4
Finland	6.2	1.5	2.1	3.6	0.3	2.3	2.5
France	4.9	1.6	-0.2	1.4	0.6	2.8	3.4
Italy	5.3	2.5	0.3	2.7	0.3	2.2	2.5
Spain ^(c)	7.5	3.2	-0.6	2.6	0.7	4.0	4.7
Sweden ^(d)	7.7	1.4	2.1	3.5	0.2	3.9	4.1
Switzerland ^(e)	4.3	0.7	-0.2	0.5	0.6	3.2	3.8
United States	7.1	2.3	1.1	3.4	1.0	2.6	3.6

(a) See definition of 'OECD financial year' in Box 5.1.

(b) Expenditure based on the OECD SHA framework.

(c) 1997 to 2001.

(d) 1997 to 2002.

(e) 1997 to 2003.

Sources: AIHW health expenditure database; OECD 2009.

5.2 Health expenditure in the Asia–Pacific region

The economies within the Asia–Pacific region are quite diverse. They include highly developed economies like Australia and Japan (tables 5.1 to 5.3) as well as an emerging world economic power in China and developing economies like Malaysia, Thailand, Vietnam, Indonesia and Bangladesh (Table 5.5).

In 2006, Australia had the second highest health to GDP ratio among these countries, at 8.8%. Of the other countries in Table 5.5, Indonesia (2.5%), Myanmar (2.2%), Bangladesh (3.2%) and Papua New Guinea (3.2%) had relatively low health to GDP ratios.

Australia (\$4,419 per person) had the highest average expenditure on health and Myanmar (\$34 per person) had the lowest. Australia had the second highest out-of-pocket costs (\$825) after Singapore (\$1,357) while Papua New Guinea had the lowest (\$7).

There may be many reasons underlying the substantial differences between the levels of resourcing for health in these countries. In many cases, low GDP sometimes means that few resources are devoted to health because of different national development priorities.

It is also the case that many developing economies rely heavily on donor organisations. These are often international organisations that both fund and provide health services in developing countries. It is unclear from the available statistics if all the expenditure incurred and/or funded by donors is included in the national health accounts of developing countries.

Table 5.5: Health expenditure comparison for selected Asia-Pacific countries, 2006^(a)

Country ^(b)	Health to GDP (%)	Per person ^(b) (A\$)	Government to total (%)	Per person out-of-pocket (A\$)	Out-of-pocket to total (%)
Australia^(c)	8.8	4,419	66.6	825	18.7
Japan	8.1	3,639	81.3	551	15.1
Singapore	3.3	2,163	33.1	1,357	62.7
Malaysia	4.3	766	44.6	311	40.6
Thailand	3.5	372	64.5	101	27.2
China	4.6	304	40.7	150	49.3
Samoa	5.0	272	83.0	35	12.9
Tonga	4.9	255	74.6	55	21.4
Sri Lanka	4.2	241	47.5	109	45.5
Fiji	3.7	231	69.8	55	23.9
Mongolia	5.7	231	73.7	27	11.5
Vietnam	6.6	213	32.3	130	61.0
Bhutan	3.5	198	72.1	55	27.9
Vanuatu	4.1	176	65.0	31	17.5
Philippines	3.8	169	32.9	95	56.0
Timor-Leste	17.7	154	86.0	8	5.2
Solomon Islands	5.1	140	91.5	8	5.7
Cambodia	5.9	135	26.0	84	62.7
India	3.6	122	25.0	83	68.6
Indonesia	2.5	116	50.5	40	34.9
Lao	4.0	113	18.6	70	62.0
Papua New Guinea	3.2	87	82.0	7	7.5
Nepal	5.1	73	30.5	43	59.2
Bangladesh	3.2	52	31.8	31	60.2
Myanmar	2.2	34	13.1	29	86.3

(a) For most countries, 2006 is the latest year for which final data are available.

(b) Countries in this table are sorted in descending order according to the per person health expenditure.

(c) Expenditure based on the OECD SHA framework.

Sources: AIHW health expenditure database; WHO database.

5.3 Australian health expenditure using the OECD system of health accounts framework

The AIHW is responsible for collecting, collating and reporting expenditure on health in Australia each year. It is also the national coordinating body for the provision of most data on health and social expenditures to the OECD and the World Health Organization (WHO). The Institute's responsibilities in this regard include reporting expenditure on health and welfare services, social security and housing.

The format that the Institute has used for domestic reporting of expenditure on health since 1985 is based on one that was adopted by the WHO during the 1970s. The Australian version, referred to as the Australian National Health Accounts (NHA), has changed little since the Institute's first national health expenditure report in 1985, despite considerable change in the way health care is delivered and financed. The WHO has recently adopted a reporting framework based on a system of health accounts developed by the OECD.

In 2000, the OECD published guidelines for a new method of international reporting for health expenditure. That publication, *A system of health accounts* (SHA) (OECD 2000), was developed to encourage international consistency in the way health expenditure is reported throughout the OECD member countries. The SHA includes an International Classification for Health Accounts (ICHA), which classifies expenditure on health in terms of:

- health care by function (ICHA-HC)
- health care service provider industries (ICHA-HP)
- sources of funding health care (ICHA-HF).

The functional classification refers to the goals or purposes of health care. At the broadest level these are disease prevention, health promotion, treatment, rehabilitation and long-term care.

The provider classification is a list of health care provider types. This has been refined and modified from the International Standard Industrial Classification (UN 2002).

The funder classification follows the System of National Accounts 1993 (OECD 1994) guidelines for the allocation of funds by sector.

The major difference between estimates derived using the Australian NHA and the SHA is the value of total expenditure. The NHA includes all the 'health' functional classifications defined in the SHA. It also includes the following 'health-related' functional classifications in its estimates of total health expenditure:

- capital expenditure of health care provider institutions
- research and development in health
- food, hygiene and drinking water control
- environmental health.

One health-related function, 'Education and training of health personnel', is excluded from both the NHA and SHA estimates of total health expenditure.

The SHA, on the other hand, includes all the 'health' functions, but only one health-related function, namely 'Capital formation of health care provider institutions' in its total health expenditure estimates.

The OECD'S SHA manual is currently being revised and extended to enhance its suitability as a global standard accounting framework for statistics on health expenditure and financing. It will also enhance the analytical power of the SHA and the usefulness of the statistical guidelines. This process is being coordinated by: the Health Division of the OECD; the Unit of Health and Food Safety Statistics in the Directorate General of Eurostat of the European Commission; and the Department of Health Systems Financing in the Cluster on Health Systems and Services of the WHO.

The AIHW undertook a major restructure of its health expenditure database to allow simultaneous reporting according to the NHA reporting matrix and the existing SHA classifications. This restructure applied to all years from 1998-99. Through the work of the

Health Expenditure Advisory Committee (HEAC), an Australian System of Health Accounts is being developed that can be mapped to the OECD's SHA, but which uses terminology that is relevant to the Australian domestic situation. When this is achieved, the Australian SHA will be better able to provide more detailed and comprehensive data for both national purposes and international comparability.

The following three tables provide a snapshot of the data for 2006–07 and 2007–08, following the OECD SHA format. In 2007–08 (OECD year 2007), the estimate of total health expenditure using the SHA was \$100.5 billion, which is \$3.0 billion lower than the NHA estimate (\$103.6 billion) (tables 2.1 and 5.6).

The definitions for the categories used in the OECD SHA can be found at: <http://www.oecd.org/dataoecd/49/51/21160591.pdf>.

Table 5.6: Total health expenditure, by financing agents, current prices, 2006–07 and 2007–08

SHA code	Description	2006–07		2007–08	
		Amount (\$m)	Proportion (%)	Amount (\$m)	Proportion (%)
<i>HF.1</i>	<i>General government</i>	61,459	66.6	67,865	67.5
HF.1.1	General government excluding social security funds	61,459	66.6	67,865	67.5
HF.1.1.1	Central government	37,484	40.6	42,069	41.8
HF.1.1.2, 1.1.3	Provincial/local government	23,975	26.0	25,796	25.7
HF.1.2	Social security funds	..	..	..	..
<i>HF.2</i>	<i>Private sector</i>	30,842	33.4	32,662	32.5
HF.2.1	Private social insurance	..	..	..	..
HF.2.2	Private insurance enterprises (other than social insurance)	7,216	7.8	7,862	7.8
HF.2.3	Private household out-of-pocket expenditure	17,221	18.7	18,130	18.0
HF.2.4	Non-profit institutions serving households (other than social insurance)	n.a.	n.a.	n.a.	n.a.
HF.2.5	Corporations (other than health insurance)	6,405	6.9	6,670	6.6
<i>HF.3</i>	<i>Rest of the world</i>	<i>n.a.</i>	<i>n.a.</i>	<i>n.a.</i>	<i>n.a.</i>
Total health expenditure		92,302	100.0	100,527	100.0

Note: Components may not add to totals due to rounding.

Source: AIHW health expenditure database.

Table 5.7: Total health expenditure, by mode of production, current prices, 2006–07 and 2007–08

SHA code	Description	2006–07		2007–08	
		Amount (\$m)	Proportion (%)	Amount (\$m)	Proportion (%)
Inpatient care^(a)					
HC.1.1, 2.1	Curative & rehabilitative care	32,095	34.8	35,273	35.1
HC.3.1	Long-term nursing care	426	0.5	290	0.3
Services of day-care					
HC.1.2, 2.2	Day cases of curative & rehabilitative care	n.a.	n.a.	n.a.	n.a.
HC.3.2	Day cases of long-term nursing care	..	..	..	..
Outpatient care					
HC.1.3, 2.3	Outpatient curative & rehabilitative care	28,802	31.2	31,527	31.4
HC.1.3.1	Basic medical and diagnostic services	10,299	11.2	11,483	11.4
HC.1.3.2	Outpatient dental care	5,738	6.2	6,094	6.1
HC.1.3.3	All other specialised health care	3,265	3.5	3,565	3.5
HC.1.3.9	All other outpatient curative care	7,683	8.3	8,347	8.3
HC.2.3	Outpatient rehabilitative care	1,817	2.0	2,038	2.0
Home care					
HC.1.4, 2.4	Home care (curative & rehabilitative)	n.a.	n.a.	n.a.	n.a.
HC.3.3	Home care (long-term nursing care)	24	—	31	—
Ancillary services to health care					
HC.4.1	Clinical laboratory	1,578	1.7	1,690	1.7
HC.4.2	Diagnostic imaging	1,879	2.0	1,989	2.0
HC.4.3	Patient transport and emergency rescue	1,788	1.9	2,004	2.0
HC.4.9	All other miscellaneous ancillary services	53	0.1	34	—
Medical goods dispensed to outpatients					
HC.5.1	Pharmaceuticals and other medical non-durables	13,213	14.3	14,397	14.3
HC.5.2	Therapeutic appliances and other medical durables	3,026	3.3	3,114	3.1
<i>Total expenditure on personal health care</i>		82,884	89.8	90,350	89.9
HC.6	Prevention and public health services	1,542	1.7	2,002	2.0
HC.7	Health administration and health insurance	2,387	2.6	2,628	2.6
<i>Total expenditure on collective health care</i>		3,929	4.3	4,630	4.6
<i>Total current expenditure on health care</i>		86,813	94.1	94,980	94.5
Health-related functions					
HC.R.1	Capital formation of health care provider institutions	5,489	5.9	5,546	5.5
Total health expenditure		92,302	100.0	100,527	100.0

(a) In-patient includes all admitted patient services whether they are overnight admissions or same-day admissions.

Note: Components may not add to totals due to rounding.

Source: AIHW health expenditure database.

Table 5.8: Total health expenditure, by provider, current prices, 2006–07 and 2007–08

SHA code	Description	2006–07		2007–08	
		Amount (\$m)	Proportion (%)	Amount (\$m)	Proportion (%)
HP.1	Hospitals	35,080	38.0	37,871	37.7
HP.2	Nursing and residential care facilities	n.a.	n.a.	n.a.	n.a.
HP.3	Providers of ambulatory health care	32,757	35.5	35,784	35.6
HP.3.1	Offices of physicians	12,698	13.8	14,006	13.9
HP.3.2	Offices of dentists	5,749	6.2	6,106	6.1
HP.3.3–3.9	All other providers of ambulatory health care	14,310	15.5	15,672	15.6
HP.4	Retail sales and other providers of medical goods	15,524	16.8	16,708	16.6
HP.5	Provision and administration of public health programs	1,540	1.7	1,976	2.0
HP.6	General health administration and insurance	7,401	8.0	8,188	8.1
HP.6.1	Government administration of health	3,548	3.8	3,474	3.5
HP.6.2	Social security funds	..	..	..	..
HP.6.3, 6.4, 6.9	Other social insurance	3,853	4.2	4,714	4.7
HP.7	Other industries (rest of the economy)	n.a.	n.a.	n.a.	n.a.
HP.9	Rest of the world	n.a.	n.a.	n.a.	n.a.
Total health expenditure		92,302	100.0	100,527	100.0

Note: Components may not add to totals due to rounding.

Source: AIHW health expenditure database.