

9. Financial and human resources for health

Proportion of expenditure used on health has increased in most of the Asian and Pacific countries since 2000.

Disparities in health conditions between rich and poor countries are strongly related to spending levels. In some countries, however, vaccination services and health facilities are underutilized because parts of the population do not recognize the benefits of medical services. It is therefore necessary not only to increase spending, but also to advocate the use of medical services and take steps to inform the population.

Expenditure on health relative to GDP varies widely in Asia and the Pacific. Pacific islands have some of the highest expenditures on health; such countries as Kiribati, the Marshall Islands, Niue and Tuvalu spend more than 10 per cent of their GDP on health. In contrast, some ASEAN members, such as Myanmar, Indonesia and Brunei Darussalam, have the lowest expenditures in terms of GDP in the region. In Myanmar, total health expenditure accounted for just 2.2 per cent of GDP in 2004.

In the Pacific subregion, health expenditure as a percentage of total government spending increased considerably between 2000 and 2004. Nauru recorded the largest increase in the value of this indicator, which reached almost a third in 2004. Tuvalu also recorded a considerable increase, by close to 10 percentage points, while the Solomon Islands and Niue increased the proportion of the government budget spent on health by 7 and 6 percentage points, respectively.

Least developed countries have some of the highest rates of private spending on health as a percentage of total health expenditure. In Myanmar, 87 per cent of total health expenditures is private, similar to the 83 per cent in Afghanistan. In South and South-West Asia, private expenditure as a percentage of all expenditure on health is over 70 per cent in Bangladesh (also a least developed country) and India and 80 per cent in Pakistan.

In most of the Pacific subregion, on the other hand, private spending as a share of total expenditure on health is below 30 per cent, the 38 per cent of Fiji being the only exception. These levels are similar to those attained by the developed economies of Asia and the Pacific, since in Australia private spending on health is 33 per cent, and in both Japan and New Zealand it is less than 30 per cent.

Generally, private expenditure on health is out-of-pocket spending. For more than two thirds of all countries in the Asian and Pacific region, out-of-pocket expenditure exceeds 80 per cent, which carries significant implications for low-income households, particularly in emergencies or in case of chronic diseases.

Out-of-pocket expenditure is below 50 per cent in only four Asian and Pacific countries, namely Papua New Guinea, the Federated States of Micronesia, Timor-Leste and Tuvalu. In the latter country, out-of-pocket expenditure accounts for 17 per cent of total private health expenditure.

Figure 9.1 Proportion of health expenditure in total government expenditure in Asia and the Pacific, 2000 and 2004

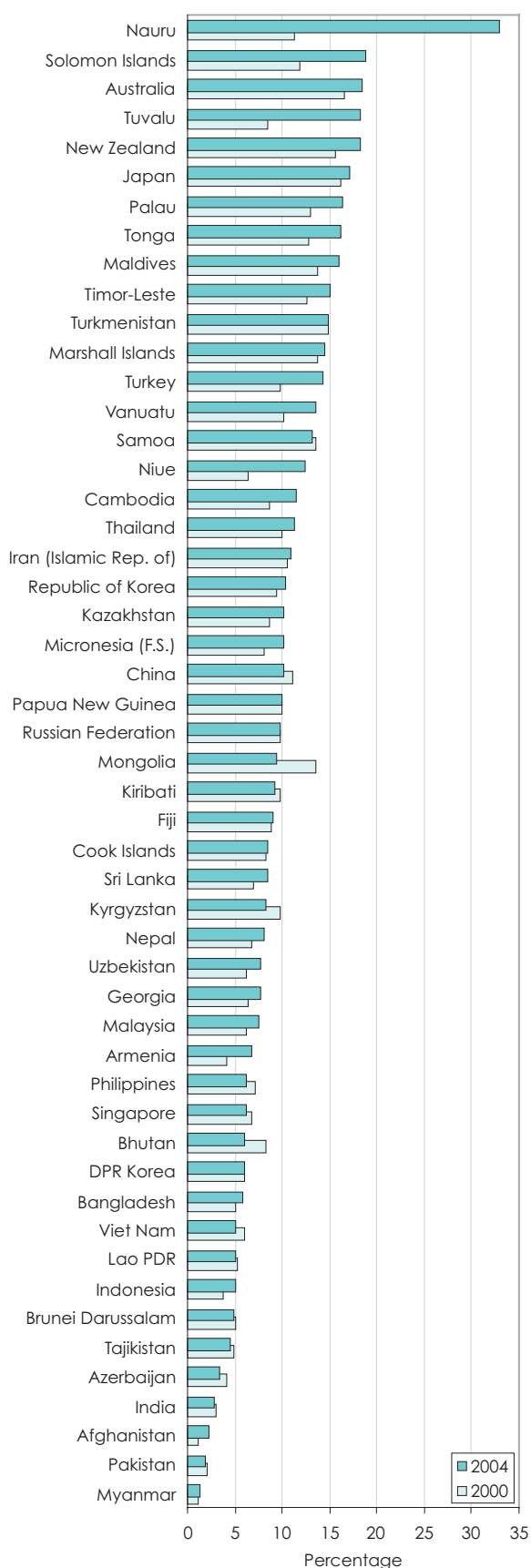
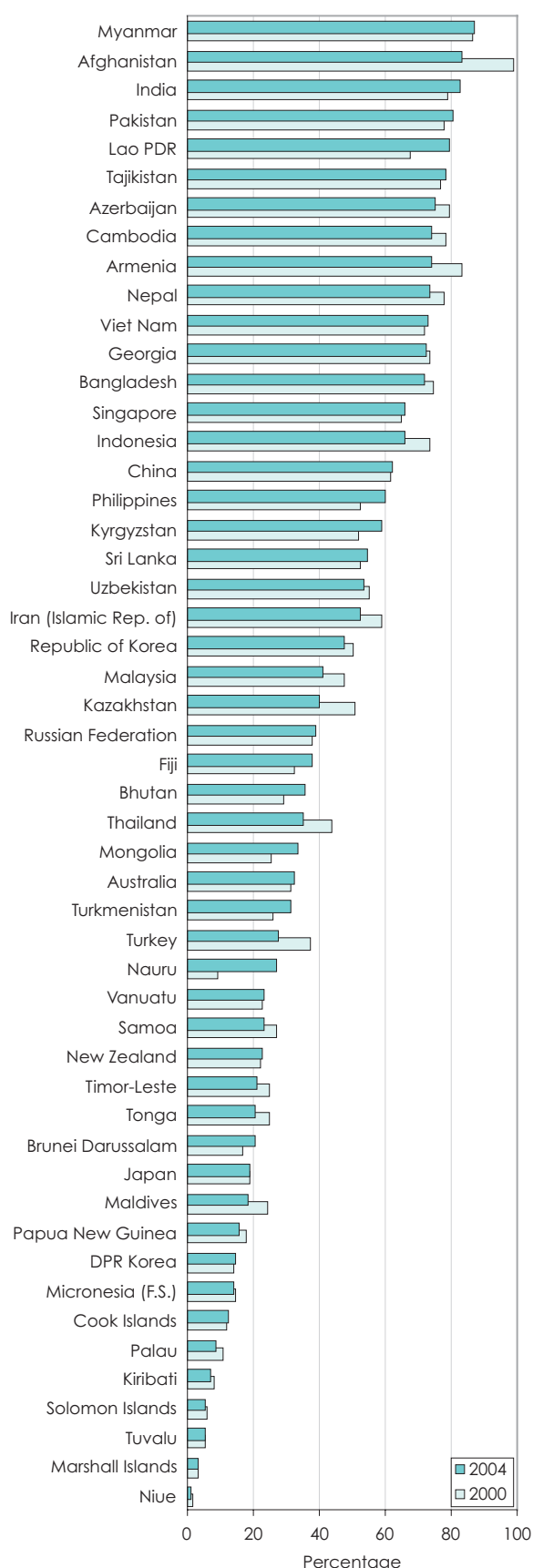


Figure 9.2 Proportion of private health expenditure in total health expenditure in Asia and the Pacific, 2000 and 2004



Total health expenditure (% of GDP): The sum of general government health expenditure and private health expenditure, expressed as a percentage of GDP. *Aggregates:* Averages are calculated using GDP in US dollars as weight. *Source:* World Health Organization, WHO Statistical Information System, (online database, accessed in September 2007).

General government health expenditure (% of total government expenditure): The expenditure that the general government has incurred on health, expressed as a percentage of the total government expenditure. Comprises the direct outlays ear-marked for the enhancement of the health status of the population and/or the distribution of medical-care goods and services for the population by the following financing agents: central/federal, state/provincial/regional, and local/municipal authorities; extra budgetary agencies, social security schemes; and parastatals. *Source:* World Health Organization, WHO Statistical Information System, (online database, accessed in September 2007).

Number of physicians (per 1,000 population): The number of physicians, generalists and specialists, expressed per 1,000 population. *Source:* World Health Organization, WHO Statistical Information System, (online database, accessed in September 2007).

Private expenditure on health (% of total expenditure on health): The sum of expenditures on health by (i) prepaid plans and risk-pooling arrangements, (ii) private firms, (iii) non-profit institutions serving mainly households, and (iv) households (out-of-pocket spending). Expressed as a percentage of the total expenditure on health. *Source:* World Health Organization, WHO Statistical Information System, (online database, accessed in September 2007).

Out-of-pocket expenditure on health (% of private expenditure on health): The direct outlays of households, including gratuities and in-kind payments made to health practitioners and to suppliers of pharmaceuticals, therapeutic appliances and other medical goods and services. Includes household direct payments to public and private providers of health-care services, non-profit institutions, and non-reimbursable cost-sharing, such as deductibles, copayments and fees for services. Expressed as a percentage of the total private health expenditure. *Aggregates:* Averages are calculated using GDP in US dollars as weight. *Source:* World Health Organization, World Health Organization Statistical Information System, (online database, accessed in September 2007).

9.1 Financial and human resources for health

	Total health expenditure					General government health expenditure					Number of physicians	
	% of GDP					% of total government expenditure					Per 1,000 population	
	2000	2001	2002	2003	2004	2000	2001	2002	2003	2004	Earliest	Latest
East and North-East Asia												
China	4.6	4.6	4.8	4.8	4.7	11.1	9.5	9.4	9.7	10.1	1.5 (90)	1.5 (05)
DPR Korea	3.6	3.5	3.5	3.5	3.5	6.0	6.0	6.0	6.0	6.0	3.0 (95)	3.3 (03)
Hong Kong, China											1.2 (93)	
Macao, China												
Mongolia	7.9	8.2	8.0	6.5	6.0	13.6	12.7	13.1	10.2	9.4	2.5 (90)	2.6 (02)
Republic of Korea	4.5	5.4	5.3	5.4	5.5	9.4	11.4	11.0	9.1	10.3	0.8 (90)	1.6 (03)
South-East Asia												
Brunei Darussalam	3.4	3.5	3.5	3.5	3.2	5.1	4.5	4.7	5.2	4.8	0.7 (91)	1.0 (00)
Cambodia	5.9	6.6	7.1	7.3	6.7	8.7	10.6	10.8	10.8	11.4	0.1 (92)	0.2 (00)
Indonesia	2.3	2.7	2.8	2.9	2.8	3.7	4.2	5.3	4.6	5.0	0.1 (90)	0.1 (03)
Lao PDR	3.2	3.3	3.3	4.5	3.9	5.2	5.6	6.0	6.9	5.0	0.2 (90)	0.6 (96)
Malaysia	3.3	3.7	3.7	4.2	3.8	6.2	6.3	6.5	7.9	7.5	0.4 (90)	0.7 (00)
Myanmar	2.1	2.1	2.3	2.2	2.2	1.2	1.1	1.5	1.2	1.4	0.1 (90)	0.4 (04)
Philippines	3.5	3.2	3.0	3.4	3.4	7.1	6.2	5.1	6.1	6.3	0.1 (90)	1.2 (02)
Singapore	3.6	4.3	4.2	4.2	3.7	6.7	7.0	6.6	7.7	6.2	1.3 (90)	1.4 (01)
Thailand	3.4	3.3	3.7	3.5	3.5	10.0	9.0	9.3	11.9	11.2	0.2 (90)	0.4 (00)
Timor-Leste	8.3	7.8	7.8	9.5	11.2	12.7	7.6	7.5	10.9	15.0		0.1 (04)
Viet Nam	5.3	5.5	5.1	5.2	5.5	6.0	6.0	5.1	5.1	5.0	0.4 (90)	0.5 (01)
South and South-West Asia												
Afghanistan	3.3	3.4	3.6	4.4	4.4	1.1	1.1	1.2	1.9	2.3	0.1 (90)	0.2 (01)
Bangladesh	3.1	3.1	3.0	3.1	3.1	5.0	5.6	5.3	6.1	5.9	0.2 (90)	0.3 (04)
Bhutan	5.2	6.3	4.9	4.6	4.6	8.3	11.0	7.6	6.7	6.1	0.3 (90)	0.1 (04)
India	4.3	4.5	4.8	4.9	5.0	3.1	3.0	2.9	2.7	2.9	0.5 (92)	0.6 (04)
Iran (Islamic Rep. of)	5.6	6.0	6.0	6.7	6.6	10.6	10.2	8.8	11.0	10.9	0.3 (93)	0.4 (04)
Maldives	6.8	6.8	6.6	7.2	7.7	13.7	13.8	13.3	14.2	16.0	0.1 (90)	0.9 (04)
Nepal	5.2	5.3	6.0	5.6	5.6	6.7	6.3	9.1	7.2	8.1	0.1 (90)	0.2 (04)
Pakistan	2.4	2.3	2.3	2.1	2.2	2.0	1.9	2.0	1.5	1.9	0.5 (90)	0.7 (04)
Sri Lanka	3.8	3.9	3.9	4.1	4.3	6.9	6.6	6.8	7.2	8.4	0.1 (93)	0.5 (04)
Turkey	6.6	7.5	7.4	7.6	7.7	9.8	10.3	12.6	13.9	14.3	0.9 (90)	1.3 (05)
North and Central Asia												
Armenia	6.3	6.5	5.4	5.6	5.4	4.2	6.2	5.8	5.8	6.8	3.9 (90)	3.6 (03)
Azerbaijan	4.2	4.0	4.1	3.7	3.6	4.2	4.3	2.9	3.0	3.4	3.9 (90)	3.5 (03)
Georgia	4.7	5.2	6.4	5.2	5.3	6.4	7.8	8.9	7.8	7.7	4.9 (90)	4.1 (03)
Kazakhstan	4.0	3.1	3.5	3.6	3.8	8.7	7.2	8.9	8.6	10.2	4.0 (90)	3.5 (03)
Kyrgyzstan	5.0	5.1	5.7	5.7	5.6	9.7	10.3	9.8	9.8	8.3	3.4 (90)	2.5 (04)
Russian Federation	5.7	5.9	6.4	6.3	6.0	9.8	9.3	9.7	10.0	9.8	4.1 (90)	4.3 (03)
Tajikistan	4.1	4.2	4.2	4.5	4.4	4.9	5.3	4.8	4.8	4.6	2.6 (90)	2.0 (03)
Turkmenistan	4.8	4.5	4.0	4.4	4.8	14.9	14.9	14.9	14.9	14.9	3.6 (90)	4.2 (02)
Uzbekistan	5.8	5.7	5.6	5.6	5.1	6.3	6.7	6.5	8.1	7.8	3.4 (90)	2.7 (03)
Pacific												
American Samoa												0.8 (99)
Cook Islands	4.0	3.8	3.6	3.7	3.5	8.2	8.6	8.6	9.6	8.4		
Fiji	4.2	4.1	4.7	4.6	4.6	8.8	8.8	9.0	9.0	9.1	0.5 (92)	0.3 (99)
French Polynesia												1.7 (00)
Guam												1.1 (99)
Kiribati	11.6	12.3	12.6	13.7	13.7	9.8	8.1	8.6	7.9	9.3	0.2 (90)	0.3 (98)
Marshall Islands	14.5	12.5	12.3	14.0	15.2	13.7	12.1	11.5	14.4	14.5		0.5 (00)
Micronesia (F.S.)	7.0	7.2	6.9	7.6	7.6	8.0	8.5	9.0	9.5	10.2	0.5 (93)	0.6 (00)
Nauru	9.1	8.9	8.6	8.2	8.1	11.2	14.0	18.2	23.8	32.9		
New Caledonia												2.0 (99)
Niue	8.0	38.1	11.1	12.5	15.1	6.4	30.6	9.6	13.0	12.4		
Northern Mariana Is.												0.4 (99)
Palau	9.9	9.4	9.4	10.6	9.7	13.0	12.6	13.9	16.2	16.4		1.1 (98)
Papua New Guinea	3.6	4.0	3.8	3.4	3.6	9.9	11.0	11.4	10.9	10.0	0.1 (90)	0.1 (00)
Samoa	6.2	5.8	5.7	5.4	5.3	13.6	13.1	12.8	13.1	13.1	0.4 (92)	0.7 (99)
Solomon Islands	5.4	5.7	5.1	5.2	5.9	11.8	12.0	12.6	13.2	18.8	0.2 (92)	0.1 (99)
Tonga	6.3	7.3	6.2	6.7	6.3	12.8	11.9	17.1	21.1	16.1	0.5 (91)	0.3 (01)
Tuvalu	18.8	19.1	41.1	28.6	16.6	8.5	8.6	40.5	37.2	18.3		
Vanuatu	4.0	4.0	4.3	4.1	4.1	10.1	11.1	11.9	13.0	13.6	0.1 (91)	0.1 (97)
ESCAP Developed Economies												
Australia	8.8	8.9	9.1	9.2	9.6	16.5	16.8	17.6	17.7	18.5	2.2 (90)	2.5 (02)
Japan	7.6	7.8	7.9	7.7	7.8	16.1	17.0	16.8	16.5	17.2	1.7 (90)	2.0 (02)
New Zealand	7.7	7.8	8.2	8.0	8.4	15.6	16.1	17.3	17.1	18.2	1.9 (90)	2.2 (03)
ESCAP	6.4	6.5	6.5	6.5	6.5							
LLDC	4.7	4.3	4.4	4.4	4.3							
LDC	3.4	3.5	3.5	3.6	3.6							
SIDS	3.7	4.4	4.3	4.3	3.8							
ASEAN	3.2	3.5	3.5	3.6	3.5							
SAARC	4.0	4.1	4.4	4.4	4.6							
Central Asia	4.9	4.5	4.6	4.5	4.4							
Low-income	4.0	3.9	4.0	4.0	3.9							
Middle-income	5.3	5.9	5.1	5.1	5.0							
High-income	7.3	7.6	7.7	7.5	7.7							
Africa	5.4	5.8	5.7	5.8	5.8							
Latin America & Carib.	6.9	7.0	6.9	7.1	7.3							
North America	13.0	13.7	14.4	14.8	15.0							
Europe	8.6	8.7	9.0	9.2	9.2							
Other Asia-Pacific												
World												

9.2 Private expenditure on health

	Private expenditure on health					Out-of-pocket expenditure on health				
	% of total expenditure on health					% of private expenditure on health				
	2000	2001	2002	2003	2004	2000	2001	2002	2003	2004
East and North-East Asia										
China	62	64	64	64	62	96	93	90	88	87
DPR Korea	14	14	15	14	14	100	100	100	100	100
Hong Kong, China										
Macao, China										
Mongolia	25	29	33	35	33	89	78	87	92	92
Republic of Korea	50	47	48	48	47	79	81	82	80	80
South-East Asia										
Brunei Darussalam	17	23	22	20	20	100	100	100	100	100
Cambodia	78	73	72	75	74	93	86	86	77	85
Indonesia	74	67	66	68	66	72	75	75	76	75
Lao PDR	67	66	67	70	80	92	91	90	93	90
Malaysia	48	44	45	38	41	75	74	74	74	74
Myanmar	87	88	86	89	87	99	99	99	99	99
Philippines	52	56	60	59	60	77	79	78	79	78
Singapore	65	64	68	62	66	97	97	97	97	97
Thailand	44	44	37	36	35	77	76	75	75	75
Timor-Leste	25	28	27	24	21	31	26	26	26	26
Viet Nam	72	71	72	71	73	87	90	88	87	88
South and South-West Asia										
Afghanistan	99	99	92	89	83	99	97	97	98	98
Bangladesh	75	74	75	72	72	88	88	88	88	88
Bhutan	29	25	34	36	36	100	100	100	100	100
India	79	81	82	83	83	92	93	93	94	94
Iran (Islamic Rep. of)	59	59	60	51	52	95	95	95	95	95
Maldives	24	23	24	21	19	100	100	100	100	100
Nepal	78	77	71	76	74	91	91	89	90	88
Pakistan	78	79	74	82	80	98	98	98	98	98
Sri Lanka	52	55	57	59	54	82	81	82	81	84
Turkey	37	32	30	28	28	75	73	71	70	69
North and Central Asia										
Armenia	83	78	76	77	74	93	82	89	90	89
Azerbaijan	79	78	81	77	75	93	93	94	94	94
Georgia	74	73	76	73	73	90	80	81	85	87
Kazakhstan	51	47	47	46	40	100	100	100	100	100
Kyrgyzstan	52	55	58	59	59	89	91	91	93	94
Russian Federation	38	40	38	38	39	74	73	75	76	77
Tajikistan	77	77	78	80	78	98	98	98	98	97
Turkmenistan	26	28	32	30	31	100	100	100	100	100
Uzbekistan	55	55	55	53	53	97	97	97	96	96
Pacific										
American Samoa										
Cook Islands	12	12	13	12	13	100	100	100	100	100
Fiji	33	31	36	36	38	100	100	100	100	100
French Polynesia										
Guam										
Kiribati	8	8	8	7	7	100	100	100	100	100
Marshall Islands	3	4	4	3	3	100	100	100	100	100
Micronesia (F.S.)	15	14	15	14	14	42	42	41	40	40
Nauru	9	10	10	16	27	100	100	100	100	100
New Caledonia										
Niue	2	0	1	1	1	100	100	100	100	100
Northern Mariana Is.										
Palau	11	11	12	12	9	100	100	100	100	100
Papua New Guinea	18	18	16	16	16	57	52	52	51	46
Samoa	27	25	23	21	23	78	81	73	78	78
Solomon Islands	6	6	6	6	6	56	56	56	56	56
Tonga	25	24	26	20	21	82	78	76	84	85
Tuvalu	5	6	3	4	5	12	12	13	16	17
Vanuatu	23	22	22	23	23	56	56	56	58	58
ESCAP Developed Economies										
Australia	32	33	33	33	33	64	62	62	61	62
Japan	19	18	19	19	19	90	90	93	94	95
New Zealand	22	24	22	22	23	70	72	73	72	76
ESCAP						87	87	88	87	87
LLDC						97	96	97	97	97
LDC						90	89	89	89	90
SIDS						95	95	95	94	94
ASEAN						80	80	80	80	79
SAARC						92	93	93	93	94
Central Asia						97	96	97	97	97
Low-income						92	93	93	93	93
Middle-income						87	86	84	82	82
High-income						87	87	89	89	89
Africa						73	73	74	70	68
Latin America & Carib.						75	76	78	76	75
North America						28	27	27	26	26
Europe						57	56	56	57	58
Other Asia-Pacific										
World										