

How and where health care is delivered can have a significant impact on spending for different goods and services. Health care can be provided in many different organisational settings, ranging from hospitals and medical practices to pharmacies and even private households caring for family members. Analysing health spending by provider can be particularly useful when considered alongside the functional breakdown of health expenditure, giving a fuller picture of the organisation of health systems (see indicator “Health expenditure by type of good and service”).

Activities delivered in hospitals account for the largest proportion of health care expenditure in almost all EU countries. In 2018, hospitals received 39% of health system funding on average across EU countries. In Croatia, Romania and Cyprus, hospitals received more than 45% of their entire health care budget (Figure 5.13). On the other end of the scale, hospitals account for less than 30% of Germany’s total health spending. This comparatively low share is partially due to country-specific organisational features stipulating a relatively strict separation between inpatient and outpatient service provision, which, in turn, results in comparatively limited outpatient activity in German hospitals.

After hospitals, the second-largest category of care providers are ambulatory providers. This category covers a wide range of facilities and, depending on the country-specific organisation of health service delivery, most spending relates either to medical practices including offices of GPs and specialists (e.g. Austria, France and Germany) or ambulatory health care centres (e.g. Finland, Ireland and Sweden). Across EU countries, care delivered by ambulatory providers accounts for around a quarter of health spending on average across EU countries. This share stands at 30% or above in Belgium, Germany and Luxembourg, but is less than 20% in Greece, Croatia, Malta, the Netherlands, Romania and Bulgaria. On average across the EU, around two-thirds of all spending on ambulatory providers relate to GP and specialist practices together with ambulatory health care centres, and one-fifth to dental practices.

Other main provider categories include retailers (mainly pharmacies selling prescription and over-the-counter medicines) – accounting for 20% of health spending on average across EU countries – and residential long-term care facilities (mainly providing inpatient care to long-term dependent people), making up 8% of health spending on average.

There is a large variation in the range of activities that may be performed by the same category of provider across countries, depending on the structure and organisation of each health system. This variation is most pronounced in hospitals (Figure 5.14). Although the majority of hospital expenditure in almost all EU countries is allocated to inpatient (curative-rehabilitative) care, in some countries hospitals constitute

important providers of outpatient care services – for example, through accident and emergency departments, specialist outpatient units, or laboratory and imaging services provided to outpatients. In Germany, Greece and Bulgaria, hospitals are generally mono-functional, with the vast majority (>90%) of spending directed to inpatient care, and very little spending on outpatient and day care. On the other hand, outpatient care accounts for over 40% of hospital expenditure in Portugal, Finland, Denmark, Sweden and Estonia. In these countries, specialists typically receive outpatients in hospital outpatient departments.

To increase efficiency and reduce waiting times for selected procedures, many EU countries have shifted some medical services from inpatient to day care settings in recent years (OECD, 2017). As a result, in 2018 day care accounted for more than 10% of all hospital expenditure in seven EU countries.

Finally, the provision of inpatient long-term care in hospitals for people with long-term care needs (which does not refer to regular inpatient curative and rehabilitative care) makes up a sizeable share of hospital expenditure in some countries such as the Czech Republic, Romania and Iceland. This may be due to a lack of available beds in appropriate long-term care nursing facilities when patients requiring care cannot be discharged to their homes.

Definition and comparability

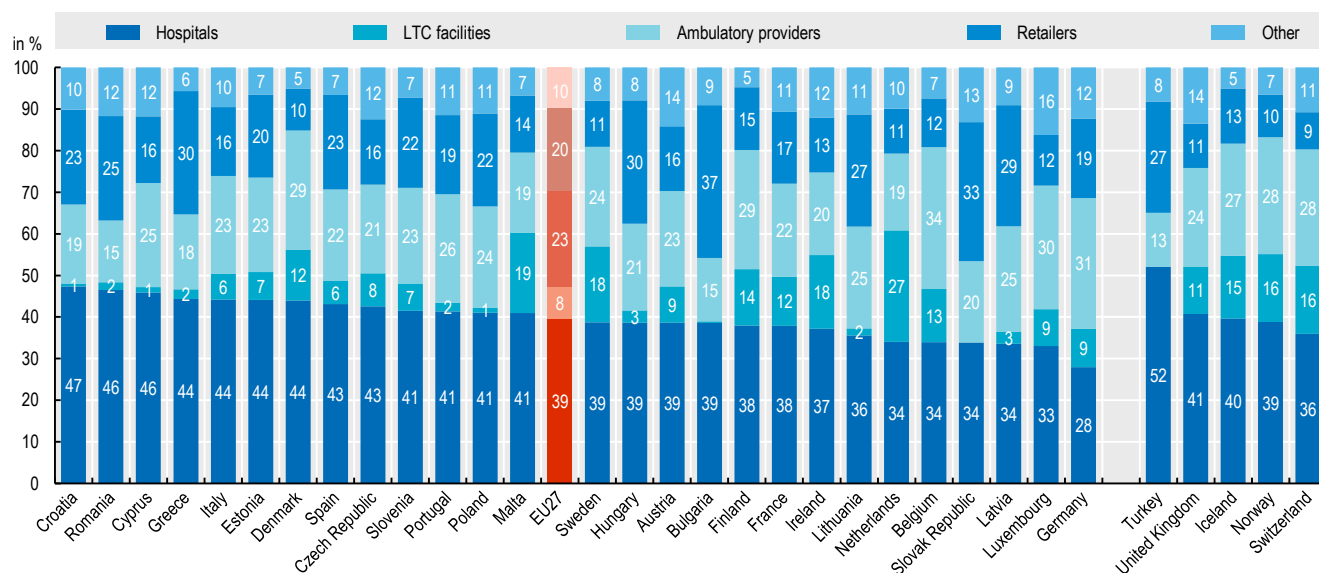
The different categories of health care providers are defined in the System of Health Accounts (OECD, Eurostat and WHO, 2017).

The main categories of providers are hospitals (acute and psychiatric), residential long-term care facilities, ambulatory providers (practices of GPs and specialists, dental practices, ambulatory health care centres, providers of home health care services), providers of ancillary services (e.g. ambulance services, laboratories), retailers (e.g. pharmacies), and providers of preventive care (e.g. public health institutes).

References

- OECD (2017), *Tackling Wasteful Spending on Health*, OECD Publishing, Paris, <http://dx.doi.org/10.1787/9789264266414-en>.
- OECD/Eurostat/WHO (2017), *A System of Health Accounts 2011: Revised edition*, OECD Publishing, Paris, <http://dx.doi.org/10.1787/9789264270985-en>.

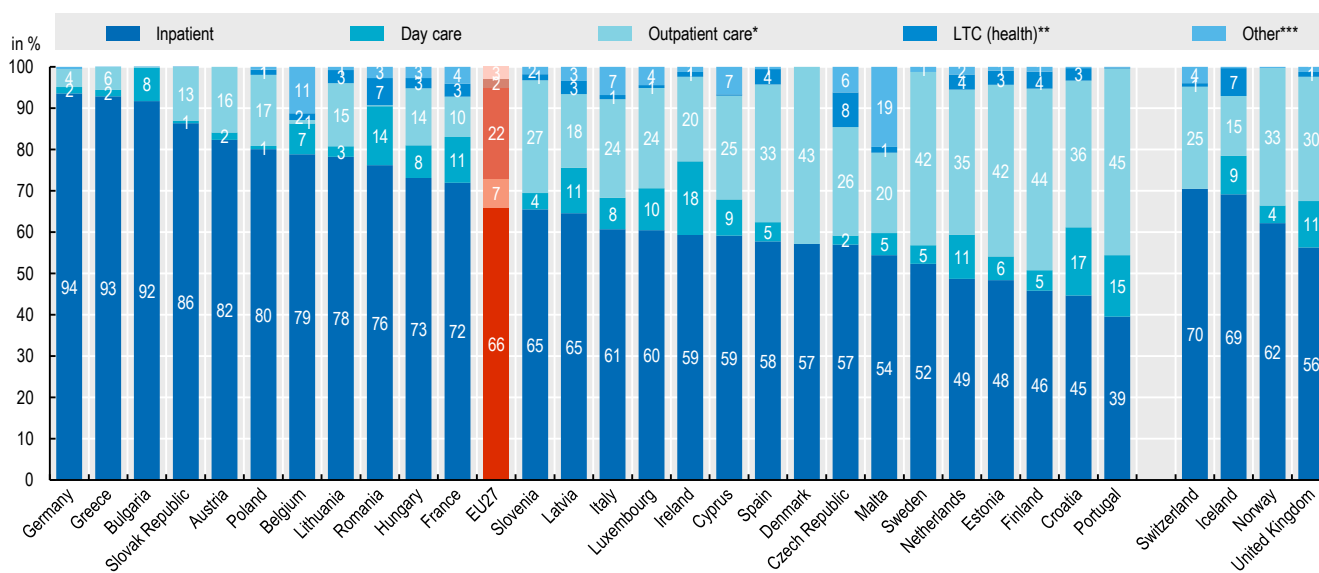
Figure 5.13. Health expenditure by provider, 2018



Note: The EU average is unweighted. In Belgium, spending for single day admissions in clinics is included under ambulatory providers.
Source: OECD Health Statistics 2020; Eurostat Database.

StatLink <https://stat.link/ispd4q>

Figure 5.14. Hospital expenditure by type of service, 2018



Note: The EU average is unweighted.

*Refers to curative-rehabilitative care provided to outpatients or at their homes and ancillary services. **Refers to inpatient LTC services for people with LTC needs.

***Includes medical goods and collective health services.

Source: OECD Health Statistics 2020; Eurostat Database.

StatLink <https://stat.link/cveumh>



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