

## Health expenditure by provider

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 2020, hospitals received 38% of EU spending on health. In Romania, Croatia, Spain, Denmark, and Cyprus, hospitals received more than 45% of their countries’ 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.

After hospitals, the second-largest category of care providers are ambulatory providers. Across EU countries, care delivered by this category accounts for a quarter of health spending. The share stands at 30% or above in Germany and Finland, but is less than 15% in Romania and Bulgaria. 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 or ambulatory health care centres.

Other main provider categories include retailers (mainly pharmacies selling prescription and over-the-counter medicines) – accounting for 17% of health spending on average across EU countries – and residential long-term care facilities (mainly providing inpatient care to long-term care dependent people), making up 10% of health spending on average.

There is a large diversity in the range of activities that may be performed by the same category of provider across countries, depending on the organisation of each health system. This variation is most pronounced in hospitals (Figure 5.4). Although the majority of hospital expenditure in almost all EU countries is allocated to inpatient (curative-rehabilitative) care, in some countries, hospitals constitute an important provider of outpatient care services – for example, through accident and emergency departments or specialist outpatient units. 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, and Sweden.

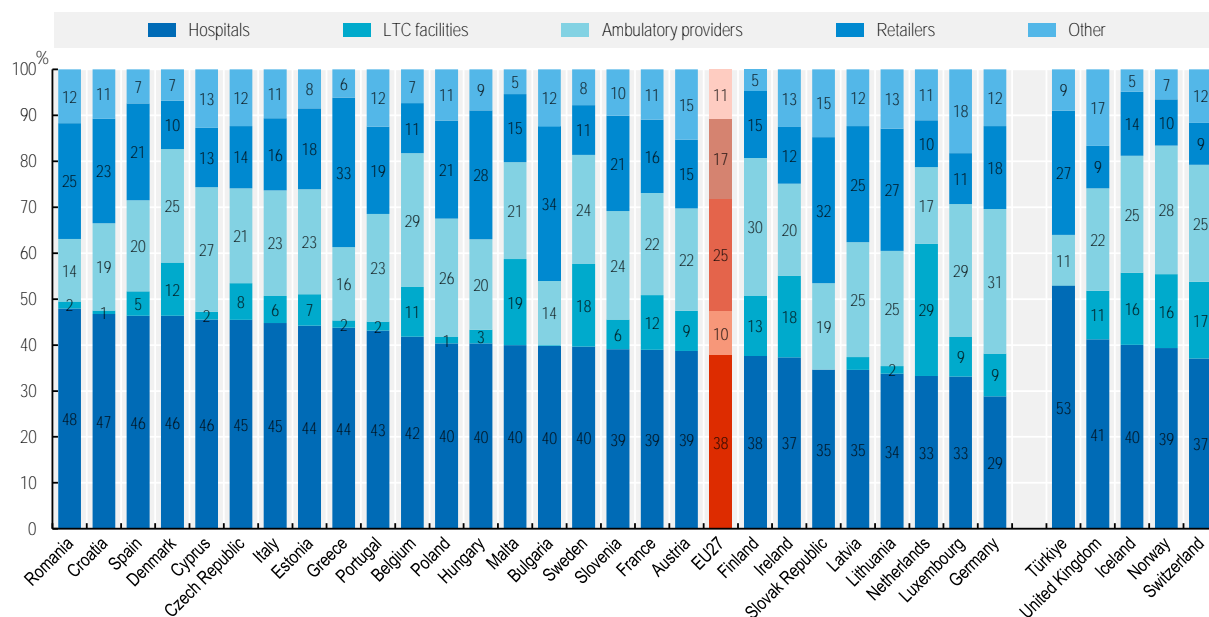
As many countries allocated additional resources to hospitals to cope with severe cases of COVID-19 and to be better prepared for future increases in demand, the total share of hospital expenditure in overall health spending increased slightly in 2020 by half a percentage point compared to 2019. The pandemic also had consequences for the composition of service delivery in hospitals. As elective day surgeries were frequently postponed during 2020, inpatient expenditure as a share of hospital expenditure increased by 1 percentage point, while day curative care fell by around half a percentage point.

### Definition and comparability

The different categories of health care providers are defined in the System of Health Accounts.

The main categories of health care 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 (establishments whose primary activity is the retail sale of medical goods, e.g. pharmacies), and providers of preventive care (e.g. public health institutes).

Figure 5.13. Health expenditure by provider, 2020 (or nearest year)

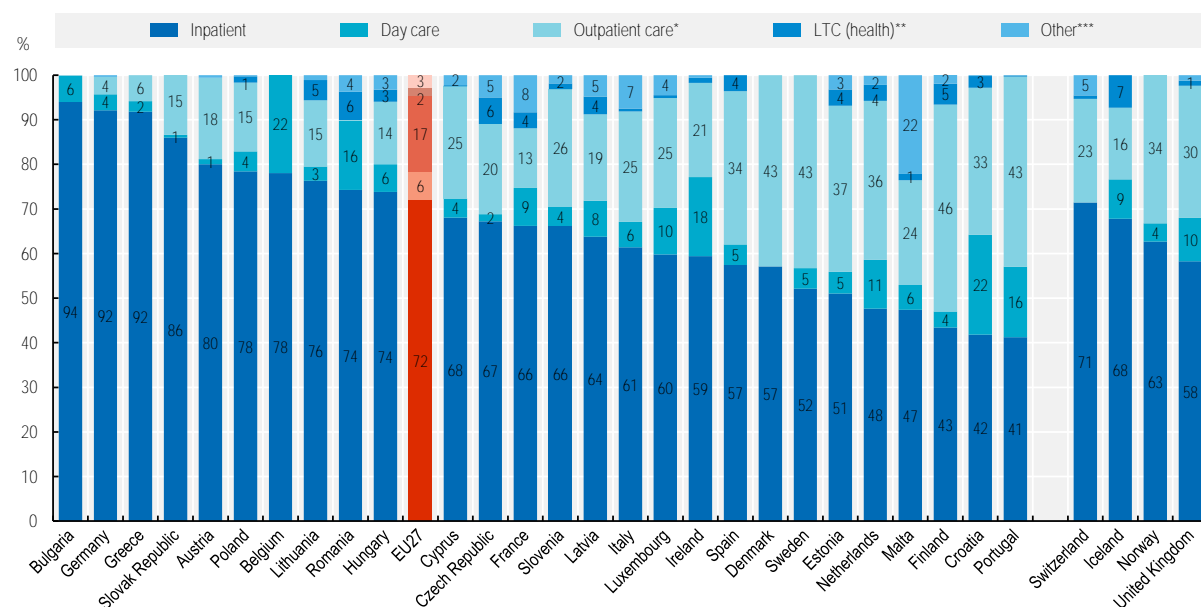


Note: The EU average is weighted.

Source: OECD Health Statistics 2022.

StatLink <https://stat.link/wix7fd>

Figure 5.14. Hospital expenditure by type of service, 2020 (or nearest year)



Note: The EU average is weighted. \*Refers to curative-rehabilitative care provided to outpatients or at their homes and ancillary services. \*\*Refers to LTC services for people with LTC needs. \*\*\*Includes medical goods and collective health services.

Source: OECD Health Statistics 2022.

StatLink <https://stat.link/1w9jm>



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