

Nepal National Health Accounts

2009/10 - 2011/12



**Government of Nepal
Ministry of Health**

Ramshahpath, Kathmandu

2016

Nepal

National Health Accounts

2009/10 - 2011/12



Government of Nepal
Ministry of Health
Human Resource and Financial Management Division
Health Financing Unit

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Ref. No.

Date:..... March 2017.....

Message

The government of Nepal has always prioritized to provide improved health services in the country envisioning universal access to quality health services. The Constitution of Nepal, 2015 has established health as the fundamental right of the people of Nepal. National Health Policy, 2014 envisages ensuring citizens' fundamental rights to stay healthy by utilizing the available resources optimally and fostering strategic cooperation between health service providers, service users and other stakeholders.

Regular production of National Health Accounts (NHA) estimates helps to track and monitor the progress towards achieving Universal Health Coverage and allows to formulate evidence-based policy. Recognizing its importance, Ministry of Health has already produced three rounds of National Health Accounts report. I am pleased that the Ministry of Health has published the National Health Accounts of the fiscal year 2009/10 to 2011/12 as the fourth round. Ministry of Health is dedicated to institutionalize and regularize the process to produce the future National Health Accounts on yearly basis.

The new health accounts estimates show that household out of pocket expenditure has been decreased to 53% from 55% of total health expenditure since 2008/09 to 2011/12. It revealed that, by drawing 40% of the total current health expenditure, spending on pharmaceuticals has been consistently major health expenditure in the country. The new estimates demonstrate that the household still shoulders the largest burden of their health care expenditures.

The government is committed to increase its investments strategically to mitigate the costs responsible for the highest financial burden to the people and further reduce the household expenditure in health. The importance of this document further underscores the need to develop and implement targeted policies to reduce financial burden on households.

I would like to acknowledge and congratulate the Secretary, the entire team of the Ministry and all the experts for their efforts in preparing this report.

Gagan Kumar Thapa

Minister



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Message

The Government of Nepal is committed to delivering the quality health care services to people of Nepal. The constitution of Nepal 2015 ensures right to basic health care and emergency services. The Ministry is dedicated to translating the aspirations of the Nepal Health Policy 2014, and Nepal Health Sector Strategy 2016-2021 in ensuring "right to Universal Health Coverage" into practice.

It gives an immense pleasure to note that the long-awaited report Nepal National Health Accounts for the period of 2009/10 to 2011/12 has been published. It is the comprehensive report that provides the detailed and updated information regarding the health expenditure by source, by financing agents, by types of service providers, by functions and status of out-of-pocket expenditure in the country.

I am hopeful that this report will be helpful for the policy makers and planners. The lessons learned from this report provide an opportunity to replicate the good aspects of the program and to further improvement in the health sector financing of the nation.

I would like to extend my sincere thanks to the entire team of the Ministry who were involved in preparing this report.

I would like to thank our external development partners, especially WHO and GIZ for their continuous support in producing National Health Accounts.

Hon. Tara Man Gurung

State Minister

Hon. Taraman Gurung
State Minister
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Foreword

Health expenditure estimates for Nepal is a matter of important discussion. It is a pleasure to publish the National Health Accounts (NHA) estimates for fiscal years from 2009/10 to 2011/12. The Government of Nepal envisions providing quality, affordable healthcare services to the entire population through integrated multi-sectorial participation.

NHA provides the systematic description of the financial flows related to health care. It is indispensable to understand how the health care goods and services are consumed in the country, how are they produced and provided and by whom and in what way those goods and services are financed. NHA provides the overall picture of the flow of resources in the Nepal's health system. Accounting for the health care expenditure is highly important since, it is helpful in the program design, proper resource allocation, and tracking and monitoring the health care services in the country.

There is growing demand for the health care expenditures by policy makers and managers in the country and globally. I hope this round of NHA provide a range of information much demanded by the health analysts and policy makers and is critical in responding to existing and future policy challenges and needs. On the other hand, it is equally useful for providing the information required to develop health financing strategy in the country. The aim of NHA is to describe the health care system from an expenditure perspective both for National and International purposes. Moreover, this report will be a useful text for any policy makers, decision makers, planners, managers, academics, researchers and other concerned stakeholders to apprehend the health care financing mechanisms in the country. I strongly believe its usefulness goes beyond the boundaries of Nepal, due to the use of an internationally accepted methodology in the preparation of this document.

I am grateful to the Joint Secretary, Human Resource and Financial Management Division and members of the Advisory Committee for providing overall guidance in preparing the report and for the institutionalization of the NHA. I thank members of the Technical Working Group for providing technical inputs and guiding this initiative. My sincere gratitude goes to the entire team for this report, who worked tirelessly under difficult circumstances to make it a success.

Dr. Senendra Raj Upreti

Secretary



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Acknowledgement

I am happy that the fourth report on Nepal National Health Accounts (NNHA) is produced by the Ministry of Health for the period from 2009/10 to 2011/12. This fourth round of NNHA is bridging the gap in producing National Health Accounts in Nepal. This report encompasses both current health expenditure and expenditures incurred on capital asset formation in Nepal during the years 2009/10 to 2011/12. It describes the expenditure along six different expenditure classifications including first attempt of distributing expenditures by financing schemes as well.

This round of NNHA has been prepared by using the System of Health Accounts 2011 framework (SHA 2011) contextualized to Nepalese health system which is the internationally accepted method of conducting the health accounts in a country. The previous rounds of NNHA were prepared based on SHA 1.0 framework.

I highly appreciate the financial and technical support provided by WHO and GIZ, without which this round of NNHA study would not have been possible. I would like to acknowledge the efforts of Advisory and Technical Working Committees' members who have contributed to accomplishing the task of producing this report. Special thanks goes to Nepal Health Research Council (NHRC), Nepal Health Economics Association (NHEA) and South Asian Institute for Policy Analysis and Leadership (SAIPAL) for collecting the data from different sources for producing this round of NNHA.

I would like to thank especially to Dr. Ghanshyam Gautam and Dr. Osmat Azzam for their continuous technical support and advice in every aspects of this round of NNHA. I appreciate and thanks to Dr. Shiva Raj Adhikari from NHEA; Dr. Charu C. Garg, International Consultant; Ms. Franziska Fuerst form GIZ; Mr. Chandika Indikadahena from WHO HQ; Ms. Hui Wang from WHO SEARO; Dr. Meera Thapa Upadhyay, Mr. Susheel Chandra Lekhak and Mr. Paban Ghimire from WHO Nepal Country Office; Dr. Krishna Kumar Aryal from NHRC for the technical reviews and valuable suggestions in this round of NNHA and during the report preparation.

I would also like to thank and congratulate to all officials involved directly and indirectly in carrying out this report. Particularly, the publication of this report has been successful by the supportive supervision and guidance from Mr. Ramsharan Chimoriya, then Joint Secretary of the Ministry of Health. I gratitude their encouraging role in this achievement.

My sincere thanks goes to Mr. Jhabindra Prasad Pandey, Director, Health Financing Unit, MoH, Mr. Roshan Kumar Karn and Mr. Dej Krishna Shrestha from WHO Nepal Country Office, Mr. Ghana Prasad Neupane from NHEA and Mr. Bikesh Bajracharya from GIZ for involving in every aspects of this round of NNHA and for their immense work in the report preparation. I would like to thank Ms. Rajani Pokharel from GIZ and Mr. Rajan Adhikari from MoH for their support in report writing. I congratulate and thank for all of your hard work and admire your intensive efforts in completing this round of NNHA.

Sanat KC

Joint-Secretary
Human Resource and Financial Management Division

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Abbreviations and Acronyms

CBHI	Community Based Health Insurance
CBS	Central Bureau of Statistics
CF	Capital Formation
CHE	Current Health Expenditure
DDCs	District Development Committees
DHO	District health Office
DIS	Disease
DoHS	Department of Health Services
EDPs	External Development Partners
FA	Financing Agents
FP	Factors of Healthcare Provision
FS	Revenues of Healthcare Financing Scheme
GDP	Gross Domestic Product
GGE	General Government Expenditure
GIZ	Deutsche Gesellschaft für Internationale Zusammenarbeit
GoN	Government of Nepal
HC	Healthcare Functions
HF	Health Financing Scheme
HK	Capital Formation
HMIS	Health Management Information System
HP	Healthcare Providers
HPs	Health Posts
ICHA	International Classifications for Health Accounts
MoF	Ministry of Finance
MoH ¹	Ministry of Health
n.e.c	Not Elsewhere Classified
NGO	Non-Governmental Organization
NHA	National Health Accounts
NHEA	Nepal Health Economic Association
NNHA	Nepal National Health Accounts
NHRC	Nepal Health Research Council
NPISH	Non-Profit Institutions Serving Household
OECD	Organization for Economic Co-operation and Development
OOP	Out-of-Pocket
PHCCs	Primary Health Care Centers
PHCRD	Primary Health Care Revitalization Division
RHD	Regional Health Directorate
SHA	System of Health Accounts
SHP	Sub Health Post
TGHE	Total Government Health Expenditure
THE	Total Health Expenditure
VDCs	Village Development Committees
WHO	World Health Organization

¹ The term Ministry of Health and Population (MoHP) was changed to Ministry of Health (MoH) in 2015

Executive Summary

Health care financing has become global concern encompassing many economic and social policies. Accounting for resources in the health is envisioned to address the supply and demand of resources and understanding the structure of the health economy. It is further emphasized by global financial downturn affecting health financing across the countries, mainly low and middle income countries.

Providing universal access to health services with limited financial resources remains a major concern for the Government of Nepal. This concern was the major driving force behind the key policies reform for the public sector development, improving efficiency and effectiveness of health system, service delivery, and resource prediction and optimization.

System of Health Accounts is designed to give a comprehensive description of resource flows in a health care system, showing where resources come from, under what scheme, and how they are used. This round of Nepal National Health Accounts (NNHA) 2009/10 – 2011/12 is the first round of health accounts estimates based on System of Health Accounts 2011 (SHA 2011), a methodology advocated by World Health Organization to prepare comparable National Health Accounts across the countries and regions.

The major objectives of this round of NNHA was to produce the consistent and comparable database for the health accounts and internationally standardized cross-country comparisons and simultaneously institutionalize the process for future health accounts production in Nepal.

This report encompasses both Current Health Expenditure (CHE) and expenditures incurred on Capital Formation (CF) during the years 2009/10 – 2011/12 and all new aspects of measurements introduced in this round of NNHA.

NNHA shows that the CHE for the year 2011/12 was around NPR 78.72 billion, and additional NPR 5.03 billion was invested in CF. Taken together, health expenditure was 5.5% of the GDP. CHE was 5.2% of GDP of the country for that year and per capita CHE was NPR 2,745 (33.9 US\$).

The report recognizes that the household remains the main financier of the health care expenditure financing 56.3% of CHE in the year 2011/12 that was measured as 2.9% of GDP. The government of Nepal provided 17.6% of total CHE, while external funds for health contributed for further 13.5% out of total CHE in the same year. The NPISHs contributed 8.2% of CHE and remaining 4.4% by enterprises and others.

General Government Expenditure (GGE) was NPR 339.17 billion in the year 2011/12 out of which the contribution in CHE was NPR 19.57 billion, and additional NPR 4.85 billion was invested in CF. Together government health expenditure was NPR 24.61 (7.3% of GGE). Total CHE of NPR 19.57 billion by the Government was estimated at 24.9% of total CHE in the year 2011/12. The Central Government Scheme share was 23.0 % and Local Government Scheme is estimated at 1.8%.

CHE by functions showed the largest expenditure (43.7% of CHE) was on medical goods (non-specified by functions) where majority (39.9% of CHE) was made on pharmaceuticals, followed by curative care that received 27.8% of CHE, out of which outpatient curative care draws 18.4% and inpatient care draws 9.4% of CHE in the year 2011/12. Preventive care expenditures received only 13.4% of CHE. Ancillary services such as laboratory services, imaging services and patient transportation accounted for 8.6% of CHE. The remaining 6.4% of CHE was under governance and health system and financing administration and others health care services. Very less CHE was made on rehabilitative and long term care (less than 0.1%)

The retailers and other providers of medical goods accounted for largest share of CHE by utilizing 37.5% of CHE where pharmacies attracted 22.9% of CHE and retailers and other suppliers of durable medical goods and medical appliances drew 14.6% of CHE. Hospitals as providers of health care accounted for the 23.5% of CHE where majority (12.3%) of CHE was drawn by private hospitals followed by public hospitals (11.2%) in the year 2011/12. Ambulatory care receives 19.2% of CHE. Very low share (0.5%) of CHE was made for non-allopathic medicines.

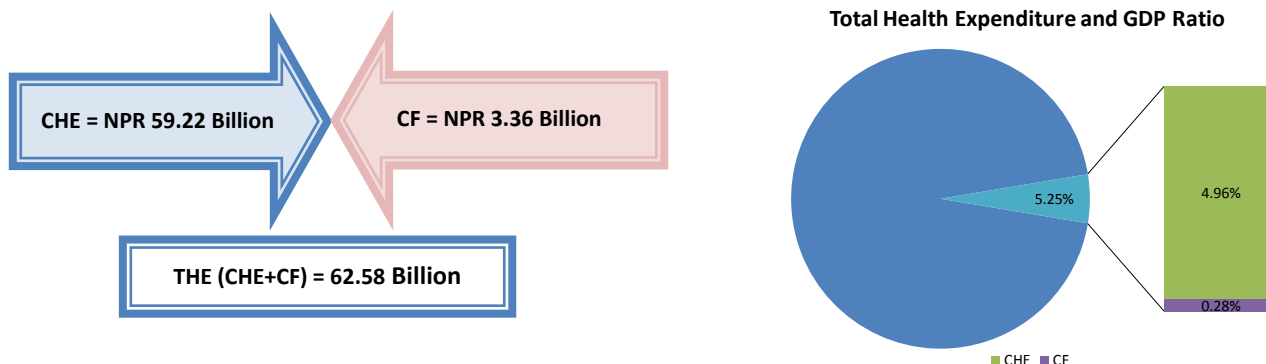
Remunerations for health system employees and self-employed professionals such as general practitioners accounted for 14.6% of CHE where majority (11.7% of CHE) was for wages and salaries. Current health expenditure under self-employed professional remuneration was around 4.5% of CHE. Likewise, consumption of fixed capital expenditures, accounted for government only, found very low (1.8% of CHE).

Corporations, other than insurance corporations, accounted for 5.1% of CHE where the health management and provider's corporations shares 2.6% of CHE while the corporations other than providers of health services shares another half (2.5%) of CHE. Insurance corporations still share very less proportion (less than one percent) of current expenditure in the year 2011/12. Non-Profit Institution Serving Household current expenditure was around 8.2% of CHE. Rest of the world contributed for 6.0% of CHE out of which 5.2% of CHE was directly through international organizations.

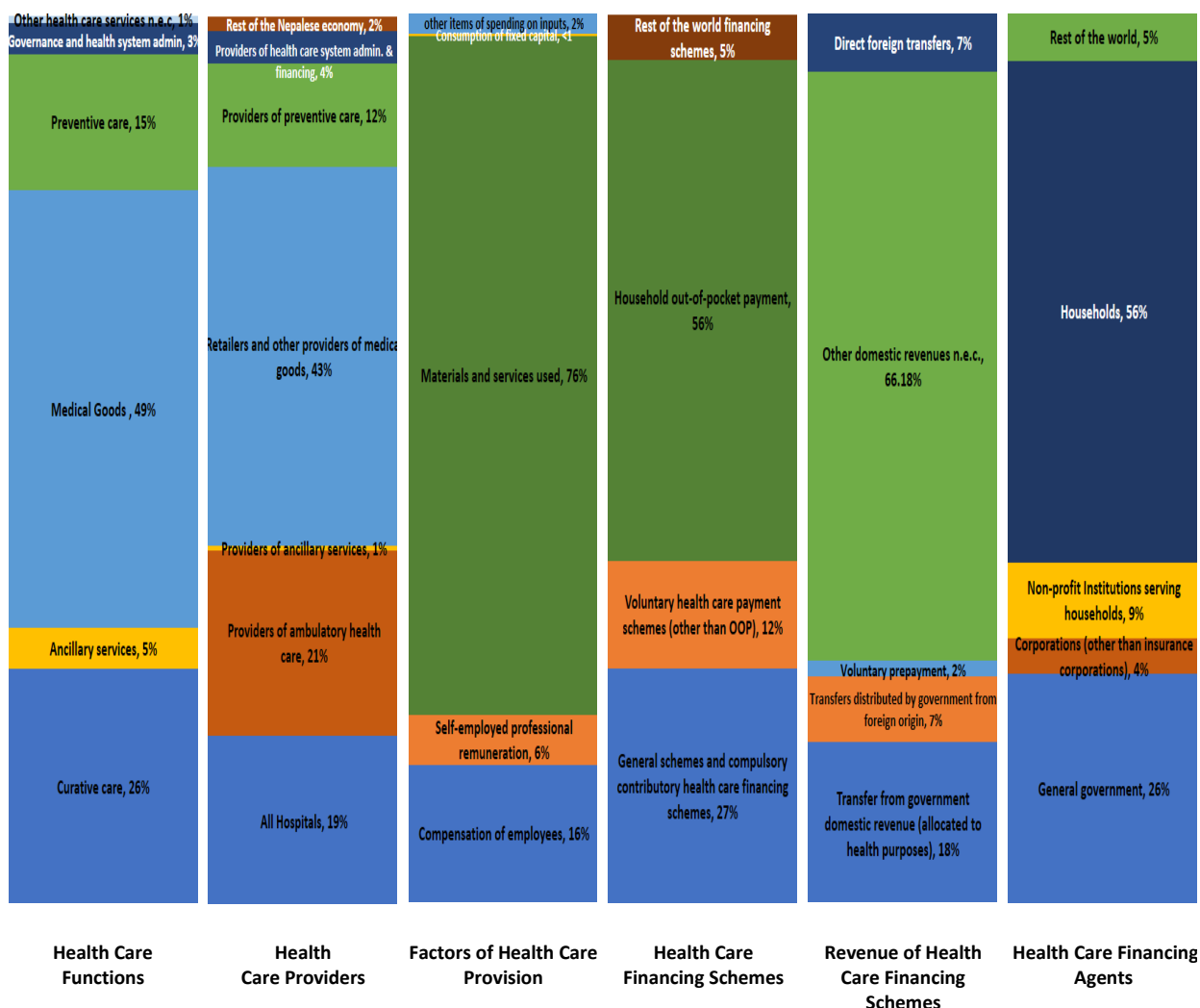
Current Health Spending and Capital Formation: Summary of HA Results 2009/10 – 2011/12

Summary of Health Accounts results showing the current health spending by Health Care Functions (HC), Health Care Providers (HP), Factors of Health Care Provision (FP), Financing Schemes (HF), Revenues of Health Care Financing Scheme (FS), and Financing Agents (FA) and Capital Formation (CF) from the year 2009/10 - 2011/12.

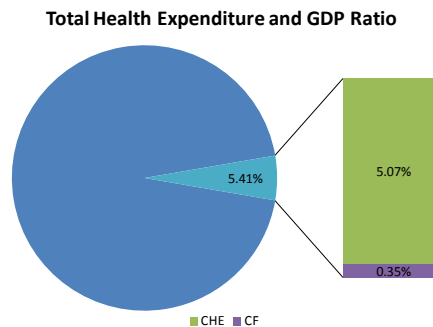
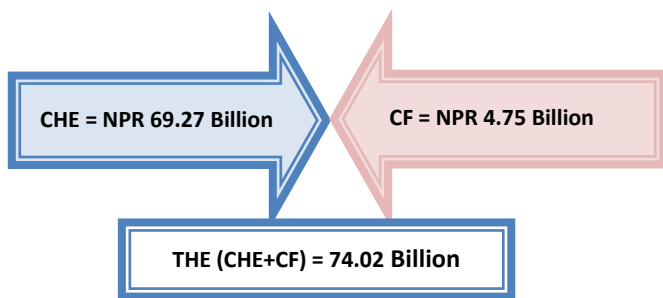
Fiscal Year 2009/10



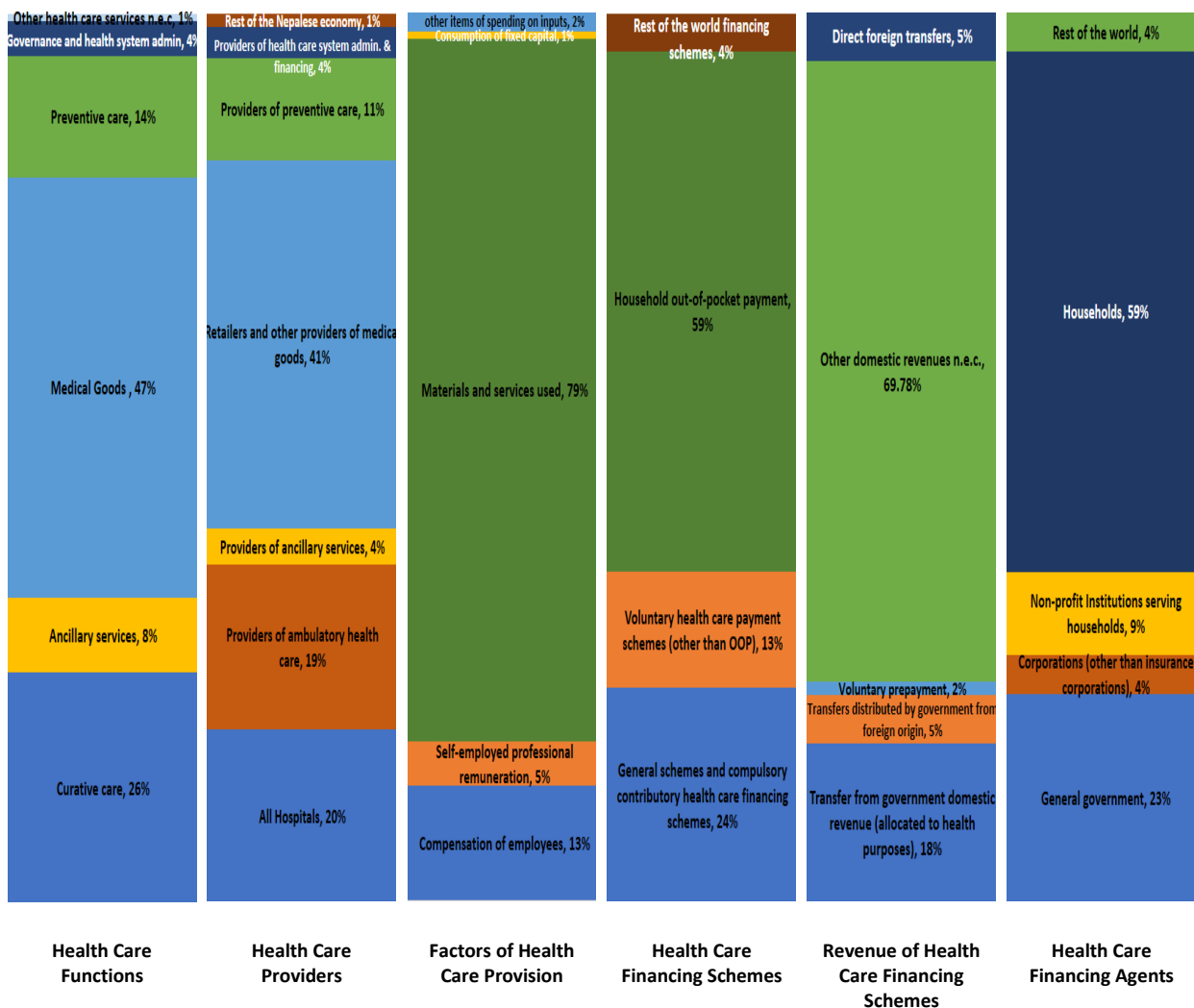
Distribution of Current Health Expenditure by HC, HP, FP, HF, FS and FA



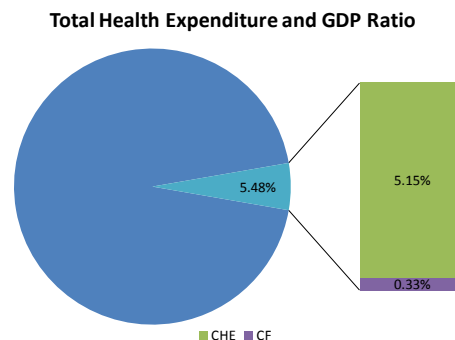
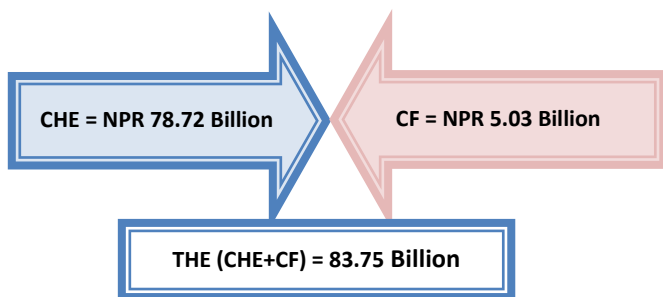
Fiscal Year 2010/11



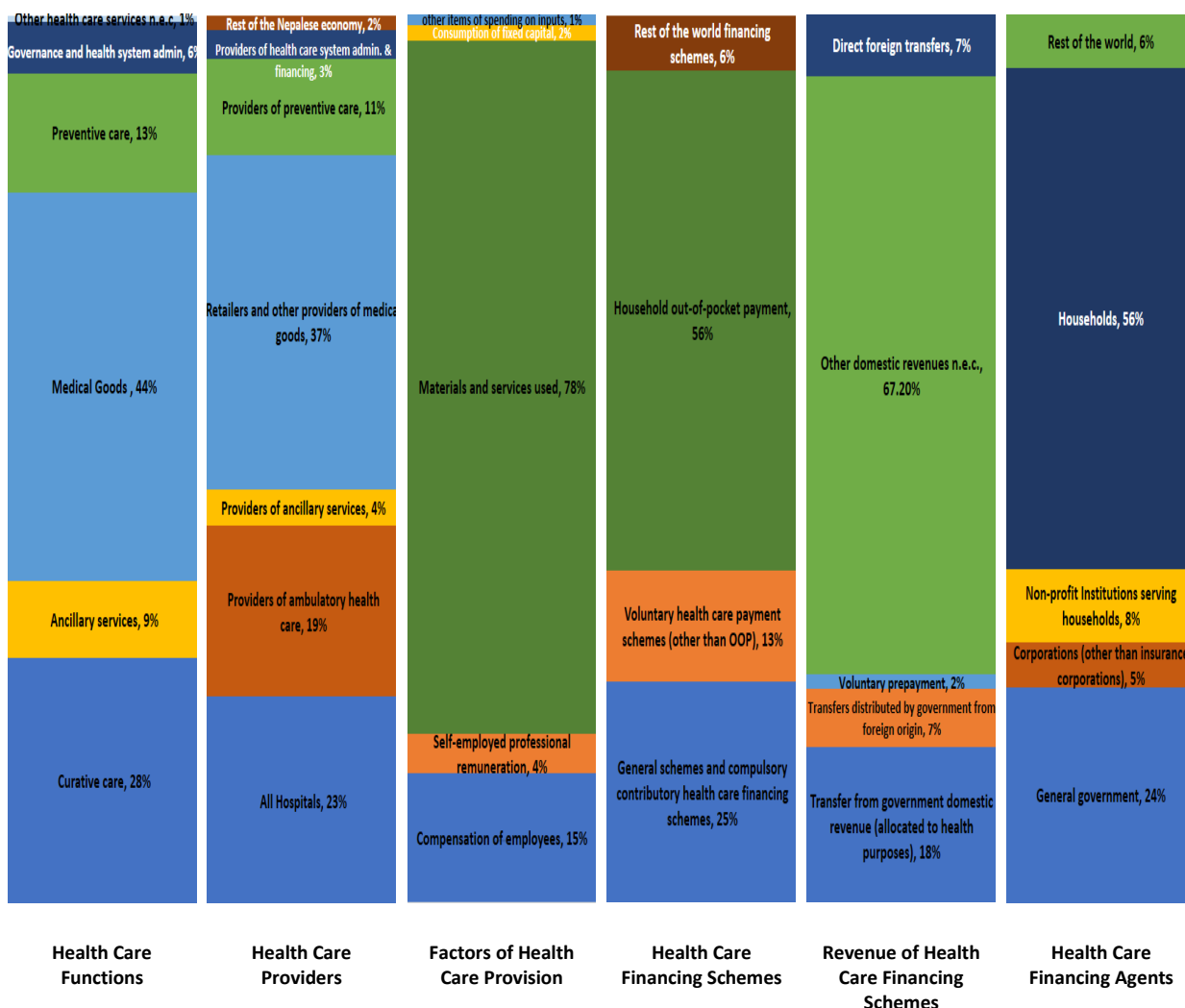
Distribution of Current Health Expenditure by HC, HP, FP, HF, FS and FA



Fiscal Year 2011/12



Distribution of Current Health Expenditure by HC, HP, FP, HF, FS and FA



Key Indicators for NNHA Estimates 2009/10 – 2011/12

The information for the key indicators of the Nepal National Health Accounts Estimates for 2009/10 - 2011/12 were derived from 2x2 matrices mentioned in the annex part of this report, which describe the flow of funds from sources to schemes (FS X HF), schemes to providers (HF X HP), schemes to functions (HF X HC) and providers to functions (HP X HC). The indicators are linked to total health expenditures and its sub-components. The information on corresponding codes, the value of numerators and denominators in NPR million are also provided. The three-year key indicators from FY 2009/10 – FY 2011/12 of NNHA are presented in (Table 1, Table 2 and Table 3)²

Table 1: Key Indicators from NHA Estimates for Nepal, Fiscal Year 2009/10

SN	Key Indicator	Linked Classification code	Ratio Indicator	Indicator Value (%)	Numerator (In NPR. Million)	Denominator (In NPR Million)	Numerator Per Capita: (In NPR.)
1	Total Health Expenditure (THE)		Total Health Expenditure (THE) as a % of Gross Domestic Product (GDP)	5.25	62,580	1,192,774	2,244
2	Current Health Expenditure (CHE)		Current Health Expenditure (CHE) as % Gross Domestic Product (GDP)	4.96	59,216	1,192,774	2,123
3.1	Total Government Health Expenditures	HF.1+ HK	Total Government Health Expenditures as % of GDP	1.60	19,057	1,192,774	683
3.2	Total Government Health Expenditures	HF.1+ HK	Total Government Health Expenditures as % of General Government Expenditure (GGE)	7.34	19,057	259,689	683
3.3	Total Government Health Expenditures	HF.1+ HK	Total Government Health Expenditures as % of THE	30.45	19,057	62,580	683
4	Current Government Health Expenditures	HF.1	Current Government Health Expenditures as % Current Health Expenditure	26.50	15,693	59,216	563
5	Government Health Expenditure (excluding insurance)	HF.1.1	Government Health Expenditure (excluding insurance) as % of CHE	26.46	15,671	59,216	562

²The second column of the Table 1, 2 and 3 denotes the key indicators and the third column link the key indicators based on the SHA 2011 classification categories codes, whose values are in the column six mentioned as numerator. The Fourth column shows the comparison of key indicators with GDP, GGE, THE and CHE respectively. The values of GDP, GGE, THE and CHE are mentioned in the column seven as denominator respectively. The fifth column denotes the percentage value of the key indicators as of the GDP, GGE, THE and CHE respectively. The last column denotes the per capita value of the key indicators.

SN	Key Indicator	Linked Classification code	Ratio Indicator	Indicator Value (%)	Numerator (In NPR. Million)	Denominator (In NPR Million)	Numerator Per Capita: (In NPR.)
5.1	Central Government Schemes	HF.1.1.1	Central Government Expenditure as % Current Health Expenditure	25.10	14,864	59,216	533
5.2	Local Government Schemes	HF.1.1.2	Local Government Schemes as % Current Health Expenditures	1.36	807	59,216	29
6	Voluntary Healthcare Payment Schemes	HF.2	Voluntary Healthcare Payment Schemes % Current Health Expenditure	12.01	7,113	59,216	255
7	Household Health Expenditures (Including prepayments for insurance)	FS.6.1+ FS.3.1+ FS.5.2	(OOP + Prepayment for SHI + Prepayment for Private Insurance) as % of THE	53.29	33,350	62,580	1,196
8.1	Out-of-Pocket Spending	HF.3	Out-of-Pocket Spending as % GDP	2.80	33,350	1,192,774	1,196
8.2	Out-of-Pocket Spending	HF.3	Out-of-Pocket Spending as % THE	53.29	33,350	62,580	1,196
8.3	Out-of-Pocket Spending	HF.3	Out-of-Pocket Spending as % Current Health Expenditure	56.32	33,350	59,216	1,196
9	Non-Profit Institutions Serving Households Schemes	HF.2.2	Non-Profit Institutions Serving Households Schemes as % Current Health Expenditure	8.98	5,316	59,216	191
10	Enterprises Health Expenditures	HF.2.3	Enterprises Health Exp. as % Current Health Expenditure	3.03	1,797	59,216	64
11	Domestic General Government Funds for Health (Exclusive of Foreign Funds Routed through Government)	FS.1	Domestic General Government Funds for Health % Current Health Expenditure	18.17	10,757	59,216	386
12.1	External Funds for Health	FS.2+FS.7	External Funds for Health as % THE	13.14	8,221	62,580	295

SN	Key Indicator	Linked Classification code	Ratio Indicator	Indicator Value (%)	Numerator (In NPR. Million)	Denominator (In NPR Million)	Numerator Per Capita: (In NPR.)
12.2	External Funds for Health	FS.2+FS.7	External Funds for Health as % Current Health Expenditure	13.88	8,221	59,216	295
13	Total Pharmaceutical Expenditure	HC.5.1.1+ HC.5.1.2	Total Pharmaceutical Expenditure as % Current Health Expenditure	46.36	27,455	59,216	984
14	Non-allopathic medicines expenditures	HC.5.1.1.2 + HC.5.1.2.2	Non-allopathic medicines expenditure as % Current Health Expenditure	0.43	253	59,216	9
15	Expenditure on Inpatient care	HC.1.1	Expenditure on Inpatient curative care as % Current Health Expenditure	8.03	4,755	59,216	170
16	Expenditure on outpatient care	HC.1.3	Expenditure on Outpatient curative care as % Current Health Expenditure	18.45	10,926	59,216	392
17	Expenditure on Preventive care	HC.6	Expenditure on Preventive care as % Current Health Expenditure	15.35	9,090	59,216	326
18	Expenditure on Hospitals	HP.1	Expenditure on Hospitals as % Current Health Expenditure	19.17	11,350	59,216	407
18.1	Expenditure on Hospitals - Government	HP.1.1.1+ HP.1.2.1+ HP.1.3.1	Expenditure on Hospitals - Government as % Current Health Expenditure	10.94	6,478	59,216	232
18.2	Expenditure on Hospitals - Private	HP.1.1.2+ HP.1.1.3+ HP.1.2.2+ HP.1.2.3+ HP.1.3.2+ HP.1.3.3	Expenditure on Hospitals - Private as % Current Health Expenditure	8.23	4,871	59,216	175
19	Expenditure on Ambulatory Healthcare centers	HP.3	Expenditure on Ambulatory Healthcare centers as % Current Health Expenditure	20.83	12,336	59,216	442
20	Pharmacies (Retailers and other providers of medical goods)	HP.5.1	Expenditure on Pharmacies as % Current Health Expenditure	29.78	17,637	59,216	632

Table 2: Key Indicators from NHA Estimates for Nepal, Fiscal Year 2010/11

SN	Key Indicator	Linked Classification code	Ratio Indicator	Indicator Value (%)	Numerator (In NPR. Million)	Denominator (In NPR. Million)	Numerator Per Capita: (In NPR.)
1	Total Health Expenditure (THE)		Total Health Expenditure (THE) as a % of Gross Domestic Product (GDP)	5.41	74,019	1,366,954	2,617
2	Current Health Expenditure (CHE)		Current Health Expenditure (CHE) as % Gross Domestic Product (GDP)	5.07	69,273	1,366,954	2,450
3.1	Total Government Health Expenditures	HF.1+ HK	Total Government Health Expenditures as % of GDP	1.57	21,435	1,366,954	758
3.2	Total Government Health Expenditures	HF.1+ HK	Total Government Health Expenditures as % of General Government Expenditure (GGE)	7.26	21,435	295,363	758
3.3	Total Government Health Expenditures	HF.1+ HK	Total Government Health Expenditures as % of THE	28.96	21,435	74,019	758
4	Current Government Health Expenditures	HF.1	Current Government Health Expenditures as % Current Health Expenditure	24.09	16,689	69,273	590
5	Government Health Expenditure (excluding insurance)	HF.1.1	Government Health Expenditure (excluding insurance) as % of CHE	24.05	16,660	69,273	589
5.1	Central Government Schemes	HF.1.1.1	Central Government Expenditure as % Current Health Expenditure	23.07	15,979	69,273	565
5.2	Local Government Schemes	HF.1.1.2	Local Government Schemes as % Current Health Expenditures	0.98	681	69,273	24
6	Voluntary Healthcare Payment Schemes	HF.2	Voluntary Healthcare Payment Schemes % Current Health Expenditure	13.07	9,051	69,273	320

SN	Key Indicator	Linked Classification code	Ratio Indicator	Indicator Value (%)	Numerator (In NPR. Million)	Denominator (In NPR. Million)	Numerator Per Capita: (In NPR.)
7	Household Health Expenditures (Including prepayments for insurance)	FS.6.1+ FS.3.1 + FS.5.1	(OOP + Prepayment for SHI + Prepayment for Private Insurance) as % of THE	54.75	40,527	74,019	1,433
8.1	Out-of-Pocket Spending	HF.3	Out-of-Pocket Spending as % GDP	2.96	40,527	1,366,954	1,433
8.2	Out-of-Pocket Spending	HF.3	Out-of-Pocket Spending as % THE	54.75	40,527	74,019	1,433
8.3	Out-of-Pocket Spending	HF.3	Out-of-Pocket Spending as % Current Health Expenditure	58.50	40,527	69,273	1,433
9	Non-Profit Institutions Serving Households Schemes	HF.2.2	Non-Profit Institutions Serving Households Schemes as % Current Health Expenditure	9.54	6,612	69,273	234
10	Enterprises Health Expenditures	HF.2.3	Enterprises Health Exp. as % Current Health Expenditure	3.52	2,439	69,273	86
11	Domestic General Government Funds for Health (Exclusive of Foreign Funds Routed through Government)	FS.1	Domestic General Government Funds for Health % Current Health Expenditure	17.93	12,421	69,273	439
12.1	External Funds for Health	FS.2+ FS.7	External Funds for Health as % THE	10.06	7,448	74,019	263
12.2	External Funds for Health	FS.2+ FS.7	External Funds for Health as % Current Health Expenditure	10.75	7,448	69,273	263
13	Total Pharmaceutical Expenditure	HC.5.1.1+ HC.5.1.2	Total Pharmaceutical Expenditure as % Current Health Expenditure	43.90	30,410	69,273	1,075

SN	Key Indicator	Linked Classification code	Ratio Indicator	Indicator Value (%)	Numerator (In NPR. Million)	Denominator (In NPR Million)	Numerator Per Capita: (In NPR.)
14	Non-allopathic medicines expenditures	HC.5.1.1.2+ HC.5.1.2.2	Non-allopathic medicines expenditure as % Current Health Expenditure	0.38	264	69,273	9
15	Expenditure on Inpatient care	HC.1.1	Expenditure on Inpatient curative care as % Current Health Expenditure	7.83	5,426	69,273	192
16	Expenditure on outpatient care	HC.1.3	Expenditure on Outpatient curative care as % Current Health Expenditure	18.20	12,605	69,273	446
17	Expenditure on Preventive care	HC.6	Expenditure on Preventive care as % Current Health Expenditure	13.69	9,482	69,273	335
18	Expenditure on Hospitals	HP.1	Expenditure on Hospitals as % Current Health Expenditure	19.63	13,596	69,273	481
18.1	Expenditure on Hospitals - Government	HP.1.1.1+ HP.1.2.1+ HP.1.3.1	Expenditure on Hospitals - Government as % Current Health Expenditure	10.17	7,045	69,273	249
18.2	Expenditure on Hospitals - Private	HP.1.1.2+ HP.1.1.3+ HP.1.2.2+ HP.1.2.3+ HP.1.3.2+ HP.1.3.3	Expenditure on Hospitals - Private as % Current Health Expenditure	9.46	6,551	69,273	232
19	Expenditure on Ambulatory Healthcare centers	HP.3	Expenditure on Ambulatory Healthcare centers as % Current Health Expenditure	18.52	12,832	69,273	454
20	Pharmacies (Retailers and other providers of medical goods)	HP.5.1	Expenditure on Pharmacies as % Current Health Expenditure	28.28	19,589	69,273	693

Table 3: Key Indicators from NHA Estimates for Nepal, Fiscal Year 2011/12

SN	Key Indicator	Linked Classification code	Ratio Indicator	Indicator Value (%)	Numerator (In NPR. Million)	Denominator (In NPR. Million)	Numerator Per Capita: (In NPR.)
1	Total Health Expenditure (THE)		Total Health Expenditure (THE) as a % of Gross Domestic Product (GDP)	5.48	83,756	1,527,344	2,920
2	Current Health Expenditure (CHE)		Current Health Expenditure (CHE) as % Gross Domestic Product (GDP)	5.15	78,724	1,527,344	2,745
3.1	Total Government Health Expenditures	HF.1+ HK	Total Government Health Expenditures as % of GDP	1.61	24,607	1,527,344	858
3.2	Total Government Health Expenditures	HF.1+ HK	Total Government Health Expenditures as % of General Government Expenditure (GGE)	7.25	24,607	339,168	858
3.3	Total Government Health Expenditures	HF.1+ HK	Total Government Health Expenditures as % of THE	29.38	24,607	83,756	858
4	Current Government Health Expenditures	HF.1	Current Government Health Expenditures as % Current Health Expenditure	24.87	19,575	78,724	683
5	Government Health Expenditure (excluding insurance)	HF.1.1	Government Health Expenditure (excluding insurance) as % of CHE	24.83	19,544	78,724	681
5.1	Central Government Schemes	HF.1.1.1	Central Government Expenditure as % Current Health Expenditure	23.07	18,164	78,724	633
5.2	Local Government Schemes	HF.1.1.2	Local Government Schemes as % Current Health Expenditures	1.75	1,380	78,724	48
6	Voluntary Healthcare Payment Schemes	HF.2	Voluntary Healthcare Payment Schemes % Current Health Expenditure	12.59	9,912	78,724	346

SN	Key Indicator	Linked Classification code	Ratio Indicator	Indicator Value (%)	Numerator (In NPR. Million)	Denominator (In NPR Million)	Numerator Per Capita: (In NPR.)
7	Household Health Expenditures (Including prepayments for insurance)	FS.6.1+ FS.3.1+ FS.5.1	(OOP + Prepayment for SHI + Prepayment for Private Insurance) as % of THE	52.87	44,280	83,756	1,544
8.1	Out-of-Pocket Spending	HF.3	Out-of-Pocket Spending as % GDP	2.90	44,280	1,527,344	1,544
8.2	Out-of-Pocket Spending	HF.3	Out-of-Pocket Spending as % THE	52.87	44,280	83,756	1,544
8.3	Out-of-Pocket Spending	HF.3	Out-of-Pocket Spending as % Current Health Expenditure	56.25	44,280	78,724	1,544
9	Non-Profit Institutions Serving Households Schemes	HF.2.2	Non-Profit Institutions Serving Households Schemes as % Current Health Expenditure	8.18	6,439	78,724	225
10	Enterprises Health Expenditures	HF.2.3	Enterprises Health Exp. as % Current Health Expenditure	4.41	3,473	78,724	121
11	Domestic General Government Funds for Health (Exclusive of Foreign Funds Routed through Government)	FS.1	Domestic General Government Funds for Health % Current Health Expenditure	17.57	13,834	78,724	482
12.1	External Funds for Health	FS.2+ FS.7	External Funds for Health as % THE	12.70	10,634	83,756	371
12.2	External Funds for Health	FS.2+ FS.7	External Funds for Health as % Current Health Expenditure	13.51	10,634	78,724	371
13	Total Pharmaceutical Expenditure	HC.5.1.1+ HC.5.1.2	Total Pharmaceutical Expenditure as % Current Health Expenditure	39.92	31,424	78,724	1,096
14	Non-allopathic medicines expenditures	HC.5.1.1.2+ HC.5.1.2.2	Non-allopathic medicines expenditure as % Current Health Expenditure	0.49	390	78,724	14
15	Expenditure on Inpatient care	HC.1.1	Expenditure on Inpatient curative care as % Current Health Expenditure	9.49	7,469	78,724	260

SN	Key Indicator	Linked Classification code	Ratio Indicator	Indicator Value (%)	Numerator (In NPR. Million)	Denominator (In NPR. Million)	Numerator Per Capita: (In NPR.)
16	Expenditure on outpatient care	HC.1.3	Expenditure on Outpatient curative care as % Current Health Expenditure	18.35	14,444	78,724	504
17	Expenditure on Preventive care	HC.6	Expenditure on Preventive care as % Current Health Expenditure	13.35	10,511	78,724	367
18	Expenditure on Hospitals	HP.1	Expenditure on Hospitals as % Current Health Expenditure	23.47	18,480	78,724	644
18.1	Expenditure on Hospitals - Government	HP.1.1.1+ HP.1.2.1+ HP.1.3.1	Expenditure on Hospitals - Government as % Current Health Expenditure	11.22	8,835	78,724	308
18.2	Expenditure on Hospitals - Private	HP.1.1.2+ HP.1.1.3+ HP.1.2.2+ HP.1.2.3+ HP.1.3.2+ HP.1.3.3	Expenditure on Hospitals - Private as % Current Health Expenditure	12.25	9,645	78,724	336
19	Expenditure on Ambulatory Healthcare centers	HP.3	Expenditure on Ambulatory Healthcare centers as % Current Health Expenditure	19.21	15,120	78,724	527
20	Pharmacies (Retailers and other providers of medical goods)	HP.5.1	Expenditure on Pharmacies as % Current Health Expenditure	22.87	18,007	78,724	628

1. Introduction

1.1 Background

National Health Accounts is designed to track health expenditure in systematic, comprehensive, and consistent manner through estimating the expenditures incurred for consumption of healthcare services and goods in a country for reference year. Health Accounts captures all healthcare expenditures regardless of how or by whom the service or good is funded, purchased and provided which gives a wide-range understanding of health care financing system and the multi-sectorial contribution to health care. NHA also facilitates monitoring and review of the health financing system and financial protection over time. Development and practice of the NHA provide evidence to help policy-makers, non-governmental stakeholders, and managers to make better decisions in their efforts to improve the health system. Government and others can use NHA in several ways, and it is equally helpful in analyzing equity and efficiency in the health system.

1.2 Health Care Financing in Nepal

Health care financing refers to the way in which resources are generated, allocated and used in health systems. In Nepal, many actors contribute in financing the health sector among which household is the major contributor. The revenue collected from the households is the highest among other sources. Household pays out of pocket for getting the health services and purchasing the pharmaceuticals, other medical goods, and insurance schemes. Besides this, the household is tax payer which is a major source of revenue for the government.

The Government of Nepal being another major actor in the health financing, pools funds from various financing sources mainly through tax and non-tax revenue and financial aid from external development partners and pays providers such as hospitals, health posts, primary health care facilities, etc. Ministry of Finance is responsible for allocating public funds to all the other ministries including MoH and government entities. District level public health services are funded through district level health offices/public health offices whereas tertiary level curative services are majorly funded through MoH. Local bodies make contribution with grant made available by Ministry of Federal Affairs and Local Development and local revenues.

Peripheral level primary health facilities that are the major providers of ambulatory care services are funded through government revenue and in some cases supplemented with local revenues. They receive necessary essential medicines, supplies, and commodities through public supply chain system and deliver free services. Semi-autonomous hospitals receive block grants from the government for the operation of the hospital as well as salaries and allowances for government employees. They also generate resources from the services they provide and through the pharmaceuticals and medical goods.

External Development Partners (EDPs) fund the health system basically in two ways; they provide the fund to the government through pool funds or other budgetary support as well as through implementing NGOs. Firms/companies and corporations contributes on their employee's medical expenses or health insurance. Private insurance receives revenue through the voluntary insurance schemes and from the enterprises. All the private hospitals, nursing homes, clinics and health facilities get their revenue through the user fees, service charges and pharmaceutical and medical supplies.

1.3 Production of National Health Accounts in Nepal

The production of NHA in Nepal was initiated back in the year 2000, which was the first official effort by MoH with substantial external support to estimate the National Health Accounts in the country. Since then three rounds of NHA reports have been produced to date. The first Nepal National Health Accounts (NNHA) report was published in the year 2006 that covers the period from 2001 to 2003 (Prasai et al. 2006). Second round of NNHA was produced in the year 2009 which included the period 2003/04 to 2005/06. Likewise, the third round which covered the period of 2006/07 to 2008/08 was produced in the year 2012 (Shrestha BR. et. al. 2012). All the previous rounds of NNHA were produced on the framework which was compatible with the OECD System of Health Accounts standards. The overall structure of OECD compatible framework follows the three-dimensional classification of expenditure basically by source, function and provider (OECD, 2000). This was the fourth round of NNHA which include the period 2009/10 to 2011/12 and was the first NNHA based on System of Health Accounts 2011 (SHA 2011) framework. Necessary adjustments of some variables have been done in this round based on SHA 2011.

1.4 Objectives of this Round of NNHA

The objectives of this round of NNHA were to: (i) provide a benchmark so as to assist the production of the consistent and comparable database for the NHA in Nepal and internationally standardized cross-country comparisons. (ii) institutionalize³ and regularize further NHA production in Nepal. The purpose is to create the demand and use of NHA data for policy development.

1.5 Methodological Approach

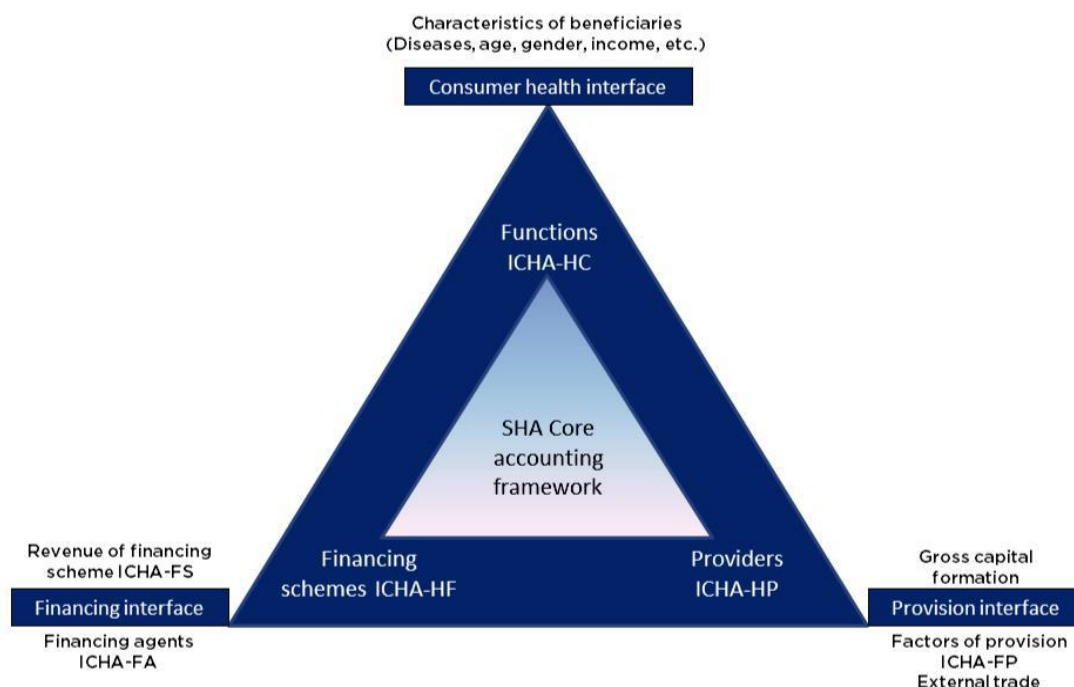
This round of NNHA estimates was based on the six-dimension classification of SHA 2011 Framework in order to ensure consistency in methodology and data reporting. This is a globally standardized process for systematic description and reporting of financial flows related to healthcare in a defined territory and is comparable across countries, regions and between different periods. SHA 2011 includes additional classifications such as by financing schemes and types of revenues of health financing schemes and beneficiaries, besides the classifications of health expenditure by financing agents, providers and functions (OECD et.al. 2011).

1.5.1 Tri-axial Accounting Framework of SHA 2011

Accounting Framework of SHA 2011 uses a tri-axial recording of each transaction related to the value of health care goods and services provided and financed. It provides a systematic description of the financial flows according to three axes of the International Classifications for Health Accounts (ICHA) i.e. consumption, provision and financing. This approach ensures that the value of all health care goods and services consumed equals the value of health care goods and services provided and financed (OECD et.al. 2011). This framework refers only to current health expenditure; capital formation is outside this framework.

³ NHA institutionalization can be done through i) creating demand for NHA and its regular use; ii). production, data management and quality assurance; iii) dissemination of data and findings; and iv) translation of data into policy recommendations with the clear objective to inform national policy makers (OECD et.al. 2011).

Figure 1: Tri-axial Accounting Framework of SHA 2011



Source: OECD et.al. 2011

1.5.2 Dimensions of Classifications

SHA 2011 framework adopts both core and extended dimensions of classification for classifying the health expenditure. The core and extended dimensions of SHA 2011 classification emphasize on to address three basic questions:

- What kinds of health care goods and services are consumed (Functions)?
- Which health care providers deliver those goods and services (Provisions/Providers)?
- Which financing scheme pays for these goods and services (Financing)?

The classification of health care related expenditure based on SHA 2011 (OECD et.al. 2011)

Core Classification

Healthcare Functions This denotes the types of goods and services provided and activities performed within the health accounts boundary such as; curative care, information, education, and counseling programs, medical goods such as supplies and pharmaceuticals, governance and health system administration (includes national-level surveys).

(HC):

Healthcare Providers These are entities for or in anticipation of producing the activities inside the health accounts boundary such as; hospitals, clinics, health centers, pharmacies.

(HP):

Healthcare Financing This includes components of a country's health financial system that channel revenues received and use those funds to pay for, or purchase, the activities inside the HA boundary such as; government programs run by the Ministry of Health, voluntary insurance, social health insurance.

Schemes (HF):

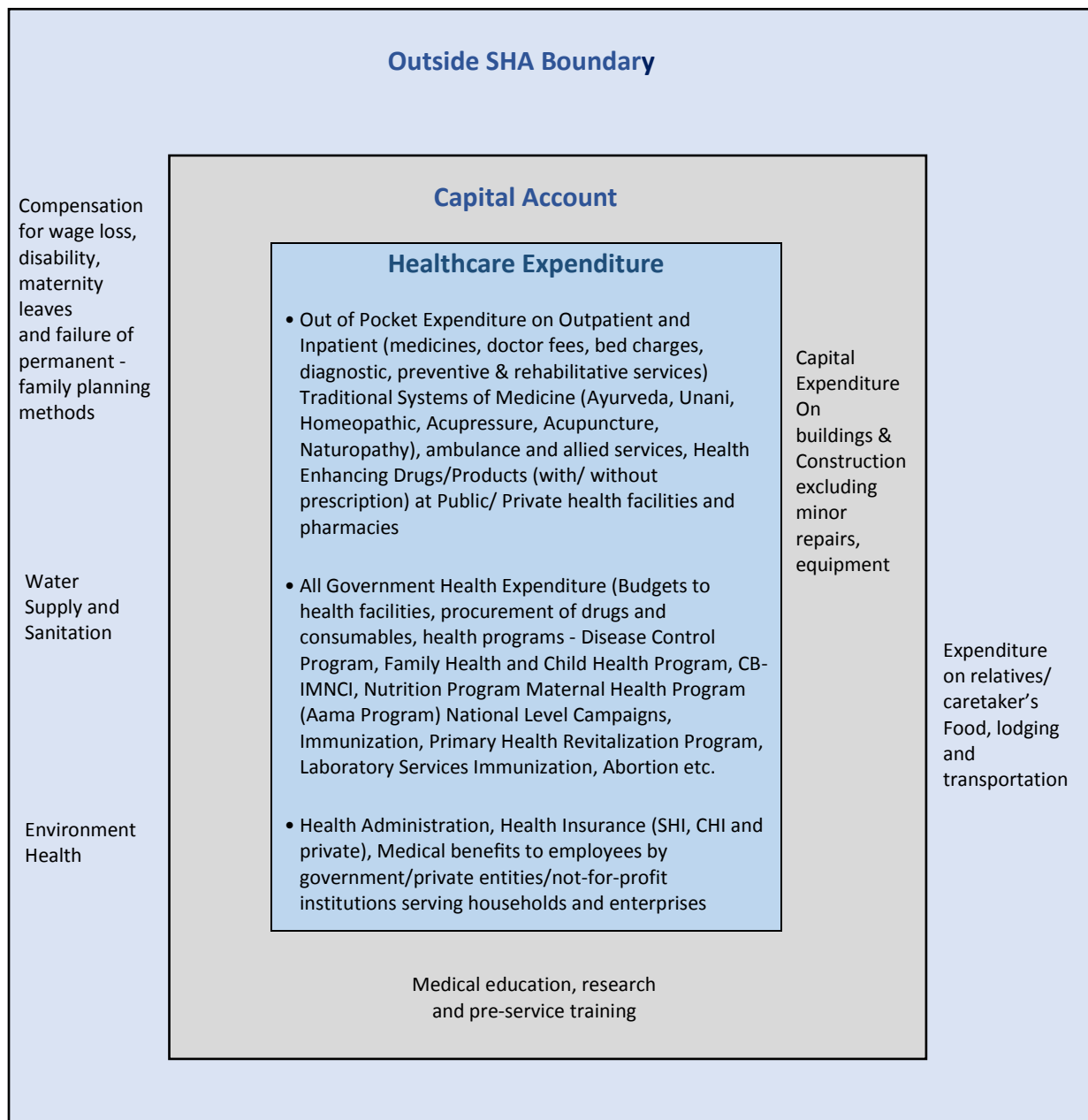
Extended Classification

- Financing agents (FA):** This denotes institutional units that manage health financing schemes such as; Ministry of Health, commercial insurance companies, national and international organizations.
- Revenues of Financing Schemes (FS):** The revenues of the health financing schemes received or collected through specific contribution mechanisms such as; direct foreign financial transfers; voluntary prepayment from employers; transfers from the ministry of finance to other governmental agencies.
- Factors of Provision (FP):** These are the types of inputs used in producing the goods and services or activities conducted inside the HA boundary such as; wages, utilities, rent, materials, and services used.
- Beneficiary Characteristics: (age, gender, socio-economic group)** Characteristics of those who receive the health care goods and services or benefit from those activities disaggregated based on age, gender and socio-economic group.
- Beneficiary Characteristics: (diseases)** Characteristics of those who receive the health care goods and services or benefit from those activities disaggregated based on disease classification.
- Capital Formation and Related Items:** This includes the types of investments that health providers have made during the accounting period and are used for more than a year for the production of health services, such as infrastructure (buildings), machinery, and equipment (capital formation); formal training, Research and Development (related items)

1.5.3 Expenditure Boundaries

The boundaries of the health expenditure account, as outlined in SHA 2011, are established by the purposes of the consumption of the health care goods and services included. This round of NHA estimates relies on SHA 2011 and contextualizes considering the Nepalese setting. Figure 2 shows the health care expenditures, capital accounts which are included in the health expenditure and the expenditures which are outside SHA boundary are not considered as healthcare expenditure.

Figure 2: Description of the Health Expenditure Boundaries for Nepal



2. Overall Healthcare Expenditure

NHA produces the aggregate current health expenditure and capital formation in a country's health system which covers all kinds of expenditure on health care goods and services entirely consumed during the accounting period, as well as health system investments whose value lasted beyond the accounting period. The SHA 2011 separates these two types of health expenditures, using Current Health Expenditure (CHE) represents only spending on final consumption and Capital Formation (CF). Both are tracked and aggregated separately (OECD et.al. 2011)

2.1 Current Health Expenditure (CHE)

CHE includes all forms of expenditure made for purchasing or producing the health services and goods consumed by the residents within a year. Such as expenditure made by households to get the health services, medical goods and purchasing health insurance scheme. It includes the government entities, enterprises including all kinds of health schemes by the corporations, NPISHs and Rest of the World entities. CHE also includes the cost of health services and goods provided to households free of charge by the government, employers and NPISH entities.

The CHE estimated were NPR 59.22 billion, NPR 69.27 billion and NPR 78.72 billion in the year 2009/10, 2010/11 and 2011/12 respectively for providing the health services to Nepalese residents. This was the major proportion (94.0%) of expenditure incurred under THE. The inflation rate was included in overall expenditure.

2.2 Capital Formation (CF)

The capital formation includes all capital investments made in infrastructure, medical equipment, machinery etc. in the health sector where the value of investment extended beyond a calendar year. The estimated amount invested as capital formation in Nepal's health sector were NPR 3.36 billion, NPR 4.75 billion and NPR 5.03 billion in the years 2009/10, 2010/11 and 2011/12 respectively. The expenditure on capital formation presented here was made by public sector only.

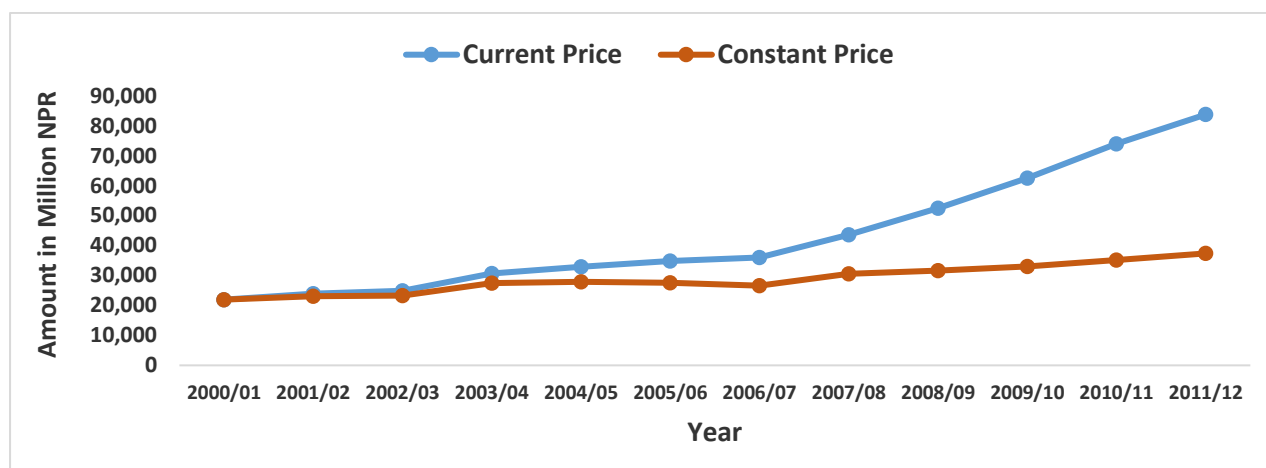
The total estimated amount spent for health care purpose in Nepal were NPR 62.58 billion, NPR 74.02 billion and NPR 83.75 billion in the years 2009/10, 2010/11 and 2011/12 respectively. The details of CHE, CF and THE are mentioned in Table 4. Total Health Expenditure in both current price and constant price since the year 2000/2001 to 2011/12 is in increasing trend⁴ (Figure: 3)

Table 4: Current Health Expenditure and Capital Formation 2009/10 - 2011/12

SN	Description	2009/10		2010/11		2011/12	
		Amount (Billion NPR)	Percent	Amount (Billion NPR)	Percent	Amount (Billion NPR)	Percent
1	Current Health Expenditure (CHE)	59.22	94.6	69.27	93.6	78.72	94.0
2	Capital Formation (CF)	3.36	5.4	4.75	6.4	5.03	6.0
Total Health Expenditure		62.58	100.0	74.02	100.0	83.75	100.0

⁴ Total Health Expenditure (THE) from 2001 to 2009 was estimated based on the boundaries defined by SHA 1.0 framework while from 2010 to 2012 was based on SHA 2011 framework.

Figure 3: Trend of Total Health Expenditure in Current and Constant Prices



2.3 Total Health Expenditure as Percentage of GDP and GGE

Table 5 illustrates the trends of GDP, GGE, THE and THE as the percentage of GDP and GGE respectively from 2000/01 to 2011/12. THE as percentage of GDP increased slightly from 5.3% to 5.4% and 5.5% in the years 2009/10, 2010/11 and 2011/12 respectively. The percentage of THE as of GGE were 24.1%, 25.1% and 24.7% in the years 2009/10, 2010/11 and 2011/12 respectively.

2.4 Total Government Health Expenditure (TGHE)

TGHE estimates which is the contribution of Government to CHE and CF, were NPR 19.1 billion, NPR 21.4 billion and NPR 24.6 billion in the years 2009/10, 2010/11 and 2011/12 respectively. The proportion of TGHE in the GGE were 7.4%, 7.2% and 7.3% in the years 2009/10, 2010/11 and 2011/12 respectively and the TGHE was 1.6% of GDP in the same years as shown in Table 5. Estimated Total Government contribution in CHE were NPR 15.7 billion, NPR 16.7 billion and NPR 19.6 billion in the years 2009/10, 2010/11 and 2011/12 respectively (24.9% of CHE in the year 2011/12).

Table 5: THE and TGHE as Percentage of GGE and GDP, 2000/01 - 2011/12

Fiscal Year	Gross Domestic Product (GDP)		General Government Expenditure (GGE)		Total Health Expenditure (THE)			Total Government Health Expenditure (TGHE)		
	In Billion NPR	In Billion USD	In Billion NPR	In Billion USD	In Billion NPR	as % of GDP	as % of GGE	In Billion NPR	as % of GGE	as % of GDP
2000/01	441.5	6.0	79.8	1.1	22.0	5.0	27.5	3.5	4.4	0.8
2001/02	459.4	6.0	80.1	1.0	24.0	5.2	29.9	4.7	5.8	1.0
2002/03	492.2	6.3	84.0	1.1	24.9	5.1	29.7	4.2	5.0	0.9
2003/04	536.7	7.3	89.4	1.2	30.7	5.7	34.3	5.3	5.9	1.0
2004/05	589.4	8.2	102.6	1.4	32.0	5.6	32.1	6.5	6.4	1.1
2005/06	654.1	9.0	110.9	1.5	34.8	5.3	31.4	8.2	7.4	1.3
2006/07	727.8	10.3	133.6	1.9	36.0	5.0	27.0	10.0	7.5	1.4
2007/08	815.7	12.5	161.4	2.5	43.6	5.4	27.0	13.2	8.2	1.6
2008/09	998.1	12.9	219.7	2.9	52.5	5.3	23.9	16.7	7.6	1.7
2009/10	1,192.8	16.0	259.7	3.5	62.6	5.3	24.1	19.1	7.4	1.6
2010/11	1,367.0	18.9	295.4	4.1	74.0	5.4	25.1	21.4	7.2	1.6
2011/12	1,527.3	18.9	339.2	4.2	83.8	5.5	24.7	24.6	7.3	1.6

(GDP and GGE Source: Ministry of Finance, 2013)

Table 6 illustrates the two types of healthcare expenditures CHE and CF together as a percentage of GDP of Nepal in the years 2009/10, 2010/11 and 2011/12. The CHE were 5.0%, 5.1% and 5.2% as of the GDP and CF were 0.3%, 0.4% and 0.3% as of GDP in the years 2009/10, 2010/11 and 2011/12 respectively.

Table 6: CHE and CF in Relation to GDP, 2000/01 - 2011/12

Fiscal Year	Gross Domestic Product	Current Health Expenditure		Capital Formation	
	In Billion NPR	In Billion NPR	as % of GDP	In Billion NPR	as % of GDP
2009/10	1,192.77	59.22	5.0	3.36	0.3
2010/11	1,366.95	69.27	5.1	4.75	0.4
2011/12	1,527.34	78.72	5.2	5.03	0.3

2.5 Per Capita Health Expenditure

Table 7 presents the estimated per capita health expenditure as of THE and GDP. The per capita estimated THE were NPR 2,244 (USD 30.1), NPR 2,617 (USD 36.2), and NPR 2,920 (USD 36) in the years 2009/10, 2010/11 and 2011/12 respectively. Likewise, the estimated per capita GDP in the years 2009/10, 2010/11 and 2011/12 were NPR 45,435 (USD 610), NPR 51,594 (USD 714), and NPR 56,880 (USD 702) respectively.

Table 7: Per Capita THE and GDP, 2000/01 - 2011/12

Fiscal Year	Per Capita THE		Per Capita GDP	
	NPR	USD ⁵	NPR	USD
2000/01	948	12.8	19,071	258
2001/02	1,011	13.1	19,410	252
2002/03	1,027	13.2	20,340	261
2003/04	1,236	16.8	21,694	294
2004/05	1,301	18.0	23,300	323
2005/06	1,344	18.6	25,290	350
2006/07	1,363	19.3	27,525	390
2007/08	1,617	24.9	30,171	464
2008/09	1,910	24.8	38,172	497
2009/10	2,244	30.1	45,435	610
2010/11	2,617	36.2	51,594	714
2011/12	2,920	36.0	56,880	702

⁵Year 2009/10 1 USD = NPR 74.48, Year 2010/11, 1 USD = 72.27 and Year 2011/12 1 USD = 81.03

3. NHA Estimates According to Classification Categories

3.1 Health Care Functions (HC)

The health care functions refer to the health purpose of activities and determine healthcare goods and services consumed by final users. The functional classification in the health account focuses on the estimation of current spending and involves the contact of the population with the health system for satisfying health needs. The expenditure associated with capital formation such as human resource formation and research and development services has been excluded from this category since it is not part of the population’s health final consumption. They are moved to a specific capital account.

In three years, the major current expenditure under health care functions was made on the medical goods (non-specified by functions) which were around 49%, 47.2% and 43.7% of CHE followed by expenditure made on all kinds of curative services in the years 2009/10, 2010/11 and 2011/12 respectively. Details of estimates are shown in the Figures 4 and 5 and Table 8.

Figure 4: Distribution of CHE According to Health Care Functions 2009/10 – 2011/12

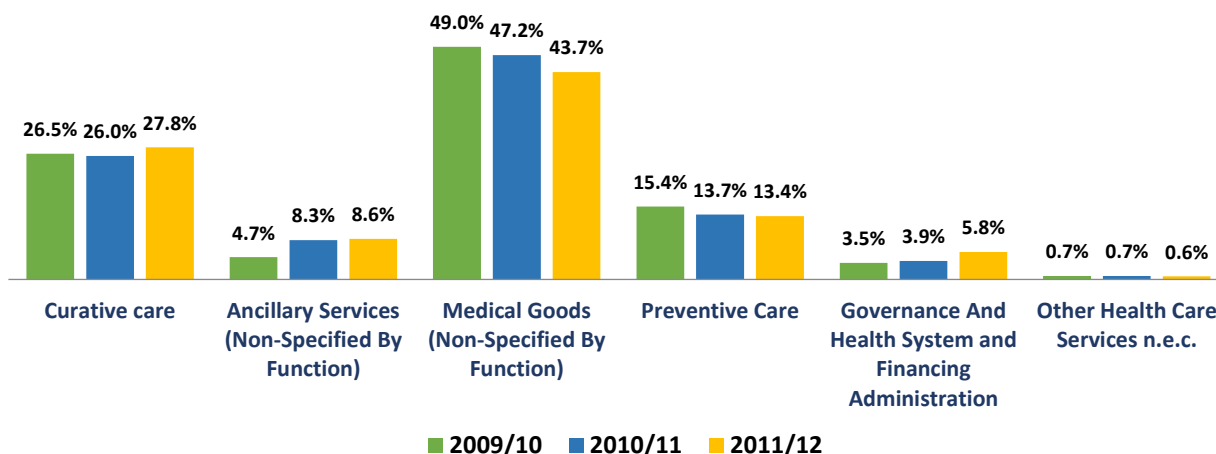


Figure 5: Distribution of CHE According to Health Care Functions 2011/12

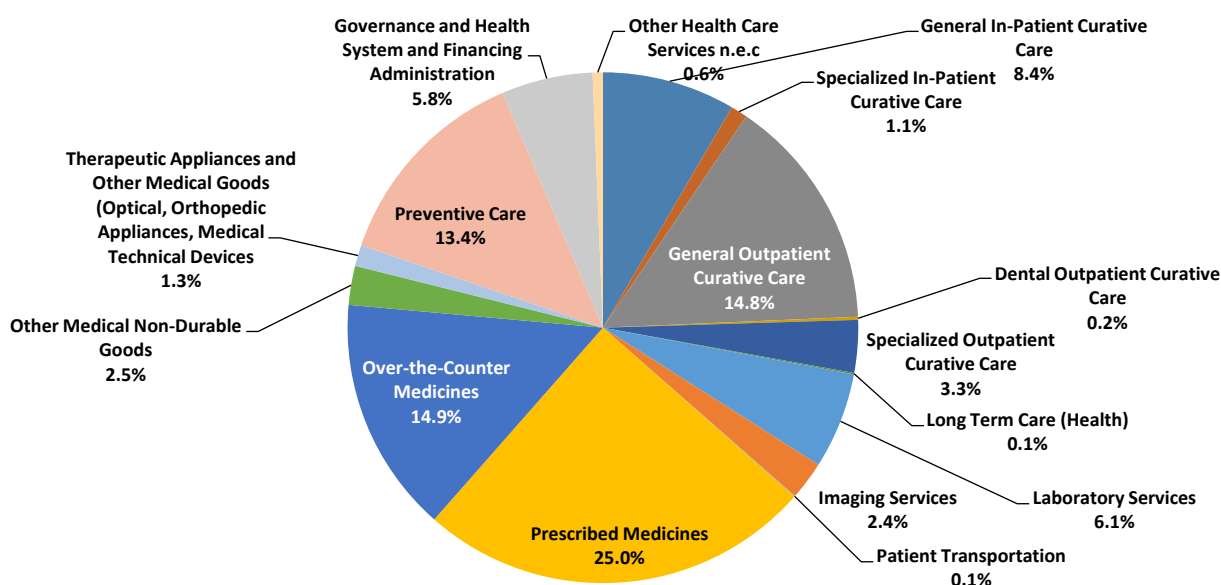


Table 8: Distribution of CHE by Health Care Functions (Amounts in Million NPR)

HC Code	Core Functions of HealthCare	2009/10		2010/11		2011/12	
		Amount	Percent	Amount	Percent	Amount	Percent
HC.1	Curative Care	15,681	26.5	18,031	26.0	21,913	27.8
HC.1.1	In-Patient Curative Care	4,755	8.0	5,426	7.8	7,469	9.5
HC.1.1.1	General In-Patient Curative Care	4,231	7.1	4,837	7.0	6,629	8.4
HC.1.1.2	Specialized In-Patient Curative Care	524	0.9	589	0.9	840	1.1
HC.1.3	Out-Patient Curative Care	10,926	18.5	12,605	18.2	14,444	18.4
HC.1.3.1	General Outpatient Curative Care	8,272	14.0	9,893	14.3	11,671	14.8
HC.1.3.2	Dental Outpatient Curative Care	131	0.2	132	0.2	152	0.2
HC.1.3.3	Specialized Outpatient Curative Care	2,524	4.3	2,580	3.7	2,621	3.3
HC.2	Rehabilitative Care	7	<0.1	9	<0.1	13	<0.1
HC.2.1	In-Patient Rehabilitative Care	7	<0.1	8	<0.1	12	<0.1
HC.2.3	Out-Patient Rehabilitative Care	0	<0.1	1	<0.1	1	<0.1
HC.3	Long-Term Care (Health)	130	0.2	78	0.1	70	0.1
HC.3.2	Day Long-Term Care	93	0.2	23	<0.1	9	<0.1
HC.3.3	Out-Patient Long-Term Care	38	0.1	55	0.1	61	0.1
HC.4	Ancillary Services (Non-Specified By Function)	2,773	4.7	5,749	8.3	6,751	8.6
HC.4.1	Laboratory Services	1,260	2.1	4,082	5.9	4,792	6.1
HC.4.2	Imaging Services	1,486	2.5	1,637	2.4	1,915	2.4
HC.4.3	Patient Transportation	27	0.1	30	<0.1	44	0.1
HC.5	Medical Goods (Non-Specified By Function)	29,033	49.0	32,725	47.2	34,413	43.7
HC.5.1	Pharmaceuticals and Other Medical Non-Durable Goods	28,589	48.3	31,929	46.1	33,365	42.4
HC.5.1.1	Prescribed Medicines	18,944	32.0	20,793	30.0	19,660	25.0
HC.5.1.1.1	Allopathic Medicines	18,901	31.9	20,745	30.0	19,602	24.9
HC.5.1.1.2	Non-Allopathic Medicines	43	0.1	48	0.1	59	0.1
HC.5.1.2	Over-The-Counter Medicines	8,511	14.4	9,617	13.9	11,764	14.9
HC.5.1.2.1	Allopathic Medicines	8,301	14.0	9,401	13.6	11,433	14.5
HC.5.1.2.2	Non-Allopathic Medicines	210	0.4	216	0.3	331	0.4
HC.5.1.3	Other Medical Non-Durable Goods	1,134	1.9	1,519	2.2	1,941	2.5
HC.5.2	Therapeutic Appliances and Other Medical Goods	444	0.8	795	1.2	1,048	1.3
HC.5.2.1	Glasses and Other Vision Products	221	0.4	249	0.4	284	0.4
HC.5.2.3	Other Orthopedic Appliances and Prosthetics (Excluding Glasses and Hearing Aids)	97	0.2	103	0.2	124	0.2
HC.5.2.9	All Other Medical Durables Including Medical Technical Devices	127	0.2	443	0.6	639	0.8
HC.6	Preventive Care	9,090	15.4	9,482	13.7	10,511	13.4
HC.6.1	Information, Education and Counseling Programs	5,825	9.8	5,791	8.4	6,159	7.8
HC.6.2	Immunization Programs	95	0.2	173	0.3	71	0.1
HC.6.3	Early Disease Detection Programs	343	0.6	258	0.4	351	0.5
HC.6.4	Healthy Condition Monitoring Programs	771	1.3	1,006	1.5	1,137	1.4
HC.6.5	Epidemiological Surveillance and Risk & Disease Control Programs	424	0.7	479	0.7	613	0.8
HC.6.6	Preparing for Disaster and Emergency Response Programs	3	<0.1	2	<0.1	19	<0.1

HC Code	Core Functions of HealthCare	2009/10		2010/11		2011/12	
		Amount	Percent	Amount	Percent	Amount	Percent
HC.6.9	All Other Preventive Care Services Not Explicitly Classified	1,630	2.8	1,773	2.6	2,161	2.7
HC.7	Governance and Health System and Financing Administration	2,058	3.5	2,687	3.9	4,546	5.8
HC.7.1	Governance and Health System Administration	577	1.0	887	1.3	2,748	3.5
HC.7.2	Administration of Health Financing	1,482	2.5	1,800	2.6	1,798	2.3
HC.9	Other Health Care Services n.e.c.	443	0.8	513	0.7	508	0.6
Total		59,215	100.0	69,274	100.0	78,725	100.0

HC.1 Curative Care

Curative care comprises health care contacts during which the principal intent is to relieve symptoms of illness or injury such as treatment of injury, the surgery performed diagnostic and therapeutic procedures and obstetric services. The current expenditure made on the curative care were NPR 15,681 million, NPR 18,031 million and NPR 21,913 million in the years 2009/10, 2010/11 and 2011/12 respectively. (27.8% of total current expenditure under HC in 2011/12)

HC.1.1 Inpatient Curative Care

It is a formal admission into a health care facility for treatment and/or care that is expected to constitute an overnight stay which includes expenditure on food, nursing care and medical goods. The current expenditure made on inpatient curative care were NPR 4,755 million, NPR 5,426 million and NPR 7,469 million in the years 2009/10, 2010/11 and 2011/12 respectively. (9.5% of total current expenditure under HC in 2011/12)

HC.1.3 Outpatient Curative Care

This is medical and ancillary services delivered to a patient who is not formally admitted to a facility and does not stay overnight and refers to any care offered to a non-admitted patient regardless of where it occurs. The current expenditure made on the outpatient curative care were NPR 10,926 million, NPR 12,605 million and NPR 14,444 million in the years 2009/10, 2010/11 and 2011/12 respectively which was major expenditure (around two-thirds) made under the curative care (18.4 % of total current expenditure under HC in the year 2011/12). The current expenditure of outpatient curative care was made under three sub-categories i.e. general outpatient curative care (HC 1.3.1), dental outpatient curative care (HC 1.3.2) and specialized outpatient curative care (HC 1.3.3). (14.8%, 0.2% and 3.3% of total current expenditure respectively under HC in 2011/12)

HC.2 Rehabilitative Care

Rehabilitation care includes consumption of services aimed at reaching, restoring and/or maintaining optimal physical, sensory, intellectual, psychological and social functional levels. The current expenditure under this category were NPR 7 million, NPR 9 million and NPR 13 million in the years 2009/10, 2010/11 and 2011/12 respectively. (Less than 0.1% of total current expenditure under HC in 2011/12)

HC.3 Long-Term Care (Health)

Long-term care (health) which includes a range of medical and personal supportive or palliative care or service to the patients with a degree of long-term dependency, is much limited in Nepal. The current expenditure under long-term care category were NPR 130 million, NPR 78 million and NPR 70 million in the years 2009/10, 2010/11 and 2011/12 respectively. (Less than 0.1% of total current expenditure under HC in 2011/12)

HC.4 Ancillary Services (Non-Specified by Function)

These are the services whose purpose is related to diagnosis and monitoring diseases or health condition and includes laboratory services (HC.4.1), imaging services (HC.4.2) and patient transportation and emergency rescue (HC.4.3). The current expenditure under this category were NPR 2,773 million, NPR 5,749 million and NPR 6,751 million in the years 2009/10, 2010/11 and 2011/12 respectively. In the year 2011/12, current expenditure under laboratory and imaging service were the major expenditures which were 6.1% and 2.4% respectively while much less (0.1%) current expenditure was on patient transportation. (8.6% of total current expenditure under HC in 2011/12)

HC.5 Medical Goods (Non-Specified by Function)

It includes medical goods directly purchased for preventive, curative, rehabilitative or long-term care purpose and consumed for inpatient, outpatient and day care and self-prescription. In Nepal, often the relatives or patient need to purchase medicines themselves even in the cases of inpatient and outpatient services. It is further categorized into pharmaceuticals and other medical non-durables (HC.5.1) and therapeutic appliances and other medical goods (HC.5.2). The current expenditure under this category were NPR 29,033 million, NPR 32,725 million and NPR 34,413 million in the years 2009/10, 2011/12 and 2011/12 respectively. (43.7% of total current expenditure under HC in 2011/12)

HC.5.1 Pharmaceuticals and Other Non-Durable Goods

Pharmaceutical products and non-durable medical goods are medicinal preparations, branded and generic medicines, drugs, patent medicines, serums and vaccines, and oral contraceptives intended for use in the diagnosis, cure, mitigation or treatment of disease. The current expenditure under this category were NPR 28,589 million, NPR 31,929 million and NPR 33,365 million in the year 2009/10, 2010/11 and 2011/12. (42.4% of total current expenditure under HC in 2011/12)

The majority (24.9%) of current expenditure under this category was for prescribed medicines (HC.5.1.1) followed by over-the-counter medicines (HC.5.1.2) (14.9%) while 2.5% for other medical non-durable goods (HC.5.1.3) in the year 2011/12.

HC.5.2 Therapeutic Appliances and Other Medical Goods

This sub-category includes a wide range of medical durable goods, such as glasses and other vision products (HC.5.2.1), hearing aids (HC.5.2.2), other orthopedic appliances and prosthetics (excluding glasses and hearing aids) (HC.5.2.3) and all other medical durables including medical-technical devices (HC.5.2.9). Under this sub-category, current expenditures were NPR 444 million, NPR 795 million and NPR 1,048 million in the years 2009/10, 2010/11 and 2011/12 respectively. (1.3% of total current expenditure under HC in 2011/12)

HC.6 Preventive Care

This is an approach to improve the health through the control over some of its immediate determinants. In Nepal majority of expenditure in preventive care is done by government through national public health programs or by NPISHs. Under preventive care, current expenditures were NPR 9,090 million, NPR 9,482 million and NPR 10,511 million in the years 2009/10, 2010/11 and 2011/12 respectively. (14% of total current expenditure under HC in 2011/12)

In the year 2011/12, the current expenditure under its sub categories were : information, education and counseling programs (HC.6.1) 7.8%, immunization programs (HC.6.2) 0.1%, Early disease detection programs (HC.6.3) 0.5%, healthy condition monitoring programs (HC.6.4) 1.4%, epidemiological surveillance and risk and disease control programs (HC.6.5) 0.8%, preparing for disaster and emergency response programs (HC.6.6) <0.1% and all other preventive care services not explicitly classified (HC.6.9) 2.7%.

HC.7 Governance, and Health System and Financing Administration

This category of services focuses on the health system rather than direct health care such as formulation and administration of government policy, the setting of standards and regulation, management of the fund collection and the administration, monitoring and evaluation etc. Under this category, current expenditures were NPR 2,058 million, NPR 2,687 million and NPR 4,546 million in the years 2009/10, 2010/11 and 2011/12 respectively. In the year 2011/12, 5.8% current expenditure was made under this category, out of which majority (3.5%) was governance and health system administration.

HC.9 Other Health Care Services n.e.c.

This category includes any other health care services not classified in HC.1 to HC.7. Under this category, the current expenditures were NPR 443 million, NPR 513 million and NPR 508 million in the years 2009/10, 2010/11 and 2011/12 respectively. (0.7% of total current expenditure under HC in 2011/12)

3.2 Health Care Providers (HP)

Health care providers include organizations and actors that vary in their legal, accounting, organizational and operating structures and provide health care goods and services as their primary activity or one activity among several activities. This classification is intended to cover all the organizations and actors involved in the provision of healthcare goods and services and enabling linkage between health care function (HC) and health care financing scheme (HF).

In three years, the major current expenditure under health care providers was made on the retailers and other providers of medical goods which were around 42.5%, 41.4% and 37.5% of CHE followed by expenditure made in hospitals and ambulatory care in the years 2009/10, 2010/11 and 2011/12 respectively. Details of estimates are shown in the Figures 6 and 7 and Table 9.

Figure 6: Distribution of CHE According to Health Care Providers 2009/10 – 2011/12

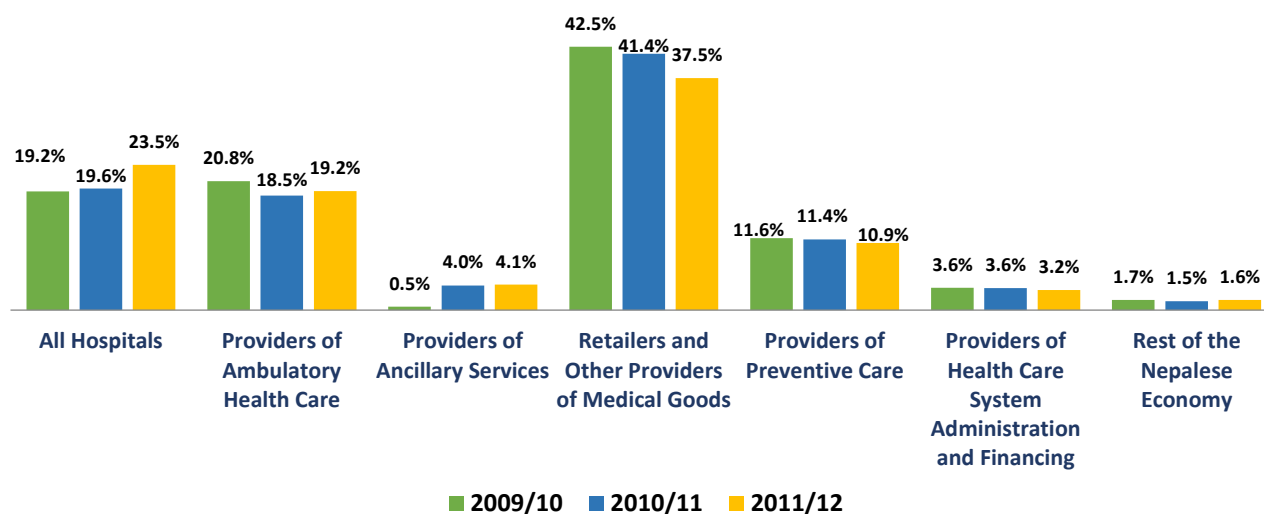


Figure 7: Distribution of CHE According to Health Care Providers 2011/12

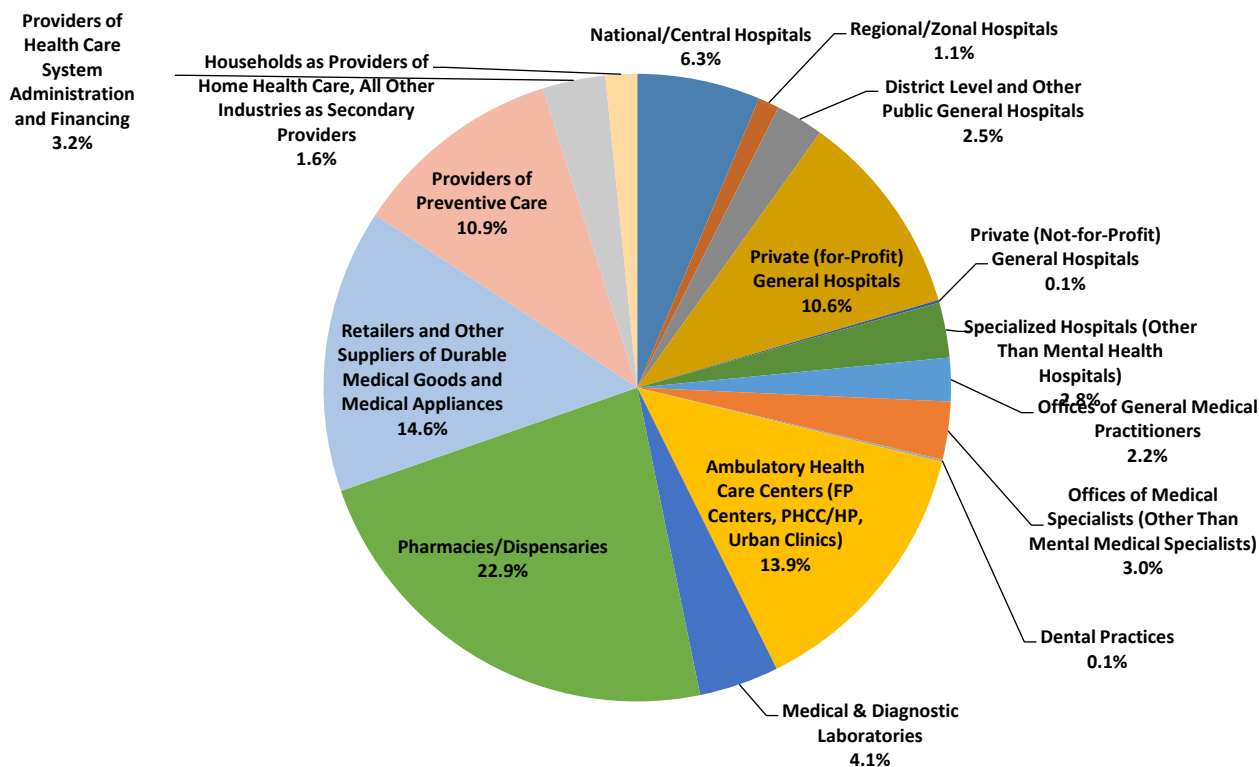


Table 9: Distribution of CHE by Health Care Providers (Amounts in Million NPR)

HP Code	Health Care Providers in Nepal	2009/10		2010/11		2011/12	
		Amount	Percent	Amount	Percent	Amount	Percent
HP.1	All Hospitals	11,350	19.2	13,596	19.6	18,480	23.5
HP.1.1	General Hospitals	9,606	16.2	11,700	16.9	16,239	20.6
HP.1.1.1	Public General Hospitals	5,496	9.3	6,057	8.7	7,793	9.9
HP.1.1.1.1	National/Central Hospitals	3,214	5.4	3,741	5.4	4,992	6.3
HP.1.1.1.2	Regional/Zonal Hospitals	716	1.2	755	1.1	856	1.1
HP.1.1.1.3	District Level and Other Public General Hospitals	1,566	2.6	1,560	2.3	1,945	2.5
HP.1.1.2	Private (For-Profit) General Hospitals	3,966	6.7	5,532	8.0	8,339	10.6
HP.1.1.3	Private (Not-for-Profit) General Hospitals	144	0.2	111	0.2	107	0.1
HP.1.2	Mental Health Hospitals	3	<0.1	4	<0.1	5	<0.1
HP.1.2.2	Private (For-Profit) Mental Health Hospitals	3	<0.1	4	<0.1	5	<0.1
HP.1.3	Specialized Hospitals (Other Than Mental Health Hospitals)	1,740	2.9	1,893	2.7	2,236	2.8
HP.1.3.1	Public Specialized Hospitals	982	1.7	988	1.4	1,042	1.3
HP.1.3.2	Private (For-Profit) Specialized Hospitals	743	1.3	891	1.3	1,178	1.5
HP.1.3.3	Private (Not-for-Profit) Specialized Hospitals	15	<0.1	14	<0.1	16	<0.1
HP.3	Providers of Ambulatory Health Care	12,336	20.8	12,832	18.5	15,120	19.2
HP.3.1	Medical Practices (GP Clinics, Polyclinics)	3,802	6.4	3,930	5.7	4,106	5.2
HP.3.1.1	Offices of General Medical Practitioners	1,585	2.7	1,631	2.4	1,761	2.2
HP.3.1.3	Offices of Medical Specialists (Other Than Mental Medical Specialists)	2,218	3.7	2,299	3.3	2,345	3.0
HP.3.2	Dental Practices	91	0.2	91	0.1	92	0.1
HP.3.3	Other Health Care Practitioners	39	0.1	9	<0.1	9	<0.1
HP.3.4	Ambulatory Health Care Centers	8,404	14.2	8,801	12.7	10,913	13.9
HP.3.4.1	Family Planning Centers	191	0.3	1	<0.1	1	<0.1
HP.3.4.2	Ambulatory Mental Health & Substance Abuse Centers	6	<0.1	8	<0.1	11	<0.1
HP.3.4.5	Primary Health Care Centers and Urban Health Clinics	8,145	13.8	8,699	12.6	10,428	13.3
HP.3.4.9	All Other Ambulatory Centers	61	0.1	93	0.1	473	0.6
HP.4	Providers of Ancillary Services	325	0.6	2,765	4.0	3,240	4.1
HP.4.2	Medical & Diagnostic Laboratories	324	0.6	2,765	4.0	3,239	4.1
HP.4.9	Other Providers of Ancillary Services	0	<0.1	0	<0.1	0	<0.1
HP.5	Retailers and Other Providers of Medical Goods	25,193	42.5	28,676	41.4	29,511	37.5
HP.5.1	Pharmacies/Dispensaries	17,637	29.8	19,589	28.3	18,007	22.9
HP.5.1.1	Allopathic Pharmacies/Dispensaries	17,167	29.0	19,098	27.6	17,649	22.4
HP.5.1.2	Non-Allopathic Pharmacies/Dispensaries	470	0.8	491	0.7	358	0.5
HP.5.2	Retailers and Other Suppliers of Durable Medical Goods and Medical Appliances	7,556	12.8	9,087	13.1	11,504	14.6
HP.6	Providers of Preventive Care	6,885	11.6	7,917	11.4	8,549	10.9
HP.7	Providers of Health Care System Administration and Financing	2,147	3.6	2,481	3.6	2,541	3.2

HP Code	Health Care Providers in Nepal	2009/10		2010/11		2011/12	
		Amount	Percent	Amount	Percent	Amount	Percent
HP.7.1	Government Health Administration Agencies	492	0.8	530	0.8	550	0.7
HP.7.3	Private Health Insurance Administration Agencies	5	<0.1	6	<0.1	21	<0.1
HP.7.9	Other Administration Agencies	1,650	2.8	1,946	2.8	1,971	2.5
HP.8	Rest of the Nepalese Economy	980	1.7	1,005	1.5	1,284	1.6
HP.8.1	Households as Providers of Home Health Care	921	1.6	962	1.4	1,250	1.6
HP.8.2	All Other Industries as Secondary Providers of Health Care	6	<0.1	5	<0.1	5	<0.1
HP.8.9	Other Industries n.e.c.	53	0.1	39	0.1	28	<0.1
HP.9	Rest of the World	-	-	-	-	0	<0.1
Total		59,215	100.0	69,274	100.0	78,725	100.0

HP.1 Hospitals

Hospitals provide medical, diagnostic and treatment services primarily inpatient and outpatient medical care and also provide day care. The current expenditure by the hospitals in Nepal were NPR 11,350, NPR 13,596 and NPR 18,480 million in the years 2009/10, 2010/11 and 2011/12 respectively. (23.5% of total current expenditure under HP in 2011/12)

HP.1.1 General Hospitals

General hospitals primarily provide general diagnostic, inpatient and outpatient services, imaging and laboratory services. In Nepal, these include public hospitals such as district, zonal, regional and non-specialized national hospitals, including army and police hospitals. There are also private (for-profit) and private (not-for-profit) hospitals such as teaching and university hospitals, community and NGO run hospitals, other than specialized hospitals. The current expenditure made under general hospitals were NPR 9,606, NPR 11,700 million and NPR 16,239 million in the years 2009/10, 2010/11 and 2011/12 respectively. (20.6% of total current expenditure under HP in 2011/12)

The majority (10.6%) of current expenditure under this category was by private (for-profit) general hospitals (HP.1.1.2) followed by public general hospitals (HP.1.1.2) (9.9%) while much less (0.1%) by private (not-for-profit) general hospitals (HP.1.1.3) in the year 2011/12.

HP.1.2 Mental Health Hospitals

These are hospitals that provide diagnostic and medical treatment and monitoring services to inpatients and outpatients who have the mental illness. In Nepal, there is one national public mental hospital. The current expenditure under this category were NPR 3 million, NPR 4 million and NPR 5 million in the years 2009/10, 2010/11 and 2011/12 respectively. This expenditure was only of private (for-profit) mental health hospitals. (Less than 0.1% of total current expenditure under HP in 2011/12)

HP.1.3 Specialized Hospitals (Other Than Mental Health Hospitals)

Specialized hospitals are primarily engaged in providing diagnostic and medical treatment including monitoring services to inpatients as well as outpatients with a specific type of disease or medical condition, other than mental health. In Nepal, there are many specialized hospitals such as heart, maternity, kidney, orthopedic, child hospitals etc. The current expenditure on specialized hospitals were NPR 1,740 million,

NPR 1,893 million and NPR 2,236 million in the years 2009/10, 2010/11 and 2011/12 respectively. (2.8% of total current expenditure under HP in 2011/12)

HP.3 Providers of Ambulatory Health Care

This item includes providers that serve health care services directly to outpatients who do not require inpatient services. This includes both the offices of general medical practitioners and medical specialists also the delivery of homecare services. In Nepal, ambulatory care services are provided by both public and private sectors such as PHCCs, HPs, clinics and individual providers. The current expenditure under this category were NPR 12,336 million, NPR 12,832 million and NPR 15,120 million in the years 2009/10, 2010/11 and 2011/12 respectively. (19.2% of total current expenditure under HP in 2011/12)

HP.3.1 Medical Practices

This subcategory comprises both offices of general medical practitioners and offices of medical specialists (other than dental practice) who are primarily engaged in the independent practice of general or specialized medicine, including psychiatry, cardiology, osteopathy, homeopathy, surgery and others. The current expenditure under this category were NPR 3,802 million, NPR 3,930 million and NPR 4,106 million in the years 2009/10, 2010/11 and 2011/12 respectively. (5.2% of total current expenditure under HP in 2011/12)

The majority (3.0%) of current expenditure under this category was by offices of medical specialists (other than mental medical specialists) (HP.3.1.3) followed by offices of general medical practitioners (HP.3.1.1) (2.2%) in the year 2011/12.

HP.3.2 Dental Practices

This subcategory comprises independent health practitioners who are primarily engaged in the independent practice of general or specialized dentistry or dental surgery. In Nepal, dental service practices are mainly done in the central, regional level hospitals, medical and dental schools and private dental clinics. The current expenditure under this category were NPR 91 million in the years 2009/10 and 2010/11 and NPR 92 million in the year 2011/12. (Less than 0.1% of total current expenditure under HP in 2011/12)

HP.3.3 Other Health Care Practitioners

This subcategory comprises the group of paramedical and other independent health practitioners such as chiropractors, optometrists, psychotherapists, physical, occupational, and speech therapists and audiologist establishments who are primarily engaged in providing care to outpatients. In Nepal, such services are provided mainly by central/regional hospitals, medical schools hospitals, private hospitals and clinics. The current expenditure under this category were NPR 39 million, NPR 9 million and NPR 9 million in the years 2009/10, 2010/11 and 2011/12 respectively. (Less than 0.1% of total current expenditure under HP in 2011/12)

HP.3.4 Ambulatory Health Care Centers

These establishments generally treat patients who do not require inpatient treatment and service is provided by PHCCS and HPs in public sector. The current expenditure under this category were NPR 8,404 million, NPR 8,801 million and NPR 10,913 million in the years 2009/10, 2010/11 and 2011/12 respectively. (13.9% of total current expenditure under HP in 2011/12)

In the year 2011/12, majority (13.3%) of current expenditure under this category was by primary health care centers, health posts and sub-health posts (HP.3.4.5) followed by all other ambulatory centers (HP.3.4.9) (0.6%) while much less (0.1%) by family planning centers (HP.3.4.1) and ambulatory mental health and substance abuse centers (HP.3.4.2).

HP.4 Providers of Ancillary Services

They provide the specific ancillary type of services directly to outpatients under the supervision of health professionals such as providers of patient transportation and emergency rescue, medical and diagnostic laboratories, dental laboratories and other providers of ancillary services. The current expenditure under this category were NPR 325 million, NPR 2,765 million and NPR 3,240 million in the years 2009/10, 2010/11 and 2011/12 respectively. (4.1% of total current expenditure under HP in 2011/12). Almost all current expenditure under this category was of medical and diagnostic laboratories (HP.4.2)

HP.5 Retailers and Other Providers of Medical Goods

This item comprises specialized establishments whose primary activity is the retail sale of medical goods to the general public for individual or household consumption or utilization. The current expenditure under this category were NPR 25,193 million, NPR 28,676 million and NPR 29,511 million in the years 2009/10, 2010/11 and 2011/12 respectively. (37.5% of total current expenditure under HP in 2011/12)

HP.5.1 Pharmacies/Dispensaries

This subcategory comprises establishments that are primarily engaged in the retail sale of pharmaceuticals to the population for prescribed and non-prescribed medicines (including non-allopathic). The current expenditure under this category were NPR 17,637 million, NPR 19,589 million and NPR 18,007 million in the years 2009/10, 2010/11 and 2011/12, respectively. (22.9% of total current expenditure under HP in 2011/12)

HP.5.2 Retailers and Other Suppliers of Durable Medical Goods and Medical Appliances

This item comprises establishments that are primarily engaged in the retail sale of durable medical goods and medical appliances such as hearing aids, optical glasses, other vision products and prostheses to the general public for individual or household use. The current expenditure under this category were NPR 7,556 million, NPR 9,087 million and NPR 11,504 million in the years 2009/10, 2010/11 and 2011/12 respectively. (14.6% of total current expenditure under HP in 2011/12)

HP.6 Providers of Preventive Care

This category comprises institutions that provide promotive, preventive and public health programs for specific groups of individuals or the population-at-large which are primarily provided by public sectors and NPISHs. The current expenditure under this category were NPR 6,885 million, NPR 7,917 million and NPR 8,549 million in the years 2009/10, 2010/11 and 2011/12 respectively. (10.9% of total current expenditure under HP in 2011/12)

HP.7 Providers of Health Care System Administration and Financing

This item comprises establishments that are primarily engaged in the regulation of the activities of health care providers and in the overall administration of the healthcare sector particularly in the public sectors in Nepal. The current expenditure under this category were NPR 2,147 million, NPR 2,481 million and NPR

2,541 million in the years 2009/10, 2010/11 and 2011/12 respectively. (3.2% of total current expenditure under HP in 2011/12)

HP.7.1 Government Health Administration Agencies

This subcategory comprises government administration (excluding social security). In Nepal, these include Ministry of Health and Department of Health Services including all its the agencies/centers. The current expenditure under this category were NPR 492 million, NPR 530 million and NPR 550 million in the years 2009/10, 2010/11 and 2011/12 respectively. (0.7% of total current expenditure under HP in 2011/12)

HP.7.3 Private Health Insurance Administration Agencies

This subcategory comprises private insurance corporations that may manage more than one type of health insurance scheme at the same time. Such corporations and schemes are very limited in Nepal. The current expenditure under this category were NPR 5 million, NPR 6 million and NPR 21 million in the years 2009/10, 2010/11 and 2011/12 respectively. (Less than 0.1% of total current expenditure under HP in 2011/12)

HP.7.9 Other Administration Agencies

This subcategory comprises NPISHs (other than social insurance) primarily NGOs, INGOs and other social services agencies in Nepal. The current expenditure under this category were NPR 1,650 million, NPR 1,946 million and NPR 1,971 million in the years 2009/10, 2010/11 and 2011/12 respectively. (2.5% of total current expenditure under HP in 2011/12)

HP.8 Rest of the Nepalese Economy

HP.8.1 Households as Providers of Home Health Care

The item under this category includes personal home health services provided within households by family members. The current expenditure under this category were NPR 921 million, NPR 962 million and NPR 1,250 million in the years 2009/10, 2010/11 and 2011/12 respectively. (1.6% of total current expenditure under HP in 2011/12)

HP.8.2 All Other Industries as Secondary Providers of Health Care

This subcategory includes organizations that predominantly offer health care as a secondary activity, e.g. occupational health care services provided within enterprises. In Nepal, such services are much limited. The current expenditure under this category were NPR 6 million, NPR 5 million and NPR 5 million in the years 2009/10, 2010/11 and 2011/12 respectively. (Less than 0.1% of total current expenditure under HP in 2011/12)

HP.8.9 Other Industries n.e.c.

This category comprises establishments that are outside the health care provider universe and do not provide health care goods but which are specialized in health-related activities such as housekeeping, laundry, shopping, preparation of meals, help with financial activities, etc. The current expenditure under this category were NPR 53 million, NPR 39 million and NPR 28 million in the years 2009/10, 2010/11 and 2011/12 respectively. (Less than 0.1% of total current expenditure under HP in 2011/12)

3.3 Factors of Health Care Provision (FP)

Factors of provision are the valued inputs used in the process of provision of health care. a mix of factors of production – labor, capital and materials, and external services are the components of factors of provision which are used to provide health care goods and services. Beside these health-specific resources, it also refers to the non-health specific inputs needed to generate health services such as labor, capital consumption, medical goods and externally purchased services.

In three years, the major current expenditure under factors of provision was made on the materials and services used which were around 76.3%, 79% and 77.9% of CHE followed by expenditure made on the compensation of employees which includes salary and other benefits in the years 2009/10, 2010/11 and 2011/12 respectively. Details of estimates are shown in the Figures 8 and 9 and Table 10.

Figure 8: Distribution of CHE According to Factors of Health Care Provision 2009/10 – 2011/12

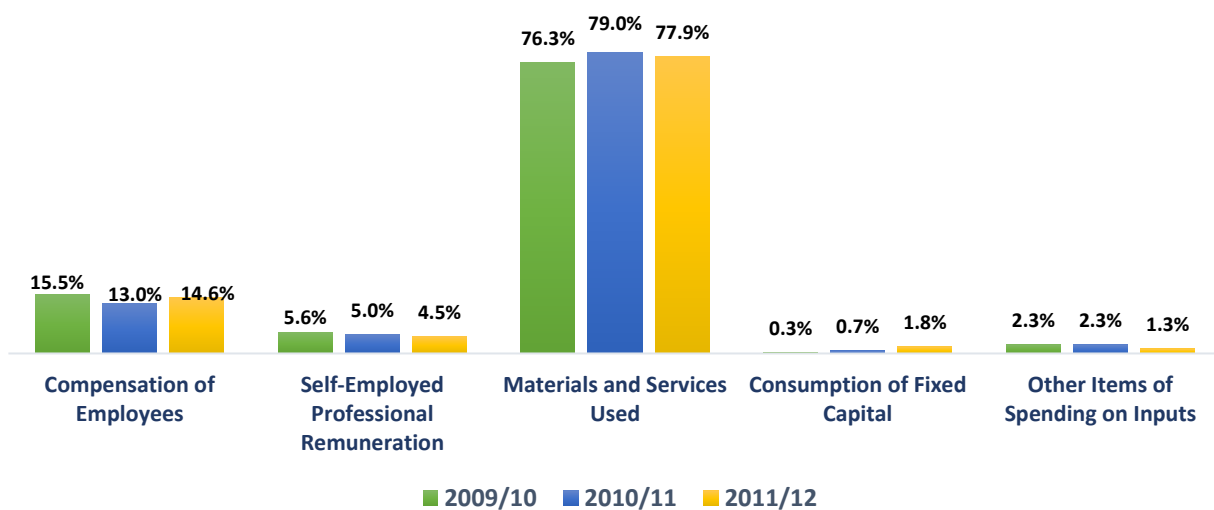


Figure 9: Distribution of CHE According to Factors of Health Care Provision 2011/12

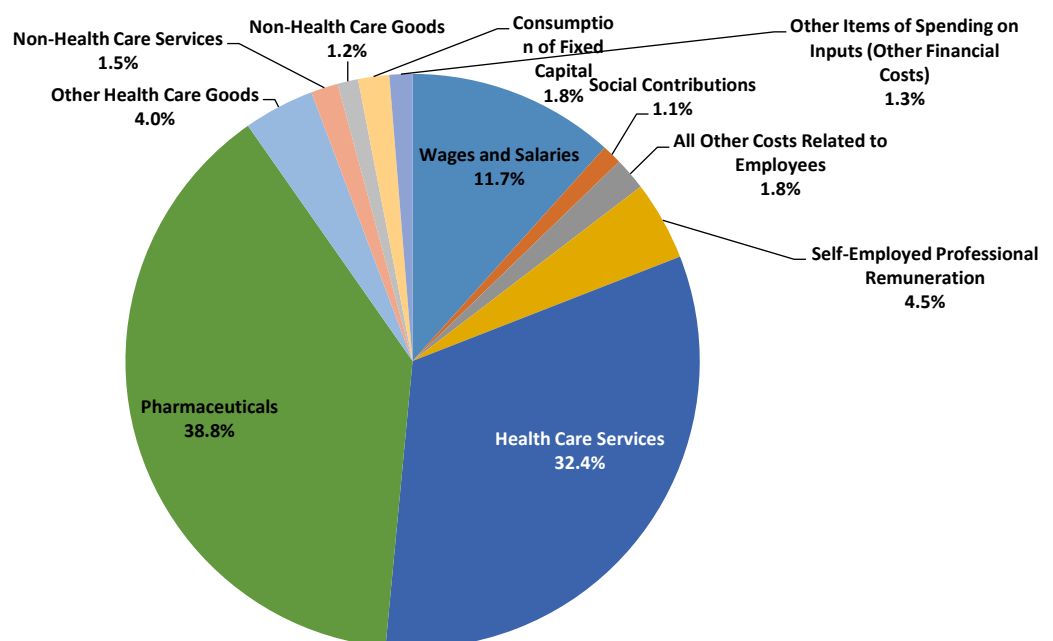


Table 10: Distribution of CHE by Factors of Health Care Provision (Amounts in Million NPR)

FP Code	Factors of Health Care Provision	2009/10		2010/11		2011/12	
		Amount	Percent	Amount	Percent	Amount	Percent
FP.1	Compensation of Employees	9,185	15.5	9,017	13.0	11,504	14.6
FP.1.1	Wages and Salaries	8,212	13.9	7,833	11.3	9,179	11.7
FP.1.2	Social Contributions	566	1.0	738	1.1	882	1.1
FP.1.3	All Other Costs Related to Employees	406	0.7	445	0.6	1,442	1.8
FP.2	Self-Employed Professional Remuneration	3,308	5.6	3,435	5.0	3,514	4.5
FP.3	Materials and Services Used	45,179	76.3	54,740	79.0	61,297	77.9
FP.3.1	Health Care Services	15,121	25.5	20,846	30.1	25,523	32.4
FP.3.2	Health Care Goods	28,513	48.2	32,314	46.7	33,657	42.8
FP.3.2.1	Pharmaceuticals	26,795	45.3	29,804	43.0	30,521	38.8
FP.3.2.2	Other Health Care Goods	1,719	2.9	2,511	3.6	3,136	4.0
FP.3.3	Non-Health Care Services	920	1.6	915	1.3	1,205	1.5
FP.3.4	Non-Health Care Goods	625	1.1	664	1.0	912	1.2
FP.4	Consumption of Fixed Capital	181	0.3	492	0.7	1,379	1.8
FP.5	Other Items of Spending on Inputs	1,354	2.3	1,576	2.3	1,018	1.3
FP.5.2	Other Items of Spending	1,354	2.3	1,576	2.3	1,018	1.3
FP.nec	All Other Non-Health Care Spending n.e.c.	9	<0.1	14	<0.1	12	<0.1
Total		59,215	100.0	69,274	100.0	78,725	100.0

FP.1 Compensation of Employees

The compensation of employees refers to the total remuneration, in cash or in kind, paid to an employee in return for work performed and measures the remuneration of all persons employed by providers of health care irrespective of whether they are health professionals or not. The current expenditure under compensation of employees were NPR 9,185 million, NPR 9,017 million and NPR 11,504 million in the years 2009/10, 2010/11 and 2011/12 respectively. (14.6% of total current expenditure under FP in 2011/12)

FP.1.1 Wages and Salaries

These includes the remuneration either as regular interval payments or as a pay for piece of work to employees such as overtime or night work, bonuses, allowances, as well as the value of in-kind payments. Most of the current expenditure on compensation was under wages and salaries of the employees which were NPR 8,212 million, NPR 7,833 million and NPR 9,179 million in the years 2009/10, 2010/11 and 2011/12 respectively. (11.7% of total current expenditure under FP in 2011/12)

FP.1.2 Social Contributions

These are payments by the employers on behalf of their employees to social insurance schemes for their social benefits including pensions and other retirement benefits. The current expenditure under this category were NPR 566 million, NPR 738 million and NPR 882 million in the years 2009/10, 2010/11 and 2011/12 respectively. (1.1% of total current expenditure under FP in 2011/12)

FP.1.3 All Other Costs Related to Employees

This includes other benefits given to the employees such as accumulated leave pays, clothing to employees, traveling expenses employee refresher training etc. The current expenditure under this category were NPR 406 million, NPR 445 million and NPR 1,442 million in the years 2009/10, 2010/11 and 2011/12 respectively. (1.8% of total current expenditure under FP in 2011/12)

FP.2 Self-Employed Professional Remuneration

This category includes the remuneration of the independent health professional practice, the income of non-salaried self-employed professionals and complementary or additional income generated through the independent/private practice of salaried health personnel. This is commonly practiced in Nepal. The current expenditure under this category were NPR 3,308 million, NPR 3,435 million and NPR 3,514 million in the years 2009/10, 2010/11 and 2011/12 respectively. (4.5% of total current expenditure under FP in 2011/12)

FP.3 Materials and Services Used

This includes the total value of goods and services used for the provision of health care production such as pharmaceuticals supplies for clinical laboratory examinations, stationeries, outsourced or external services purchased by the provider, rental of buildings and equipment, laboratory work, imaging and patient transportation etc. This category had highest current expenditure in the health care provision in three years' trend. The current expenditure under this category were NPR 45,179 million, NPR 54,740 million and NPR 61,297 million in the years 2009/10, 2010/11 and 2011/12 respectively. (77.9% of total current expenditure under FP in 2011/12)

FP.3.1 Health Care Services

This includes the health care services purchased by a provider to complete the package of service, such as diagnosis and monitoring services and specialized care services, offered by the same provider. The current expenditure under this category were NPR 15,121 million, NPR 20,846 million and NPR 25,523 million in the years 2009/10, 2010/11 and 2011/12 respectively. (32.4% of total current expenditure under FP in 2011/12)

FP.3.2 Health Care Goods

This includes the expenditure on pharmaceuticals and other health care goods. The current expenditure under this category were NPR 28,513 million, NPR 32,314 million and NPR 33,657 million in the years 2009/10, 2010/11 and 2011/12 respectively. (42.8% of total current expenditure under FP in 2011/12)

The majority (38.8%) of current expenditure under this category was for pharmaceuticals (FP.3.2.1) followed by other Health Care Goods (FP. 3.2.2) (4%) in the year 2011/12.

FP.3.3 Non-Health Care Services

These are the general services used for health care production such as maintenance cost of buildings and equipment, staff training, operational research, rental of equipment and buildings, housing etc. The current expenditure under this category were NPR 920 million, NPR 915 million and NPR 1,205 million in the years 2009/10, 2010/11 and 2011/12 respectively. (1.5% of total current expenditure under FP in 2011/12)

FP.3.4 Non-Health Care Goods

These are the general goods used for health care productions such as hospital kitchen supplies, fuel and tools used to operate vehicles, utilities like electricity and water etc. The current expenditure under this category were NPR 625 million, NPR 664 million and NPR 912 million in the years 2009/10, 2010/11 and 2011/12 respectively. (1.2% of total current expenditure under FP in 2011/12)

FP.4 Consumption of Fixed Capital

The consumption of fixed capital, in the accounting period, is the cost of the decline in the current value of the producer's stock of fixed assets such as buildings, equipment and vehicles as a result of physical deterioration, foreseen obsolescence or normal or accidental damage, but not through damage caused by war or natural disasters. The expenditure related to operation and maintenance cost of buildings and equipment, rent of land and buildings spaces and sales of fix assets were included in this category. The current expenditure under this category were NPR 181 million NPR 492 million and NPR 1,379 million in the years 2009/10, 2010/11 and 2011/12 respectively. (1.8% of total current expenditure under FP in 2011/12)

FP.5 Other Items of Spending on Inputs

This category includes all the financial costs, such as interest payments on loans, taxes etc. The major expenditure under this category was on other items of spending (FP.5.2) which includes all transactions related to spending items n.e.c. such as property expenses, fines and penalties, interest rates and costs for the use of loans, and non-life insurance premiums and claims. The current expenditure under this category were NPR 1,354 million, NPR 1,576 million and NPR 1,018 million in the years 2009/10, 2010/11 and 2011/12 respectively. (1.3% of total current expenditure under FP in 2011/12)

FP.nec All Other Non-Health Care Spending n.e.c.

The current expenditure under this category were NPR 9 million, NPR 14 million and NPR 12 million in the years 2009/10, 2010/11 and 2011/12 respectively. (Less than 0.1% of total current expenditure under FP in 2011/12)

3.4 Health Care Financing Schemes (HF)

Health care financing schemes are structural components of health care financing systems. These are the main type of financing arrangements, through which health services are paid for and obtained by people. Health care financing schemes include government schemes, third-party financing arrangements such as social insurance, voluntary insurance and direct payments by households for services and goods (Out-of-Pocket).

In three years, the major current expenditure under health care financing schemes was made through household OOP payments which were around 56.3%, 58.5% and 56.3% of CHE followed by Nepal government schemes in the years 2009/10, 2010/11 and 2011/12 respectively. Details of estimates are shown in the Figures 10 and 11 and Table 11.

Figure 10: Distribution of CHE According to Health Care Financing Schemes 2009/10 – 2011/12

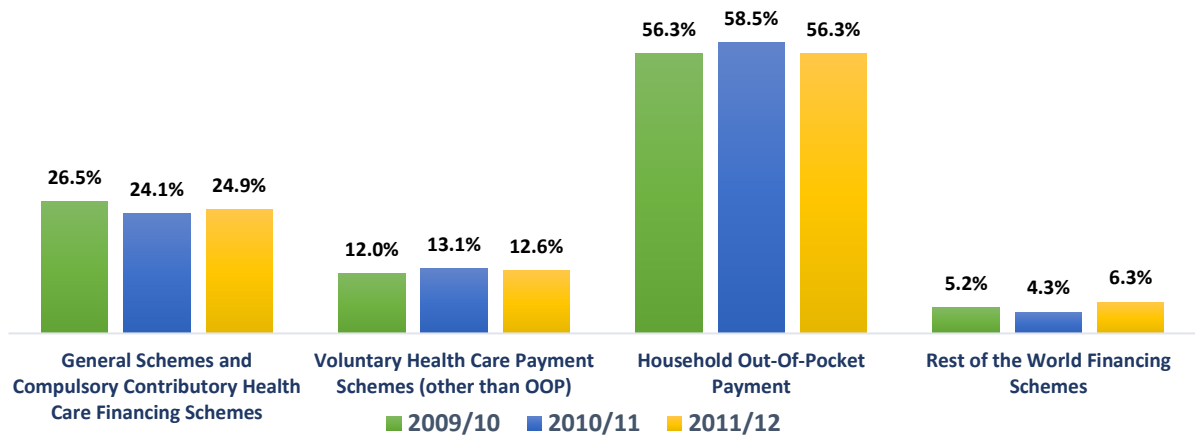


Figure 11: Distribution of CHE According to Health Care Financing Schemes 2011/12

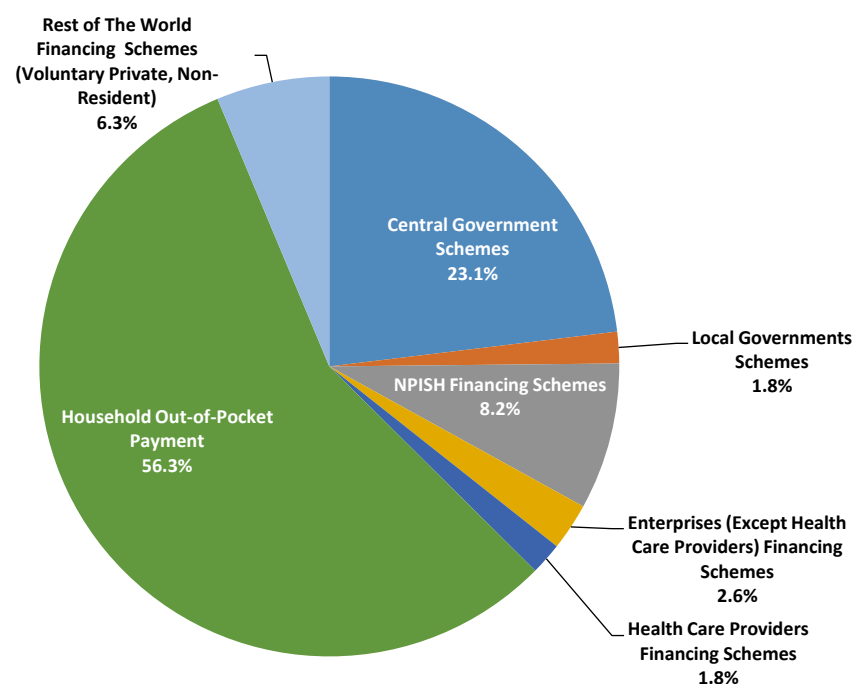


Table 11: Distribution of CHE by Health Care Financing Schemes (Amounts in Million NPR)

HF Code	Health Care Financing Schemes	2009/10		2010/11		2011/12	
		Amount	Percent	Amount	Percent	Amount	Percent
HF.1	General Schemes and Compulsory Contributory Health Care Financing Schemes	15,693	26.5	16,689	24.1	19,575	24.9
HF.1.1	Government Schemes	15,671	26.5	16,660	24.1	19,544	24.8
HF.1.1.1	Central Government Schemes	14,864	25.1	15,979	23.1	18,164	23.1
HF.1.1.2	Local Governments Schemes	807	1.4	681	1.0	1,380	1.8
HF.1.2	Compulsory Contributory Health Insurance Schemes	22	<0.1	29	<0.1	31	<0.1
HF.1.2.2	Compulsory Private Insurance	22	<0.1	29	<0.1	31	<0.1
HF.2	Voluntary Health Care Payment Schemes (Other Than OOP)	7,113	12.0	9,051	13.1	9,912	12.6
HF.2.2	NPISH Financing Schemes	5,316	9.0	6,612	9.5	6,439	8.2
HF.2.3	Enterprise Financing Schemes	1,797	3.0	2,439	3.5	3,473	4.4
HF.2.3.1	Enterprises (Except Health Care Providers) Financing Schemes	1,627	2.8	1,961	2.8	2,069	2.6
HF.2.3.2	Health Care Providers Financing Schemes	170	0.3	478	0.7	1,403	1.8
HF.3	Household Out-Of-Pocket Payment	33,350	56.3	40,527	58.5	44,280	56.3
HF.3.1	Out-of-Pocket Excluding Cost Sharing	33,349	56.3	40,525	58.5	44,277	56.2
HF.3.2	Cost Sharing with Third Party Payers	1	<0.1	2	<0.1	3	<0.1
HF.3.2.1	Cost Sharing with Government Schemes and Compulsory Health Insurance	1	<0.1	2	<0.1	3	<0.1
HF.3.2.2	Cost Sharing with Voluntary Health Insurance	0	<0.1	0	<0.1	0	<0.1
HF.4	Rest of the World Financing Schemes	3,061	5.2	3,006	4.3	4,957	6.3
HF.4.2	Voluntary Schemes (Non-Resident)	3,061	5.2	3,006	4.3	4,957	6.3
Total		59,215	100.0	69,274	100.0	78,725	100.0

HF.1 General Schemes and Compulsory Contributory Health Care Financing Schemes

This category includes mainly Nepal Government schemes and compulsory private insurance intended to ensure access to basic health care for the whole Nepalese society, a large part of it, or at least some vulnerable groups. In three years 2009/10, 2010/11 and 2011/12, under this category the current expenditures were NPR 15,693 million, NPR 16,689 million and NPR 19,575 million respectively. (24.9% of total current expenditure under HF in 2011/12)

HF.1.1 Government Schemes

This category includes Nepal Government schemes where a separate budget is set for the program, and a government unit (both central and local) has an overall responsibility to operate it, but it may also be managed by NPISH (INGOs, NGOs or CBOs) or by an enterprise. In the years 2009/10, 2010/11 and 2011/12 total current expenditure under central government schemes were NPR 14,864 million, NPR 15,979 million and NPR 18,164 million (23.1% of total current expenditure under HF in 2011/12) whereas, under local government schemes NPR 807 million, NPR 681 million and NPR 1,380 million respectively (1.8% of total current expenditure under HF in 2011/12).

HF.1.2 Compulsory Contributory Health Insurance Schemes

In Nepal, compulsory contributory health insurance schemes are managed through the compulsory private insurance schemes (HF.1.2.2) mainly by non-government and private entities by making health insurance compulsory to their employees. Current expenditure under this scheme were NPR 22 million, NPR 29

million and NPR 31 million in the years 2009/10, 2010/11 and 2011/12 respectively. (Less than 0.1% of total current expenditure under HF in 2011/12)

HF.2 Voluntary Health Care Payment Schemes (Other Than OOP)

All kinds of domestic pre-paid health care financing schemes under which the access to health services is at the discretion of private actors are included in this financing scheme. In Nepal, NPISHs and enterprises which finances their employees are major voluntary health care payment schemes. The current expenditure under voluntary health care payment (other than OOP) scheme were NPR 7,113 million, NPR 9,051 and NPR 9,912 million in the years 2009/10, 2010/11 and 2011/12 respectively. (12.6% of total current expenditure under HF in 2011/12)

HF.2.2 NPISH Financing Schemes

NPISH financing schemes manage a considerable amount in Nepal and generally raises funds through donations from the general public, governments (budget of the national government or foreign aid) or corporations. The current expenditures under this category were NPR 5,316 million, NPR 6,612 million and NPR 6,439 million in the years 2009/10, 2010/11 and 2011/12 respectively. (8.2% of total current expenditure under HF in 2011/12)

HF.2.3 Enterprise Financing Schemes

This category primarily includes arrangements where enterprises/companies directly provide or finance health services for their employees. The current expenditure under this category were NPR 1,797 million, NPR 2,439 million and NPR 3,473 million in the years 2009/10, 2010/11 and 2011/12 respectively. (4.4% of total current expenditure under HF in 2011/12) The current expenditure under the sub-category of enterprises financing scheme i.e. enterprise (except health care providers such as corporates) financing schemes (HF.2.3.1) and health care providers (such as hospitals) financing schemes (HF.2.3.2) were 2.6% and 1.8% of total CHE respectively in the year 2011/12.

HF.3 Household Out-of-Pocket Payment

It is a direct payment for services from the household primary income or savings where the payment is made by the user both in cash and in kind at the time of the use of services. It also includes cost-sharing and informal payments and has two sub-categories i.e. OOP excluding cost-sharing (HF.3.1) and OOP cost-sharing (HF.3.2). The current expenditure under household OOP payment (mainly through OOP excluding cost sharing) were NPR 33,350 million, NPR 40,527 million and NPR 44,280 million in the years 2009/10, 2010/11 and 2011/12 respectively. (56.3% of total current expenditure under HF in 2011/12)

HF.4 Rest of the World Financing Schemes

Rest of the world financing schemes⁶ mainly includes two sub-categories which are compulsory schemes (non-residents) (HF.4.1) and Voluntary schemes (non-resident) (HF.4.2). Under this financing schemes, the current expenditures were NPR 3,061 million, NPR 3,006 million and NPR 4,957 million in the years 2009/10, 2010/11 and 2011/12 respectively. (6.3% of total current expenditure under HF in 2011/12).

⁶ This comprises of financial arrangements involving institutional units or managed by institutional units that are resident abroad, but who collect, pool, resources and purchase healthcare goods and services on behalf of residents, without transiting their funds through a resident scheme. (OECD et.al. 2011)

3.5 Revenues of Health Care Financing Schemes (FS)

Revenues of health care financing schemes describe the revenue sources for each financing scheme i.e. the different types of revenues received by financing schemes such as government budgets, household’s contribution for using health services or social contributions, non-profit organization and corporation’s contributions to fund the schemes. It provides information about the contribution mechanisms the financing schemes use to raise their revenues and the institutional units of the economy from which the revenues are directly generated.

In three years, the major sources of revenue for the financing schemes were others domestic sources which were around 66.2%, 69.8% and 67.2% of CHE followed by Nepal government domestic revenue transfers in the years 2009/10, 2010/11 and 2011/12 respectively. Details of estimates are shown in the Figures 12 and 13 and Table 12.

Figure 12: Distribution of CHE According to Revenues of Health Care Financing Schemes 2009/10 - 2011/12

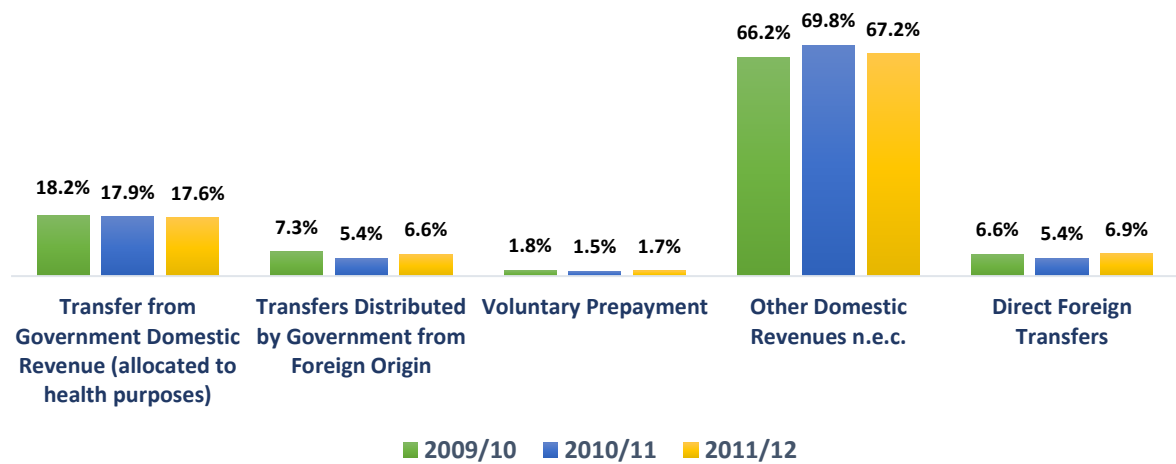


Figure 13: Distribution of CHE According to Revenues of Health Care Financing Schemes 2011/12

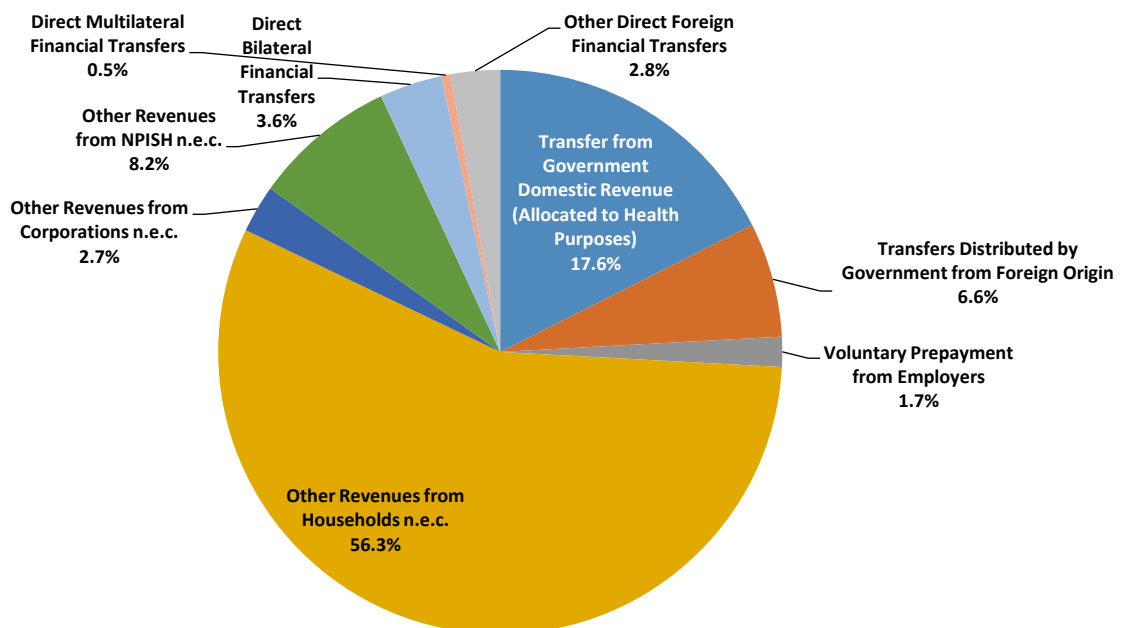


Table 12. Distribution of CHE by Revenues of Health Care Financing Schemes (Amounts in Million NPR)

FS Code	Revenues of Health care financing schemes	2009/10		2010/11		2011/12	
		Amount	Percent	Amount	Percent	Amount	Percent
FS.1	Transfer from Government Domestic Revenue (Allocated to Health Purposes)	10,757	18.2	12,421	17.9	13,834	17.6
FS.1.1	Internal Transfers and Grants	10,757	18.2	12,421	17.9	13,834	17.6
FS.2	Transfers Distributed by Government from Foreign Origin	4,322	7.3	3,707	5.4	5,167	6.6
FS.5	Voluntary Prepayment	1,050	1.8	1,066	1.5	1,353	1.7
FS.5.2	Voluntary Prepayment from Employers	1,050	1.8	1,066	1.5	1,353	1.7
FS.6	Other Domestic Revenues n.e.c.	39,188	66.2	48,338	69.8	52,904	67.2
FS.6.1	Other Revenues from Households n.e.c.	33,350	56.3	40,527	58.5	44,280	56.3
FS.6.2	Other Revenues from Corporations n.e.c.	769	1.3	1,403	2.0	2,151	2.7
FS.6.3	Other Revenues from NPISH n.e.c.	5,069	8.6	6,408	9.3	6,473	8.2
FS.7	Direct Foreign Transfers	3,899	6.6	3,742	5.4	5,467	6.9
FS.7.1	Direct Foreign Financial Transfers	3,899	6.6	3,742	5.4	5,467	6.9
FS.7.1.1	Direct Bilateral Financial Transfers	1,989	3.4	2,019	2.9	2,827	3.6
FS.7.1.2	Direct Multilateral Financial Transfers	584	1.0	293	0.4	412	0.5
FS.7.1.3	Other Direct Foreign Financial Transfers	1,326	2.2	1,429	2.1	2,228	2.8
Total		59,215	100.0	69,274	100.0	78,725	100.0

FS.1 Transfers from Government Domestic Revenue (Allocated to Health Purposes)

These are the funds allocated from Nepal government's domestic revenues for health purposes. Transfer from government domestic revenue was mainly through internal transfers and grants (FS.1.1) which were NPR 10,757 million, NPR 12,421 million and NPR 13,834 million in the years 2009/10, 2010/11 and 2011/12 respectively. (17.6% of total revenue under FS in 2011/12)

FS.2 Transfers Distributed by Government from Foreign Origin

The abroad originated bilateral, multilateral and other types of foreign funding agencies transfers are distributed through the general government in Nepal. Transfers from foreign origin distributed by Nepal government were NPR 4,322 million, NPR 3,707 million and NPR 5,167 million in the years 2009/10, 2010/11 and 2011/12 respectively. (6.6% of total revenue under FS in 2011/12)

FS.5 Voluntary Prepayment

The revenue under this category is voluntary insurance premiums received from the insuree or other institutional units which are mainly through the private insurance companies. The revenue for health financing schemes under this category were NPR 1,050 million, NPR 1,066 million and NPR 1,353 million in the years 2009/10, 2010/11 and 2011/12 respectively. (1.7% of total revenue under FS in 2011/12)

FS.6 Other Domestic Revenues n.e.c.

This category includes domestic revenues of financing schemes not included under FS.1 to FS.5 which usually includes the household OOP. The contribution from this category to the revenue of financing schemes were NPR 39,188 million, NPR 48,338 million and NPR 52,904 million in the years 2009/10, 2010/11 and 2011/12 respectively. (67.2% of total revenue under FS in 2011/12).

Other revenues from households n.e.c. (FS.6.1) is the major source of revenue (56.3% in 2011/12). As compared to household revenues, other revenues from corporations n.e.c. (FS.6.2) and other revenues from NPISH n.e.c. (FS.6.3) were less (2.7% and 8.2% of total revenue respectively under FS in 2011/12).

FS.7 Direct Foreign Transfers

The revenue for health financing scheme from direct foreign transfers were NPR 3,899 million, NPR 3,742 and NPR 5,467 million in the years 2009/10, 2010/11 and 2011/12 respectively. The majority of foreign transfers were made through direct foreign financial transfers (FS.7.1) (6.9% of total revenue under FS in 2011/12).

3.6 Health Care Financing Agents (FA)

A financing agent is an institutional unit involved in the management of one or more financing scheme(s) such as Ministry of Health, central and local government entities, social security/social health insurance agency, commercial health insurance companies, corporations, NPISHs, foreign governments, households etc. It may collect revenues, pay for (purchase) services under the given health financing scheme(s), and involves in the management and regulation of health financing.

In three years, the major current expenditure under financing agents was made by the household which were around 56.3%, 58.5% and 56.3% of CHE followed by the general government in the years 2009/10, 2010/11 and 2011/12 respectively. Details of estimates are shown in the Figures 14 and 15 and Table 13.

Figure 14: Distribution of CHE According to Health Care Financing Agents 2009/10 – 2011/12

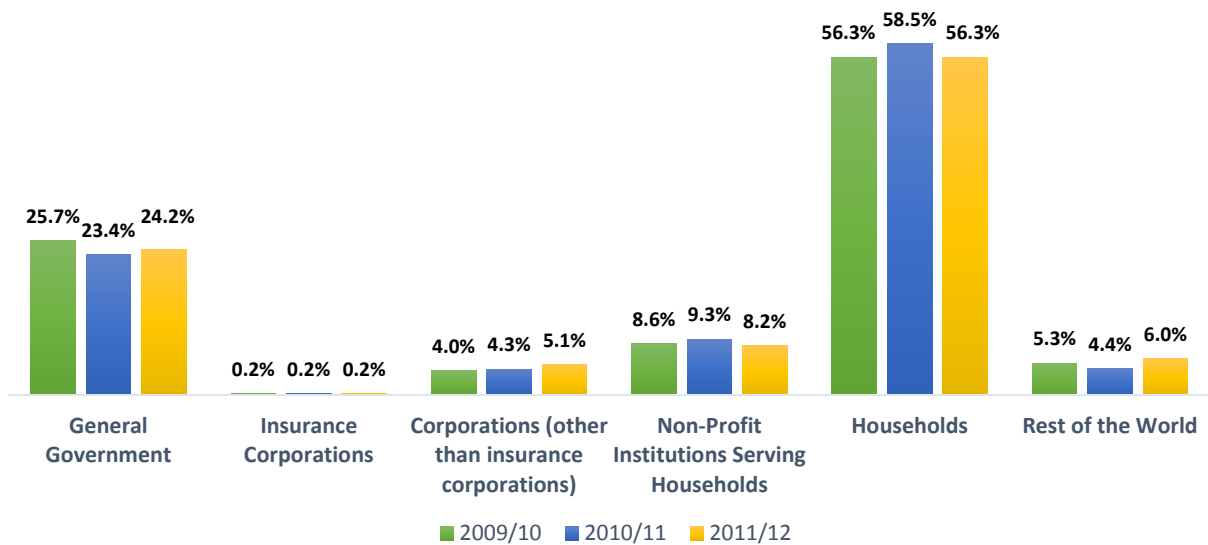


Figure 15: Distribution of CHE According to Health Care Financing Agents 2011/12

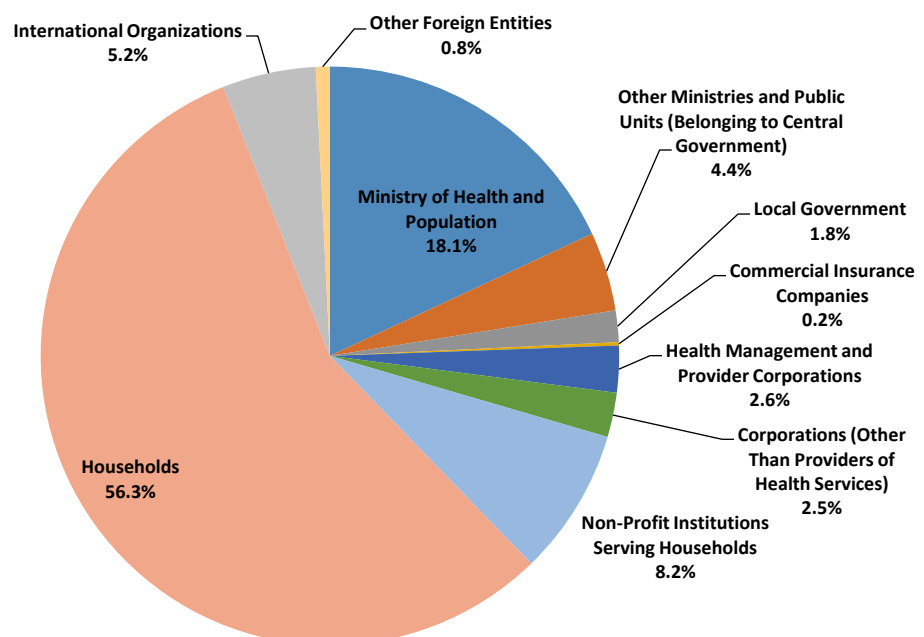


Table 13: Distribution of CHE by Health Care Financing Agents (Amounts in Million NPR)

FA Code	Health Care Financing Agents	2009/10		2010/11		2011/12	
		Amount	Percent	Amount	Percent	Amount	Percent
FA.1	General government	15,240	25.7	16,181	23.4	19,086	24.2
FA.1.1	Central Government	14,432	24.4	15,497	22.4	17,699	22.5
FA.1.1.1	Ministry of Health and Population	12,131	20.5	12,999	18.8	14,221	18.1
FA.1.1.2	Other Ministries and Public Units (Belonging to Central Government)	2,301	3.9	2,498	3.6	3,478	4.4
FA.1.1.2.1	Ministry of Education	281	0.5	644	0.9	670	0.9
FA.1.1.2.2	Ministry of General Administration	80	0.1	80	0.1	93	0.1
FA.1.1.2.3	Ministry of Home Affairs	152	0.3	169	0.2	211	0.3
FA.1.1.2.4	Ministry of Defense	246	0.4	335	0.5	373	0.5
FA.1.1.2.5	All Other Ministries and Public Units	1,543	2.6	1,270	1.8	2,131	2.7
FA.1.2	State/Regional/Local Government	808	1.4	685	1.0	1,387	1.8
FA.1.2.1	DDCs	528	0.9	318	0.5	929	1.2
FA.1.2.2	VDCs	245	0.4	314	0.5	358	0.5
FA.1.2.3	Municipalities	34	0.1	53	0.1	101	0.1
FA.2	Insurance Corporations	108	0.2	115	0.2	145	0.2
FA.2.1	Commercial Insurance Companies	108	0.2	115	0.2	145	0.2
FA.3	Corporations (Other Than Insurance Corporations)	2,343	4.0	3,007	4.3	4,010	5.1
FA.3.1	Health Management and Provider Corporations	802	1.4	1,132	1.6	2,055	2.6
FA.3.2	Corporations (Other Than Providers of Health Services)	1,541	2.6	1,875	2.7	1,955	2.5
FA.4	Non-Profit Institutions Serving Households	5,069	8.6	6,408	9.3	6,473	8.2
FA.5	Households	33,350	56.3	40,527	58.5	44,280	56.3
FA.6	Rest of the World	3,107	5.3	3,034	4.4	4,730	6.0
FA.6.1	International Organizations	3,107	5.3	3,034	4.4	4,110	5.2
FA.6.3	Other Foreign Entities	-	-	-	-	620	0.8
Total		59,215	100.0	69,274	100.0	78,725	100.0

FA.1 General Government

These are non-market and non-profit institutions that are controlled and mainly financed by the government of Nepal units such as MoH, DoHS, RHDs, DHOs, DDCs, other government entities and social/community insurance funds. The current expenditure under this category were NPR 15,240 million, NPR 16,181 million and NPR 19,086 million in the years 2009/10, 2010/11 and 2011/12 respectively. (24.2% of total current expenditure under FA in 2011/12).

FA.1.1 Central Government

All institutional units such as Ministry of Health (FA.1.1.1) and other ministries and public units belonging to the central government (FA.1.1.2) such as Ministry of Education, Ministry of General Administration, Ministry of Home Affairs, Ministry of Defense makes the central government. The current expenditure under this category were NPR 14,432 million, NPR 15,497 million and NPR 17,699 million in the years 2009/10, 2010/11 and 2011/12 respectively. The major current expenditure was of MoH (18.1%) while by the other ministries and public units (4.4%) in the year 2011/12. (22.5% of total current expenditure under FA in 2011/12)

FA.1.2 State/Regional/Local Government

All institutional units at local level government entities such as regional, district and municipality/VDCs making up the local government which may have the primary responsibility for providing access to health care are included in this category. Under this category, the current expenditures were NPR 808 million, NPR 685 million and NPR 1,387 million in 2009/10, 2010/11 and 2011/12 respectively. (1.8% of total current expenditure under FA in 2011/12)

FA.2 Insurance Corporations

Insurance corporations may act as a financing agent for different types of insurance such as commercial insurance companies (FA.2.1) which offer limited voluntary health insurance in Nepal. The current expenditure under this category were NPR 108 million, NPR 115 million and NPR 145 million in the years 2009/10, 2010/11 and 2011/12 respectively. (0.2% of total current expenditure under FA in 2011/12)

FA.3 Corporations (Other Than Insurance Corporations)

This category of financing agents in Nepal includes health management and providers' corporations such as hospitals and medical schools except for traditional health service providers (FS.3.1) and corporations other than providers of health services (FS.3.2) such as enterprises and corporate houses. The current expenditure under this category were NPR 2,343 million, NPR 3,007 million and NPR 4,010 million in the years 2009/10, 2010/11 and 2011/12. (5.1% of total current expenditure under FA in 2011/12)

FA.4 Non-Profit Institutions Serving Households

NPISH consist of non-profit institutions that provide financial assistance, goods or services to households for free or at prices that are not economically significant. A large number of NPISH are serving Nepalese communities and holds a significant part in the health financing in Nepal. The current expenditure under this category were NPR 5,069 million, NPR 6,408 million and NPR 6,473 million in the years 2009/2010, 2010/11 and 2011/12 respectively. (8.2% of total current expenditure under FA in 2011/12)

FA.5 Households

A household is a group of persons who share the same living accommodation, who pool some, or all, of their income and wealth, and who consume certain types of goods and services collectively, mainly housing and food. The current expenditure under this category was considerably highest among all the financing agents which were NPR 33,350 million, NPR 40,527 million and NPR 44,280 million in the years 2009/10, 2010/11 and 2011/12 respectively. (56.3% of total current expenditure under FA in 2011/12)

FA.6 Rest of the World

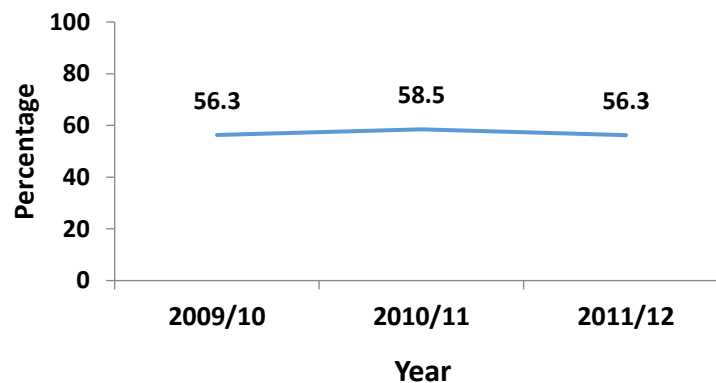
This includes the institutional units that are based in foreign countries such as bilateral and multilateral agencies, foreign governments and financial intermediaries (insurance, NGOs, charities and foundations). The current expenditure under this category were NPR 3,107 million, NPR 3,034 million and NPR 4,730 million in the years 2009/10, 2010/11 and 2011/12 respectively which was mainly under international organization sub-category (FA.6.1). (6.0% of total current expenditure under FA in 2011/12)

4. Households' Out-of-Pocket Expenditure (OOP)

Households' Out-of-Pocket (OOP) expenditure is a direct payment for services from the household primary income or savings (no third-party payer is involved) made by the user at the time of the use of services including cost-sharing and informal payments (both in cash and kind). Out-of-Pocket payments (OOP) show the direct burden of medical costs that households bear at the time of service use.

The estimated household's OOP were NPR 33,350 million, NPR 40,527 million and NPR 44,280 million for the years 2009/10, 2010/11 and 2011/12 respectively. This was around 56.3% of the total CHE in the year 2011/12. Per capita spending on OOP estimated were NPR 1,196, NPR 1,433, NPR 1,544 in the years 2009/10, 2010/11 and 2011/12 respectively.

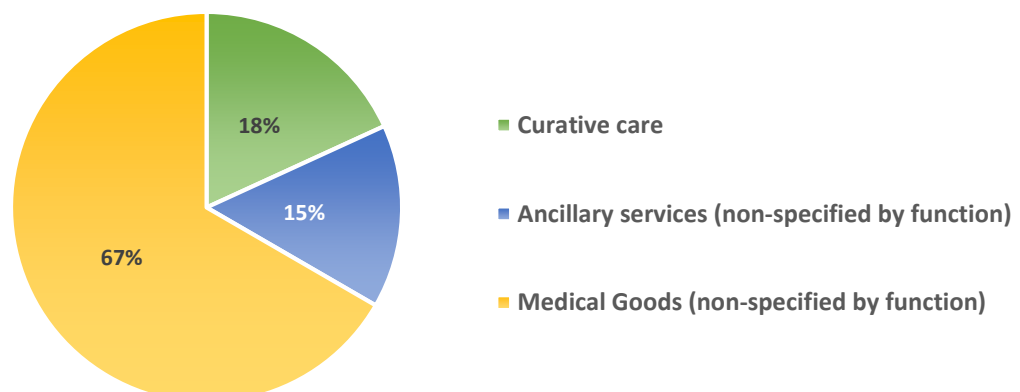
Figure 16: Trend of OOP from 2009/10 to 2011/12 (% as of CHE)



4.1 Distribution of OOP Expenditure by Functions of Health Care

The households' OOP expenditure is consistently highest in the medical goods over the period of three years. This second highest OOP expenditure estimated was on curative care (HC.1) followed by ancillary services (HC.4) in all three years, the details of which are given in Figure 17 and Table 14

Figure 17: Distribution of OOP Expenditure by Health Care Functions in 2011/12



The OOP expenditure estimated on curative care (HC.1) was in increasing trend with NPR 5,582 million (16.7%), NPR 6,288 million (15.5%) and NPR 8,028 million (18.1%) in the years 2009/10, 2010/11 and 2011/12 respectively. Under curative care, the expenditure on outpatient care (HC.1.3) was higher with 11.8% of the total OOP than in-patient care (HC.1.1) with 6.3% in the year 2011/12. The OOP expenditure estimated on ancillary services (HC.4) was also in increasing trend with NPR 2,742 million (8.2%), NPR 5,722

million (14.1%) and NPR 6,711 million (15.2%) in the years 2009/10, 2010/11 and 2011/12 respectively. Under ancillary services, the major OOP expenditure estimated was for laboratory services (HC.4.1) with 10.7 %, followed by imaging services (HC.4.2) with 4.3% and patient transportation (HC.4.3) with 0.1% in the year 2011/12. The OOP expenditure estimated on pharmaceuticals and other medical non-durable goods (HC.5.1) was higher than therapeutic appliances and other medical goods (HC.5.2) in all three years. (64.3% of total OOP in the year 2011/12) The OOP expenditure estimated on rehabilitative care (HC.2), long-term care (HC.3) and preventive care (HC.6) were negligible. (Table 14)

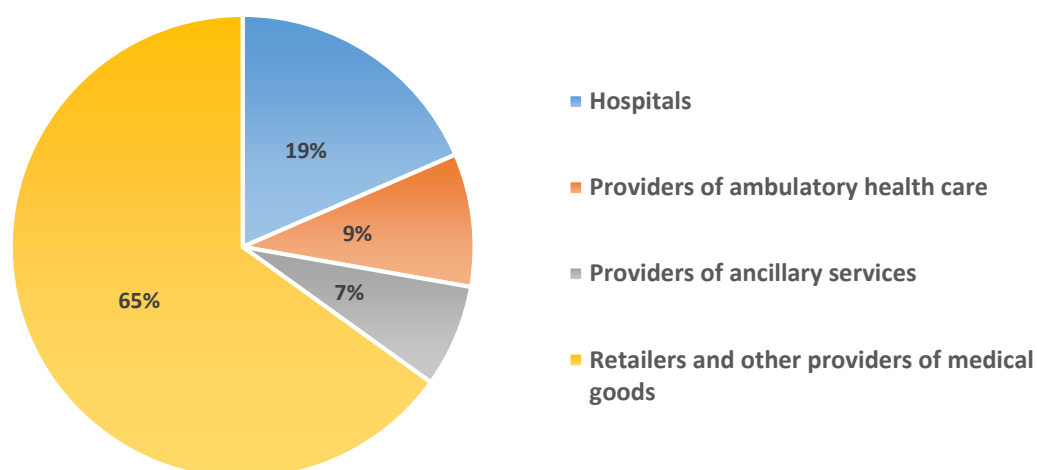
Table 14: Distribution of OOP Expenditure by Health Care Functions (Amounts in Million NPR)

HC Code	Health Care Functions	Out-of-Pocket Expenditure					
		2009/10		2010/11		2011/12	
		Amount	Percent	Amount	Percent	Amount	Percent
HC.1	Curative Care	5,582	16.7	6,288	15.5	8,028	18.1
HC.1.1	In-Patient Curative Care	1,330	4.0	1,720	4.3	2,785	6.3
HC.1.1.1	General In-Patient Curative Care	1,224	3.7	1,535	3.8	2,379	5.4
HC.1.1.2	Specialized In-Patient Curative Care	106	0.3	185	0.5	407	0.9
HC.1.3	Out-Patient Curative Care	4,252	12.8	4,567	11.3	5,243	11.8
HC.1.3.1	General Outpatient Curative Care	2,050	6.2	2,343	5.8	2,964	6.7
HC.1.3.2	Dental Outpatient Curative Care	131	0.4	132	0.3	152	0.3
HC.1.3.3	Specialized Outpatient Curative Care	2,072	6.2	2,092	5.2	2,127	4.8
HC.2	Rehabilitative Care	1	<0.1	1	<0.1	2	<0.1
HC.2.1	In-Patient Rehabilitative Care	1	<0.1	0	<0.1	0	<0.1
HC.2.3	Out-Patient Rehabilitative Care	0	<0.1	1	<0.1	1	<0.1
HC.3	Long-Term Care (Health)	130	0.4	78	0.2	70	0.2
HC.3.2	Day Long-Term Care	93	0.3	23	0.1	9	<0.1
HC.3.3	Out-Patient Long-Term Care	38	0.1	55	0.1	61	0.1
HC.4	Ancillary Services (Non-Specified by Function)	2,742	8.2	5,722	14.1	6,711	15.2
HC.4.1	Laboratory Services	1,230	3.7	4,056	10.0	4,754	10.7
HC.4.2	Imaging Services	1,486	4.5	1,636	4.0	1,915	4.3
HC.4.3	Patient Transportation	26	0.1	30	0.1	42	0.1
HC.5	Medical Goods (Non-Specified by Function)	24,864	74.6	28,413	70.1	29,456	66.5
HC.5.1	Pharmaceuticals and Other Medical Non-Durable Goods	24,433	73.3	27,664	68.3	28,465	64.3
HC.5.1.1	Prescribed Medicines	15,305	45.9	17,021	42.0	15,352	34.7
HC.5.1.1.1	Allopathic Medicines	15,305	45.9	17,021	42.0	15,352	34.7
HC.5.1.2	Over-the-Counter Medicines	7,999	24.0	9,127	22.5	11,175	25.2
HC.5.1.2.1	Allopathic Medicines	7,791	23.4	8,913	22.0	10,846	24.5
HC.5.1.2.2	Non-Allopathic Medicines	208	0.6	214	0.5	329	0.7
HC.5.1.3	Other Medical Non-Durable Goods	1,130	3.4	1,516	3.7	1,938	4.4
HC.5.2	Therapeutic Appliances and Other Medical Goods	431	1.3	749	1.9	991	2.2
HC.5.2.1	Glasses and Other Vision Products	216	0.7	245	0.6	281	0.6
HC.5.2.3	Other Orthopedic Appliances and Prosthetics (Excluding Glasses and Hearing Aids)	88	0.3	95	0.2	112	0.3
HC.5.2.9	All Other Medical Durables Including Medical Technical Devices	127	0.4	409	1.0	598	1.4
HC.6	Preventive Care	31	0.1	25	0.1	14	<0.1
HC.6.1	Information, Education and Counselling Programs	0	0	1	<0.1	3	<0.1
HC.6.2	Immunization Programs	31	0.1	24	0.1	12	<0.1
All HC	All Functions	33,350	100.0	40,527	100.0	44,280	100.0

4.2 Distribution of OOP Expenditure by Health Care Providers

The households' OOP expenditure estimated was consistently highest in the retailers and other providers of health care (HP.5) over the period of three years. This second highest OOP expenditure estimated was on hospitals (HP.1) followed by ambulatory health care (HP.4) in all three years, the details of which are given in Figure 18 and Table 15.

Figure 18: Distribution of OOP Expenditure by Health Care Providers in 2011/12



The OOP expenditure estimated on pharmacies/dispensaries (HP.5.1) was the highest with 39.1% followed by the retailers and other suppliers of durable medical goods and medical appliances (HP.5.2) with 26% of the total OOP estimated in the year 2011/12. The OOP expenditure estimated on hospitals was also in increasing trend with NPR 4,850 million (14.5%), NPR 5,976 million (14.8%) and NPR 8,186 million (18.5%) in the years 2009/10, 2010/11 and 2011/12 respectively. The OOP expenditure estimated on providers of ambulatory health care was 9.3% out of which the OOP expenditure estimated on medical practices (HP.3.1) was highest (9%) followed by dental practices (HP.3.2) (0.2%) and ambulatory health care centers (HP.3.4) (0.1%) in the year 2011/12. The OOP expenditure estimated on the providers of the ancillary services was 7.2 % of total OOP estimated in the year 2011/12. The OOP expenditure estimated on mental health was less than 1% of total OOP estimated in all three years. (Table 15)

Table 15: Distribution of OOP Expenditure by Health Care Providers (Amount in Million NPR)

HP Code	Health Care Providers	Out-of-Pocket Expenditure					
		2009/10		2010/11		2011/12	
		Amount	Percent	Amount	Percent	Amount	Percent
HP.1	All Hospitals	4,850	14.5	5,976	14.8	8,186	18.5
HP.1.1	General Hospitals	4,186	12.6	5,134	12.7	7,003	15.8
HP.1.1.1	Public General Hospitals	566	1.7	538	1.3	1,156	2.6
HP.1.1.1.1	National/Central Hospitals	31	0.1	34	0.1	104	0.2
HP.1.1.1.2	Regional/Zonal Hospitals	199	0.6	195	0.5	169	0.4
HP.1.1.1.3	District Level and Other Public General Hospitals	336	1.0	309	0.8	883	2.0
HP.1.1.2	Private (For-Profit) General Hospitals	3,620	10.9	4,596	11.3	5,847	13.2
HP.1.2	Mental Health Hospitals	3	<0.1	4	<0.1	5	<0.1
HP.1.2.2	Private (For-Profit) Mental Health Hospitals	3	<0.1	4	<0.1	5	<0.1
HP.1.3	Specialized Hospitals (Other Than Mental Health Hospitals)	661	2.0	838	2.1	1,179	2.7

HP Code	Health Care Providers	Out-of-Pocket Expenditure					
		2009/10		2010/11		2011/12	
		Amount	Percent	Amount	Percent	Amount	Percent
HP.1.3.1	Public Specialized Hospitals	36	0.1	39	0.1	49	0.1
HP.1.3.2	Private (For-Profit) Specialized Hospitals	625	1.9	799	2.0	1,130	2.6
HP.3	Providers of Ambulatory Health Care	3,827	11.5	3,993	9.9	4,109	9.3
HP.3.1	Medical Practices (GP Clinics, Polyclinics)	3,700	11.1	3,860	9.5	3,984	9.0
HP.3.1.1	Offices of General Medical Practitioners	1,482	4.4	1,561	3.9	1,639	3.7
HP.3.1.3	Offices of Medical Specialists (Other Than Mental Medical Specialists)	2,218	6.7	2,299	5.7	2,345	5.3
HP.3.2	Dental Practices	91	0.3	91	0.2	92	0.2
HP.3.4	Ambulatory Health Care Centers	36	0.1	41	0.1	33	0.1
HP.3.4.5	Primary Health Care Centers, Health Posts, Sub-Health Posts	36	0.1	41	0.1	33	0.1
HP.4	Providers of Ancillary Services	280	0.8	2,715	6.7	3,172	7.2
HP. 4.2	Medical & Diagnostic Laboratories	280	0.8	2,715	6.7	3,172	7.2
HP.5	Retailers and Other Providers of Medical Goods	24,393	73.1	27,843	68.7	28,813	65.1
HP.5.1	Pharmacies/Dispensaries	16,846	50.5	18,765	46.3	17,322	39.1
HP.5.1.1	Allopathic Pharmacies/Dispensaries	16,637	49.9	18,551	45.8	16,993	38.4
HP.5.1.2	Non-Allopathic Pharmacies/Dispensaries	208	0.6	214	0.5	329	0.7
HP.5.2	Retailers and Other Suppliers of Durable Medical Goods and Medical Appliances	7,548	22.6	9,079	22.4	11,492	26.0
HP ALL	All Providers Expenditure	33,350	100	40,527	100	44,280	100.0

5. Data Sources and Challenges of the Estimates

In this round of NNHA, both primary and secondary data sources were used to collect the health expenditure data for the years 2009/10, 2010/11 and 2011/12. The required public and private sector's health expenditure data were captured by using sample surveys and census method, where applicable. The health expenditure data obtained from the secondary sources and surveys were utilized for estimating the national level health expenditures. The sources and details of the data collection, compilation for estimation of the national level health expenditure and the challenges experienced in the process are mentioned below.

5.1 Public Sector Data

Estimation of health expenditure made by the government, local bodies, state-owned enterprises and autonomous bodies during 2009/10 to 2011/12 was based on the use of both secondary and primary data.

5.1.1 Secondary Data Source

Central Government Data: Data from Red Book (MoF, 2011), Economic Surveys (MoF, 2012/2013), Annual Reports of the HMIS, (DoHS 2011/2012/2013), line ministries and other publications were extensively used. Published and unpublished documents/reports were reviewed. More specifically following secondary sources were used.

- MoH and other line ministries allocated budget and program book of different fiscal years - 2009/2010, 2010/2011 and 2011/2012
- Financial Controller General Office, Ministry of Finance data for actual national expenditure
- Budget Speech/Economic Survey, 2013/2014 of Ministry of Finance
- Annual Report, FY 2009/10, 2010/11 and 2011/12, HMIS, DoHS
- Population Census data of 2011 (CBS, 2011)

5.1.2 Primary Data Source

A survey of health facilities was conducted for the costing of inpatient and outpatient services and estimation of OOP payments. A total of 26 districts were selected, as a first stage sampling unit representing five development regions of Nepal as well as the three ecological belts (Mountains, Hills and Terai). Considering heavy concentration of health service providers (including public and private) and population in Kathmandu Valley, all three districts of the valley were selected for the survey. Rest of the 23 districts were selected following a systematic random sampling from the remaining 72 districts of the country. The sampling frame for the selection of districts was developed by indexing districts based on a total number of facility-visits and number of pharmacies.

Selection of Public Health Facilities:

Public health facilities were divided into different strata for the survey and analytical purpose based on types of public health facilities. A total of 175 public health facilities were selected for the survey. A total number of available public health facilities in sampled districts and number of sampled health facilities is depicted in Table 16.

Table 16: Sampling of Public Health Facilities

Total Number of Health Facilities in Sampled Districts							Number of Sampled Health Facilities					
Domain/ Region	Central & Specialty Hospital	Zonal, Regional & District Hospital	PHCC	HPs	SHP	Total	Central & Specialty Hospital	Zonal, Regional & District Hospital	PHCC	HP	SHP	Total
Eastern		10	18	67	266	361	0	9	7	14	12	42
Kathmandu Valley	9	3	14	31	84	141	8	1	3	8	5	25
Central		6	16	72	211	305	1	5	6	11	11	34
Western		9	12	56	217	294	0	5	5	11	12	33
Mid-western		6	11	66	144	227	0	5	4	10	10	29
Far-western		3	2	20	30	55	0	2	2	4	4	12
Total	9	37	73	312	952	1383	9	27	27	58	54	175

Local Government Data: For local bodies data, every DDC of the 26 sampled districts were surveyed. In the case of municipality and VDCs, 14 municipalities and 142 VDCs were selected for the survey from the same sampled districts. Thus, the survey yielded a total of 182 Local Bodies comprising 26 DDCs, 14 municipalities and 142 VDCs.

State Owned Enterprises (SOEs) and Autonomous Bodies Data: Economic Survey 2011/12 showed that there were total 37 SOEs in Nepal which were classified into six categories i.e. social, commercial, financial, public utilities, services and industrial. Out of 37 SOE, a total of 12 (33%) were sampled for the survey.

5.2 Private Sector Data

The estimation of health expenditure made by private allopathic hospitals and clinics, during the period 2009/10 to 2011/12, was collected through the survey of private providers, conducted in the same 26 sampled districts. The purpose was to estimate all kinds of household health expenditures through private health care service providers. Primary data was collected from 96 out of 301 private allopathic hospitals and 190 out of 2885 private clinics in the 26 sampled districts. (Table 5)

In the second stage of the sampling, private hospitals were categorized into four categories: 1. Dental Hospitals, 2. Less than 50 bed Hospitals, 3. 50-100 bed Hospitals and 4. over 100 bed Hospitals. For the first three categories, 33% of total hospitals were selected using simple random sampling. For the fourth category, all the hospitals were surveyed. However, for clinics, polyclinics and diagnostic centers, the census was applied in the selected districts, except for the metropolitan and sub-metropolitan cities.

For the metropolitan and sub-metropolitan cities, the selection process for the above four categories of the hospitals was same as the selection of private hospitals. However, for facilities below hospital level (polyclinic/nursing homes, clinics and diagnostic centers), 33% of the wards of the metropolitan and sub-metropolitan cities were selected by random sampling as secondary sampling units. Clinics and diagnostic centers were then selected from those secondary sampling units.

The estimation of health expenditure made by other private sectors such as private teaching hospitals, pharmaceuticals and medical goods importers and manufacturers etc. was done through sampling from the total number of such entities in the country; however, a sample of such entities was randomly selected from the total list using simple random sampling. 12 out of 14 private sector teaching hospitals within the medical colleges, 52 out of 120 pharmaceutical importers, 49 out of 164 medical goods importers, 56 out of 108 pharmaceuticals and medical goods manufacturers etc. were surveyed as shown in Table 5.

5.3 Multi/Bi-lateral Agencies, INGOs, Insurance and Private Companies Data

The estimation of health expenditure made during 2009/10 to 2011/12 by multi-lateral and bi-lateral agencies, INGOs, NGOs, insurance companies and private companies was based on the use of primary data through a survey in the 16 districts of Nepal. For the survey, sampling frame included census and multistage sampling techniques. Census technique was used to represent all multi-lateral and bi-lateral agencies, INGOs and Insurance companies which were working in the health sector. While, multistage sampling technique was used to capture expenditure made through NGOs and private companies. Out of the 16 districts selected for the survey, all three districts in the Kathmandu valley were selected and remaining 13 districts were randomly selected from each development regions. These selected districts were: 1. Dolakha, 2. Panchthar, 3. Dhankuta, 4. Udayapur, 5. Dhading, 6. Syangja, 7. Surkhet, 8. Morang, 9. Siraha, 10. Sarlahi, 11. Chitwan, 12. Kapilbastu, 13. Banke, 14. Kathmandu, 15. Lalitpur and 16. Bhaktapur.

In the first stage, districts were selected from the list of the NGOs and private companies located in the surveying districts. From the list, required number of NGOs and private companies were selected. In the case of selected NGOs and private companies not existed in the sampled location; other NGOs and private companies from the nearby areas were selected to replace non-existing NGOs and private companies.

A total of 548 agencies (10 Multi-lateral agencies, 5 Bi-lateral agencies, 23 INGOs, 89 NGOs, 407 private companies and 15 insurance companies) were selected for the survey. Out of 23 INGOs selected in this survey, more than half were located in Lalitpur district and remaining were located in Kathmandu district. Similarly, out of 89 NGOs, 55 were selected from Kathmandu and 13 were selected from Lalitpur districts, while remaining 21 were selected from other districts. A total of 15 out of 25 insurance companies were selected for the survey. All of these insurance companies were located in Kathmandu Valley.

A total of 407 out of 9900 private companies were selected from 16 sampled districts. A total of 172 private companies (42.3%) were included from Kathmandu followed by 76 (18.7%) in Morang. Similarly, 28 private companies (6.9%) from Chitwan, 23 private companies (5.7%) from Banke districts and remaining 108 private companies (26.5%) from remaining others 12 districts were selected for the survey. (Table 17)

Table 17: Sampling of Private Sectors/Companies, Private Insurance Companies and NGOs

SN	Private Sectors Multi/Bi-lateral agencies, INGOs, NGOs, Insurance and Private Companies	Total	Sample
1.	Private Allopathic Hospitals	301	96
2.	Private Teaching Hospitals	14	12
3.	Private Clinics	2885	190
4.	Pharmaceutical Importers	120	52
5.	Medical Goods Importers	164	49
6.	Pharmaceutical and Medical Goods Manufacturers	108	56
7.	Private Companies/Firms	9900	407
8.	Private Medical Laboratories	1075	20
9.	Private Insurance Companies	25	15
10.	Health Related NGOS Registered in Social Welfare Council	834	89

5.4. Challenges of the Estimates

In due course of this round of NHA estimates, few understandings on the methodological and data related challenges were experienced. Based on the ideas gained in this round of NHA estimates, certain ways forwards could be suggested to obtain the more specific and broad data for the quality expenditure related classifications based on SHA 2011.

Disease classification, which is required for NHA estimates based on SHA 2011 framework, could not be analyzed in this round due to unavailability of comprehensive data on disease-wise expenditure through the routine information system. It is recommended to integrate the expenditure based on the disease classification in the future NHA studies.

Likewise, the data on expenditure could not be disaggregated on the basis of age, gender, socio-economic status in this estimates as recommended by SHA 2011 framework.

Expenditure classification based on the sub-national level such as development and geographical region wise was not carried out in this round of NHA estimates. It is recommended to include this in the future NHA estimates.

Unavailability of disaggregated data on inputs (salaries, medical goods etc.) made by government national and specialized hospitals, district hospitals, zonal and regional hospitals led to underestimate the expenditure on employee compensation and medical goods and overestimated the expenditure on health care services.

Under factors of health care provision, it was challenging to estimate the consumption of fix capital since getting data on each facility and equipment and knowing their age to calculate the retirement function is quite complicated, as suggested in SHA 2011.

Though there is one national mental hospital in the country, the expenditure made could not be separated with the expenditure made in the regional and zonal hospital on mental health services.

Tax paid for health care services could not be captured in this estimates due to unavailability of the data.

There is a high tendency of the patient going aboard especially in India, and other countries like Thailand, Singapore, and USA etc. The health expenditure made outside Nepal could not be included in this round of NHA thus losing the opportunity to add this amount in the total OOP. Further approach should be made to track the health expenditure made out of the country.

Data on expenses for the Community Based Health Insurance (CBHI) provided by the Primary Health Center Revitalization Division (PHCRD) to Primary Health Care Centers (PHCCs) could not be separated. Also, the contribution amount collected by CBHI could not be in this round.

The premium payments by state-owned enterprises and autonomous bodies were included as part of the total enterprise expenditures. The prepayments by corporations and households would be separated and voluntary health insurance schemes would be introduced in future NHA's.

The annual production of NHA is crucial for supporting data-driven policy decisions, effective resource allocation and financial planning through regular and relevant resource tracking data. To regularize the expenditure tracking, it is very important that the data collection for the health accounts estimates should be cost-effective. This can be done by the institutionalization of the data collection i.e. integrating the data collection for health accounts into the existing data collection system in order to regularly track the health care spending. Institutionalization of health accounts emphasizes the “annual production and routine use of HA as an integral and sustained part of health system governance” (Cogswell and Dereje 2015). Further action is recommended for the institutionalization of NHA in Nepal.

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Annexes

Detailed NHA Tables

Annex 1: Expenditures on Health Care by Health Care Function and Health Care Financing Schemes 2009/10 (HCXHF)

Financing Schemes			HF.1 General schemes and compulsory contributory health care financing schemes			HF.2 Voluntary health care payment schemes (other than OOP)			HF.3 Household out-of-pocket payment			HF.4 Rest of the world	All HF
			HF.1.1.1	HF.1.1.2	HF.1.2.2	HF.2.2	HF.2.3.1	HF.2.3.2	HF.3.1	HF.3.2.1	HF.3.2.2	HF.4.2	
			Central government schemes	Local governments schemes	Compulsory private insurance	NPISH financing schemes	Enterprises (except health care providers) financing schemes	Health care providers financing schemes	Out-of-pocket excluding cost sharing	Cost sharing with government schemes and compulsory health insurance	Cost sharing with voluntary health insurance	Voluntary schemes (non-resident)	
Functions													
HC.1 Curative Care	HC.1.1.1	General in-patient curative care	2,850	2	21	124	7	-	1,223	1	0	3	4,231
	HC.1.1.2	Specialized in-patient curative care	285	-	-	24	-	-	106	-	-	109	524
	HC.1.3.1	General outpatient curative care	5,069	332	-	776	5	-	2,050	-	-	41	8,272
	HC.1.3.2	Dental outpatient curative care	-	-	-	-	-	-	131	-	-	-	131
	HC.1.3.3	Specialized outpatient curative care	446	1	-	5	0	-	2,072	-	-	-	2,524
HC.3 Long-term care	HC.2	Rehabilitative care	6	-	-	-	-	-	1	-	-	-	7
	HC.3.2	Day long-term care	-	-	-	-	-	-	93	-	-	-	93
HC.4 Ancillary services	HC.3.3	Out-patient long-term care	-	-	-	-	-	-	38	-	-	-	38
	HC.4.1	Laboratory services	27	1	-	-	-	1	1,230	-	-	-	1,260
HC.5 Medical Goods	HC.4.2	Imaging services	-	-	-	-	-	-	1,486	-	-	0	1,486
	HC.4.3	Patient transportation	-	1	-	-	0	-	26	-	-	-	27
	HC.5.1.1	Prescribed medicines	2,943	-	0	-	695	-	15,305	-	-	1	18,944
	HC.5.1.2	Over-the-counter medicines	-	26	-	14	469	-	7,999	-	-	4	8,511
	HC.5.1.3	Other medical non-durable goods	-	3	-	-	2	-	1,130	-	-	-	1,134
HC.6 Preventive care	HC.5.2.1	Glasses and other vision products	-	-	-	-	4	-	216	-	-	-	221
	HC.5.2.3	Other orthopedic appliances and prosthetics (excluding glasses and hearing aids)	-	-	-	-	9	-	88	-	-	-	97
	HC.5.2.9	All other medical durables including medical technical devices	-	-	-	-	0	-	127	-	-	-	127
	HC.6.1	Information, education and counselling programs	488	264	-	2,776	2	2	0	-	-	2,293	5,825
HC.7 Administration	HC.6.2	Immunization Programs	53	10	-	-	-	-	31	-	-	-	95
	HC.6.3	Early disease detection programs	72	13	-	130	-	-	-	-	-	127	343
	HC.6.4	Healthy condition monitoring programs	351	9	-	84	14	-	-	-	-	312	771
	HC.6.5	Epidemiological surveillance and risk & disease control programs	424	-	-	-	-	-	-	-	-	-	424
	HC.6.6	Preparing for disaster and emergency response programs	0	0	-	-	-	-	-	-	-	2	3
	HC.6.9	All other preventive care services not explicitly classified	1,515	115	-	-	-	-	-	-	-	-	1,630
	HC.7.1	Governance and health system administration	334	3	-	49	3	167	-	-	-	20	577
All HC	HC.7.2	Administration of health financing	-	-	-	1,333	-	-	-	-	-	149	1,482
	HC.9	Other health care services not elsewhere classified	-	26	-	-	417	-	-	-	-	-	443
All HC			14,864	807	22	5,316	1,627	170	33,349	1	0	3,061	59,216

Annex 2: Expenditures on Health Care by Health Care Function and Health Care Providers 2009/10 (HCXHP)

Functions			HP.1 All Hospitals						HP.3 Providers of ambulatory health care				HP.5 Retailers and other providers of medical goods			HP.7 Providers of health care system administration and financing			HP.8 Rest of the Nepalese economy			ALL HP		
			HP.1.1.1	HP.1.1.2	HP.1.1.3	HP.1.2	HP.1.3	HP.2	HP.3.1	HP.3.2	HP.3.3	HP.3.4	HP.4	HP.5.1.1	HP.5.1.2	HP.5.2	HP.6	HP.7.1	HP.7.3	HP.7.9	HP.8.1		HP.8.2	HP.8.9
			Public general hospitals	Private (for-profit) general hospitals	Private (not-for-profit) general hospitals	Mental health hospitals	Specialized hospitals (other than mental health hospitals)	Residential long-term care facilities	Medical practices (GP clinics, polyclinics)	Dental practices	Other health care practitioners	Ambulatory health care centers	Providers of ancillary services	Allopathic pharmacies/dispensaries	Non-allopathic pharmacies/dispensaries	Retailers and other suppliers of durable medical goods and	Providers of preventive care	Government health administration agencies	Private health insurance administration agencies	Other administration agencies	Households as providers of home health care		All other industries as secondary providers of health care	Other industries n.e.c.
HC.1 Curative Care	HC.1.1.1	General in-patient curative care	2,855	1,030	144	-	35	-	-	-	163	-	-	-	-	-	1	3	-	-	-	-	4,231	
	HC.1.1.2	Specialized in-patient curative care	2	66	-	3	453	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	524	
	HC.1.3.1	General outpatient curative care	1,653	531	-	-	55	-	1,130	-	38	4,154	-	-	221	-	453	36	0	-	-	-	8,272	
	HC.1.3.2	Dental outpatient curative care	-	30	-	-	16	-	0	84	-	-	-	-	-	-	-	-	-	-	-	-	131	
	HC.1.3.3	Specialized outpatient curative care	1	12	-	0	563	-	1,942	-	-	5	-	-	-	-	1	-	-	-	-	-	2,524	
HC.3 Long-term care	HC.2	Rehabilitative care	-	1	-	-	0	-	-	-	6	-	-	-	-	-	-	-	-	-	-	-	7	
	HC.3.2	Day long-term care	-	91	-	-	2	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	93	
	HC.3.3	Out-patient long-term care	-	38	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	38	
HC.4 Ancillary services	HC.4.1	Laboratory services	-	683	-	-	29	-	343	6	1	198	-	-	-	-	-	-	-	-	-	-	1,260	
	HC.4.2	Imaging services	-	666	-	-	423	-	284	1	-	111	-	-	-	-	-	-	-	-	-	-	1,486	
	HC.4.3	Patient transportation	11	13	-	-	2	-	-	-	1	0	-	-	-	-	-	-	-	-	-	-	27	
HC.5 Medical Goods	HC.5.1.1	Prescribed medicines	893	468	-	-	3	-	-	-	1,870	2	14,873	39	-	218	3	-	-	524	-	51	18,944	
	HC.5.1.2	Over-the-counter medicines	-	-	-	-	-	-	-	-	26	-	2,288	210	5,987	0	-	-	-	-	-	-	8,511	
	HC.5.1.3	Other medical non-durable goods	-	-	-	-	-	-	-	-	3	-	2	-	1,130	-	-	-	-	-	-	-	1,134	
	HC.5.2.1	Glasses and other vision products	-	-	-	-	-	-	-	-	-	-	4	-	216	-	-	-	-	-	-	-	221	
	HC.5.2.3	Other orthopedic appliances and prosthetics (excluding glasses and hearing aids)	-	-	-	-	-	-	-	-	-	-	0	-	97	-	-	-	-	-	-	-	97	
	HC.5.2.9	All other medical durables including medical technical devices	-	-	-	-	-	-	-	-	-	-	0	-	127	-	-	-	-	-	-	-	127	

Providers			HP.1 All Hospitals					HP.3 Providers of ambulatory health care					HP.5 Retailers and other providers of medical goods			HP.7 Providers of health care system administration and financing			HP.8 Rest of the Nepalese economy			ALL HP		
			HP.1.1.1	HP.1.1.2	HP.1.1.3	HP.1.2	HP.1.3	HP.2	HP.3.1	HP.3.2	HP.3.3	HP.3.4	HP.4	HP.5.1.1	HP.5.1.2	HP.5.2	HP.6	HP.7.1	HP.7.3	HP.7.9	HP.8.1		HP.8.2	HP.8.9
			Public general hospitals	Private (for-profit) general hospitals	Private (not-for-profit) general hospitals	Mental health hospitals	Specialized hospitals (other than mental health hospitals)	Residential long-term care facilities	Medical practices (GP clinics, polyclinics)	Dental practices	Other health care practitioners	Ambulatory health care centers	Providers of ancillary services	Allopathic pharmacies/dispensaries	Non-allopathic pharmacies/dispensaries	Retailers and other suppliers of durable medical goods and	Providers of preventive care	Government health administration agencies	Private health insurance administration agencies	Other administration agencies	Households as providers of home health care		All other industries as secondary providers of health care	Other industries n.e.c.
Functions																								
HC.6 Preventive care	HC.6.1	Information, education and counselling programs	69	11	-	-	117	-	-	-	-	258	-	-	-	5,169	121	-	81	-	0	-	5,825	
	HC.6.2	Immunization Programs	-	25	-	-	6	-	-	-	-	59	-	-	-	5	-	-	-	-	-	-	95	
	HC.6.3	Early disease detection programs	4	-	-	-	33	-	103	-	1	6	-	-	-	170	23	-	-	-	2	-	343	
	HC.6.4	Healthy condition monitoring programs	4	59	-	-	-	0	-	-	0	313	-	-	-	344	36	-	-	14	0	-	771	
	HC.6.5	Epidemiological surveillance and risk & disease control programs	-	-	-	-	-	-	-	-	-	-	13	-	-	-	411	-	-	-	-	-	424	
	HC.6.6	Preparing for disaster and emergency response programs	-	-	-	-	-	-	-	-	-	0	-	-	-	0	-	2	-	-	-	-	3	
	HC.6.9	All other preventive care services not explicitly classified	3	-	-	-	-	-	-	-	-	1,512	-	-	-	112	0	-	-	-	3	-	1,630	
HC.7 Administration	HC.7.1	Governance and health system administration	-	214	-	-	1	-	-	-	-	-	1	-	-	0	273	-	87	-	-	-	577	
	HC.7.2	Administration of health financing	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	1,482	-	-	-	-	1,482	
	HC.9	Other health care services not elsewhere classified	-	32	-	-	-	-	-	-	25	-	-	-	1	-	-	-	-	384	-	1	443	
	All HC	All functions	5,496	3,966	144	3	1,740	0	3,802	91	39	8,404	325	17,167	470	7,556	6,885	492	5	1,650	921	6	53	59,216

Annex 3: Expenditures on Health Care by Health Care Providers and Health Care Financing Schemes 2009/10 (HPXHF)

Financing Schemes			HF.1 General schemes and compulsory contributory health care financing schemes			HF.2 Voluntary health care payment schemes (other than OOP)			HF.3 Household out-of-pocket payment		HF.4 Rest of the world financing schemes	
			HF.1.1.1	HF.1.1.2	HF.1.2.2	HF.2.2	HF.2.3.1	HF.2.3.2	HF.3.1	HF.3.2	HF.4.2	HF ALL
			Central government schemes	Local governments schemes	Compulsory private insurance	NPISH financing schemes	Enterprises (except health care providers) financing schemes	Health care providers financing schemes	Out-of-pocket excluding cost sharing	Cost sharing with third party payers	Voluntary schemes (non-resident)	All Health Financing
Providers												
HP.1 All Hospital	HP.1.1.1	Public general hospitals	4,293	10	21	446	86	-	566	-	73	5,496
	HP.1.1.2	Private (for-profit) general hospitals	-	-	-	125	55	166	3,619	1	0	3,966
	HP.1.1.3	Private (not-for-profit) general hospitals	144	-	-	-	-	-	-	-	-	144
	HP.1.2.2	Private (for-profit) mental health hospitals	-	-	-	-	-	-	3	-	-	3
	HP.1.3.1	Public Specialized hospitals	807	-	-	-	-	-	36	-	140	982
	HP.1.3.2	Private (for-profit) Specialized hospitals	-	-	-	116	0	2	625	-	-	743
	HP.1.3.3	Private (not-for-profit) Specialized hospitals	15	-	-	-	-	-	-	-	-	15
	HP.2	Residential long-term care facilities	-	-	-	-	-	-	-	-	0	0
HP.3 Providers of ambulatory health care	HP.3.1	Medical practices (GP clinics, polyclinics)	-	-	-	103	-	-	3,700	-	-	3,802
	HP.3.2	Dental practices	-	-	-	-	-	-	91	-	-	91
	HP.3.3	Other health care practitioners	-	-	-	-	-	-	-	-	39	39
	HP.3.4.1	Family planning centers	-	191	-	-	-	-	-	-	-	191
	HP.3.4.2	Ambulatory mental health & substance abuse centers	6	-	-	-	-	-	-	-	-	6
	HP.3.4.5	Primary health care centers, Health posts, Sub-health posts	7,614	486	-	9	-	-	36	-	1	8,145
	HP.3.4.9	All other ambulatory centers	54	-	-	5	-	-	-	-	2	61
HP.4 Provider s of ancillary services	HP. 4.2	Medical & diagnostic laboratories	42	-	-	-	-	2	280	-	0	324
	HP. 4.9	Other providers of ancillary services	-	-	-	-	0	-	-	-	-	0
HP.5	HP.5.1	Pharmacies/dispensaries	260	-	0	14	513	-	16,846	-	4	17,637
	HP.5.2	Retailers and other suppliers of durable medical goods and medical appliances	-	-	-	-	9	-	7,548	-	-	7,556
	HP.6	Providers of preventive care	993	114	-	3,151	-	-	-	-	2,627	6,885
	HP.7	Providers of health care system administration and financing	631	6	-	1,333	3	-	-	-	174	2,147
HP.8 Rest of Nepalese Economy	HP.8.1	Households as providers of home health care	-	-	-	14	908	-	-	-	-	921
	HP.8.2	All other Industries as secondary providers of health care	6	-	-	-	-	-	-	-	-	6
	HP.8.9	Other industries n.e.c.	-	-	-	-	53	-	-	-	-	53
	HP.9	Rest of the world	-	-	-	-	-	-	-	-	-	-
	HP ALL	All Providers Expenditure	14,864	807	22	5,316	1,627	170	33,349	1	3,061	59,216

Annex 4: Expenditures on Health Care by Health Care Financing Schemes and Revenue of Financing Schemes 2009/10 (HFDFS)

Financing Sources		Financing Schemes	FS.5 Other domestic revenues n.e.c.			FS.6 Other domestic revenues n.e.c.			FS.7 Direct foreign transfers			ALL FS
			FS.1.1	FS.2	FS.5.2	FS.6.1	FS.6.2	FS.6.3	FS.7.1.1	FS.7.1.2	FS.7.1.3	
			Internal transfers and grants	Transfers distributed by government from foreign origin	Voluntary prepayment from employers	Other revenues from households n.e.c.	Other revenues from corporations n.e.c.	Other revenues from NPISH n.e.c.	Direct bilateral financial transfers	Direct multilateral financial transfers	Other direct foreign financial transfers	All Financing Source
HF.1 General schemes and compulsory contributory health care financing schemes	HF.1.1.1	Central government schemes	9,894	4,322	-	-	-	-	99	163	386	14,864
	HF.1.1.2	Local governments schemes	616	-	-	-	-	-	-	190	-	807
	HF.1.2.2	Compulsory private insurance	-	-	-	-	22	-	-	-	-	22
HF.2 Voluntary health care payment schemes (other than OOP)	HF.2.2	NPISH financing schemes	246	-	-	-	-	5,069	-	-	-	5,316
	HF.2.3.1	Enterprises (except health care providers) financing schemes	-	-	1,050	-	577	-	-	-	-	1,627
	HF.2.3.2	Health care providers financing schemes	-	-	-	-	170	-	-	-	-	170
HF.3 Household out-of-pocket payment	HF.3.1	Out-of-pocket excluding cost sharing	-	-	-	33,349	-	-	-	-	-	33,349
	HF.3.2.1	Cost sharing with government schemes and compulsory health insurance	-	-	-	1	-	-	-	-	-	1
	HF.3.2.2	Cost sharing with voluntary health insurance	-	-	0	-	-	-	-	-	-	0
	HF.4.2	Voluntary schemes (non-resident)	-	-	-	-	-	-	1,890	231	940	3,061
ALL HF		All Financing Schemes	10,757	4,322	1,050	33,350	769	5,069	1,989	584	1,326	59,216

Annex 5: Expenditures on Health Care by Health Care Financing Schemes and Health Care Financing Agents 2009/10 (HFIFA)

Financing Agents		Financing Schemes	FA.1 General government									FA.3 Corporations			FA.4	FA.5	FA.6	ALL FA
			FA.1.1.1	FA.1.1.2.1	FA.1.1.2.2	FA.1.1.2.3	FA.1.1.2.4	FA.1.1.2.5	FA.1.2.1	FA.1.2.2	FA.1.2.3	FA.2.1	FA.3.1	FA.3.2				
			Ministry of Health and Population	Ministry of Education	Ministry of General Administration	Ministry of Home Affairs	Ministry of Defense	All other ministries and public units	DDCs	VDCs	Municipalities	Commercial insurance companies	Health management and provider corporations	Corporations (other than providers of health services)	Non-profit institutions serving...	Households	Rest of the world	All Financing Agents
HF.1 General schemes and compulsory contributory health care financing schemes	HF.1.1.1	Central government schemes	11,936	281	80	152	246	1,538	0	-	-	-	632	-	-	-	-	14,864
	HF.1.1.2	Local governments schemes	-	-	-	-	-	-	527	245	34	-	-	-	-	-	-	807
	HF.1.2.2	Compulsory private insurance	-	-	-	-	-	-	-	-	-	22	-	-	-	-	-	22
HF.2 Voluntary health care payment schemes (other than OOP)	HF.2.2	NPISH financing schemes	194	-	-	-	-	5	1	0	0	-	-	-	5,069	-	46	5,316
	HF.2.3.1	Enterprises (except health care providers) financing schemes	-	-	-	-	-	-	-	-	-	86	-	1,541	-	-	-	1,627
	HF.2.3.2	Health care providers financing schemes	-	-	-	-	-	-	-	-	-	-	170	-	-	-	-	170
HF.3 Household out-of-pocket payment	HF.3.1	Out-of-pocket excluding cost sharing	-	-	-	-	-	-	-	-	-	-	-	-	-	33,349	-	33,349
	HF.3.2	Cost sharing with third party payers	-	-	-	-	-	-	-	-	-	-	-	-	-	1	-	1
	HF.4	Rest of the world financing schemes	-	-	-	-	-	-	-	-	-	-	-	-	-	-	3,061	3,061
ALL HF		All Financing Agents	12,131	281	80	152	246	1,543	528	245	34	108	802	1,541	5,069	33,350	3,107	59,216

Annex 6: Expenditures on Health Care by Health Care Providers and Factor of Health Care Provision 2009/10 (HPXFP)

Factors of provision		FP.1 Compensation of employees			FP.2	FP.3 Health Care Services Used					FP.4	FP.5	FP.nec	ALL FP	
		FP.1.1	FP.1.2	FP.1.3		FP.3.1	FP.3.2.1	FP.3.2.2	FP.3.3	FP.3.4					
		Wages and salaries	Social contributions	All other costs related to employees	Self-employed professional remuneration	Health care services	Pharmaceuticals	Other health care goods	Non-health care services	Non-health care goods	Consumption of fixed capital	other items of spending on inputs	All other non-health care spending n.e.c.	All Factors	
Providers															
HP.1 All Hospitals	HP.1.1.1.1	National/central hospitals	679	-	5	2	2,334	92	-	25	15	7	55	0	3,214
	HP.1.1.1.2	Regional/zonal hospitals	493	-	1	1	198	10	-	5	-	2	6	0	716
	HP.1.1.1.3	District level and other public general hospitals	290	0	2	10	514	710	-	14	21	1	3	0	1,566
	HP.1.1.2	Private (for-profit) general hospitals	-	-	118	-	3,250	468	-	13	-	113	4	-	3,966
	HP.1.1.3	Private (not-for-profit) general hospitals	75	-	-	-	69	-	-	-	-	-	-	-	144
	HP.1.2	Mental health hospitals	-	-	-	-	3	-	-	-	-	-	-	-	3
	HP.1.3.1	Public Specialized hospitals	792	15	-	-	175	-	-	1	-	-	-	-	982
	HP.1.3.2	Private (for-profit) Specialized hospitals	-	-	117	-	621	3	-	1	-	1	-	-	743
	HP.1.3.3	Private (not-for-profit) Specialized hospitals	15	-	-	-	-	-	-	-	-	-	-	-	15
HP.2	Residential long-term care facilities	-	-	-	-	0	-	-	-	-	-	-	-	0	
HP.3 Providers of ambulatory health care	HP.3.1.1	Offices of general medical practitioners	-	-	-	1,130	455	-	-	-	-	-	-	-	1,585
	HP.3.1.3	Offices of medical specialists (other than mental medical specialists)	-	-	-	1,942	275	-	-	-	-	-	-	-	2,218
	HP.3.2	Dental practices	-	-	-	84	7	-	-	-	-	-	-	-	91
	HP.3.3	Other health care practitioners	-	-	-	-	39	-	-	-	-	-	-	-	39
	HP.3.4.1	Family planning centers	190	-	-	-	1	-	-	-	-	-	-	-	191
	HP.3.4.2	Ambulatory mental health & substance abuse centers	1	-	-	-	3	-	-	2	-	0	0	0	6
	HP.3.4.5	Primary health care centers, Health posts, Sub-health posts	3,729	546	51	81	1,600	1,895	1	73	1	26	137	5	8,145
	HP.3.4.9	All other ambulatory centers	18	5	0	-	37	1	-	0	-	0	0	0	61
HP.4.2	Medical & diagnostic laboratories	13	-	0	0	293	2	-	4	0	3	10	0	324	
HP.5 Retailers and other providers of medical goods	HP.5.1.1	Allopathic pharmacies/dispensaries	-	-	-	-	0	17,161	6	-	-	-	-	-	17,167
	HP.5.1.2	Non-allopathic pharmacies/dispensaries	212	-	2	2	1	246	-	5	-	0	1	0	470
	HP.5.2	Retailers and other suppliers of durable medical goods and medical appliances	-	-	-	-	-	5,987	1,569	-	-	-	-	-	7,556
HP.6	Providers of preventive care	37	-	41	35	4,958	218	142	382	-	10	1,062	1	6,885	
HP.7 Providers of health care system administration and financing	HP.7.1	Government health administration agencies	165	-	56	20	205	3	1	14	-	10	17	1	492
	HP.7.3	Private health insurance administration agencies	-	-	-	-	3	-	-	2	-	-	-	-	5
	HP.7.9	Other administration agencies	1,504	-	0	1	74	-	-	6	-	7	58	0	1,650
HP.8 Rest of the Nepalese economy	HP.8.1	Households as providers of home health care	-	-	14	-	-	-	-	320	587	-	-	-	921
	HP.8.2	All other Industries as secondary providers of health care	1	-	0	0	4	-	-	0	-	0	0	0	6
	HP.8.9	Other industries n.e.c.	-	-	-	-	1	-	-	51	0	-	-	-	53
HP.9	Rest of the world	-	-	-	-	-	-	-	-	-	-	-	-	-	
All Providers			8,212	566	406	3,308	15,121	26,795	1,719	920	625	181	1,354	9	59,216

Annex 7: Expenditures on Health Care by Health Care Function and Health Care Financing Schemes 2010/11 (HCXHF)

Functions		Financing Schemes	HF.1 General schemes and compulsory contributory health care financing schemes			HF.2 Voluntary health care payment schemes (other than OOP)			HF.3 Household out-of-pocket payment			HF.4 Rest of the world	All HF
			HF.1.1.1	HF.1.1.2	HF.1.2.2	HF.2.2	HF.2.3.1	HF.2.3.2	HF.3.1	HF.3.2.1	HF.3.2.2	HF.4.2	
			Central government schemes	Local governments schemes	Compulsory private insurance	NPISH financing schemes	Enterprises (except health care providers) financing schemes	Health care providers financing schemes	Out-of-pocket excluding cost sharing	Cost sharing with government schemes and compulsory health insurance	Cost sharing with voluntary health insurance	Voluntary schemes (non-resident)	
HC.1 Curative Care	HC.1.1.1	General in-patient curative care	3,102	3	29	157	7	-	1,533	2	0	3	4,837
	HC.1.1.2	Specialized in-patient curative care	294	-	-	36	-	-	185	-	-	74	589
	HC.1.3.1	General outpatient curative care	5,472	326	-	1,429	318	-	2,343	-	-	6	9,893
	HC.1.3.2	Dental outpatient curative care	-	-	-	-	-	-	132	-	-	-	132
	HC.1.3.3	Specialized outpatient curative care	480	1	-	5	0	-	2,092	-	-	-	2,580
HC.3 Long-term care	HC.2	Rehabilitative care	8	-	-	-	-	-	1	-	-	-	9
	HC.3.2	Day long-term care	-	-	-	-	-	-	23	-	-	-	23
	HC.3.3	Out-patient long-term care	-	-	-	-	-	-	55	-	-	-	55
HC.4 Ancillary services	HC.4.1	Laboratory services	23	1	-	-	-	2	4,056	-	-	-	4,082
	HC.4.2	Imaging services	-	-	-	-	-	-	1,636	-	-	0	1,637
	HC.4.3	Patient transportation	-	-	-	-	0	-	30	-	-	-	30
HC.5 Medical Goods	HC.5.1.1	Prescribed medicines	3,121	-	0	-	649	-	17,021	-	-	1	20,793
	HC.5.1.2	Over-the-counter medicines	-	24	-	15	450	-	9,127	-	-	1	9,617
	HC.5.1.3	Other medical non-durable goods	-	3	-	-	1	-	1,516	-	-	-	1,519
	HC.5.2.1	Glasses and other vision products	-	-	-	-	4	-	245	-	-	-	249
	HC.5.2.3	Other orthopedic appliances and prosthetics (excluding glasses and hearing aids)	-	-	-	-	8	-	95	-	-	-	103
	HC.5.2.9	All other medical durables including medical technical devices	-	0	-	-	34	-	409	-	-	-	443
HC.6 Preventive care	HC.6.1	Information, education and counselling programs	506	109	-	3,092	2	2	1	-	-	2,080	5,791
	HC.6.2	Immunization Programs	138	12	-	-	-	-	24	-	-	-	173
	HC.6.3	Early disease detection programs	68	12	-	124	-	-	-	-	-	54	258
	HC.6.4	Healthy condition monitoring programs	305	8	-	97	12	-	-	-	-	585	1,006
	HC.6.5	Epidemiological surveillance and risk & disease control programs	477	1	-	-	-	-	-	-	-	-	479
	HC.6.6	Preparing for disaster and emergency response programs	0	0	-	-	-	-	-	-	-	2	2
	HC.6.9	All other preventive care services not explicitly classified	1,637	136	-	-	-	-	-	-	-	-	1,773
HC.7 Administration	HC.7.1	Governance and health system administration	347	7	-	35	2	475	-	-	-	21	887
	HC.7.2	Administration of health financing	-	-	-	1,622	-	-	-	-	-	178	1,800
	HC.9	Other health care services not elsewhere classified	-	40	-	-	474	-	-	-	-	-	513
	All HC	All functions	15,979	681	29	6,612	1,961	478	40,525	2	0	3,006	69,273

Annex 8: Expenditures on Health Care by Health Care Function and Health Care Providers 2010/11 (HCXHP)

Providers		HP.1 All Hospitals					HP.2	HP.3 Providers of ambulatory health care				HP.4	HP.5 Retailers and other providers of medical goods			HP.6	HP.7 Providers of health care system administration and financing			HP.8 Rest of the Nepalese economy			ALL HP	
		HP.1.1. 1	HP.1.1. 2	HP.1.1. 3	HP.1.2	HP.1.3		HP.3.1	HP.3.2	HP.3.3	HP.3.4		HP.5.1. 1	HP.5.1. 2	HP.5.2		HP.7.1	HP.7.3	HP.7.9	HP.8.1	HP.8.2	HP.8.9		
Functions		Public general hospitals	Private (for-profit) general hospitals	Private (not-for-profit) general hospitals	Mental health hospitals	Specialized hospitals (other than mental health)	Residential long-term	Medical practices (GP clinics, polyclinics)	Dental practices	Other health care	Ambulatory health care centers	Providers of ancillary services	Allopathic pharmacies/dispensaries	Non-allopathic pharmacies/dispensaries	Retailers and other suppliers of durable medical goods and	Providers of preventive care	Government health administration agencies	Private health insurance administration agencies	Other administration agencies	Households as providers of home health care	All other industries as secondary providers of	Other industries n.e.c.	All Providers	
HC.1 Curative Care	HC.1.1.1	General in-patient curative care	3,110	1,337	111	-	37	-	-	-	-	236	-	-	-	-	3	3	-	-	-	-	4,837	
	HC.1.1.2	Specialized in-patient curative care	-	90	-	4	495	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	589	
	HC.1.3.1	General outpatient curative care	2,040	1,163	-	-	60	-	1,130	-	3	4,427	-	-	228	-	786	56	0	-	-	-	9,893	
	HC.1.3.3	Dental outpatient curative care	-	32	-	-	15	-	0	84	-	-	-	-	-	-	-	-	-	-	-	-	132	
	HC.1.3.3	Specialized outpatient curative care	0	15	-	0	615	-	1,942	-	-	6	-	-	-	1	-	-	-	-	-	-	2,580	
HC.3 Long term care	HC.2	Rehabilitative care	-	1	-	-	-	-	-	-	8	-	-	-	-	-	-	-	-	-	-	-	9	
	HC.3.2	Day long-term care	-	21	-	-	2	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	23	
	HC.3.3	Out-patient long-term care	-	55	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	55	
HC.4 Ancillary services	HC.4.1	Laboratory services	-	911	-	-	57	-	449	6	1	2,658	-	-	-	-	-	-	-	-	-	-	4,082	
	HC.4.2	Imaging services	-	723	-	-	491	-	339	1	-	82	-	-	-	-	-	-	-	-	-	-	1,637	
	HC.4.3	Patient transportation	10	17	-	-	3	-	-	-	-	0	-	-	-	-	-	-	-	-	-	-	30	
HC.5 Medical Goods	HC.5.1.1	Prescribed medicines	870	567	-	-	3	-	-	-	1,901	12	16,497	47	-	372	-	-	-	488	0	37	20,793	
	HC.5.1.2	Over-the-counter medicines	-	-	-	-	-	-	-	-	24	-	2,563	216	6,814	-	-	-	-	-	-	-	9,617	
	HC.5.1.3	Other medical non-durable goods	-	-	-	-	-	-	-	-	3	-	1	-	1,516	-	-	-	-	-	-	-	1,519	
	HC.5.2.1	Glasses and other vision products	-	-	-	-	-	-	-	-	-	-	4	-	245	-	-	-	-	-	-	-	249	
	HC.5.2.3	Other orthopedic appliances and prosthetics	-	-	-	-	-	-	-	-	-	-	0	-	103	-	-	-	-	-	-	-	103	
	HC.5.2.9	All other medical durables including medical technical devices	-	-	-	-	-	-	-	-	0	-	34	-	409	-	-	-	-	-	-	-	443	
HC.6 Preventive care	HC.6.1	Information, education and counselling	19	12	-	-	81	-	-	-	126	-	-	-	-	5,399	94	-	61	-	-	-	5,791	
	HC.6.2	Immunization Programs	-	19	-	-	5	-	-	-	143	-	-	-	-	6	-	-	-	-	-	-	173	
	HC.6.3	Early disease detection programs	0	-	-	-	18	-	70	-	2	9	-	-	-	132	23	-	-	-	3	-	258	
	HC.6.4	Healthy condition monitoring programs	5	50	-	-	-	0	-	-	4	258	-	-	-	626	41	-	-	23	-	-	1,006	
	HC.6.5	Epidemiological surveillance and risk & disease control programs	-	-	-	-	-	-	-	-	1	12	-	-	-	466	-	-	-	-	-	-	479	
	HC.6.6	Preparing for disaster and emergency response programs	-	-	-	-	-	-	-	-	0	-	-	-	-	0	-	2	-	-	-	-	2	
	HC.6.9	All other preventive care services not explicitly classified	2	-	-	-	-	-	-	-	1,626	-	-	-	-	127	16	-	-	-	1	-	1,773	
HC.7 Admin	HC.7.1	Governance and health system administration	-	499	-	-	9	-	-	-	-	1	-	-	0	292	-	85	-	-	-	-	887	
	HC.7.2	Administration of health financing	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	1,800	-	-	-	-	1,800	
	HC.9	Other health care services n.e.c	-	21	-	-	-	-	-	-	33	-	-	-	-	2	4	-	-	451	-	2	513	
	All HC	All functions	6,057	5,532	111	4	1,893	0	3,930	91	9	8,801	2,765	19,098	491	9,087	7,917	530	6	1,946	962	5	39	69,273

Annex 9: Expenditures on Health Care by Health Care Providers and Health Care Financing Schemes 2010/11 (HPXHF)

Financing Schemes			HF.1 General schemes and compulsory contributory health care financing schemes			HF.2 Voluntary health care payment schemes (other than OOP)			HF.3 Household out-of-pocket payment		HF.4 Rest of the world financing schemes	HF ALL
			HF.1.1.1	HF.1.1.2	HF.1.2.2	HF.2.2	HF.2.3.1	HF.2.3.2	HF.3.1	HF.3.2	HF.4.2	
Providers			Central government schemes	Local governments schemes	Compulsory private insurance	NPISH financing schemes	Enterprises (except health care providers) financing schemes	Health care providers financing schemes	Out-of-pocket excluding cost sharing	Cost sharing with third party payers	Voluntary schemes (non-resident)	All Health Financing
HP.1 All Hospital	HP.1.1.1	Public general hospitals	4,571	8	29	804	86	-	538	-	21	6,057
	HP.1.1.2	Private (for-profit) general hospitals	-	-	-	117	353	465	4,594	2	0	5,532
	HP.1.1.3	Private (not-for-profit) general hospitals	111	-	-	-	-	-	-	-	-	111
	HP.1.2.2	Private (for-profit) mental health hospitals	-	-	-	-	-	-	4	-	-	4
	HP.1.3.1	Public Specialized hospitals	857	-	-	-	-	-	39	-	92	988
	HP.1.3.2	Private (for-profit) Specialized hospitals	-	-	-	81	0	10	799	-	-	891
	HP.1.3.3	Private (not-for-profit) Specialized hospitals	14	-	-	-	-	-	-	-	-	14
HP.2	Residential long-term care facilities	-	-	-	-	-	-	-	-	-	0	0
HP.3 Providers of ambulatory health care	HP.3.1	Medical practices (GP clinics, polyclinics)	-	-	-	70	-	-	3,860	-	-	3,930
	HP.3.2	Dental practices	-	-	-	-	-	-	91	-	-	91
	HP.3.3	Other health care practitioners	-	-	-	4	-	-	-	-	5	9
	HP.3.4.1	Family planning centers	-	1	-	-	-	-	-	-	-	1
	HP.3.4.2	Ambulatory mental health & substance abuse centers	8	-	-	-	-	-	-	-	-	8
	HP.3.4.5	Primary health care centers, Health posts, Sub-health posts	8,120	537	-	1	-	-	41	-	1	8,699
	HP.3.4.9	All other ambulatory centers	84	-	-	5	-	-	-	-	4	93
HP.4 Providers of ancillary services	HP.4.2	Medical & diagnostic laboratories	47	-	-	-	-	3	2,715	-	0	2,765
	HP.4.9	Other providers of ancillary services	-	-	-	-	0	-	-	-	-	0
HP.5 Retailers and other providers of medical goods	HP.5.1	Pharmacies/dispensaries	275	-	0	15	533	-	18,765	-	1	19,589
	HP.5.2	Retailers and other suppliers of durable medical goods and medical appliances	-	-	-	-	8	-	9,079	-	-	9,087
HP.6	Providers of preventive care	1,250	121	-	3,870	-	-	-	-	-	2,676	7,917
HP.7	Providers of health care system administration and financing	637	14	-	1,622	2	-	-	-	-	205	2,481
HP.8 Rest of Nepalese Economy	HP.8.1	Households as providers of home health care	-	-	-	23	939	-	-	-	-	962
	HP.8.2	All other Industries as secondary providers of health care	5	-	-	-	-	-	-	-	-	5
	HP.8.9	Other industries n.e.c.	-	-	-	-	39	-	-	-	-	39
HP.9	Rest of the world	-	-	-	-	-	-	-	-	-	-	-
HP ALL	All Providers Expenditure	15,979	681	29	6,612	1,961	478	40,525	2	3,006	69,273	

Annex 10: Expenditures on Health Care by Health Care Financing Schemes and Revenue of Financing Schemes 2010/11 (HFDFS)

Financing Sources			Financing Schemes							ALL FS		
			FS.1.1	FS.2	FS.5.2	FS.6 Other domestic revenues			FS.7 Direct foreign transfers			
			Internal transfers and grants	Transfers distributed by government from foreign origin	Voluntary prepayment from employers	Other revenues from households n.e.c.	Other revenues from corporations n.e.c.	Other revenues from NPISH n.e.c.	Direct bilateral financial transfers	Direct multilateral financial transfers	Other direct foreign financial transfers	
HF.1 General schemes and compulsory contributory health care financing schemes	HF.1.1.1	Central government schemes	11,536	3,707	-	-	-	-	55	113	568	15,979
	HF.1.1.2	Local governments schemes	681	-	-	-	-	-	-	-	-	681
	HF.1.2.2	Compulsory private insurance	-	-	-	-	29	-	-	-	-	29
HF.2 Voluntary health care payment schemes (other than OOP)	HF.2.2	NPISH financing schemes	204	-	-	-	-	6,408	-	-	-	6,612
	HF.2.3.1	Enterprises (except health care providers) financing schemes	-	-	1,066	-	895	-	-	-	-	1,961
	HF.2.3.2	Health care providers financing schemes	-	-	-	-	478	-	-	-	-	478
HF.3 Household out-of-pocket payment	HF.3.1	Out-of-pocket excluding cost sharing	-	-	-	40,525	-	-	-	-	-	40,525
	HF.3.2.1	Cost sharing with government schemes and compulsory health insurance	-	-	-	2	-	-	-	-	-	2
	HF.3.2.2	Cost sharing with voluntary health insurance	-	-	0	-	-	-	-	-	-	0
	HF.4.2	Voluntary schemes (non-resident)	-	-	-	-	-	-	1,964	180	862	3,006
ALL HF		All Financing Schemes	12,421	3,707	1,066	40,527	1,403	6,408	2,019	293	1,429	69,273

Annex 11: Expenditures on Health Care by Health Care Financing Schemes and Health Care Financing Agents 2010/11 (HFDFS)

Financing Agents			Financing Schemes										ALL FA					
			FA.1 General government										FA.3 Corporations					
			FA.1.1.1	FA.1.1.2.1	FA.1.1.2.2	FA.1.1.2.3	FA.1.1.2.4	FA.1.1.2.5	FA.1.2.1	FA.1.2.2	FA.1.2.3	FA.2.1	FA.3.1	FA.3.2	FA.4	FA.5	FA.6	
Financing Schemes		Ministry of Health and Population	Ministry of Education	Ministry of General Administration	Ministry of Home Affairs	Ministry of Defense	All other ministries and public units	DDCs	VDCs	Municipalities	Commercial insurance companies	Health management and provider	Corporations (other than providers of health services)	Non-profit institutions serving	Households	Rest of the world		
HF.1 General schemes and compulsory contributory health care financing schemes	HF.1.1.1	Central government schemes	12,832	644	80	169	335	1,265	0	-	-	-	654	-	-	-	15,979	
	HF.1.1.2	Local governments schemes	-	-	-	-	-	316	313	52	-	-	-	-	-	-	681	
	HF.1.2.2	Compulsory private insurance	-	-	-	-	-	-	-	29	-	-	-	-	-	-	29	
HF.2 Voluntary health care payment schemes (other than OOP)	HF.2.2	NPISH financing schemes	167	-	-	-	-	5	3	1	0	-	-	6,408	-	28	6,612	
	HF.2.3.1	Enterprises (except health care providers) financing schemes	-	-	-	-	-	-	-	-	86	-	1,875	-	-	-	1,961	
	HF.2.3.2	Health care providers financing schemes	-	-	-	-	-	-	-	-	-	478	-	-	-	-	478	
HF.3 Household out-of-pocket payment	HF.3.1	Out-of-pocket excluding cost sharing	-	-	-	-	-	-	-	-	-	-	-	-	40,525	-	40,525	
	HF.3.2	Cost sharing with third party payers	-	-	-	-	-	-	-	-	-	-	-	-	2	-	2	
HF.4	Rest of the world financing schemes	-	-	-	-	-	-	-	-	-	-	-	-	-	3,006	-	3,006	
ALL HF		All Financing Agents	12,999	644	80	169	335	1,270	318	314	53	115	1,132	1,875	6,408	40,527	3,034	69,273

Annex 12: Expenditures on Health Care by Health Care Providers and Factor of Health Care Provision 2010/11 (HPXFP)

Factors of provision			FP.1 Compensation of employees			FP.2	FP.3 Health Care Services Used					FP.4	FP.5	FP.nec	ALL FP
			FP.1.1	FP.1.2	FP.1.3		FP.3.1	FP.3.2.1	FP.3.2.2	FP.3.3	FP.3.4				
Providers			Wages and salaries	Social contributions	All other costs related to employees	Self-employed professional remuneration	Health care services	Pharmaceuticals	Other health care goods	Non-health care services	Non-health care goods	Consumption of fixed capital	other items of spending on inputs	All other non-health care spending n.e.c.	All Factors
HP.1 All Hospitals	HP.1.1.1.1	National/central hospitals	747	-	6	1	2,732	136	-	23	19	9	68	0	3,741
	HP.1.1.1.2	Regional/zonal hospitals	507	-	2	2	194	17	-	7	11	3	17	1	755
	HP.1.1.1.3	District level and other public general hospital	343	-	4	6	523	636	-	15	27	1	4	0	1,560
	HP.1.1.2	Private (for-profit) general hospitals	-	-	98	-	4,430	567	-	17	-	413	7	-	5,532
	HP.1.1.3	Private (not-for-profit) general hospitals	-	-	-	-	111	-	-	-	-	-	-	-	111
	HP.1.2	Mental health hospitals	-	-	-	-	4	-	-	-	-	-	-	-	4
	HP.1.3.1	Public Specialized hospitals	426	-	-	-	561	-	-	1	-	-	-	-	988
	HP.1.3.2	Private (for-profit) Specialized hospitals	-	-	84	-	795	3	-	2	-	7	-	-	891
	HP.1.3.3	Private (not-for-profit) Specialized hospitals	14	-	-	-	-	-	-	-	-	-	-	-	14
HP.2	Residential long-term care facilities	-	-	-	-	0	-	-	-	-	-	-	-	0	
HP.3 Providers of ambulatory health care	HP.3.1.1	Offices of general medical practitioners	-	-	-	1,130	501	-	-	-	-	-	-	-	1,631
	HP.3.1.3	Offices of medical specialists (other than mental medical specialists)	-	-	-	1,942	357	-	-	-	-	-	-	-	2,299
	HP.3.2	Dental practices	-	-	-	84	8	-	-	-	-	-	-	-	91
	HP.3.3	Other health care practitioners	-	-	-	-	9	-	-	-	-	-	-	-	9
	HP.3.4.1	Family planning centers	-	-	-	-	1	-	-	-	-	-	-	-	1
	HP.3.4.2	Ambulatory mental health & substance abuse centers	-	-	-	1	5	-	-	2	-	0	0	0	8
	HP.3.4.5	Primary health care centers, Health posts, Sub-health posts	3,506	728	190	181	1,888	1,924	1	78	-	29	171	4	8,699
HP.3.4.9	All other ambulatory centers	29	5	0	-	58	1	-	0	-	0	0	0	93	
HP.4.2	Medical & diagnostic laboratories	12	-	0	1	2,730	12	0	4	0	3	3	0	2,765	
HP.5 Retailers and other providers of medical goods	HP.5.1.1	Allopathic pharmacies/dispensaries	-	-	-	-	0	19,059	39	-	-	-	-	-	19,098
	HP.5.1.2	Non-allopathic pharmacies/dispensaries	215	-	3	2	1	262	-	6	-	0	2	0	491
	HP.5.2	Retailers and other suppliers of durable medical goods and medical appliances	-	-	-	-	-	6,814	2,273	-	-	-	-	-	9,087
HP.6	Providers of preventive care	36	1	11	39	5,652	372	197	365	-	6	1,232	6	7,917	
HP.7 Providers of health care system administration and financing	HP.7.1	Government health administration agencies	177	3	25	44	230	-	1	16	-	12	20	2	530
	HP.7.3	Private health insurance administration agencies	-	-	-	-	3	-	-	2	-	-	-	-	6
	HP.7.9	Other administration agencies	1,821	-	0	2	49	-	-	7	-	7	59	0	1,946
HP.8 Rest of the Nepalese economy	HP.8.1	Households as providers of home health care	-	-	23	-	-	-	-	332	608	-	-	-	962
	HP.8.2	All other Industries as secondary providers of health care	1	-	0	0	3	0	0	0	-	0	0	0	5
	HP.8.9	Other industries n.e.c.	-	-	-	-	2	-	-	37	0	-	-	-	39
HP.9	Rest of the world	-	-	-	-	-	-	-	-	-	-	-	-	-	
ALL HP	All Providers	7,833	738	445	3,435	20,846	29,804	2,511	915	664	492	1,576	14	69,273	

Annex 13: Expenditures on Health Care by Health Care Function and Health Care Financing Schemes 2011/12 (HCXHF)

Financing Schemes		Functions		HF.1 General schemes and compulsory contributory health care financing schemes			HF.2 Voluntary health care payment schemes (other than OOP)			HF.3 Household out-of-pocket payment			HF.4 Rest of the world	All HF
				HF.1.1.1	HF.1.1.2	HF.1.2.2	HF.2.2	HF.2.3.1	HF.2.3.2	HF.3.1	HF.3.2.1	HF.3.2.2	HF.4.2	
				Central government schemes	Local governments schemes	Compulsory private insurance	NPISH financing schemes	Enterprises (except health care providers) financing schemes	Health care providers financing schemes	Out-of-pocket excluding cost sharing	Cost sharing with government schemes and compulsory health insurance	Cost sharing with voluntary health insurance	Voluntary schemes (non-resident)	
HC.1 Curative Care	HC.1.1.1	General in-patient curative care	4,056	4	30	145	12	-	2,376	3	0	2	6,629	
	HC.1.1.2	Specialized in-patient curative care	297	-	-	59	-	-	407	-	-	77	840	
	HC.1.3.1	General outpatient curative care	6,135	954	-	1,606	5	-	2,964	-	-	7	11,671	
	HC.1.3.2	Dental outpatient curative care	-	-	-	-	-	-	152	-	-	-	152	
	HC.1.3.3	Specialized outpatient curative care	484	3	-	6	0	-	2,127	-	-	-	2,621	
HC.3 Long-term care	HC.2	Rehabilitative care	11	-	-	-	-	-	2	-	-	-	13	
	HC.3.2	Day long-term care	-	-	-	-	-	-	9	-	-	-	9	
HC.4 Ancillary services	HC.3.3	Out-patient long-term care	-	-	-	-	-	-	61	-	-	-	61	
	HC.4.1	Laboratory services	31	1	-	-	-	6	4,754	-	-	-	4,792	
	HC.4.2	Imaging services	-	-	-	-	-	-	1,915	-	-	0	1,915	
HC.5 Medical Goods	HC.4.3	Patient transportation	-	1	-	-	0	-	42	-	-	-	44	
	HC.5.1.1	Prescribed medicines	3,353	-	0	-	952	-	15,352	-	-	2	19,660	
	HC.5.1.2	Over-the-counter medicines	-	34	-	16	540	-	11,175	-	-	1	11,764	
	HC.5.1.3	Other medical non-durable goods	-	3	-	-	1	-	1,938	-	-	-	1,941	
	HC.5.2.1	Glasses and other vision products	-	-	-	-	4	-	281	-	-	-	284	
	HC.5.2.3	Other orthopedic appliances and prosthetics (excluding glasses and hearing aids)	-	-	-	-	12	-	112	-	-	-	124	
HC.6 Preventive care	HC.5.2.9	All other medical durables including medical technical devices	-	-	-	-	41	-	598	-	-	-	639	
	HC.6.1	Information, education and counselling programs	484	116	-	2,630	2	7	3	-	-	2,917	6,159	
	HC.6.2	Immunization Programs	44	14	-	1	-	-	12	-	-	-	71	
	HC.6.3	Early disease detection programs	83	21	-	173	-	-	-	-	-	74	351	
	HC.6.4	Healthy condition monitoring programs	170	11	-	161	18	-	-	-	-	777	1,137	
	HC.6.5	Epidemiological surveillance and risk & disease control programs	610	4	-	-	-	-	-	-	-	-	613	
	HC.6.6	Preparing for disaster and emergency response programs	0	-	-	1	-	-	-	-	-	18	19	
HC.7 Adm inistr ation	HC.6.9	All other preventive care services not explicitly classified	1,976	185	-	-	-	-	-	-	-	-	2,161	
	HC.7.1	Governance and health system administration	428	2	-	30	4	1,391	-	-	-	893	2,748	
HC.9	HC.7.2	Administration of health financing	-	-	-	1,612	-	-	-	-	-	186	1,798	
	HC.9	Other health care services not elsewhere classified	-	28	-	-	480	-	-	-	-	-	508	
All HC		All functions	18,164	1,380	31	6,439	2,069	1,403	44,277	3	0	4,957	78,724	

Annex 14: Expenditures on Health Care by Health Care Function and Health Care Providers 2011/12 (HCXHP)

Providers		HP.1 All Hospitals						HP.3 Providers of ambulatory health care					HP.5 Retailers and other providers of medical goods			HP.7 Providers of health care system administration and financing			HP.8 Rest of the Nepalese economy			ALL HP		
		HP.1.1.1	HP.1.1.2	HP.1.1.3	HP.1.2	HP.1.3	HP.2	HP.3.1	HP.3.2	HP.3.3	HP.3.4	HP.4	HP.5.1.1	HP.5.1.2	HP.5.2	HP.6	HP.7.1	HP.7.3	HP.7.9	HP.8.1	HP.8.2		HP.8.9	
		Public general hospitals	Private (for-profit) general hospitals	Private (not-for-profit) general hospitals	Mental health hospitals	Specialized hospitals (other than mental health hospitals)	Residential long-term care facilities	Medical practices (GP clinics, polyclinics)	Dental practices	Other health care	Ambulatory health care centers	Providers of ancillary services	Allopathic pharmacies/ dispensaries	Non-allopathic pharmacies/ dispensaries	Retailers and other suppliers of durable medical goods and	Providers of preventive care	Government health administration agencies	Private health insurance administration agencies	Other administration agencies	Households as providers of home health care	All other industries as secondary providers of health care		Other industries n.e.c.	
Functions																								
HC.1 Curative Care	HC.1.1.1	General in-patient curative care	4,251	1,966	107	-	41	-	0	-	-	257	-	-	-	-	5	2	-	-	-	-	6,629	
	HC.1.1.2	Specialized in-patient curative care	-	120	-	4	717	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	840	
	HC.1.3.1	General outpatient curative care	2,866	1,086	-	-	66	-	1,130	-	4	5,806	-	-	-	697	16	0	-	-	-	-	11,671	
	HC.1.3.2	Dental outpatient curative care	-	41	-	-	26	-	0	84	-	-	-	-	-	-	-	-	-	-	-	-	152	
	HC.1.3.3	Specialized outpatient curative care	1	17	-	1	652	-	1,942	-	-	7	-	-	-	2	-	-	-	-	-	-	2,621	
HC.3 Long-term care	HC.2	Rehabilitative care	-	2	-	-	0	-	-	-	11	-	-	-	-	-	-	-	-	-	-	-	13	
	HC.3.2	Day long-term care	-	5	-	-	4	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	9	
	HC.3.3	Out-patient long-term care	-	61	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	61	
HC.4 Ancillary services	HC.4.1	Laboratory services	-	1,165	-	-	79	-	457	7	-	1	3,083	-	-	-	-	-	-	-	-	-	4,792	
	HC.4.2	Imaging services	-	788	-	1	544	-	455	1	-	-	126	-	-	-	-	-	-	-	-	-	1,915	
	HC.4.3	Patient transportation	18	20	-	-	4	-	-	-	-	1	0	-	-	-	-	-	-	-	-	-	44	
HC.5 Medical Goods	HC.5.1.1	Prescribed medicines	622	639	-	-	4	-	-	-	2,500	20	14,766	29	-	289	-	-	-	766	0	26	19,660	
	HC.5.1.2	Over-the-counter medicines	-	-	-	-	-	-	-	-	33	-	2,837	330	8,563	1	-	-	-	-	-	-	11,764	
	HC.5.1.3	Other medical non-durable goods	-	-	-	-	-	-	-	-	3	-	1	-	1,938	-	-	-	-	-	-	-	1,941	
	HC.5.2.1	Glasses and other vision products	-	-	-	-	-	-	-	-	-	-	4	-	281	-	-	-	-	-	-	-	284	
	HC.5.2.3	Other orthopedic appliances and prosthetics (excluding glasses and hearing aids)	-	-	-	-	-	-	-	-	-	-	0	-	124	-	-	-	-	-	-	-	124	
HC.5.2.9	All other medical durables including medical technical devices	-	-	-	-	-	-	-	-	-	-	41	-	598	-	-	-	-	-	-	-	639		
HC.6 Preventive care	HC.6.1	Information, education and counselling progra	17	17	-	-	34	-	-	-	107	-	-	-	-	5,816	103	-	66	-	-	-	6,159	
	HC.6.2	Immunization Programs	-	4	-	-	7	-	-	-	51	-	-	-	-	8	-	-	-	-	-	-	71	
	HC.6.3	Early disease detection programs	5	-	-	-	44	-	122	-	2	8	-	-	-	140	28	-	-	-	4	-	351	
	HC.6.4	Healthy condition monitoring programs	5	96	-	-	0	-	-	-	3	121	-	-	-	832	34	-	-	46	-	-	1,137	
	HC.6.5	Epidemiological surveillance and risk & disease control programs	-	-	-	-	-	-	-	-	2	9	-	-	-	602	-	-	-	-	-	-	613	
	HC.6.6	Preparing for disaster and emergency response programs	-	-	-	-	-	-	-	-	-	-	-	-	-	1	-	18	-	-	-	-	19	
	HC.6.9	All other preventive care services not explicitly classified	9	-	-	-	-	-	-	-	-	1,978	-	-	-	160	12	-	-	-	1	-	2,161	
HC.7 Administration	HC.7.1	Governance and health system administration	-	2,273	-	-	14	-	-	-	-	1	-	-	0	352	-	107	-	-	-	-	2,748	
	HC.7.2	Administration of health financing	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	1,798	-	-	-	-	1,798	
	HC.9	Other health care services not elsewhere classified	-	39	-	-	-	-	-	-	27	-	-	-	2	0	-	-	-	438	-	2	508	
	All HC	All functions	7,793	8,339	107	5	2,236	0	4,106	92	9	10,913	3,240	17,649	358	11,504	8,549	550	21	1,971	1,250	5	28	78,724

Annex 15: Expenditures on Health Care by Health Care Providers and Health Care Financing Schemes 2011/12 (HPXHF)

Financing Schemes		HF.1 General schemes and compulsory contributory health care financing schemes			HF.2 Voluntary health care payment schemes (other than OOP)			HF.3 Household out-of-pocket payment		HF.4 Rest of the world financing schemes	HF ALL	
		HF.1.1.1	HF.1.1.2	HF.1.2.2	HF.2.2	HF.2.3.1	HF.2.3.2	HF.3.1	HF.3.2	HF.4.2		
		Central government schemes	Local governments schemes	Compulsory private insurance	NPISH financing schemes	Enterprises (except health care providers) financing schemes	Health care providers financing schemes	Out-of-pocket excluding cost sharing	Cost sharing with third party payers	Voluntary schemes (non-resident)		
Providers												
HP.1 All Hospital	HP.1.1.1	Public general hospitals	5,441	17	30	1,016	114	-	1,156	-	18	7,793
	HP.1.1.2	Private (for-profit) general hospitals	-	-	-	175	67	1,382	5,844	3	869	8,339
	HP.1.1.3	Private (not-for-profit) general hospitals	107	-	-	-	-	-	-	-	-	107
	HP.1.2.2	Private (for-profit) mental health hospitals	-	-	-	-	-	-	5	-	-	5
	HP.1.3.1	Public Specialized hospitals	872	-	-	-	-	-	49	-	121	1,042
	HP.1.3.2	Private (for-profit) Specialized hospitals	-	-	-	34	0	15	1,130	-	-	1,178
	HP.1.3.3	Private (not-for-profit) Specialized hospitals	16	-	-	-	-	-	-	-	-	16
HP.3 Providers of ambulatory health care	HP.2	Residential long-term care facilities	-	-	-	-	-	-	-	-	0	0
	HP.3.1	Medical practices (GP clinics, polyclinics)	0	-	-	122	-	-	3,984	-	-	4,106
	HP.3.2	Dental practices	-	-	-	-	-	-	92	-	-	92
	HP.3.3	Other health care practitioners	-	-	-	3	-	-	-	-	6	9
	HP.3.4.1	Family planning centers	-	1	-	-	-	-	-	-	-	1
	HP.3.4.2	Ambulatory mental health & substance abuse centers	11	-	-	-	-	-	-	-	-	11
	HP.3.4.5	Primary health care centers, Health posts, Sub-health posts	9,146	1,206	-	42	-	-	33	-	1	10,428
HP.4	HP.3.4.9	All other ambulatory centers	462	-	-	6	-	-	-	-	4	473
	HP.4.2	Medical & diagnostic laboratories	60	-	-	-	-	7	3,172	-	0	3,239
HP.5	HP.4.9	Other providers of ancillary services	-	-	-	-	0	-	-	-	-	0
	HP.5.1	Pharmacies/dispensaries	29	-	0	16	639	-	17,322	-	2	18,007
	HP.5.2	Retailers and other suppliers of durable medical goods and medical appliances	-	-	-	-	12	-	11,492	-	-	11,504
HP.8 Rest of Nepalese Economy	HP.6	Providers of preventive care	1,327	150	-	3,370	-	-	-	-	3,702	8,549
	HP.7	Providers of health care system administration and financing	689	5	-	1,612	4	-	-	-	232	2,541
	HP.8.1	Households as providers of home health care	-	-	-	46	1,205	-	-	-	-	1,250
HP.8 Rest of Nepalese Economy	HP.8.2	All other Industries as secondary providers of health care	5	-	-	-	-	-	-	-	-	5
	HP.8.9	Other industries n.e.c.	-	-	-	-	28	-	-	-	-	28
HP.9	Rest of the world	0	-	-	-	-	-	-	-	-	-	0
HP ALL		All Providers Expenditure	18,164	1,380	31	6,439	2,069	1,403	44,277	3	4,957	78,724

Annex 16: Expenditures on Health care by Health Care Financing Schemes and Revenue of Financing Schemes 2011/12 (HFDFS)

Financing Schemes		Financing Sources		FS.6 Other domestic revenues n.e.c.			FS.7 Direct foreign transfers			ALL FS			
				FS.1.1	FS.2	FS.5.2	FS.6.1	FS.6.2	FS.6.3		FS.7.1.1	FS.7.1.2	FS.7.1.3
				Internal transfers and grants	Transfers distributed by government from foreign origin	Voluntary prepayment from employers	Other revenues from households n.e.c.	Other revenues from corporations n.e.c.	Other revenues from NPISH n.e.c.		Direct bilateral financial transfers	Direct multilateral financial transfers	Other direct foreign financial transfers
HF.1 General schemes and compulsory contributory health care financing	HF.1.1.1	Central government schemes	12,239	5,167	-	-	-	-	22	162	574	18,164	
	HF.1.1.2	Local governments schemes	1,380	-	-	-	-	-	-	-	-	1,380	
	HF.1.2.2	Compulsory private insurance	-	-	-	-	31	-	-	-	-	31	
HF.2 Voluntary health care payment schemes (other than OOP)	HF.2.2	NPISH financing schemes	215	-	-	-	-	6,224	-	-	-	6,439	
	HF.2.3.1	Enterprises (except health care providers) financing schemes	-	-	1,353	-	716	-	-	-	-	2,069	
	HF.2.3.2	Health care providers financing schemes	-	-	-	-	1,403	-	-	-	-	1,403	
HF.3 Household out-of-pocket payment	HF.3.1	Out-of-pocket excluding cost sharing	-	-	-	44,277	-	-	-	-	-	44,277	
	HF.3.2.1	Cost sharing with government schemes and compulsory health insurance	-	-	-	3	-	-	-	-	-	3	
	HF.3.2.2	Cost sharing with voluntary health insurance	-	-	0	-	-	-	-	-	-	0	
	HF.4.2	Voluntary schemes (non-resident)	-	-	-	-	-	248	2,805	250	1,654	4,957	
ALL HF		All Financing Schemes	13,834	5,167	1,353	44,280	2,151	6,473	2,827	412	2,228	78,724	

Annex 17: Expenditures on Health Care by Health Care Financing Schemes and Health Care Financing Agents 2011/12 (HFDFFA)

Financing Schemes		Financing Agents		FA.1 General government									FA.3 Corporations				FA.4	FA.5	FA.6	ALL FA
				FA.1.1.1	FA.1.1.2.1	FA.1.1.2.2	FA.1.1.2.3	FA.1.1.2.4	FA.1.1.2.5	FA.1.2.1	FA.1.2.2	FA.1.2.3	FA.2.1	FA.3.1	FA.3.2					
				Ministry of Health and Population	Ministry of Education	Ministry of General Administration	Ministry of Home Affairs	Ministry of Defense	All other ministries and public units	DDCs	VDCs	Municipalities	Commercial insurance companies	Health management and provider	Corporations (other than providers of health services)					
HF.1 General schemes and compulsory contributory health care financing schemes	HF.1.1.1	Central government schemes	14,040	670	93	211	373	2,125	0	-	-	-	652	-	-	-	-	18,164		
	HF.1.1.2	Local governments schemes	-	-	-	-	-	-	922	358	100	-	-	-	-	-	-	1,380		
	HF.1.2.2	Compulsory private insurance	-	-	-	-	-	-	-	-	-	31	-	-	-	-	-	31		
HF.2 Voluntary health care payment schemes (other than OOP)	HF.2.2	NPISH financing schemes	181	-	-	-	-	6	7	0	0	-	-	-	6,225	-	21	6,439		
	HF.2.3.1	Enterprises (except health care providers) financing schemes	-	-	-	-	-	-	-	-	-	114	-	1,955	-	-	-	2,069		
	HF.2.3.2	Health care providers financing schemes	-	-	-	-	-	-	-	-	-	-	1,403	-	-	-	-	1,403		
HF.3 Household out-of-pocket payment	HF.3.1	Out-of-pocket excluding cost sharing	-	-	-	-	-	-	-	-	-	-	-	-	-	44,277	-	44,277		
	HF.3.2	Cost sharing with third party payers	-	-	-	-	-	-	-	-	-	-	-	-	-	3	-	3		
	HF.4	Rest of the world financing schemes	-	-	-	-	-	-	-	-	-	-	-	-	248	-	4,709	4,957		
ALL HF		All Financing Agents	14,221	670	93	211	373	2,131	929	358	101	145	2,055	1,955	6,473	44,280	4,730	78,724		

Annex 18: Expenditures on Health Care by Health Care Providers and Factor of Health Care Provision 2011/12 (HPXFP)

Factors of provision			FP.1 Compensation of employees				FP.3 Health Care Services Used					FP.4	FP.5	FP.nec	ALL FP
			FP.1.1	FP.1.2	FP.1.3	FP.2	FP.3.1	FP.3.2.1	FP.3.2.2	FP.3.3	FP.3.4				
			Wages and salaries	Social contributions	All other costs related to employees	Self-employed professional remuneration	Health care services	Pharmaceuticals	Other health care goods	Non-health care services	Non-health care goods				
Providers															
HP.1 All Hospitals	HP.1.1.1.1	National/central hospitals	826	-	8	1	3,904	120	-	29	20	8	76	1	4,992
	HP.1.1.1.2	Regional/zonal hospitals	676	-	1	2	168	2	-	4	-	1	2	0	856
	HP.1.1.1.3	District level and other public general hospitals	426	-	11	12	1,036	394	2	22	35	1	4	1	1,945
	HP.1.1.2	Private (for-profit) general hospitals	-	-	979	-	5,382	639	-	20	-	1,310	9	-	8,339
	HP.1.1.3	Private (not-for-profit) general hospitals	-	-	-	-	107	-	-	-	-	-	-	-	107
	HP.1.2	Mental health hospitals	-	-	-	-	5	-	-	-	-	-	-	-	5
	HP.1.3.1	Public Specialized hospitals	474	-	-	-	567	-	-	1	-	-	-	-	1,042
	HP.1.3.2	Private (for-profit) Specialized hospitals	-	-	35	-	1,124	4	-	3	-	12	-	-	1,178
HP.1.3.3	Private (not-profit) Specialized hospitals	16	-	-	-	-	-	-	-	-	-	-	-	16	
HP.2	Residential long-term care facilities	-	-	-	-	0	-	-	-	-	-	-	-	0	
HP.3 Providers of ambulatory health care	HP.3.1.1	Offices of general medical practitioners	0	-	0	1,130	631	-	-	-	-	-	-	-	1,761
	HP.3.1.3	Offices of medical specialists (other than mental medical specialists)	-	-	-	1,942	402	-	-	-	-	-	-	-	2,345
	HP.3.2	Dental practices	-	-	-	84	8	-	-	-	-	-	-	-	92
	HP.3.3	Other health care practitioners	-	-	-	-	9	-	-	-	-	-	-	-	9
	HP.3.4.1	Family planning centers	-	-	-	-	1	-	-	-	-	-	-	-	1
	HP.3.4.2	Ambulatory mental health & substance abuse centers	0	-	-	1	8	-	-	2	-	0	0	0	11
	HP.3.4.5	Primary health care centers, Health posts, Sub-health posts	4,367	870	311	232	1,912	2,503	2	58	-	25	144	4	10,428
	HP.3.4.9	All other ambulatory centers	300	6	10	2	107	30	0	10	-	2	5	1	473
HP.4.2	Medical & diagnostic laboratories	17	-	0	-	3,190	20	4	3	0	2	3	0	3,239	
HP.5 Retailers and other providers of medical goods	HP.5.1.1	Allopathic pharmacies/dispensaries	-	-	-	-	0	17,603	46	-	-	-	-	-	17,649
	HP.5.1.2	Non-allopathic pharmacies/dispensaries	4	-	-	-	-	355	-	-	-	-	-	358	
	HP.5.2	Retailers and other suppliers of durable medical goods and medical appliances	-	-	-	-	-	8,563	2,941	-	-	-	-	-	11,504
HP.6	Providers of preventive care	40	1	26	53	6,682	290	140	630	-	5	678	3	8,549	
HP.7 Providers of health care system administration and financing	HP.7.1	Government health administration agencies	208	5	14	51	206	-	1	20	-	12	29	2	550
	HP.7.3	Private health insurance administration agencies	-	-	-	-	3	-	-	18	-	-	-	-	21
	HP.7.9	Other administration agencies	1,825	-	1	5	64	-	-	8	-	1	67	0	1,971
HP.8 Rest of the Nepalese economy	HP.8.1	Households as providers of home health care	-	-	46	-	-	-	-	349	856	-	-	-	1,250
	HP.8.2	All other Industries as secondary providers of health care	1	-	0	0	3	0	0	0	-	0	0	0	5
	HP.8.9	Other industries n.e.c.	-	-	-	-	2	-	-	26	0	-	-	-	28
HP.9	Rest of the world	-	-	-	-	0	-	-	-	-	-	-	-	0	
ALL HP	All Providers	9,179	882	1,442	3,514	25,523	30,521	3,136	1,205	912	1,379	1,018	12	78,724	



Government of Nepal

Ministry of Health

Human Resource and Financial Management Division