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# Hong Kong's domestic health spending—financial years 1989/90 through 2004/05

## Abstract

This report presents the latest estimates of Hong Kong's domestic health spending between fiscal years 1989/90 and 2004/05, cross-stratified and categorised by financing source, provider and function on an annual basis.

Total expenditure on health was HK\$67 807 million in fiscal year 2004/05. In real terms, total expenditure on health showed positive growth averaging 7% per annum throughout the period covered in this report while gross domestic product grew at 4% per annum on average, indicating a growing percentage of health spending relative to gross domestic product, from 3.5% in 1989/90 to 5.2% in 2004/05.

This increase was largely driven by the rise in public spending, which rose 9% per annum on average in real terms over the period, compared with 5% for private spending. This represents a growing share of public spending from 40% to 55% of total expenditure on health during the period. While public spending was the dominant source of health financing in 2004/05, private household out-of-pocket expenditure accounted for the second largest share of total health spending (32%). The remaining sources of health finance were employer-provided group medical benefits (8%), privately purchased insurance (5%), and other private sources (1%).

Of the \$67 807 million total health expenditure in 2004/05, current expenditure comprised \$65 429 million (96%) while \$2378 million (4%) were capital expenses (ie investment in medical facilities). Services of curative care accounted for the largest share of total health spending (67%) which were made up of ambulatory services (35%), in-patient curative care (28%), day patient hospital services (3%), and home care (1%). The next largest share of total health expenditure was spent on medical goods outside the patient care setting (10%).

Analysed by health care provider, hospitals accounted for the largest share (46%) and providers of ambulatory health care the second largest share (30%) of total health spending in 2004/05. We observed a system-wide trend towards service consolidation at institutions (as opposed to free-standing ambulatory clinics, most of which are staffed by solo practitioner).

In 2004/05, public expenditure on health amounted to \$35 247 million (53.9% of total current expenditure), which was mostly incurred at hospitals (76.5%), whilst private expenditure (\$30 182 million) was mostly incurred at providers of ambulatory health care (54.6%). This reflects the mixed health care economy of Hong Kong where public hospitals generally account for about 90% of total bed-days and private doctors (including Western and Chinese medicine practitioners) provide 75% to 80% of out-patient care.

While both public and private spending were mostly expended on personal health care services and goods (92.9%), the distributional patterns among functional categories differed. Public expenditure was targeted at in-patient care (54.2%) and substantially less on out-patient care (24.5%), especially low-intensity first-contact care. In comparison, private spending was mostly concentrated on out-patient care (49.6%), whereas medical goods outside the patient care setting (22.6%) and in-patient care (18.8%) comprised the majority of the remaining share.

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Compared to OECD countries, Hong Kong has devoted a relatively low percentage of gross domestic product to health in the last decade. As a share of total spending, public funding (either general government revenue or social security funds) was also lower than in most comparably developed economies, although commensurate with its public revenue collection base.

## 摘要

此報告提供1989/90至2004/05財政年度香港本地醫療衛生總開支賬目的最新估值，並按年列明融資來源、服務提供單位及服務功能等細項資料。

2004/05財政年度總醫療衛生開支為678億7百萬港元。以實質計算，總開支在此期間不斷上升，每年平均增幅為7%，而本地生產總值則為4%，顯示醫療衛生開支佔本地生產總值的比例上升，由1989/90年度的3.5%，增至2004/05年度的5.2%。

上述的增長主要是由於期間公共開支實質每年平均上升9%，而私人開支則上升5%。公共開支佔總開支的比例亦因此由40%增至55%。2004/05年度最主要的醫療融資來源是公共開支（55%），其次是家庭使用者自付的支出（32%），餘下的包括僱主提供的醫療福利（8%），私人購買的保險（5%）及其他私人開支（1%）。

2004/05年度的678億7百萬元總醫療衛生開支中，經常開支佔654億2千9百萬元（96%），而資本開支（即醫療裝備的投資）為23億7千8百萬元（4%）。治療性服務佔大部分的醫療支出（67%），當中包括門診（35%）、住院（28%）、日間服務（3%）及家居護理（1%），其次為醫療物品費用（10%）。

按服務提供單位分析，2004/05年度醫院佔整體開支的比例最大（46%），其次為門診服務提供單位（30%）。綜觀而言，相對於由醫生單獨執業的門診診所，醫療服務有集中由機構提供的趨勢。

2004/05年度公共醫療開支為352億4千7百萬元（佔總經常開支的53.9%），醫院佔當中的大部分開支（76.5%），另一方面，私人開支（301億8千2百萬）則集中支付門診服務（54.6%）。這正反映了香港混合醫療體系的情況——公立醫院大致提供90%的住院日數，而私家醫生（包括西醫及中醫）則提供75%至80%的門診人次。

雖然大部分的公共及私人開支均以支付個人醫療服務或物品為主（92.9%），但從較詳細的服務功能分類而言，其分配卻有差異。公共開支集中支付住院服務（54.2%），而支付基層護理的門診服務（24.5%）便相對較少。相比之下，私人開支主要支付門診服務（49.6%），餘下的則主要包括醫療物品（22.6%）及住院服務（18.8%）。

與經濟合作及發展組織國家相比，香港過去十年投放在醫療的資源（以佔本地生產總值的比例來說）相對較低。而公共開支（一般政府收入或社會保障基金）佔整體開支的比重，也比大部分已發展經濟體系為低。但這亦與香港較少的公共收入吻合。

## Introduction

This report presents the latest estimates of domestic health spending in Hong Kong, following the previous figures published in 2006.<sup>1</sup> It provides updated estimates of total expenditure on health for the financial years 1989/90 through 2004/05 based on the established conceptual framework for Hong Kong's Domestic Health Accounts (HKDHA),<sup>2</sup> originally adopted from *A System of Health Accounts* (SHA).<sup>3</sup> We also revised the previous estimates for the years 1989/90 to 2001/02 as more (accurate) data became available, allowing for retrospective comparisons and longer term secular trend or time-series analysis.

Hong Kong's Domestic Health Accounts is a product of collaborative effort by many government departments as well as private institutions and were compiled from a multitude of information sources. Most public expenditure data were derived from financial accounts, whilst private sector expenditure came largely from survey estimates, which are subject to more uncertainties and reporting or recording errors.

Nevertheless, total expenditure on health is considered to be accurate to within 0.25% of gross domestic product (GDP).

The information contained in this report represents a basis for assessing and understanding trends and levels of health spending in Hong Kong. Such data provide important information for the public, policy makers, and researchers to assess the performance of the local health system over time, and to evaluate health expenditure-related policies.

## Total expenditure on health by financing source

Total expenditure on health (TEH) was HK\$67 807 million in fiscal year 2004/05, with per capita spending at \$9996. In real terms, TEH showed positive growth throughout the period, averaging 7% per annum from \$28 730 million in 1989/90 to \$79 567 million in 2004/05 at constant 2000 prices. However, real GDP grew at a rate of only 4%, meaning that total health spending as a percentage of GDP increased from 3.5 to 5.2% during the period (Fig 1, Table 1).

Taking the growth of the population into account, TEH

per capita grew at 6% per annum on average in real terms over the period 1989/90 to 2004/05, faster than GDP per capita by 3 percentage points on average (Fig 2, Table 2).

In terms of public versus private expenditure, the share of public spending grew from 40% to 55% of total health expenditure between 1989/90 and 2004/05 (Table 3). It is difficult to precisely attribute the underlying reasons for this temporal change, although clearly the establishment of the Hospital Authority and the consequent improvements in public in-patient services is a major explanatory factor. The increase in the public share of total health expenditure from 1989/90 through the early 1990s reflects the initial expansion of services that were offered by the newly established and consolidated Hospital Authority system. The Asian financial crisis in 1997 that plunged Hong Kong into a prolonged recession followed by a deflationary economic cycle that continued until the last quarter of 2004 also adversely affected the ability to pay and spending confidence of Hong Kong people, which led increasingly to a choice of the lower cost public hospital option.

As shown in Table 4, while public spending was the major source of health financing in 2004/05, private household out-of-pocket expenditure accounted for the second largest share of total health expenditure (32%), decreasing from 45% in 1989/90. The remaining sources of health financing were employer-provided group medical benefits (8%), private insurance (5%), and other private sources of funding (1%). Analysis of private spending shows that private insurance has played an increasingly important role in financing private spending (from 2% of total private spending in 1989/90 to 11% in 2004/05) whereas household expenditure has shown a corresponding decrease from 75% of total private spending in 1989/90 to 70% in 2004/05, with employer-provided group medical benefits staying at a reasonably constant percentage of private spending (Fig 3).

### **Total expenditure on health by function**

Of the \$67 807 million total health expenditure in 2004/05, \$65 429 million (96%) was current expenditure while \$2378 million (4%) was capital expenditure (investment in medical facilities). Services of curative care accounted for the largest share of total health spending (67%) which were made up of ambulatory services (35%), in-patient curative care (28%), day patient hospital services (3%), and home care (1%). The next largest share of total health expenditure was spent on medical goods outside the patient care setting (10%). The remaining health care functions, which also include prevention and public health services, each constituted around 3% to 6% of total spending (Fig 4, Table 5).

Other health-related functions, which do not fall under the formal definition of TEH, accounted for 5% to 9% of total health and health-related expenditure. Of these, both research and development in health, and environmental health grew 1 percentage point while education and training

of health personnel shrank by a similar amount during the period 1989/90 to 2004/05, respectively.

Demand for long-term care has increased significantly, and hence its expenditure share doubled during the period (from 3% in 1989/90 to 6% in 2004/05). This is likely to be a result of population ageing and Hong Kong's sociological transition away from the Confucian tradition of cohabitation with, and caring for, elders at home as its socio-economic structure increasingly resembles that of OECD countries.

Between 1989/90 and 2004/05, the share of expenditure on services of curative care stayed at a similar level primarily due to the increase in in-patient care expenditure and corresponding decrease in ambulatory services. Meanwhile, the share of expenditure on investment in medical facilities decreased by more than 4 percentage points as a consequence of the economic downturn in the late 1990s and as the Hospital Authority's heavy investments in commissioning new facilities were completed.

### **Total expenditure on health by provider**

The largest share of total expenditure in 1989/90 was spent on providers of ambulatory health care (44%) with the second largest being on hospitals (29%). However, as a result of a gradual reduction in spending on ambulatory services and a corresponding increase in the number, service spectrum and quality of hospitals during the period, by 2004/05 the situation had reversed. In 2004/05, hospitals accounted for the largest share (46%) and providers of ambulatory health care the second largest share (30%) of total health spending. This observed service consolidation at institutions (as opposed to free-standing ambulatory clinics, most of which are staffed by solo providers) is similar across both the public and private sectors (Fig 5, Table 6).

Nursing and residential care facilities providing long-term nursing care accounted for a relatively large increase in the expenditure share, from 2% in 1989/90 to 4% in 2004/05. While expenditure at retail sale and other providers of medical goods decreased slightly by 2 percentage points relative to total health expenditure, spending on other providers including provision and administration of public health programmes, and general health administration and insurance constituted essentially the same relative shares of total expenditure over the period.

### **Current expenditure on health by function and provider**

Tables 7 and 8 present the current expenditure on health by function and provider.

In 2004/05, expenditure on in-patient care was \$24 794 million (37.9% of total current expenditure). Hospitals accounted for most of this expenditure (84.5%) while the rest was shared between nursing and residential

care facilities (8.8%) and providers of ambulatory health care (6.6%). Expenditure on out-patient care was \$23 615 million (36.1% of total current expenditure) which was distributed between providers of ambulatory health care and hospitals in the ratio of 66.0% to 34.0%. Among providers of ambulatory care, offices of medical practitioners accounted for the largest share of expenditure (52.9%), offices of dentists the second largest (8.8%), with offices of other health practitioners and out-patient care centres accounting for the remainder (4.3%).

Of the \$2646 million expenditure on day care (4.0% of total current expenditure), 79.1% was allocated to hospitals, 20.2% to nursing and residential care facilities and 0.8% to out-patient care centres. Expenditure on ancillary services to health care was \$1789 million (2.7% of total current expenditure), of which 35.6% was paid to laboratories and diagnostic imaging facilities and 64.4% to all other providers of ambulatory health care.

Hong Kong spent \$808 million (1.2% of total current expenditure) on home care in 2004/05. Almost all of this expenditure was incurred at providers of home health care (91.8%), with only 8.2% at nursing and residential care facilities.

Hospitals providing a wide spectrum of health care services, including in-patient care, day care and out-patient care collectively accounted for almost half of the total current expenditure (\$31 088 million). The distribution of hospital expenditure by health care function was 67.4% (in-patient care), 25.8% (out-patient care), and 6.7% (day care).

### **Current expenditure on health by provider and financing source**

Tables 9 and 10 show the current expenditure on health by provider and financing source.

#### ***Spending structure of the financing sources***

In 2004/05, public expenditure on health amounted to \$35 247 million (53.9% of total current expenditure), which was mostly incurred at hospitals (76.5%), whilst private expenditure (\$30 182 million) was mostly incurred at providers of ambulatory health care (54.6%). This reflects the mixed health care economy of Hong Kong where public hospitals generally account for about 90% of total bed-days (or 80% of admissions) and private doctors provide 75% to 80% of out-patient care.

The other significant providers financed by public expenditure included providers of ambulatory health care (10.1%), provision and administration of public health programmes (6.0%) and nursing and residential care facilities (5.8%). Apart from paying for providers of ambulatory care, private spending funded goods and services provided by retail sales and other providers of medical goods (22.6%), hospitals (13.6%) and general health administration and insurance (6.4%).

Employer-provided group medical benefits channelled 68.3% and 22.3% while private insurance 37.2% and 19.9% of their funds through providers of ambulatory health care and hospitals, respectively. Private out-of-pocket payments funded a wide range of providers, the largest share being paid to providers of ambulatory care (54.3%), the second to retail sale and other providers of medical goods (31.3%) and the third to hospitals (10.6%), mostly for private care but with a small share also going to public hospitals as co-payments.

#### ***How different providers are financed***

Of the \$31 088 million spent on hospital care, 86.8% came from general government revenue, 7.4% from private household out-of-pocket payments, 3.7% from employer-provided group medical benefits, and 2.1% from private insurance.

Nursing and residential care facilities were mostly financed by general government (73.4%) and private household out-of-pocket payments (26.1%), while providers of ambulatory health care had a wider mix of financing sources which included private household out-of-pocket payments (58.4%), general government revenue (17.7%), employer-provided group medical benefits (17.6%), private insurance (6.1%), and non-profit organisations and other private sources (0.2%).

### **Current expenditure on health by function and financing source**

Tables 11 and 12 show the current expenditure on health by function and financing source.

#### ***Functional structure of spending by financing source***

While both public and private spending were mostly expended on personal health care services and goods (92.9%), the distributional patterns among functional categories differed. Public expenditure was targeted at in-patient care (54.2%) and out-patient care (24.5%). The rest of public funding was mostly distributed among day care (7.3%), prevention and public health services (6.6%) and ancillary services to health care (3.6%).

In comparison, private spending was mostly concentrated on out-patient care (49.6%), medical goods outside the patient care setting (22.6%) and in-patient care (18.8%). Private out-of-pocket payments were expended on various functions. The largest share was for out-patient care (54.4%), the second for medical goods outside the patient care setting (31.3%), followed by in-patient care (12.2%). Private insurance funded out-patient care (23.3%), in-patient care (31.1%), and ancillary services to health care (2.7%).

#### ***How the different functions are financed***

A total of 77.1% of expenditure on in-patient care was funded by general government and the remaining was

shared between household out-of-pocket payments (10.6%), employer-provided group medical benefits (8.0%), private insurance (4.1%) and other private funds (0.1%). Out-patient care had a relatively more even mix of funds; specifically, 36.6% was from general government, 10.4% from employer-provided group medical benefits, 3.2% from private insurance, and 49.6% from private household out-of-pocket payments.

Similarly across day care, home care and prevention of public health services, 95% or more of the funding of each function was from general government and the rest was made up of private household out-of-pocket payments (2% to 4%) and other private funds (<1%). Ancillary services were funded by general government (70.7%), employer-provided group medical benefits (12.8%), private insurance (5.0%), private household out-of-pocket payments (11.2%), and other private funds (0.2%).

Medical goods outside the patient care setting were predominately funded by private household out-of-pocket payments (94.8%) with general government revenue funding another 3.8% of this spending. Since pharmaceuticals made up about 60% of medical goods outside the patient care setting, the distribution of funds was similar, 92.9% from private household out-of-pocket payments and 5.3% from general government.

### International comparisons

This section compares Hong Kong's expenditure on health with OECD member countries using the health statistical database, compiled and maintained by the OECD Secretariat and released in October 2007.<sup>4</sup> However, comparison of health expenditure between countries or regions cannot show whether a particular level of expenditure is either appropriate or used well. Instead, comparisons are useful in that they point to certain general patterns in spending, and since they may point to differences between one country or region and another which may be considered important under specific circumstances, and depending on one's perspective.

Table 13 provides the TEH of selected OECD countries in 1994, 1999, and 2004. Total expenditure on health in Hong Kong was the lowest as a percentage of GDP compared with OECD countries in the last decade. In 2004, public spending as a share of total was also lower than most OECD countries, with the exceptions of Greece, Korea, Mexico, and United States.

However, when scaled by the public revenue base, Hong Kong's public spending on health falls slightly above the regression line (Fig 6).

On the other hand, private household out-of-pocket expenditure and private insurance (or sum of employer-

provided group medical benefits and individually purchased private insurance) accounted for a large share of total health spending in comparison with OECD countries (Table 14).

### Major differences between previous and current estimates

Previous estimates for the years 1989/90 through 2001/02 (DHA2) have been revised in this latest report (DHA3) based on new and more accurate actual data since the last release. The factors accounting for the major differences for fiscal year 2001/02 are summarised in Table 15.

Apart from the differences listed in Table 15, present estimates are lower when presented as a percentage of GDP given that official GDP figures have been revised upwards in early 2006.

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The opinions expressed here are the authors' and do not necessarily reflect those of the Government or any of the participating institutions and organisations.

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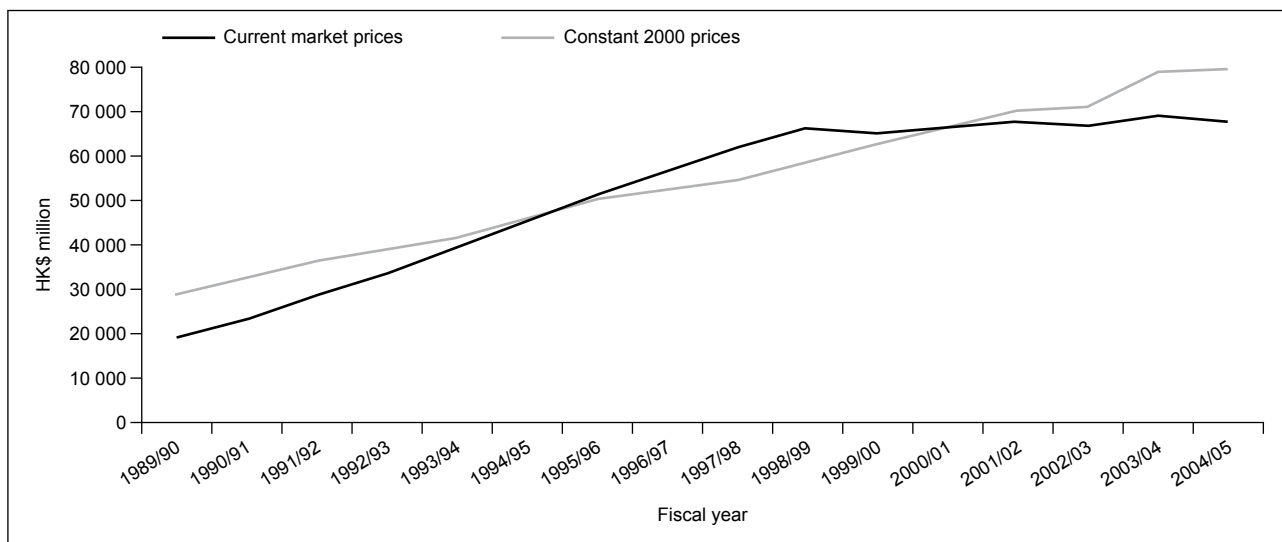


Fig 1. Total expenditure on health, 1989/90 to 2004/05

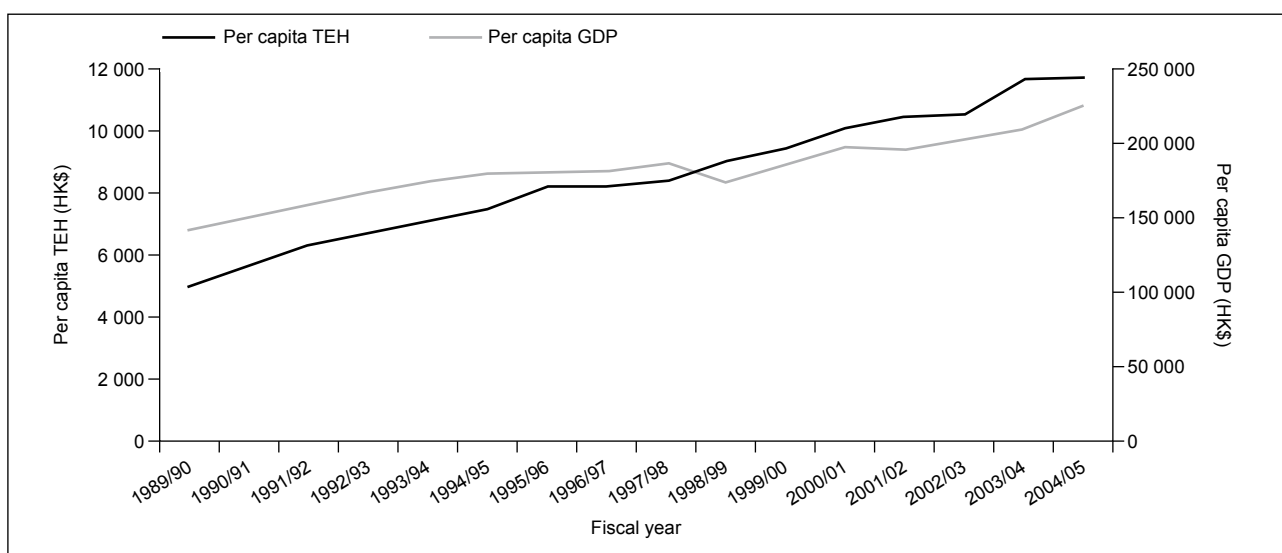


Fig 2. Total expenditure on health (TEH) per capita, 1989/90 to 2004/05

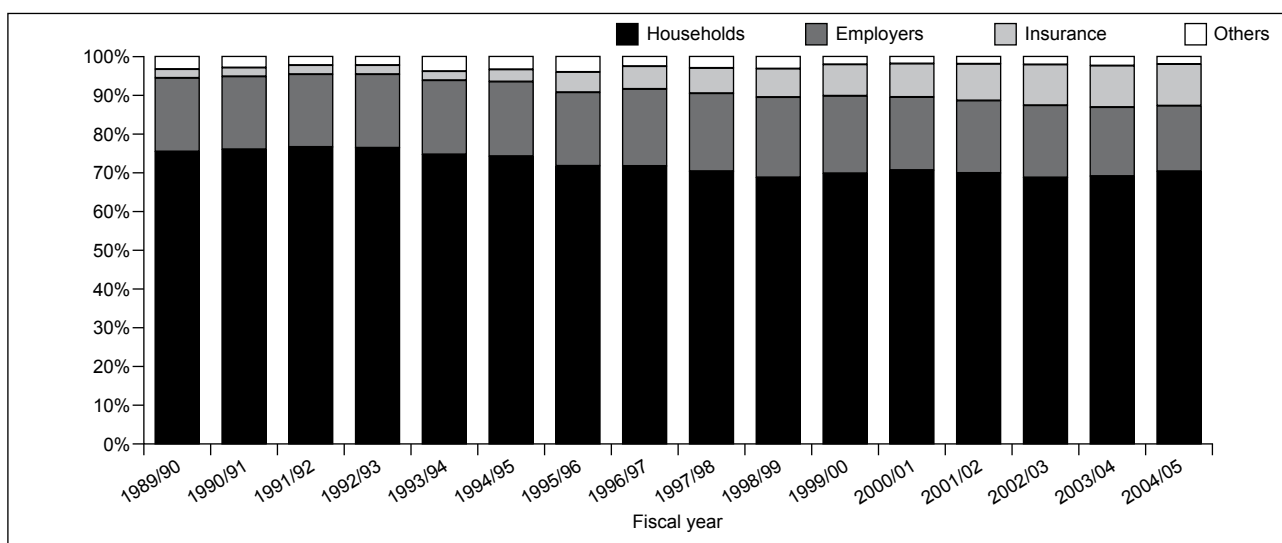


Fig 3. Private expenditure on health by financing source, 1989/90 to 2004/05

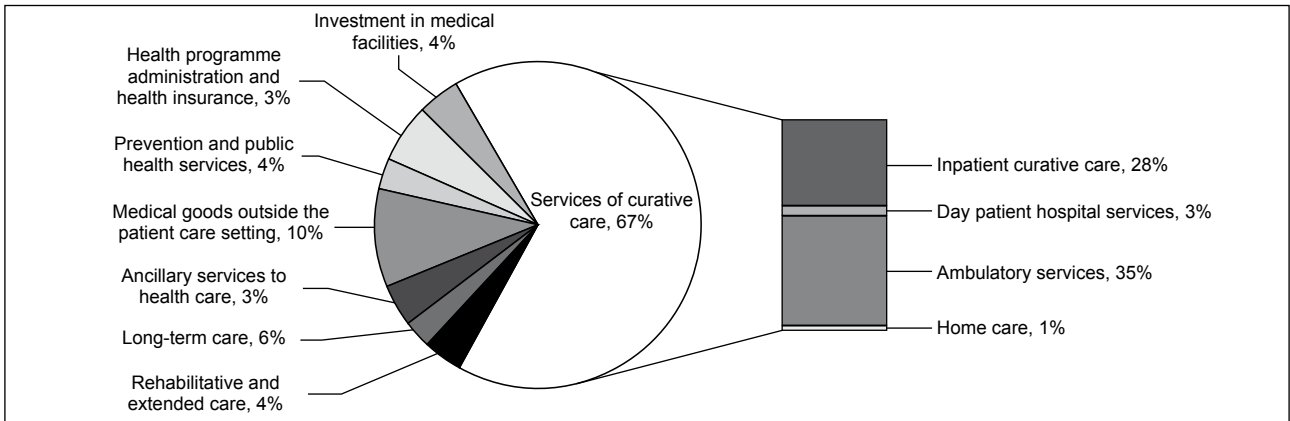


Fig 4. Total expenditure on health by function, 2004/05

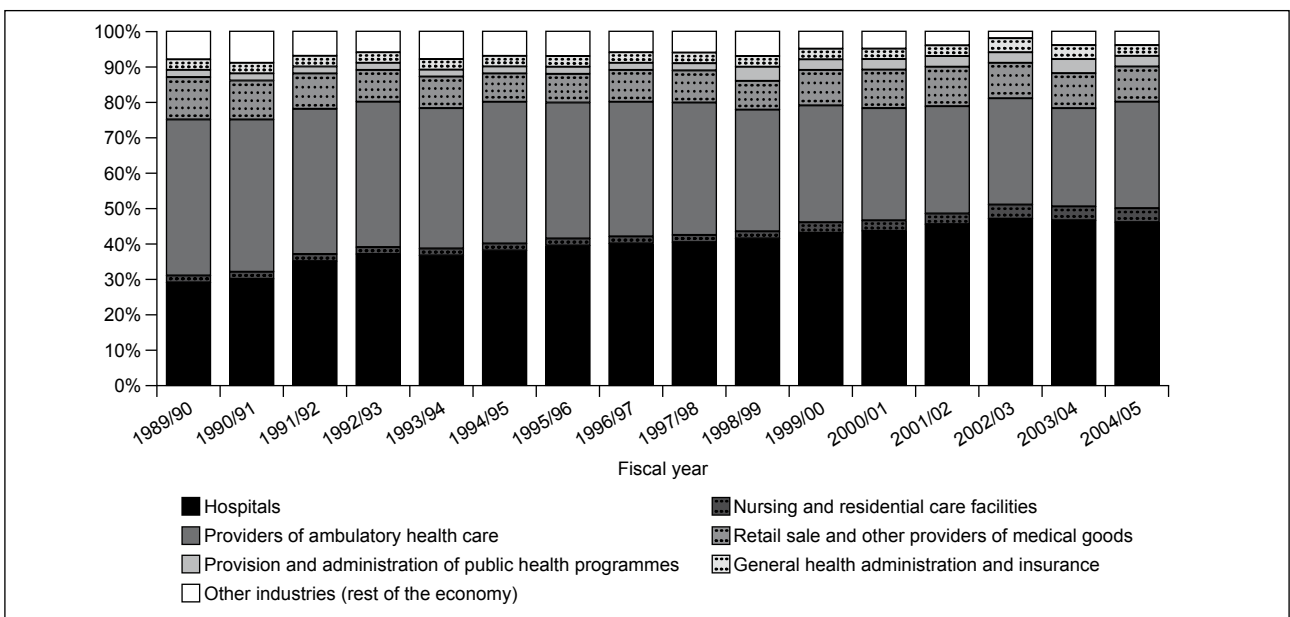


Fig 5. Total expenditure on health by provider, 1989/90 to 2004/05

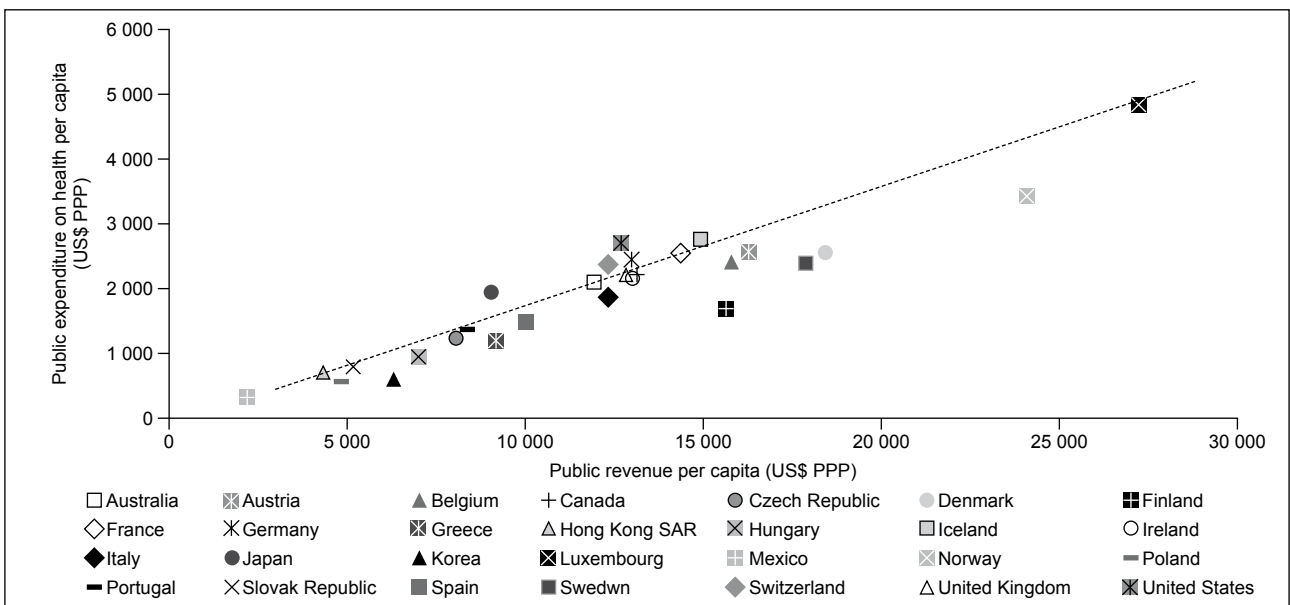


Fig 6. Public expenditure on health and public revenue per capita in OECD countries and Hong Kong, 2004

**Table 1. Total expenditure on health (TEH), 1989/90 to 2004/05\***

Fiscal year	At current market prices (\$ million)				At constant 2000 prices (\$ million)				TEH as a % of GDP
	TEH	Annual change	GDP	Annual change	TEH	Annual change	GDP	Annual change	
1989/90	19 366	-	549 474	-	28 730	-	815 145	-	3.5%
1990/91	23 445	21%	617 511	12%	32 534	13%	856 891	5%	3.8%
1991/92	28 983	24%	718 242	16%	36 585	12%	906 609	6%	4.0%
1992/93	33 734	16%	834 253	16%	39 039	7%	965 430	6%	4.0%
1993/94	39 120	16%	959 361	15%	41 896	7%	1 027 439	6%	4.1%
1994/95	44 547	14%	1 065 241	11%	45 292	8%	1 083 034	5%	4.2%
1995/96	51 105	15%	1 135 560	7%	50 265	11%	1 116 895	3%	4.5%
1996/97	56 747	11%	1 263 907	11%	52 646	5%	1 172 549	5%	4.5%
1997/98	61 912	9%	1 365 669	8%	54 747	4%	1 207 624	3%	4.5%
1998/99	65 810	6%	1 274 964	-7%	59 044	8%	1 143 892	-5%	5.2%
1999/00	65 334	-1%	1 286 100	1%	62 586	6%	1 232 011	8%	5.1%
2000/01	66 562	2%	1 314 480	2%	66 959	7%	1 322 325	7%	5.1%
2001/02	68 110	2%	1 287 343	-2%	69 839	4%	1 320 031	N	5.3%
2002/03	66 611	-2%	1 273 581	-1%	71 203	2%	1 361 387	3%	5.2%
2003/04	68 820	3%	1 241 313	-3%	78 572	10%	1 417 213	4%	5.5%
2004/05	67 807	-1%	1 305 917	5%	79 567	1%	1 532 403	8%	5.2%

\* N denotes non-zero %, within  $\pm 0.5\%$ **Table 2. Total expenditure on health (TEH) per capita, 1989/90 to 2004/05\***

Fiscal year	At current market prices (\$)				At constant 2000 prices (\$)			
	TEH per capita	Annual change	GDP per capita	Annual change	TEH per capita	Annual change	GDP per capita	Annual change
1989/90	3 406	-	96 633	-	5 053	-	143 355	-
1990/91	4 110	21%	108 250	12%	5 703	13%	150 213	5%
1991/92	5 039	23%	124 868	15%	6 360	12%	157 616	5%
1992/93	5 816	15%	143 824	15%	6 730	6%	166 439	6%
1993/94	6 629	14%	162 576	13%	7 100	5%	174 113	5%
1994/95	7 381	11%	176 499	9%	7 504	6%	179 447	3%
1995/96	8 302	12%	184 461	5%	8 165	9%	181 429	1%
1996/97	8 818	6%	196 396	6%	8 180	N	182 200	N
1997/98	9 541	8%	210 449	7%	8 437	3%	186 095	2%
1998/99	10 057	5%	194 838	-7%	9 023	7%	174 808	-6%
1999/00	9 889	-2%	194 672	N	9 473	5%	186 485	7%
2000/01	9 987	1%	197 221	1%	10 046	6%	198 398	6%
2001/02	10 144	2%	191 732	-3%	10 402	4%	196 600	-1%
2002/03	9 877	-3%	188 844	-2%	10 558	2%	201 863	3%
2003/04	10 225	4%	184 423	-2%	11 674	11%	210 556	4%
2004/05	9 996	-2%	192 514	4%	11 729	N	225 902	7%

\* N denotes non-zero %, within  $\pm 0.5\%$ **Table 3. Public and private expenditure on health, 1989/90 to 2004/05\***

Fiscal year	At current market prices (\$)				At constant 2000 prices (\$)				Public share
	Public	Annual change	Private	Annual change	Public	Annual change	Private	Annual change	
1989/90	7 766	-	11 600	-	11 521	-	17 209	-	40%
1990/91	10 041	29%	13 404	16%	13 933	21%	18 601	8%	43%
1991/92	13 433	34%	15 550	16%	16 956	22%	19 628	6%	46%
1992/93	15 893	18%	17 841	15%	18 392	8%	20 647	5%	47%
1993/94	18 714	18%	20 406	14%	20 042	9%	21 854	6%	48%
1994/95	21 654	16%	22 894	12%	22 015	10%	23 276	7%	49%
1995/96	25 405	17%	25 700	12%	24 988	14%	25 277	9%	50%
1996/97	28 756	13%	27 991	9%	26 678	7%	25 968	3%	51%
1997/98	31 732	10%	30 180	8%	28 060	5%	26 688	3%	51%
1998/99	35 874	13%	29 936	-1%	32 186	15%	26 858	1%	55%
1999/00	36 075	1%	29 259	-2%	34 557	7%	28 028	4%	55%
2000/01	37 102	3%	29 460	1%	37 324	8%	29 636	6%	56%
2001/02	39 239	6%	28 870	-2%	40 236	8%	29 603	N	58%
2002/03	38 613	-2%	27 997	-3%	41 275	3%	29 928	1%	58%
2003/04	40 025	4%	28 795	3%	45 697	11%	32 876	10%	58%
2004/05	37 179	-7%	30 628	6%	43 627	-5%	35 940	9%	55%

\* N denotes non-zero %, within  $\pm 0.5\%$



**Table 4. Total expenditure on health by financing source, 1989/90 to 2004/05\***

Fiscal year	Financing source (\$ million)				
	General government	Employer-provided group medical benefits	Private insurance	Private household out-of-pocket expenditure	Non-profit institutions serving households
1989/90	7 766 (40%)	2 202 (11%)	263 (1%)	8 748 (45%)	6 (N)
1990/91	10 041 (43%)	2 518 (11%)	306 (1%)	10 186 (43%)	7 (N)
1991/92	13 433 (46%)	2 918 (10%)	361 (1%)	11 909 (41%)	9 (N)
1992/93	15 893 (47%)	3 384 (10%)	419 (1%)	13 630 (40%)	29 (N)
1993/94	18 714 (48%)	3 900 (10%)	480 (1%)	15 238 (39%)	68 (N)
1994/95	21 654 (49%)	4 406 (10%)	716 (2%)	16 988 (38%)	189 (N)
1995/96	25 405 (50%)	4 878 (10%)	1 336 (3%)	18 433 (36%)	487 (1%)
1996/97	28 756 (51%)	5 560 (10%)	1 641 (3%)	20 066 (35%)	246 (N)
1997/98	31 732 (51%)	6 069 (10%)	1 961 (3%)	21 226 (34%)	324 (1%)
1998/99	35 874 (55%)	6 198 (9%)	2 188 (3%)	20 582 (31%)	459 (1%)
1999/00	36 075 (55%)	5 834 (9%)	2 374 (4%)	20 430 (31%)	219 (N)
2000/01	37 102 (56%)	5 546 (8%)	2 541 (4%)	20 810 (31%)	312 (N)
2001/02	39 239 (58%)	5 396 (8%)	2 721 (4%)	20 175 (30%)	246 (N)
2002/03	38 613 (58%)	5 203 (8%)	2 935 (4%)	19 250 (29%)	264 (N)
2003/04	40 025 (58%)	5 115 (7%)	3 079 (4%)	19 895 (29%)	362 (1%)
2004/05	37 179 (55%)	5 168 (8%)	3 284 (5%)	21 545 (32%)	301 (N)

\* N denotes non-zero %, within  $\pm 0.5\%$ ; and F denotes non-zero figure, less than 0.5 million

**Table 5. Total expenditure on health by function including health-related functions, 1989/90 to 2004/05**

Fiscal year	Function (\$ million) <sup>†</sup>								
	Services of curative care <sup>§</sup>	In-patient curative care	Day patient hospital services	Ambulatory services	Home care	Rehabilitative and extended care	Long-term care	Ancillary services to health care	Medical goods outside the patient care setting
1989/90	12 602 (65%)	4 095 (21%)	411 (2%)	8 095 (42%)	0 (0%)	445 (2%)	548 (3%)	706 (4%)	2 307 (12%)
1990/91	15 298 (65%)	5 227 (22%)	536 (2%)	9 535 (41%)	0 (0%)	582 (2%)	683 (3%)	872 (4%)	2 638 (11%)
1991/92	19 710 (68%)	7 087 (24%)	753 (3%)	11 869 (41%)	0 (0%)	803 (3%)	866 (3%)	1 032 (4%)	2 917 (10%)
1992/93	23 210 (69%)	8 352 (25%)	881 (3%)	13 958 (41%)	18 (N)	955 (3%)	1 026 (3%)	1 221 (4%)	3 174 (9%)
1993/94	26 600 (68%)	9 608 (25%)	1 006 (3%)	15 966 (41%)	20 (N)	1 140 (3%)	1 232 (3%)	1 491 (4%)	3 457 (9%)
1994/95	30 696 (69%)	11 197 (25%)	1 194 (3%)	18 280 (41%)	25 (N)	1 344 (3%)	1 500 (3%)	1 749 (4%)	3 759 (8%)
1995/96	34 830 (68%)	12 906 (25%)	1 392 (3%)	20 497 (40%)	35 (N)	1 645 (3%)	1 804 (4%)	1 969 (4%)	4 161 (8%)
1996/97	38 756 (68%)	14 517 (26%)	1 534 (3%)	22 578 (40%)	127 (N)	1 834 (3%)	2 139 (4%)	2 102 (4%)	4 936 (9%)
1997/98	42 305 (68%)	16 109 (26%)	1 550 (3%)	24 475 (40%)	170 (N)	2 038 (3%)	2 431 (4%)	2 205 (4%)	5 812 (9%)
1998/99	43 965 (67%)	17 322 (26%)	1 734 (3%)	24 703 (38%)	206 (N)	2 314 (4%)	2 763 (4%)	2 155 (3%)	6 295 (10%)
1999/00	43 888 (67%)	17 481 (27%)	1 831 (3%)	24 357 (37%)	219 (N)	2 475 (4%)	3 148 (5%)	1 960 (3%)	6 818 (10%)
2000/01	44 509 (67%)	17 866 (27%)	2 055 (3%)	24 285 (36%)	303 (N)	2 497 (4%)	3 329 (5%)	1 820 (3%)	7 377 (11%)
2001/02	45 465 (67%)	18 700 (27%)	2 274 (3%)	24 170 (35%)	321 (N)	2 800 (4%)	3 457 (5%)	1 884 (3%)	7 268 (11%)
2002/03	45 010 (68%)	18 900 (28%)	2 383 (4%)	23 368 (35%)	359 (1%)	2 824 (4%)	3 887 (6%)	1 894 (3%)	6 830 (10%)
2003/04	45 427 (66%)	19 380 (28%)	2 200 (3%)	23 489 (34%)	358 (1%)	2 901 (4%)	3 929 (6%)	1 804 (3%)	6 699 (10%)
2004/05	45 377 (67%)	19 271 (28%)	2 111 (3%)	23 615 (35%)	380 (1%)	2 729 (4%)	3 756 (6%)	1 789 (3%)	7 105 (10%)

\* N denotes non-zero %, within  $\pm 0.5\%$ ; and F denotes non-zero figure, less than 0.5 million

<sup>†</sup> % in brackets is shown as percentage of total expenditure on health

<sup>‡</sup> % in brackets is shown as percentage of total expenditure on health and health-related functions

<sup>§</sup> Services of curative care is the sum of in-patient curative care, day patient hospital services, ambulatory services, and home care

**Table 6. Total expenditure on health by provider, 1989/90 to 2004/05**

Fiscal year	Provider (\$ million)			
	Hospitals	Nursing and residential care facilities	Providers of ambulatory health care	Retail sale and other providers of medical goods
1989/90	5 528 (29%)	347 (2%)	8 574 (44%)	2 234 (12%)
1990/91	7 109 (30%)	422 (2%)	10 078 (43%)	2 557 (11%)
1991/92	10 267 (35%)	479 (2%)	11 871 (41%)	2 839 (10%)
1992/93	12 325 (37%)	582 (2%)	13 722 (41%)	3 104 (9%)
1993/94	14 392 (37%)	632 (2%)	15 657 (40%)	3 398 (9%)
1994/95	16 958 (38%)	797 (2%)	17 758 (40%)	3 716 (8%)
1995/96	19 880 (39%)	988 (2%)	19 620 (38%)	4 132 (8%)
1996/97	22 426 (40%)	1 198 (2%)	21 470 (38%)	4 908 (9%)
1997/98	24 892 (40%)	1 446 (2%)	22 917 (37%)	5 787 (9%)
1998/99	27 307 (41%)	1 641 (2%)	22 547 (34%)	6 279 (10%)
1999/00	28 149 (43%)	1 960 (3%)	21 618 (33%)	6 810 (10%)
2000/01	29 015 (44%)	2 141 (3%)	21 249 (32%)	7 377 (11%)
2001/02	30 894 (45%)	2 256 (3%)	20 713 (30%)	7 268 (11%)
2002/03	31 540 (47%)	2 636 (4%)	19 706 (30%)	6 830 (10%)
2003/04	32 368 (47%)	2 719 (4%)	19 241 (28%)	6 699 (10%)
2004/05	31 088 (46%)	2 795 (4%)	20 043 (30%)	7 105 (10%)

Financing source (\$ million)				Total
Corporations (other than health insurance)	Non-patient care related revenue	Provider own funds	Rest of the world	
4 (N)	11 (N)	364 (2%)	1 (N)	19 366 (100%)
5 (N)	16 (N)	365 (2%)	F (N)	23 445 (100%)
5 (N)	17 (N)	330 (1%)	1 (N)	28 983 (100%)
5 (N)	18 (N)	356 (1%)	1 (N)	33 734 (100%)
7 (N)	20 (N)	691 (2%)	2 (N)	39 120 (100%)
10 (N)	29 (N)	556 (1%)	0 (0%)	44 547 (100%)
14 (N)	36 (N)	517 (1%)	0 (0%)	51 105 (100%)
14 (N)	41 (N)	422 (1%)	F (N)	56 747 (100%)
15 (N)	53 (N)	531 (1%)	F (N)	61 912 (100%)
17 (N)	57 (N)	433 (1%)	F (N)	65 810 (100%)
16 (N)	58 (N)	328 (1%)	0 (0%)	65 334 (100%)
17 (N)	23 (N)	212 (N)	0 (0%)	66 562 (100%)
16 (N)	52 (N)	264 (N)	F (N)	68 110 (100%)
16 (N)	53 (N)	276 (N)	0 (0%)	66 611 (100%)
17 (N)	30 (N)	297 (N)	0 (0%)	68 820 (100%)
16 (N)	8 (N)	306 (N)	0 (0%)	67 807 (100%)

			Total expenditure on health	Function (\$ million) <sup>†</sup>						Total expenditure on health and health-related functions
Prevention and public health services	Health programme administration and health insurance	Investment in medical facilities		Education and training of health personnel	Research and development in health	Food, hygiene and drinking water control	Environmental health	Administration and provision of social services in kind to assist living with disease and impairment	Administration and provision of health related cash-benefits	
540 (3%)	582 (3%)	1 636 (8%)	19 366 (100%)	561 (3%)	187 (1%)	61 (N)	309 (2%)	0 (0%)	0 (0%)	20 485 (100%)
673 (3%)	658 (3%)	2 041 (9%)	23 445 (100%)	685 (3%)	223 (1%)	98 (N)	355 (1%)	0 (0%)	F (N)	24 807 (100%)
797 (3%)	744 (3%)	2 114 (7%)	28 983 (100%)	836 (3%)	258 (1%)	113 (N)	473 (2%)	0 (0%)	F (N)	30 665 (100%)
893 (3%)	1 106 (3%)	2 149 (6%)	33 734 (100%)	873 (2%)	294 (1%)	118 (N)	640 (2%)	0 (0%)	F (N)	35 659 (100%)
1 009 (3%)	1 162 (3%)	3 030 (8%)	39 120 (100%)	1 083 (3%)	365 (1%)	140 (N)	999 (2%)	0 (0%)	F (N)	41 707 (100%)
1 137 (3%)	1 427 (3%)	2 935 (7%)	44 547 (100%)	1 293 (3%)	453 (1%)	157 (N)	1 458 (3%)	0 (0%)	F (N)	47 909 (100%)
1 338 (3%)	1 700 (3%)	3 657 (7%)	51 105 (100%)	1 598 (3%)	562 (1%)	175 (N)	1 820 (3%)	0 (0%)	F (N)	55 260 (100%)
1 510 (3%)	1 863 (3%)	3 607 (6%)	56 747 (100%)	1 832 (3%)	615 (1%)	198 (N)	1 979 (3%)	0 (0%)	F (N)	61 371 (100%)
1 708 (3%)	1 937 (3%)	3 477 (6%)	61 912 (100%)	2 123 (3%)	847 (1%)	228 (N)	2 241 (3%)	0 (0%)	F (N)	67 351 (100%)
1 902 (3%)	1 996 (3%)	4 420 (7%)	65 810 (100%)	2 196 (3%)	1 045 (1%)	245 (N)	2 353 (3%)	0 (0%)	F (N)	71 650 (100%)
1 915 (3%)	2 026 (3%)	3 103 (5%)	65 334 (100%)	2 386 (3%)	1 124 (2%)	225 (N)	2 325 (3%)	0 (0%)	F (N)	71 394 (100%)
1 955 (3%)	1 976 (3%)	3 099 (5%)	66 562 (100%)	2 460 (3%)	1 165 (2%)	200 (N)	2 681 (4%)	0 (0%)	F (N)	73 068 (100%)
2 043 (3%)	2 217 (3%)	2 976 (4%)	68 110 (100%)	2 185 (3%)	1 193 (2%)	193 (N)	2 727 (4%)	0 (0%)	F (N)	74 407 (100%)
2 173 (3%)	2 486 (4%)	1 507 (2%)	66 611 (100%)	1 765 (2%)	1 277 (2%)	199 (N)	2 599 (4%)	0 (0%)	F (N)	72 451 (100%)
3 061 (4%)	2 569 (4%)	2 430 (4%)	68 820 (100%)	1 584 (2%)	1 371 (2%)	177 (N)	2 535 (3%)	0 (0%)	29 (N)	74 516 (100%)
2 435 (4%)	2 238 (3%)	2 378 (4%)	67 807 (100%)	1 525 (2%)	1 392 (2%)	165 (N)	2 386 (3%)	0 (0%)	6 (N)	73 281 (100%)

Provider (\$ million)				Total
Provision and administration of public health programmes	General health administration and insurance	Other industries (rest of the economy)	Rest of the world	
466 (2%)	582 (3%)	1 636 (8%)	0 (0%)	19 366 (100%)
580 (2%)	658 (3%)	2 041 (9%)	0 (0%)	23 445 (100%)
669 (2%)	744 (3%)	2 114 (7%)	0 (0%)	28 983 (100%)
746 (2%)	1 106 (3%)	2 149 (6%)	0 (0%)	33 734 (100%)
850 (2%)	1 162 (3%)	3 030 (8%)	0 (0%)	39 120 (100%)
957 (2%)	1 427 (3%)	2 935 (7%)	0 (0%)	44 547 (100%)
1 127 (2%)	1 700 (3%)	3 657 (7%)	0 (0%)	51 105 (100%)
1 276 (2%)	1 863 (3%)	3 607 (6%)	0 (0%)	56 747 (100%)
1 457 (2%)	1 937 (3%)	3 477 (6%)	0 (0%)	61 912 (100%)
1 621 (2%)	1 996 (3%)	4 420 (7%)	0 (0%)	65 810 (100%)
1 667 (3%)	2 026 (3%)	3 103 (5%)	0 (0%)	65 334 (100%)
1 704 (3%)	1 976 (3%)	3 099 (5%)	0 (0%)	66 562 (100%)
1 785 (3%)	2 217 (3%)	2 976 (4%)	0 (0%)	68 110 (100%)
1 905 (3%)	2 486 (4%)	1 507 (2%)	0 (0%)	66 611 (100%)
2 795 (4%)	2 569 (4%)	2 430 (4%)	0 (0%)	68 820 (100%)
2 160 (3%)	2 238 (3%)	2 378 (4%)	0 (0%)	67 807 (100%)

**Table 7. Current expenditure on health by function and provider, 2004/05 (\$ million)**

Health care function	HKDHA-HCF code	Total expenditure	Health care provider industry (\$ million)								
			HCP1 Hospitals	HCP2 Nursing & residential care facilities	HCP3 Providers of ambulatory health care	HCP3.1 Officers of medical practitioners	HCP3.2 Offices of dentists	HCP3.3 Offices of allied & other health professionals	HCP3.4 Other out-patient facilities	HCP3.5 Laboratories & diagnostic imaging facilities	HCP3.6 Providers of home health care services
In-patient care		24 794	20 961	2 194	1 639	1 639	-	-	-	-	-
Curative & rehabilitative care	HCF.1.1; 2.1	21 294	19 568	87	1 639	1 639	-	-	-	-	-
Long-term care	HCF.3.1	3 500	1 393	2 107	-	-	-	-	-	-	-
Services of day care		2 646	2 092	534	20	-	-	-	20	-	-
Curative & rehabilitative care	HCF.1.2; 2.2	2 482	2 092	371	20	-	-	-	20	-	-
Long-term care	HCF.3.2	163	-	163	-	-	-	-	-	-	-
Out-patient care		23 615	8 035	-	15 579	12 481	2 084	972	42	-	-
Out-patient curative & rehabilitative care	HCF.1.3; 2.3	23 615	8 035	-	15 579	12 481	2 084	972	42	-	-
Primary ambulatory services	HCF.1.3.1	1 435	1 145	-	290	290	-	-	-	-	-
Dental care	HCF.1.3.2	2 084	-	-	2 084	-	2 084	-	-	-	-
Specialised ambulatory care	HCF.1.3.3	6 648	6 055	-	593	551	-	-	42	-	-
Allied health & other ambulatory services	HCF.1.3.9	1 802	830	-	972	-	-	972	-	-	-
Unallocated		11 645	5	-	11 640	11 640	-	-	-	-	-
Home care		808	-	66	742	-	-	-	-	-	742
Curative & rehabilitative care	HCF.1.4; 2.4	716	-	-	716	-	-	-	-	-	716
Long-term care	HCF.3.3	92	-	66	26	-	-	-	-	-	26
Ancillary services to health care	HCF.4	1 789	-	-	1 789	-	-	-	-	637	-
Medical goods outside the patient care setting	HCF.5	7 105	-	-	-	-	-	-	-	-	-
Pharmaceutical & other medical non-durables	HCF.5.1	4 195	-	-	-	-	-	-	-	-	-
Therapeutic appliances & other medical durables	HCF.5.2	2 911	-	-	-	-	-	-	-	-	-
<b>Total expenditure on personal health care</b>		<b>60 757</b>	<b>31 088</b>	<b>2 795</b>	<b>19 769</b>	<b>14 120</b>	<b>2 084</b>	<b>972</b>	<b>62</b>	<b>637</b>	<b>742</b>
Prevention & public health services	HCF.6	2 435	-	-	275	-	-	-	91	-	-
Health programme administration & health insurance	HCF.7	2 238	-	-	-	-	-	-	-	-	-
<b>Total current expenditure on health care</b>		<b>65 429</b>	<b>31 088</b>	<b>2 795</b>	<b>20 043</b>	<b>14 120</b>	<b>2 084</b>	<b>972</b>	<b>153</b>	<b>637</b>	<b>742</b>



**Table 8. Current expenditure on health by function and provider, 2004/05 (% of function category expenditure / % of provider category expenditure)**

Health care function	HKDHA-HCF code	Total expenditure	Health care provider industry (% of function category expenditure / % of provider category expenditure)								
			HCF:1 Hospitals	HCF:2 Nursing & residential care facilities	HCF:3 Providers of ambulatory health care	HCF:3.1 Officers of medical practitioners	HCF:3.2 Offices of dentists	HCF:3.3 Offices of allied & other health professionals	HCF:3.4 Other out-patient facilities	HCF:3.5 Laboratories & diagnostic imaging facilities	HCF:3.6 Providers of home health care services
In-patient care		100.0 / 37.9	84.5 / 67.4	8.8 / 78.5	6.6 / 8.2	6.6 / 11.6	-	-	-	-	-
Curative & rehabilitative care	HCF.1.1; 2.1	100.0 / 32.5	91.9 / 62.9	0.4 / 3.1	7.7 / 8.2	7.7 / 11.6	-	-	-	-	-
Long-term care	HCF.3.1	100.0 / 5.4	39.8 / 4.5	60.2 / 75.4	-	-	-	-	-	-	-
Services of day care		100.0 / 4.0	79.1 / 6.7	20.2 / 19.1	0.8 / 0.1	-	-	-	0.8 / 13.0	-	-
Curative & rehabilitative care	HCF.1.2; 2.2	100.0 / 3.8	84.3 / 6.7	14.9 / 13.3	0.8 / 0.1	-	-	-	0.8 / 13.0	-	-
Long-term care	HCF.3.2	100.0 / 0.2	-	100.0 / 5.8	-	-	-	-	-	-	-
Out-patient care		100.0 / 36.1	34.0 / 25.8	-	66.0 / 77.7	52.9 / 88.4	8.8 / 100.0	4.1 / 100.0	0.2 / 27.6	-	-
Out-patient curative & rehabilitative care	HCF.1.3; 2.3	100.0 / 36.1	34.0 / 25.8	-	66.0 / 77.7	52.9 / 88.4	8.8 / 100.0	4.1 / 100.0	0.2 / 27.6	-	-
Primary ambulatory services	HCF.1.3.1	100.0 / 2.2	79.8 / 3.7	-	20.2 / 1.4	20.2 / 2.1	-	-	-	-	-
Dental care	HCF.1.3.2	100.0 / 3.2	-	-	100.0 / 10.4	-	100.0 / 100.0	-	-	-	-
Specialised ambulatory care	HCF.1.3.3	100.0 / 10.2	91.1 / 19.5	-	8.9 / 3.0	8.3 / 3.9	-	-	0.6 / 27.6	-	-
Allied health & other ambulatory services	HCF.1.3.9	100.0 / 2.8	46.0 / 2.7	-	54.0 / 4.9	-	-	54.0 / 100.0	-	-	-
Unallocated		100.0 / 17.8	0.0 / 0.0	-	100.0 / 58.1	100.0 / 82.4	-	-	-	-	-
Home care		100.0 / 1.2	-	8.2 / 2.4	91.8 / 3.7	-	-	-	-	-	91.8 / 100.0
Curative & rehabilitative care	HCF.1.4; 2.4	100.0 / 1.1	-	-	100.0 / 3.6	-	-	-	-	-	100.0 / 96.5
Long-term care	HCF.3.3	100.0 / 0.1	-	72.0 / 2.4	28.0 / 0.1	-	-	-	-	-	28.0 / 3.5
Ancillary services to health care	HCF.4	100.0 / 2.7	-	-	100.0 / 8.9	-	-	-	-	35.6 / 100.0	-
Medical goods outside the patient care setting	HCF.5	100.0 / 10.9	-	-	-	-	-	-	-	-	-
Pharmaceutical & other medical non-durables	HCF.5.1	100.0 / 6.4	-	-	-	-	-	-	-	-	-
Therapeutic appliances & other medical durables	HCF.5.2	100.0 / 4.4	-	-	-	-	-	-	-	-	-
<b>Total expenditure on personal health care</b>		<b>100.0 / 92.9</b>	<b>51.2 / 100.0</b>	<b>4.6 / 100.0</b>	<b>32.5 / 98.6</b>	<b>23.2 / 100.0</b>	<b>3.4 / 100.0</b>	<b>1.6 / 100.0</b>	<b>0.1 / 40.6</b>	<b>1.0 / 100.0</b>	<b>1.2 / 100.0</b>
Prevention & public health services	HCF.6	100.0 / 3.7	-	-	11.3 / 1.4	-	-	-	3.7 / 59.4	-	-
Health programme administration & health insurance	HCF.7	100.0 / 3.4	-	-	-	-	-	-	-	-	-
<b>Total current expenditure on health care</b>		<b>100.0 / 100.0</b>	<b>47.5 / 100.0</b>	<b>4.3 / 100.0</b>	<b>30.6 / 100.0</b>	<b>21.6 / 100.0</b>	<b>3.2 / 100.0</b>	<b>1.5 / 100.0</b>	<b>0.2 / 100.0</b>	<b>1.0 / 100.0</b>	<b>1.1 / 100.0</b>



**Table 9. Current expenditure on health by provider and financing source, 2004/05 (\$ million)**

Health care goods & services by provider industry	HKDHA-HCP code	Total expenditure	Health financing source (\$million)				
			HFS.1 Public sector	HFS.1.1 General government	HFS.1.2 Social security funds	HFS.2 Private sector	HFS.2.1 Employer-provided group medical benefits
Hospitals	HCP.1	31 088	26 969	26 969	-	4 119	1 150
Nursing & residential care facilities	HCP.2	2 795	2 051	2 051	-	744	-
Providers of ambulatory health care	HCP.3	20 043	3 551	3 551	-	16 493	3 532
Officers of medical practitioners	HCP.3.1	14 120	797	797	-	13 323	2 988
Offices of dentists	HCP.3.2	2 084	482	482	-	1 602	58
Offices of allied & other health professionals	HCP.3.3	972	36	36	-	936	256
Other out-patient facilities	HCP.3.4	153	70	70	-	83	-
Laboratories & diagnostic imaging facilities	HCP.3.5	637	117	117	-	520	230
Providers of home health care services	HCP.3.6	742	716	716	-	26	-
Other providers of ambulatory health care	HCP.3.9	1 336	1 332	1 332	-	4	-
Retail sales & other providers of medical goods	HCP.4	7 105	272	272	-	6 833	-
Pharmacies	HCP.4.1	2 878	-	-	-	2 878	-
Other sales of medical goods	HCP.4.2-4.9	4 227	272	272	-	3 955	-
Provision & administration of public health programmes	HCP.5	2 160	2 105	2 105	-	55	-
General health administration & insurance	HCP.6	2 238	299	299	-	1 939	486
Government administration of health	HCP.6.1	343	299	299	-	44	-
Social security funds	HCP.6.2	-	-	-	-	-	-
Employer-provided group medical benefits	HCP.6.3	-	-	-	-	-	-
Private insurance	HCP.6.4	1 894	-	-	-	1 894	486
All other providers of health administration	HCP.6.9	-	-	-	-	-	-
Other industries (rest of the economy)	HCP.7	-	-	-	-	-	-
Occupational health care	HCP.7.1	-	-	-	-	-	-
Private households	HCP.7.2	-	-	-	-	-	-
All other secondary producers	HCP.7.9	-	-	-	-	-	-
Rest of the world	HCP.9	-	-	-	-	-	-
<b>Total expenditure</b>		<b>65 429</b>	<b>35 247</b>	<b>35 247</b>	<b>-</b>	<b>30 182</b>	<b>5 168</b>

Health financing source (\$ million)						
HFS.2.2 Private insurance	HFS.2.3 Private household out-of-pocket expenditure	HFS.2.4 Non-profit institutions serving households	HFS.2.5 Corporations (other than health insurance)	HFS.2.6 Non-patient care related revenue	HFS.2.7 Provider own funds	HFS.3 Rest of the world
653	2 294	0	-	4	19	-
-	729	8	-	4	3	-
1 223	11 707	25	0	1	5	-
1 065	9 255	12	-	1	3	-
44	1 490	9	-	0	0	-
25	655	-	-	-	-	-
-	80	3	-	0	0	-
89	201	-	-	-	-	-
-	26	-	-	-	-	-
-	1	1	0	0	1	-
-	6 736	97	-	-	-	-
-	2 878	-	-	-	-	-
-	3 858	97	-	-	-	-
-	43	2	8	0	2	-
1 409	36	-	8	-	-	-
-	36	-	8	-	-	-
-	-	-	-	-	-	-
-	-	-	-	-	-	-
1 409	-	-	-	-	-	-
-	-	-	-	-	-	-
-	-	-	-	-	-	-
-	-	-	-	-	-	-
-	-	-	-	-	-	-
-	-	-	-	-	-	-
-	-	-	-	-	-	-
-	-	-	-	-	-	-
3 284	21 545	133	16	8	28	-



**Table 10. Current expenditure on health by provider and financing source, 2004/05 (% of provider category expenditure / % of source category expenditure)**

Health care provider & financing source	HKDHA-HCP code	Total expenditure	% of provider category expenditure / % of source category expenditure			
			HFS.1 Public sector	HFS.1.1 General government	HFS.1.2 Social security funds	HFS.2 Private sector
Hospitals	HCP.1	100.0 / 47.5	86.8 / 76.5	86.8 / 76.5	-	13.2 / 13.6
Nursing & residential care facilities	HCP.2	100.0 / 4.3	73.4 / 5.8	73.4 / 5.8	-	26.6 / 2.5
Providers of ambulatory health care	HCP.3	100.0 / 30.6	17.7 / 10.1	17.7 / 10.1	-	82.3 / 54.6
Officers of medical practitioners	HCP.3.1	100.0 / 21.6	5.6 / 2.3	5.6 / 2.3	-	94.4 / 44.1
Offices of dentists	HCP.3.2	100.0 / 3.2	23.1 / 1.4	23.1 / 1.4	-	76.9 / 5.3
Offices of allied & other health professionals	HCP.3.3	100.0 / 1.5	3.8 / 0.1	3.8 / 0.1	-	96.2 / 3.1
Other out-patient facilities	HCP.3.4	100.0 / 0.2	45.7 / 0.2	45.7 / 0.2	-	54.3 / 0.3
Laboratories & diagnostic imaging facilities	HCP.3.5	100.0 / 1.0	18.4 / 0.3	18.4 / 0.3	-	81.6 / 1.7
Providers of home health care services	HCP.3.6	100.0 / 1.1	96.5 / 2.0	96.5 / 2.0	-	3.5 / 0.1
Other providers of ambulatory health care	HCP.3.9	100.0 / 2.0	99.7 / 3.8	99.7 / 3.8	-	0.3 / 0.0
Retail sales & other providers of medical goods	HCP.4	100.0 / 10.9	3.8 / 0.8	3.8 / 0.8	-	96.2 / 22.6
Pharmacies	HCP.4.1	100.0 / 4.4	-	-	-	100.0 / 9.5
Other sales of medical goods	HCP.4.2-4.9	100.0 / 6.5	6.4 / 0.8	6.4 / 0.8	-	93.6 / 13.1
Provision & administration of public health programmes	HCP.5	100.0 / 3.3	97.5 / 6.0	97.5 / 6.0	-	2.5 / 0.2
General health administration & insurance	HCP.6	100.0 / 3.4	13.4 / 0.8	13.4 / 0.8	-	86.6 / 6.4
Government administration of health	HCP.6.1	100.0 / 0.5	87.2 / 0.8	87.2 / 0.8	-	12.8 / 0.1
Social security funds	HCP.6.2	-	-	-	-	-
Employer-provided group medical benefits	HCP.6.3	-	-	-	-	-
Private insurance	HCP.6.4	100.0 / 2.9	-	-	-	100.0 / 6.3
All other providers of health administration	HCP.6.9	-	-	-	-	-
Other industries (rest of the economy)	HCP.7	-	-	-	-	-
Occupational health care	HCP.7.1	-	-	-	-	-
Private households	HCP.7.2	-	-	-	-	-
All other secondary producers	HCP.7.9	-	-	-	-	-
Rest of the world	HCP.9	-	-	-	-	-
<b>Total expenditure</b>		<b>100.0 / 100.0</b>	<b>53.9 / 100.0</b>	<b>53.9 / 100.0</b>	<b>-</b>	<b>46.1 / 100.0</b>

% of provider category expenditure / % of source category expenditure							
HFS.2.1 Employer- provided group medical benefits	HFS.2.2 Private insurance	HFS.2.3 Private household out-of-pocket expenditure	HFS.2.4 Non-profit institutions serving households	HFS.2.5 Corporations (other than health insurance)	HFS 2.6 Non-patient care related revenue	HFS.2.7 Provider own funds	HFS.3 Rest of the world
3.7 / 22.3	2.1 / 19.9	7.4 / 10.6	0.0 / 0.0	-	0.0 / 44.9	0.1 / 65.7	-
-	-	26.1 / 3.4	0.3 / 6.2	-	0.1 / 43.0	0.1 / 11.6	-
17.6 / 68.3	6.1 / 37.2	58.4 / 54.3	0.1 / 18.7	0.0 / 1.6	0.0 / 11.5	0.0 / 17.1	-
21.2 / 57.8	7.5 / 32.4	65.5 / 43.0	0.1 / 8.7	-	0.0 / 10.6	0.0 / 10.8	-
2.8 / 1.1	2.1 / 1.4	71.5 / 6.9	0.4 / 6.9	-	0.0 / 0.3	0.0 / 0.3	-
26.4 / 5.0	2.5 / 0.8	67.4 / 3.0	-	-	-	-	-
-	-	52.4 / 0.4	1.7 / 2.0	-	0.0 / 0.6	0.2 / 1.1	-
36.0 / 4.4	14.0 / 2.7	31.5 / 0.9	-	-	-	-	-
-	-	3.5 / 0.1	-	-	-	-	-
-	-	0.0 / 0.0	0.1 / 1.1	0.0 / 1.6	0.0 / 0.0	0.1 / 4.9	-
-	-	94.8 / 31.3	1.4 / 73.2	-	-	-	-
-	-	100.0 / 13.4	-	-	-	-	-
-	-	91.3 / 17.9	2.3 / 73.2	-	-	-	-
-	-	2.0 / 0.2	0.1 / 1.8	0.4 / 49.9	0.0 / 0.6	0.1 / 5.5	-
21.7 / 9.4	62.9 / 42.9	1.6 / 0.2	-	0.3 / 48.5	-	-	-
-	-	10.6 / 0.2	-	2.3 / 48.5	-	-	-
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
25.6 / 9.4	74.4 / 42.9	-	-	-	-	-	-
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
7.9 / 100.0	5.0 / 100.0	32.9 / 100.0	0.2 / 100.0	0.0 / 100.0	0.0 / 100.0	0.0 / 100.0	-

**Table 11. Current expenditure on health by function and financing source, 2004/05 (\$ million)**

Current expenditure on health care	HKDHA-HCF code	Total expenditure	Health financing source (\$ million)				
			HFS.1 Public sector	HFS.1.1 General government	HFS.1.2 Social security funds	HFS.2 Private sector	HFS.2.1 Employer-provided group medical benefits
Personal health care services	HCF.1-HCF.3	51 862	31 091	31 091	-	20 772	4 452
In-patient care		24 794	19 113	19 113	-	5 681	1 992
Services of day care		2 646	2 565	2 565	-	81	-
Out-patient care		23 615	8 635	8 635	-	14 980	2 460
Home care		808	778	778	-	30	-
Ancillary services to health care	HCF.4	1 789	1 266	1 266	-	523	230
Medical goods outside the patient care setting	HCF.5	7 105	272	272	-	6 833	-
Pharmaceuticals & other medical non-durables	HCF.5.1	4 195	222	222	-	3 973	-
Therapeutic appliances & other medical durables	HCF.5.2	2 911	50	50	-	2 861	-
Personal health care services & goods	HCF.1-HCF.5	60 757	32 628	32 628	-	28 128	4 682
Prevention & public health services	HCF.6	2 435	2 320	2 320	-	115	-
Health programme administration & health insurance	HCF.7	2 238	299	299	-	1 939	486
<b>Total expenditure</b>		<b>65 429</b>	<b>35 247</b>	<b>35 247</b>	<b>-</b>	<b>30 182</b>	<b>5 168</b>

**Table 12. Current expenditure on health by function and financing source, 2004/05 (% of function category expenditure / % of source category expenditure)**

Current expenditure on health care	HKDHA-HCF code	Total expenditure	% of function category expenditure / % of source category expenditure				
			HFS.1 Public sector	HFS.1.1 General government	HFS.1.2 Social security funds	HFS.2 Private sector	HFS.2.1 Employer-provided group medical benefits
Personal health care services	HCF.1-HCF.3	100.0 / 79.3	59.9 / 88.2	59.9 / 88.2	-	40.1 / 68.8	8.6 / 86.2
In-patient care		100.0 / 37.9	77.1 / 54.2	77.1 / 54.2	-	22.9 / 18.8	8.0 / 38.6
Services of day care		100.0 / 4.0	96.9 / 7.3	96.9 / 7.3	-	3.1 / 0.3	-
Out-patient care		100.0 / 36.1	36.6 / 24.5	36.6 / 24.5	-	63.4 / 49.6	10.4 / 47.6
Home care		100.0 / 1.2	96.2 / 2.2	96.2 / 2.2	-	3.8 / 0.1	-
Ancillary services to health care	HCF.4	100.0 / 2.7	70.7 / 3.6	70.7 / 3.6	-	29.3 / 1.7	12.8 / 4.4
Medical goods outside the patient care setting	HCF.5	100.0 / 10.9	3.8 / 0.8	3.8 / 0.8	-	96.2 / 22.6	-
Pharmaceuticals & other medical non-durables	HCF.5.1	100.0 / 6.4	5.3 / 0.6	5.3 / 0.6	-	94.7 / 13.2	-
Therapeutic appliances & other medical durables	HCF.5.2	100.0 / 4.4	1.7 / 0.1	1.7 / 0.1	-	98.3 / 9.5	-
Personal health care services & goods	HCF.1-HCF.5	100.0 / 92.9	53.7 / 92.6	53.7 / 92.6	-	46.3 / 93.2	7.7 / 90.6
Prevention & public health services	HCF.6	100.0 / 3.7	95.3 / 6.6	95.3 / 6.6	-	4.7 / 0.4	-
Health programme administration & health insurance	HCF.7	100.0 / 3.4	13.4 / 0.8	13.4 / 0.8	-	86.6 / 6.4	21.7 / 9.4
<b>Total expenditure</b>		<b>100.0 / 100.0</b>	<b>53.9 / 100.0</b>	<b>53.9 / 100.0</b>	<b>-</b>	<b>46.1 / 100.0</b>	<b>7.9 / 100.0</b>

Health financing source (\$ million)						
HFS.2.2 Private insurance	HFS.2.3 Private household out-of-pocket expenditure	HFS.2.4 Non-profit institutions serving households	HFS.2.5 Corporations (other than health insurance)	HFS.2.6 Non-patient care related revenue	HFS.2.7 Provider own funds	HFS.3 Rest of the world
1 786	14 468	32	-	8	25	-
1 021	2 636	8	-	6	17	-
-	78	3	-	0	0	-
766	11 724	21	-	2	8	-
-	30	-	-	-	-	-
89	201	1	0	0	1	-
-	6 736	97	-	-	-	-
-	3 896	77	-	-	-	-
-	2 840	20	-	-	-	-
1 876	21 405	130	0	8	27	-
-	103	2	8	0	2	-
1 409	36	-	8	-	-	-
3 284	21 545	133	16	8	28	-

% of function category expenditure / % of source category expenditure						
HFS.2.2 Private insurance	HFS.2.3 Private household out-of-pocket expenditure	HFS.2.4 Non-profit institutions serving households	HFS.2.5 Corporations (other than health insurance)	HFS.2.6 Non-patient care related revenue	HFS.2.7 Provider own funds	HFS.3 Rest of the world
3.4 / 54.4	27.9 / 67.2	0.1 / 23.8	-	0.0 / 99.4	0.0 / 89.5	-
4.1 / 31.1	10.6 / 12.2	0.0 / 6.2	-	0.0 / 77.1	0.1 / 61.1	-
-	2.9 / 0.4	0.1 / 2.0	-	0.0 / 0.6	0.0 / 1.1	-
3.2 / 23.3	49.6 / 54.4	0.1 / 15.6	-	0.0 / 21.6	0.0 / 27.4	-
-	3.8 / 0.1	-	-	-	-	-
5.0 / 2.7	11.2 / 0.9	0.1 / 1.1	0.0 / 1.6	0.0 / 0.0	0.1 / 4.9	-
-	94.8 / 31.3	1.4 / 73.2	-	-	-	-
-	92.9 / 18.1	1.8 / 57.9	-	-	-	-
-	97.6 / 13.2	0.7 / 15.3	-	-	-	-
3.1 / 57.1	35.2 / 99.4	0.2 / 98.2	0.0 / 1.6	0.0 / 99.4	0.0 / 94.5	-
-	4.2 / 0.5	0.1 / 1.8	0.3 / 49.9	0.0 / 0.6	0.1 / 5.5	-
62.9 / 42.9	1.6 / 0.2	-	0.3 / 48.5	-	-	-
5.0 / 100.0	32.9 / 100.0	0.2 / 100.0	0.0 / 100.0	0.0 / 100.0	0.0 / 100.0	-

**Table 13. Total expenditure on health (TEH) of OECD countries and Hong Kong in 1994, 1999, and 2004**

	TEH as a % of GDP (%)			Public share (%)		
	1994	1999	2004	1994	1999	2004
Australia	7.9	8.4	9.5	65.8	70	67.5
Austria	7.8	10.2	10.3	74.4	76.1	75.6
Belgium	7.7	8.6	10.2	N/A	76.1	73.1
Canada	9.4	8.9	9.8	72	70	70.2
Czech Republic	6.9	6.6	7.3	93.9	90.5	89.2
Denmark	8.4	8.5	9.2	82.2	82.2	84.3
Finland	7.7	6.8	7.4	75.5	75.3	77.2
France	9.3	9.7	11	76	78.4	79.4
Germany	9.8	10.3	10.6	80.8	79.8	76.9
Greece	7.5	7.5	9.6	50.2	53.4	44.6
Hong Kong SAR, China*	4.2	5.1	5.2	48.6	55.2	54.8
Hungary	8.1	7.2	8.1	87.3	72.4	70.5
Iceland	8.1	9.4	10	83.6	83.1	82.4
Ireland	6.9	6.3	7.5	71.7	72.7	78.2
Italy	7.6	7.8	8.7	73.5	70.7	75.8
Japan	6.8	7.5	8	78.6	81.1	81.7
Korea	4.2	4.6	5.5	33.7	46.9	52.6
Luxembourg	5.3	5.8	7.9	91.7	89.8	90.2
Mexico	5.8	5.6	6.5	45	47.8	46.4
Netherlands	8.3	8.1	9.2	72.9	62.7	N/A
New Zealand	7.1	7.6	8.5	77.5	77.5	77.2
Norway	7.9	9.3	9.7	84.6	82.6	83.6
Poland	5.5	5.7	6.2	72.8	71.1	68.6
Portugal	7	8.2	10	63.4	67.6	72
Slovak Republic	N/A	5.7	7.2	N/A	89.6	73.8
Spain	7.3	7.3	8.1	75.5	72	70.9
Sweden	8.1	8.4	9.1	87.1	85.7	84.6
Switzerland	9.5	10.5	11.5	54.2	55.3	58.5
Turkey	3.6	6.4	7.7	68.9	61.1	72.3
United Kingdom	7	7.1	8.1	83.9	80.6	86.3
United States	13.1	13.1	15.2	44.9	43.5	44.7

\* Refer to fiscal year starting 1 April

**Table 14. Mix of total expenditure on health (TEH) of OECD countries and Hong Kong in 2004**

	% of TEH				
	General government, excluding social security	Social security schemes	Out-of-pocket payments (households)	Private insurance	All other private funds (including rest of the world)
Australia	67.5	0	20.1	6.7	5.8
Austria	29.5	46.1	16.6	5.1	2.7
Belgium	4.2	64.1	20.6	4.9	1.4
Canada	68.7	1.5	14.6	12.8	2.4
Czech Republic	9.7	79.5	10.4	0.2	0.3
Denmark	84.3	0	14.1	1.5	0.1
Finland	60.3	16.9	18.3	2.3	2.1
France	4.9	74.5	7.2	12.6	0.8
Germany	9.9	67	13.2	9	0.8
Greece	N/A	N/A	N/A	N/A	N/A
Hong Kong SAR, China*	54.8	0	31.8	12.5	0.9
Hungary	10.6	59.9	24	1.1	4.4
Iceland	51.5	31	17.6	0	N/A
Ireland	77.5	0.6	14.2	6.8	0.8
Italy	75.7	0.1	21.1	0.9	2.2
Japan	N/A	N/A	15.3	2.4	0.6
Korea	10.9	41.6	38.1	3.4	5.9
Luxembourg	18.2	72	6.9	1.7	1.2
Mexico	15.1	31.2	50.6	3	N/A
Netherlands	2.8	59.5	7.8	19	6.1
New Zealand	77.2	0	17	5	0.7
Norway	68.1	15.4	15.6	N/A	0.8
Poland	8.1	56.6	28.1	0.6	2.1
Portugal	71.2	0.8	22.2	4.2	1.5
Slovak Republic	10.1	63.7	19.2	N/A	7
Spain	65.8	5.1	21.3	6.7	1.2
Sweden	84.6	0	N/A	N/A	N/A
Switzerland	17.1	41.5	31.8	8.7	0.9
Turkey	32.7	39.6	19.2	N/A	8.6
United Kingdom	N/A	N/A	N/A	N/A	N/A
United States	32.1	12.5	13.3	36.7	5.3

\* Refer to fiscal year starting 1 April

**Table 15. Revisions between DHA2 and DHA3\***

Financing source	\$ million			% to total difference	Remarks
	DHA2	DHA3	Difference		
Public expenditure	39 078	39 239	161	-31.7%	Revised Capital Works Reserve Fund estimates; Reclassified Hospital Authority's non-patient care related revenue and provider own funds as public expenditure
Employer-provided group medical benefits	5 671	5 396	-275	53.9%	Revised estimation method
Non-patient care related revenue	257	52	-205	40.2%	Reclassified Hospital Authority's non-patient care related revenue as public expenditure
Provider own funds	466	264	-202	39.5%	Reclassified Hospital Authority's provider own funds as public expenditure
<b>Total</b>	<b>68 620</b>	<b>68 110</b>	<b>-510</b>	<b>100.0%</b>	

\* DHA denotes Domestic Health Accounts

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