

Malaysia National Health Accounts (MNHA): NATIONAL HEALTH EXPENDITURE 2011-2023

Mesyuarat Pemandu MNHA Bil. 2/2024
24 Disember 2024

Objectives of the Steering Meeting

MNHA Data Importance:

- National level health expenditure data over a time period that comprises data from both public & private sector stakeholders.
- Malaysia National Health Expenditure Data is **macro** level health expenditure estimation which is produced using standardized, internationally acceptable methodology.
- It assists in developing evidence-based health policies.
- It is important to interpret this information responsibly, bearing in mind that limitations do exist when producing the health expenditure data.

Objectives of this meeting:

- To present and to endorse
 - Latest National Health Expenditure Data (2011-2023) based on both the MNHA framework (national) and the SHA 2011 framework (international).
 - National Total Pharmaceutical Expenditure for the years 2018-2023 based on the MNHA framework.

Outline

Introduction

Methodology

Result

- Overview
- Sources of Financing
- Providers of Healthcare
- Functions of Healthcare
- Primary Health Care (PHC) Expenditure
- International comparison

Discussions & Recommendations

Summary 2023

Introduction

National Health Accounts (NHA) - A tool to demonstrate how a country's health resources are spent, on what services, and who pays for them

Capital formation

Education & training

Research & Development

Other health-related functions



Malaysia NHA (MNHA) National Framework based on SHA Framework, but boundaries are tailored to Malaysia's health system.



MNHA Framework (National)

Total Expenditure on Health, **TEH**

MNHA National Framework 2.0
migration to SHA
2011



Time series data
1997-2022

1920s

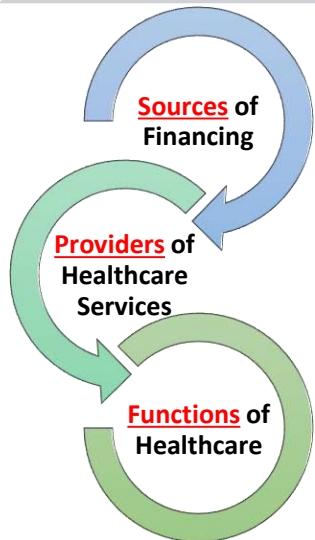
2000

2005

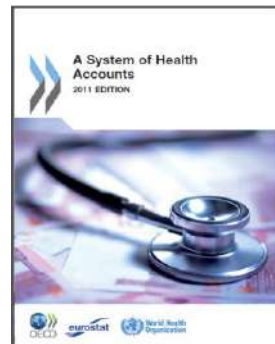
2011

2018

2024



OECD NHA Standard – **System of Health Accounts (SHA) International Framework**



SHA 2011 (International)

SHA 2011 International Framework (OECD, WHO and Eurostat)

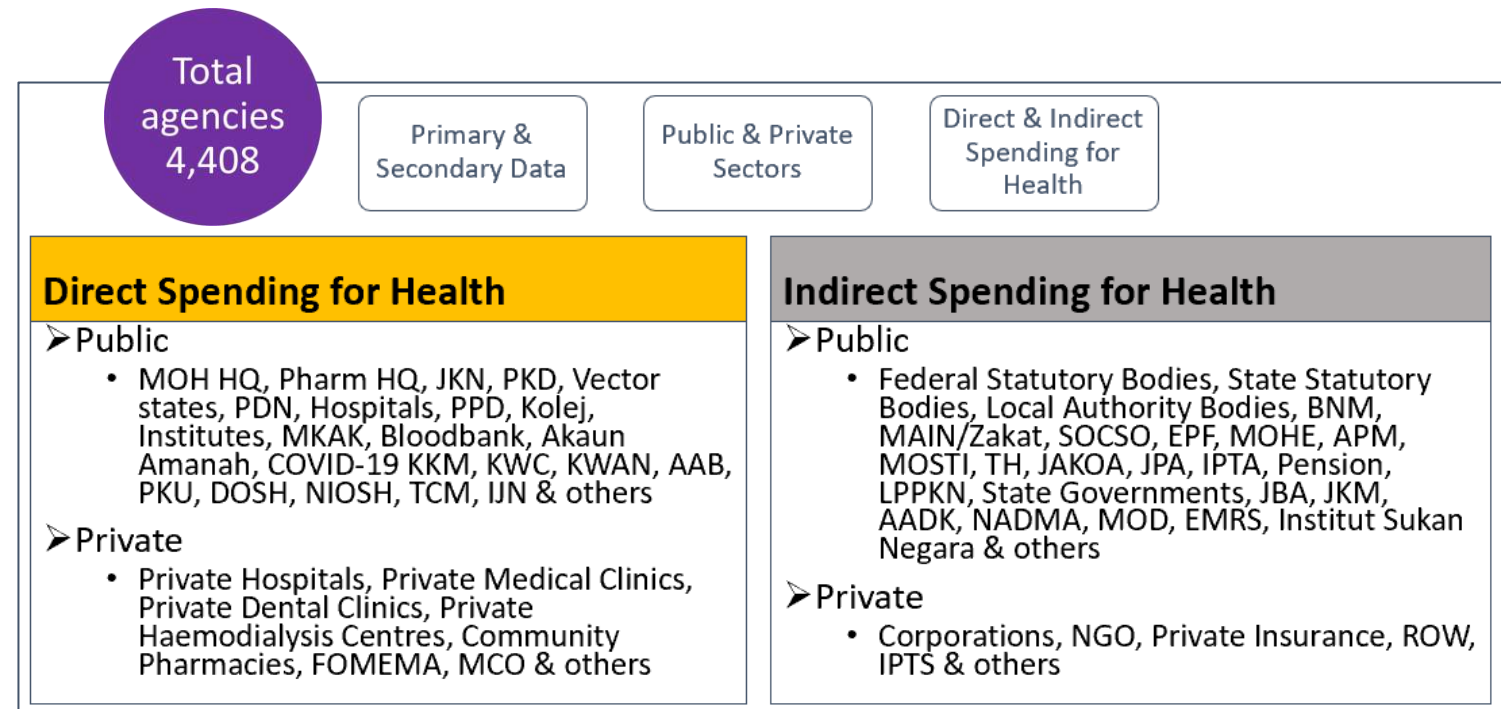
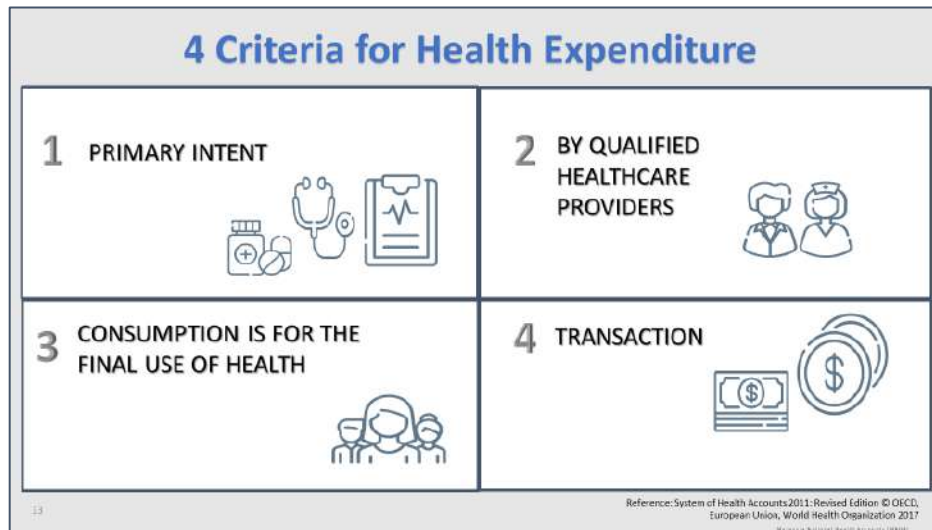
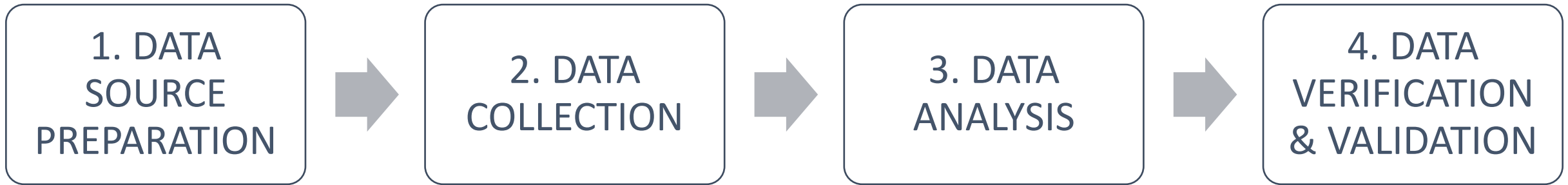
Current Health Expenditure, **CHE**

192 countries use
SHA 2011
framework



Global Health Expenditure Database

Methodology



3 latest RMK

Public

Private

Introduction

Methodology

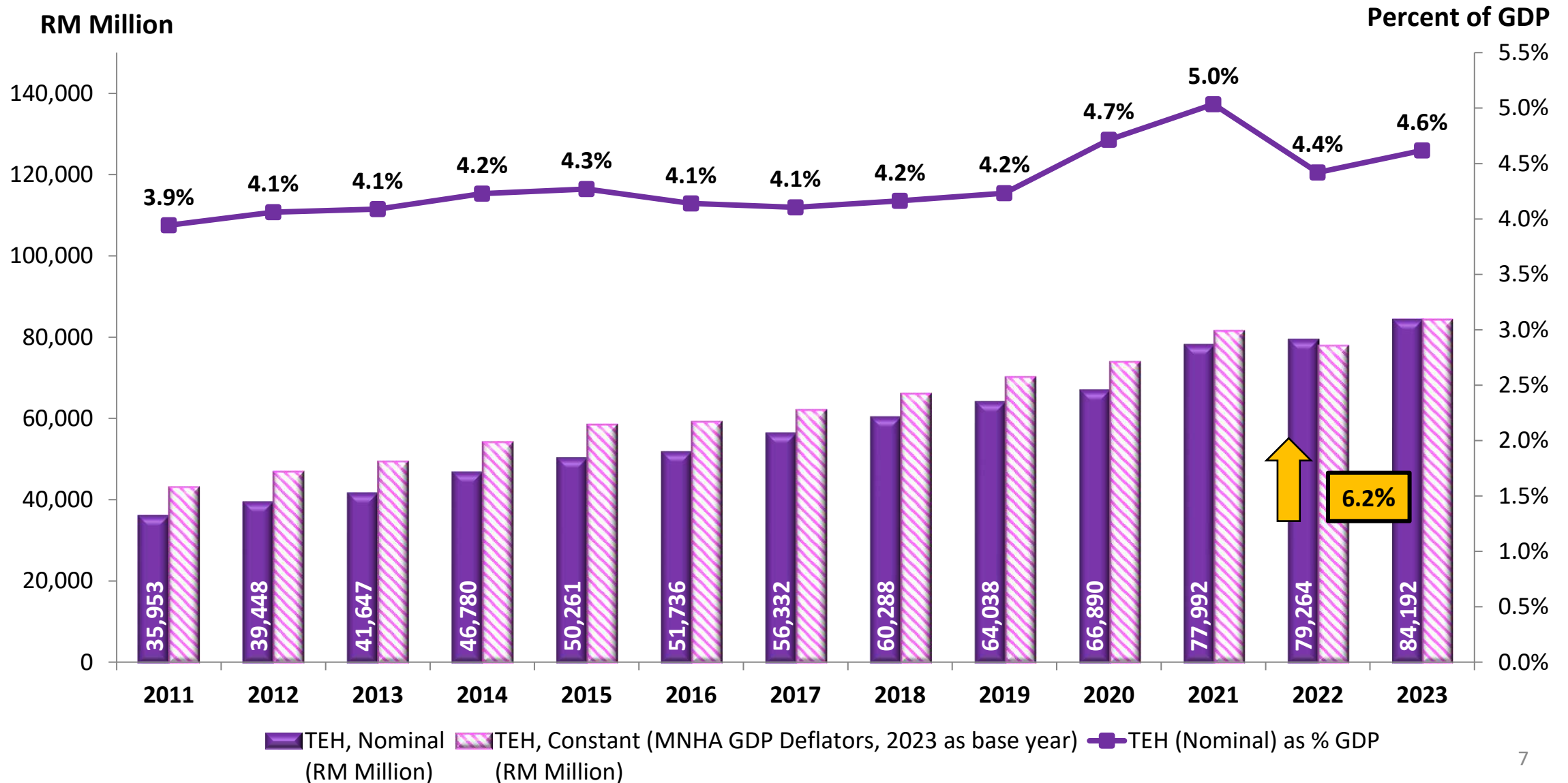
Result

- Overview
- Sources of Financing
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- Functions of Healthcare
- Primary Health Care (PHC) Expenditure
- International comparison

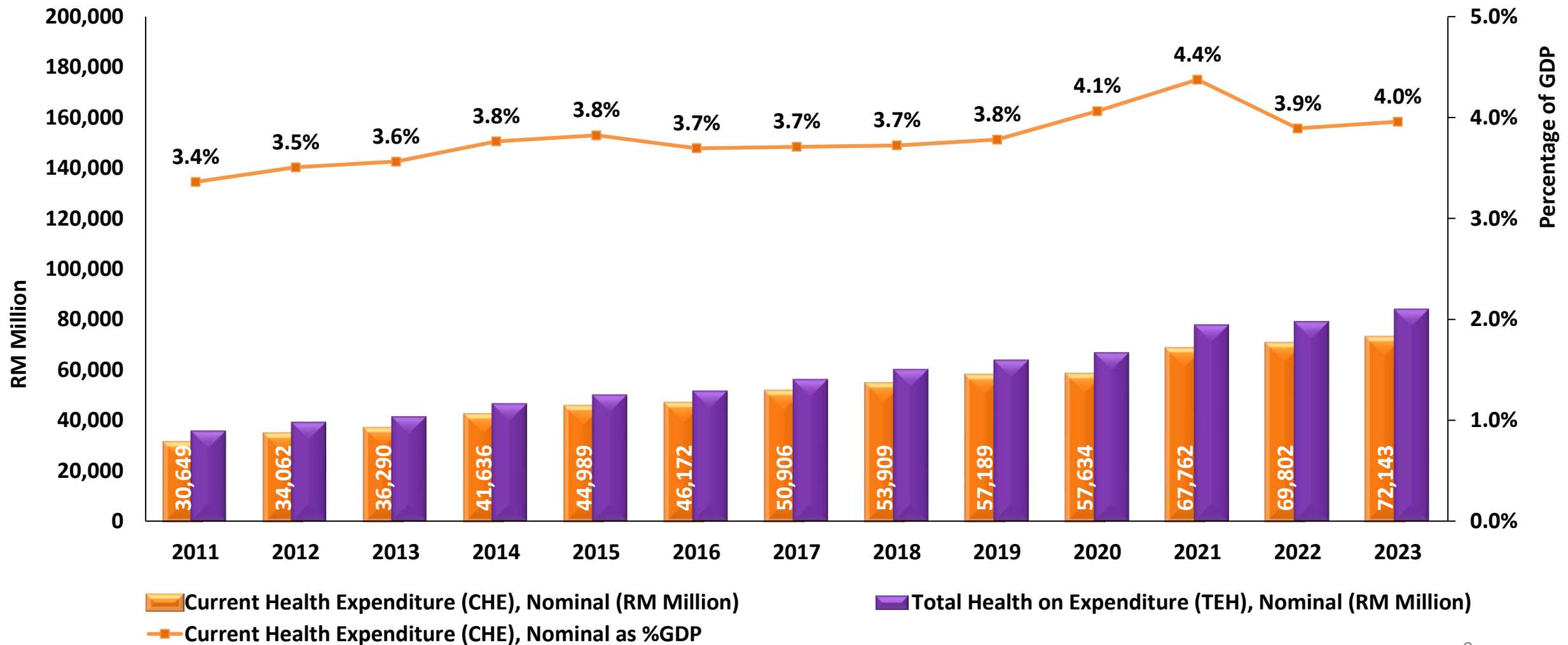
Discussions & Recommendations

Summary 2023

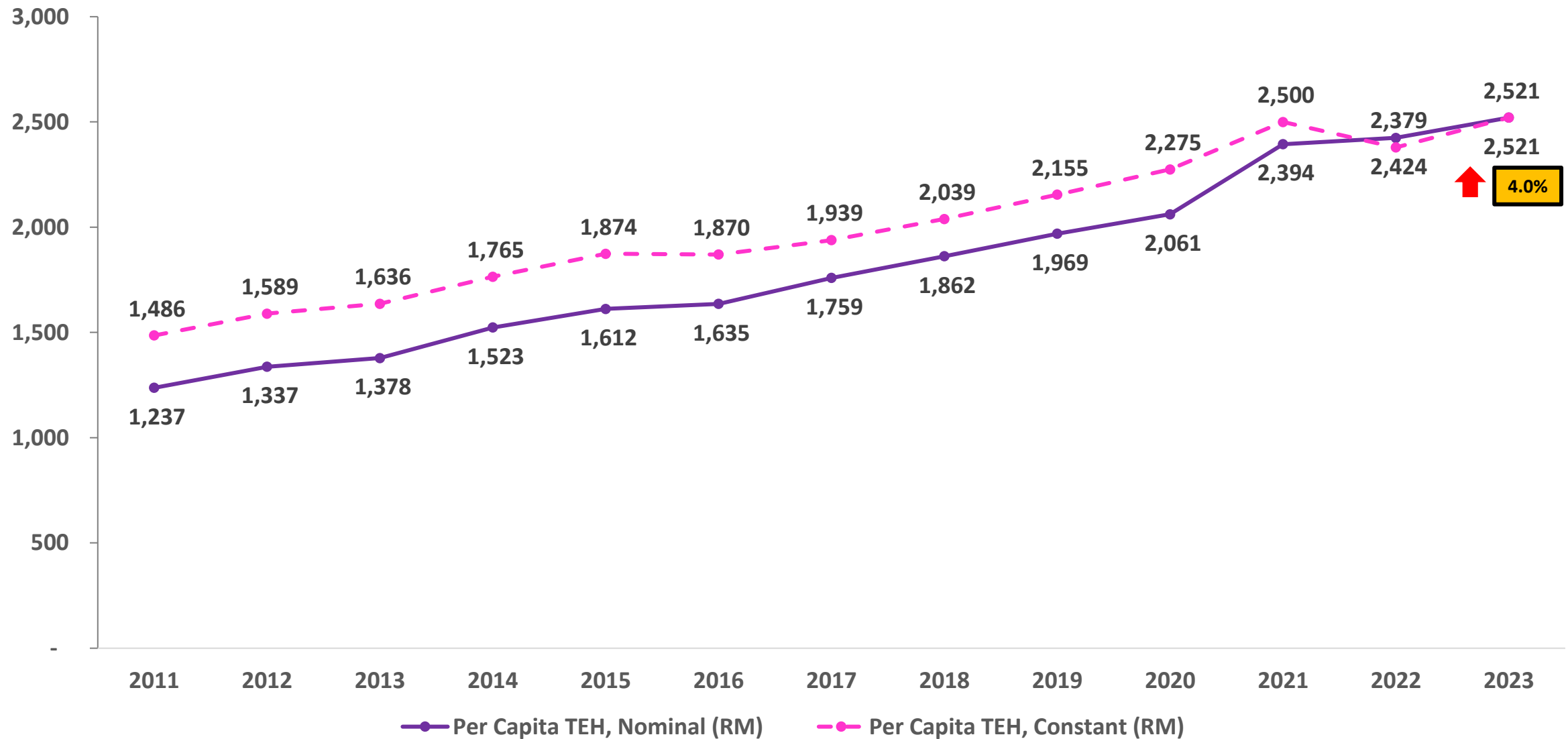
Total Expenditure on Health (TEH) & TEH as percentage of Gross Domestic Product (GDP), 2011-2023



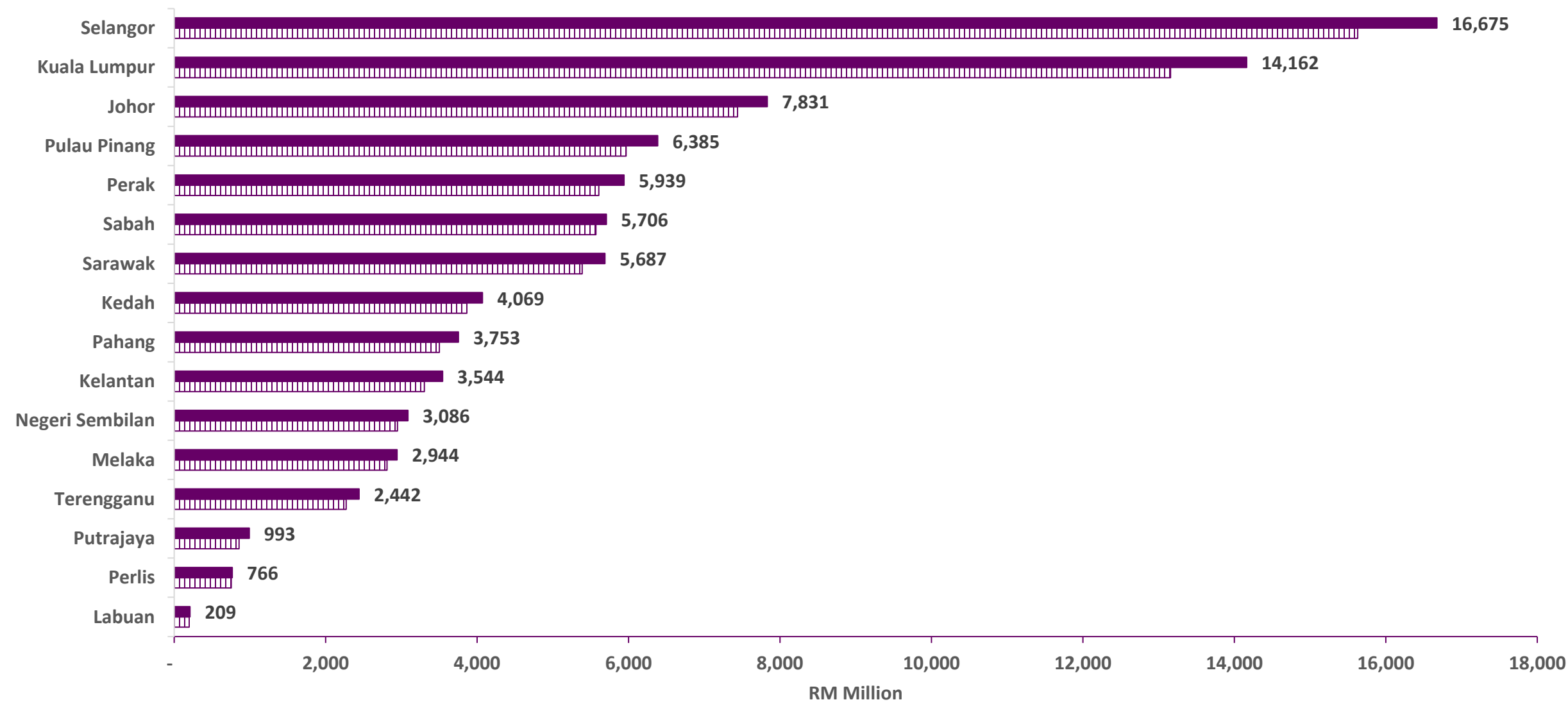
Total Expenditure on Health (TEH) & Current Health Expenditure (CHE) as percentage of GDP 2011-2023



Per Capita Expenditure on Health, 2011-2023



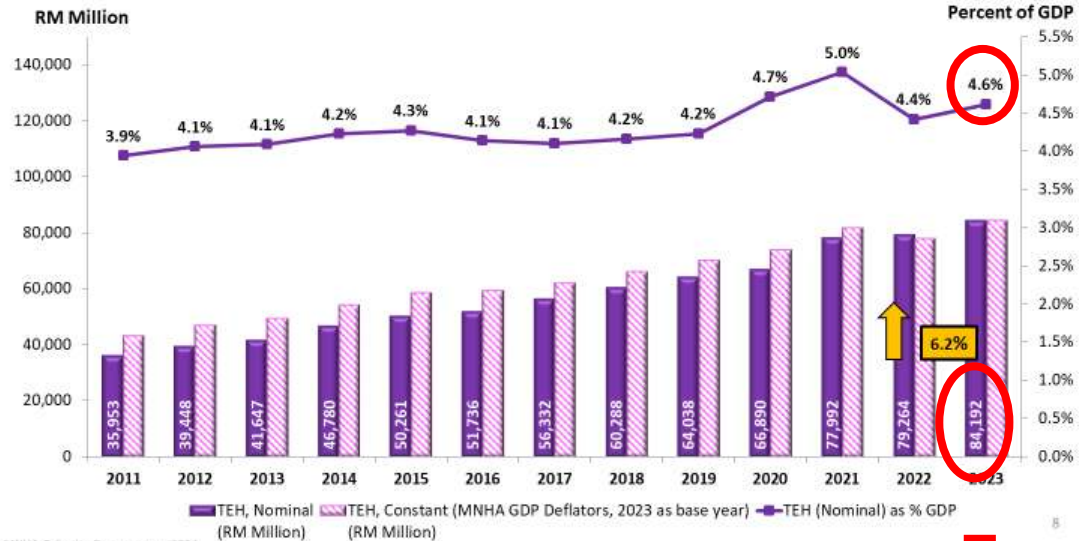
Expenditure on Health by States, 2022-2023



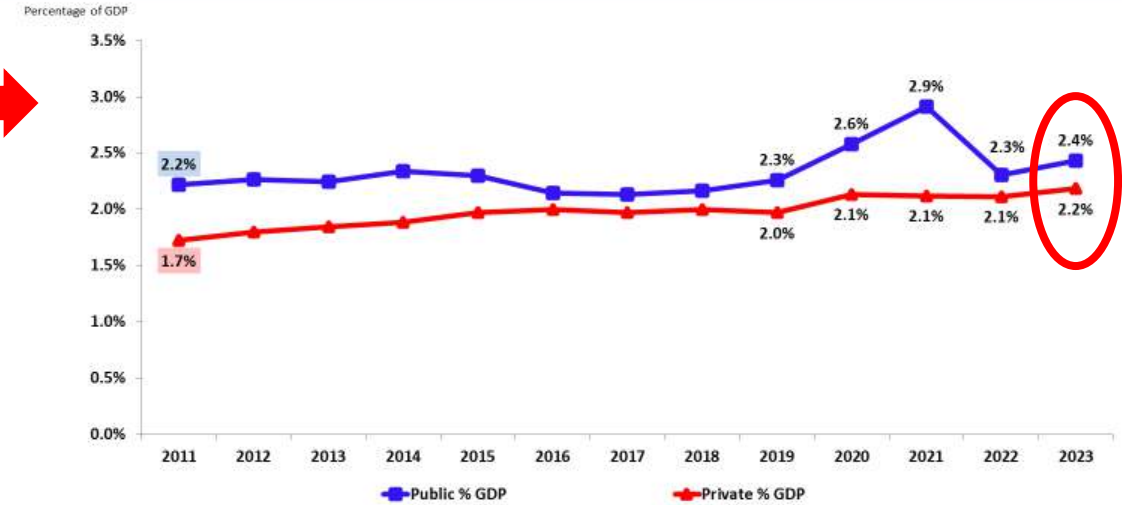
■ 2023 ■ 2022

** Values include health expenditure that cannot be allocated to states (mainly expenditure by Private Insurance, MOH, MOSTI etc), which has been reportioned to each state.

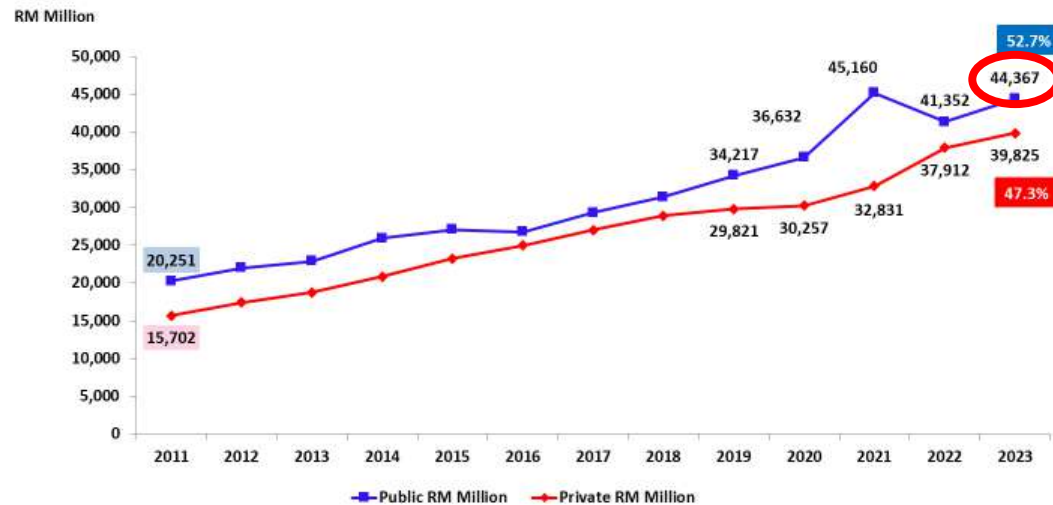
Total Expenditure on Health (TEH) & TEH as percentage of Gross Domestic Product (GDP), 2011-2023



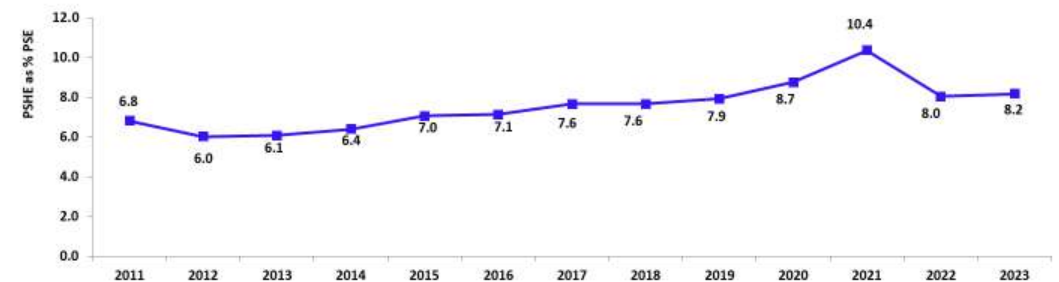
TEH by Public & Private Sources of Financing as Percentage of GDP, 2011-2023



TEH by Sources of Financing, Public & Private Sources, 2011-2023



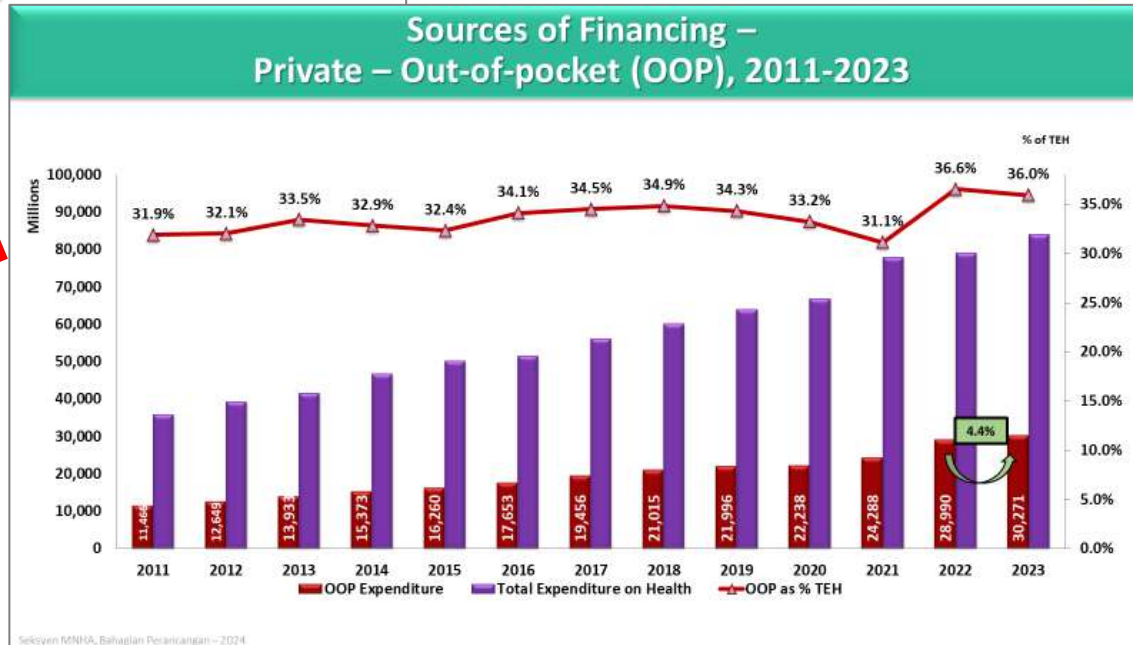
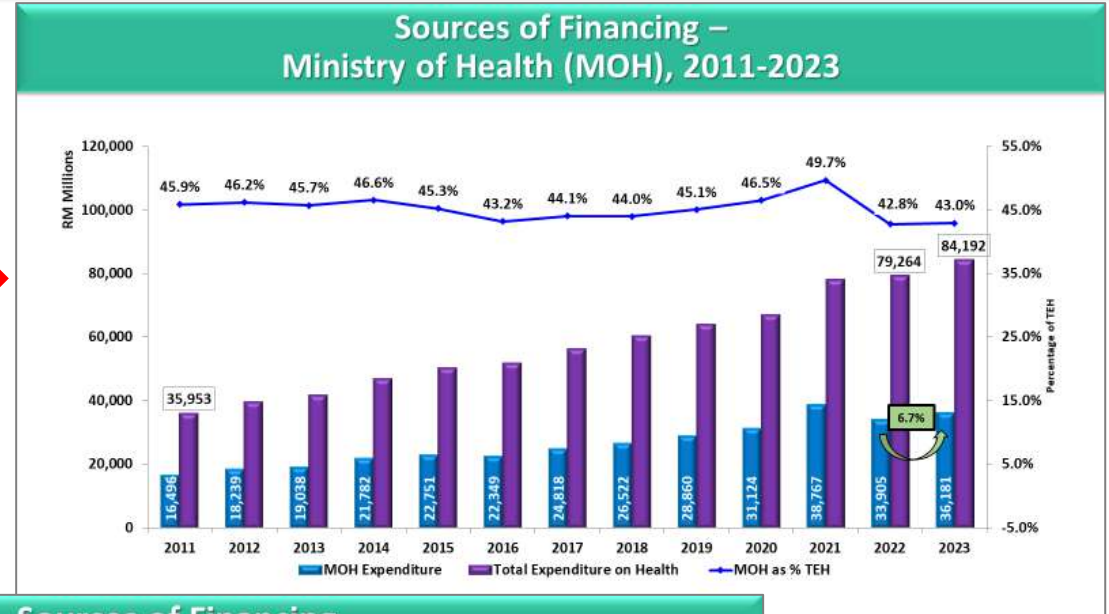
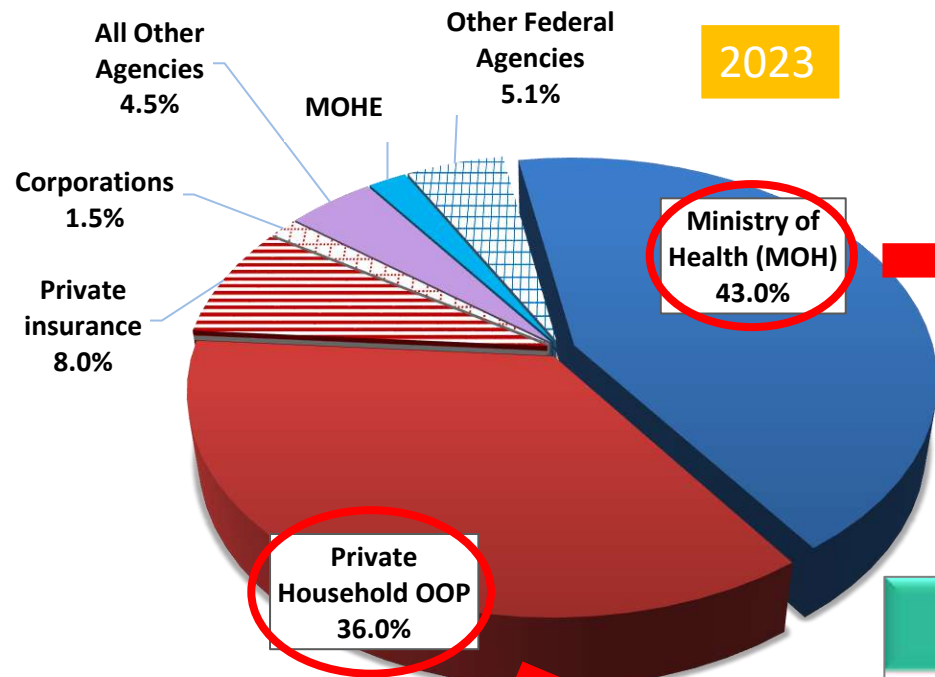
Public Sector Health Expenditure (PSHE) as % of Public Sector Expenditure (PSE), 2011-2023



	2019	2020	2021	2022	2023
Public Sector Health Expenditure (PSHE), (RM Million)	34,217	36,632	45,160	41,352	44,367
Public Sector Expenditure (PSE), (RM Million)	432,697	418,949	435,877	514,915	543,607

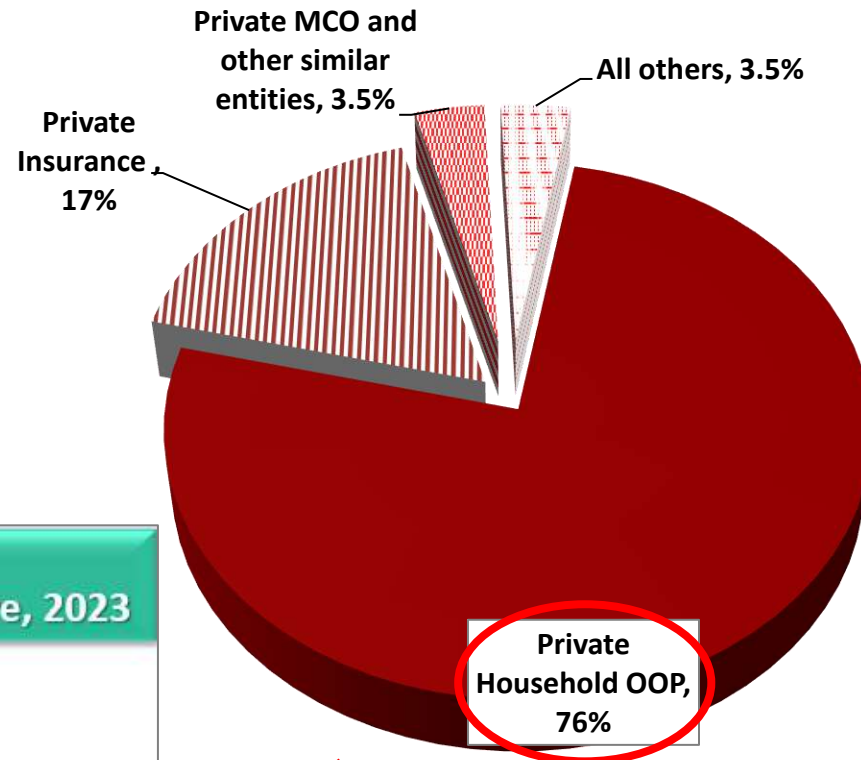
<https://belanjawan.mof.gov.my/ms/tiskal>

TEH by Sources of Financing, Public & Private Sources, 2011-2023

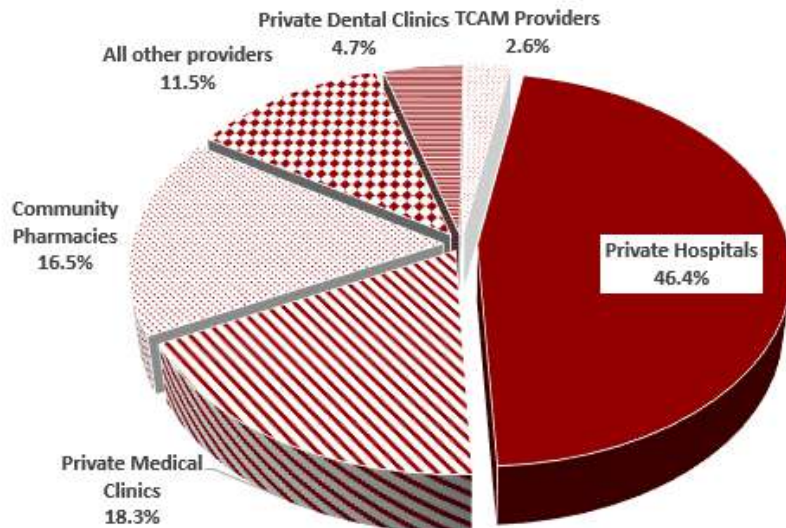


Sources of Financing – Private Source, 2023

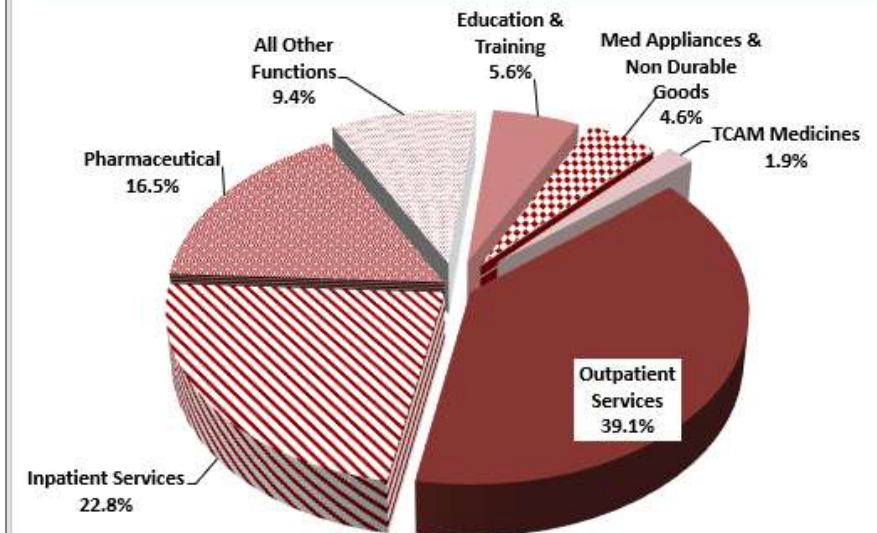
2023



Sources of Financing – Private – OOP – Providers of Healthcare, 2023

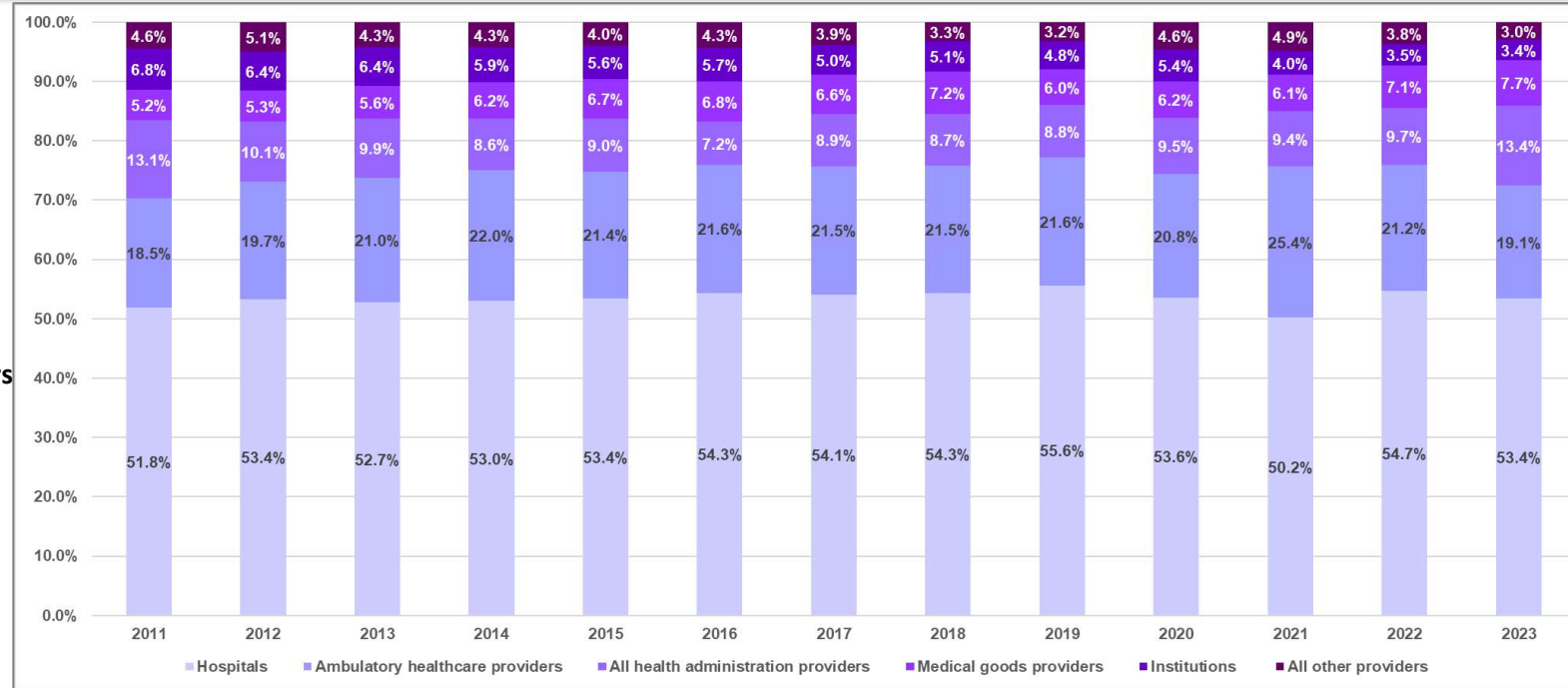
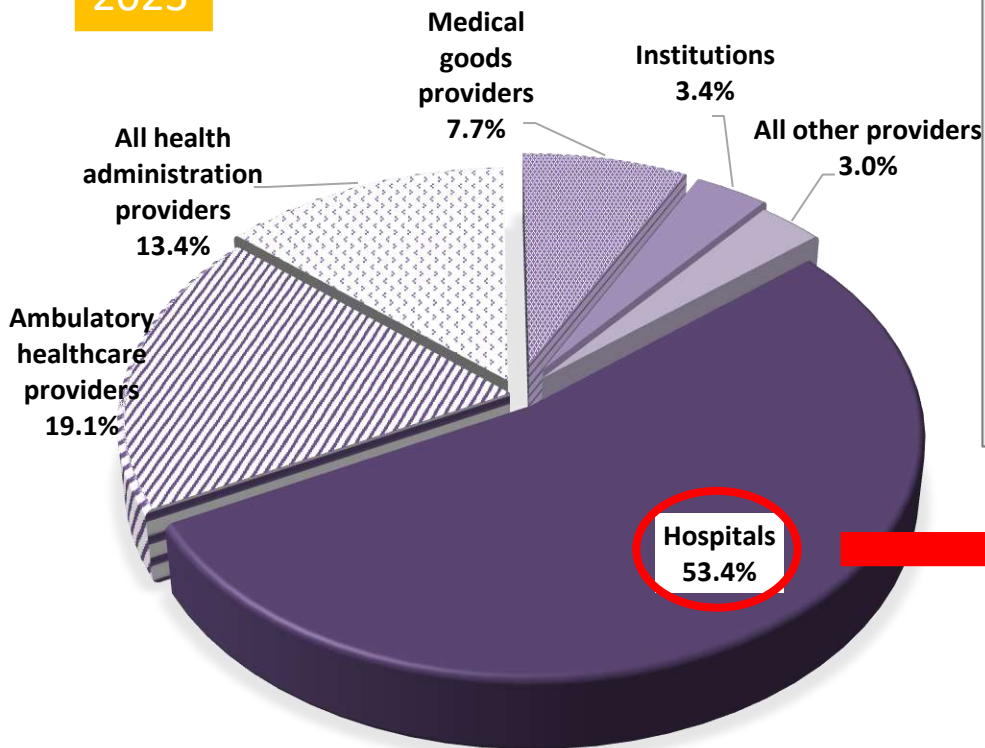


Sources of Financing – Private – OOP – Functions of Healthcare, 2023

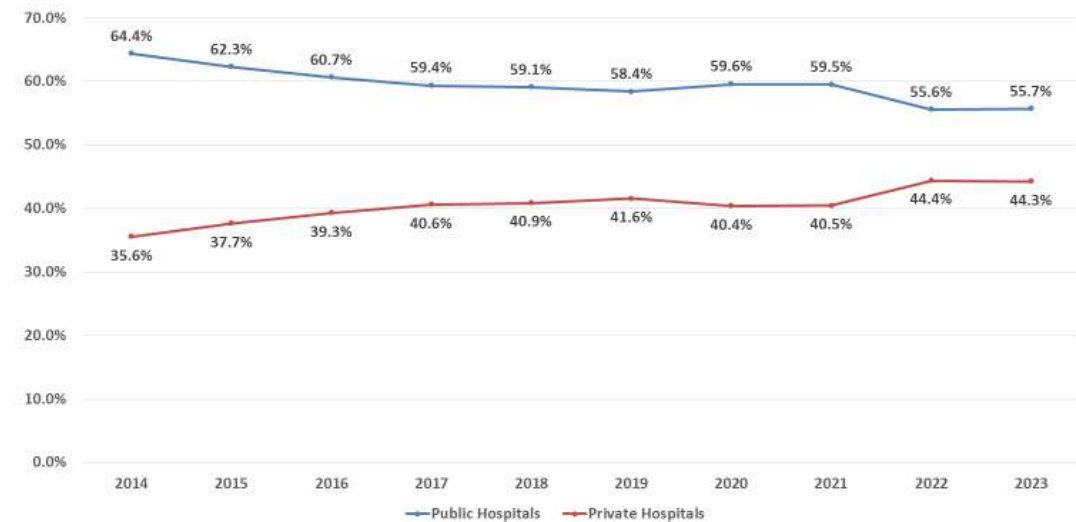


TEH by Providers of Healthcare, 2011-2023

2023

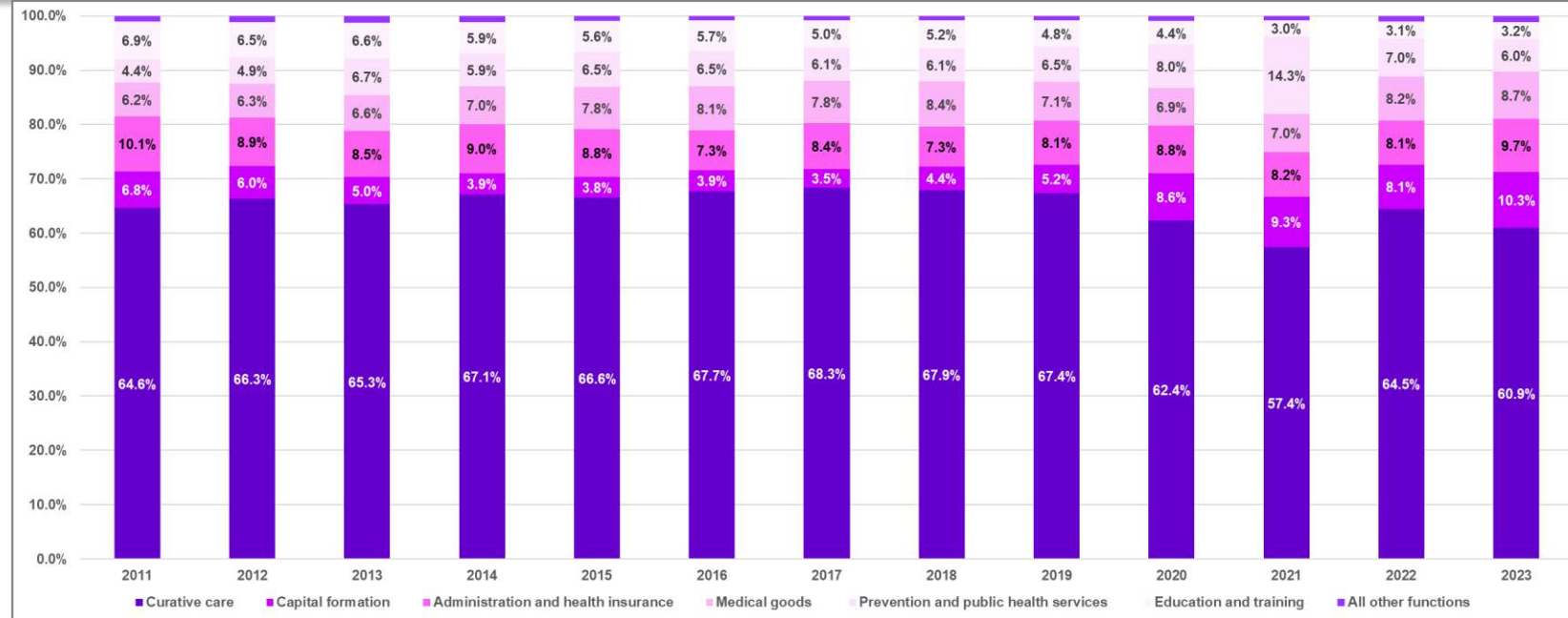
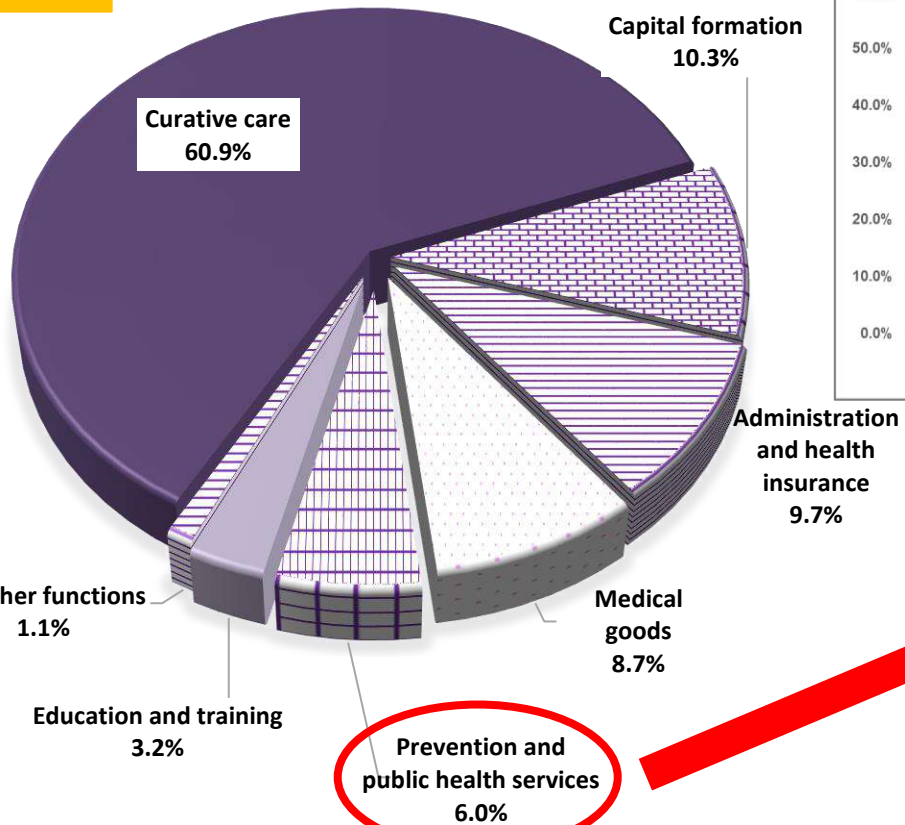


Providers of Healthcare – Hospitals over 10 years, 2014-2023



TEH by Functions of Healthcare, 2011-2023

2023

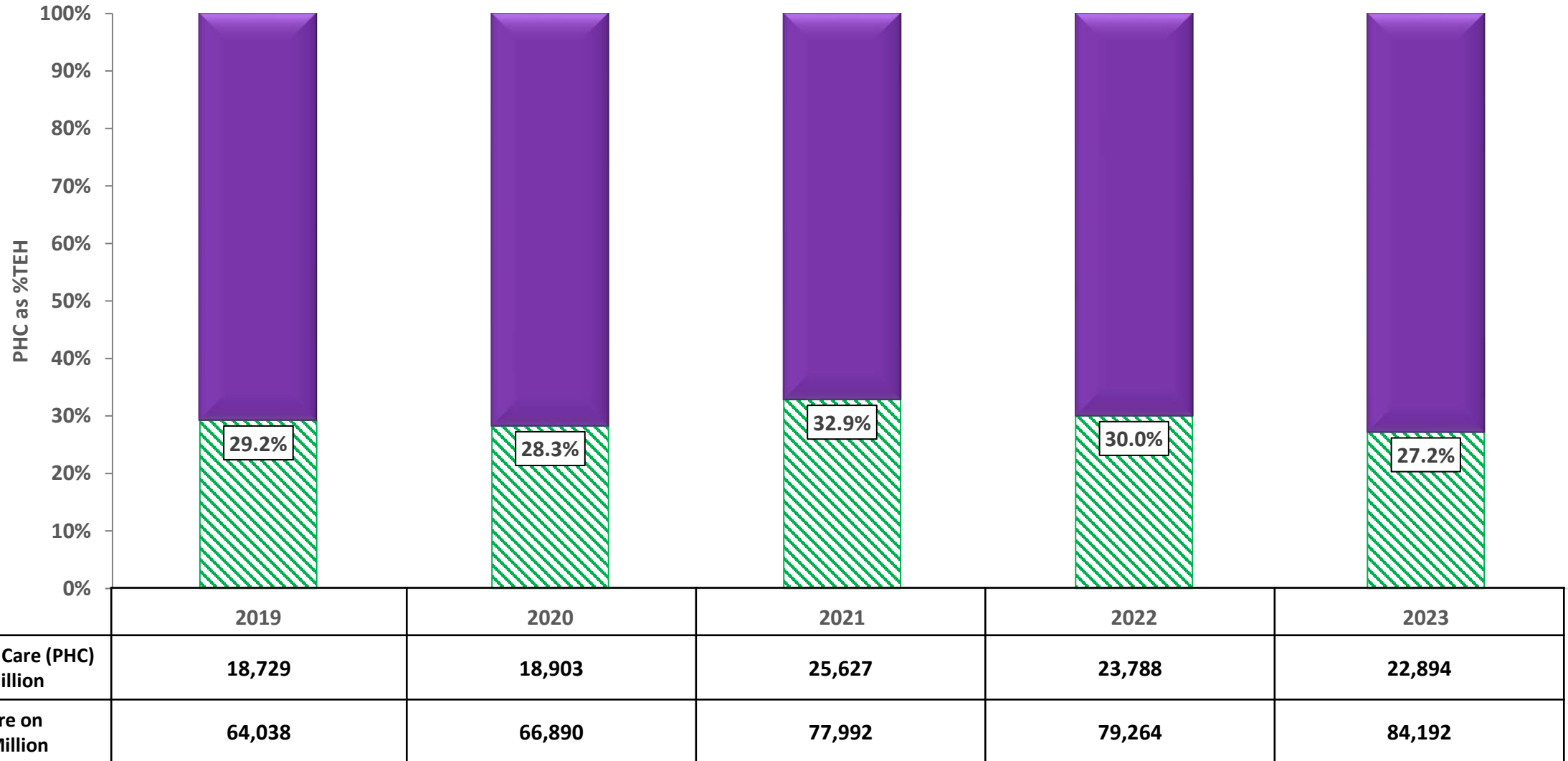


Prevention and Public Health, 2011-2023



Primary Healthcare (PHC) Expenditure, 2019-2023

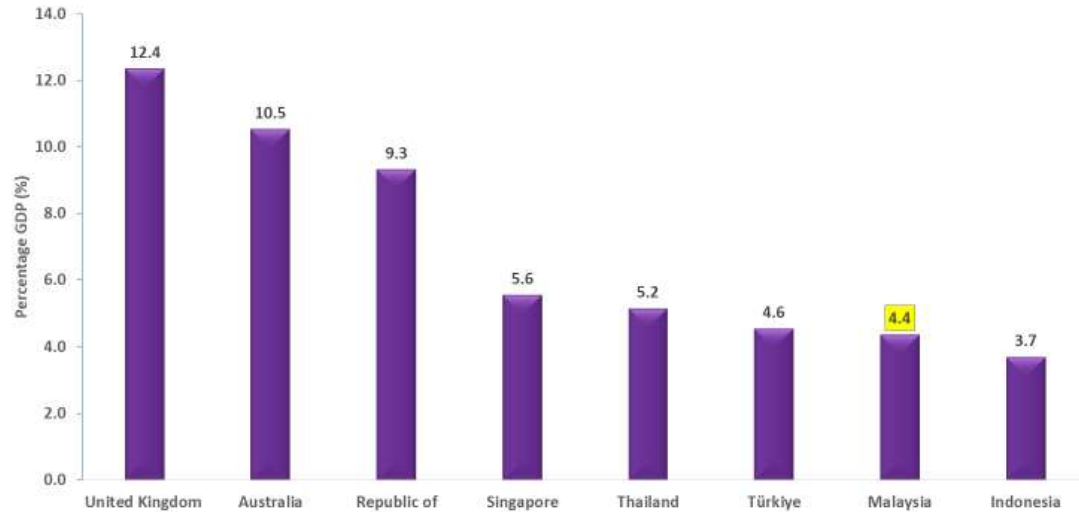
**NEW
2022**



International Comparison 2021

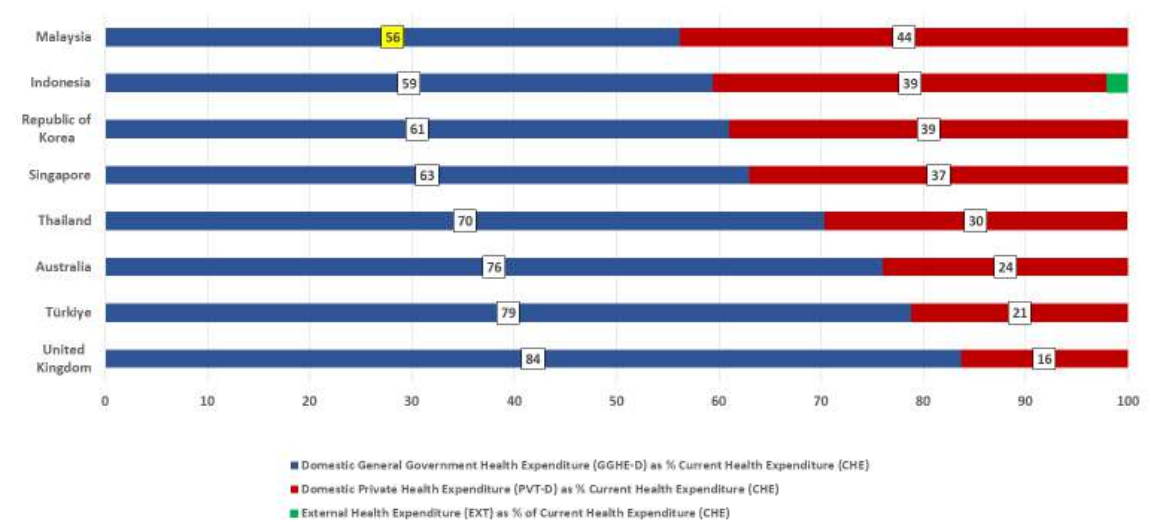
Current Health Expenditure (CHE) as % of GDP, 2021

Selected Country Comparison*



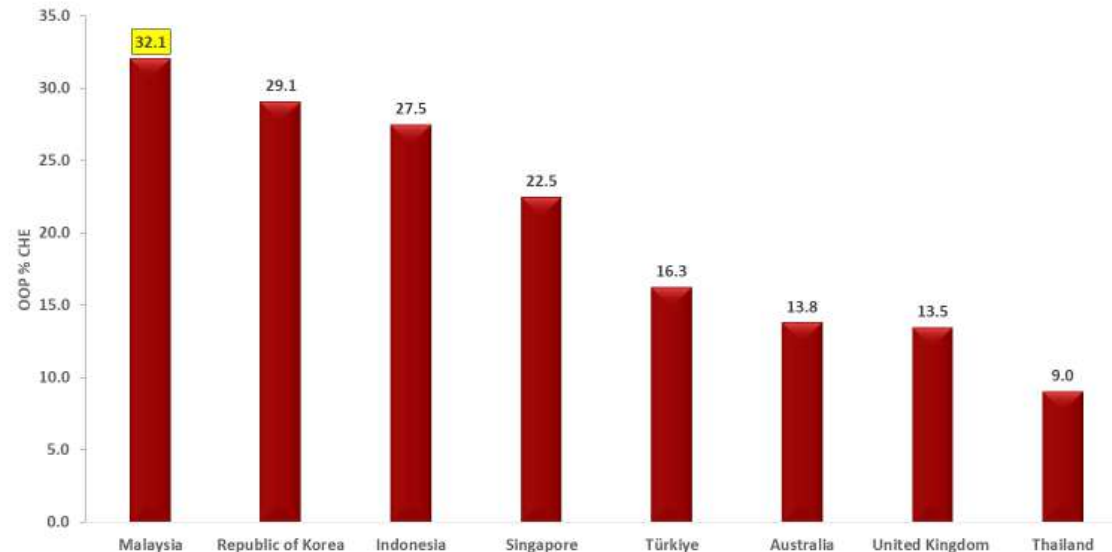
Public-Private Share in Health Expenditure, 2021 (%)

Selected Country Comparison*



Out-of-Pocket (OOP) as % of CHE, 2021

Selected Country Comparison*



Source: International data from Global Health Expenditure Database, WHO NHA Oct 2024

Discussions

MNHA as **data producer**

To effectively sharing and communicating **health expenditure data** to relevant stakeholders to ensure it is widely known and utilized

To spend **more** & to spend **better** for health

Malaysia needs to align with HIC healthcare spending trends¹

Health system that is resilient to future changes²

Social protection from catastrophic health expenditure

MOH recommendations for **gradual increase** of public spending of 5% of GDP³

<20% Out-of-Pocket (OOP) from Total Expenditure Health⁴

1. The Lancet Global Health Commission on financing primary health care: putting people at the centre (2022). *The Lancet Global Health*, 10(1), e715-72.

2. Debie, A., Nigusie, A., Gedle, D. et al. (2024). Building a resilient health system for universal health coverage and health security: a systematic review. *Global Health Research Policy* 9(2).

3. Health White Paper for Malaysia, Ministry of Health (2023)

4. World Health Organization. The World Health Report. Health Systems Financing: The Path to Universal Coverage. Geneva: WHO; 2010.

5. Fleron, Addie, et al. The gathering storm: The transformative impact of inflation on the healthcare sector. McKinsey, 19 September 2022.

Recommendations Based On International Best Practices

To reduce out-of-pocket (OOP) health expenditure¹

- Pooling mechanism

To reduce healthcare inflation²

- Strengthen strategic purchasing
- Improve provider payment mechanism - outcome-based payment
- Increase bargaining power

To increase public financing³

- Increase public investment into healthcare
- Earmarked tax for healthcare e.g. sin taxes

To increase investment on Primary Health Care (PHC) by public financing⁴

- Enhance and strengthen PHC services - to improve population health and better control of NCDs

Note: These recommendations are in line with the MOH's Health White Paper

1. Jalali, F. S., Bikineh, P., & Delavari, S. (2021). Strategies for reducing out-of-pocket payments in the health system: A scoping review. *Cost Effectiveness and Resource Allocation*, 19(47).

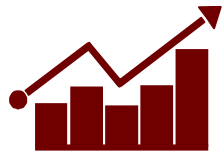
2. OECD. (2016). *Better ways to pay for health care*. OECD Health Policy Studies. OECD Publishing, Paris.

3. World Health Organization. The World Health Report. Health Systems Financing: The Path to Universal Coverage. Geneva: WHO; 2010.

4. The Lancet Global Health Commission on financing primary health care: putting people at the centre (2022). *The Lancet Global Health*, 10(1), e715-72.

✓ SUMMARY OF 2023

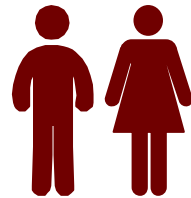
TEH
Total Expenditure on Health
RM 84,192 m



TEH as % of GDP

Total Expenditure on Health as percentage
of Gross Domestic Product

4.6 %



TEH Per-Capita

Total Expenditure on Health per capita

RM2,521



OOP % of TEH

Out of pocket percentage
per Total Expenditure on Health

36.0%

Who paid for it?

SOURCE

Public
52.7%
RM44,367million

MOH 43.0%

Other Government
Agencies

Private
47.3%
RM39,825million

OOP 36.0%

Other Private Agencies

Where was it spent?

PROVIDER

Hospital
53.4%
RM44,970million

MOH+ Non-MOH 55.7%

Private 44.3%

Ambulatory Provider

Other Providers

What was it spent on?

FUNCTION

Curative
Care
60.9%
RM51,315million

Inpatient 50.3%

Outpatient 42.1%

Day care 7.6%

Other Functions

Thank you

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