PAKISTAN BUREAU OF STATISTICS
Government of Pakistan

2017-18

NATIONAL HEALTH ACCOUNTS
2017-18

GOVERNMENT OF PAKISTAN
PAKISTAN BUREAU OF STATISTICS
ISLAMABAD

www.pbs.gov.pk

National Health Accounts-Pakistan

2017-18

Pakistan Bureau of Statistics
Ministry of Planning, Development & Special Initiatives, Islamabad
www.pbs.gov.pk

Chief Statistician

Pakistan Bureau of Statistics
Planning, Development
& Special Initiatives Division, Islamabad
Government of Pakistan

21-Statistics House,
Mauve Area, G-9/1, Islamabad,
Pakistan.

Tel: +9251 9206444
E-mail: chiefstat@pbs.gov.pk,
Website: www.pbs.gov.pk

Member, National Accounts

Pakistan Bureau of Statistics
Planning, Development
& Special Initiatives Division, Islamabad
Government of Pakistan

21-Statistics House,
Mauve Area, G-9/1, Islamabad,
Pakistan.

Tel: +9251 9106516
Website: www.pbs.gov.pk

Foreword

This report provides the seventh round of National Health Accounts (NHA) for Pakistan, compiled by the Pakistan Bureau of Statistics (PBS). Its reference year is 2017-18. The sixth round was released in June, 2018 for 2015-16.

The PBS is responsible for the collection, compilation, descriptive analysis, publication and dissemination of national statistics through its regular surveys / censuses and secondary data collected from various sources. For this report, PBS has taken initiative to collect health expenditures data from all sources available in the country including Accountant General Pakistan Revenues (AGPR), its regional sub-offices, and Provincial Accountant Generals (AGs). Also Securities & Exchange Commission of Pakistan (SECP), Economic Affairs Division, Provincial Employees Social Security Institutions, Military Accountant General, Military Lands & Cantonments Department, Ministry of Religious Affairs, Zakat and Usher, Pakistan Bait-ul-Mal and Provincial Finance Departments have provided the requisite data for this report

NHA is a standard set of matrices, or tables, that presents various aspects of a nation's health expenditures and deals with the questions like, (i) who is financing health care in Pakistan?; (ii) how much do various financing agents spend? and (iii) on what type of services? This globally accepted tool based upon the expenditure review approach, highlights the "financial and fiscal health" of national health systems in Pakistan.

For the seventh round of NHA, Out of Pocket (OOP) health expenditure 2018-19 has been obtained by including its one page questionnaire (as one of the modules) in Household Income & Expenditures Survey (HIES) 2018-19. In order to arrive at the estimated total OOP health expenditures for the year 2017-18, the OOP health expenditures figures for the year 2018-19 have been deflated to the year 2017-18.

In the seventh round of NHA 2017-18, health expenditures of autonomous bodies and corporations working under administrative control of federal & provincial governments have been projected on the data obtained from the census of autonomous bodies and corporations conducted in 2011-12. The health expenditure of private health care providers has also been estimated by extrapolating forward (2017-18) the actual results of the census of big hospitals and survey of the rest of providers conducted for fiscal year 2009-10.

It is hoped that this report will be useful for researchers, policymakers and other users of data on financing health services and act as springboard for evidence based planning and policies in the health sector of Pakistan.

Suggestions for improvement of the report will be appreciated.

Chief Statistician
Pakistan Bureau of Statistics
Islamabad June, 2021

Genesis of the Report

The compilation of the National Health Accounts-Pakistan report for 2017-18 owes to the persistent and immeasurable efforts of the following staff of the Pakistan Bureau of Statistics.

Dr. Bahrawar Jan, Deputy Director General, National Health Accounts
Mr. Attiq-ur-Rehman, Director, National Health Accounts
Mr. Ihsan-ul-Haq, Chief Statistical Officer, National Health Accounts
Mr. Muhammad Rafique, Statistical Assistant, National Health Accounts
Mr. Irfan Ali Soomro, Statistical Assistant, National Health Accounts
Mr. Muhammad Ilyas, LDC, National Health Accounts

Preface

National Health Accounts (NHA) is a framework for estimating the total healthcare expenditures (both public and private) at national level. NHA methodology actually tracks the flow of funds through the healthcare sector by compiling the four selected dimensions, i-e
(i) Financing sources (ii) Financing agents (iii) Health care providers & (iv) Health care functions.

In the first round of NHA for the reference period 2005-06, two of the classifications namely financing sources & financing agents were covered on the basis of available data. In the second and onwards rounds of NHA, the third classifications namely- health care providers had also been developed by including the retropolated (from 2009-10 to 2007-08), results of the census/survey of private health care providers. In its seventh round, NHA has developed the aforesaid three classifications by incorporating the actual results of Out of Pocket Health Expenditures Survey and Census/Survey of private health care providers for FY 2009-10. Secondary data collected from various sources like AGPR, provincial AGs, MAG, ML&C, ESSIs, Provincial Zakat & Usher Departments, Pakistan Bait ul Mal and SECP etc. have also been incorporated in this report.

NHA is an important tool designed to assist policy-makers in understanding their health systems and improving health system performance. NHA mainly deals with the estimation of expenditures on health (both in Public & Private sector). NHA methodology organizes and presents health spending information in such explorative way that a layman can easily understand and interpret the results. It allows policy makers to understand the use of resources in a health system to evaluate impact of health reforms on different segments of the society.

I am thankful to all respondents who have shared their data with PBS for this important endeavour. NHA section is indeed grateful to Ms. Rabia Awan, Director, PSLM section for her support to insert the OOP health expenditure questionnaire in the HIES as a permanent section.

Furthermore, I appreciate the diligent efforts of the NHA- team namely- Dr. Bahrawar Jan, Deputy Director General Mr. Attiq-ur-Rehman, Director, Mr. Ihsan-ul-Haq, Chief Statistical Officer, Mr. Muhammad Rafique, Mr. Irfan Ali Soomro & Mr. Muhammad Ilyas for the timely compilation of NHA report 2017-18.

I hope that this report will provide basis for evidence based policy making and innovative research in the field of health financing services.

Syed Ejaz Ali Shah Wasti
Member, National Accounts
Pakistan Bureau of Statistics
Islamabad, June, 2021

Contents

Executive Summary ..... **xiii**
1. Introduction **1**
1.1 Scope, purpose and limits of health accounts 3
1.2 Steps taken to develop NHA in Pakistan 7
2. Results of NHA at National Level **9**
2.1 Total health expenditure 11
2.2 Financing sources 11
2.3 Financing agents 14
2.3.1 Overview 14
2.3.2 Civilian (territorial) government 18
2.3.3 Military health expenditures 19
2.3.4 Cantonment Boards 19
2.3.5 Social Security 20
2.3.6 Zakat and Bait-ul- Mal 20
2.3.7 Private Health Insurance 21
2.3.8 Households OOP health expenditure 21
2.3.9 Development Partners/Donors 22
2.3.10 Local Non-Government Organizations 23
2.4 Financing sources by financing agents 24
2.5 Health Care Providers 26
2.5.1 Definition and classification 26
2.5.2 Private health care providers expenditures: Extrapolation from 2009-10 to 2017-18. 27
2.5.3 Health care providers: overview of results 27
2.5.4 Retailers of pharmaceuticals 29
2.6 Health care providers by financing agents 30
2.7 NHA Indicators with regard to National Accounts 2017-18 32
3. Provincial Health Accounts **33**
3.1 Health expenditure at provincial level 35
4. Out-of-Pocket Health Expenditure Survey **41**
4.1 Introduction 43
4.2 Questionnaire and method: 44
4.3 Main findings of the survey for 2015-16 44
5. Census of Autonomous Bodies/Corporations **51**
5.1 Why this census? 53
5.2 Autonomous bodies/ corporations and their kinds of expenditures 53
5.3 Autonomous bodies/corporations and their type of health services 54
5.4 Data sources 55
5.5 Main findings for federal autonomous bodies / corporations 57
5.6 Provincial autonomous bodies/corporations 59
5.7 Federal & provincial autonomous bodies/corporations expenditure: Extrapolation from 2011-12 to 2015-16. 61

6.Classifications and International Guidelines.....63
6.1 Definitions and boundaries.....63
6.2 ICHA-Classification adapted for Pakistan.....64
6.3 Revision of the System of Health Accounts.....66
6.4 Charts of Accounts Classification for government finance.....67
7.Health Care System in Pakistan.....69
7.1 Public sector, territorial government, civilian part.....71
7.2 Military health care system, cantonment boards, autonomous bodies.....72
7.3 Social protection in Pakistan.....73
7.3.1 Employees social security institutions.....74
7.3.2 Zakat managed by government.....75
7.3.3 Pakistan Bait-ul-Mal.....76
7.4 Private healthcare facilities.....77
7.5 Private health insurance.....77
7.6 Philanthropic / Non-Government Organizations.....77

List of Tables

Table 1: Key health expenditure indicators by SAARC countries along-with China & Iran for 2017-18 xiv
Table 2: Limitations of NHA 6
Table 3: Total health expenditures 2015-16 and 2017-18 by financing agents (million Rs.) 11
Table 4: Current and development health expenditure by financing sources for 2015-16 and 2017-18 (million Rs.) 12
Table 5: Total health expenditure with % shares by financing sources for 2015-16 and 2017-1813
Table 6: Current and development health expenditure by financing agents for 2015-14 and 2017-18 (million Rs.) 14
Table 7: Total health expenditure with % shares by financing agents for 2015-16 and 2017-18 . 17
Table 8: Civilian territorial government current health expenditures 2017-18 by function 18
Table 9: Military health expenditures by organization 2017-18 (million Rs.) 19
Table 10: Health expenditures of cantonment boards 2017-18 (million Rs.) 19
Table 11: Employees social security institutions health expenditures 2017-18 20
Table 12: Zakat for health care by program, 2017-18 20
Table 13: Pakistan Bait-ul-Mal individual financial assistance for health 2017-18 21
Table 14:Private health insurance 2005-06 to 2017-18 21
Table 15: OOP health expenditures 2017-18 by province and component (million Rs.) 22
Table 16: Donors health expenditures 2017-18 (million Rs.) 23
Table 17: Local Non-Government Organizations 2015-16 23
Table 18: Health expenditures of health related NGOs 2011-12 to 2017-18 (million Rs.) 24
Table 19: Expenditures of private health care providers 2017-18. 27
Table 20: Expenditures of private hospitals by kind of ownership 2017-18 28
Table 21: Current health expenditures by healthcare providers 2017-18 29
Table 22: Purchases of pharmaceuticals in Pakistan 2017-18 (million Rs.) 30
Table 23: Total health expenditures 2017-18 by provinces and type of expenditure 40
Table 24: Out of pocket health expenditures in 2015-16 and 2017-18 by region 44
Table 25: Out of Pocket health expenditure by type of health care 2017-18 in % 45
Table 26: Out of Pocket health expenditure by urban & rural 2017-18 in % 45
Table 27 Out of Pocket health expenditure by sex 2017-18 in % 45
Table 28: OOP expenditures of private households 2017-18 by category and provinces in % 46
Table 29: OOP expenditures in Health Care Providers by categories 2017-18 in % 47
Table 30: OOP expenditures on the Type of health care provider accessed by the households 2017-18 47
Table 31: OOP health expenditures 2017-18 by kind of accessed sector (private and public) and by province in % 48
Table 32: Health expenditures by kind of illnesses/ incident and by province 2017-18 in % 48
Table 33: Federal autonomous bodies/ corporations and their employees 2011-12 by Division . 56
Table 34: Provincial autonomous bodies/ corporations and their employees 2011-12 by province 57
Table 35: Federal autonomous bodies/ corporations 2011-12 by mechanism of health care provision 57

Table 36: Expenditures of federal autonomous bodies/corporations on health via combination of reimbursement & health insurance 2011-12 (million Rs.) 58
Table 37: Expenditures of federal autonomous bodies/ corporations on health 2011-12 by mechanism 59
Table 38: Expenditures of provincial autonomous bodies / corporations on health via reimbursement of medical charges 2009-10 until 2011-12 (million Rs.) 59
Table 39: Estimation of health expenditures of the non-responding autonomous bodies / corporations via reimbursement method 2011-12 60
Table 40: Expenditures of provincial autonomous bodies / corporations on health by mechanism 2011-12 (million Rs.) 61
Table 41: Federal & provincial ABs/Cs health expenditures for the period 2009-10 to 2015-16 (million Rs.) 62
Table 42: Public health facilities in Pakistan 2017 71

List of Figures

Figure 1: Total Health Expenditure by main financing agents 2017-18 in % xiii
Figure 2: Flow of funds 4
Figure 3: NHA links to health policy 5
Figure 4: General Government Health Expenditure by its financing agents 2017-18 in % 16
Figure 5: Private Health Expenditure breakup by its main financing agents 2017-18 in % 18
Figure 6: Three axes of health accounts 67
Figure 7: Overview of social protection in Pakistan 73
Figure 8 :Social security system in Pakistan 75

List of Matrices

Matrix 1: Current health expenditures by financing sources and financing agents in Pakistan 2015-16 (million Rs.) 25
Matrix 2: Current health expenditures by health care providers and financing agents 2015-16 (million Rs.) 31
Matrix 3: Financing sources by financing agents - Punjab Current Health Expenditures 2015-16 (million Rs.) 36
Matrix 4: Financing sources by financing agents – Sindh Current Health Expenditures 2015-16 (million Rs.) 37
Matrix 5: Financing sources by financing agents –Khyber Pakhtunkhwa Current Health Expenditures 2015-16 (million Rs.) 38
Matrix 6: Financing sources by financing agents –Baluchistan Current Health Expenditures 2015-16 (million Rs.) 39

List of Annexure

Annexure 1: Data sources 81
Annexure 2: Literature 82
Annexure 3: Structure of Provincial Health Care 83
Annexure 4: Schematic overview of Health Care System 86
Annexure 5: Military Health Care System 87
Annexure 6: ICHA classification financing sources (FS) 89
Annexure 7: ICHA classification financing agents (HF) 89
Annexure 8: ICHA classification for health care providers (HP) 90
Annexure 9: ICHA classification for health care functions (HC) 91
Annexure 10: Functional Classification (by PIFRA) 94
Annexure 11: Purchases of pharmaceuticals (million Rs.) 96
Annexure 12: Questionnaires of Census of Autonomous Bodies / Corporations & Out of Pocket Health Expenditures 2017-18 98-99

List of abbreviations

AGPR	Accountant General Pakistan Revenues
BHUs	Basic Health Units
CoA	Chart of Accounts
CMHs	Combined Military Hospitals
DAOs	District Account Offices
DHQ	District Headquarter Hospital
EAD	Economic Affairs Division
ESSI	Employment Social Security Institution
FBR	Federal Board of Revenue
FY	Financial Year
GDP	Gross Domestic Product
GIZ	Deutsche Gesellschaft für Internationale Zusammenarbeit, German Intern.Cooperation
HIES	Household Integrated Economic Survey
ICHA	International Classification of Health Accounts
ILO	International Labour Organization
ICT	Islamabad Capital Territory
IPC	Inter-Provincial Coordination
IMF	International Monetary Fund
MCHC	Maternal and Child Health Centre
MoF	Ministry of Finance
CGA	Controller General of Accounts
MoNHS	Ministry of National Health Services, Regulations & Coordination
NGOs	Non-Government Organizations
NHA	National Health Accounts
NLHI	National Level Health Institutions
NPOs	Non-profit Organizations (synonymous with non-profit institutions)
NSK	Not Specified by Kind
OECD	Organization for Economic Co-operation and Development
OOP	Out Of Pocket
PAOs	Provincial Accounts Offices
PBS	Pakistan Bureau of Statistics
PIFRA	Project for Improvement in Financial Reporting and Auditing
PSLM	Pakistan Social and Living Standards Measurement Survey
RoW	Rest of the World
SECP	Securities & Exchange Commission of Pakistan
SHA	System of Health Accounts
TB	Tuberculosis
WHO	World Health Organisation

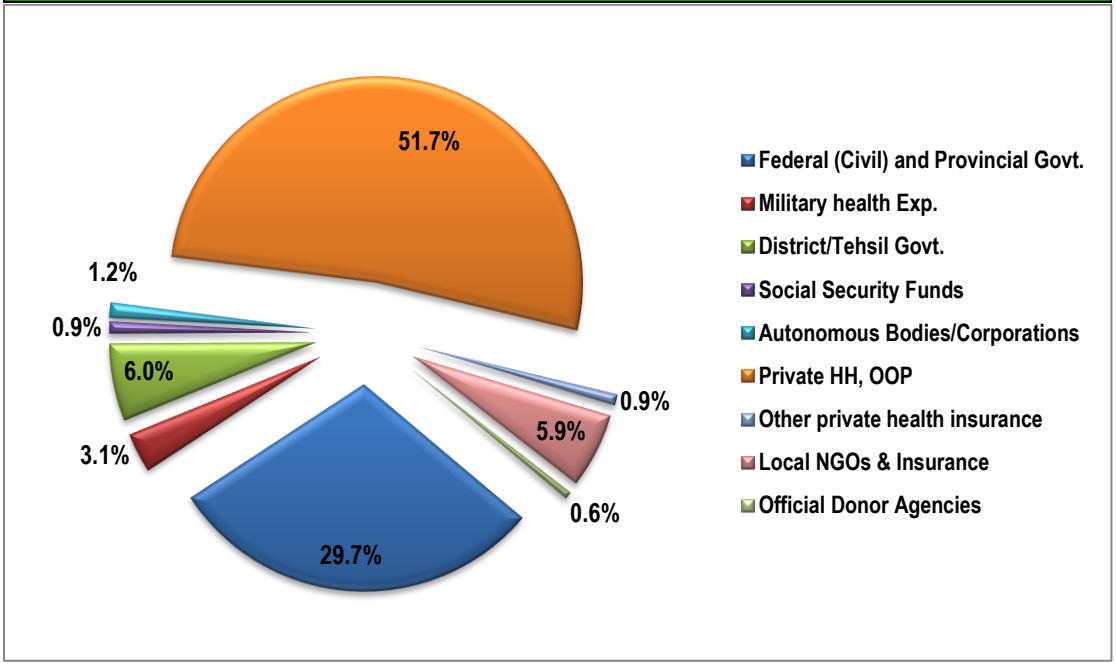
Executive Summary

National Health Accounts (NHA) is a macro-economic accounting framework for revealing a country's aggregated expenditures on health. The compilation of NHA-Pakistan report obeys international standards set by WHO and OECD. This report presents the results for fiscal year 2017-18 which is the seventh round of such a compilation. Earlier, first six rounds were published for fiscal years 2005-06, 2007-08, 2009-10, 2011-12, 2013-14 & 2015-16.

Total health expenditure in Pakistan in the fiscal year 2017-18 is estimated as Rs.1,206 billion. This shows an increase of Rs.288 billion over the fiscal year 2015-16, which is a 31.3% increase in nominal terms as it includes inflation of health care goods and services.

As per the results of 'financing agents' for fiscal year 2017-18, it has been observed that out of total health expenditure in Pakistan, 40.9% are made by general government. Out of total general government health expenditures, 16.3% are incurred by the federal government whereas 54% accrue from its civilian part and 46% from its military setup. Around 58.5% of the health expenditures are made through private sector out of which 88% is out of pocket (OOP) health expenditures by private households. Development partners/donors organizations have 0.6% share in total health expenditures of Pakistan for the FY 2017-18.

Figure 1: Total Health Expenditure by main financing agents 2017-18 in %



The annual per capita Current Health Expenditures (CHE) for Pakistan as per NHA 2017-18 are (48.1US$) Rs. 5,283 while in NHA 2015-16 it was (45.0 US$) Rs. 4,688. The ratio of CHE to Gross Domestic Product (GDP) according to NHA 2017-18 is 3.2% while the ratio of general government health expenditures to total general government final consumption expenditure is 12.2%. The ratio of private sector health expenditures according to NHA over total household final consumption expenditure are 2.5%. For comparison, the following table gives an overview of some Key health expenditure indicators in respect of SAARC countries along-with China & Iran (neighbor countries of Pakistan) for 2017-18.

Table 1: Key health expenditure indicators, by SAARC countries along-with China & Iran for 2017-18			
Main indicators	**CHE as % GDP**	**CHE Per Capita in US$**	**OOP Health Expenditure as % of CHE**
Pakistan	**3.2**	**48**	**56**
India	3.5	73	63
Bangladesh	2.3	42	74
Sri Lanka	3.8	157	51
Nepal	5.8	58	51
Bhutan	3.1	103	**13**
Maldives	9.4	**974**	**21**
Afghanistan	9.4	50	78
Iran	**8.7**	**484**	**36**
China	**5.4**	**501**	**36**

Sources: NHA-Pakistan 2017-18 report & Global Health Expenditure Database, WHO, https://apps.who.int/nha/database/Select/Indicators/en

OOP spending is a payment by households directly to providers to obtain services and health products. It includes purely private transactions (individual payments to private doctors and pharmacies), official patient cost-sharing within defined public or private benefit packages, and informal payments.

OOP spending as a share of total current health expenditure measures the size of OOP in the total national current health spending. It shows how much the health system relies on households OOP spending to finance it. The above table shows that OOP spending is still the largest source of health care financing in six out of eight SAARC countries as OOP spending is more than 50% of CHE.

For the seventh round of NHA 2017-18, the results of the census of big hospitals and survey of the rest of health care providers for FY 2009-10 have been extrapolated forward in order to arrive at the respective estimates for the year 2017-18. In its seventh round, the big advantage of including data of the private health care providers is to authenticate or reconcile information based on demand-side data with that derived from supply-side data (private providers).

Despite of its name “National” Health Accounts, NHA also provides figures for the four provinces Punjab, Sindh, Khyber-Pakhtunkhwa and Baluchistan. It is not fully comprehensive as the total health expenditures for the provinces do not sum up to the national total. For empirical reasons only Rs.1,059 billion of Pakistan’s total current health expenditures could be allocated to the provinces (“regionalized”).Overall, the results of the respective provinces in Chapter 3 of this report show that the shares of financing agents of the health expenditures are relatively heterogeneous between different provinces.

NHA Pakistan estimates for the year 2017-18 are based on the concepts, accounting framework and guidelines of WHO. The compiled accounts are also internationally comparable, as NHA Pakistan has adopted the International Classification of Health Accounts (ICHA) of WHO. The annexure provide abbreviated versions.

1. Introduction

1.1 Scope, purpose and limits of health accounts

The definition recommended for developing countries by WHO for health expenditures is as follows:

"National health expenditure encompasses all expenditures for activities whose primary purpose is to restore, improve, and maintain health for the nation and for individuals during a defined period of time"[1]. Health expenditures in the context of NHA as well as in the context of this report stand for inclusion of the health care functions under classification codes HC.1 to HC.7 plus capital formation by health care providers (HC.R.1). For details see Annexure 9 of this report.

NHA Pakistan comprises of the health expenditures for the four provinces (Punjab, Sindh, Khyber-Pakhtunkhwa and Baluchistan) and federal health expenditures, which amounts to the national health expenditures. NHA Pakistan shows health expenditure for and of Pakistani citizens and residents as well as spending by external agencies, like bilateral donor agencies and UN offices, on inputs to health care in Pakistan. This means that NHA Pakistan:

Includes:

- Health expenditures by citizens and residents temporarily abroad
- Donor spending (both cash and in-kind) whose primary purpose is the production of health and health-related goods and services in Pakistan

Excludes:

- Health spending by foreign nationals on health care in Pakistan (as NHA treats this as export of health care services and does not include in NHA estimation)
- Donor spending on the planning and administration of such health care assistance

It is recommended that NHA may use the accrual method in accounting for expenditures, not the cash method. This would mean that expenditures are related to the time period during which the actual activity takes place. The accrual method uses the expenditures, which are attributed to the time period during which the economic value was created whereas the cash method refers to the expenditures, which are registered when the actual cash disbursements take place. However, the data situation in Pakistan does not yet allow for application of the accrual method. For the time being the figures presented for Pakistan's NHA are cash-based.

The earlier rounds of NHA-Pakistan were dedicated to FYs 2005-06, 2007-08, 2009-10, 2011-12, 2013-14 & 2015-16. According to advice from the WHO the scope of tables for the first round was limited. While in the second, third, fourth, fifth & sixth rounds of NHA, besides the updated information on previous tables, it contains information on the dimension of health care providers as well. More comprehensive NHA will be available in the upcoming rounds as it is a cumbersome task to collect data on all the required entities, though the preliminary and partial NHA reports would be published time to time as per availability of data. It is hoped that NHA in Pakistan would be a milestone towards the evidence based policy making in health sector.

The primary aim of developing NHA framework for Pakistan…

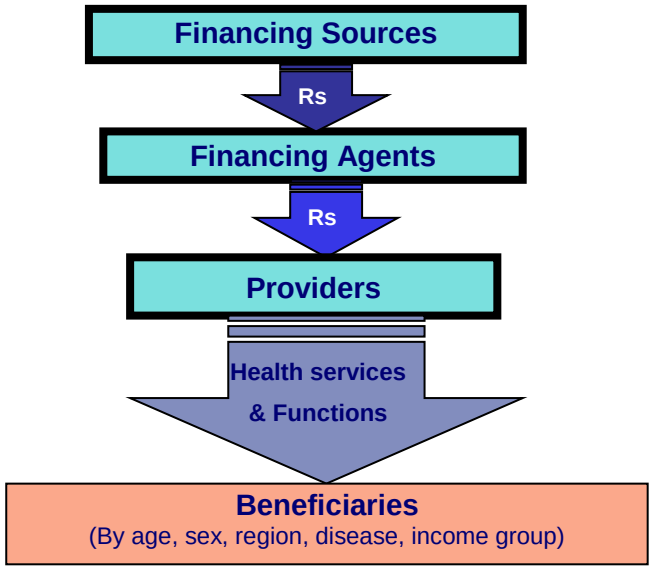
- To describe the flow of funds, sources and uses of funds in the health care system,
- To map out the profile of the health care system,
- To build and enhance sustainable capacity for NHA in PBS.

[1] World Health Organization, 2003, Guide to Producing National Health Accounts: with special applications for low-income and middle-income countries, pp. 20.

One of the objectives of NHA is to give the comprehensive picture of health care spending in the country and to show the flow of funds dedicated to health expenditure in an overall, comprehensive and self-checking accounting framework of internationally agreed standards (see Figure 2).

NHA is a standard set of matrices, or tables, which presents various aspects of a nation's health expenditures and deals with the questions like, (i) who is financing health care in a particular country? (ii) how much do they spend? and (iii) on what type of services? This globally accepted tool based upon the expenditure review approach, highlights the "financial health" of national health systems in respective country[2].

Figure 2: Flow of funds



Source: WHO, Guide to producing national health accounts

NHA is designed particularly as a tool for improving the capacity of health sector planners to manage their health systems. The NHA methodology organizes and presents health spending information in a manner that even those who do not have a background in economics or statistician easily understand and interpret the results. It allows policy makers to understand how resources are used in a health system and to assess the efficiency of resource used (if NHA is combined with other data sets) and to evaluate impact of health reforms on different stake holders i.e. who are the beneficiaries of health expenditures, poor or rich?

NHA have a vital role in devising a better informed and more participatory policy and health sector reforms and developing a more equitable and sustainable health financing system in the country. Figure 3 shows how NHA can be linked to the health policy questions. NHA also allows for comparisons of health expenditures at different points in time as well as the cross country comparisons where data is available.

[2]World Health Organization, 2003

Figure 3: NHA links to health policy

Health policy decision areas	Flow of resources in health financing	Some key policy questions
Resource mobilization / financing strategies	**Financing Sources** ▼	How are resources mobilized? Who pays? Who finances? Under what scheme?
Pooling arrangements Cost recovery regulation of payers	**Financing Agents** ▼	How are resources managed? What is the financing structure? What pooling arrangements? What payment / purchasing arrangements?
Financial incentives Subsidies Resource Allocation Provider regulation	**Inputs, Providers, Functions** ▼	Who provides what services? Under what financing arrange-ments? With what inputs?
Targeting redistributive pol-icies	**Important distributions** e.g. age, gender, location, social status	Who benefits? Who receives what? How are resources distributed?

Source: National Health Accounts Trainer Manual 2004

Financing Sources are institutions or entities that provide the funds used in the system by Financing Agents. In Pakistan, the Financing Sources would typically include the Federal Government, Provincial Governments, donors, NGOs, insurance companies, and households.

Financing Agents include institutions or entities that channel the funds provided by Financing Sources and use those funds to pay for, or purchase, the activities inside the health accounts boundary. In Pakistan, these include the Ministry of Health (It can be replaced with Ministry of Interprovincial Coordination), Ministry of Defense, autonomous bodies, NGOs, and households etc.

Providers include entities that receive money in exchange for or in anticipation of producing the activities inside the health accounts boundary. Examples of providers are hospitals, clinics, Community Health Centers in the public and private sectors, pharmacies, private practitioners, traditional health care providers etc.

Functions are the types of goods and services provided and activities performed within the health accounts boundary. It includes services of curative care (inpatient and outpatient), medical goods (e.g. pharmaceuticals, and appliances), prevention and public health services, health administration and health insurance, etc.

Presently there are different methodologies in practice around the world to estimate the health accounts, most common are (i) System of Health Accounts (SHA) developed and used by OECD and some other countries; (ii) National Health Accounts (NHA) which are based on SHA but with more flexibility regarding classifications and more appropriate for developing countries because it allows to add the traditional care providers in the system. In this regard, WHO has published “Guide to Producing National Health Accounts: with special application for low income

and middle income countries". More recently WHO, OECD and EUROSTAT, jointly worked on revision of SHA and came up with a single coherent document (SHA 2011) which is to be followed globally for conducting health accounts. SHA 2011 has now been released and available on the websites of WHO, OECD and EUROSTAT.

The main purposes of the System of Health Accounts are the provision of internationally comparable health accounts, the definition of internationally harmonized boundaries, the presentation of tables for the analysis of flows of financing and the monitoring of economic consequences of health care reform and health care policy.

As suggested, the NHA work in Pakistan has been done under the guidelines of WHO. Also, the International Classifications of Health Accounts (ICHA) has been used, tailor-made to include the categories relevant to Pakistan. These classifications assign a unique code to different actors in health sector and classify each of them in sub- classification codes, allowing for a systematic tracking of health expenditures in the economy. Once these classifications are available, one can have many possible combinations/ cross tables of these categories i.e. financing sources by financing agents, financing sources by providers, providers by functions. Each table would tell that (i) How much has been spent by each actor and (ii) Where exactly their funds have been transferred to.

In this report as well as in NHA-related literature the terms "health expenditures" and "health care expenditures" are used almost as synonyms. "Health expenditures" is the broader term covering administrative and other services while "health care expenditures" usually is used for the medical and curative part of these services in a narrower sense.

Despite of the fact that NHA gives very detailed and comprehensive information on health expenditures and provide a basis for evidence based health policy, there are some limitations of NHA as well. Mainly NHA cannot provide information on efficiency and cost effectiveness. The following table gives the insight to strengths and limitations of NHA.

Table 2: Limitations of NHA

Question	Does NHA address it?
What is total spending on health?	Yes
Who is spending it?	Yes
What is being spent on?	Yes
What are the sources of this expenditure?	Yes
How does this compare to other countries?	Yes, if other country has NHA
What are the main trends?	Yes, if there is time series
How efficiently are the funds being allocated and spent?	No
How to improve the financing of health services by:	
a) increasing the resources available?	No
b) using existing resources more efficiently?	No
Are subsidies or public transfers effectively targeted to poor and vulnerable groups?	Generally no

Source: Mark Pearson, National Health Accounts: What Are They and How Can We Use Them? Briefing Paper, A paper produced by the Department for International Development Resource Centre for Health Sector Reform, 2000.

To build and enhance capacity within PBS, NHA Section has conducted different trainings on NHA as well. The objective is to make PBS capable of conducting NHA studies at regular intervals (usually every two/three years) without external technical assistance. Institutionalization of NHA is facilitated by investment in the development of data tracking and reporting systems, accounting systems, and associated activities such as the various surveys required by the NHA

study. This investment not only produces required financial data but also improves country capacity in health sector analysis, evidence-based policymaking as well as skills in designing and conducting various types of surveys.

1.2 Steps taken to develop NHA in Pakistan

The health system in Pakistan is multifarious. To understand the places and roles of different actors, the health system has been reviewed and mapping has been done so that it can help in specifying classifications and data collection.

Relevant literature on NHA and studies done specially focusing on the South Asian experiences were reviewed because the health sector and data situation is very similar in those countries as in Pakistan.

National Health Accounts section of PBS assessed which data is available at federal and provincial level, i.e.

- Government entities including social insurance, military and cantonments etc.
- Private health insurance
- Autonomous bodies and firms and employers providing health care to their employees
- Households out of pocket expenditures
- Local and international non-governmental organizations
- Donors / development partners

The data has been collected from the following sources

- Federal government, provincial governments' and district governments' data from respective Accountant General Pakistan Revenues (AGPR) and Accountant General (AG) offices
- Military health expenditures data from Military Accountant General (MAG) office
- Cantonment boards health expenditures data from Military Lands and Cantonment Department
- Insurance companies (private health insurance) data from Securities and Exchange Commission of Pakistan (SECP)
- Donor's health expenditures data from Economic Affairs Division (EAD) of Ministry of Economic Affairs and Statistics
- Autonomous Bodies/Corporations(ABs/C)health expenditures data obtained from the Census of Autonomous bodies/Corporations
- Households' OOP health expenditure data obtained from a special survey
- Health expenditures by the private health care providers was estimated by a special Private Health Care provider survey
- Social security health expenditures data from Employees Social Security Institutions (ESSI) and Ministry of Labour
- Zakat and Bait-ul- Mal data from Ministry of Zakat & Ushr and Pakistan Bait-ul-Mal (PBM)

All data obtained and analyzed is classified according to financing sources, financing agents and health care providers. After that, the information was allocated to matrices to trace the original sources. Errors, conflicts and missing data were resolved and then graphs and tables were prepared. For the first round, only the matrix of financing sources by financing agents was developed. The second and subsequent rounds include the matrix of health care providers by financing agent as well.

Workshops/ conferences are part of the advocacy efforts needed to promote, communicate, build demand, and to sell the NHA activity to all major Pakistani stakeholders (government and private) and to the media. It is also meant to address health policy issues or questions that NHA can shed light on. In this regard, PBS has conducted training courses on NHA and invited participants from all over the Pakistan and different stakeholders.

2. Results of NHA at National Level

Total health expenditure

Total health expenditure is obtained by adding up the two aggregates of "current health expenditure and capital health expenditure[3] (often called development expenditure).While, current health expenditure includes only direct health expenditures, and excludes health related expenditures on training, research, environmental health etc. Therefore, expenditures on medical education, health-related professional training & research are not included in the Total health expenditure. This definitional framework is important, when it comes to cross country comparisons.

Total health expenditure in Pakistan in the FY 2017-18 is estimated as Rs. 1,206 billion. This shows an increase of Rs.288 billion over the FY 2015-16, which is 31.3% increase in nominal terms as it includes inflation of health care goods and services (see columns 2, 3 and 4 in Table 3). It is pertinent to mention here that 31.3% as shown at column 4 is the overall change for the time span of two years.

Table 3: Total health expenditures 2015-16 and 2017-18 by financing agents (million Rs.)

Financing agents	2015-16	2017-18	Change in %
1	2	3	4
Federal Government	67,062	80,578	20.15
Provincial Government	190,957	314,606	64.75
District/Tehsil Government	46,525	73,044	57.00
Social Security Funds	9,538	11,173	17.14
Autonomous Bodies/Corporation	14,287	14,476	1.32
Private health insurance	8,064	10,862	34.70
Private households' OOP payment	522,571	623,413	19.30
Local NGO's	44,271	71,537	61.59
Official donor agencies	15,210	6,643	(56.32)
Total health expenditure	**918,485**	**1,206,332**	**31.34**

2.1 Financing sources

The health expenditures shown by financing sources include some functions which for certain analysis are needed under a separate heading. One requirement may be to have current and capital health expenditures separately as the capital expenditures (often called "development expenditures") will have a positive impact on health of the country's population in subsequent years. The health expenditures represented by different financing sources in Table 4 have further disaggregated into current and development expenditures where empirically the break up was possible. This break up was not possible for the autonomous bodies/corporation and private sector financing sources. The total of depicted development expenditures is Rs. 97,868 million.

Table 4 shows the breakdown by financing sources up to the maximum level of disaggregation. Up-to the three digits the classification has been maintained according to the International Classification of Health Accounts, next levels of disaggregation are adopted according to the Pakistan specific situation and policy relevance.

[3] It refers to the demand for capital goods by health care providers. It is a physical asset with a useful life of more than one year.

Table 4: Current and development health expenditure by financing sources for 2015-16 and 2017-18 (million Rs.)

Sources by FS Classification		2015-16			2017-18			% Change
		Current Exp.	Development Exp.	Total	Current Exp.	Development Exp.	Total	
FS.1	Public Funds	**244,346**	**77,365**	**321,711**	**384,836**	**97,868**	**482,704**	**50.0**
FS.1.1	Government Funds	**230,059**	**77,365**	**307,424**	**370,360**	**97,868**	**468,228**	**52.3**
FS.1.1.1	Federal Government	**41,485**	**25,577**	**67,062**	**58,357**	**22,221**	**80,578**	**20.2**
FS.1.1.1.1	Ministry of Finance	41,485	25,577	67,062	58,357	22,221	80,578	20.2
FS.1.1.2	**Provincial Government**	**139,982**	**50,975**	**190,957**	**240,476**	**74,130**	**314,606**	**64.8**
FS.1.1.2.1	Punjab Finance Dept[@1].	66,669	27,019	87,688	107,193	44,607	151,800	73.1
FS.1.1.2.2	Sindh Finance Dept.	49,678	13,510	63,188	84,020	5,417	89,437	41.5
FS.1.1.2.3	KP Finance Dept.	15,645	7,620	23,265	31,736	10,356	42,092	80.9
FS.1.1.2.4	Baluchistan Finance Dept.	13,990	2,826	16,816	17,527	13,750	31,277	86.0
FS.1.1.3	**District/ Tehsil Bodies**	**45,712**	**813**	**46,525**	**71,527**	**1,517**	**73,044**	**57.0**
FS.1.1.3.1	District Government[@2]	45,015	773	45,788	70,853	1,284	72,137	57.5
FS.1.1.3.2	Cantonment Boards	697	40	737	674	233	907	23.1
FS.1.2	Autonomous Bodies/Corporations	14,287	0	14,287	14,476	-	14,476	1.3
FS.1.2.1	Federal Govt.	13,235	0	13,235	13,254	-	13,254	0.1
FS.1.2.2	Provincial Govt.	1,052	0	1,052	1,222	-	1,222	16.2
FS.2	**Private Funds**	**584,444**	**0**	**584,444**	**716,985**	**0**	**716,985**	**22.7**
FS.2.1	Employer Funds	15,369	0	15,369	19,344	0	19,344	25.9
FS.2.2	Household Funds	524,804	0	524,804	626,104	0	626,104	19.3
FS.2.3	Local/National NGO's	44,271	0	44,271	71,537		71,537	61.6
FS.3	**Rest of the World Funds**	**15,210**	**0**	**15,210**	**6,643**	**-**	**6,643**	**-56.3**
FS.3.1	Official Donor Agencies	15,210	0	15,210	6,643	-	6,643	-56.3
	Total Health Expenditure	**841,120**	**77,365**	**918,485**	**1,108,464**	**97,868**	**1,206,332**	**31.3**

@1. In NHA-Pakistan 2015-16 report, Government of Punjab health expenditure was reported **Rs.83,827** million. However, in NHA-Pakistan 2017-18 report, Government of Punjab figure has been updated by including its revised actual health expenditure amounting to **Rs.87,688** million for fiscal year 2015-16.

@2. KP district government health expenditure was not included in the NHA-Pakistan 2015-16 report. Therefore, in NHA-Pakistan 2017-18 report, District Government figure for fiscal year 2015-16 has been updated by including KP districts actual health expenditure amounting to **Rs. 7,120** million. Actual health expenditure obtained from Controller General of Accounts.

Financing sources have three major categories, namely public funds, private funds and rest of the world funds. In case of public funds, at federal level the Ministry of Finance is the source of funding which provides the money to civil government and military part. For provincial government, the provincial finance departments provide the money. And in case of local bodies/ district government, there are district government and cantonment boards that spend on health in their respective jurisdiction areas. The last category of the public funds is Autonomous Bodies/ Corporations working under federal and provincial governments. They spend money on the health care of their employees through reimbursements/insurance and own health care facilities.

FS.2 shows all the private entities which are providing funds for health care. FS.2 is further categorized in employer funds and household funds. The household funds are net of reimbursements from employers and insurance companies (claims) but include insurance premiums. Employers are providing funds in three ways. They are contributing through occupancy health care (which is neglected in NHA due to lack of data), through social security (managed by ESSIs) or through health insurance of their employees (group insurance). However, insurance figure

here is a lump sum which also includes the premiums paid by individual households. Disaggregated data is not available, but according to expert's opinion group insurance/ insurance through employer has the major share in insurance expenditures.

In Pakistan the insurance companies are not a source of financing. They are agents, instead, and to a certain extent (premiums minus claims) they are provider of (administrative) health services as well. Household funds mainly comprise of OOP health expenditures, Bait-ul-Mal and Zakat contributions made by households. Zakat contains all bank accounts whether owned by private households or some employers. But due to non-availability of disaggregated data it has fully been counted under household funds.

FS.3 shows the rest of the world funds which comprises of donor agencies. Development partners are also spending on health; however, only their direct spending is included. The money, which has been granted to the government (budgetary aid) and which thus is in the budget is reflected in government spending. NHA has to compromise in this regard as to avoid the double counting of funds transferred from one source to another. Out of total health expenditures in Pakistan, 40.0% of health spending is funded by public sector. Out of total public sector health expenditures federal government is funding 16.7%, provincial government is funding 65.2% and district government/ local bodies are funding15.1%. Out of total federal government spending, 54% are for civil part of the government and the rest 46% is disbursed via military set-up. Of 59.4% of the health expenditures funded through private sector, 87% is OOP health expenditures by households. Table 5 gives an overview of total health expenditure with percentage shares by financing sources for 2015-16 and 2017-18.

Table 5: Total health expenditure with % shares by financing sources for 2015-16 and 2017-18

Sources by FS Classification		2015-16		2017-18		% Change
		Total (Million Rs.)	% share	Total (Million Rs.)	% share	
FS.1	**Public Funds**	**321,711**	**33.9**	**482,704**	**40.0**	**50.0**
FS.1.1	Government Funds	**307,424**	32.3	468,228	38.8	**52.3**
FS.1.1.1	Federal Government	**67,062**	7.4	80,578	6.7	**20.2**
FS.1.1.1.1	Ministry of Finance	67,062	7.4	80,578	6.7	20.2
FS.1.1.2	Provincial Government	**190,957**	20.6	314,606	26.1	**64.8**
FS.1.1.2.1	Punjab Finance Dept.	87,688	9.2	151,800	12.6	73.1
FS.1.1.2.2	Sindh Finance Dept.	63,188	7.0	89,437	7.4	41.5
FS.1.1.2.3	KP Finance Dept.	23,265	2.6	42,092	3.5	80.9
FS.1.1.2.4	Baluchistan Finance Dept.	16,816	1.9	31,277	2.6	86.0
FS.1.1.3	District/ Tehsil Bodies	**46,525**	4.3	73,044	6.1	**57.0**
FS.1.1.3.1	District Government	45,788	4.3	72,137	6.0	57.5
FS.1.1.3.2	Cantonment Boards	737	0.1	907	0.1	23.1
FS.1.2	Autonomous Bodies/Corporations	14,287	1.6	14,476	1.2	1.3
FS.1.2.1	Federal Govt.	13,235	1.5	13,254	1.1	0.1
FS.1.2.2	Provincial Govt.	1,052	0.1	1,222	0.1	16.2
FS.2	**Private Funds**	**584,444**	**64.4**	**716,985**	59.4	**22.7**
FS.2.1	Employer Funds	15,369	1.7	19,344	1.6	25.9
FS.2.2	Household Funds	524,804	57.8	626,104	51.9	19.3
FS.2.3	Local/National NGO's	44,271	4.9	71,537	5.9	61.6
FS.3	**Rest of the World Funds**	**15,210**	**1.7**	**6,643**	0.6	**-56.3**
FS.3.1	Official Donor Agencies	15,210	1.7	6,643	0.6	-56.3
Total Health Expenditure		**918,485**	**100.0**	**1,206,332**	**100.0**	**31.3**

2.2 Financing agents

2.2.1 Overview

In a well compiled NHA, the total health expenditures by financing sources must match the total health expenditures by financing agents and health care providers. All figures result in a total of Rs. 1,206 billion. They only differ in their breakdown. For the interlocking of financial agents by sources see Section 2.2. The health expenditures break up into current and development expenditures for Pakistan by financing agents are shown in Table 6 up to the maximum level of disaggregation confined, however, to those codes of the classification for which data was available. The detailed classification for Pakistan has been discussed in Chapter 1. Up to the three digits level the classification has been maintained according to the International Classification of Health Accounts, next levels of disaggregation are adopted according to the Pakistan specific situation and policy relevance. Further explanation of each category is given in later sections. Financing agents also have public funds, private funds and rest of the world funds as the main categories. HF.1 denotes the general government and HF 1.1 shows the territorial government which is further disaggregated into federal government, provincial government and district government / local bodies. HF 1.2 shows the social security funds which are managed through government. It is further broken down into (i) employees social security institutions (ESSI) which are working in all four provinces and (ii) Zakat funds which are collected from bank accounts, deposit receipts, saving certificates etc. and then partly spent by government on health related activities. HF 1.3 shows the Autonomous Bodies/ Corporations which is further disaggregated into federal, provincial ABs/C. Table 6 gives an overview of total health expenditure with percentage shares by financing agents for 2015-16 and 2017-18.

Table 6: Current and development health expenditure by financing agents for 2015-16 and 2017-18 (million Rs.)

Agents by HF Classification			2015-16			2017-18			% Change
			Current Exp.	Development Exp.	Total	Current Exp.	Development Exp.	Total	
			million Rs.			million Rs.			
HF.1		**General Government**	**253,884**	**77,365**	**331,249**	**396,009**	**97,868**	**493,877**	49.1
	HF.1.1	**Territorial Government**	**230,059**	**77,365**	**307,424**	**370,360**	**97,868**	**468,228**	52.3
	HF.1.1.1	Federal Government	41,485	25,577	67,062	58,357	22,221	80,578	20.2
	HF.1.1.1.1	Federal (Civil)	13,311	25,577	38,888	21,216	22,221	43,437	11.7
	HF.1.1.1.1.1	MoNHS	1,692	23,308	25,000	11,085	18,103	29,188	16.8
	HF.1.1.1.1.2	Other*	11,619	2,065	13,684	10,131	3,890	14,021	2.5
	HF.1.1.1.1.3	Population Welfare	-	204	204	-	228	228	11.8
	HF.1.1.1.2	Military	28,174	-	28,174	37,141	-	37,141	31.8
	HF.1.1.2	**Provincial Government**	**139,982**	**50,975**	**190,957**	**240,476**	**74,130**	**314,606**	64.8
	HF.1.1.2.1	Punjab	60,669	27,019	87,688	107,193	44,607	151,800	73.1
	HF.1.1.2.1.1	Dept. of Health	60,468	27,019	87,487	106,920	44,607	151,527	-
	HF.1.1.2.1.2	Other*	201	-	201	273	-	273	-
	HF.1.1.2.1.3	Dept. of Population Welfare	-	-	-	-	-	-	-

	HF.1.1.2.2	Sindh	49,678	13,510	63,188	84,020	5,417	89,437	41.5
	HF.1.1.2.2.1	Dept. of Health	48,771	13,194	61,965	83,415	5,417	88,832	-
	HF.1.1.2.2.2	Other*	907	257	1,164	605	-	605	-
	HF.1.1.2.2.3	Dept. of Population Welfare	-	59	59	-	-	-	-
	HF.1.1.2.3	KP**	15,645	7,620	23,265	31,736	10,356	42,092	80.9
	HF.1.1.2.3.1	Dept. of Health	15,416	7,619	23,035	29,356	10,356	39,712	-
	HF.1.1.2.3.2	Other*	209	1	210	2,353	-	2,353	-
	HF.1.1.2.3.3	Dept. of Population Welfare	20	-	20	27	-	27	-
	HF.1.1.2.4	Baluchistan	13,990	2,826	16,816	17,527	13,750	31,277	86.0
	HF.1.1.2.4.1	Dept. of Health	13,122	2,826	15,948	16,364	5,148	21,512	-
	HF.1.1.2.4.2	Other*	183	-	183	393		393	-
	HF.1.1.2.4.3	Dept. of Population Welfare	685	-	685	770	8,602	9,372	-
	HF.1.1.3	District/Tehsil Government	45,712	813	46,525	71,527	1,517	73,044	57.0
	HF.1.1.3.1	District Government	45,015	773	45,788	70,853	1,284	72,137	57.5
	HF.1.1.3.2	Cantonments Boards	697	40	737	674	233	907	23.1
	HF.1.2	Social Security Funds	9,538	-	9,538	11,173	-	11,173	17.1
	HF.1.2.1	Social Security Funds through Government	9,538	-	9,538	11,173	-	11,173	17.1
	HF.1.2.1.1	ESSI	7,305	-	7,305	8,482	-	8,482	16.1
	HF.1.2.1.2	Zakat Council	766	-	766	582	-	582	(24.0)
	HF.1.2.1.3	Bait ul Mal	1,467	-	1,467	2,109	-	2,109	43.8
	HF.1.3	Autonomous Bodies/Corporation	14,287	-	14,287	14,476	-	14,476	1.3
	HF.1.3.1	Federal Government	13,235	-	13,235	13,254	-	13,254	0.1
	HF.1.3.2	Provincial Government	1,052	-	1,052	1,222	-	1,222	16.2
HF.2		**Private Sector**	**574,906**	**-**	**574,906**	**705,812**	**-**	**705,812**	22.8
	HF.2.1	**Other private health insurance**	**8,064**	**-**	**8,064**	**10,862**	**-**	**10,862**	34.7
	HF.2.2	**Private Households Out of Pocket (PHOOP) payment**	**522,571**	**-**	**522,571**	**623,413**	**-**	**623,413**	19.3
	HF.2.3	**Local Non-Government Organizations (NGO's)**	**44,271**	**-**	**44,271**	**71,537**	**-**	**71,537**	61.6
HF.3		**Rest of the World**	**15,210**	**-**	**15,210**	**6,643**	**-**	**6,643**	**-56.3**
	HF.3.1	**Official Donor Agencies**	**15,210**	**-**	**15,210**	**6,643**	**-**	**6,643**	**-56.3**
Total Health Expenditure			**841,120**	**77,365**	**918,485**	**1,108,464**	**97,868**	**1,206,332**	**31.3**

*Lump sum reimbursements of the federal, provincial/district governments' agencies have been included in the respective health expenditures of financing agent defined as "Other" while **KP includes the health expenditures of FATA

HF.2 shows the private sector health expenditure which is further disaggregated into HF.2.1 private health insurance, HF.2.2 household OOP health expenditures and HF.2.3 local/national NGOs. HF.3 (Row) shows the expenditures by donor agencies/ development partners as financing agents.

There are four main types of financing for healthcare: Government funded (through taxes), social insurance (through payroll, taxes or direct contributions) private insurance and Out-Of-Pocket (OOP). The first three types are pre-paid financing mechanisms and have some form of risk pooling. There is variation across. Countries in determining their health financing mecha-

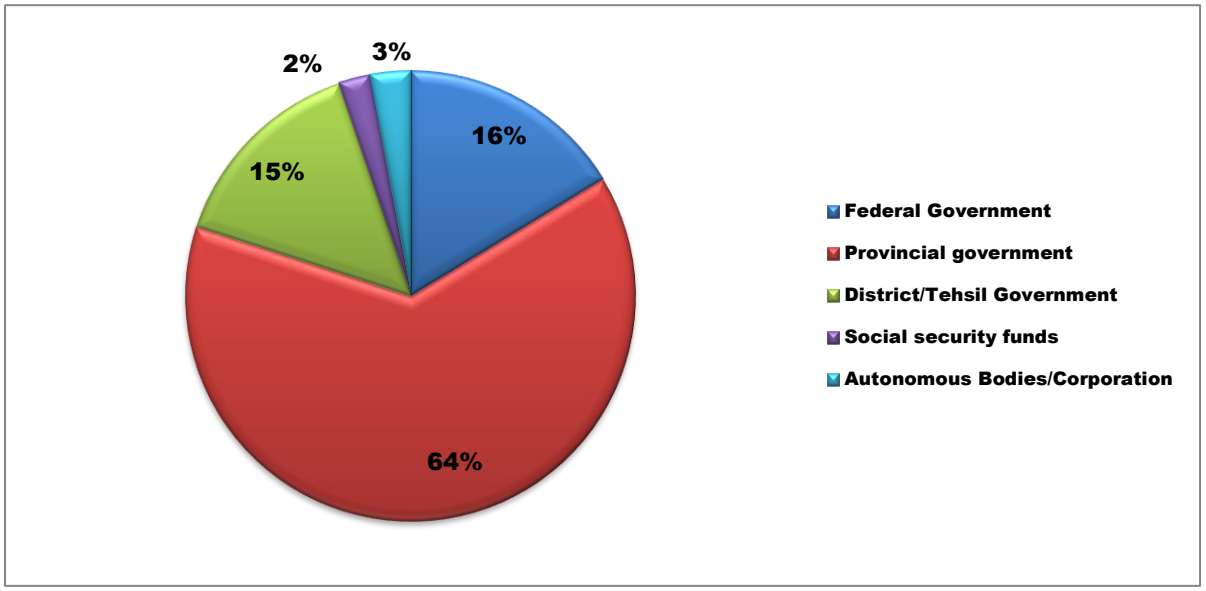
nism, but it mainly depends on the country's economic status. The poorer the country, the more depended on out of pocket payment.

OOP is the most inefficient, inequitable and regressive forms of healthcare financing. However, it is the most important means of healthcare financing in most developing country. It can be divided into direct or indirect costs. Direct costs include doctor's consultation fees, medications, tests, procedures, hospital bills etc. Indirect costs include transport charges to treatment site, daily living cost for accompanying household members and loss of income due to illness. In 2007, Out-of-pocket payment accounts for 50% of total health expenditure in 33 low-income countries[4].

According to this NHA report, Out of total health expenditures in Pakistan, 41% is made by general government agents which include the social security, Zakat, Bait ul Mal and Autonomous Bodies/ Corporations health expenditures as well. The private expenditures constitute the 58.5% of total health expenditures in Pakistan, out of which 88% are households' OOP health expenditures. The share of development partners/ donors organizations in total health expenditures is almost 0.6%.

Figure 4 shows the share of financing agents namely- federal government, provincial governments, district/tehsil governments, social security funds & autonomous bodies/corporations in the " General Government health expenditures" of Pakistan for FY 2017-18.

Figure 4: General Government Health Expenditure by its financing agents 2017-18 in %



For "financing agents" below in table 4, it has been observed that general government health expenditures share in total health expenditures in Pakistan is 41%. The table below shows the total health expenditure with percentage shares by financing agents for 2013-14 to 2017-18.

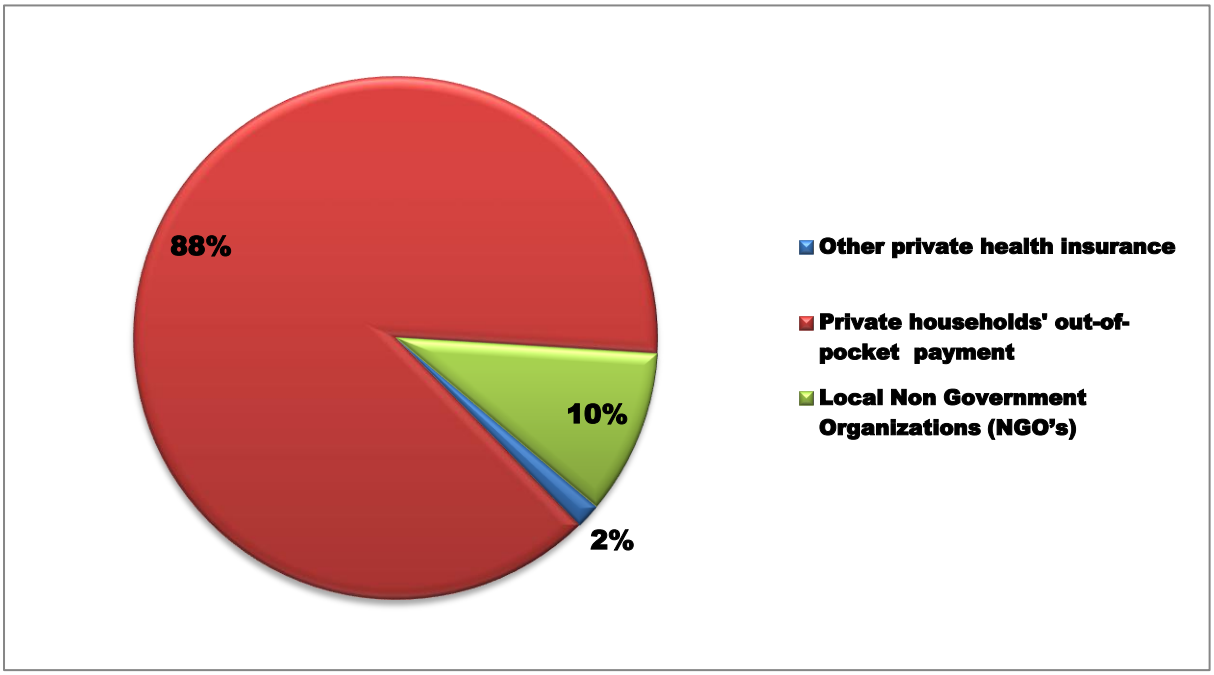
[4] Health Systems and Policy Research (ISSN: 2254-9137) journal. https://www.hsprj.com/health-maintanance/catastrophic-health-expenditure-among-developing-countries.php?aid=18514

Table 7: Total health expenditure with % shares by financing agents for 2015-16 and 2017-18

Agents by HF classification			2015-16		2017-18		% Change
			Total (Million Rs.)	% share	Total (Million Rs.)	% share	
HF.1		**General Government**	**331,249**	**34.9**	**493,877**	**40.6**	**49.1**
	HF.1.1	**Territorial Government**	**307,424**	**32.3**	**468,228**	**38.5**	**52.3**
	HF.1.1.1	Federal Government	67,062	7.4	80,578	6.5	20.2
	HF.1.1.1.1	Federal (Civil)	38,888	4.3	43,437	3.4	11.7
	HF.1.1.1.1.1	MoNHS	25,000	2.8	29,188	2.4	16.8
	HF.1.1.1.1.2	Other*	13,684	1.5	14,021	1.0	2.5
	HF.1.1.1.1.3	Population Welfare	204	0.02	228	0.0	11.8
	HF.1.1.1.2	Military	28,174	3.1	37,141	3.1	31.8
	HF.1.1.2	**Provincial Government**	**190,957**	**20.6**	**314,606**	**25.9**	**64.8**
	HF.1.1.2.1	Punjab	87,688	9.24	151,800	12.6	73.1
	HF.1.1.2.1.1	Dept. of Health	87,487	9.22	151,527	12.6	-
	HF.1.1.2.1.2	Other*	201	0.02	273	0.0	-
	HF.1.1.2.1.3	Dept. of Population	-	-	-	-	-
	HF.1.1.2.2	Sindh	63,188	7.0	89,437	7.4	41.5
	HF.1.1.2.2.1	Dept. of Health	61,965	6.8	88,832	7.4	-
	HF.1.1.2.2.2	Other*	1,164	0.1	605	0.1	-
	HF.1.1.2.2.3	Dept. of Population	59	0.01	-	-	-
	HF.1.1.2.3	KP**	23,265	2.6	42,092	3.3	80.9
	HF.1.1.2.3.1	Dept. of Health	23,035	2.5	39,712	3.3	-
	HF.1.1.2.3.2	Other*	210	0.02	2,353	0.0	-
	HF.1.1.2.3.3	Dept. of Population	20	0.00	27	0.0	-
	HF.1.1.2.4	Baluchistan	16,816	1.85	31,277	2.6	86.0
	HF.1.1.2.4.1	Dept. of Health	15,948	1.76	21,512	1.8	-
	HF.1.1.2.4.2	Other*	183	0.02	393	0.0	-
	HF.1.1.2.4.3	Dept. of Population	685	0.08	9,372	0.8	-
	HF.1.1.3	**District/Tehsil**	**46,525**	**5.1**	**73,044**	**6.1**	**57.0**
	HF.1.1.3.1	District Government	45,788	5.0	72,137	6.0	57.5
	HF.1.1.3.2	Cantonments Boards	737	0.08	907	0.1	23.1
	HF.1.2	**Social Security Funds**	9,538	1.1	11,173	0.9	17.1
	HF.1.2.1	Social Security Funds through Government	9,538	1.1	11,173	0.9	17.1
	HF.1.2.1.1	ESSI	7,305	0.8	8,482	0.7	16.1
	HF.1.2.1.2	Zakat Council	766	0.1	582	0.0	(24.0)
	HF.1.2.1.3	Bait ul Mal	1,467	0.2	2,109	0.2	43.8
	HF.1.3	**Autonomous Bodies Bodies/Corporation**	**14,287**	**1.6**	**14,476**	**1.2**	**1.3**
	HF.1.3.1	Federal	13,235	1.5	13,254	1.1	0.1
	HF.1.3.2	Provincial	1,052	0.1	1,222	0.1	16.2
HF.2		**Private Sector**	**574,906**	**63.4**	**705,812**	**58.7**	**22.8**
	HF.2.1	**Other private health insurance**	**8,064**	**0.9**	**10,862**	**0.9**	**34.7**
	HF.2.2	**OOP payment[5]**	**522,571**	**57.6**	**623,413**	**51.9**	**19.3**
	HF.2.3	**Local/National (NGO's)**	**44,271**	**4.9**	**71,537**	**5.9**	**61.6**
HF.3		**Rest of the World**	**15,210**	**1.7**	**6,643**	**0.6**	**-56.3**
	HF.3.1	**Official Donor Agencies**	**15,210**	**1.7**	**6,643**	**0.6**	**-56.3**
Total Health Expenditure			**918,485**	**100.0**	**1,206,332**	**100.0**	**31.3**

[5] OOP payment stands for Out of Pocket payment

Figure 5: Private Health Expenditure breakup by its main financing agents 2017-18 in %



2.2.2 Civilian (territorial) government

The title of this section is not common language in Pakistan. It has been chosen as a term for the total of Federal Government (excluding military expenditures) and the provincial as well as the district governments. In the context of health financing this figure (the civilian territorial government health expenditures) is considered to be of special interest. It sums up to Rupees 431 billion out of overall Rupees 1,206 billion of total health expenditure in Pakistan during FY 2017-18.

Table 8 shows the federal and provincial (including districts) health expenditures by minor functions of Chart of Accounts (CoA) classification adopted by the government expenditures under the project named Project for Improvement in Financial Reporting and Auditing (PIFRA). This classification is based on "Government Finance Statistics by IMF", so they are completely in line with the international classifications.

Table 8: Civilian territorial government current health expenditures 2017-18 by function

Function (CoA)		million Rs.					
		Federal	Punjab	Sindh	KP	Baluchistan	Pakistan
15	General Services	-	-	-	27	770	797
41	Economic, Commercial & Labour Affair	-		-	-	-	-
71	Medical Products, Appliances & Equipment	29	-	127	81	31	268
72	Outpatients Services	-	-	1,332	-		1,332
73	Hospital Services	13,114	122,530	59,617	37,602	13,756	246,619
74	Public Health Services	392	7,821	2,346	1,211	440	12,210
76	Health Administration	3,162	29,575	19,993	8,288	2,137	63,155
	Total	**16,697**	**159,926**	**83,415**	**47,209**	**17,134**	**324,381**

The data on government health expenditures has been extracted from the appropriation accounts of respective provinces and districts as well as federal level. It includes all the health expenditures by any ministry or department. All the expenditures of Ministry/ Department of Health as a whole and Ministry/Department of Population Welfare(only function 015202) are included whether it is hospital expenditure or administrative expenditure whereas from all the other

ministries only health related expenditures are extracted which are mainly covered under Code 07 (health) of CoA classifications. About 76.0% of the current expenditures are on hospital services, around 19% on health administration and about 4.0 % on public health services.

2.2.3 Military health expenditures

The military health expenditures have been provided by the Military Accountant General. They include the expenditures by Army, Navy, Air Force, Defense Production Establishments, Inter Services Organizations and Accounts Offices including Pakistan Military Accounts Department. Military health expenditures are funded by government / Ministry of Finance through Ministry of Defense. Table 9 shows health expenditures by province (federal area mainly consist of ICT) and by different expenditure categories as well as by entity.

Table 9: Military health expenditures by organization 2017-18 (million Rs.)

Organization / category	Federal	Punjab	Sindh	KP	Balo-chistan	Gilgit	Pakistan
Army	-	20,085	2,140	3,196	1,384	852	**27,657**
Air Force	396	1,189	660	264	132	-	**2,642**
Navy	425	1,312	724	289	145	-	**2,895**
D.P. Establishment	-	1,830	-	-	-	-	**1,830**
ISO'S (Excl P. M. A. D)	-	1989	-	-	-	-	**1,989**
A/C Org (Incl. P. M. A. D)	-	127	1	1	-	-	**129**
Total	**821**	**26,532**	**3,525**	**3,750**	**1,661**	**852**	**37,141**
Of which in category …							
Stores &Equipment's(Local Purchase)	505	9,825	1,335	1,088	410	117	**13,280**
Store & Equipment (Import)	-	875	16	7	3	-	**901**
Re-imbursement of Medical Charges	1	1,824	2	1	1	-	**1,829**
Other Medical Expenditure	-	4	-	1	-	-	**5**
Pay & Allowances	315	14,003	2,172	2,654	1,247	735	**21,126**
Total	**821**	**26,531**	**3,525**	**3,751**	**1,661**	**852**	**37,141**

2.2.4 Cantonment Boards

The data on cantonment boards' health expenditures has been taken from Military Land and Cantonment Boards Department. Cantonment boards act as local bodies and are financially autonomous. The data is broken down into provinces and different health expenditure categories. As the table shows most of the expenditure has taken place in Punjab and lowest health expenditure in Baluchistan. Major proportion of health expenditures is on salaries of medical staff and the second category is medicine and reimbursements.

Table 10: Health expenditures of cantonment boards 2017-18 (million Rs.)

Category	Punjab	Sindh	KP	Baluchi-stan	Total
Medicine & reimbursements	148	34	30	3	**215**
Medical equipment	22	12	2	0	**36**
Salaries of medical staff	259	80	72	12	**423**
Construction / maintenance of Disp./Hospitals	173	21	39	0	**233**
Total	**602**	**147**	**143**	**15**	**907**

2.2.5 Social Security

Employees Social Security Institution (ESSI) is working in all four provinces. The data for ESSIs' health expenditures has been taken from the respective provincial ESSI. The health expenditures are shown by province and by categories of health expenditures. The administration / operational cost are included. As the table shows expenditures on health facilities have the major share in total ESSIs health expenditures followed by the cash benefits relevant to health expenditure. Most of the expenditure has been made in Punjab followed by Sindh, KP and Baluchistan.

Table 11: Employees social security institutions health expenditures 2017-18

Type of health expenditure	million Rs.				
	Punjab	Sindh	KP	Baluchistan	Pakistan
Expenditure on health facilities	5,442	2,361	341	128	**8,272**
Reimbursement of medical charges	32	1	-	2	**35**
Cash benefits relevant to health expenditure	132	17	25	1	**175**
Total	**5,606**	**2,379**	**366**	**131**	**8,482**

In Pakistan, ESSI is only an agent as they do not have their own funds. They are funded by private employers (private industries and commercial establishments) contributions, instead.

2.2.6 Zakat and Bait-ul- Mal

The data on health expenditures through Zakat fund is taken from Zakat and Ushr Departments of the respective Provinces. Table 12 shows that Zakat funds at the provincial and national level utilized in 2017-18 for health care was Rs. 582 million.

Table 12: Zakat for health care by program, 2017-18

Program	Budget utilized (million Rs.)					
	ICT	Punjab	Sindh	KP	Baluchistan	Pakistan
Health Care	41	388	30	109	12	**580**
Other Programs	1	-	-	-	-	**1**
Leprosy Patients	-	1	-	-	-	**1**
Total	**42**	**389**	**30**	**109**	**12**	**582**

Source: Respective Provincial Zakat & Ushr Departments

The overall Zakat funds of Rupees 582 million have been utilized in the FY 2017-18 by the Provinces / areas according to the diversified set of programs. The share of the provinces (million Rupees) is as follows: Punjab 389, Sindh 30, KP 109, Baluchistan 12, and ICT 42.

In NHA, Zakat is an agent and not a source. Zakat funds are collected mainly from private households. The allocated budgets for health care at national and provincial levels from Zakat fund 2017-18 are entirely distributed among National Level Health Institution (NLHI) across Pakistan and respective provincial level hospitals/health institutions.

Table 13: Pakistan Bait-ul-Mal individual financial assistance for health 2017-18						
Province	2013-14		2015-16		2017-18	
	Beneficiaries In Number	Expenditure million Rs.	Beneficiaries In Number	Expenditure million Rs.	Beneficiaries In Number	Expenditure million Rs.
Head Office			13,023	1,070		
Punjab	6,235	450	2,410	241	13,036	1,150
Sindh	195	28	317	56	956	144
KP*	2,485	205	640	63	5,633	517
Baluchistan	184	17	423	24	633	56
ICT & N.A	1,083	73	163	13	2,964	242
Total	**10,182**	**773**	**16,796**	**1467**	**23,222**	**2,109**

* KP includes the health expenditures of FATA

Pakistan Bait-ul-Mal is providing individual financial assistance for health care across Pakistan. The above table shows that it has provided health care assistance to 23,222 individuals in the fiscal year 2017-18. The overall amount of Rs.2,109 million has been incurred (individual financial assistance) for the health care. Out of total amount distributed by PBM in provinces, Punjab received the highest share followed by KP (including FATA), Sindh, ICT & N.A and, Baluchistan.

2.2.7 Private Health Insurance

Health insurance is covered under the non-life insurance. In 2017-18 there were 38 insurance companies in Pakistan offering group health insurance or individual health insurance. The insurance companies are funded by premiums of their clients. They are not financing source but are agents as well as providers of (administrative) health services. Since the Securities and Exchange Commission of Pakistan (SECP) is the formal regulator of the insurance industry under the Insurance Ordinance 2000, the data on private health insurance has been taken from SECP. The premiums written minus the incurred claims are taken as the remuneration of the administrative efforts of the companies to be recorded in the provider figures. Table 14 gives an overview of average premiums and claims of 38 private insurance companies for 2005-06 to 2017-18.

Table 14:Private health insurance 2005-06 to 2017-18			
Year	million Rs.		
	Gross premium written	Gross incurred claims	Administrative health service provided (premium minus claims)
Average of 2005-06	704	419	285
Average of 2007-08	1453	930	523
Average of 2009-10	1,944	1,465	479
Average of 2011-12	3,175	2,163	1,012
Average of 2013-14	4,078	2,574	1,504
Average of 2015-16	8,064	5,993	2,071
Average of 2017-18	**10,862**	**6,143**	**4,719**

2.2.8 Households OOP health expenditure

Households' OOP payments are defined as direct payments for health services from the households' income or saving. However, the direct payment might be reimbursed by employers or by health insurance. Therefore, it depends on the exact definition. In future the households'

OOP payments will be treated as a financial "scheme", just like insurances, as there are in-going and out-going in their financial relationship with providers, employers and insurances (see "revision of the System of Health Accounts" in Section 6.3 of this report).

Table 15: OOP health expenditures 2017-18 by province and component (million Rs.)

Financing source / Province	Punjab	Sindh	KP	Baluchistan	ICT	Gilgit	Un-Region-alized	Pakistan
Gross OOP health expenditures	**344,499**	**149,500**	**110,500**	**39,000**	**6,500**	**-**	**-**	**649,999**
Percentage Share	**53**	**23**	**17**	**6**	**1**	**-**	**-**	**100**
Reimbursement by Federal Government	1,224	336	720	120	-	-	-	2,400
Reimbursement by Provincial Government	273	605	152	393	-	-	-	1,423
Reimbursement by District Government	12	-	9	-	-	-	-	21
Reimbursement by fed. Autonomous bodies	3,949	2,138	1,533	458	-	-	-	8,078
Reimbursement by prov. Autonomous bodies	199	702	147	37	-	-	-	1,085
Reimbursement by other government entities	1,898	19	16	3	1	-	-	1,937
Reimbursement by private health insurance	-	-	-	-	-	-	6,143	6,143
Reimbursement by Social security institutions	32	1	-	2	-	-	-	35
Sehat Sahulat Programme by Federal Govt.	620	122	2,119	93	32	277	-	3,263
Sehat Sahulat Programme by KP Govt.	-	-	2,201	-	-	-	-	2,201
Total reimbursement etc.	**8,207**	**3,923**	**6,897**	**1,106**	**33**	**277**	**6,143**	**26,586**
Net OOP health expenditures	**336,292**	**145,577**	**103,603**	**37,894**	**6,467**	**-277**	**-6,143**	**623,413**

The OOP survey (see Chapter 4) aimed at collecting the figures of households OOP health expenditures which include the figures of re-imbursements. Table 15 shows the total gross OOP expenditures incurred by private households in the fiscal year 2017-18 are amounting to Rs.650 billion. Punjab has the highest share (53%) followed by Sindh (23%) and KP (17%, including FATA) while Baluchistan has just (6%) share of Pakistan's OOP health expenditures. Net OOP health expenditures for the year 2017-18 after deducting the third-party payments, such as insurance or reimbursements estimated at Rs.27 billion, are amounting to Rs.623 billion (see Table 15). OOP health expenditures do not include AJK.

2.2.9 Development Partners/Donors

Data on health expenditures by development partners/ donor agencies has been taken from Economic Affairs Division (EAD). All the figures are off budget figures which mean that double counting of budget support from donors is avoided.

The data obtained from EAD only covers the off-budget expenditures/disbursements. It means those grants/amounts which appear in the government budgetary books and in appropriation accounts published by Accountant General are treated as on-budget activities, separately. Also the Public Sector Development Program (PSDP) allocations are not included as they are covered or recorded in annual appropriation accounts, and these allocations are part of different health expenditures category which are recorded under health ministry in federal government or under health department in provinces.

The report for the year 2017-18 covers the donors' expenditures/disbursements in the four provinces of Pakistan. For reasons of consistency it does not include the donors' expenditures in AJK, though its figure is available in the data provide by EAD.

Data in the Table 16 has been made available from the respective donor agencies via EAD as per NHA data format.

Table 16: Donors health expenditures 2017-18 (million Rs.)								
Sector	**Punjab**	**Sindh**	**KP***	**Baluchistan**	**ICT**	**Gilgit**	**Un-regionalize**	**Total**
Administration - Health and Nutrition	979.6	-	979.6	-	-	-	-	**1,959.2**
Medical Services	-	-	-	-	-	-	-	**-**
Child Health	-	-	-	-	-	-	-	**-**
Infection Disease Control	-	-	-	-	-	-	-	**-**
Maternal Health	4.2	9.4	25.1	0.7	0.5	1.4	-	**41.3**
Other - Health and Nutrition	957.1	240.4	607.6	58.3	561.9	65.6	-	**2,490.9**
Primary Health	-	-	-	-	-	-	-	**-**
Family Planning	785.4	93.9	1,096.5	7.9	0.2	0.4	-	**1,984.3**
Demographic & Health Surveys	1.4	0.5	154.7	1.7	0.0	0.2	-	**158.5**
HIV & AIDS (US)	8.5	-	-	-	-	-	-	**8.5**
Total	**2,736.20**	**344.20**	**2,863.50**	**68.60**	**562.60**	**67.60**	**0.00**	**6,642.70**

Source: EAD ***** KP includes the figure of FATA

The biggest share has been spent at KP followed by Punjab, ICT, Sindh, and Baluchistan. Gilgit has the lowest share in the donors' expenditures on health.

2.2.10 Local Non-Government Organizations

Philanthropic/ Non-Government organizations (NGOs) are working in both urban and rural areas of Pakistan. These organizations are working in multiple sectors to uplift the community by providing awareness and basic amenities of life. Philanthropic organizations are registered under different laws whereas very few are unregistered. Philanthropic sector is different from 'state' as it collects donations, charity or alms from the community and uses it for deserving communities, voluntarily.

The table below shows the province-wise list of active NGOs, divided into two categories on the basis of their major activities, 'health care' and 'others' organizations in order to focus on the health related NGOs. However, the expenditures of the NGOs were not provided. These had to be estimated.

Table 17: Local Non-Government Organizations by type 2015-16			
Province	**Health care**	**Others**	**Total**
Punjab	856	3,703	4,559
Sindh	782	3,363	4,145
KP	56	1,023	1,079
Baluchistan	93	1,644	1,737
ICT	22	101	123
Total	**1,809**	**9,834**	**11,643**

Source: NGOs Survey 2015-16, Pakistan Bureau of Statistics

For this purpose expenditures data of health related NGOs in all four provinces taken from a survey of NGOs conducted under the project of Change of Base of National Accounts (CBNA) by PBS in 2019. To avoid double counting, donations by international agencies have been excluded from the total health care expenditure by NGOs. These donations are already covered in financing sources.

Table 18: Health expenditures of health related NGOs 2011-12 to 2017-18 (million Rs.)				
Province	Health Expenditures 2011-12	Health Expenditures 2013-14	Health Expenditures 2015-16	Health Expenditures 2017-18
	million Rs.	million Rs.	million Rs.	million Rs.
1	2	3	4	5
Punjab	7,561	9,149	10,000	32,907
Sindh	14,370	17,388	19,005	34,338
KP	8,848	10,706	11,702	2,146
Baluchistan	2,695	3,261	3,564	715
ICT				1,431
Pakistan	**33,474**	**40,504**	**44,271**	**71,537**

Health expenditures of health related NGOs for the fiscal years 2017-18 has been estimated by inflating the figures of 2015-16 by the inflation rate recorded for health related commodities categorized as “Health Group", in the CPI of 2017-18 on the basis of 2015-16 (15.2%).The above table shows the estimated expenditures of health related local NGOs for fiscal years 2011-12, 2013-14, 2015-16 & 2017-18 for the four provinces as well as at the national level.

2.3 Financing sources by financing agents

Matrix 1 shows the flow of funds for health expenditures in Pakistan. The rows are grouped according to financing agents while financing sources are listed in columns. The matrix shows the flow of funds from financing source to financing agent in Pakistan. For example in case of federal government Ministry of Finance is the financing source and Ministry of Health, Ministry of Population Welfare, Ministry of Defense through military setup and other ministries are financing agents. In some of the cases financing sources and financing agents are the same which means that the financing sources are dedicated to own health care spending exclusively and the money spent for health services (agents) is fully funded from their own resources.

In Matrix 1, the “net” OOP figure for the private households has been included. The lump sum reimbursements of medical charges and Sehat Sahulat Programme figures of the federal and provincial governments’ ministries/departments have been included in the respective financing agent categorized as "Other”. Whereas the reimbursements made by other employers or health insurance (Military, Cantts, ESSIs and autonomous bodies etc.) to the households are already included in the respective health expenditure.

Matrix 1: Current health expenditures by financing sources and financing agents in Pakistan 2017-18 (million Rs.)

Financing Agents					Financing Sources										
					FS.1 Public funds					FS.2 Private funds			FS.3 ROW	Total	%
					FS.1.1 Government Funds			FS.1.2 Autonomous Bodies		FS.2.1 Em-ployer funds	FS.2.2 House-hold funds	FS.2.3 Local NGO's	FS.3.1 Official donor agen-cies		
					FS.1.1.1 Fed. Govt.	FS.1.1.2 Prov. Govt.	FS.1.1.3 District / Tehsil	FS.1.2.1 Federal	FS.1.2.2 Provin-cial						
HF.1 General Gov-ernment	HF.1.1 Territorial Govern-ment	HF.1.1.1 Federal Govern-ment	Ministry:	MONHS	11,085									**11,085**	1.0
				Other Ministries	10,131									**10,131**	0.9
				Population Welfare											0.0
			Military health expenditure		37,141									**37,141**	3.4
		HF.1.1.2 Provincial Govern-ment	Dept. of:	Health		236,055								**236,055**	21.3
				Population Welfare		797								**797**	0.1
				Other		36,24								**36,24**	0.3
		HF.1.1.3 District Bodies		District Government			70,853							**70,853**	6.4
				Cantonments Boards			674							**674**	0.1
	HF.1.2 Social security funds	HF.1.2.1 Social security funds through Government		ESSI						8,482				**8,482**	0.8
				Zakat health expenditure							582			**582**	0.1
				Bait Ul Mal							2,109			**2,109**	0.2
	HF.1.3 Autonomous Bodies / Corporation			Federal				13,254						**13,254**	1.2
				Provincial					1,222					**1,222**	0.1
HF.2 Private Sector	HF.2.2 Other private insurance									10,862				**10,862**	1.0
	HF.2.3 Private households' out-of-pocket payment										623,413			**623,413**	56.0
	HF.2.4Local NGO's											71,537		**71,537**	6.5
HF.3 ROW	HF.3.1 Official donor agencies												6,643	**6,643**	0.6
Total					**58,357**	**240,476**	**71,527**	**13,254**	**1,222**	**19,344**	**626,104**	**71,537**	**6,643**	**1,108,464**	
%					5.3	21.7	6.4	1.2	0.1	1.7	56.5	6.5	0.6	100.0	

2.4 Health Care Providers

2.4.1 Definition and classification

In addition to financing sources and financing agents, health care providers are the third dimension of NHA. Health care providers are the end recipients of the health care funds. Figures related to them answer the question of "To whom actually did the money go?" Examples of providers include public and private hospitals, medical centers, dispensaries, individual solo clinics, pharmacies, laboratories etc. Following are the three broad categories of the health care providers:

- Public Provider
- Private Provider
- Non-Government Organization providers/Non-Profit Institutions

The public sector is running health care facilities for its employees and for the general public across the country. The public sector can further be subdivided into core government, autonomous bodies / public corporations and social security. The providers in the core government can further be divided into

- Providers with the civilian territorial government (Federal & Provincial) which mainly are the health departments. Provision of health care is primarily the responsibility of the provincial governments. This health care provision is a three tiered system with primary, secondary and tertiary levels of care.
- Providers within the military health care setup
- Providers run by the Cantonment Board of Pakistan

Autonomous bodies/ Corporations are providing health care services primarily to their own employees through their own doctors, clinics and hospitals. Employees Social Security Institutions are provincial autonomous bodies. In Pakistan they entertain some own health care facilities.

The public sector health care providers have been covered by data obtained from the federal & provincial appropriation accounts, Military Accountant General, Cantonment Board of Pakistan, Employees Social Security Institutions and a census of autonomous bodies/corporations.

The main categories of private sector health care providers are:

- Major hospitals with specialized health facilities
- Other hospitals with variable quality / level of services
- Individually owned clinics / general practitioners including dental and eye care. These clinics are either owned by a single person who is the sole proprietor of the facility or they are run on partnership basis
- Homeopaths, hakeems, tabibs and other traditional health providers
- Health care facilities from NGOs including the philanthropic organizations
- Ambulatory health services
- Facilities providing diagnostic & laboratory services
- Pharmacies and other retail sellers of medical goods
- Providers of administration and governance

The private sector has widely been covered through a survey of private health care providers and census of big hospitals (for details see Chapter 4). The pharmacies were covered from a

secondary source (see Section 2.5.3). As a cross checking mechanism, the expenditures from the supply side were compared with out of pocket expenditures on health (demand side).

Some less significant providers of health services are not covered. This is mainly true for other retailers of medical goods, e.g. opticians and chemists, and for providers of ambulatory services carried out as secondary activity, only (e.g. taxi drivers). It is envisaged to extend the scope of the health care providers dimension in the forthcoming rounds of Health Accounts.

2.4.2 Private health care providers expenditures: Extrapolation from 2009-10 to 2017-18.

The expenditures of Outpatient service providers and Laboratories & Diagnostic Service Providers have been extrapolated forward on the basis of Consumer Price Index (CPI) computed for a group of health related commodities such as Doctor's fee, Laboratory tests and different medicines etc. categorized as "Health Group" in the Consumer Price Index. CPI for "Health Group" category for the year 2015-16 and 2017-18 are 100.0 & 115.2 respectively, resulting in a price increase of 15.2% within the time span of these two years.

2.4.3 Health care providers: overview of results

The following tables (19 & 20) give an overview of expenditures of private health care providers by type and by kind of ownership for the year 2017-18. The expenditures for the year 2017-18 have been estimated on the basis of data obtained from survey/Census of all private health care providers conducted for the year 2009-10.

Table 19: Expenditures of private health care providers 2017-18

Description	Hospitals	Out-Patient Service Providers	Laboratory & Diagnostic Service Providers	Total
		million Rs.		
Pakistan	**70,009**	**141,275**	**13,322**	**224,606**
Punjab	26,966	73,437	8,313	108,716
Sindh	36,660	24,352	3,454	64,466
KP	6,045	39,003	1,410	46,458
Baluchistan	338	4,483	145	4,966
		%		
Pakistan	31.17	62.90	5.93	100.00
Punjab	24.80	67.55	7.65	100.00
Sindh	56.87	37.78	5.36	100.00
KP	13.01	83.95	3.03	100.00
Baluchistan	6.81	90.26	2.93	100.00

Table 19 shows the estimated expenditures of private health care providers and its percentage break-up by major type of service. The estimated total expenditure incurred by all types of

health care providers at national level was Rs.225 billion in Share in total expenditure from health care providers is bumpy among the provinces. Punjab has the highest share of 48% while Baluchistan has the smallest share of 2% of the total expenditure. Sindh and KP have share of 29% and 21% respectively.

With regard to health care providers the category 'Out-Patient Service Provider' has the highest share in expenditure (62.9%) followed by 'Hospitals' (31.17%) and 'Laboratory & Diagnostic Service Providers' (5.93%) at national level. Table 19 also indicates that Baluchistan and KP have the highest share in expenditure with reference to out-patient service providers as compared to Punjab and Sindh. In categories of Hospitals and Laboratory & diagnostic service providers, Punjab and Sindh have higher proportion than KP and Baluchistan.

Table 20: Expenditures of private hospitals by kind of ownership 2017-18

Description	NGO / NPO	Individual Proprietorship	Private Limited Company	Partner-ship	Trust	Others	Total
			million Rs.				
Pakistan	**4,001**	**16,490**	**30,654**	**2,284**	**12,521**	**4,059**	**70,009**
Punjab	1,499	9,435	9,071	1,062	5,550	349	26,966
Sindh	2,168	4,487	18,893	540	6,862	3,710	36,660
KP	300	2,380	2,690	566	109	0	6,046
Baluchistan	34	188	0	116	0	0	338
			%				
Pakistan	5.71	23.55	43.79	3.26	17.88	5.80	100.00
Punjab	5.56	34.99	33.64	3.94	20.58	1.29	100.00
Sindh	5.91	12.24	51.54	1.47	18.72	10.12	100.00
KP	4.97	39.36	44.50	9.36	1.81	0.00	100.00
Baluchistan	10.14	55.50	0.00	34.36	0.00	0.00	100.00

Table 20 shows the estimated expenditure and percentages of private hospitals by the kind of its ownership respectively. The highest expenditure is incurred by "Private limited company" (Rs. 30,654 million, 44%) followed by "individual proprietorship" (Rs. 16,490 million, 24%). The total expenditure of Sindh (Rs. 36,660 million, 52%) is more than Punjab (Rs. 26,966 million, 39%) apparently because metropolis Karachi, located in Sindh, is the hub of health facilities in Pakistan. The expenditure of hospitals run by "Trusts" was Rs. 12,521 million (18%). The number of "Partnerships" and "NGO/NPO" is 309 and 529 respectively but incurring only 3.26% and 6% of the expenditures. The expenditure of hospitals categorized as "Private limited company" is higher than all other ownership categories. Sindh and KP have the highest expenditures in "Private limited company" while Baluchistan & Punjab have the highest expenditures in "individual proprietorship".

Table 21 gives an overview of the current health expenditure for the fiscal year 2017-18 by all those providers which were covered in the survey/census of private health care providers 2009-10 and other administrative data (General Govt. Data).The classification applied for this is given in detail in Annexure 8. HP.1 shows Hospitals and HP 1.1 denotes the General Hospitals which is further disaggregated into government-owned general hospitals, Hospitals under social security, Hospitals of Autonomous Bodies/ Corporations under the federal/provincial governments etc. HP 1.2 shows the category of mental health and substance abuse hospitals which are further disaggregated into three sub categories. HP 1.3 shows Other specialty Hospital (hospitals only for a

specific disease or condition other than mental and substance abuse) which is further disaggregated into four sub-categories. HP.3 denotes providers of ambulatory health care. HP.4 shows the retail sale and other providers of medical goods. HP.5 denotes provision and administration of public health programs, HP.6 General Health administration and insurance and HP.nsk Providers not specified by kind. It mainly includes reimbursements, Sehat Sahulat Programme figures of the federal and respective provincial governments, health expenditure of private insurance companies, local NGO's, etc.

Table 21: Current health expenditures by healthcare providers 2017-18

Providers classified by relevant categories of HP- Classification		million Rs.
HP.1	**Hospitals**	**437,442**
HP.1.1	**General Hospitals**	**427,104**
HP.1.1.1	Government-owned General Hospitals	354,639
HP.1.1.2	Hospitals under Social Security	6,984
HP 1.1.3	Hospital of autonomous bodies/ corporations	3,677
HP 1.1.4	Private Hospitals (Private for Profit entities)	49,236
HP 1.1.5	Hospitals Owned by Charitable Institutions/NGOs	12,568
HP.1.2	**Mental health and substance abuse hospitals**	**44**
HP.1.3	**Other specialty Hospitals**	**10,294**
HP.3	**Providers of ambulatory health care**	**208,466**
HP.3.1	Offices of Physicians	14,238
HP.3.2	Dental clinics	5,687
HP.3.3	Offices of other Health Practitioners	97,219
HP.3.4	Outpatient care centers	58,195
HP.3.5	Medical and diagnostic laboratories	13,322
HP.3.9	Other Providers of Ambulatory care	19,805
HP.4	**Retail sale and other providers of medical goods**	**287,022**
HP.5	**Provision and administration of public health programmes**	**-**
HP.6	**General health administration and insurance**	**67,874**
HP.9	**Rest of the world**	**6,643**
HP.nsk	**Providers not specified by kind**	**101,017**
Total of Providers		**1,108,464**

2.4.4 Retailers of pharmaceuticals

Data on sales / purchases of pharmaceuticals was provided by Inter-continental Marketing Services (IMS)[6] in March 2010. IMS claims to be the world's leading provider of market intelligence to the pharmaceutical and healthcare industries. Their data set of sales of pharmaceuticals is divided into fifteen broad functional categories as represented in the table below covering the period

[6] http://www.imshealth.com/portal/site/imshealth

from October 2008 to September 2009. Data for the complete fiscal year was given for the totals of pharmaceutical sales, only. Therefore, the percentage share for each functional category for October 2008 to September 2009 was applied to the total pharmaceutical sales of FY 2007-08. Other years are in the Annexure 11.

The percentage share for retail of pharmaceuticals, doctors' purchase and private hospital pharmacies' purchase was calculated from the figures available for Oct 2008 to Sep 2009. This percentage share was then applied to the total pharmaceutical sales of fiscal year.

Table 22: Purchases of pharmaceuticals in Pakistan 2017-18 (million Rs.)

	Total Sales	Purchases through retail	Doctor's Purchases	Private Hospital Pharmacies
Total Industry	**319,602**	287,022	20,102	12,478
A - Alimentary T.& Metabolism	**68,447**	62,733	3,356	2,358
B - Blood + B.Forming Organs	**9,838**	8,753	603	482
C - Cardiovascular System	**22,609**	21,471	565	573
D - Dermatological	**10,978**	10,114	601	263
G - G.U.System& Sex Hormones	**9,782**	8,796	556	430
H - Systemic Hormones	**3,304**	2,859	271	174
J - Systemic Anti-Infectives	**84,981**	72,670	8,024	4,287
K - Hospital Solutions	**1,725**	1,539	75	111
L- Antineoplast+Immunomodul	**7,621**	6,110	901	610
M - Musculo-Skeletal System	**22,609**	20,595	1,166	848
N - Nervous System	**30,959**	28,485	1,470	1,004
P - Parasitological	**9,832**	9,055	571	206
R - Respiratory System	**24,283**	22,818	914	551
S - Sensory Organs	**6,239**	5,059	849	331
T - Diagnostic Agents	**189**	105	24	60
V - Various	**6,208**	5,861	156	191

The total of the purchases through retailers (Rs.287 billion) is the one entering in the tables of provision of health care goods and services. The other sales (doctors and pharmacies of hospitals) are part of the expenditures already captured through the surveys of the providers. Thus, there is no double-counting.

2.5 Health care providers by financing agents

Matrix 2 shows the flow of funds for health expenditures in Pakistan channeled by financing agents (in columns) to the providers of health care (in rows).Reading example: in case of federal government, Ministry of Health, Ministry of Population Welfare, Ministry of Defense through military setup and other ministries are financing agents while hospitals or other health care facilities under the federal/provincial/district governments are the health care providers. The allocation to providers has been done as far as empirically possible. However, some amount falls under row "HP.nsk". For some agents (Reimbursements, Sehat Sahulat Programme, Insurance, local NGOs etc.) spending for health is available as "HP.nsk", only.

The provider figures are not fully comprehensive as retailers for other health goods than pharmaceuticals are missing (opticians, retailers of hearing aids, artificial limbs, orthopedics etc.). But in full-fledged recording of providers even taxi drivers as well as florists, bakeries or canteens (row “all other industries”) may be accounted for as the payments for transports, gifts etc. are included in the health expenditures reported by the private households under OOP.

Matrix 2: Current health expenditures by health care providers and financing agents 2017-18 (million Rs.)

Health care providers				Financing agents											
				HF.1 General Government							HF.2 Private Sector			HF.3.1 Official donor agencies	Total
				HF.1.1 Territorial Government				HF.1.2 Social Security Funds		HF.1.3 Autonomous Bodies	HF.2.2 Other private insurance	HF.2.3 Private households' OOP	HF.2.4 NGOs		
				Fed. Government		Provinces	District bodies	ESSI	Zakat & Baitul Mal						
				Civil	Military										
HP.1 Hospitals	HP.1.1 General Hospitals	HP.1.1.1	Gov. owned general hosp.	11,190	29,196	155,257	49,343		2,690			106,963			**354,639**
		HP.1.1.2	Hosp. under Soc. Security					6,984							**6,984**
		HP.1.1.3	Hospital. of autonomous. Bodies							3,677					**3,677**
		HP.1.1.4	Private Hospitals									49,236			**49,236**
		HP.1.1.5	owned by Charity / NGOs									12,568			**12,568**
	HP.1.2	Mental Health & Substance Abuse H.										44			**44**
	HP.1.3	Other Specialist hospitals		95	247	1,314	418	59				8,161			**10,294**
HP.3 Provider of Ambulatory Health Care	HP.3.1 Offices of Physicians											14,238			**14,238**
	HP.3.2 Dental Clinics											5,687			**5,687**
	HP.3.3 Offices of other health Practitioners											97,219			**97,219**
	Outpatient Care Centers	HP. 3.4.1 Public		2,250	5,869	31,209	9,919	1,404		1,576		1,642			**53,869**
		HP. 3.4.2 Private										4,326			**4,326**
	HP.3.5 Medical & Diagnostic Labs											13,322			**13,322**
	HP.3.9 Other providers of ambulatory care											19,805			**19,805**
HP.4 Retail sale & other providers of medical goods												287,022			**287,022**
HP.5 Provision & admin. of public health programs	HP.5.1 Fam. Planning & Prim. H. Care														**-**
	HP.5.2 Immuniz. (EPI), Diarrheal Dis.														**-**
	HP.5.3 to HP.5.10 Other Programs														**-**
HP.6 General Health admin & Insurance				3,162		48,275	11,718				4,719				**67,874**
HP.9 Rest of the world														6,643	**6,643**
HP.nsk				4,519	1,829	4,421	129	35	1	9,223	6,143	3,180	71,537		**101,017**
Total Current health expenditures				**21,216**	**37,141**	**240,476**	**71,527**	**8,482**	**2,691**	**14,476**	**10,862**	**623,413**	**71,537**	**6,643**	**1,108,464**

2.6 NHA Indicators with regard to National Accounts 2017-18

The annual per capita current health expenditures for Pakistan as per NHA 2017-18 are (48.1US$) Rs. 5,283 while in NHA 2015-16 it was (Rs. 4,688) 45.0 US$. For comparison, the respective figures for year 2017-18 reported to WHO by Iran, India, Afghanistan, Bangladesh & China are 484US$, 73US$, 50US$, 42US$ & 501US$ respectively. The ratios of health expenditures 2017-18 according to NHA over GDP are 3.2% while public sector health expenditures according to NHA over government expenditures are 12.2%. The private sector health expenditures according to NHA over Household final consumption expenditure are 2.5%.

- Total health expenditures are 3.2% of GDP (at market price) in 2017-18.[7]
- General government health expenditures are 12.2% of general government final consumption expenditures in 2017-18 as according to national accounts.[8]
- Private health expenditures are 2.5% of Household final consumption expenditure as according to national accounts.[9]

[7] Pakistan Bureau of Statistics, National Accounts main aggregates (at market price)
[8] Pakistan Bureau of Statistics, National Accounts, Expenditure on Gross domestic product at current prices, general government final consumption expenditure
[9] Pakistan Bureau of Statistics, National Accounts, Expenditure on Gross domestic product at current prices, Household final consumption expenditure

3. Provincial Health Accounts

3.1 Health expenditure at provincial level

The province wise breakdown of health expenditures in the literature is called Regional Health Accounts[10] or Provincial Health Accounts[11]. Matrices 3-6 show the total health expenditures for each Province.

Provincial Health Accounts are sub-accounts of the NHA and track expenditures on health for a specific regional section of the health system. Similar to NHA, the sub-accounts measure the expenditures by financing sources, financing agents, health care providers and functions which show the flow of resources through the construction of matrices. But it is imperative to understand the criterion of regionalization. The expenditures are allocated to the regions according to the location where the health care has been provided. The residency of the patient is not a criterion, at all. The expenditures of a resident of Punjab in a clinic at Peshawar would be recorded as expenditure in KP. Accordingly, the military health expenses are allocated to the location of the military health facilities. Nevertheless, it can be assumed that the figures widely reflect the regional distribution of benefits by residency of the patients.

In Punjab, the current expenditures made by provincial government in its capacity as financial agent are (18.92%).The share of social security is 1.0%. OOP expenditures of private households as agents account for 59.36% of overall health expenditures made in Punjab.

In Sindh, current expenditures made by its government were 30.98% of overall expenditures. The share of social security is only 0.88%. The share of private households' OOP expenditure is 53.68%.

In KP, the current expenditures made by the provincial government were 19.45%. In KP and Baluchistan, the share of social security expenditures are 0.22% and 0.23% respectively which are lower than Punjab and Sindh. In KP (including FATA), the share of OOP in KP is around 63.48%. The share of donor in overall health expenditures in KP is 1.31%.

In Baluchistan, the share of expenditures of the provincial government is 30.16% (including districts government expenditure), while the share of OOP health expenditures were 65.2%.

[10] See WHO, Workshop on Health Financing in Pakistan, 2007,http://www.who.int/nha/events/en/.

[11] See ADB, Technical Assistance Completion Report, 1997, http://www.adb.org/Documents/TACRs/PNG/tacr-png-2772.pdf.

Matrix 3: Financing sources by financing agents - Punjab Current Health Expenditures 2017-18 (million Rs.)

Financing agents					Financing sources									
					FS.1 Public funds				FS.2 Private funds			FS.3 ROW	Total	%
					FS.1.1 Government Funds			FS.1.2 Autono-mous Bod-ies	FS.2.1 Employ-er funds	FS.2.2 House-hold funds	FS.2.3 Local NGO's	FS.3.1 Official donor agencies		
					FS.1.1.1 Federal Gov.	FS.1.1. 2 Prov. Gov.	FS.1.1.3 District / Tehsil bodies							
HF.1 Gen-eral Gov-ernment	HF.1.1 Territorial Govt.	HF.1.1.1 Federal Government	Federal Gov. (civil)											
			Military health expenditures		26,532								26,532	4.68
		HF.1.1.2 Provincial Government	Dept. of:	Health		106,920								18.87
				other		273							273	0.05
				Population Welfare										0.00
		HF.1.1.3 District Bodies	District Government				53,018						53,018	9.36
			Cantonment Boards				429						429	0.08
	HF.1.2 Social security funds	HF.1.2.1 Social secu-rity funds through Government	ESSI						5606				5606	0.99
			Zakat health expend.							389			389	0.07
			Bait-ul-Mal							1,150			1,150	0.20
	HF.1.3 Autonomous Bodies / Corporations							306					306	005
HF.2 Priv. Sector	HF.2.3 Private households' out-of-pocket payment									336,292			336,292	59.36
	HF.2.4Local Non-Government Organizations (NGO's)										32,907		32,907	5.81
HF.3 ROW	HF.3.1 Official donor agencies											2,735	2,735	0.48
Total					**26,532**	**107,193**	**53,447**	**306**	**5606**	**337,831**	**32,907**	**2,735**	**566,557**	100.00
%					4.68	18.92	9.43	0.05	0.99	59.63	5.81	0.48	100.00	

Matrix 4: Financing sources by financing agents – Sindh Current Health Expenditures 2017-18 (million Rs.)

Financing agents					Financing sources									
					FS.1 Public funds				FS.2 Private funds			FS.3 ROW	Total	%
					FS.1.1 Government Funds			FS.1.2 Autono-mous Bod-ies	FS.2.1 Employ-er funds	FS.2.2 House-hold funds	FS.2.3 Local NGO's	FS.3.1 Official donor agencies		
					FS.1.1.1 Federal Gov.	FS.1.1. 2 Prov. Gov.	FS.1.1.3 District / Tehsil bodies							
HF.1 Gen-eral Gov-ernment	HF.1.1 Territorial Govt.	HF.1.1.1 Federal Government	Federal Govt. (civil)											
			Military health expenditures		3,525								3,525	1.30
		HF.1.1.2 Provincial Government	Dept. of:	Health		83,415							83,415	30.76
				other		605							605	0.22
				Population Welfare										0.00
		HF.1.1.3 District Bodies	District Government											0.00
			Cantonment Boards				126						126	0.05
	HF.1.2 Social security funds	HF.1.2.1 Social secu-rity funds through Government	ESSI						2,379				2,379	0.88
			Zakat health expend							30			30	0.01
			Bait-ul-Mal							144			144	0.05
	HF.1.3 Autonomous Bodies / Corporations							701					701	0.26
HF.2 Private Sector	HF.2.3 Private households' out-of-pocket payment									145,577			145,577	53.68
	HF.2.4Local Non-Government Organizations (NGO's)										34,338		34,338	12.66
HF.3 ROW	HF.3.1 Official donor agencies											344	344	0.13
Total					**3,525**	**84,020**	**126**	**701**	**2,379**	**145,751**	**34,338**	**344**	**271,184**	100.00
%					1.30	30.98	0.05	0.26	0.88	53.75	12.66	0.127	100.00	

Matrix 5: Financing sources by financing agents –Khyber Pakhtunkhwa Current Health Expenditures 2017-18 (million Rs.)

Financing agents					Financing sources									
					FS.1 Public funds				FS.2 Private funds			FS.3 ROW	Total	%
					FS.1.1 Government Funds			FS.1.2 Autonomous Bodies	FS.2.1 Employer funds	FS.2.2 Household funds	FS.2.3 Local NGO's	FS.3.1 Official donor agencies		
					FS.1.1.1 Federal Gov.	FS.1.1.2 Prov. Gov.	FS.1.1.3 District / Tehsil bodies							
HF.1 General Government	HF.1.1 Territorial Govt.	HF.1.1.1 Federal Government	Federal Gov. (civil)											
			Military health expenditures		3,750								**3,750**	2.3
		HF.1.1.2 Provincial Government	Dept. of:	Health		29,356							**29,356**	18.0
				other		2,353							**2,353**	1.4
				Population Welfare		27							**27**	0.00
		HF.1.1.3 District Bodies	District Government				17,835						**17,835**	10.9
			Cantonment Boards				104						**104**	0.1
	HF.1.2 Social security funds	HF.1.2.1 Social security funds through Government	ESSI						366				**366**	0.2
			Zakat health expend							109			**109**	0.1
			Bait-ul-Mal							517			**517**	0.3
	HF.1.3 Autonomous Bodies / Corporations							174					**174**	0.1
HF.2 Priv. Sector	HF.2.3 Private households' out-of-pocket payment									103,603			**103,603**	63.5
	HF.2.4Local Non-Government Organizations (NGO's)										2,146		**2,146**	1.3
HF.3 ROW	HF.3.1 Official donor agencies											2,864	**2,864**	1.8
Total					**3,750**	**29,535**	**17,939**	**174**	**366**	**104,229**	**2,146**	**2,864**	**163,204**	100.00
%					2.3	19.4	11.0	0.1	0.2	63.9	1.3	1.8	100.00	

Matrix 6: Financing sources by financing agents –Baluchistan Current Health Expenditures 2017-18 (million Rs.)

Financing agents					Financing sources									
					FS.1 Public funds				FS.2 Private funds			FS.3 ROW	Total	%
					FS.1.1 Government Funds			FS.1.2 Autonomous Bodies	FS.2.1 Employer funds	FS.2.2 Household funds	FS.2.3 Local NGO's	FS.3.1 Official donor agencies		
					FS.1.1.1 Federal Gov.	FS.1.1.2 Prov. Gov.	FS.1.1.3 District / Tehsil bodies							
HF.1 General Government	HF.1.1 Territorial Govt.	HF.1.1.1 Federal Government	Federal Gov. (civil)											
			Military health expenditures		1,661								**1,661**	2.86
		HF.1.1.2 Provincial Government	Dept. of:	Health		16,364							**16,364**	28.16
				other		393							**393**	0.68
				Population Welfare		770							**770**	1.32
		HF.1.1.3 District Bodies	District Government											0.00
			Cantonment Boards				15						**15**	0.03
	HF.1.2 Social security funds	HF.1.2.1 Social security funds through Government	ESSI						131				**131**	0.23
			Zakat health expend							12			**12**	0.02
			Bait-ul-Mal							56			**56**	0.10
	HF.1.3 Autonomous Bodies / Corporations							41					**41**	0.07
HF.2 Priv. Sector	HF.2.3 Private households' out-of-pocket payment									37,894			**37,894**	65.20
	HF.2.4Local Non-Government Organizations (NGO's)										715		**715**	1.23
HF.3 ROW	HF.3.1 Official donor agencies											69	**69**	0.12
Total					**1,661**	**17,527**	**15**	**41**		**37,962**	**715**	**69**	**58,121**	100.00
%					2.86	30.16	0.03	0.07	0.23	65.32	1.23	0.12	100.00	

Overall, these results show that the shares of financing agents of the health expenditures are relatively heterogeneous between different provinces. Table 23 provides the data of the provinces plus those for Islamabad Capital Territory (ICT) and the un-regionalized part of Federal Government.

Table 23: Total health expenditures 2017-18 by provinces and type of expenditure

Type of health expenditure	Punjab	Sindh	KP	Baluchi-stan	ICT	Gilgit	Unregio-nalised	Pakistan
	million Rs.							
Military Health Expenditure	26,532	3,525	3,750	1,661	821	852	-	37,141
Federal Government(Civil)							43,437	43,437
Provincial Government	151,800	89,437	42,092	31,277			-	314,606
District Government	54,302		17,835				-	72,137
Cant. Boards	602	147	143	15			-	907
ESSI	5,606	2,379	366	131			-	8,482
Zakat Health Expenditure	389	30	109	12	42			582
PBM	1,150	144	517	56	242			2,109
Fed. ABs/C							13,254	13,254
Prov. ABs/C	306	701	174	41				1,222
Private Insurance	-	-	-	-	-		10,862	10,862
OOP Health Expenditure	336,292	145,577	103,603	37,894	6,467	-277	-6,143	623,413
NGOs	32,907	34,338	2,146	715	1,431	-	-	71,537
Donors Organizations	2,735	344	2,864	69	564	67	-	6,643
Grand Total	**612,621**	**276,622**	**173,599**	**71,871**	**9,567**	**642**	**61,410**	**1206,332**
%	**49.1**	**24.8**	**13.8**	**5.5**	**0.6**	**0.1**	**6.1**	**100.0**
								%
Military Health Expenditure	71.44	9.49	10.10	4.47	2.21	2.29	-	100.00
Federal Government	-	-	-	-	-	-	100.00	100.00
Provincial Government	48.25	28.43	13.38	9.94	-	-	-	100.00
District Government	75.28	0.00	24.72	0.00	-	-	-	100.00
Cant. Boards	66.37	16.21	15.77	1.65	-	-	-	100.00
ESSI	66.09	28.05	4.32	1.54	-	-	-	100.00
Zakat Health Expenditure	66.84	5.15	18.73	2.06	7.22	-	-	100.00
PBM	54.53	6.83	24.51	2.66	11.47	-	-	100.00
Fed. ABs/C	-	-	-	-	-	-	100.00	100.00
Prov. ABs/C	25.48	57.32	13.88	3.33	-	-	-	100.00
Private Insurance	-	-	-	-	-	-	100.00	100.00
OOP Health Expenditure	53.94	23.35	16.62	6.08	1.04	-0.04	-0.99	100.00
NGOs	46.00	48.00	3.00	1.00	-	-	-	100.00
Donors Organizations	41.17	5.18	43.11	1.04	8.49	1.01	-	100.00

The health expenditures of federal government's civilian part are shown in Table 23 as "un-regionalized / federal". They include the vertical programs on health running across the country. Due to lack of data, they cannot be disaggregated by province. Since the disaggregated data on private health insurance is not available, this is included in the "un-regionalized/federal" category. ICT means expenditure in Islamabad area which is separate from federal government.

4. Out-of-Pocket Health Expenditure Survey

4.1 Introduction

In compilation of NHA the private households' out-of-pocket (OOP) health expenditure are the most crucial component of private health expenditure to measure because of two reasons. First, it is empirically the largest source of health care financing in the developing countries. Second, it is challenging to measure as most of the households do not remember the health expenditure particularly with regard to out-patients and other functions like self-medication etc. The survey's results actually depend on the recall quality (as an out-patient etc.) and the proper record (as in-patient & delivery cases) of the households and on the way to ask.

In Pakistan, the predominant survey on expenditures of private households is the Household Integrated Economic Survey (HIES). It is pertinent to mention here that "module on consumption regarding Health" before launching the HIES 2018-19 was reviewed from the Health Accounts perspective and observed that module on Health included in HIES 2018-19 questionnaire is incomprehensive to capture OOP health expenditure as per the requirement of National Health Accounts (NHA).

OOP health expenditure questionnaire covers all important indicators which ensure detailed OOP health expenditure data as per the requirement of NHA classifications. Data obtained through OOP health expenditure questionnaire would hopefully be comparable both across countries and over time. NHA section is indeed grateful to PSLM section for inclusion the OOP health expenditure questionnaire (one page questionnaire) as a permanent feature/section of the HIES. The three advantages of this approach are as follows:

- The recall period is the last 3 month for Inpatient, out-patients, unrelated to illness & self-medication, considering that this is the maximum period the households can comprehensively remember their expenditures on health services. In the previous rounds of NHA, the recall period of OOP survey was only one month.
- Additional questions could be included.
- The personal characteristics of the respective members of the household (age, sex, status and the like) could be connected by linking the OOP survey data with the HIES data, thus minimizing the additional response burden for the households

The idea was to raise the recall period by twelve in order to arrive at expenditures for the whole year health care functions recall period is three months. The HIES questionnaire remained unchanged and still included the question of annual expenditure on health. The comparison of both results (HIES as well as a dedicated questionnaire for OOP health expenditure) was considered to enable the assessment of the (assumed) underreporting of OOP through HIES.

It is worth to mentioning here that an exercise on OOP health expenditures obtained from two different sources namely- HIES data and NHA OOP special survey data has been carried and observed that HIES data based OOP health expenditures are understated as compared to NHA OOP special survey data. Actually, HIES questionnaire includes questions on health expenditures which in Health Accounts perspective are incomprehensive to capture OOP health expenditures.

Given the same average deficiency in 2005-06, 2007-08, 2009-10, 2011-12, 2013-14, 2015-16 the results for OOP expenditures of the aforesaid sixth rounds of NHA were enhanced accordingly. Table 24 shows the OOP health expenditure for 2015-16 and 2017-18 at the national and provincial levels. OOP health expenditure for 2017-18 has been estimated on the data obtained through a dedicated questionnaire for OOP health expenditure included as a section in the HIES 2018-19.

4.2 Questionnaire and method:

The reference period for the HIES and OOP health expenditure survey was 2017-18. The current round of the HIES covers 24,809 households. It provides important information on household income, savings, liabilities, and consumption expenditure and consumption patterns at national and provincial level with urban/rural breakdown.

The universe for HIES 2018-19 consists of all the urban and rural areas of the four provinces of Pakistan excluding FATA and military restricted areas. The population of excluded areas constitutes about 2% of the total population. Two stage stratified random sampling scheme was adopted. All enumeration blocks selected have been treated as Primary Sampling Units (PSU's). Households as defined within the PSUs are considered as Secondary Sampling Units (SSUs).

Pakistan Bureau of Statistics (PBS) has developed its own area sampling frame for both Urban and Rural domains. Each city/town is divided into enumeration blocks. Sampling frame updated through Population and Housing Census 2017. Each enumeration block is comprised of 200 to 250 households on the average with well-defined boundaries and maps.

Per capita annual OOP health expenditures by OOP survey were 3,098 Rupees. Population of Pakistan in 2017-18 was 209.80 million. Population for the Pakistan and provinces/areas has been obtained from the Population and Housing Census 2017 for estimation of OOP expenditures at the regional level.

4.3 Main findings of the survey for 2015-16

The OOP health expenditures for 2015-16 and 2017-18 including reimbursement figures, estimated at national level by OOP survey are Rs.542 billion & Rs.650 billion respectively. The table below gives the breakup of the gross OOP by region/province.

Table 24: Out of pocket health expenditures in 2015-16 and 2017-18 by region (million Rs.)

Province/Area	2015-16	2017-18
Pakistan	**542,277**	**649,999**
Punjab	293,496	344,499
Sindh	130,218	149,500
KP & FATA	86,233	110,500
Baluchistan	28,156	39,000
Islamabad	4,174	6,500

Punjab has the highest share (53%) of the total OOP health spending, followed by Sindh (23%). KP (including FATA) has 18% share while Baluchistan has just 6% share of the total OOP health spending.

Table 25: Out of Pocket health expenditure by type of health care 2017-18 in %					
Province	**Inpatient**	**Outpatient**	**Unrelated to illness**	**Self-medication**	**Total**
Pakistan	**19.54**	**73.17**	**5.79**	**1.50**	**100.00**
Punjab	13.66	77.46	7.16	1.72	100.00
Sindh	33.26	60.01	5.30	1.43	100.00
KP	24.25	72.01	2.68	1.06	100.00
Baluchistan	26.14	69.06	3.57	1.23	100.00

Analysis of the OOP survey data reveals that in Pakistan, around 73% of the total OOP expenditures incurred on outpatient services while around 20% of total OOP spending incurred on inpatient care for their illness and 5.79% of total OOP spending goes to Unrelated to illness and just 1.5% expenditures reflects Self-medication which include all those people who are taking medicines without consultation/prescription, or all those people who are taking medicines for long lasting diseases like diabetes and high blood pressure that was already prescribed by doctors.

Further analysis of data on the type of health care by provinces reflects that percentage share of outpatient is highest in Punjab (77.46%) followed by KP (72.01%), Baluchistan (69.06%) and the lowest share is of Sindh (60.01%). For the Inpatient services, the highest share is of Sindh (33.26%) and the lowest share is of Punjab (13.66%).

Table 26: Out of Pocket health expenditure by urban & rural 2017-18 in %			
Province	**Urban**	**Rural**	**Total**
Pakistan	**58.89**	**41.11**	**100.00**
Punjab	54.84	45.16	100.00
Sindh	39.58	60.42	100.00
KP	83.52	16.48	100.00
Balochistan	67.81	32.19	100.00

In table 26, the pattern of households OOP health expenditure is explained among urban and rural areas. It shows that the level of OOP health expenditure in urban areas is higher as compared to rural areas in Pakistan and provinces as well. Urban percentage share of OOP health expenditures in Pakistan is 58.89% while in rural areas it is 41.11%. Analysis of OOP health expenditure data with regard to provinces shows that in urban areas, the highest share is of KP (83.52%) and the lowest share is of Sindh (39.58%).

Table 27: Out of Pocket health expenditure by sex 2017-18 in %			
Type of Care	**Male**	**Female**	**Total**
Pakistan	**47.16**	**52.84**	**100.00**
Punjab	46.16	53.84	100.00
Sindh	49.01	50.99	100.00
KP	48.55	51.45	100.00
Balochistan	46.63	53.37	100.00

Table 27 shows the pattern of households OOP health expenditure by sex at the national and provincial levels. Analysis of OOP survey reflects that in Pakistan female OOP spending percentage

share (53%) on all type of health care access is higher than male (47%).The same pattern can be seen in provinces.

Table 28: OOP expenditures of private households 2017-18 by category and provinces in %

OOP Expenditure categories	Pakistan	Punjab	Sindh	KP	Baluchistan
Transportation costs	**7.71**	**7.99**	**6.46**	**8.12**	**6.18**
Parchi and admission fees	**1.47**	1.17	1.70	1.97	2.41
Doctors fee	**12.97**	**13.51**	**14.08**	**11.02**	**10.18**
Medicines/Vaccine	**50.63**	**53.74**	**42.76**	**49.60**	**39.76**
Medical Supplies	**2.43**	1.87	2.77	3.78	1.94
Diagnostic tests	**8.22**	**7.99**	**8.78**	**8.31**	**8.96**
Cost of surgery	**7.10**	4.76	10.55	9.90	**14.34**
Medical Durables	**0.42**	0.29	0.92	0.36	0.58
Food	**2.06**	1.84	2.53	2.33	1.84
Tips	**0.23**	0.21	0.26	0.23	0.21
Accompanying person cost	**0.55**	0.50	0.37	0.91	0.26
Other	**6.21**	6.13	8.82	3.47	13.34
Total Expenditure	**100.00**	**100.00**	**100.00**	**100.00**	**100.00**

Analysis of OOP survey also reflects that in Pakistan 50.63% of the total OOP spending are incurred on “Medicine/Vaccine”, 12.97% and 8.22% on Doctor’s fee and Diagnostic tests respectively and 7.7% of the total OOP spending are incurred on Transportation costs.

Further analysis of OOP data with regard to provinces indicates that OOP spending on “Medicine/Vaccine” is highest in Punjab (53.74%) followed by KP (49.60%), Sindh (42.76%), while the lowest share is of Baluchistan (39.76%). Second highest spending for all the provinces is on Doctor’s fee and then the Diagnostic tests. The reason behind high OOP spending on medicine is that, in private clinics, doctors take the charges including medicine and the value reported in the medicine cost.

Third highest spending for all the provinces is Diagnostic tests. While the fourth highest spending for all the provinces is transportation costs. The high share of transportation costs highlights that health care facilities often are far away to the population. The OOP expenditure on the category ‘cost of surgery’ in Baluchistan is 14.34% which is significantly higher than other provinces.

The lowest share is of tips because mostly tips are given in the hospitals at the time of new born in Pakistan. Expenditures on accompanying person incur mostly in the cases of inpatient. KP has the highest percentage share of expenditures incurred on accompanying person.

Table 29: OOP expenditures in Health Care Providers by categories 2017-18 in %			
OOP Expenditure categories	**Private**	**Public**	**Total**
Transportation costs	**6.86**	**11.65**	**7.71**
Parchi and admission fees	1.55	1.05	**1.47**
Doctors fee	**15.14**	**2.98**	**12.97**
Medicines/Vaccine	**49.43**	**56.16**	**50.63**
Medical Supplies	2.30	3.05	**2.43**
Diagnostic tests	**7.70**	**10.60**	**8.22**
Cost of surgery	**7.84**	**3.68**	**7.10**
Medical Durables	0.42	0.43	**0.42**
Food	1.67	3.85	**2.05**
Tips	0.15	0.57	**0.23**
Accompanying person cost	0.48	0.91	**0.56**
Other	6.46	5.07	**6.21**
Total Expenditure	**100.00**	**100.00**	**100.00**

Table 28 indicates that percentage share of “Medicine/Vaccine” in private and public sector are 49.43% and 56.16% respectively. Private and Public OOP expenditures incurred on “Doctor’s fee” is around 15.14% and 2.98% respectively. The percentage shares of “Cost of surgery "Diagnostic tests" in private and public sector are “7.84 & 3.68” and 7.70% and 10.60% respectively. While the percentage share of OOP expenditures as “Transportation Cost” is 6.86% and 11.65% in private and public sector respectively.

Table 30: OOP expenditures on the Type of health care provider accessed by the households 2017-18											
Province	**Private Hospital**	**Private Doctor clinics**	**Homeo-path/ hakeem/ herbalist etc.**	**Phar-macy/ shops**	**Govt./THQ/DHQ/Tertiary/Teaching Hospitals**	**Dispensa-ry/Maternal and child health cen-ter/BHU/RHC/LHV/LHW**	**Military Hospital**	**S.S, Railway & ABs Hospi-tals**	**Labora-tory**	**Oth-ers***	**Total**
Punjab	18.39	**58.80**	1.42	2.50	16.79	0.35	0.55	0.41	0.10	0.69	100.00
Sindh	41.23	**45.38**	0.40	1.59	9.88	0.12	0.40	0.23	0.23	0.54	100.00
KP	22.51	**50.54**	0.76	3.05	21.38	0.35	0.66	0.23	0.10	0.42	100.00
Baluchistan	34.18	**45.92**	0.64	1.38	13.71	0.87	0.05	2.59	0.04	0.62	100.00
Pakistan	**23.50**	**54.43**	**1.08**	**2.44**	**16.55**	**0.33**	**0.54**	**0.41**	**0.12**	**0.60**	**100.00**

The OOP health expenditure for access to government hospitals (16.55%) is lower than those for access to private hospitals (23.50%) because government hospitals provide the services on lower rates. Highest OOP expenditures are in the category of Private Doctor Clinics (54.43%) followed by private hospitals (23.50%) and Govt. Hosp./THQ/DHQ/Tertiary/Teaching Hospitals (16.55%) at national level. The percentage share of OOP spending on Private Doctor Clinics is highest in Punjab (58.80%) followed by KP, Baluchistan and Sindh and their respective percentage share of spending are 45.38%, 50.54% and 45.92% respectively. The category of Pharmacy/ shops have share of 2.44% in OOP health expenditures at national level.

Table 31: OOP health expenditures 2017-18 by kind of accessed sector (private and public) and by province in %			
Province	**Private Sector**	**Public Sector**	**Total**
Punjab	82.18	17.82	**100.00**
Sindh	81.89	18.11	**100.00**
KP	89.37	10.63	**100.00**
Baluchistan	77.38	22.62	**100.00**
Pakistan	82.79	17.21	**100.00**

In Pakistan share of OOP health expenditures incurred by private sector is significantly higher than public sector. The situation in the provinces is not much different which shows the important role or the provision of quality health care services in private health sector across the country.

Table 32: Health expenditures by kind of illnesses/ incident and by province 2017-18 in %					
Kind of Illness / incident	**Pakistan**	**Punjab**	**Sindh**	**KP**	**Baluchistan**
Road Accidents	3.11	2.56	5.08	2.10	**10.45**
Fractures	2.01	2.41	1.88	1.20	1.05
Diarrheal disorder (including dysentery)	2.03	2.26	2.09	1.38	2.07
Pneumonia	0.55	0.70	0.39	0.26	0.45
Flue/Fever	**9.55**	**9.52**	**11.86**	**8.10**	**8.14**
Malaria	**3.97**	**3.40**	**6.30**	**3.15**	**7.96**
Typhoid	2.54	2.91	1.30	2.66	1.26
Chest infection	1.83	1.49	1.48	3.10	1.02
Asthma	1.94	2.18	1.82	1.44	1.57
Liver, Kidney Diseases	**6.82**	**7.52**	**5.77**	**5.58**	**8.31**
Measles, Polio (Immunizable diseases)	0.41	0.35	0.62	0.48	0.17
Stroke/ Paralysis	1.86	2.25	1.36	1.35	0.88
Muscular Pain (Knee, Arm, Backbone etc)	**7.21**	**7.29**	**3.74**	**10.14**	**3.14**
Depression / Hypertension	1.56	1.68	0.74	2.04	0.21
Eye infection/disorder (ENT)	1.98	1.75	2.11	2.59	1.17
Ulcer diseases	2.12	2.24	1.31	2.20	3.56
Hepatitis infections	**4.86**	**6.09**	**4.87**	**1.85**	**3.56**
Tuberculosis (TB)	1.29	1.75	0.63	0.61	0.95
Diabetes	**7.09**	**8.28**	**5.14**	**5.92**	**3.57**
Heart disease	**9.73**	**7.65**	**17.75**	**8.49**	**15.01**
High blood pressure	**4.04**	**4.50**	**2.90**	**3.80**	**3.17**
Gynae Issue	**4.49**	**4.11**	**1.90**	**7.76**	**1.98**
Dog Bite / Snake bites	0.09	0.13	0.01	0.04	0.05
Dental Care	0.38	0.43	0.30	0.34	0.27
Burns	0.10	0.11	0.20	0.01	0.07
Brain hemorrhage	0.69	0.67	0.90	0.56	0.76
AIDS	0.03	0.05	-	0.00	-
Cancer	**4.14**	**2.74**	**7.38**	**4.68**	**9.55**
Don't Know	0.23	0.23	0.09	0.36	0.11
Other, Specify _____	**13.35**	**12.75**	**10.08**	**17.81**	**9.54**
Total	**100.00**	**100.00**	**100.00**	**100.00**	**100.00**

Table 32 shows that the percentage shares of Heart disease (9.73%), Flue/Fever (9.55%), Muscular Pain (Knee, Arm and Backbone etc.) (7.21%) and Diabetes (7.09%) are the highest among all other illnesses at the national level. Survey data also finds that Liver, Kidney Diseases, Hepatitis infections, Gynae Issue are the second common diseases that occur in all provinces. Heart disease is on higher side in Sindh as compared to other provinces. AIDS percentage is very low in Pakistan. Category of Road Accidents is 10.45% in Baluchistan which is highest in all provinces.

5. Census of Autonomous Bodies/Corporations

5.1 Why this census?

The accounts of the public sector core government (federal, provincial & district) are maintained at the Accountant General Pakistan Revenues (AGPR) and respective Provincial Accountant Generals (AGs) offices. The final accounts of the respective governments are compiled and published about a year after the end of fiscal year in the document called appropriation accounts.

The public sector health expenditures data of the core government, compiled in various appropriation accounts, have already been extracted out from the appropriation accounts of respective provinces, districts and federal level obtained from the centralized accounting entities (AGPRs and AGs offices) and self-accounting entities. As far as Autonomous Bodies/Corporations (ABs/C) are concerned, they are not accounted for in the Government Budget Books issued by finance division/finance department except for the grants, subsidies & write-off loans (A05). This means that some of the ABs/C have a "one line budget" in the Government Budget Books. Therefore health expenditures data of the ABs/C have been collected via special survey/census. These expenditures are mainly made either through reimbursement of medical charges / bills, health insurances or through their own health care facilities. The expenditures incurred by health care facilities (Hospitals/Medical Centers/Dispensaries) run by ABs/C themselves have been collected separately.

5.2 Autonomous bodies/ corporations and their kinds of expenditures

ABs/C are set up in the public sector under an act of legislation or ordinance (subject to legislative approval) to perform regulatory, operational, corporate, promotional, research and developmental functions[12]. These bodies carry different organizational titles such as corporations, boards, institutes, authorities, companies and so on. These can generally be classified into (i) commercial, (ii) promotional, (iii) research, (iv) training and (v) regulation.

The primary distinction between a government department and an (ABs/C) lies in the fact that the latter enjoys a higher degree of autonomy in administrative and financial decision-making matters. The extent of autonomy that these ABs/C enjoy is in effect granted to them under the acts, which provided for their creation. They are governed by their respective acts including the rules and regulations framed there under. However, the rules and regulations to be framed require the approval of the government.

The administration and management of the affairs of the ABs/C are vested in their respective Boards of Directors which are appointed by the federal/provincial government. The government does not interfere into day-to-day operational activities of these ABs/C, but exercises oversight through its representatives on the Boards of Directors. The chief executive of the ABs/C is appointed by the Government and is designated either as the chairman, or managing director, or director general or executive director.

Public corporations are established under special legislation of the Federal and Provincial Governments or under the Companies Act 1913/Companies Ordinance 1984. These are usually holding corporations of a number of public companies in the industrial sector. The Corporation holds

[12]Report of the National Commission for Government Reforms on Reforming the Government in Pakistan, 2008

all or majority equity in these companies on behalf of government and administers them. These corporations or companies cannot be classified as autonomous bodies.

According to publication published by Pakistan Public Administration Research Centre (PPARC) Statistical Bulletin 2010-11, there are 207 ABs/C having 369,285 employees working under the administrative control of federal government. Similarly according to Services & General Administrative Department (S&GAD) and the respective departments of the four provinces, there are 67, 40, 45 & 18 ABs/C under the administrative control of Punjab, Sindh, KP & Baluchistan governments respectively.

5.3 Autonomous bodies/corporations and their type of health services

Data on public sector health expenditures are not collected through surveys ("primary" statistics). They are collected from administrative ("secondary") sources. Therefore it is imperative to deal with the set-up of public accounting in Pakistan and to differentiate among centralized accounting entities, self-accounting entities and exempt entities.

The accounts of the public sector (core government) are maintained in the first two entities, whereas ABs/C are treated in accounting as exempt entities. Centralized accounting entities and self-accounting entities are defined as those which are under the Auditor General of Pakistan for accounting and reporting purposes. A centralized accounting entity is any accounting entity for which the AGs or AGPRs have the primary responsibility for the accounting and reporting function of that entity. Data on health expenditures in respect of centralized accounting entities compiled in the appropriation accounts (Certified Document) have been obtained from the respective provincial AG offices and AGPR Islamabad. A self-accounting entity is any accounting entity for which the Principal Accounting Officer has the primary responsibility for the accounting and reporting function. Self-accounting entities are separately preparing their appropriation accounts compiled in Volume II-X of their expenditures.

Data on health expenditures of self-accounting entities have been obtained from the following self-accounting entities separately.

- National Savings Organization
- Pakistan Mint
- Food Wing of the Food and Agriculture Division
- Pakistan Public Works Department
- Ministry of Foreign Affairs
- Pakistan Post Office Department
- Geological Survey of Pakistan
- Pakistan Railways
- Forest Department
- Ministry of Defense

Exempt entities are defined as those which fall outside the responsibility of the Auditor General of Pakistan for accounting and reporting purposes. All ABs/C are treated as exempt entities. The

terms centralized accounting entities and self-accounting entities exclude exempt entities[13].The data on health expenditures incurred by the employees of Exempt entities (ABs/C) have been obtained by conducting this census of ABs/C as these are required to maintain/prepare their accounts and reports by themselves.

It has been observed in the census that ABs/C are providing health services to their employees through at least one of the following mechanism:

- Health care through their own health care facilities
- Provision of medical allowance to their employees
- Health care through the reimbursement of medical charges bills
- Health care through health insurance to their employees.

Census data finds that some large ABs/C under the federal government provides health services to their employees and in some cases to the general public. For example, Pakistan International Airlines (PIA) has a medical wing, which mainly consists of curative facilities but some of the preventive services such as immunization etc. are also provided. The medical wing runs medical centers at Karachi, Lahore, Multan, Peshawar, Rawalpindi / Islamabad providing comprehensive medical care to its employees and their dependents. Similarly Water and Power Development Authority (WAPDA) is a large organization having a medical division having more than 1,200 employees providing predominantly curative services to the organization. Currently WAPDA is running 12 hospitals and 30 dispensaries (12 fortified and 18 basic dispensaries) across Pakistan.

5.4 Data sources

As ABs/C working under the administrative control of federal/provincial governments of Pakistan are maintaining all their accounts/records by themselves, the only feasible way out to get their health expenditures data was to contact them officially and individually. The list of respondents was obtained from the following sources:

- Annual Statistical Bulletin of the Employees of ABs/C under the control of Federal Government (2010-11), published by PPARC, Management Services Wing, Establishment Division, Islamabad.
- The list of ABs/C under the control of Provincial Governments of Pakistan was obtained from the respective controlling department/Services & General Administration department of the four provinces.

The postal addresses of ABs/C both at federal and provincial levels were obtained from the websites and controlling divisions/departments. Official letters along with the specially designed data specification form were dispatched to all ABs/C in order to get data on health expenditures of their employees. Table 28 and 29 show the number of federal bodies and their employees by Divisions of the Government of Pakistan and the number of provincial bodies and their employees by provinces, respectively.

[13] Accounting Code for Self Accounting Entities. Available at:http://www.pifra.gov.pk/docs/nam/06-Accounting-Code-for-SAEs.pdf. Accessed on 30 April, 2011

Table 33: Federal autonomous bodies/ corporations and their employees 2011-12 by Division

S.No	Division	Number	Employees
1	Cabinet	15	19,995
2	Commerce	7	5,241
3	Communications	1	1,212
4	Culture	4	373
5	Defence	2	28,306
6	Defence Production	2	2,784
7	Education	42	10,342
8	Environment	2	176
9	Establishment	8	1,872
10	Finance	10	25,267
11	Food, Agriculture & Livestock	4	4,898
12	Foreign Affairs	3	124
13	Health	11	2,438
14	Housing & Works	3	575
15	Industries Production and Special Initiatives	14	25,599
16	Information & Broadcasting	5	8,264
17	Information Technology and Telecommunications	8	6,094
18	Interior	2	11,064
19	Kashmir Affairs & Northern Areas	1	650
20	Labour & Manpower	3	1,208
21	Law, Justice &Parliamentary Affairs	1	58
22	Livestock & Dairy Development	1	60
23	Minorities Affairs	1	1,059
24	Overseas Pakistanis	1	1,718
25	Petroleum & Natural Resources	10	31,339
26	Planning and Development	1	188
27	Population Welfare	2	100
28	Privatization & Investment	1	84
29	Port & Shipping	6	7,758
30	Religious Affairs, Zakat &Ushar	1	104
31	Science & Technology	18	10,438
32	Sports	1	373
33	States & Frontier Regions	1	196
34	Social Welfare & Special Education	1	1,194
35	Tourism	5	416
36	Textile Industry	2	443
37	Water & Power	6	156,994
38	Prime Minister Secretariat (Public)	1	281
Total		**207**	**369,285**

Source: Pakistan Public Administration & Research Centre, Establishment Division

Table 34: Provincial autonomous bodies/ corporations and their employees 2011-12 by province		
Province	**Number**	**Employees**
Punjab	67	33,576
Sindh	40	46,615
KP	45	19,724
Baluchistan	18	8,773
Total	**170**	**108,688**

Source: Respective Provincial Departments/Service & General Administration Departments

5.5 Main findings for federal autonomous bodies / corporations

Census of ABs/C pertaining to federal or provincial governments of Pakistan was conducted for the reference period 2011-12. The purpose of the census was to collect data on remuneration of health expenditures of the employees of the ABs/C working under the control of federal government of Pakistan. Out of 207 federal ABs/C, 92 have provided data through mail which is almost 45% of the total federal ABs/C and covered approximately 82% employees of the federal ABs/C. It is observed that most of the ABs/C are providing health services to their employees through the reimbursement of medical bills. Table 30 gives an overview of the number of ABs/C and their health care service mechanism.

Table 35: Federal autonomous bodies/ corporations 2011-12 by mechanism of health care provision		
Mechanism	**Number**	**%**
Reimbursement only	53	25.60
Medical Allowance/No Reimbursement	7	3.38
Health Insurance only	3	1.45
Reimbursement & Health Insurance	7	3.38
Reimbursement & Own Health Care Facilities	22	10.63
Non-Response	115	55.56
Total	**207**	**100.00**

Eighty two out of 92 reporting federal ABs/C are providing health services to their employees through the reimbursement of medical bills. The health expenditures incurred by their employees during 2009-2012 were Rupees 3,627 million in 2009-10, Rs.3,977 million in 2010-11 and Rs.4,596 million in 2011-12.

Three out of the 92 reporting ABs/C are providing health services to their employees through health insurance only. Virtual University (NPO) paid Rupees 4.5 million, National Trust for Population Welfare, Islamabad paid Rs.0.3 million and COMSAT Institute of Information Technology paid Rs.24.4 million.

Seven out of the 92 reporting ABs/C are providing health services to their employees by co-mechanism (re-imbursement & health insurance). Table 31 gives an overview of the health expenditures incurred by them.

Table 36: Expenditures of federal autonomous bodies/corporations on health via combination of reimbursement & health insurance 2011-12 (million Rs.)

Autonomous Body	Health Insurance	Reimbursement
National Centre of Excellence in Analytical Chemistry, University of Sindh, Jamshoro	0.018	0.195
National Institute of Historical and Cultural Research, Centre of Excellence,	0.170	0.300
Pakistan Study Centre, University of Sindh, Jamshoro	0.049	0.386
Pakistan Security Printing Corporation (PSPC)	0.005	0.011
Pakistan Gems and Jewellery Development company, Karachi	0.476	1.114
Government Holdings (Pvt.) Limited	0.873	0.194
National University of Science & Technology (NUST)	5.167	6.593
Total	**6.76**	**8.79**

Twenty two out of the 92 reporting ABs/Care providing health services to their employees and members of their families by two mechanisms: own health care facilities as well as reimbursement of medical bills. These ABs/C are running 28 hospitals/medical centers and 134 dispensaries. Out of 28 hospitals/medical centers WAPDA owns 12 hospitals; Pakistan Steel Mills and Capital Development Authority each have one hospital and Pakistan Mineral Development Corporation owns two hospitals. Pakistan International Airlines (PIA) has 5; Oil & Gas Development Company Ltd (OGDCL) has 3 and Civil Aviation Authority has 2 medical centers for their employees etc. Similarly out of 163 dispensaries, OGDCL owns 21, WAPDA 30, PIA 13 and Pakistan Steel Mills 11 dispensaries.

The actual data on expenditures on the prescribed questionnaire in respect of WAPDA and Capital Development Authority (CDA) have been received. The expenditures of the non-responding ABs/C hospitals, medical centers and dispensaries have been estimated on the basis of factors (health expenditures per employee incurred by the hospital (Rs. 5,113) and dispensary (Rs.3,918) obtained from the actual data received from WAPDA and CDA.

The lump sum health expenditures of ABs/C with this co-mechanism in the year 2011-12 are Rs.2,887 million for their own healthcare facilities and Rs.2,674 million for their reimbursements. Overall the expenditure totals to Rs.5,561 million.

As mentioned earlier, 82/92 federal ABs/C reported that they are providing health expenditures through reimbursement of medical charges. Their health expenditures per capita of employee (in total 284,009) has been calculated (Rs16,182) in order to raise the amount of health expenditures for 115 non-responding federal ABs/C having 67,683 employees. This results in Rs.1,095 million assuming that they do not employ other mechanisms than reimbursement. Table 32 summarizes the above results by mechanism.

Table 37: Expenditures of federal autonomous bodies/ corporations on health 2011-12 by mechanism		
Mechanism	**Number**	**Health Expenditures in million Rs.**
Reimbursement only	53	1,913
Health insurance only	3	29
Reimbursement & Health insurance	7	15
Reimbursement & Own health care facilities	22	5,562
Non-response (estimated)	115	1,095
Medical Allowance/No Reimbursement	7	-
Total	**207**	**8,614**

5.6 Provincial autonomous bodies/corporations

In Census of ABs/C 2011-12,170 bodies working under the administrative jurisdiction of federal and provincial governments. 67 of them were under the control of Punjab, 40 were located in Sindh, 45 in KP and 18 in Baluchistan. The response rates were 66% for Punjab, 40% for Sindh, 42% for KP and 56% for Baluchistan.

In Punjab there are 67 bodies and corporations working under the control of Punjab government, of which 44 have provided data/information which is 66% of the total Punjab ABs/C covering approximately 63% of the employees.

The actual reported data in respect of 44/67 ABs/C has been analysed and observed that 22 out of 44 ABs/C are providing health services to their employees through the method of reimbursement of medical charges, 12 out of 44 are providing medical allowance to their employees and one out of 44 ABs/C is providing health services to their employees via reimbursement and health insurance. While nine out of 44 ABs/C are providing health services to their employees by co-mechanism (Via reimbursement and own health care facility). Table 33 gives an overview of health expenditures incurred by the employees of 22/67 ABs/C via reimbursement in the period 2009-2012. It also includes the respective figures for the other provinces.

Table 38: Expenditures of provincial autonomous bodies / corporations on health via reimbursement of medical charges 2009-10 until 2011-12 (million Rs.)				
Province	**AB / C (reporting)**	**2009-10**	**2010-11**	**2011-12**
Punjab	44	27,270	23,335	24,212
Sindh	16	36,911	44,397	44,031
KP	19	20,700	23,394	26,054
Baluchistan	10	8,368	14,289	15,401
Total	**89**	**93,249**	**105,415**	**109,698**

The per employee health expenditures (Rs. 1,829) based on the reimbursement of medical charges bills has been calculated and raised for the 23 non responding ABs/C employees. Estimation procedure of the health expenditures of the non-responding ABs/C is shown in Table 34. The table includes the respective figures for the other provinces.

Table 39: Estimation of health expenditures of the non-responding autonomous bodies / corporations via reimbursement method 2011-12						
Province	Response (Reimbursement)		Non-response		Per Capita expenditures (in Rs.)	Expendi-tures (In million Rs.)
	AB / Cs	Employees	AB / Cs	Employees		
Punjab	22	13,236	23	20,340	1,829	61.419
Sindh	6	6,108	23	37,190	7,209	312.123
KP	15	7,670	27	12,054	3,397	67.002
Baluchistan	7	6,453	07	2,320	2,387	20.938
Total	**50**	**33,467**	**80**	**71,904**	**14,822**	**461.482**

According to reported data, one of the Punjab ABs/C (Punjab Education Foundation) is providing health insurance to their employees in addition to reimbursement of medical bills facility and its health expenditures via health insurance is Rs.6.997.million. In Sindh three bodies namely Karachi Fisheries Harbor Authority, Liaquat University of Medical and Health Sciences, Jamshoro and Dow University of Health Sciences, Karachi are providing healthcare services to their employees via health insurance only. The total health expenditures reported by these three bodies through health insurance only, are Rs.64 million.

Besides the facility of re-imbursement of medical bills, 9/44 ABs/C in Punjab are providing health services to their employees through their own health care facilities as well. For example, University of Punjab has 5 dispensaries, University of Agriculture, Faisalabad and Islamia University, Bahawalpur are running 2 dispensaries each for the health care of their employees/students etc. The expenditures of the ABs/C dispensaries have been estimated on the basis of factor (health expenditures per employee incurred by the dispensary is Rs. 4,176). So the estimated health expenditures of the Punjab ABs/C own healthcare facilities are amounting to Rs. 77.12million.

Under KP government the bodies providing health services to their employees through their own health care facilities are, for example, B.I.S.E Peshawar, and KP Agriculture University has one dispensary each. University of Peshawar has one child welfare centre and one dispensary at campus for the health care of students/employees. The expenditures of the KP own healthcare facilities (three dispensaries & one child welfare center) has been estimated on the basis of factors as mentioned above. Hence the lump sum expenditures of the KP healthcare facilities are worked out to Rs. 19.45 million. None of the ABs/C (as reported in the census) under KP government is offering health insurance to their employees.

In Baluchistan Lasbela University of Agriculture, Water & Marine Science and Baluchistan University of Engineering and Technology, Khuzdar is providing health services to their employees by running its own dispensary at premises. Expenditures of the dispensaries is estimated on the basis of the factor (per employee Expenditures of the dispensary), which are Rs.2.956millions.None of the ABs/C (as reported in the census) under Baluchistan government is offering health insurance to their employees.

Table 35 gives an overview of the total health expenditures and its breakdown by mechanism incurred by the bodies and corporations of all four provinces in the fiscal year 2011-12.

Table 40: Expenditures of provincial autonomous bodies / corporations on health by mechanism 2011-12 (million Rs.)					
Province	Mechanism			Total Health Expenditures	
	Reimbursement	Own health care facilities	Health insurance		
	million Rs.	million Rs.	million Rs.	number	million Rs.
Punjab	106.74	77.118	6.998	67	190.86
Sindh	318.089	-	93.83	40	411.93
KP	82.713	19.447	-	46	102.16
Baluchistan	21.043	2.956	-	18	23.99
Total	**528.58**	**99.52**	**100.83**	**171**	**728.93**

5.7 Federal & provincial autonomous bodies/corporations expenditure: Extrapolation from 2011-12 to 2017-18.

Census ABs/C working under administrative control of federal & provincial governments was carried out in the year 2013 for the reference period 2009-10 to 2011-12. The purpose of this census was to collect data on remuneration of health expenditures of their employees. Health expenditures of ABs/C are mainly made either through reimbursement of medical charges, health insurances, or through their own health care facilities. It was observed in the Census that some of the ABs/C (both at federal & provincial levels) are providing cash medical allowances to their employees in salaries. These allowances are not included in the total health expenditures of ABs/C as it is not sure that the medical allowance is spent on the health care. Moreover, the precise estimate of the health care expenditures incurred by the employees out of the cash medical allowances is not possible due to lack of information or any national level research on it. Therefore, health expenditures of ABs/C, both at federal & provincial levels, incurred via reimbursement of medical charges, health insurances, or through their own health care facilities have been included in the NHA report. The aforesaid census have also provided frame of health care facilities running primarily for the health care of ABs/C. The following table gives an overview of federal & provincial ABs/C health expenditures by mechanism for the period 2009-10 to 2015-16. The health expenditures by mechanism for the fiscal years 2012-13, 2013-14 & 2015-16 have been estimated on the basis of actual data obtained via censuses 2007-08 & 2011-12. The health expenditures by mechanism for the fiscal years 2012-13 to 2015-16 have been estimated on the basis of factor (average relative change) observed in the previous fiscal years.

Table 41: Federal & provincial ABs/Cs health expenditures for the period 2009-10 to 2017-18 (million Rs.)								
Fiscal Year	Federal ABs/Cs				Provincial ABs/Cs			
	Reimbursement	Own health facilities	Health Insurance	Total	Reimbursement	Own health facilities	Health Insurance	Total
2009-10	5,551	1,815	37	7,403	600	257	15	873
2010-11	6,112	1,999	41	8,152	480	93	92	665
2011-12	5,691	2,887	36	8,614	529	99	101	729
2012-13	6,374	3,176	40	9,590	582	106	111	799
2013-14	7,139	3,494	44	10,677	641	114	122	877
2014-15	7,995	3,843	48	11,886	704	122	134	960
2015-16	8,955	4,227	53	13,235	774	130	148	1,052
2017-18	**8,078**	**5,115**	**61**	**13,254**	**936**	**138**	**148**	**1,222**

.

6. Classifications and International Guidelines

6.1 Definitions and boundaries

The framework of health accounting has to be in line with international recommendations and classifications (of NHA) and with National Accounts as well. For these reasons, PBS is following the international guidelines of WHO and applies it tailor-made to Pakistan. The NHA-methods for the developing countries are derived from the System of Health Accounts (SHA). The SHA defines health care activities which are more focused on health services in health system.

"Activities of health care in a country comprises the sum of activities performed either by institutions or individuals pursuing, through the application of medical, paramedical and nursing knowledge and technology, the goals of:

- Promoting health and preventing disease;
- Curing illness and reducing premature mortality;
- Caring for persons affected by chronic illness who require nursing care;
- Caring for persons with health-related impairment, disability, and handicaps who require nursing care;
- Assisting patients to die with dignity;
- Providing and administering public health;
- Providing and administering health programs, health insurance and other funding arrangements[14]".

In SHA manual, Total Health Expenditure (THE) includes health care functions under classification codes HC.1 to HC.7 plus capital formation[15]by health care providers (HC.R.1). The HC.1 to HC.7 & HC.R.1 include

HC.1 Services of curative care
HC.2 Services of rehabilitative care
HC.3 Services of long-term nursing care
HC.4 Ancillary services to medical care
HC.5 Medical goods dispensed to outpatients
HC.6 Prevention and public health services
HC.7 Health administration and health insurance

According to the above definitional framework, medical education and health-related professional training & research are not included in the Total Health Expenditure (THE). This definitional framework is important, when it comes to cross country comparisons.

The method recommended for developing countries by WHO gives them the liberty to include categories which are seen as integral part of the health system such as health education or health related research or training and is called "National Health Expenditure". So, Total Health Expenditure (THE) is the definitional framework provided by OECD (for international comparisons) and the National Health Expenditure (NHE) is the definition adopted by any particular country.

[14]Organization for Economic Co-Operation and Development (OECD), 2000, A System of Health Accounts Version 1.0, pp. 42.

[15]Gross capital formation in health care industries are those expenditure that add to the stock of resources of the health care system and last more than an annual accounting period

As for NHA Pakistan, regardless of the type of the institution or the entity providing or paying for the health care activity, it is as follows:

"National health expenditure encompasses all expenditures for activities whose primary purpose is to restore, improve, and maintain health for the nation and for individuals during a defined period of time[16]".

NHA Pakistan comprises of the health expenditures for the four provinces (Punjab, Sindh, KP and Baluchistan) and federal health expenditures, which amounts to the national health expenditures. NHA Pakistan shows health expenditure for Pakistani citizens and residents as well as spending by external agencies, like bilateral donor and UN agencies, on inputs to health care in Pakistan. This means that NHA Pakistan:

Includes:

- Health expenditures by citizens and residents temporarily abroad
- Donor spending (both cash and in-kind) whose primary purpose is the production of health and health-related goods and services in Pakistan

Excludes:

- Health spending by foreign nationals on health care in Pakistan (as NHA treats this as export of health services and does not include in NHA estimation) in Pakistan
- Donor spending on the planning and administration of such health care assistance

It is recommended that NHA may use the accrual method in accounting for expenditures, not the cash method. This would mean that expenditures are related to the time period during which the actual activity takes place. The accrual method uses the expenditures, which are attributed to the time period during which the economic value was created whereas the cash method refers to the expenditures, which are registered when the actual cash disbursements take place. However, the data situation in Pakistan does not yet allow for application of the accrual method. The numbers presented in the first round report and in this report of NHA are both cash-based.

6.2 ICHA-Classification adapted for Pakistan

The NHA classification categorizes the dimensions of health care system (namely, financing sources, financing agents, providers and functions). Each classification and category of NHA has a code. A letter code is used for the four main classifications used in NHA Pakistan. For example, financing sources are denoted by the code FS, financing agents by HF. For more details see Annexure 6 and 7.

NHA Pakistan estimates are based on the concepts and accounting framework outlined in the "Guide to Producing National Health Accounts - with special applications for low-income and middle-income countries[17]".Classifications for financing sources, financing agents and health care

[16]World Health Organization, 2003, Guide to Producing National Health Accounts: with special applications for low-income and middle-income countries, pp. 20.

[17]See WHO website, http://www.who.int/nha/create/en/.

providers have been prepared for Pakistan (see annexure) including the linkages between them as shown in various matrices.

Analysis of financing sources may be of particular interest where funding for the health system is diverse or changing rapidly in response to new financing strategies. Figures on financing sources are designed to reflect some of the key policy interests in the health system as well.

FS.1 covers all public funds. It is further divided into three sub-categories. FS.1.1 captures funds generated through general government. General government in Pakistan is federal government, provincial government and district / tehsil government. The ministry of finance acts as a main source of finance for civilian and military part. The provincial governments are the main source of finance for each province. The cantonment boards are placed under district government section as they are financially autonomous and act as source of finance.

Unlike government revenues, money that is collected by government and dedicated to social security funds is not counted under category FS.1.1. Therefore employers' contributions to social security schemes are categorized as other public funds.

FS.2 covers all private funds. Here FS.2.1 covers employer funds. Similarly, household funds (FS.2.2) include household out of pocket payments, Zakat and Bait-ul-Mal.

FS.3 category is reserved for funds that come from outside the country. External resources such as bilateral and multilateral international grants as well as funds contributed by institutions and individuals outside the country are included to the extent that they are used in that current period.

The classification scheme for financing agents allows categorizing the institutions and entities that pay or purchase health care in different groups. Financing agents include institutions that pool health resource collected from different sources, as well as entities (such as household and firms) that pay directly for health care from their own resources. As with the functional classification scheme in ICHA, NHA will likely show policy relevant subcategories of financing agents under many of the two digits heading of the ICHA-HF. For example, under central government (HF 1.1.1) countries probably will add additional categories for the Ministry of Health, Ministry of Education, and other ministries and so on. The reimbursement of medical charges by other ministries/departments is included as lump sum in the category defined as "Other".

The Pakistan health care financial agents are classified into two major categories: general government and private sector. Under general government the main categories are territorial government and social security funds. In territorial government the classification code HF.1.1.1 explains the federal government part under which federal (civil) and military are categorized while, Ministry of Health, Ministry of Population Welfare and other ministries are considered in the federal civil part.

Code HF.1.1.2 covers the provincial government expenditures by provinces. Each province has been further categorized into different departments like health, population welfare, and other departments. HF.1.1.3 covers the district/tehsil/local government and cantonment boards sections. The next main category under general government is social security funds, which from Pakistan's perspective includes the social security funds channeled through ESSI (coming from the employers) and Ministry of Religious Affairs, Zakat & Ushr (coming from household Zakat contributions). HF.1.3 covers the Autonomous bodies/Corporations.

The private sector (HF.2) is classified as private health insurance, private household out of pocket payments and, if any, local / national NGOs involved in providing health services. Rest of the world funds are covered under HF.3. Most of them under official donor agencies category HF.3.1

Hopefully, in the 7th round, the classifications for compiling country health accounts would be revised as per recommended global standard document called SHA 2011.

6.3 Revision of the System of Health Accounts

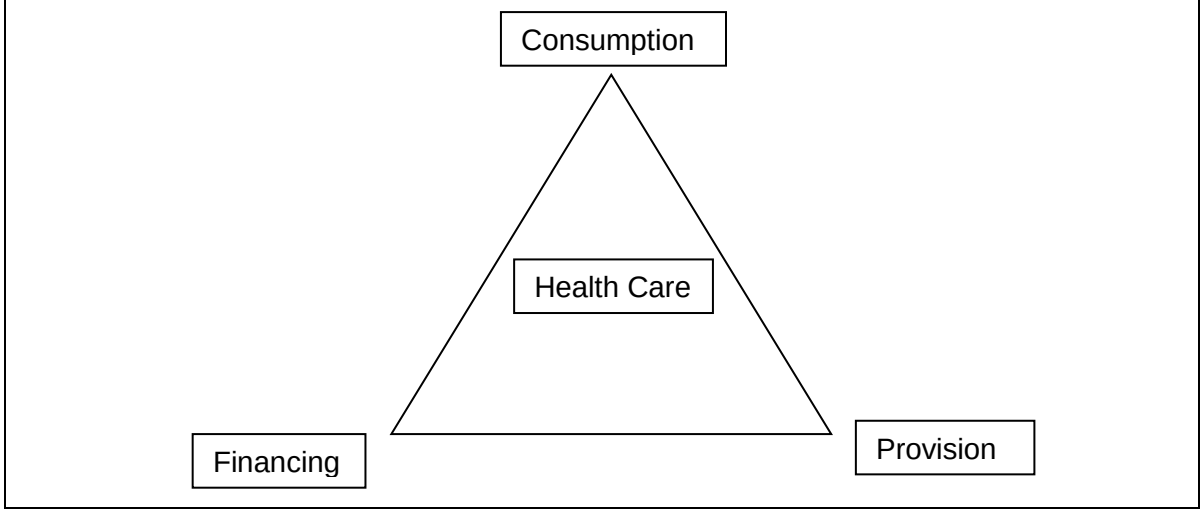
As more countries are implementing NHA, the demand for improved analytic tools related to health expenditure is growing. Health accountants are encountering more expectations from policy analysts, policy makers and the general public alike for sophisticated health expenditure data. It is desirable to have data which is more reliable, timely, and comparable, both across countries and over time.

The SHA 2011 provides global standards and is expected to avoid the development of divergent methodologies for the compilation of health expenditure accounts. It shares the goal of the System of National Accounts to constitute a system of comprehensive, internally consistent and international comparable accounts, which should be compatible with other aggregate economic and social statistics as far as possible. The SHA 2011 draws on countries best practices and relevant international standards and is the result of a wide-ranging consultation process.

SHA 2011 has introduced a number of changes and improvements. It starts with a greater focus on health consumption expenditure, with a more detailed consideration of prevention, long-term care, and traditional medicines. It provides more comprehensive guidance on recording the financing of health expenditures through health care financing schemes and their revenues. SHA 2011 interprets financing schemes as the key components of the health financing system from the point of view of access to care, and hence connects them to providers and health care functions in the SHA's tri-axial system of consumption, provision and financing (see Figure 4).

All four components of the health system can be linked to the three axes of health accounts. Each axis is associated with specific classification, but there is no unique classification matching each axis. For example, the financing axis can equally be measured by financing schemes and financing agents. Consumption is the starting point and the goods and services consumed with a health purpose (functions) set the boundary of the health accounts. What has been consumed has been produced and provided, thus another axis is provision, and what has been consumed and provided has been financed. This means that the third axis, financing as well as the second axis on provision are measured around the consumption.

Figure 6: Three axes of health accounts



There is also a greater separation of the accounting for consumption expenditure and capital expenditure on health system to reduce the ambiguity regarding their links, resulting in a new chapter in capital formation. It also introduces some new chapters like expenditure by groups of beneficiaries according to disease, age, gender, region and socio-economic group. Building on the methodological work of the Producer Guide, there is also chapter of the factor costs of healthcare providers.

There is distinction between the developing and developed countries as far as health accounting methodology is concerned. Developed countries are using System of Health Accounts (SHA) while the developing countries are using the National Health Accounts (NHA) guideline. This distinction has been removed and the revised system of health accounts (SHA 2.0) is now the recommended Global Standard for compiling Health Accounts.

6.4 Charts of Accounts Classification for government finance

"The Finance Division deals with the subjects pertaining to finance of the Federal Government and financial matters affecting the country as a whole, preparation of annual budget statements and supplementary / excess budget statements for the consideration of the parliament accounts and audits of the Federal Government Organization etc. as assigned under the Rules of Business, 1973[18]".

The Accountant General Pakistan Revenues (AGPR) is responsible for the centralized accounting and reporting of federal transactions. Additionally the AGPR is responsible for the consolidation of summarized financial information prepared by federal self-accounting entities. The AGPR receives accounts and reports from the District Account Offices (DAOs), Provincial Accounts Offices (PAOs), Federal Treasuries and State Bank of Pakistan / National Bank of Pakistan, and provides Annual Accounts (to the AGP) and Consolidated Monthly Accounts (to the Federal Finance Division). There are AGPR sub-offices in each of the Provinces which also act as the DAO in respect of

[18] See MOF website, http://www.finance.gov.pk/.

Federal Government transactions relevant to the Provincial Headquarters. The Controller General of Accounts is the administrative head of the AGPR.

The Provincial Accountant General (AG) offices, located in provincial capitals, are responsible for keeping the Provincial Accounts. The Detailed Accounts data for Federally Administered Tribal Areas (FATA) is kept with the FATA Secretariat located in Peshawar.

In December 2000, the New Accounting Model, which includes the new Chart of Accounts (CoA), was prescribed by the Auditor General of Pakistan under the Project to Improve Financial Reporting and Auditing (PIFRA). The new CoA is expected to provide a uniform basis for classification of Receipts, Expenditures, Assets, Liabilities and Equity through elements such as:

Entity: The Entity element enables reporting transactions by the organizational structure or the organizational unit, which is creating a transaction.

Function: The Function element provides reporting of transactions by economic function and program. The Function code is mandatory for transactions relating to expenditure. The Health Function code is 7.

Object: The object element enables the collection and classification of transactions into expenditure and receipts and also to facilitate recording of financial information about assets, liabilities, and equity. The use of the object element is mandatory for all accounting transactions.

Fund: The fund element is a one alpha character and identifies the fund as being the consolidated fund or public account.

Project: The project element enables transactions to be aggregated and reported at a project level.

The public sector data utilized for this report classifies according to PIFRA or CoA. For PIFRA Classification (by function for health and other codes relevant to health expenditures) see Annexure 10.

7. Health Care System in Pakistan

7.1 Public sector, territorial government, civilian part

Pakistan's public health delivery system functions as an integrated health complex that is administratively managed mainly at the district level. Health services delivery is primarily a provincial matter while the Federal Government plays a supportive and coordinating role. Previously, the Ministry of Health was mandated with policy making, coordination, technical assistance, training and seeking foreign assistance. However, on June 30, 2011, under the 18th constitutional amendment has been devolved leading to the transfer of powers to provincial governments. The Ministry of Health has a number of vertical public health programs such as Extended Program of Immunization, Family Planning & Primary Health Care, National Tuberculosis Control Program, National Aids Control Program etc. which are funded by the federal government but their implementation is carried out at the provincial and district levels. Table 42 gives an overview of total public health facilities.

Table 42: Public health facilities in Pakistan 2017

Type	Number
Hospitals	1,219
Dispensaries	5,654
Basic Health Units	5,505
Rural Health Centres	688
Maternal and Child Health Centres (MCHCs)	727
TB Clinics	431
Beds in hospitals	109,132
Population per bed*	1,580

Source: Pakistan Statistical Year Book 2017 &Pakistan Economic Survey 2017-18

The health care provision which is a provincial subject is divided into primary, secondary and tertiary health care:

Primary health care is implemented through Basic Health Units (BHUs), Rural Health Centers (RHCs), Maternal and Child Health Centers (MCHCs) and Dispensaries.

Secondary health care includes first and second level referral facilities providing acute, ambulatory and inpatient care through Tehsil Headquarter Hospitals (THQs), and District Headquarter Hospitals (DHQs). Tehsil Headquarter Hospitals (THQs), and District Headquarter Hospitals (DHQs) covers 100,000 to 300,000 and 1-2 million persons respectively[19]the primary and secondary health care constitutes the District Health System.

Tertiary health care is provided through major hospitals with specialized facilities which are under the administrative jurisdiction of provinces.

Annexure 3 describes the provincial system of health care in a scheme. Annexure 4 gives a schematic overview of the overall health care system in Pakistan with public and private sector as its two main components. The public sector can further be subdivided into federal government,

[19]Health System Profile – Pakistan, as cited above

provincial governments and autonomous bodies of both of them. For the federal government Ministry of Health and Ministry of Defense are the main stakeholders. The private sector is subdivided into five categories of health care providers.

7.2 Military health care system, cantonment boards, autonomous bodies

The provision of medical services in military setup is the responsibility of the Army Medical Corps. Their overall responsibilities include maintaining and promotion of health and prevention of diseases, provision of care and treatment to sick and wounded, rapid collection and speedy evacuation of casualties in the field from Forward Defended Localities for life and limb saving surgery at Forward Treatment Centre / Field Hospital / Base Hospital, supply and replenishment of medical equipment and stores and provision of skilled and expert treatment in the base hospitals / centres of excellence. The population covered by military health care system includes serving soldiers, families, parents, retired soldiers, civilians paid from defense estimates and civilian non-entitled.

Annexure 5 categorizes the military health care system according to the services provided (preventive or curative) and to the groups of beneficiaries (military personnel exclusively or their dependents also or even the general public at large).The perception that Fauji Foundation is the corporate face of Army is not correct and in fact it is a private charitable trust. The Government of Pakistan, Ministry of Health, Labour, Social Welfare and Family Planning, vide Notification No SR 395 (K) 72 dated 8 March 1972 registered a Scheme of Administration for Fauji Foundation under the Charitable Endowment Act 1890 thus retaining its status as a private trust. It neither receives any subsidy from the government of Pakistan nor gives any financial support to army[20].

Military Lands & Cantonment Department is an attached department of Ministry of Defense. There are 43 cantonment Boards in Pakistan. Geographically, 22 Cantonment Boards are in Punjab, 8 in Sindh, 9 in KP, and 4 in Baluchistan. They have hospitals / dispensaries providing health care to their employees as well as to the residents of the respective Cantonments. Each Cantonment Board has financial autonomy.

ABs/Cs are set up in the public sector under an act of legislation or ordinance (subject to legislative approval) to perform regulatory, operational, corporate, promotional, research and developmental functions. They may provide health services to their employees through following means:

- Health care through their own health facilities
- Provision of medical allowance to their employees
- Reimbursement of medical bills.
- Provision of health insurance to their employees.

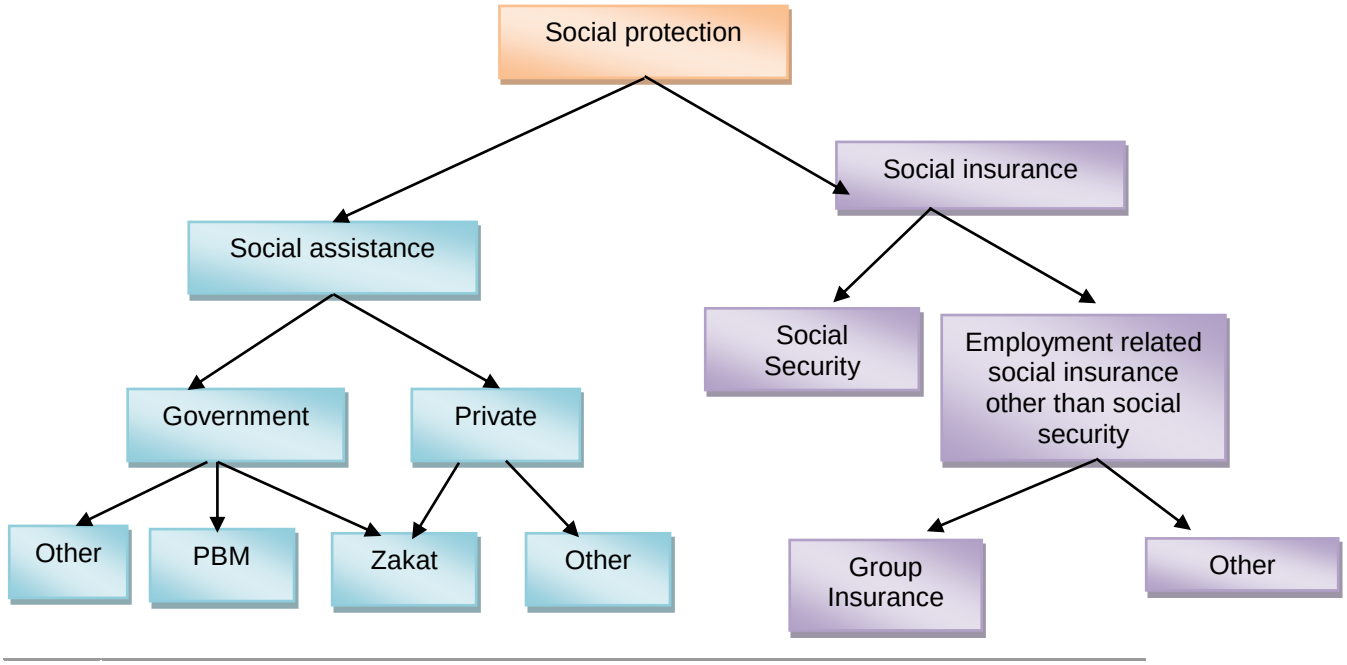
[20] Fauji Foundation, Pakistan. Accessed at: http://www.fauji.org.pk/Webforms/Legal.aspx
Date accessed: 17/11/2009

7.3 Social protection in Pakistan

In common language as well as in many technical texts the terms “social protection”, “social assistance”, “social security” and “social insurance” often are mixed up. Figure 5 intends to give some clarification in that regard. Social protection is defined as “the set of policies and programs designed to reduce poverty and vulnerability by promoting efficient labor markets, diminishing people's exposure to risks, and enhancing their capacity to protect themselves against hazards and interruption/loss of income[21]”.

In United Nations’ Classification of the Functions of Government (COFOG) social protection besides of health care covers sickness and disability, old age, survivors, unemployment and some other issues of social exclusion[22]. Social protection has its two components social insurance and social assistance[23]. Social assistance can further be classified into private and governmental social assistance (see Figure 5).

Figure 7: Overview of social protection in Pakistan



In Pakistan’s context, Zakat is one of the important forms of social assistance. In addition to Zakat there are other forms of social assistance in Pakistan such as social assistance in kind, welfare services etc. Zakat can further be broken down into governmental and private Zakat. In this con-

[21] Asian Development Bank. Social Protection, Official Policy Paper. July 2003. Available at: http://www.adb.org/documents/policies/social_protection/#contents. Accessed 15 January 2009

[22] COFOG is available on website United Nations Statistics Department (UNSD)

[23] ADB, Social Protection Strategy Development Study, Social Protection, Final Report Vol. 1: Social Protection.

text, of course, social assistance and social insurance matter with regard to their fraction related to health expenditure, only.

In this section, the primary focus would be on the social security and Zakat while the private health insurance (including employment related social insurance) would be dealt with in private sector, in section 8.5.

7.3.1 Employees social security institutions

The risk of getting sick can be covered by private health insurance or by social insurance. Social insurance is not easy to define. According to the United Nations' System of National Accounts 2009 (para. 17.84) a social insurance scheme is an insurance scheme where the following two conditions are satisfied:

- the benefits received are conditional on participation in the scheme and constitute social benefits as this term is used in the SNA; and
- at least one of the following three conditions is met:
    - Participation in the scheme is obligatory either by law or under the terms and conditions of employment of an employee, or group of employees;
    - The scheme is a collective one operated for benefit of a designated group of workers, whether employed or non-employed, participation being restricted to members of that group;
    - An employer makes a contribution (actual or imputed) to the scheme on behalf of an employee, whether or not the employee also makes a contribution.

Those participating in social insurance schemes make social contributions to the schemes and receive social benefits. In Pakistan, a social insurance system exists in the form of social security since 1967, though it is very limited in scope and area. Social security in Pakistan provides only an umbrella of social health protection for a selected segment of the population covering no more than 5% of total population[24].

These Social Security Institutions (Employees Social Security Institutions "ESSI') are present in all the four provinces and are provincial autonomous bodies attached to respective provincial Department of Labour. These institutions cover areas such as sickness, maternity, work injury, invalidity and death benefits. However, their primary focus is on provision of medical care to the employees of private industries and commercial establishments employing 5 to 10 or more employees (depending upon the province). The coverage is provided to the employees of these establishments drawing monthly wages up to 5,000 -10,000 Rupees, depending upon the province[25] (Figure 6). The workers and their dependents are entitled to medical care from the first day of the employment. The depend-

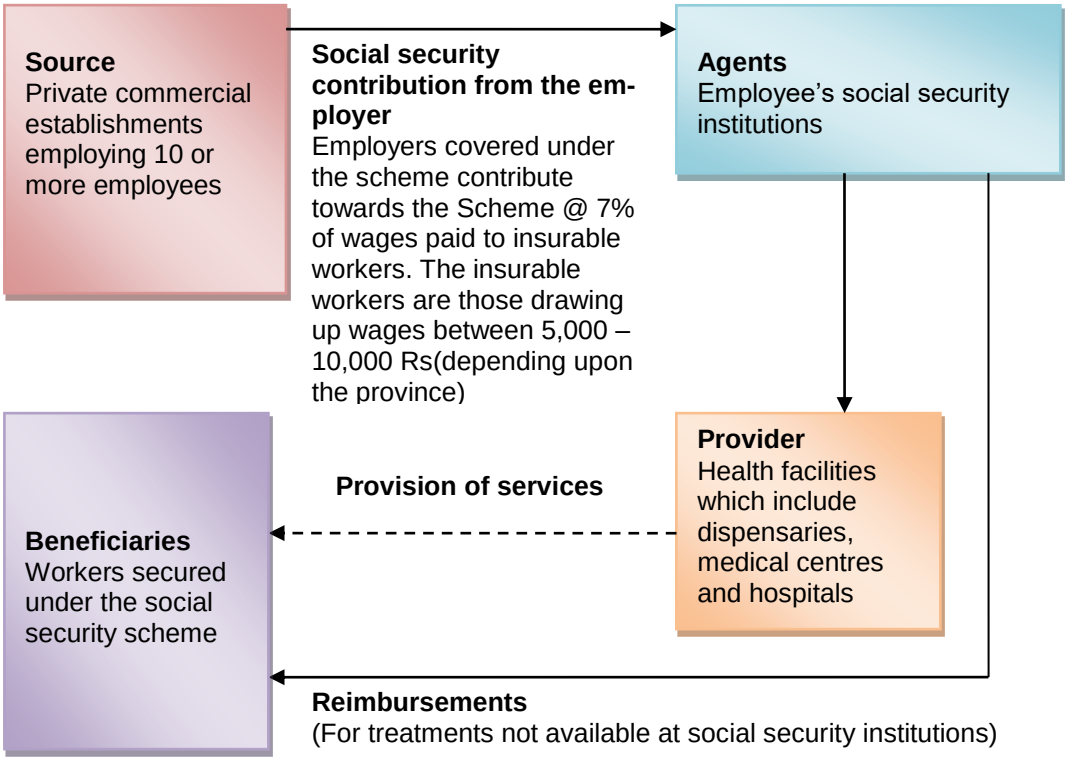
[24] ADB TA 4155-Pak, Social protection strategy development study, Vol: II, Health Insurance, 2004, 26.

[25] Naushin Mahmood, Zafar Mueen, Pension and Social Security Schemes in Pakistan: Some Policy Options. PIDE Working Paper, 2008:42.

ents include wife, dependent parent and any unmarried children up to 21 years. Other categories of employees, such as day labourers and agricultural workers (Informal Sector) are excluded yet. For providing medical care to the secured workers, the provincial social security institutions have a network of hospitals, dispensaries, treatment centers; qualified doctors, paramedical staff, ambulances etc.

These services are provided free to the employees as their employer pays these contributions. Employers covered under the scheme contribute towards the scheme at the rate of 7% of their wages paid to insurable workers. The secured employees incur no deduction, co-payment, or any other cost in order to avail these services. They can avail these services after proper registration from the department and after qualifying a period of 3 months.

Figure 8 :Social security system in Pakistan



Adapted from: Health System Profile – Pakistan. Regional Health System Observatory-EMRO, World Health Organization, 2007

7.3.2 Zakat managed by government

Zakat system in Pakistan can be divided generally into two major components[26] namely private Zakat(which is included in the philanthropic section 7.6) and governmental Zakat. The governmental system was introduced through "Zakat and Ushr Ordinance 1980[27]".The benefits are targeted

[26]ADB, Social Protection Strategy Development Study, Social Protection, Final Report Vol. 1: Social Protection, 34ff.
[27]Zakat &Ushr Ordinance, 1980, (NO.VIII of 1980).

at the poorest. The main systems providing social assistance benefits are Zakat and Bait-ul-Mal[28]. Zakat fund is utilized for assistance to the needy, the indigent and the poor particularly orphans and widows, the handicapped and the disabled.

The system relies on mandatory Zakat deduction at the rate of 2.5% from the value of following 11 categories of assets:

- Saving bank accounts
- Notice deposit receipts and accounts
- Fixed deposit receipts and accounts (e.g. Khas Deposit Certificate)
- Saving / deposit certificates (e.g. Defence Saving Certificates, National Deposit Certificates)
- Units of the National Investment Trust
- ICP Mutual Fund Certificates
- Government Securities (other than prize bonds)
- Securities including shares and debentures
- Annuities
- Life insurance policies
- Provident funds

7.3.3 Pakistan Bait-ul-Mal

Pakistan Bait-ul-Mal (PBM), an autonomous body set up through an Act in 1991 works under the umbrella of Ministry of Social Welfare and Special Education. PBM is significantly contributing toward poverty alleviation through its various services focused on the poorest of the poor and providing assistance to destitute, widow, orphan, invalid, infirm & other needy persons, as per eligibly criteria approved by Bait-ul-Mal Board. They also spend money on health in various forms:

- Through Individual Financial Assistance (IFA) the poor, widows, destitute women, orphans and disabled persons are supported through general assistance, education, medical treatment and rehabilitation. The financial assistance for health is dedicated for the Medical treatment of major ailments and disabilities of the poor patients. The financial ceiling for medical treatment is 300,000Rs.
- The regular portion of Bait-ul-Mal's money, dedicated for health, is the IFA for medical treatment. In addition, it has supported (not as a regular activity) in the past the establishment of the new health care facilities. For instance, it has supported the opening of a drug and diagnostic centre in KP and also supported the construction of a burn and reconstructive surgery centre in Lahore.
- PBM also has a project named Institutional Rehabilitation which basically provides support to registered NGOs under following three strategies
    - *Strategy-I: Institutional support for the poor:* Sharing of capital cost by Pakistan Bait ul Mal (PBM) at the ratio 50% and 50% share of NGO.
    - *Strategy-II: Free eye care for cataract operations*: Technical committee assists PBM in selecting suitable NGOs. Actual expenses of cataract operations provided on annual/quarterly basis

[28] ADB, as cited above, 34ff.

- *Strategy-III: Innovative Pilot Project*; PBM-NGO's partnership for 3 to 5 years. Sharing of capital cost and recurring expenses 50% NGO

7.4 Private healthcare facilities

The private health care facilities are quite diverse and have generally grown unregulated. There are no standardized or classified health facilities in the private sector. The private sector generally exists in the form of:

- Major hospitals with specialized health facilities;
- Other hospitals with variable quality / level of services;
- Individually run clinics / general practitioners including dental and eye care. These clinics are either owned by a single person who is the sole proprietor of the facility or they are run on partnership basis;
- Homeopaths, hakeems, tabibs and other traditional health providers;
- Health care facilities from NGOs including the philanthropic organizations;
- Ambulatory health services;
- Pharmacies and
- Opticians.

Considering that 83% of the population access healthcare from the private sector and 17% from public sector, it is vital to estimate the health expenditures in private sector. In principle, this can be done using demand-sided (patients or households) or supply-sided (health care providers) approaches or both. In first round of NHA Pakistan the demand-sided approach was applied on household data. In this round of NHA Pakistan, the same approach has been adopted by getting data from the specialized Out of Pocket Health Care Expenditure Survey conducted by PBS. For the results see Chapter4.

7.5 Private health insurance

Health insurance is covered under the non-life insurance. In 2017-18 there were 38 insurance companies in Pakistan offering group health insurance or individual health insurance. The insurance companies are funded by premiums of their clients. They are not financing source but are agents as well as providers of (administrative) health services. Since the Securities and Exchange Commission of Pakistan (SECP) is the formal regulator of the insurance industry under the Insurance Ordinance 2000, the data on private health insurance has been taken from SECP.

7.6 Philanthropic / Non-Government Organizations

Philanthropy has been defined as "activities of voluntary giving and serving, primarily for the benefit of others beyond family[29]". The philanthropy is dedicated to health care, but not exclusively. It has broadly two components

- Services: in which the non-profit organizations are primarily involved
- Giving: individual or corporate

[29] Pakistan Centre for Philanthropy, Available at: http://www.pcp.org.pk/. Accessed on 20 Jan 2009

Philanthropy is very commonly institutionalized as non-government organizations (NGOs), also often referred to as non-profit institutions (NPIs). The NGO's are an important part of the civil society and are quite distinct from the private enterprises. Known variously as the 'non-governmental', 'voluntary', 'community based', 'charitable', 'welfare societies', this set of institutions include within it a variety of entities such as schools, hospitals, dispensaries, human rights organizations etc. Many definitions of NGOs have been put forward which add to the confusion. However, despite their diversity the NGOs share certain common features[30]:

- They have an institutional presence and structure;
- They are institutionally separate from the state;
- They do not return profits to their members, managers or directors
- They control their own affairs;
- They attract some level of voluntary contribution of time or money and also membership in them is not legally required.

Pakistan Centre for Philanthropy (PCP) has been working on the regulation of the philanthropy in Pakistan with a mission to increase the volume and effectiveness of the philanthropy for social development. The PCP database includes only certified institutions.

The practices of giving can broadly be divided into Individual and corporate giving. The individual giving can further be classified as zakat and non-zakat giving. As being predominantly a Muslim country, much of Pakistan's individual giving is probably in response to the teachings of Islam. The individual giving includes the obligatory (by religion) festival charity (Zakat-ul-fitr) and charitable wealth tax (Zakat-ul-mal). The zakat deducted at source by the government mentioned in the Zakat section only includes the Zakat-ul-mal. Also it is not obligatory on the citizens to give the Zakat at the Government source. They have the option of paying zakat privately on their own.

The corporate giving is also an important part of philanthropy. About 37% of the corporate sector is involved in philanthropic support to the health sector[31].

It is pertinent to mention here that the health expenditures incurred by local or national NGOs involved in providing health services has been accounted for in this report while the individual philanthropies whether in cash (except for Zakat & Bait-ul-Mal) or in kind are not accounted for in this report as there is lack of national level research/data on it.

[30]"Dimensions of the Non-Profit Sector in Pakistan", Social Policy and Development Centre, Working Paper No.1 (2002).
[31]Pakistan Centre for Philanthropy. Available at: http://www.pcp.org.pk/fact_sheet.html. Accessed on 20 Jan 2009

Annexure

Annexure 1: Data sources

Data Type	Source	Publication or official correspondence available
Out of pocket expenditure	PBS	HIES 2018-19
Federal government	AGPR	Appropriation Accounts (Civil) Volume-1 2017-18
Provincial government	AG Office Punjab	Appropriation Accounts for the Year 2017-18
District data	AG-Office Punjab	District. Appropriation Accounts 2017-18
Provincial government	AG Office Sindh	Appropriation Accounts for the Year 2017-18
District data	AG-Office Sindh	District Appropriation Accounts 2017-18
Provincial government	AG Office KP	Appropriation Accounts for the Year 2017-18
District data	AG-Office KP	District Appropriation Accounts 2017-18
Provincial government	AG Office Baluchistan	Appropriation Accounts for the Year 2017-18
District data	AG-Office Baluchistan	District Appropriation Accounts 2017-18
Health Insurance data	FIS section, PBS	Non-Life Insurance Companies reports
Donors	EAD	Project titled “Development Assistance Data Base (DAD), EAD has been closed, informed by EAD.
Social Security	Punjab ESSI	Data collected officially
Social Security	Sindh ESSI	Data collected officially
Social Security	KP ESSI	Data collected officially
Social Security	Baluchistan ESSI	Data collected officially
Military	Military Accountant General	Data collected officially
Zakat	Ministry of Religious Affairs	Data collected officially
Autonomous bodies/Corporations	PBS	Census of Autonomous Bodies 2011-12
Provincial employees	Finance department Punjab	Data collected officially
Provincial employees	Finance department Sindh	Data collected officially
Provincial employees	Finance department KP	Data collected officially
Provincial employees	Finance department Baluchistan	Data collected officially

Annexure 2: Literature

Asian Development Bank TA 4155-Pak, Social protection strategy development study, Vol:II, Health Insurance, 2004.

Asian Development Bank, Social Protection Strategy Development Study, Social Protection, Final Report Vol. 1: Social Protection.

Asian Development Bank. Technical assistance to the Islamic Republic of Pakistan for developing a social health insurance project (TAR;PAK 37359). Asian Development Bank, 2005.

Pakistan Bureau of Statistics, Health, Pakistan Statistical Year Book 2011.

Ministry of Finance, Health and Nutrition, Pakistan Economic Survey 2011-12

Fouzia Rahman, "Building upon successful Philanthropic Models in Health Sector of Pakistan", World Bank Study. 2008.

Ministry of Health: http://www.health.gov.pk/. Accessed on 14 March 2009.

Ministry of Health, Drug Control Organization. Link:http://www.dcomoh.gov.pk/about/overview.php.

OECD, A System of Health Accounts, 2011, Paris, www.oecd.org/health/sha

Pakistan Public Administration Research Centre, Management Services Wing, Establishment Division, Annual Statistical Bulletin of Employees of Autonomous/Semi-Autonomous Bodies/Corporation under the Federal Government 2007-2008, Islamabad.

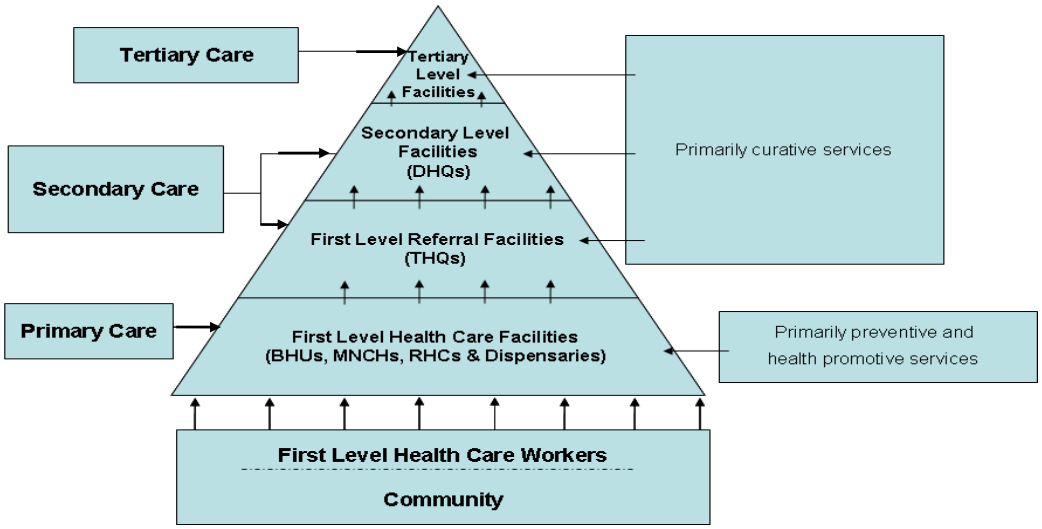
Social Policy and Development Centre "Dimensions of the Non-Profit Sector in Pakistan", Working Paper No.1 (2002).

World Health Organization - National Health Accounts Series, Pakistan: National Expenditure on Health, 2010. Link: http://apps.who.int/nha/database/Standard.

WHO, Guide to Producing National Health Accounts: with special application for low income and middle income countries, 2003.

Zakat & Ushr Ordinance, 1980 (NO. VIII of 1980).

Annexure 3: Structure of Provincial Health Care



Adapted from: S Siddiqi et al. The effectiveness of patient referral in Pakistan. Health Policy and Planning; 16 (2): 193 – 198

Primary health care is implemented through Basic Health Units (BHUs), Rural Health Centers (RHCs), Maternal and Child Health Centers (MCHCs) and Dispensaries.

A *Basic Health Unit (BHU)* covers 10000 to 15000 populations and 5-10 BHUs are attached to a Rural Health Centre (RHC)[32]. It mainly provides health preventive and health primitive services such as maternal and child health services, immunization, diarrheal disease control, malaria control, child spacing, mental health, school health services, prevention & control of locally endemic diseases, and provision of essential drugs.

A *Rural Health Center (RHC)*covers 25,000 to 50,000 populations. It mainly provides preventive and health primitive services, also curative services for common illnesses.

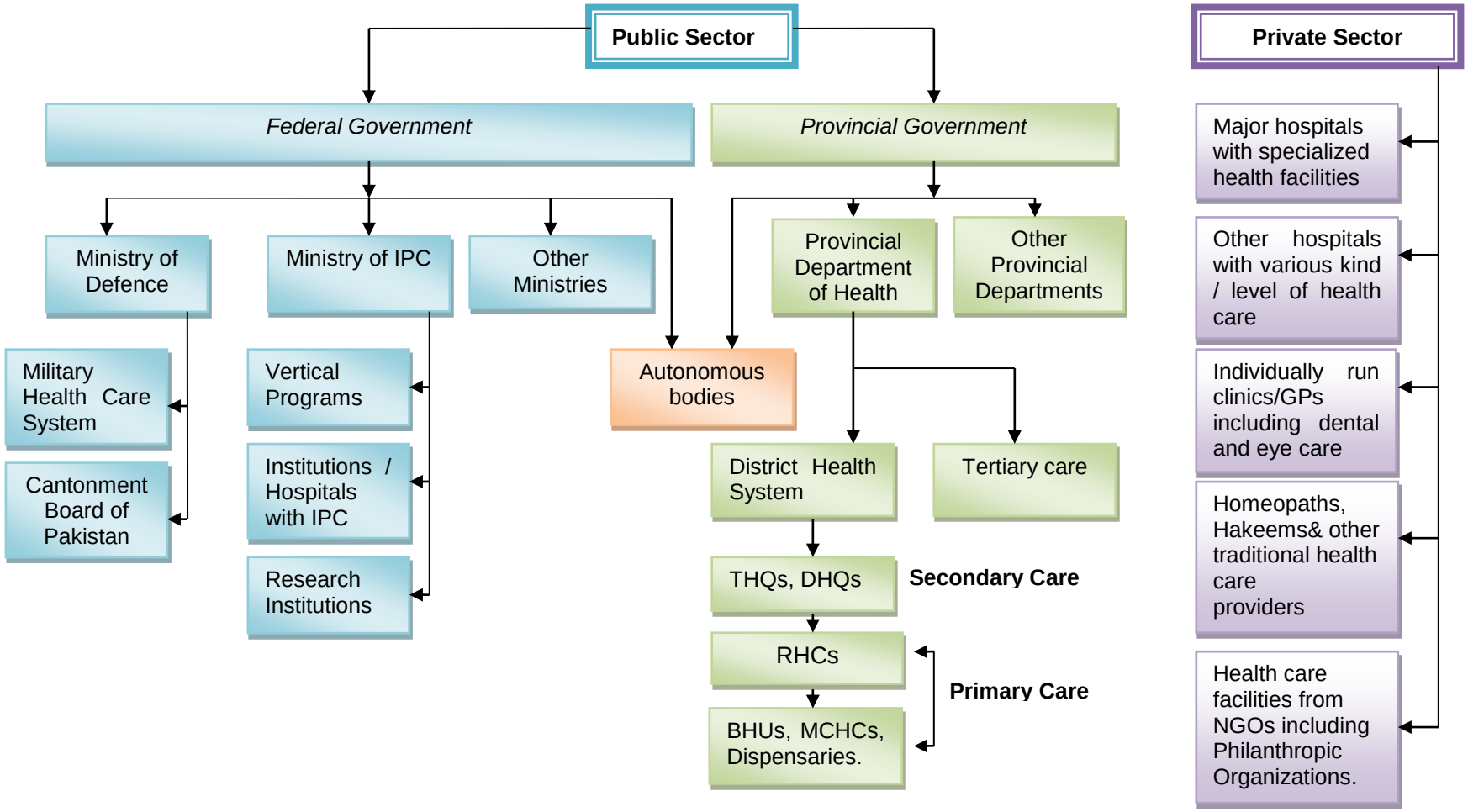
*Maternal and Child Health Centers (MCHCs)*are part of the integrated health system focusing on the maternal and child health.

Secondary health care includes first and second level referral facilities providing acute, ambulatory and inpatient care provided through Tehsil Headquarter Hospitals (THQs), and District Head quarter Hospitals (DHQs). The primary and secondary health care constitutes the District Health System. Tehsil Headquarter Hospitals (THQs), and District Headquarter Hospitals (DHQs) covers 100,000 to 300,000 and 1-2 million persons respectively[33].

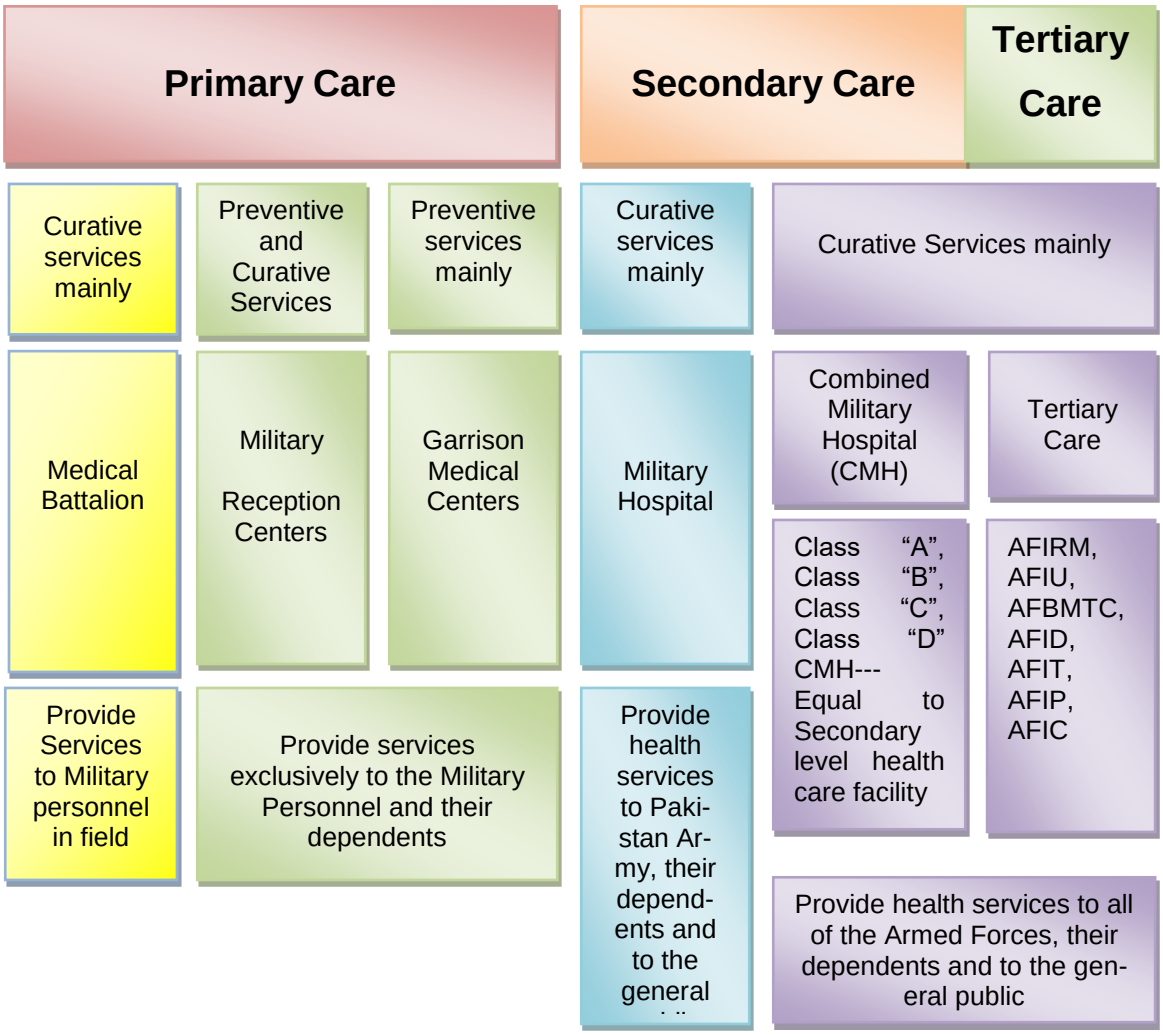
Tertiary health care is provided through major hospitals with specialized facilities which are under the administrative jurisdiction of provinces.

[32]Health System Profile –Pakistan, Regional Health System Observatory-EMRO, World Health Organization, 2007.
[33]Health System Profile – Pakistan, as cited above

Annexure 4: Schematic overview of Health Care System



Annexure 5: Military Health Care System



Secondary health care in military				
Health facility	**Number**	**Beds per facility**	**Function**	**Population**
Class "A" CMHs*	10	500 & above	Primarily curative	All of the Armed Forces, their dependents and the general public
Class "B" CMHs*	9	300-400		
Class "C" CMHs*	11	51-200		
Class "D" CMHs*	14	50 & below		
Military Hospital	1	1000	Primarily curative	Pakistan Army, their dependents and the general public

Note: *CMH = Combined Military Hospital

Source: Centcom information portal. Extranet Surgeon General. CRMS 2007 Post Conference. Link: http://www2.centcom.mil/sites/sg/CRMS%202007%20Post%20Conference/Presentation%20Day%202/1%20Pakistan%20Army%20Medical%20Corps.ppt#317,6,Organization of the Medical Services Accessed on 14 March 2009

Primary Health Care Centres consist of …

Medical Battalion

They collect, treat and evacuate casualties from Regimental Aid Post (RAP) to Advance Dressing Stations (ADS) / Forward Treatment Centre (FTC) for provision of essential lifesaving surgical and dental treatment.

Field Medical Units

These units include Medical Inspections Rooms / Medical Reception Centres & Garrison Medical Centres. These units are responsible for:

- Medical support to deployed elements of formations
- Preventive health measures in formations
- Medical support for all training activities
- Participation in collective training exercises
- Unit level training cycles
- National commitments including vaccination campaigns and medical relief in aid to disasters / calamities
- International commitments including Hajj and UN missions

Both the Medical Battalion & the Field Medical Units deliver the health services exclusively to the military personnel.

Secondary Health Care Centres

The secondary health care facilities include the Combined Military Hospitals (CMHs) which are further categorized as Class “A”, Class “B”, Class “C” as well as Class “D” hospitals depending upon the number of beds and facilities available . At Rawalpindi there is also a military hospital (MH).

The CMHs provide health services to all of the Armed Forces, their dependents, retired soldiers, civilians paid from defence estimates and to the non-entitled civilians. The Military Hospital provides services only to the Pakistan Army, their dependents and to the non-entitled civilians.

Tertiary Health Care Centres

The tertiary health care is constituted of some state of the art institutes with modern health care facilities which include

- Armed Forces Institute of Cardiology (AFIC)
- Armed Forces Institute of Pathology (AFIP)
- Armed Forces Institute of Transfusion (AFIT)
- Armed Forces Institute of Dentistry (AFID)
- Armed Forces Bone Marrow Transplant Centre (AFBMTC)
- Armed Forces Institute of Urology (AFIU)
- Armed Forces Institute of Rehabilitation Medicine (AFIRM)

The Army Medical Corps also has international commitments, as they participate in the UN medical missions and relief missions to foreign countries.

Annexure 6: ICHA classification financing sources (FS)

FS.1 Public funds
- FS.1.1 Territorial government funds
  - FS.1.1.1 Central government revenue
  - FS.1.1.2 Regional and municipal government revenue
- FS.1.2 Other public funds
  - FS.1.2.1 Return on assets held by a public entity
  - FS.1.2.2 Other

FS.2 Private Funds
- FS.2.1 Employer funds
- FS.2.2 Household funds
- FS.2.3 Non-profit institutions serving individuals
- FS.2.4 other private funds
  - FS.2.4.1 Return on assets held by a private entity
  - FS.2.4.2 Other

FS.3 Rest of the world funds

Annexure 7: ICHA classification financing agents (HF)

HF.1 General Government
- HF.1.1 Territorial government
  - HF.1.1.1 Central government
  - HF.1.1.2 State/provincial government
  - HF.1.1.3 Local/municipal government
- HF.1.2. Social security funds
- HF.1.3.Autonomous Bodies/Corporation

HF.2 Private Sector
- HF.2.1 Private social insurance
- HF.2.2 Other private insurance
- HF.2.3 Private Households' out-of-pocket payment
- HF.2.4 Non-profit institutions serving households (other than social insurance)
- HF.2.5 Private Firms and corporations (other than health insurance)

HF.3 Rest of the world

Annexure 8: ICHA classification for health care providers (HP)

HP.1	Hospitals
HP.1.1	General hospitals
HP.1.2	Mental health and substance abuse hospitals
HP.1.3	Specialty (other than mental health and substance abuse) hospitals
HP.1.4	Hospitals of non-allopathic systems of medicine (such as Chinese, Ayurvedic,etc.)
HP.2	Nursing and residential care facilities
HP.2.1	Nursing care facilities
HP.2.2	Residential mental retardation, mental health and substance abuse facilities
HP.2.3	Community care facilities for the elderly
HP.2.9	All other residential care facilities
HP.3	Providers of ambulatory health care
HP.3.1	Offices of physicians
HP.3.2	Offices of dentists
HP.3.3	Offices of other health practitioners
HP.3.4	Outpatient care centres
HP.3.4.1	Family planning centres
HP.3.4.2	Outpatient mental health and substance abuse centres
HP.3.4.3	Free-standing ambulatory surgery centres
HP.3.4.4	Dialysis care centres
HP.3.4.5	All other outpatient multi-specialty and cooperative service centres
HP.3.4.9	All other outpatient community and other integrated care centres
HP.3.5	Medical and diagnostic laboratories
HP.3.6	Providers of home health services
HP.3.9	Other providers of ambulatory health care
HP.3.9.1	Ambulance services
HP.3.9.2	Blood and organ banks
HP.3.9.3	Alternative or traditional practitioners
HP.3.9.9	All other ambulatory health services
HP.4	Retail sale and other providers of medical goods
HP.4.1	Dispensing chemists
HP.4.2	Retail sale and other suppliers of optical glasses and other vision products
HP.4.3	Retail sale and other suppliers of hearing aids
HP.4.4	Retail sale and other suppliers of medical appliances (other than optical glasses and hearing aids)
HP.4.9	All other miscellaneous sale and other suppliers of pharmaceuticals and medical goods
HP.5	Provision and administration of public health programmes

HP.5.1	National Program for Family Planning and Primary Health Care
HP.5.2	Expanded Program of Immunization (EPI), Control of Diarrheal Disease
HP.5.3	Enhance HIV / AIDS Control Program
HP.5.4	Improvement of Nutrition Through PHC Islamabad
HP.5.5	Roll Back Malaria Islamabad
HP.5.6	National TB Control Program
HP.5.7	Prime Minister's Program for Prevention and Control of Hepatitis NIH Islamabad
HP.5.8	National Program for Prevention and Control of Blindness NIH Islamabad
HP.5.9	National MNCH Program NIH Islamabad
HP.5.10	National Program for Prevention and Control of Avian Pandemic Influenza NIH
HP.6	General health administration and insurance
HP.6.1	Government administration of health
HP.6.2	Social security funds
HP.6.3	Other social insurance
HP.6.4	Other (private) insurance
HP.6.9	All other providers of health administration
HP.7	All other industries (rest of the economy)
HP.7.1	Establishments as providers of occupational health services
HP.7.2	Private households as providers of home care
HP.7.3	All other industries as secondary producers of health care
HP.8	Institutions providing health-related services
HP.8.1	Research institutions
HP 8.2	Education and training institutions
HP.8.3	Other institutions providing health-related services
HP.9	Rest of the world
HP.nsk	Provider not specified by kind

Annexure 9: ICHA classification for health care functions (HC)

HC.1 Services of curative care

HC.1.1 Inpatient curative care

HC.1.2 Day cases of curative care

HC.1.3 Outpatient curative care

HC.1.3.1 Basic medical and diagnostic services

HC.1.3.2 Outpatient dental care

HC.1.3.3 All other specialized medical services

HC.1.3.4 All other outpatient curative care

HC.1.4 Services of curative home care

HC.2 Services of rehabilitative care

HC.2.1 Inpatient rehabilitative care

HC.2.2 Day cases of rehabilitative care
HC.2.3 Outpatient rehabilitative care
HC.2.4 Services of rehabilitative home care
HC.3 Services of long-term nursing care
HC.3.1 Inpatient long-term nursing care
HC.3.2 Day cases of long-term nursing care
HC.3.3 Long-term nursing care: home care
HC.4 Ancillary services to medical care
HC.4.1 Clinical laboratory
HC.4.2 Diagnostic imaging
HC.4.3 Patient transport and emergency rescue
HC.4.9 All other miscellaneous ancillary services
HC.5 Medical goods dispensed to outpatients
HC.5.1 Pharmaceuticals and other medical nondurables
HC.5.1.1 Prescribed medicines
HC.5.1.2 Over-the-counter medicines
HC 5.1.3 Other medical nondurables
HC.5.2 Therapeutic appliances and other medical durables
HC.5.2.1 Glasses and other vision products
HC.5.2.2 Orthopedic appliances and other prosthetics
HC.5.2.3 Hearing aids
HC.5.2.4 Medico-technical devices, including wheelchairs
HC.5.2.9 All other miscellaneous medical goods
HC.6 Prevention and public health services
HC.6.1 Maternal and child health; family planning and counseling
HC.6.2 School health services
HC.6.3 Prevention of communicable diseases
HC.6.4 Prevention of non-communicable diseases
HC.6.5 Occupational health care
HC.6.9 All other miscellaneous public health services
HC.7 Health administration and health insurance
HC.7.1 General Government administration of health
HC.7.1.1 General Government administration of health (except social security)
HC.7.1.2 Administration, operation and support of social security funds
HC.7.2 Health administration and health insurance: private
HC.7.2.1 Health administration and health insurance: social insurance
HC.7.2.2 Health administration and health insurance: other private
HC.nsk HC expenditure not specified by kind
HC.R.1–5 Health-related functions

HC.R.1 Capital formation for health care provider institutions

HC.R.2 Education and training of health personnel

HC.R.3 Research and development in health

HC.R.4 Food, hygiene and drinking-water control

HC.R.5 Environmental health

HCnsR HC.R expenditure not specified by kind

Annexure 10: Functional Classification (by PIFRA)

Major Function		Minor Function		Detailed Function		Sub-Detail Function	
No.	Description	No.	Description	No.	Description	No.	Description
07	Health	071	Medical Products, Appliances and Equip-ment	0711	Medical Products, Appliances and Equipment	071101	Medical Products, Appliances and Equipment
						071102	Drug Control
		072	Outpatients Services	0721	General Medical Services	072101	General Medical Services
				0722	Specialized Medical Services	072201	Specialized Medical Services
				0723	Dental Services	072301	Dental Services
				0724	Paramedical Services	072401	Paramedical Services
		073	Hospital Services	0731	General Hospital Services	073101	General Hospital Services
				0732	Special Hospital Services	073201	Special Hospital Services (mental hospital)
				0733	Medical and Maternity Centre Services	073301	Mother and Child Health
				0734	Nursing and Convalescent Home Services	073401	Nursing and Convalescent Home Services
		074	Public Health Services	0741	Public Health Services	074101	Anti-malaria
						074102	Nutrition and other hygiene programs
						074103	Anti-tuberculosis
						074104	Chemical Examiner and laboratories
						074105	EPI (Expanded Program of Immunization)
						074106	Preparation and dissemination of Information on Public Health matters
						074107	*Population Welfare Measures
						074120	Others (other health facilities and preventive measures)
						075101	R & D of Unani Medicines
		075	R&D Health	0751	R&D Health	075102	Specific Health Research Projects
						076101	Administration
		076	Health Administra-tion	0761	Administration	093102	Professional / technical uni-versities / colleges / institutes

Object Classification			
No.	**Object Classification**	**Sub classification**	**Sub detailed Classification**
A04	Employees Retirement Benefit		
		A041-06 Reimbursement of Medical Charges to Pensioners **A041-11**Travelling Allowance for Retired Government Servants in connection with journey on Medical Grounds	
A01	Employee Related Expenses	**A012-** Allowances	
			A012-1 – Regular Allowance **A01217** – Medical Allowance **A01252** – Non Practicing Allowance **A01254–** Anaesthesia Allowance
			A012-2 Other Allowance (excluding T.A) **A012-74–** Medical Charges

Annexure 11: Purchases of pharmaceuticals (million Rs.)

Products	Total	Retail sales /purchases	Doctor's purchases	Private hospital pharmacy
July 2011 to June 2012 (million Rs.)				
Total	**117,910**	**105,890**	**7,416**	**4,604**
A - ALIMENTARY T.& METABOLISM	25,252	23,144	1,238	870
B - BLOOD + B.FORMING ORGANS	3,629	3,229	222	178
C - CARDIOVASCULAR SYSTEM	8,341	7,921	208	212
D - DERMATOLOGICALS	4,050	3,731	222	97
G - G.U.SYSTEM & SEX HORMONES	3,609	3,245	205	159
H - SYSTEMIC HORMONES	1,219	1,055	100	64
J - SYSTEMIC ANTI-INFECTIVES	31,353	26,810	2,961	1,582
K - HOSPITAL SOLUTIONS	637	568	28	41
L- ANTINEOPLAST +IMMUNOMODUL	2,811	2,254	332	225
M - MUSCULO-SKELETAL SYSTEM	8,341	7,598	430	313
N - NERVOUS SYSTEM	1,421	10,509	542	370
P - PARASITOLOGY	3,628	3,341	211	76
R - RESPIRATORY SYSTEM	8,958	8,418	337	203
S - SENSORY ORGANS	2,301	1,866	313	122
T - DIAGNOSTIC AGENTS	70	39	9	22
V - VARIOUS	2,290	2,162	58	70
July 2008 to June 2009 (million Rs.)				
Total	**107,372**	**96,396**	**6,772**	**4,204**
A - ALIMENTARY T.& METABOLISM	22,994	21,069	1,131	794
B - BLOOD + B.FORMING ORGANS	3,305	2,940	203	162
C - CARDIOVASCULAR SYSTEM	7,594	7,211	190	193
D - DERMATOLOGICALS	3,688	3,397	202	89
G - G.U.SYSTEM & SEX HORMONES	3,286	2,954	187	145
H - SYSTEMIC HORMONES	1,110	960	91	59
J - SYSTEMIC ANTI-INFECTIVES	28,554	24,406	2,703	1,444
K - HOSPITAL SOLUTIONS	579	517	25	37
L- ANTINEOPLAST +IMMUNOMODUL	2,561	2,052	303	205
M - MUSCULO-SKELETAL SYSTEM	7,595	6,917	393	286
N - NERVOUS SYSTEM	10,400	9,567	495	338
P - PARASITOLOGY	3,303	3,041	192	69
R - RESPIRATORY SYSTEM	8,157	7,663	308	185
S - SENSORY ORGANS	2,096	1,699	286	112
T - DIAGNOSTIC AGENTS	63	35	8	20
V - VARIOUS	2,085	1,968	53	64

Products	Total	Retail sales /purchases	Doctor's purchases	Private hospital pharmacy
July 2007 to June 2008 (million Rs.)				
Total	**91,247**	**81,919**	**5,755**	**3,572**
A - ALIMENTARY T.& METABOLISM	19,541	17,905	961	675
B - BLOOD + B.FORMING ORGANS	2,809	2,498	173	138
C - CARDIOVASCULAR SYSTEM	6,454	6,128	162	164
D - DERMATOLOGICALS	3,134	2,887	172	75
G - G.U.SYSTEM & SEX HORMONES	2,793	2,510	159	123
H - SYSTEMIC HORMONES	943	816	77	50
J - SYSTEMIC ANTI-INFECTIVES	24,266	20,741	2,297	1,227
K - HOSPITAL SOLUTIONS	492	439	21	32
L- ANTINEOPLAST +IMMUNOMODUL	2,176	1,744	258	175
M - MUSCULO-SKELETAL SYSTEM	6,455	5,878	334	243
N - NERVOUS SYSTEM	8,838	8,130	421	287
P - PARASITOLOGY	2,807	2,584	164	59
R - RESPIRATORY SYSTEM	6,932	6,512	262	158
S - SENSORY ORGANS	1,782	1,444	243	95
T - DIAGNOSTIC AGENTS	54	30	7	17
V - VARIOUS	1,772	1,673	45	55
July 2006 to June 2007 (million Rs.)				
Total	**81,878**	**73,508**	**5,164**	**3,206**
A - ALIMENTARY T.& METABOLISM	17,535	16,066	862	606
B - BLOOD + B.FORMING ORGANS	2,520	2,242	155	124
C - CARDIOVASCULAR SYSTEM	5,791	5,499	145	147
D - DERMATOLOGICALS	2,812	2,590	154	68
G - G.U.SYSTEM & SEX HORMONES	2,506	2,253	143	110
H - SYSTEMIC HORMONES	846	732	70	45
J - SYSTEMIC ANTI-INFECTIVES	21,774	18,611	2,061	1,101
K - HOSPITAL SOLUTIONS	442	394	19	28
L- ANTINEOPLAST +IMMUNOMODUL	1,953	1,565	231	157
M - MUSCULO-SKELETAL SYSTEM	5,792	5,275	300	218
N - NERVOUS SYSTEM	7,931	7,295	378	258
P - PARASITOLOGY	2,519	2,319	147	53
R - RESPIRATORY SYSTEM	6,220	5,844	235	141
S - SENSORY ORGANS	1,599	1,296	218	85
T - DIAGNOSTIC AGENTS	48	27	6	15
V - VARIOUS	1,590	1,501	40	49

Annexure 12: Questionnaires of Census of Autonomous Bodies / Corporations & Out of Pocket Health Expenditures 2017-18

Government of Pakistan
Pakistan Bureau of Statistics
(National Accounts)
National Health Accounts Section,

Census of Autonomous bodies/Corporations (Health Care Expenditure)

Q. 1: General Information of Organization

1	Name					
1.2	Address					
1.3	Phone number					
1.4	Fax number					
1.5	E-mail address					
1.6	Number of employees	Gender	Regular	Ad-hoc/Temporary	Other	Total
		Male				
		Female				
1.7	Economic activity (Please mention)					
	PSIC Code (for official use only)					

Q. 2: How Organization provides Health Care services to its employees?

2.1	Through own Health facilities? If yes, please specify	Number of Hospitals ☐ Number of Dispensaries ☐ Other (Please Specify) ☐		
2.2	Through Reimbursement of Medical charges bills? If yes, then please provide data on the actual reimbursement of Medical charges.	**Actual Reimbursement of medical charges** (Amount in 000 Rs)		
		2009/10	2010/11	2011/12
2.3	Through Health insurance to employees? If yes, then please provide data on the total premiums.	**Health Insurance**		
		Total Premiums		
		2009/10	2010/11	2011/12

Out of Pocket Health Expenditures 2017-18

HE01	HE02
Was any member of the household got ill during the last three months? ☐ Yes=1 → go to HE03 No =2 → go to HE02	Had any household member visited health care provider for any other reason "unrelated to illness", (HE04, code 3). Do not ask HE06 If Yes fill the remaining questionnaire, if No Stop the Questionnaire ☐ Yes=1 No = 2

					Health Related Expenditures in Rs.												
HE03	HE04	HE05	HE06	HE07	HE08	HE09	HE10	HE11	HE12	HE13	HE14	HE15	HE16	HE17	HE18	HE19	HE20
Personal ID	Type of healthcare accessed (see code below)	Type of Provider (see code below)	Kind of illness (see code below)	Reason of visits unrelated to illness (see code below)	Transpor-tation costs	Parchi and Admission Fees	Doctor's fee	Medicines / Vaccine	Medical Supplies	Diagnostic tests	Cost of Surgery	Medical durables	Food	Tips	Accom-panying Person Cost	Others	Total expenditure

Function codes HE04:

1 Inpatient
2 Outpatient
3 Unrelated to illness
4 Self-medication

Recall Period:
Last three months

* If code= 3, do not ask HE06

Provider codes HE05:

Private sector provider

1 Private hospital
2 Private doctor clinic
3 Homeopath / Hakeem / Herbalist / Saina / Dai
4 Pharmacy / Shops
5 Private Laboratory
6 Others, Specify

Public sector provider

7 Government hospital-THQ / DHQ/ Tertiary, teaching or specialized hospital
8 Dispensary/MCHC/BHU/RHC
9 LHV
10 LHW
11 Military Hospital
12 Social Security Hospital
13 Railway Hospital
14 Autonomous bodies/semi-government hospital
15 Public Laboratory

Illness codes HE06:

1 Road Accidents
2 Fractures
3 Diarrheal disorder (including dysentery)
4 Pneumonia
5 Flue/Fever
6 Malaria
7 Typhoid
8 Chest Infection
9 Asthma
10 Liver, Kidney diseases
11 Measles, Polio (Immunizable diseases)
12 Stroke/ Paralysis
13 Muscular Pain (Knee, Arm, Backbone etc)
14 Depression / Psychological disorders
15 Eye infection/disorder (ENT)
16 Ulcer diseases
17 Hepatitis infections
18 Tuberculosis (TB)
19 Diabetes
20 Heart diseases
21 High blood pressure
22 Gynae Issue
23 Dog Bites/Snake Bites
24 Dental care
25 Burns
26 Brain hemorrhage
27 AIDS
28 Cancer
29 Don't Know
30 Others, Specify _____

Reason of visits unrelated to illness codes HE07:

1 Delivery
2 Looking for advice on health
3 Looking advice on family planning issues
4 Routine medical check-up
5 To buy medicine or contraceptives
6 Antenatal checkup
7 Immunization / vaccination
8 Rehabilitative care
9 Others-Specify