

Lao People's Democratic Republic
Peace Independence Democracy Unity Prosperity



National Health Accounts Report

Fiscal Years 2012-2013, 2013-2014, 2014-2015, and 2015-2016



November 2017

Foreword

As the Minister of Health, I would like to express my sincere thanks to directors and technical staff from the Department of Finance, Ministry of Health, national and international consultants of the Asian Development Bank, and the World Health Organization; who dedicated their efforts to the data collection, analysis and production of this report of the National Health Accounts (NHA) for Lao PDR in 2013-2016. The findings from this report are very important for policy makers and public health managers at all level, because they provide a clear picture of spending in health sector and it can be compared with other countries. Furthermore, health expenditure data are very useful for budget planning and spending of government priority programs such as the emerging and response program and other public health issues, aiming for the achievement of government strategies and goals, and for having a more realistic budget plan to support achievement of the Sustainable Development Goals (SDGs) and the Universal Health Coverage (UHC).

This report contributes to the verification questions on health expenditure during the period of implementing the eight five-year health sector development plan (2016-2020) and the health sector reform strategy (2013-2025) as the health sector budget was increased to 9% in the previous years.

Your comments and feedback on the findings of the report are encouraged to stimulate dialogue on the policy implications of the NHA findings.

Once again, I would like to express my gratitude to all the government staff contributing to the production of this report, and to the Asian Development Bank, the World Bank and the World Health Organization for providing technical and financial support to the production of NHA in Lao PDR.

Vientiane Capital, Date : 09 NOV 2017
Minister of Health



ຮສ ດຣ. ບຸນກອງ ສີຫາວິງ
Assoc. Prof. Bounkong SYHAVONG

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This report was prepared by the National Health Accounts team, led by Dr Viravong Viengxay (Head, Health Financing Policy Division). NHA team members include Ms Sengmountha Oupengvong, Ms Daovone Phengkhamhack, Ms Niphaphone Manivong, Mr Chanthanousith Sengaloundeth, and Mr Phouthasone Vongsavath.

The report was developed with financial and technical support from the Asian Development Bank (ADB) Capacity Building and Technical Assistance grant (CDTA) Strengthening Capacity for Health Sector Governance Reforms and the Technical Assistance Loan (TAL) Health Sector Governance Program. Mr Thongleck Xiong (CDTA national expert) and Mr Henrik Axelson (CDTA international expert) provide technical guidance and support. Vincent de Wit (Team Leader, ADB CDTA), Alain Noel (Chief Technical Adviser, ADB Health Sector Governance Program) and Andrew Keith (Public Financial Management and Budget Specialist, ADB CDTA Team), provided helpful comments and advice.

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The team gratefully acknowledges data and information provided by the Ministry of Finance, Ministry of Planning and Investment, Ministry of Labor and Social Welfare, National Health Insurance Bureau, 18 Provincial Health Offices, and national and international development partners. Data on out-of-pocket expenditure were provided by Dr Manithong Vonglokham, National Institute of Public Health.

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Acronyms

ADB	Asian Development Bank
CDTA	Capacity Development Technical Assistance
DGEH	Domestic Government Expenditure on Health
CHE	Current Expenditure on Health
DHIS2	District Health Information System, version 2.0
GDP	Gross Domestic Product
GGHE	General Government Health Expenditure
GGE	General Government Expenditure
HAPT	Health Accounts Production Tools
HMIS	Health Management Information System
LAK	Laotian Kip
LECS5	Lao Expenditure and Consumption Survey 2011-2012-2013
MOH	Ministry of Health
NGO	Non-governmental organizations
NHA	National Health Accounts
NSSF	National Social Security Fund
NHIB	National Health Insurance Bureau
NIOPH	National Institute of Public Health
OECD	Organization for Economic Co-operation and Development
OOP	Out-Of-Pocket
THE	Total Health Expenditure
USD	United States Dollars
WHO	World Health Organization

Executive Summary

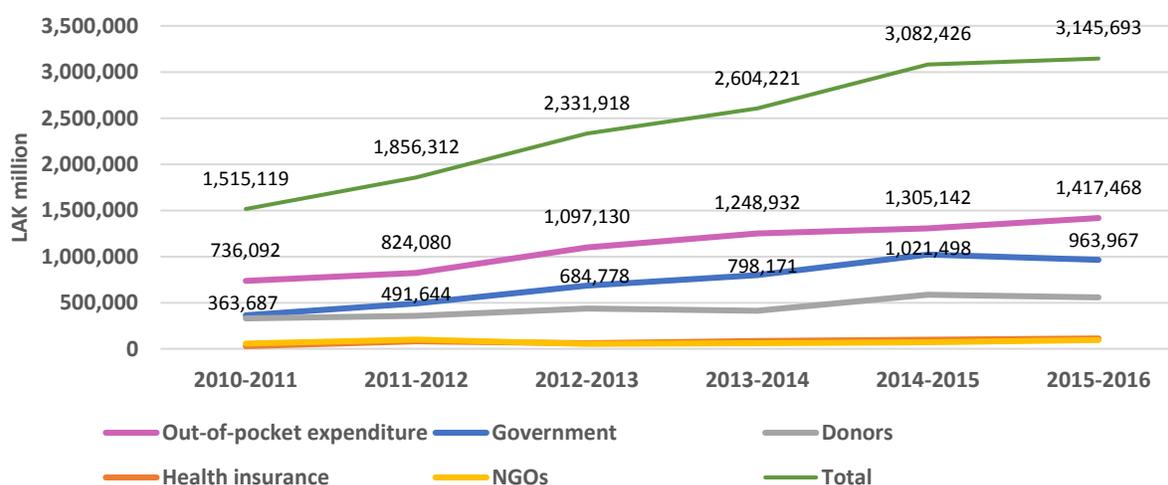
The production of National Health Accounts (NHA) is a process through which countries monitor the alignment of funding flows in the health system with health sector reform objectives including universal health coverage. NHA data on expenditures in the health sector can help answer a range of questions. Who pays for health care? How are funds channeled to providers? Which financing arrangements account for what share of spending? What services and diseases account for most of health spending? How are funds distributed by input? Who benefits? What is the burden on households? How do health spending patterns affect equity?

The preparation of NHA in Lao PDR is led by the Health Financing Policy Division, Department of Finance, Ministry of Health (MoH). This report covers results from FY 2012-2013 to 2015-2016 and includes also key findings from previous studies covering 2010-2011 to 2011-2012.

NHA is developed using an internationally recognized and standardized methodology which facilitate comparisons across countries and over time within countries. Health expenditure data were collected from several sources. Information on government spending was collected from the Official Gazette and relevant Government authorities. Development partners provided information through questionnaires and aid management information platforms while data related to out-of-pocket expenditure are based on results from the Lao Expenditure and Consumption Survey 2012/13.

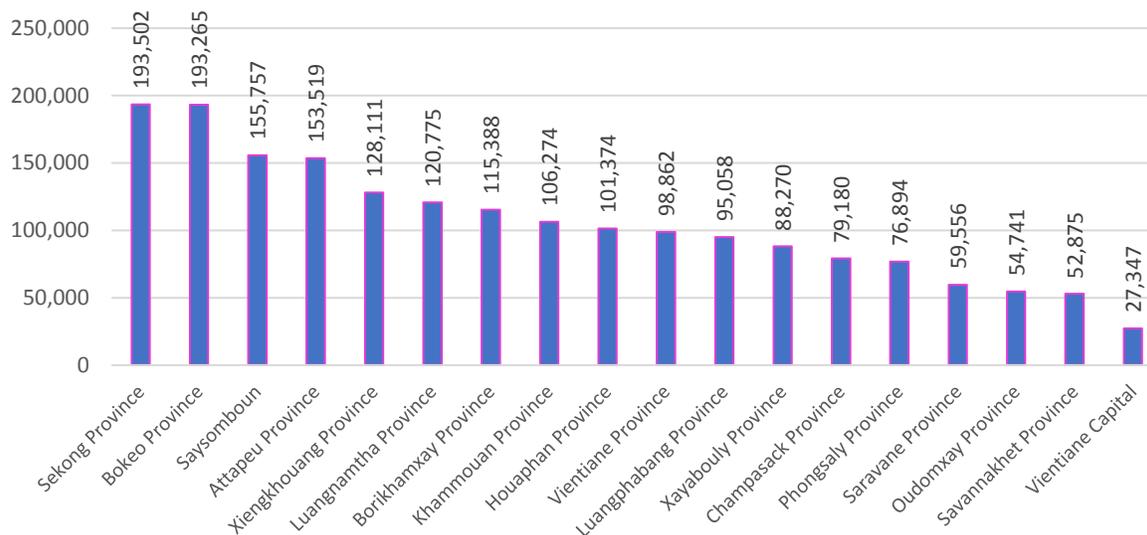
Total expenditure on health almost doubled between 2010-2011 and 2015-2016, driven by significant increases in government expenditure on health and out-of-pocket spending. Government expenditure accounted for 30.6% of total health spending in 2015-2016. Out-of-pocket spending on health amounted to 45.1% of total health expenditure in 2015-2016, slightly higher than the national target of 40%. External funding accounted for around 20% in 2015-2016. Over 90% of total health expenditure has been allocated to current expenditure while the remaining 10% went to capital expenditure.

Figure i: Trend of Total Health Expenditure and main components FY 2010-2011 to 2015-2016



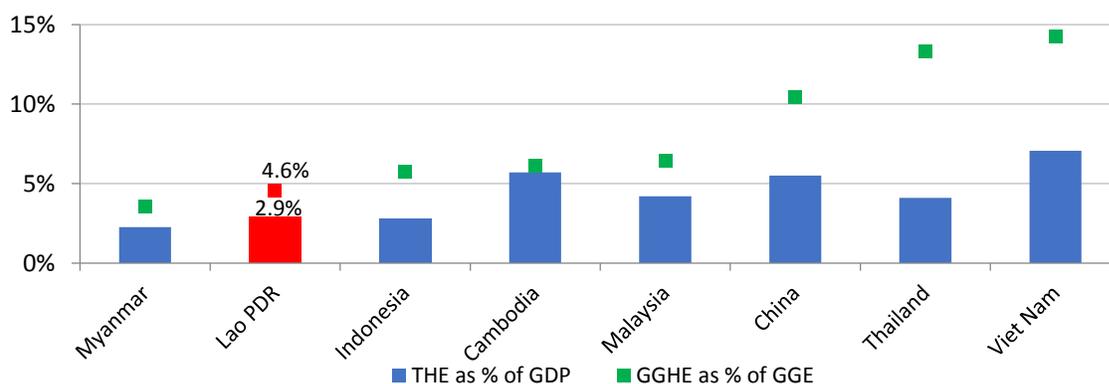
Domestic government expenditure on health per capita more than tripled since 2010-11 to reach 146,351 LAK or 18 USD in 2015-2016. Over the same period per capita expenditure on health in the lowest spending province was continuously around seven times less than in the highest spending with no significant changes in the ranking of the provinces according to their spending.

Figure ii: Per capita domestic government expenditure on health per province, 2015-2016.



Total health expenditure as a share of GDP and government expenditure on health as a share of total government expenditure remain low compared to other countries in the region. THE as percentage of GDP remained more or less stable over the reporting period with a slight decrease in 2015-2016 to 2.4%. Expenditure on health as a share of total government expenditure (including external funding) increased from 4.4% in 2010-2011 to 5.9% in 2015-2016. The government has set national target of 9%, using a definition of GGHE that includes “technical revenue” (user fee revenue). GGHE including technical revenue increased from 4.7% in 2010-2011 to 7.6% in 2015-2016.

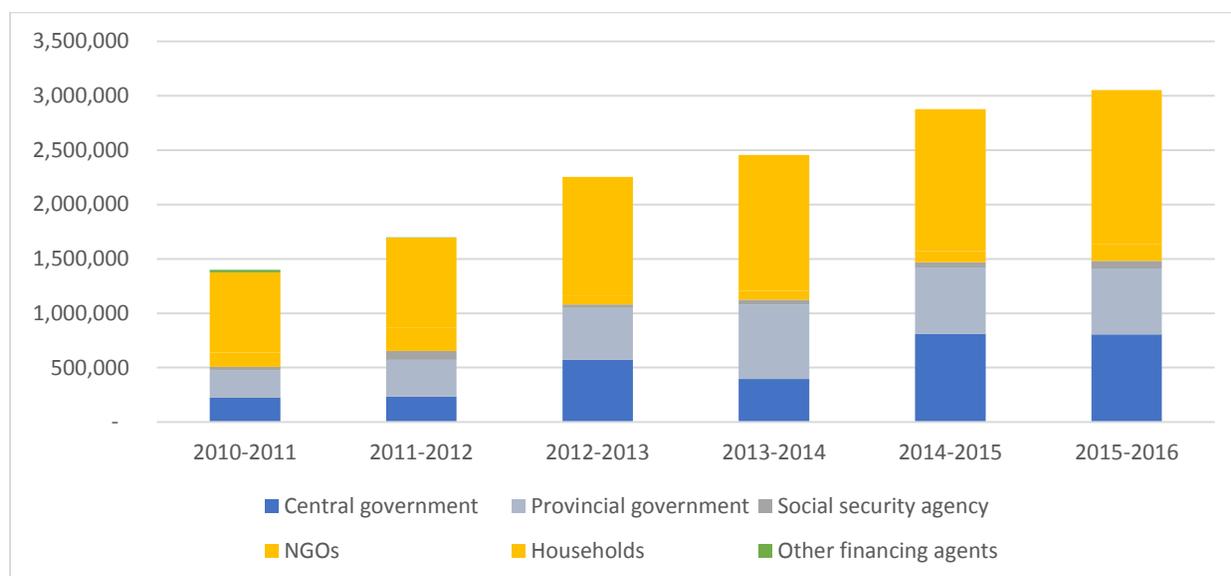
Figure iii: THE as percentage of GDP and GGHE as percentage of GGE for selected countries, 2014.



Sources: Lao NHA and WHO Global Health Expenditure Database

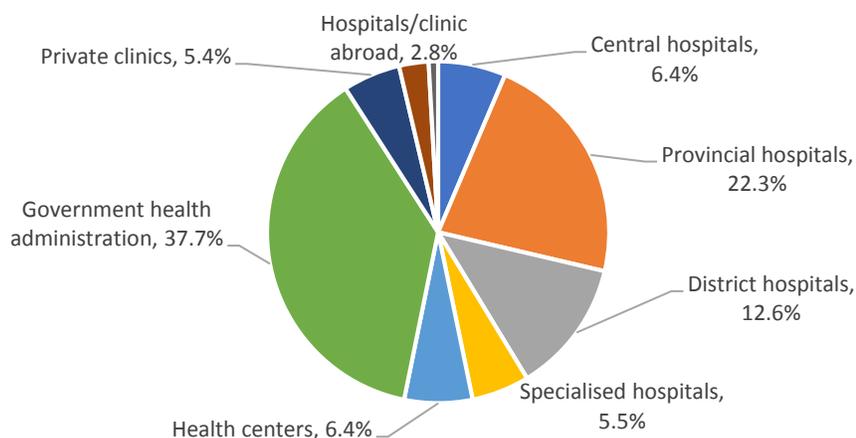
Central and provincial governments were managing around 46% of current health expenditure in 2015-2016, and as such the largest institutional financing agent. The National Social Security Fund was managing around 2% of current health expenditure in 2015-2016. The percentage remains small as it is only covering the formal sector and its payments are only covering use of drugs and consumables by its members.

Figure iv: Current health expenditure by year and by managing agent 2010-2011 to 2015-2016



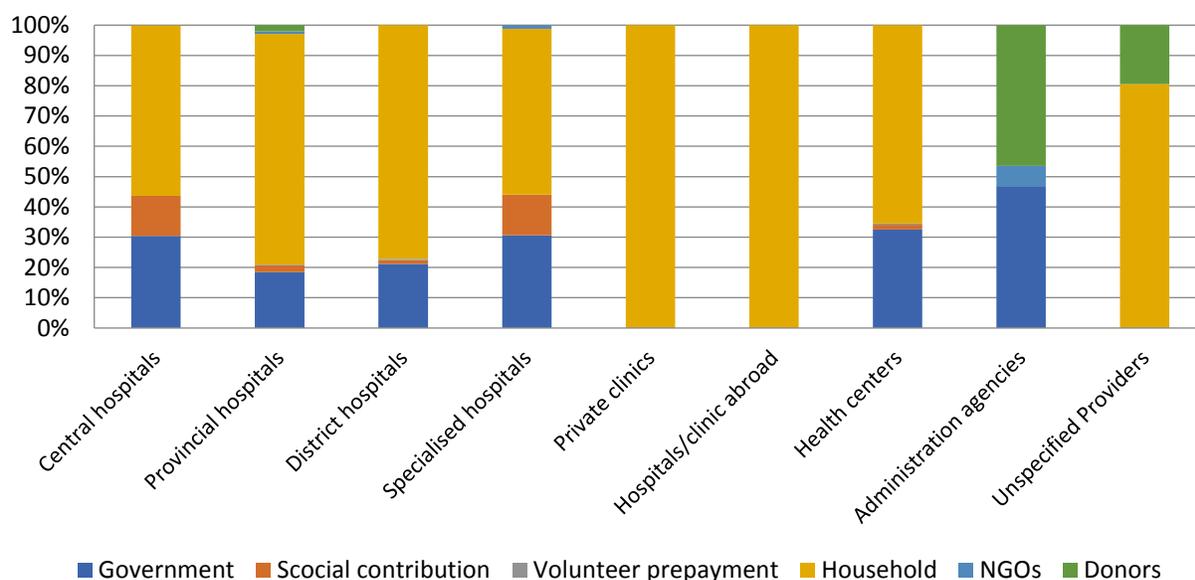
The share of expenditure related to specialized, central and provincial hospitals reflects a preference of patients to access higher level care but also higher cost at higher level facilities. Public facilities shared 53.2% whereas private clinics in Lao PDR and hospitals and clinics abroad accounted for the smallest shares of current expenditure with about 5.4% and 2.8% respectively in 2015-2016.

Figure v: Current health expenditure distribution by provider 2015-2016



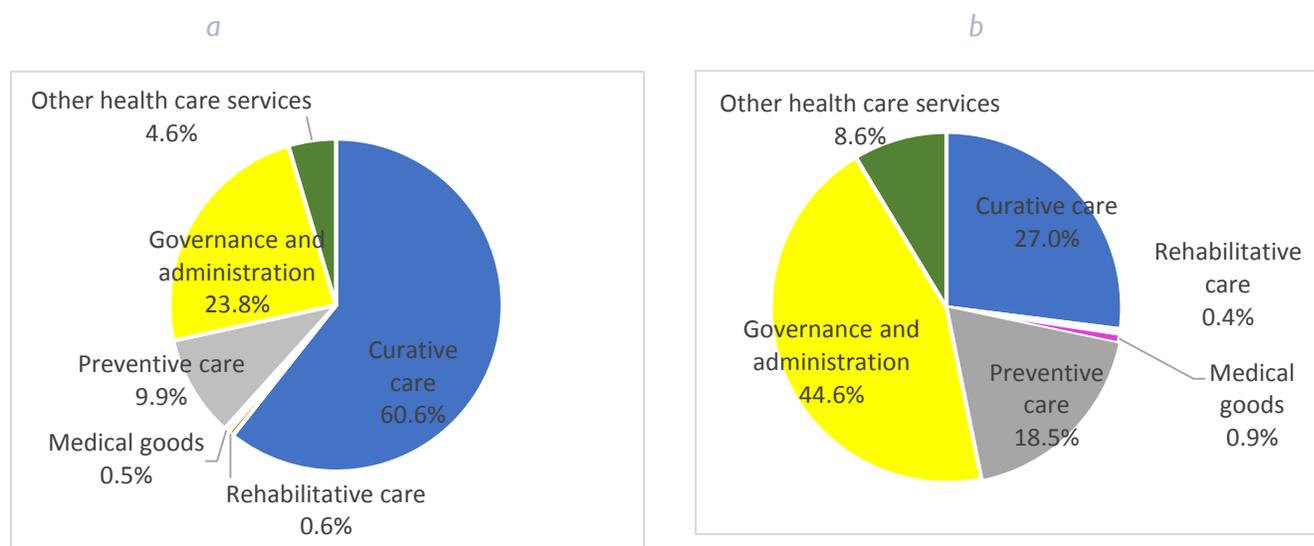
Out-of-pocket spending from households was the main funding for all health providers, except for health administration.

Figure vi: Share of contribution from different funding sources for each provider 2015-2016



Curative care accounted for 61% of current health expenditure in 2015-2016 but only for 27% of government expenditure on health. The largest share of government expenditure on health was allocated to governance and administrative functions. Distribution of health spending between curative and preventive care depends on several factors, including the disease burden of the country but also the share of out-of-pocket spending which is mostly allocated to curative care.

Figure vii: a) Distribution of current health expenditure according to functions of the health system 2015-2016; b) Distribution of current spending of general government expenditure on health by function of the health system 2015-2016.



Maternal and perinatal conditions accounted for the largest share (10.6%) of health expenditure among expenditure which could be allocated to a specific condition in 2015-2016. Other maternal and child health conditions such as child health in general and nutritional deficiencies are also among the 10 conditions which were allocated the largest shares of current expenditure, reflecting national priorities.

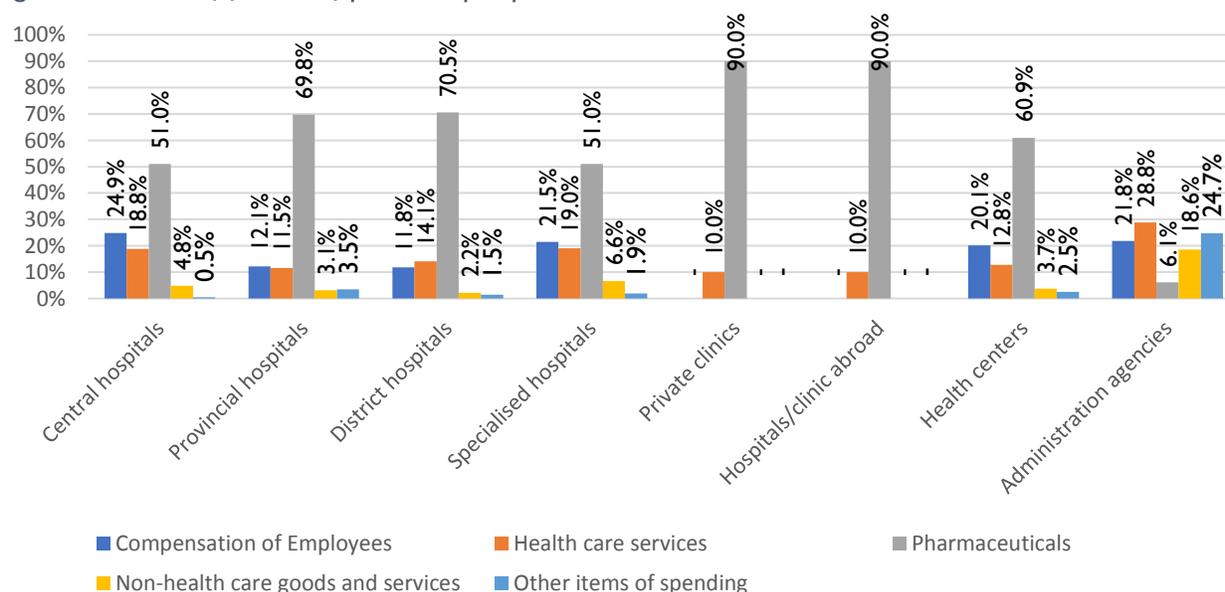
Table i: Ten conditions which were allocated the largest share of current health expenditure in 2015-2016 in percentage of current health expenditure

Diseases	2010-2011	2011-2012	2012-2013	2013-2014	2014-2015	2015-2016
Non-disease specific	6.8%	6.8%	26.7%	28.9%	30.6%	26.7%
Maternal and perinatal conditions	2.5%	2.7%	10.9%	10.3%	9.9%	10.6%
Diseases of the digestive system	0.0%	0.0%	5.3%	5.4%	5.0%	5.4%
Respiratory infections	7.6%	7.8%	5.0%	4.7%	4.5%	5.0%
Vaccine preventable diseases	0.7%	0.9%	4.1%	3.9%	4.0%	4.8%
Child health	0.0%	0.0%	1.9%	3.1%	3.2%	3.7%
Diseases of the genito-urinary system	0.0%	0.0%	3.6%	3.7%	3.4%	3.6%
Nutritional deficiencies	1.8%	2.5%	2.5%	2.5%	2.7%	3.5%
Other non-communicable diseases	2.5%	2.4%	3.1%	2.9%	2.9%	3.0%
Cardiovascular diseases	1.2%	1.2%	2.9%	2.8%	2.6%	2.9%

Pharmaceuticals accounted for 44.7% of the inputs to the health sector in 2015-2016.

In 2015-2016, service delivery and compensation of employees accounted for 19.2% and 16.5% respectively. The high share of expenditure on pharmaceuticals applies to all levels of facilities. This may reflect a high share of out-of-pocket spending for which it is difficult for users to distinguish between how much they had to pay for services and how much for drugs.

Figure viii: Share of factors of provision per providers 2015-2016



In three out of the last four years, more than 85% of capital expenditure on health was allocated to buildings and other structures. In 2015-2016, 4.1% were allocated to purchasing medical equipment, an increase compared to previous years.

Policy implications

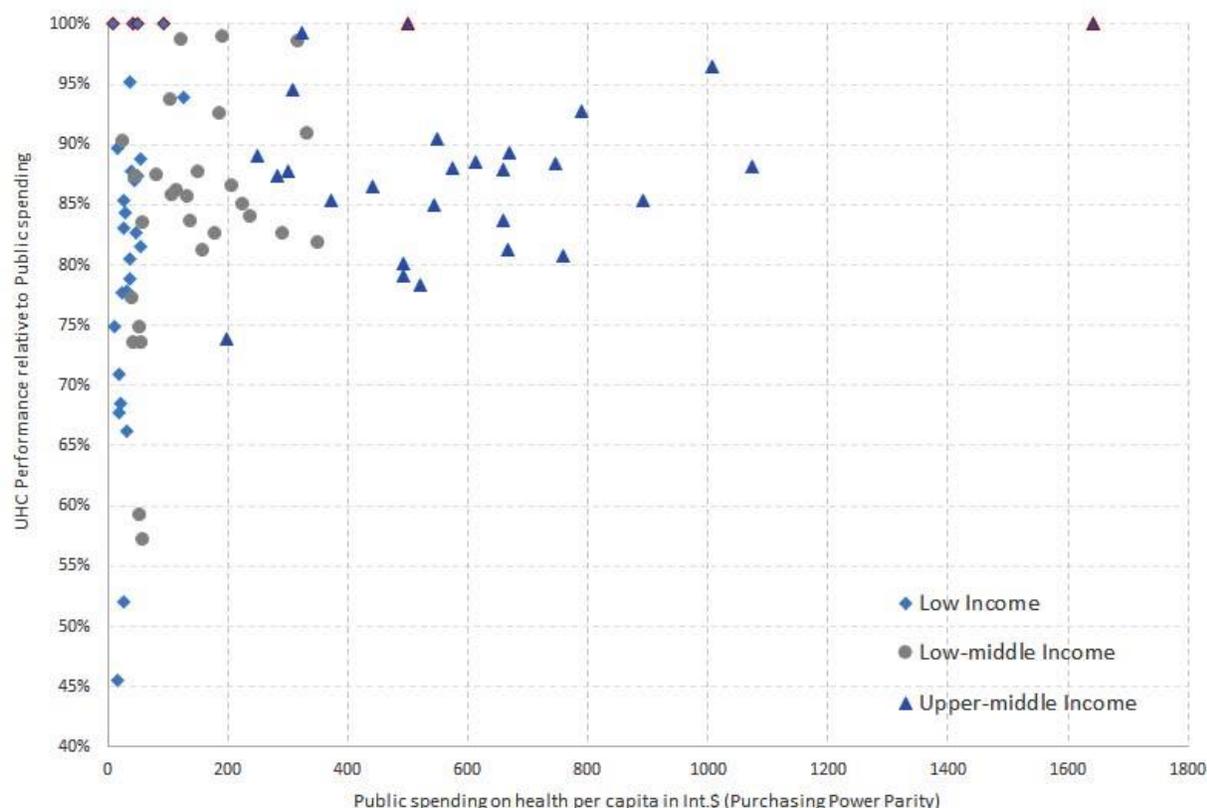
Additional efforts are needed to achieve the expected result of the first phase of the Health Sector Reform to allocate not less than 9% of general government expenditure to health. Based on the government expenditure on health in 2015-2016, the share allocated to health by the Lao Government would have to increase annually by around 4% to reach the target of 9% in 2020. International evidence suggests that certain levels of financial coverage and service delivery coverage can only be reached if sufficient funding for health is available. In addition, with continued economic development, external funding which still accounted for around 20% of THE in 2015-2016, is expected to decrease, putting additional pressure on the Government to increase domestic funding for health.

Table ii: Government expenditure on health as percentage of general government expenditure 2010-2011 to 2015-2016

Indicators	2010-2011	2011-2012	2012-2013	2013-2014	2014-2015	2015-2016
GGHE as % of GGE (including external funding and technical revenue)	4.7%	5.5%	4.8%	5.3%	7.4%	7.6%
GGHE as % of GGE (including external funding)	4.4%	5.1%	4.5%	4.6%	6.3%	5.9%
GGHE (excluding external funding) as % of GGE	2.4%	3.0%	2.8%	3.1%	4.1%	3.9%

International evidence suggests that there is very high variation in how countries perform, at low levels of public spending (below PPP\$40 per capita). As spending increases, there is convergence in UHC performance across countries; interestingly, increased public spending quickly translates into improved service coverage (between PPP\$40-60 per capita), but not financial coverage which only improves significantly when public spending is greater than PPP\$200 per capita. In 2016 domestic government expenditure on health per capita amounted to around PPP\$USD 47.

Figure ix: Performance relative to public spending for selected countries.

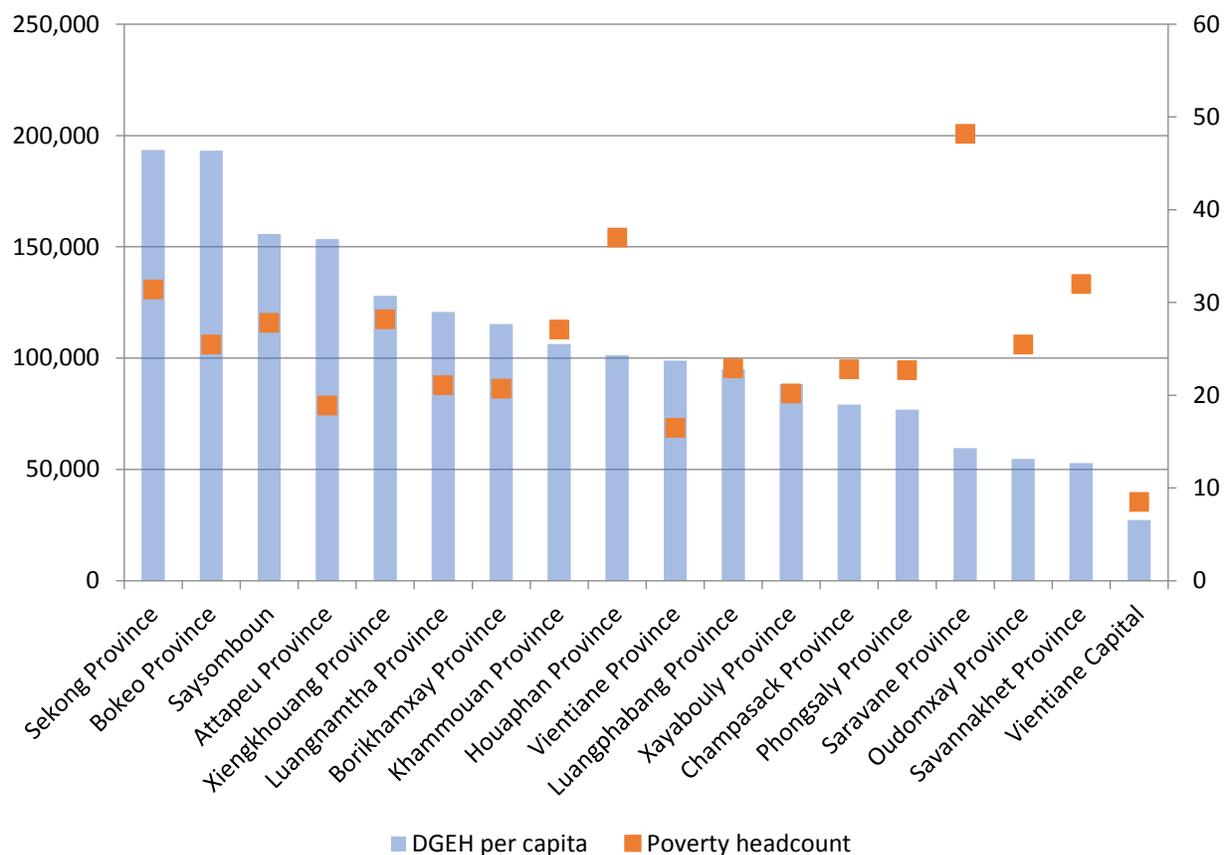


Source: Jowett M, Brunal MP, Flores G, Cylus J. *Spending targets for health: no magic number*. Geneva: World Health Organization; 2016.

Effective implementation of the new National Health Insurance scheme will be needed to reduce out-of-pocket spending by households and to reach the national target of out-of-pocket spending at 35% of total health expenditure in 2020. Payments by the National Health Insurance scheme aim at replacing out-of-pocket expenditure. Efficient implementation of the scheme will be important to ensure that facilities will not revert to informal payments to compensate for late transfer of funds by the National Insurance Bureau or for insufficient payment rates. Limited service availability and quality in public facilities could lead patients to seek health care in private facilities or abroad and as such contribute to higher out-of-pocket spending. Updated data on out-of-pocket spending will be available through the Lao Expenditure and Consumption Survey of which the sixth round will be conducted in 2018.

Sufficient allocation of funding for health at provincial level is needed in line with the Sam Sang decentralization policy and the Government’s commitment of increasing allocations to social sectors. Allocations for health at provincial level can be strengthened to better reflect the situation and needs of each province. The development of specific budget norms at subnational level, disbursement linked indicators and other performance based payment mechanisms can help to shift towards results based budgeting.

Figure x: Domestic government expenditure on health per capita per province in 2015-2016 and poverty headcount per province.



Source: NHA and Lao PDR 2015 Census based poverty map, Lao Statistics Bureau, MPI, Lao PDR.

Strengthening of the collection of financial information is still needed starting with improvements in the accounting and reporting system in the health sector, linking expenditures to programs, and strengthening capacity for reporting at provincial, district and health facility level. The Ministry of Health will be piloting a unified electronic accounting system at central level in 2018 and is developing reporting guidelines for external funding. These are some of the initiatives which will facilitate data collection in the future as well as institutionalization of National Health Accounts production on a yearly basis.

I Introduction

The production of National Health Accounts (NHA) is a process through which countries monitor the flow of money in the health system to evaluate the impact of health sector reforms. Data on health expenditure can help inform health sector strategies, planning, budgeting, prioritization and allocation of scarce resources. Health spending data by level of care and inputs can identify areas where efficiency gains could be made. Health expenditure information is also a key input to the monitoring and evaluation of national policy goals such as universal health coverage. NHA data can help government policy makers answer a range of questions. Who pays for health care? How are funds channeled to providers? Which financing arrangements accounts for the largest share of spending? What services and diseases account for most of health spending? How are funds distributed by input? Who benefits? What is the burden on households? How do health spending patterns affect equity?

The preparation of NHA in Lao PDR is led by the Health Financing Policy Division, Department of Finance, Ministry of Health (MoH). NHA have previously been conducted for fiscal years 2010-2011-2012 with technical and financial support from the World Health Organization (WHO). This document summarizes the results of the 2012-2013 to 2015-2016 NHA that was conducted in 2017 with support from the Asian Development Bank (ADB) technical assistance project “Strengthening Capacity for Health Sector Governance Reforms” and WHO. The MoH intends to conduct NHA on an annual basis starting in 2018 and steps are underway to prepare for institutionalization of NHA production.

While the focus of this report is on the findings of the NHA 2012-2013 to 2015-2016, the report also includes selected results of the NHA 2010-2011 and 2011-2012 to increase the number of data points for trend analysis.

2 Methods and data sources

NHA in Lao PDR is developed using an internationally recognized and standardized methodology called System of Health Accounts (SHA) 2010-2011, which was developed by WHO, OECD, Eurostat and other development partners, to facilitate comparisons across countries and over time within countries. The collection and analysis of health expenditure data is supported by standardized data collection instruments and custom-made software for data upload, cleaning and analysis. The Lao PDR NHA follows the SHA2011 expenditure classifications with some minor modifications to ensure compatibility with the country’s health financing system.

Health expenditure data were collected from several sources:

- Central and provincial government expenditure: Official Gazette, provincial expenditure survey.
- Social health insurance and other social health protection schemes: direct data collection.
- Donors NHA survey questionnaire (Annex I), Aid Management Platform (AMP) database.

- Non-governmental organizations (NGOs): NHA survey questionnaire (Annex 2), iNGO network database, MoH cabinet office.
- Household out-of-pocket expenditure: Lao Expenditure and Consumption Survey (LECS) round 5, report by National Institute of Public Health (NIOPH), national household consumption expenditure from National Accounts.

All data collected were cleaned and prepared in Excel before uploading into the NHA software Health Accounts Production Tool (HAPT). Expenditure data from donors and NGOs were checked manually in Excel to remove any double counts. Health expenditures that could not be directly allocated by disease were distributed indirectly by preparing disease shares using utilization and costing data. Final data from the HAPT were exported into Excel for preparation of tables and graphs. Further details about methods and data sources are provided in “Methodology to Produce National Health Accounts (NHA) in Lao PDR.”¹

3 Results

3.1 Total health expenditure

Table I presents an overview of key health expenditure indicators in 2010-2011 to 2015-2016. Total health expenditure, which includes current health expenditure (CHE) and capital expenditure, more than doubled between 2010-2011 (LAK 1,515,119 million or USD 183 million) and 2015-2016 (LAK 3,145,693 million or USD 386 million) (Figure 1). Total health expenditure (THE) per capita increased dramatically during the six years. It increased from LAK 237,291 (USD 29) in 2010-2011 to LAK 477,584 (USD 59) in 2015-2016. THE as a share of Gross Domestic Product (GDP) ranged from 2.4% to 3.0% in 2010-2011 to 2015-2016.

General government health expenditure (GGHE), which includes domestic government resources, government contributions to insurance, and donor and NGO funding, increased significantly in 2010-2011 to 2015-2016. GGHE as a share of THE increased from 39.2% in 2010-2011 to 51.8% in 2015-2016 (increase of 32%). GGHE (including external financing and technical revenue) as a share of general government expenditure (GGE) increased from 4.7% in 2010-2011 to 7.6% in 2015-2016. Out-of-pocket (OOP) expenditure as a share of THE decreased from 48.6% in 2010-2011 to 45.1% in 2015-2016. Domestic government expenditure (only government resources) on health as a share of THE almost doubled between 2010-2011 (16.4%) and 2015-2016 (30.6%). External resources for health (donors and NGOs) as a share of THE decreased from 25.5% in 2010-2011 to 20.8% in 2015-2016.

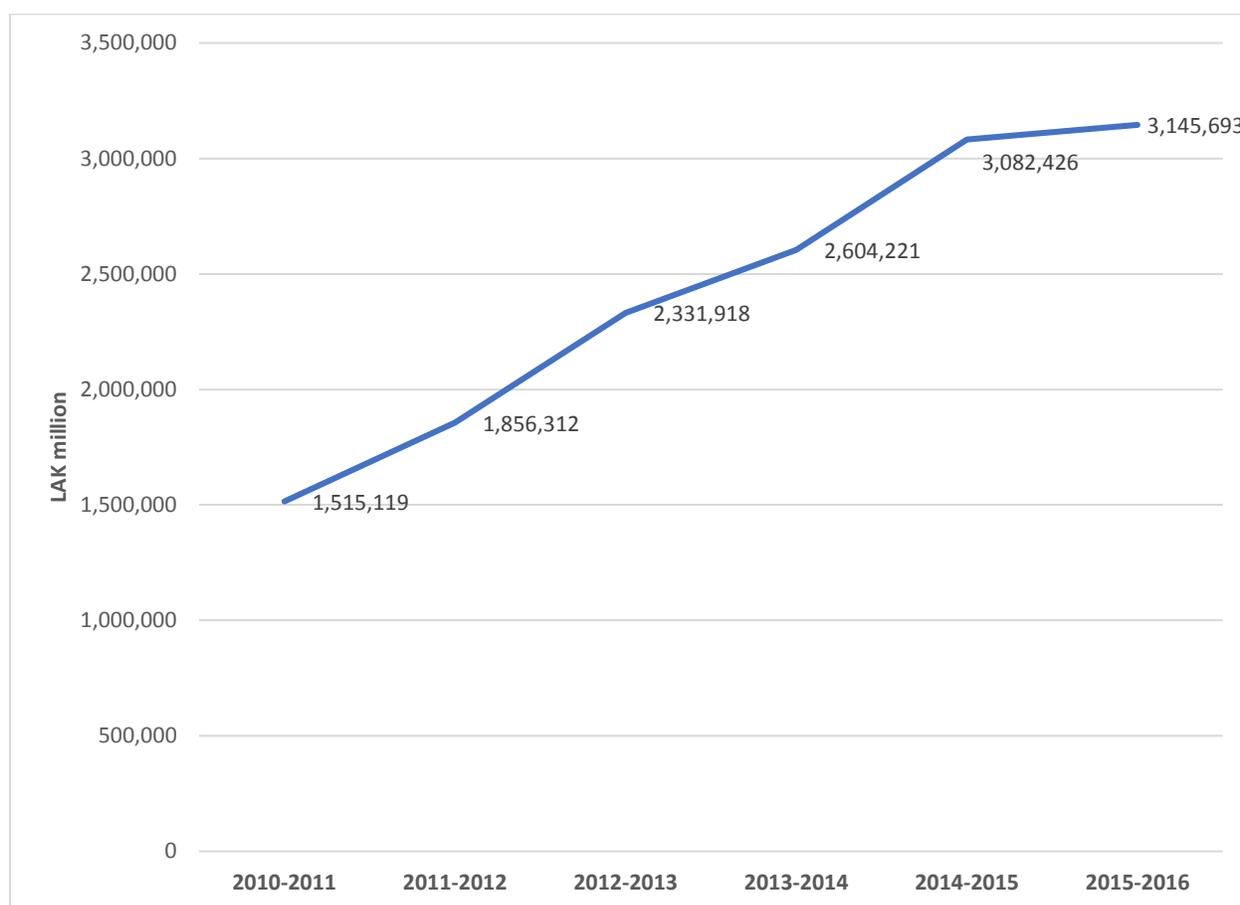
¹ Ministry of Health. Methodology to Produce National Health Accounts (NHA) in Lao PDR. Vientiane: MoH, forthcoming.

Table 1: Key health expenditure indicators in Lao PDR, 2010-2011 to 2015-2016

Key indicators	2010-2011	2011-2012	2012-2013	2013-2014	2014-2015	2015-2016
Total health expenditure (THE) (LAK million)	1,515,119	1,856,312	2,331,918	2,604,221	3,082,426	3,145,693
THE (USD million)	183	231	291	331	383	386
THE per capita (LAK)	237,291	284,954	360,250	395,779	474,787	477,584
THE per capita (USD)	29	35	45	50	59	59
THE as % of GDP	2.7%	2.8%	2.8%	2.9%	3.0%	2.4%
General government health expenditure (GGHE) per capita (LAK)	92,969	109,657	189,644	205,045	272,958	261,801
GGHE per capita (USD)	11	14	23	25	33	30
GGHE as % of THE	39.2%	38.5%	50.4%	49.5%	55.2%	51.8%
GGHE (excluding technical revenue) as % of general government expenditure (GGE)	3.7%	4.1%	4.5%	4.6%	6.3%	5.9%
GGHE as % of GGE (including external funding and technical revenue)	4.7%	5.5%	4.8%	5.3%	7.4%	7.6%
GGHE as % of GDP	1.0%	1.1%	1.4%	1.4%	1.7%	1.3%
Domestic government expenditure on health (DGEH) per capita (LAK)	38,828	50,635	105,789	121,303	157,342	146,351
DGEH per capita (USD)	5	6	13	15	20	18
DGEH as % of THE	16.4%	17.8%	29.4%	30.6%	33.1%	30.6%
OOH per capita (LAK)	115,284	126,501	169,492	189,808	201,032	215,202
OOH per capita (USD)	14	16	21	24	25	26
OOH as % of THE	48.6%	44.4%	47.0%	48.0%	42.3%	45.1%
Donor funding per capita (LAK)	51,614	54,949	67,540	62,677	90,317	84,353
Donor funding per capita (USD)	6	7	8	8	11	10
Donor funding as % of THE	21.8%	19.3%	18.7%	15.8%	19.0%	17.7%
NGO funding per capita (LAK)	8,884	15,347	8,247	9,320	10,929	14,623
NGO funding per capita (USD)	1	2	1	1	1	2
NGO funding as % of THE	3.7%	5.4%	2.3%	2.4%	2.3%	3.1%
Social health insurance ² as % of GGHE	2.7%	3.7%	2.8%	3.3%	2.9%	4.4%
Private health expenditure as % of THE	53.2%	52.8%	49.6%	50.5%	44.8%	48.2%
Current health expenditure (CHE) (LAK million)	1,399,350	1,694,527	2,252,681	2,454,688	2,876,960	3,052,118
CHE (USD million)	169	211	281	312	357	375
CHE as % of THE	92.4%	91.3%	96.6%	94.3%	93.3%	97.0%
Capital expenditure (LAK million)	115,768	161,784	79,237	149,533	205,465	93,575
Capital expenditure (USD million)	14	20	10	19	26	11
Capital expenditure as % of THE	7.6%	8.7%	3.4%	5.7%	6.7%	3.0%

² This includes State Authority Social Security (SASS) and Social Security Organization (SSO) schemes, under Ministry of Labour and Social Welfare.

Figure 1: Total health expenditure (LAK million), 2010-2011 to 2015-2016



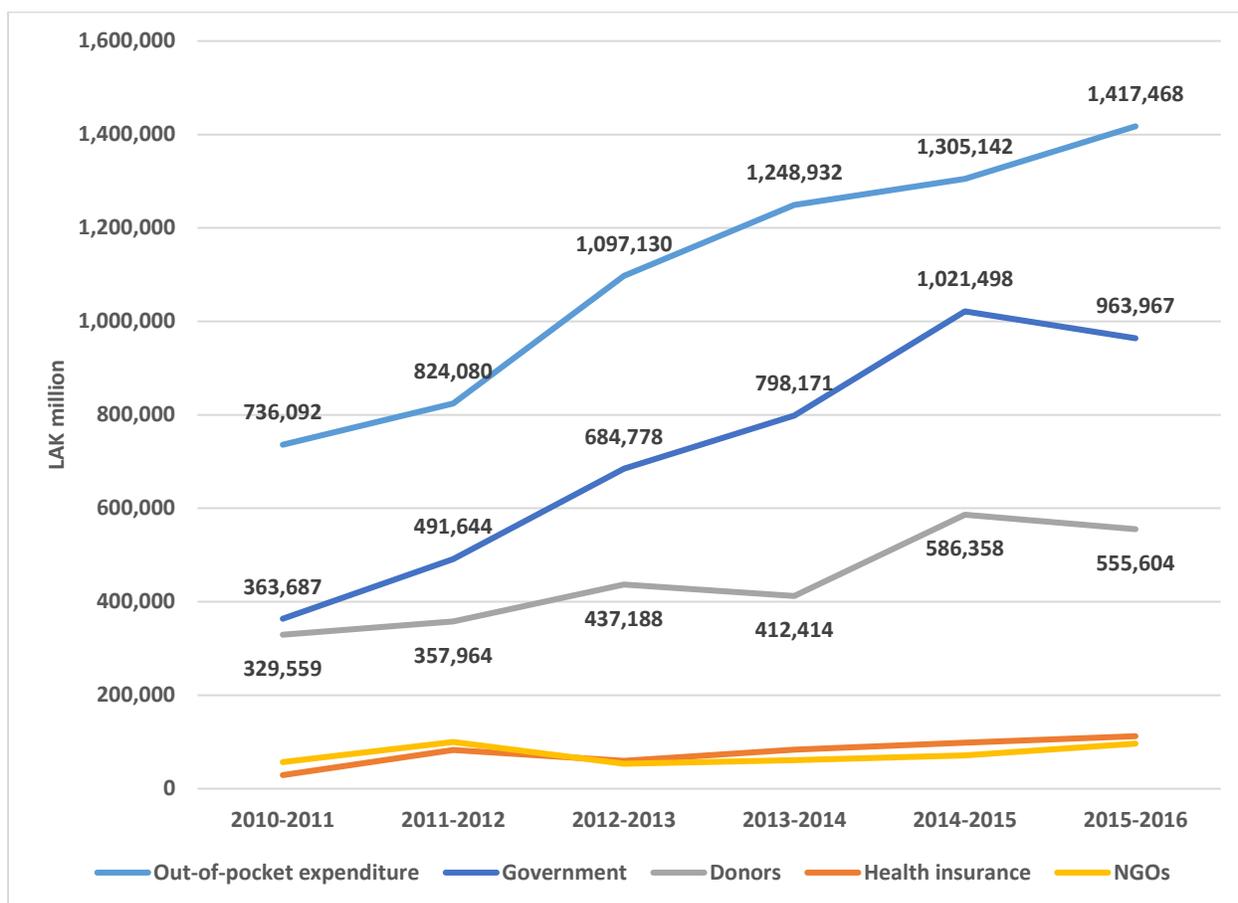
3.2 Sources of financing

3.2.1 Main sources of financing

Table 2 and Figure 2 illustrate the main sources of financing between 2010-2011 and 2015-2016. OOP expenditure was about twice as large as domestic government spending on health during this period. OOP expenditure increased from 736,092 million LAK in 2010-2011 to 1,417,468 million LAK in 2015-2016, while the domestic government expenditure increased from 363,687 LAK in 2010-2011 to 963,967 million LAK in 2015-2016. Donor funding for health increased from 329,559 million LAK in 2010-2011 to 555,604 million LAK in 2015-2016.

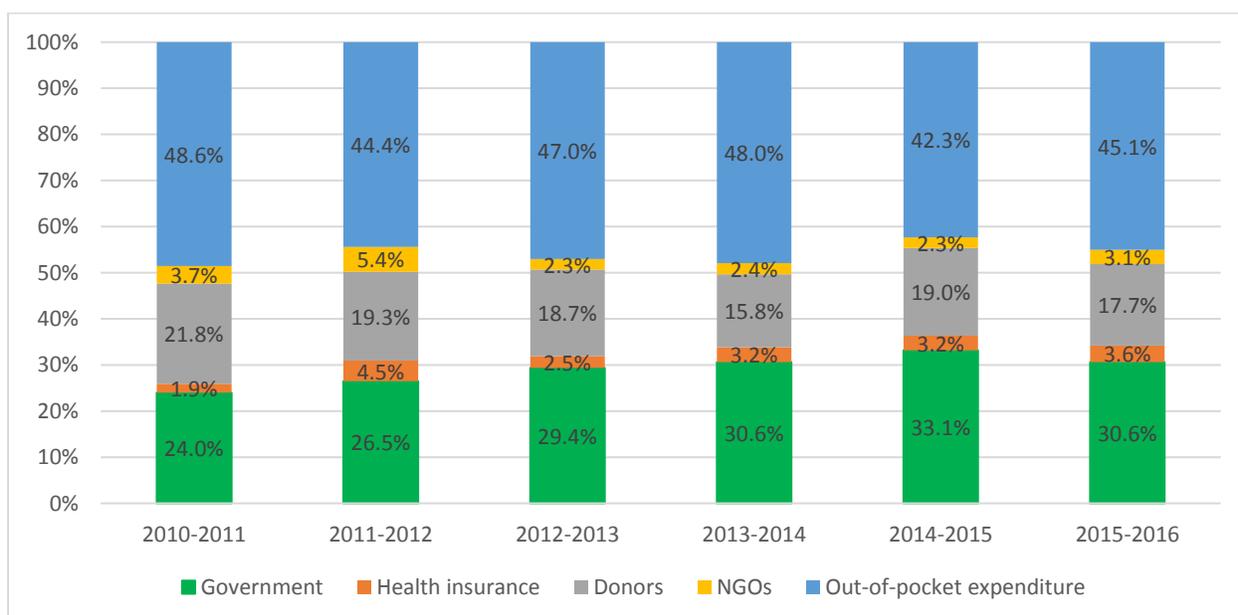
In 2015-2016, household OOP expenditure accounted for 45.1% of THE, followed by government (30.6%), donors (17.7%), health insurance (3.6%) and NGOs (3.1%) (Figure 3).

Figure 2: Sources of financing (LAK million), 2010-2011 to -2015-2016



Note: Data points for health insurance and NGO expenditure are not presented due to graph space limitations.

Figure 3: Main sources of financing, 2010-2011 to 2015-2016



3.2.2 Domestic government expenditure on health by subnational level

Tables 3 and 4 demonstrate that the central level accounted for 102,592 million LAK (41.4%) in 2010-2011 and 410,473 million LAK (42.6%) in 2015-2016. Champasak accounted for a total of 9,305 million LAK (3.8%) in 2010-2011 and 55,667 million LAK (5.8%) in 2015-2016. Saysomboun, the most recently established province with smallest population but its share was almost doubled since 2012-2013.

Figure 4: Percentage of domestic government expenditure on health by province, 2015-2016

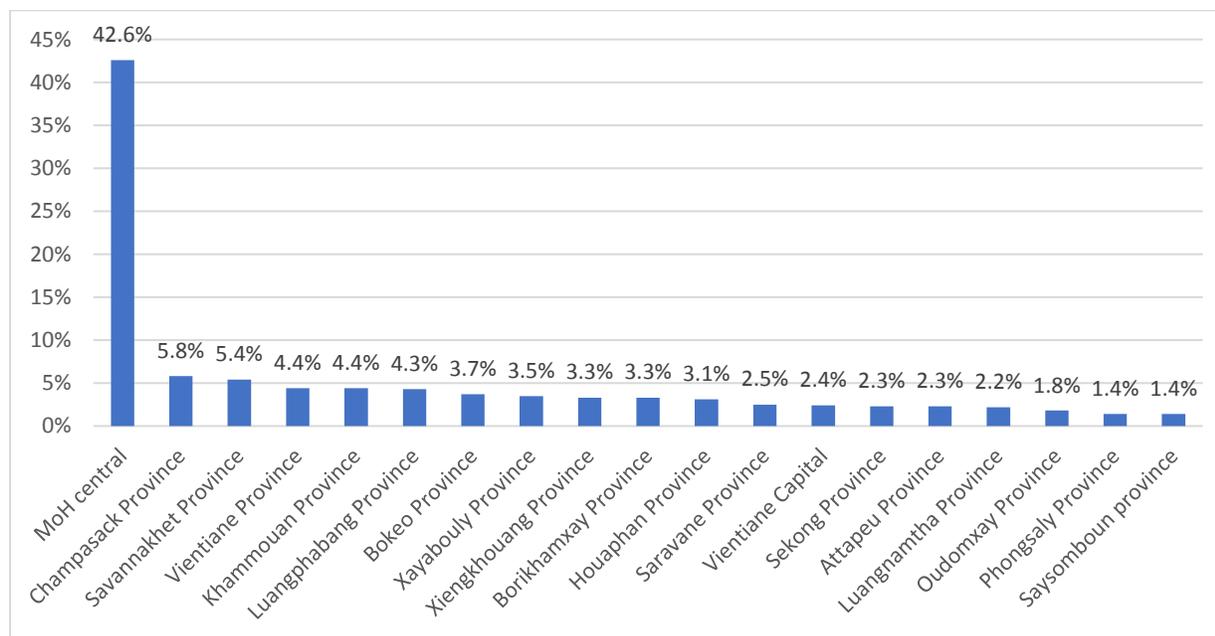
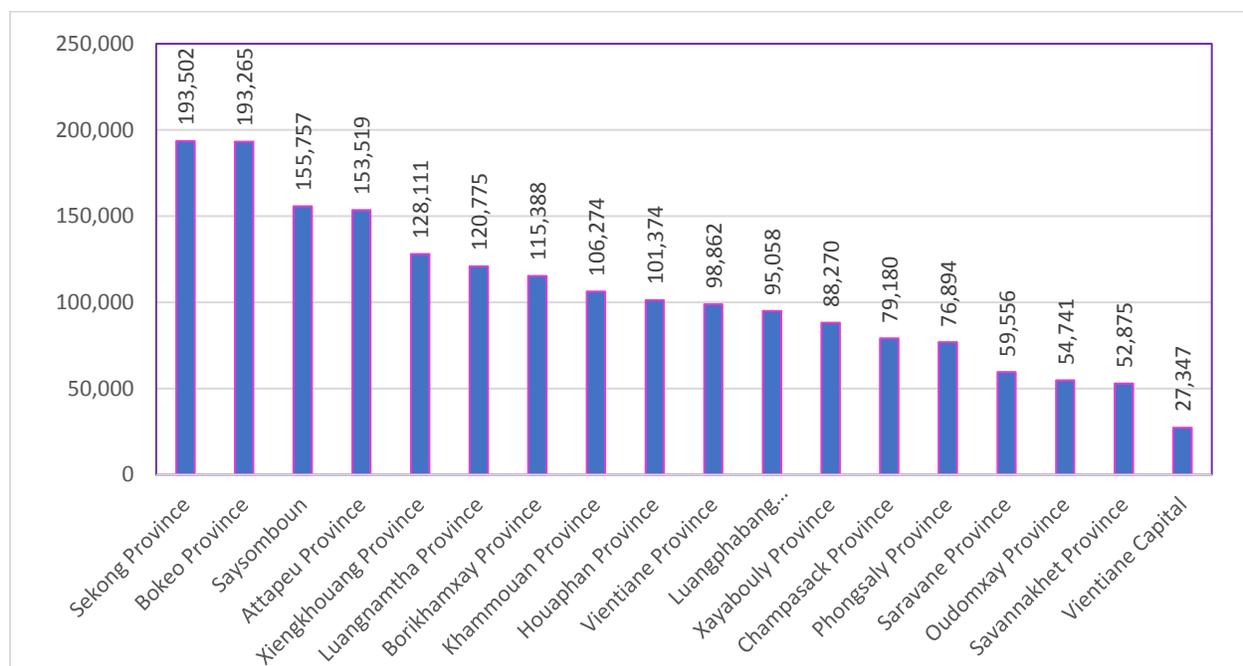


Figure 5: Domestic government expenditure on health per capita by province (LAK), 2015-2016



Sekong is the province with the highest Domestic government expenditure on health per capita, 58,217 LAK in 2010-2011 and 193,502 LAK in 2015-2016 (Table 5 and Figure 5), whereas the lowest domestic government expenditure per capita was in Vientiane capital (12,010 LAKs in 2010-2011 and 27,347 LAKs in 2015-2016) (Table 5).

3.3 Current vs. capital expenditure

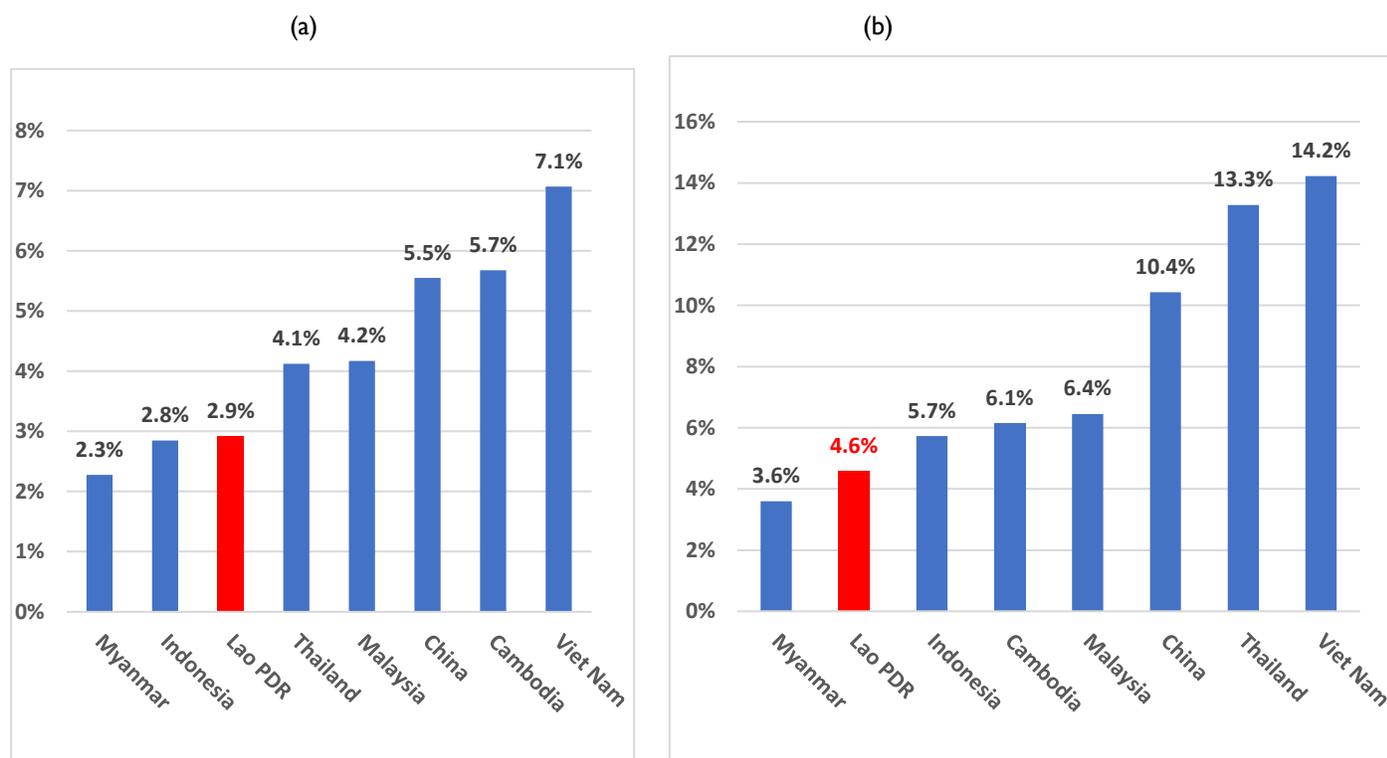
Current health expenditure accounted for over 90% of total health expenditure during the fiscal years of 2011-2012 to 2015-2016 (Table 6).

3.4 Country comparison of key NHA indicators

Figure 4 presents data on THE as a share of GDP (Figure 6a) and GGHE as a share of GGE (Figure 6b) for low- and middle-income countries in Asia for 2013-2014 (latest available country health expenditure data). THE as a share of GDP was 2.9% and GGHE as a share of GGE was 4.6% in 2013-2014, which is lower than most other countries in the region.

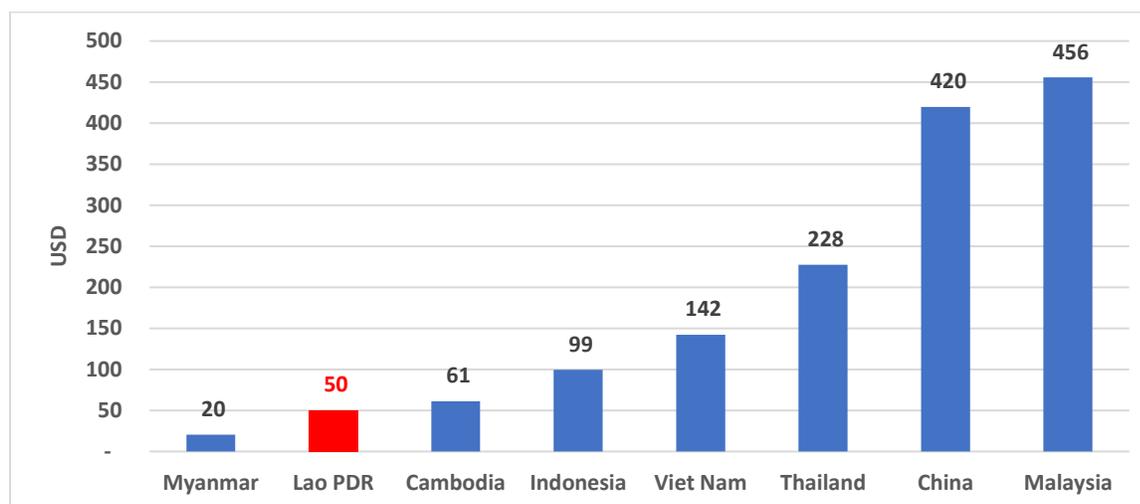
Lao PDR has the second smallest spending on health per capita (USD 50) among eight Asian low- and middle-income countries, higher only than Myanmar (USD 20) (Figure 7).

Figure 6: (a) Total health expenditure as % of GDP, 2013-2014; (b) General government health expenditure as % of general government expenditure, 2013-2014



Source: WHO Global Health Expenditure Database (GHED)

Figure 7: Total health expenditure per capita, 2013-2014



Source: WHO Global Health Expenditure Database (GHED)

3.5 Current health expenditure

Current health expenditure refers to all expenditure that are consumed in the year of analysis. Sections 3.5.1-3.5.6 presents data on current health expenditure by NHA sub-classifications. The shares reported in Tables 7-12 are shares of current health expenditure.

3.5.1 Financing schemes

Financing schemes are defined as bodies of rules that govern the mode of participation in the scheme, the basis for entitlement to health services and the rules on raising and then pooling the revenues of the given scheme.

In 2015-2016, household OOP expenditure accounted for 46.4% of current health expenditure, central government schemes for 30.6%, subnational government schemes for 17.0%, and health insurance schemes for 2.5% (Table 7).

The proportion of central government expenditure increased from 23.1% in 2010-2011 to 30.3% in 2015-2016, whereas the provincial expenditure increased from 18.2% in 2010-2011 to 19.8% in 2014-2015, and then decreased to 17% in 2015-2016. Expenditure by social health insurance doubled between 2010-2011 (1.2%) and 2015-2016 (2.4%) while voluntary prepayment schemes decreased from 0.9% in 2010-2011 to 0.1% in 2015-2016.

3.5.2 Financing agents

A financing agent is an institutional unit involved in the management of one or more financing scheme. It may collect revenues, pay for (purchase) services under the given health financing scheme(s), and be involved in the management and regulation of health financing.

Table 8 shows distribution of expenditure by financing agent. The social security agency's share was the smallest during the whole period, but it increased slightly from 2.1% in 2010-2011 to 2.4% in 2015-2016. Furthermore, central and provincial governmental agencies increased their

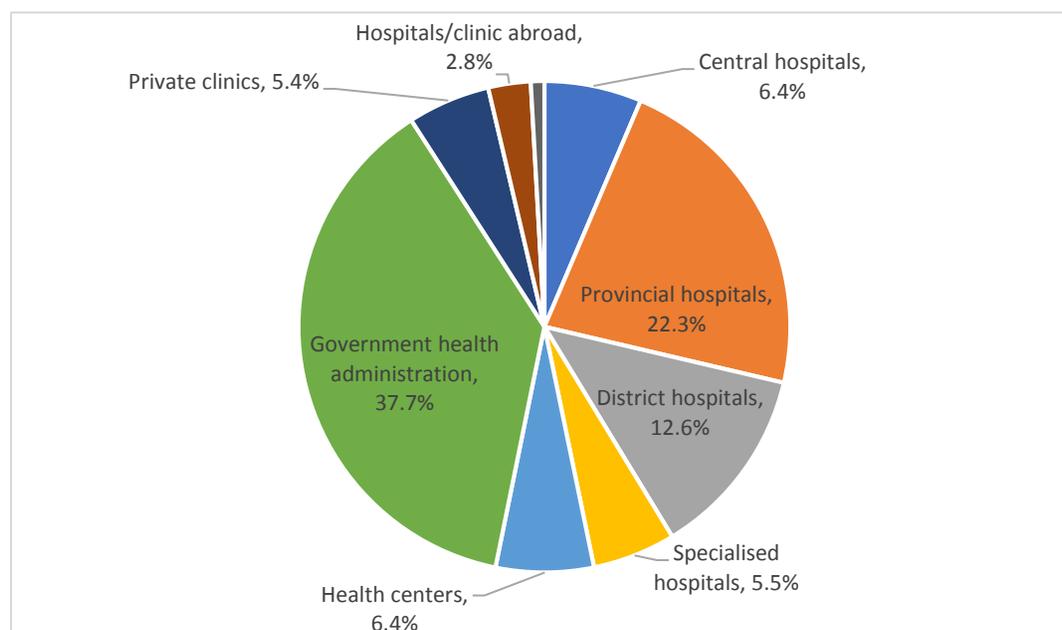
proportions from 15.9% and 18.3% in 2010-2011 to 26.4% and 19.8% in 2015-2016, respectively. The share accounted for by NGOs decreased from 9.4% in 2010-2011 to 5.0% in 2015-2016.

3.5.3 Providers

Government health administration agencies accounted for the largest proportion of expenditure by provider in 2010-2011 to 2015-2016, it accounted for 10.3% in 2010-2011 and 37.7% in 2015-2016 (Table 9). Expenditure by central hospitals decreased from 2010-2011 (13.0%) to 2015-2016 (6.4%) whereas provincial facility expenditure almost tripled, from 7.5% in 2010-2011 to 22.3% in 2015-2016. The share accounted for by district hospitals remained steady in 2010-2011 (12.3%) to 2015-2016 (12.6%). The share of spending at health center level increased from 5.6% from 2010-2011 to 6.4% in 2015-2016. Specialized hospitals/centers such as Mittaphab Hospital, Mother and Child Hospital, Children Hospital, National Center for Ophthalmology, National Center for Dermatology, and National Center for Medicine and Rehabilitation are in Vientiane capital and they play important roles in providing specialized services to people across the country. The share accounted for by specialized hospital increased from 1.8% in 2010-2011 to 5.5% in 2015-2016.

NHA 2012- 2013 to 2015-2016 also includes data on spending in private facilities in both Lao PDR and abroad. Spending in private health facilities decreased from 11.6% in 2010-2011 to 8.2% in 2015-2016, hospitals accounted for close to half (46.8%) of health expenditure, followed by health administration agencies, health centers and private health facilities (Figure 8).

Figure 8: Expenditure by providers, 2015-2016

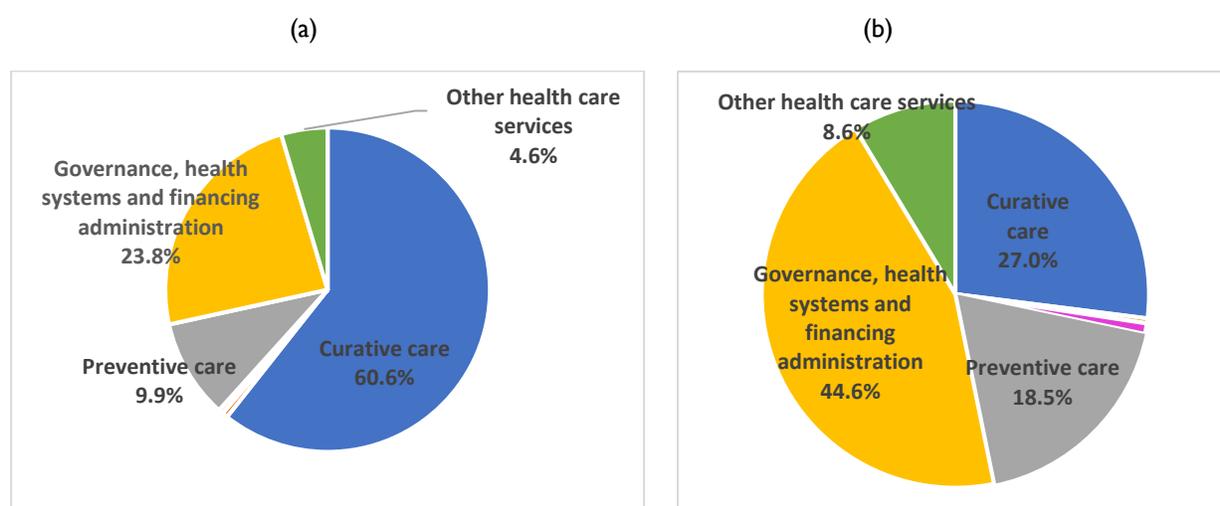


3.5.4 Functions

Table 10 presents expenditure by function (activity). Curative care accounted for the largest proportion of THE, increasing from 51.3% in 2010-2011 to 60.6% in 2015-2016. Governance, health system and financing accounted for 23.8% in 2015-2016 (Figure 9a). Spending on prevention accounted for around 9-14% in 2010-2011 to 2015-2016, while expenditure on rehabilitative care was very small (approximately 0.3%-0.6% in 2010-2011 to 2015-2016).

In 2015-2016, curative care accounted for 27.0% of general government expenditure on health (domestic government, health insurance, donors and NGOs) while preventive care accounted for 18.5%, which is higher than in most countries (Figure 9b).

Figure 9: (a) Expenditure by function, current expenditure (2015-2016); (b) By function, general government expenditure on health (2015-2016)



3.5.5 Disease

Among the diseases presented in Table 11, maternal and perinatal conditions shared the largest proportion during 2012-2013 to 2015-2016 (around 9%-10%), while respiratory infection accounted for the highest proportion in 2010-2011 (7.6% and 7.8%, respectively). Non-specific disease accounted for the largest share in 2013-2014, 2014-2015 and 2015-2016 (28.9%, 30.6%, and 26.6%, respectively).

3.5.6 Factors of provisions (inputs)

Expenditure on pharmaceuticals accounted for the largest proportion of expenditure during the four years of 2012-2013 to 2015-2016 (48.2%, 51.3%, 45.2%, and 44.7%, respectively), whereas health care services accounted for the second highest share over the same period (14.8% in 2012-2013, 14.1% in 2013-2014 and 2014-2015, and 19.2% in 2015-2016, respectively). The share accounted for by wages, salaries and social contribution increased slightly from 11.8% in 2010-2011 to 16.5% in 2015-2016 (Table 12).

3.5.7 Capital expenditure

Capital expenditure refers to spending on items that can be used for a longer period than one year. Investment in buildings accounted for more than half of capital spending in 2012-2013 to 2015-2016. In 2015-2016, it accounted for 87.8% of capital expenditure (Table 13).

4 Key messages

Total health expenditure more than doubled between 2010-2011 (LAK 1,515,118 million or USD 183 million) and 2015-2016 (LAK 3,145,692 million or USD 386 million). THE per capita increased from LAK 237,391 or USD 29 to LAK 477,584 or USD 59. **Government health spending** increased even faster than THE; government spending on health per capita tripled from 2010-2011 to 2015-2016. Government priority to health as measured by general government health expenditure as a share of general government expenditure has increased, however it remains below the average for most other low- and middle-income countries in Asia. **Subnational health spending** has increased as compared to central government, which reflects the government's decentralization approach. **Out-of-pocket expenditure** as a share of total health expenditure decreased in 2010-2011 to 2015-2016, but it is still the largest source of health spending (45.1% in 2015-2016), followed by domestic government spending (30.6%) and external resources for health (20.8%).

In 2015-2016, close to half (46.8%) of health spending was concentrated at **hospitals**, an increase of more than a third (35.3%) compared to 2010-2011 when the share was 34.6%. Health centers accounted for a small share (6.4%) of health spending in 2016. The **public sector** accounts for the overwhelming majority of health spending; the private sector (in Lao PDR and abroad) accounted for only 8.2% in 2015-2016. Spending on **curative care** (60.6% of CHE in 2015-2016) is more than six times higher than spending on prevention (9.9%). **Reproductive and maternal conditions** account for the largest spending by disease. **Pharmaceuticals** (44.7%) accounted for the largest share of spending by factor of provision (inputs), followed by health care services (19.2%) and wages and salaries (16.5%). Investment in buildings account for almost all capital spending (87.8% in 2015-2016).

5 Policy implications

To further reduce out-of-pocket expenditure, health insurance should continue to be expanded. To reiterate its commitment to the health sector, the government should consider making a commitment to achieve a defined target for health spending as a share of total government spending. As a result, the Ministry of Health should improve budget planning to be aligned with target indicators in accordance with the government 8th five-year health sector development plan (2016-2020). Norms for subnational budget allocation should be developed to increase equity in health spending between provinces. Spending on preventive care should be increased to improve population health and increase efficiency by reducing spending on more expensive curative care services in hospitals. Hospitals should improve quality of health care to meet the needs of its

citizens. The Ministry of Health should further enhance the existing financial management system in health sector by establishing a single unified system and associated guidelines. Subnational financial management capacity should be strengthened to reflect increased spending at the provincial and district levels.

Table 2: Main sources of health financing (LAK million), 2010-2011 to 2015-2016

Sources of financing	2010-2011		2011-2012		2012-2013		2013-2014		2014-2015		2015-2016	
	Amount	Share										
Government	363,687	24.0%	491,644	26.5%	684,778	29.4%	798,171	30.6%	1,021,498	33.1%	963,967	30.6%
Health insurance	29,056	1.9%	82,647	4.5%	59,439	2.5%	83,381	3.2%	98,474	3.2%	112,338	3.6%
Donors, of which:	329,559	21.8%	357,964	19.3%	437,188	18.7%	412,414	15.8%	586,358	19.0%	555,604	17.7%
NGOs	56,725	3.7%	99,976	5.4%	53,383	2.3%	61,323	2.4%	70,953	2.3%	96,315	3.1%
Out-of-pocket expenditure	736,092	48.6%	824,080	44.4%	1,097,130	47.0%	1,248,932	48.0%	1,305,142	42.3%	1,417,468	45.1%
Total	1,515,119	100%	1,856,312	100%	2,331,918	100%	2,604,221	100%	3,082,426	100%	3,145,693	100%

Table 3: Domestic government expenditure on health by subnational level (LAK million), 2010-2011 to 2015-2016

Provinces	2010-2011	2011-2012	2012-2013	2013-2014	2014-2015	2015-2016
MoH central	102,592	120,475	184,131	225,277	404,274	410,473
Vientiane Municipality	9,404	11,527	28,335	25,440	27,368	22,810
Phongsaly Province	4,563	6,849	28,589	19,340	18,478	13,782
Luangnamtha Province	6,168	8,212	16,908	21,444	22,230	21,630
Oudomxay Province	6,093	11,264	25,243	31,698	29,089	17,092
Bokeo Province	1,866	3,733	18,551	24,994	27,510	35,369
Luangphabang Province	11,670	18,043	35,785	42,333	51,238	41,300
Houaphan Province	8,286	11,078	24,253	31,505	30,056	29,425
Xayabouly Province	9,659	13,069	32,871	31,383	38,459	34,068
Xiengkhouang Province	8,442	11,741	28,083	34,177	33,043	31,535
Vientiane Province	12,851	16,287	32,439	37,635	39,285	42,054
Borikhamxay Province	1,578	9,721	24,179	29,315	32,729	32,212
Khammouan Province	14,080	16,317	32,203	40,815	42,454	42,290
Savannakhet Province	19,805	23,425	54,522	65,221	66,303	52,093
Saravane Province	9,080	12,344	27,302	30,971	33,269	24,113
Sekong Province	5,856	8,957	22,023	24,573	26,852	22,510
Champasack Province	9,305	18,418	49,572	47,470	56,779	55,667
Attapeu Province	6,621	8,401	19,787	28,173	26,150	21,907

Provinces	2010-2011	2011-2012	2012-2013	2013-2014	2014-2015	2015-2016
Saysomboun	-	-	-	6,408	15,929	13,637
Total:	247,919	329,860	684,778	798,171	1,021,498	963,967

Table 4: Share of domestic government expenditure on health by subnational level, 2010-2011 to 2015-2016

Provinces	2010-2011	2011-2012	2012-2013	2013-2014	2014-2015	2015-2016
MoH central	41.4%	36.5%	26.9%	28.2%	39.6%	42.6%
Vientiane Municipality	3.8%	3.5%	4.1%	3.2%	2.7%	2.4%
Phongsaly Province	1.8%	2.1%	4.2%	2.4%	1.8%	1.4%
Luangnamtha Province	2.5%	2.5%	2.5%	2.7%	2.2%	2.2%
Oudomxay Province	2.5%	3.4%	3.7%	4.0%	2.8%	1.8%
Bokeo Province	0.8%	1.1%	2.7%	3.1%	2.7%	3.7%
Luangphabang Province	4.7%	5.5%	5.2%	5.3%	5.0%	4.3%
Houaphan Province	3.3%	3.4%	3.5%	3.9%	2.9%	3.1%
Xayabouly Province	3.9%	4.0%	4.8%	3.9%	3.8%	3.5%
Xiengkhouang Province	3.4%	3.6%	4.1%	4.3%	3.2%	3.3%
Vientiane Province	5.2%	4.9%	4.7%	4.7%	3.8%	4.4%
Borikhamxay Province	0.6%	2.9%	3.5%	3.7%	3.2%	3.3%
Khammouan Province	5.7%	4.9%	4.7%	5.1%	4.2%	4.4%
Savannakhet Province	8.0%	7.1%	8.0%	8.2%	6.5%	5.4%
Saravane Province	3.7%	3.7%	4.0%	3.9%	3.3%	2.5%
Sekong Province	2.4%	2.7%	3.2%	3.1%	2.6%	2.3%
Champasack Province	3.8%	5.6%	7.2%	5.9%	5.6%	5.8%
Attapeu Province	2.7%	2.5%	2.9%	3.5%	2.6%	2.3%
Saysomboun	-	-	-	0.8%	1.6%	1.4%
Total:	100%	100%	100%	100%	100%	100%

Table 5: Domestic government expenditure on health per capita by provinces (LAK), 2010-2011 to 2015-2016

Provinces	2010-2011	2011-2012	2012-2013	2013-2014	2014-2015	2015-2016
Vientiane Municipality	12,010	14,460	34,938	30,725	33,335	27,347
Phongsaly Province	25,632	38,088	157,083	105,108	103,810	76,894
Luangnamtha Province	36,682	47,751	96,069	118,473	126,305	120,775
Oudomxay Province	19,841	35,842	78,396	95,764	94,446	54,741
Bokeo Province	10,988	21,458	104,219	136,582	153,685	193,265
Luangphabang Province	25,618	38,929	75,976	87,828	118,607	95,058
Houaphan Province	25,437	33,191	70,916	89,502	103,999	101,374
Xayabouly Province	25,291	33,586	83,008	77,297	100,943	88,270
Xiengkhouang Province	30,562	41,523	97,173	122,498	134,871	128,111
Vientiane Province	26,035	32,132	62,383	79,566	93,759	98,862
Borikhamxay Province	5,785	34,569	83,376	97,715	119,450	115,388
Khammouan Province	36,753	41,763	80,912	100,037	108,302	106,274
Savannakhet Province	21,476	24,975	57,151	66,962	68,354	52,875
Saravane Province	24,179	32,108	69,470	76,472	83,801	59,556
Sekong Province	58,217	86,687	207,765	225,443	237,627	193,502
Champasack Province	14,070	27,484	73,007	68,697	81,814	79,180
Attapeu Province	50,777	62,908	144,432	199,807	188,130	153,519
Saysomboun	-	-	-	77,208	187,405	155,757

Table 6: Current vs. capital expenditure (LAK million), 2010-2011 to 2015-2016

Expenditure type	2010-2011		2011-2012		2012-2013		2013-2014		2014-2015		2015-2016	
	Amount	Share										
Current	1,399,350	92.4%	1,694,527	91.3%	2,252,681	96.6%	2,454,688	94.3%	2,876,960	93.3%	3,052,118	97.0%
Capital	115,768	7.6%	161,784	8.7%	79,237	3.4%	149,533	5.7%	205,465	6.7%	93,575	3.0%
Total	1,515,119	100%	1,856,312	100%	2,331,918	100%	2,604,221	100%	3,082,426	100%	3,145,693	100%

Table 7: Expenditure by financing scheme (LAK million), 2010-2011 to 2015-2016

Financing scheme	2010-2011		2011-2012		2012-2013		2013-2014		2014-2015		2015-2016	
	Amount	Share										
Central government schemes	322,770	23.1%	353,363	20.9%	588,589	26.1%	599,946	24.4%	852,622	29.6%	924,789	30.3%
Provincial government schemes	254,708	18.2%	334,461	19.7%	460,119	20.4%	479,160	19.5%	569,817	19.8%	519,183	17.0%
Social health insurance schemes ³	16,137	1.2%	26,532	1.6%	32,603	1.4%	43,058	1.8%	49,607	1.7%	72,351	2.4%
Voluntary health insurance schemes (CBHI)	12,918	0.9%	56,115	3.3%	7,210	0.3%	6,098	0.2%	5,180	0.2%	3,827	0.1%
NGOs	56,725	4.1%	99,976	5.9%	67,029	3.0%	77,494	3.2%	94,592	3.3%	114,499	3.8%
Household out-of-pocket expenditure	736,092	52.6%	824,080	48.6%	1,097,130	48.7%	1,248,932	50.9%	1,305,142	45.4%	1,417,468	46.4%
Total	1,399,350	100%	1,694,527	100%	2,252,681	100%	2,454,688	100%	2,876,960	100%	3,052,118	100%

Table 8: Expenditure by financing agent (LAK million), 2010-2011 to 2015-2016

Financing agent	2010-2011		2011-2012		2012-2013		2013-2014		2014-2015		2015-2016	
	Amount	Share										
Central government	222,529	15.9%	235,585	13.9%	572,346	25.4%	395,583	16.1%	812,147	28.2%	805,363	26.4%
Provincial government	255,949	18.3%	334,461	19.7%	475,482	21.1%	686,301	28.0%	607,276	21.1%	604,591	19.8%
Social security agency ⁴	29,056	2.1%	82,647	4.9%	32,603	1.4%	43,058	1.8%	49,607	1.7%	72,351	2.4%
NGOs	131,637	9.4%	217,524	12.8%	75,119	3.3%	80,814	3.3%	102,788	3.6%	152,344	5.0%
Households	736,092	52.6%	824,080	48.6%	1,097,130	49%	1,248,932	50.9%	1,305,142	45.4%	1,417,468	46.4%
Other financing agents	24,087	1.7%	230	0.0%	N/a	N/a	N/a	N/a	N/a	N/a	N/a	N/a
Total	1,399,350	100%	1,694,527	100%	2,252,681	100%	2,454,688	100%	2,876,960	100%	3,052,118	100%

³ This includes the Social Security Office (SSO) and the State Authority for Social Security (SASS) schemes, under Ministry of Labour and Social Welfare.

⁴ This includes the National Social Security Fund (NSFF), under Ministry of Labour and Social Welfare.

Table 9: Expenditure by provider (LAK million), 2010-2011 to 2015-2016

Provider	2010-2011		2011-2012		2012-2013		2013-2014		2014-2015		2015-2016	
	Amount	Share										
Public sector												
Central hospitals	181,291	13.0%	206,972	12.2%	136,943	6.1%	128,123	5.2%	173,672	6.0%	195,436	6.4%
Provincial hospitals	104,525	7.5%	146,305	8.6%	496,004	22.0%	552,057	22.5%	616,745	21.4%	679,438	22.3%
District hospitals	172,610	12.3%	241,417	14.2%	268,246	11.9%	308,413	12.6%	333,305	11.6%	385,613	12.6%
Specialized hospitals	25,557	1.8%	36,874	2.2%	120,231	5.3%	112,064	4.6%	137,438	4.8%	166,704	5.5%
Health centers	78,302	5.6%	111,326	6.6%	121,506	5.4%	146,576	6.0%	162,299	5.6%	196,345	6.4%
Government health administration agencies	144,393	10.3%	169,331	10.0%	885,977	39.3%	963,959	39.3%	1,197,934	41.6%	1,150,626	37.7%
Private sector												
Private clinics	N/a	N/a	N/a	N/a	128,252	5.7%	145,997	5.9%	152,568	5.3%	165,699	5.4%
Hospitals/clinic abroad	N/a	N/a	N/a	N/a	65,881	2.9%	74,997	3.1%	78,372	2.7%	85,117	2.8%
Other private providers	162,786	11.6%	182,165	10.8%	N/a	N/a	N/a	N/a	N/a	N/a	N/a	N/a
Other												
Unspecified	529,887	37.9%	600,138	35.4%	29,642	1.3%	22,503	0.9%	24,626	0.9%	27,140	0.9%
Total	1,399,350	100%	1,694,527	100%	2,252,681	100%	2,454,688	100%	2,876,960	100%	3,052,118	100%

Table 10: Expenditure by function (LAK million), 2010-2011 to 2015-2016

Function	2010-2011		2011-2012		2012-2013		2013-2014		2014-2015		2015-2016	
	Amount	Share										
Curative care	717,710	51.3%	903,755	53.3%	1,343,668	59.6%	1,464,584	59.7%	1,625,376	56.5%	1,850,942	60.6%
Rehabilitative care	5,568	0.4%	11,896	0.7%	7,711	0.3%	11,218	0.5%	15,613	0.5%	16,998	0.6%
Ancillary services	917	0.1%	3,146	0.2%	-	0.0%	-	0.0%	604	0.0%	611	0.0%
Medical goods	309,490	22.1%	339,311	20.0%	1,347	0.1%	3,085	0.1%	7,966	0.3%	13,809	0.5%
Preventive care	167,601	12.0%	247,963	14.6%	214,103	9.5%	241,932	9.9%	260,209	9.0%	301,715	9.9%
Governance, health systems and financing administration	142,359	10.2%	183,513	10.8%	530,266	23.5%	602,921	24.6%	798,518	27.8%	727,009	23.8%
Other health care services	55,706	4.0%	4,945	0.3%	155,586	6.9%	130,950	5.3%	168,674	5.9%	141,034	4.6%
Total	1,399,350	100%	1,694,527	100%	2,252,681	100%	2,454,688	100%	2,876,960	100%	3,052,118	100%

Table 11: Expenditure by disease (LAK million), 2010-2011 to 2015-2016

Disease	2010-2011		2011-2012		2012-2013		2013-2014		2014-2015		2015-2016	
	Amount	Share										
HIV/AIDS and other sexually transmitted diseases	97,847	7.0%	89,143	5.3%	65,954	2.9%	25,536	1.0%	31,108	1.1%	39,585	1.3%
Tuberculosis	32,817	2.3%	46,506	2.7%	42,155	1.9%	7,130	0.3%	7,253	0.3%	8,612	0.3%
Malaria	49,615	3.5%	32,508	1.9%	42,984	1.9%	101,214	4.1%	138,489	4.8%	75,390	2.5%
Respiratory infections	106,257	7.6%	132,727	7.8%	112,015	5.0%	116,226	4.7%	130,834	4.5%	151,951	5.0%
Diarrheal diseases	58,652	4.2%	76,766	4.5%	34,198	1.5%	37,690	1.5%	40,005	1.4%	47,962	1.6%
Leprosy	-	-	-	-	2,681	0.1%	6,937	0.3%	6,891	0.2%	7,402	0.2%
Dengue fever	-	-	-	-	1,786	0.1%	2,017	0.1%	2,165	0.1%	2,436	0.1%
Other neglected tropical diseases	17,180	1.2%	20,544	1.2%	3,814	0.2%	1,116	0.0%	3,334	0.1%	648	0.0%
Vaccine preventable diseases ⁵	9,349	0.7%	14,833	0.9%	92,291	4.1%	94,615	3.9%	113,642	4.0%	145,190	4.8%
Other infectious and parasitic diseases	30,440	2.2%	51,757	3.1%	83,777	3.7%	59,664	2.4%	67,281	2.3%	65,427	2.1%
Maternal and perinatal conditions	35,575	2.5%	45,701	2.7%	245,416	10.9%	252,907	10.3%	283,878	9.9%	322,444	10.6%
Family planning, including contraceptive management	36,646	2.6%	49,750	2.9%	51,172	2.3%	60,321	2.5%	70,317	2.4%	86,000	2.8%
Child health	0	0.0%	0	0.0%	43,567	1.9%	77,206	3.1%	92,304	3.2%	111,418	3.7%
Nutritional deficiencies	25,201	1.8%	42,881	2.5%	55,740	2.5%	62,028	2.5%	78,146	2.7%	107,440	3.5%
Neoplasms	1,451	0.1%	1,528	0.1%	6,048	0.3%	6,534	0.3%	7,510	0.3%	8,110	0.3%
Endocrine and metabolic disorders	6,368	0.5%	7,734	0.5%	37,047	1.6%	40,652	1.7%	43,664	1.5%	49,048	1.6%
Cardiovascular diseases	16,697	1.2%	20,360	1.2%	65,484	2.9%	68,366	2.8%	76,167	2.6%	87,456	2.9%
Mental, behavioral and neurological disorders	34,120	2.4%	43,498	2.6%	47,944	2.1%	51,660	2.1%	56,418	2.0%	64,336	2.1%
Diseases of the digestive system	0	0.0%	0	0.0%	120,251	5.3%	132,701	5.4%	142,793	5.0%	164,590	5.4%
Diseases of the genital-urinary system	0	0.0%	0	0.0%	82,108	3.6%	90,956	3.7%	99,069	3.4%	109,320	3.6%

⁵ Vaccine-preventable diseases include Measles-Rubella (MR), Bacillus Calmette-Guérin (BCG), DPT-HepB-Hib, Inactivated polio vaccine (IPV), Japanese Encephalitis (JE), Oral Polio Vaccine (OPV), and Pneumococcal conjugate vaccine (PCV).

National Health Accounts Report, FY 2012-2013, 2013-2014, 2014-2015, and 2015-2016

Disease	2010-2011		2011-2012		2012-2013		2013-2014		2014-2015		2015-2016	
	Amount	Share										
Oral diseases	0	0.0%	0	0.0%	29,746	1.3%	31,676	1.3%	34,982	1.2%	40,539	1.3%
Other noncommunicable diseases	34,770	2.5%	39,836	2.4%	70,285	3.1%	71,786	2.9%	82,034	2.9%	92,255	3.0%
Road accidents	50,622	3.6%	59,428	3.5%	54,053	2.4%	61,060	2.5%	73,443	2.6%	70,088	2.3%
Other injuries	20,638	1.5%	25,032	1.5%	39,948	1.8%	47,019	1.9%	51,440	1.8%	55,113	1.8%
Non-disease specific	94,566	6.8%	116,016	6.8%	602,526	26.7%	708,594	28.9%	878,950	30.6%	813,770	26.7%
Other and unspecified diseases/conditions	640,537	45.8%	777,979	45.9%	219,690	9.8%	239,078	9.7%	264,844	9.2%	325,588	10.7%
Total	1,399,350	100%	1,694,527	100%	2,252,681	100%	2,454,688	100%	2,876,960	100%	3,052,118	100%

Table 12: Expenditure by factor of provision (LAK million), 2010-2011 to 2015-2016

Factor of provision	2010-2011		2011-2012		2012-2013		2013-2014		2014-2015		2015-2016	
	Amount	Share										
Compensation of employees	165,566	11.8%	232,816	13.7%	381,359	16.9%	381,850	15.6%	509,658	17.7%	502,725	16.5%
Health care services	517,524	37.0%	705,562	41.6%	334,276	14.8%	346,393	14.1%	406,431	14.1%	584,888	19.2%
Pharmaceuticals	309,288	22.1%	339,868	20.1%	1,085,488	48.2%	1,258,042	51.3%	1,299,841	45.2%	1,365,748	44.7%
Non-health care goods and services	287,729	20.6%	355,724	21.0%	241,665	10.7%	230,703	9.4%	272,085	9.5%	276,001	9.0%
Other items of spending	119,243	8.5%	60,558	3.6%	209,893	9.3%	237,700	9.7%	388,945	13.5%	322,756	10.6%
Total	1,399,350	100%	1,694,527	100%	2,252,681	100%	2,454,688	100%	2,876,960	100%	3,052,118	100%

Table 13: Capital expenditure (LAK million), 2010-2011 to 2015-2016

Capital expenditure	2010-2011		2011-2012		2012-2013		2013-2014		2014-2015		2015-2016	
	Amount	Share	Amount	Share	Amount	Share	Amount	Share	Amount	Share	Amount	Share
Buildings and other structures	64,650	55.8%	21,083	13.0%	65,547	82.7%	89,060	59.6%	196,332	95.6%	82,114	87.8%
Renovation of buildings	-	0.0%	-	0.0%	-	0.0%	2,255	1.5%	792	0.4%	472	0.5%
Medical equipment	-	0.0%	1,512	0.9%	8,108	10.2%	1,757	1.2%	1,274	0.6%	3,850	4.1%
Transport equipment	6,638	5.7%	78,242	48.4%	923	1.2%	18,112	12.1%	3,810	1.9%	3,534	3.8%
Other machinery and equipment	4,320	3.7%	26,287	16.2%	2,493	3.1%	38,264	25.6%	1,867	0.9%	3,571	3.8%
Computer equipment and software	53	0.0%	97	0.1%	1,001	1.3%	33	0.0%	286	0.1%	34	0.0%
Land	1,968	1.7%	-	0.0%	70	0.1%	51	0.0%	1,105	0.5%	-	0.0%
Other capital expenditure	38,140	32.9%	34,564	21.4%	1,095	1.4%	-	0.0%	-	0.0%	-	0.0%
Total	115,768	100%	161,784	100%	79,237	100%	149,533	100%	205,465	100%	93,575	100%

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Annex I – List of donors that responded to NHA questionnaire

No	Donor Name	Data submitted			
		2012-2013	2013-2014	2014-2015	2015-2016
1	Asian Development Bank (ADB)	Yes	Yes	Yes	Yes
2	Asian Development with the Disabled Persons (ADDP Japan)	Yes	Yes	No	No
3	Australia Department for Foreign Affairs and Trade (DFAT)	Yes	Yes	Yes	Yes
4	European Union (EU)	Yes	Yes	Yes	Yes
5	French Embassy	Yes	Yes	Yes	No
6	Global Alliance for Vaccination and Immunization (GAVI)	Yes	Yes	Yes	Yes
7	Global Fund to Fight AIDS, Tuberculosis and Malaria (GFATM)	Yes	Yes	Yes	Yes
8	International Labour Organization (ILO)	Yes	Yes	Yes	No
9	International Organization for Migration (IOM)	No	No	No	Yes
10	Japan International Cooperation Agency (JICA)	Yes	Yes	Yes	Yes
11	Korean Foundation of International Healthcare (KOFIH)	Yes	Yes	Yes	Yes
12	Korean International Cooperation Agency (KOICA)	Yes	Yes	Yes	Yes
13	Luxembourg Development Cooperation (Lux-Dev)	Yes	Yes	Yes	Yes
14	Private donors ⁶	Yes	Yes	Yes	No
15	Swiss Agency for Development and Cooperation (SDC)	Yes	Yes	Yes	Yes
16	UNAIDS	Yes	No	Yes	Yes
17	United Nations Children's Fund (UNICEF)	Yes	Yes	Yes	Yes
18	United Nations Population Fund (UNFPA)	Yes	Yes	Yes	Yes
19	United States Agency for International Development (USAID)	Yes	Yes	Yes	Yes
20	World Bank	Yes	Yes	Yes	Yes
21	World Food Programme	Yes	Yes	Yes	Yes
22	World Health Organization	Yes	Yes	Yes	Yes

⁶ Private donors are a category of expenditure reported in the AMP database.

Annex 2 – List of NGOs that responded to NHA questionnaire

No	NGO Name	Data submitted			
		2012-2013	2013-2014	2014-2015	2015-2016
1	Burnet Institute	Yes	No	No	No
2	CARE International	Yes	Yes	Yes	Yes
3	The Clinton Health Access Initiative (CHAI)	No	No	No	Yes
4	Deseret International Charities (DIC)	No	No	Yes	Yes
5	Family Health International 360 (FHI 360)	No	No	Yes	Yes
6	Fred Hollows Foundation (FHF)	Yes	Yes	Yes	Yes
7	Handicap International (HI)	Yes	Yes	Yes	Yes
8	Health Poverty Action (HPA)	Yes	Yes	Yes	Yes
9	Humanitarian Association Hospital Marguerit-Marie	No	No	Yes	Yes
10	International Support and Partnership for Health (ISAPH)	No	No	No	Yes
11	Lao Rehabilitation Foundation	Yes	Yes	Yes	Yes
12	Medical Committee Netherlands and Vietnam (MCNV)	No	No	No	Yes
13	Milal Heart Foundation	No	No	No	Yes
14	Mine Victims and Clearance Trust	No	Yes	Yes	Yes
15	Norwegian People's Aid (NPA)	No	No	Yes	Yes
16	Plan International	Yes	Yes	Yes	Yes
17	Population Services International (PSI)	Yes	Yes	Yes	Yes
18	Resource Exchange International (REI)	No	Yes	Yes	Yes
19	Sante France Laos	No	No	No	Yes
20	Save the Children International (SCI)	Yes	Yes	Yes	Yes
21	Swiss Laos Hospital Project (SLHP)	No	No	Yes	Yes
22	Swiss Red Cross (SRC)	Yes	Yes	Yes	Yes
23	Triangle Generation Humanitaire	No	No	Yes	Yes
24	World Vision International (WVI)	Yes	No	No	No