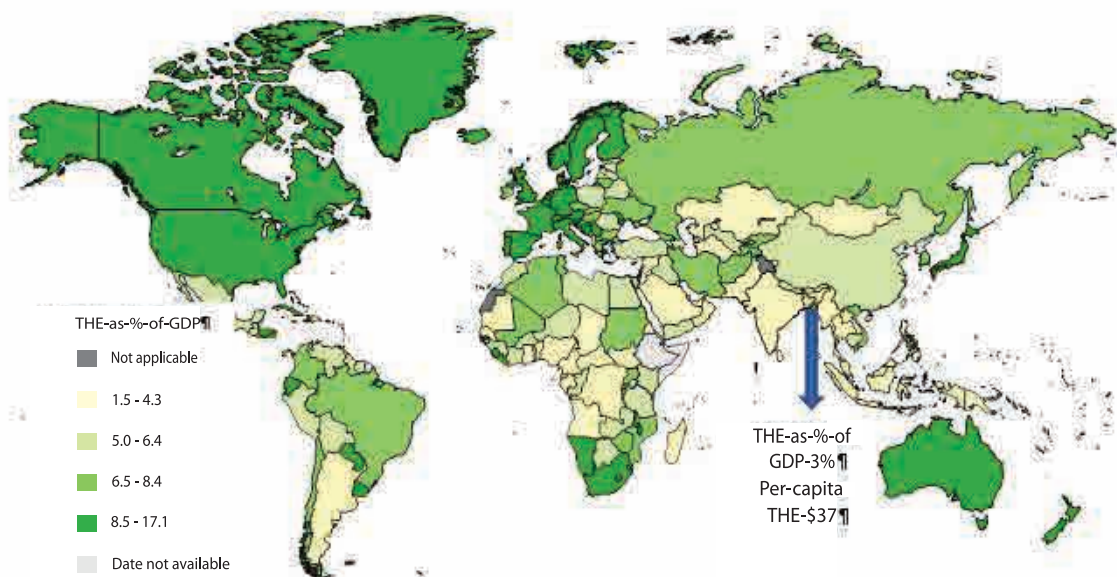
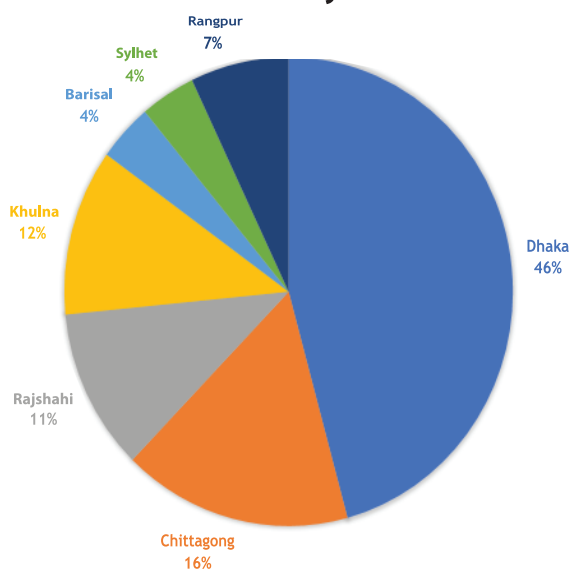


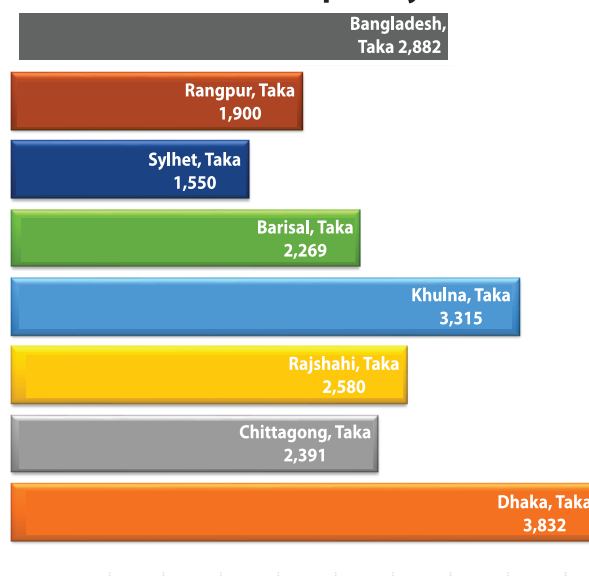
# Bangladesh National Health Accounts 1997-2015



**Share of THE by Division**



**THE Per-capita-by-Division**



January 2018

Ministry of Health and Family Welfare  
Government of the People's Republic of Bangladesh



**Mohammed Nasim, MP**  
**Minister**

Ministry of Health and Family Welfare  
Govt. of the People's Republic of Bangladesh

**মোহাম্মদ নাসিম, এমপি**  
**মন্ত্রী**

স্বাস্থ্য ও পরিবার কল্যাণ মন্ত্রণালয়  
গণপ্রজাতন্ত্রী বাংলাদেশ সরকার

## **Message**

The Government of Bangladesh is committed to ensure quality health services for all citizens. We have been trying to strengthen the health system by adopting various strategies for the best use of all available resources and restructuring management systems. I am pleased to know that Fifth Bangladesh National Health Accounts 1997-2015 is in the process of publication, which is prepared by Health Economics Unit (HEU) as an effort from the Government to provide a detailed breakdown of annual healthcare expenditures. It is the most comprehensive and detailed source for understanding the pattern of our health sector financing.

Over the last few years, Bangladesh made tremendous progress in the health sector under the present pro-people government led by our Honorable Prime Minister Sheikh Hasina. These achievements are the results of wise planning, careful implementation, and good monitoring and evaluation of health interventions.

I am thankful to the officials of HEU for their hard work in the publication of this valuable document. I also like to thank the national and international experts and the development partners for their contribution in preparing this complicated venture.

I suggest conducting NHA more frequently in order to influence our policy level decisions with updated information.

**Mohammed Nasim**



**Zahid Maleque, MP**

**State Minister**

Ministry of Health and Family Welfare  
Govt. of the People's Republic of Bangladesh

**মোহাম্মদ নাসিম, এমপি**  
**প্রতিমন্ত্রী**

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গণপ্রজাতন্ত্রী বাংলাদেশ সরকার

## **Message**

I am very happy to know that Health Economics Unit (HEU) of Health Services Division is going to publish a timely report titled “Bangladesh National Health Accounts (1997-2015)”. It is going to publish in a time when we need to know the areas that need to be focused attention for achieving Goal.-3 of Sustainable Development Goals (SDG5) to continue our success of achievements after Millennium Development Goals (MDGs).

National health Accounts is one of the important policy documents for the health sector of Bangladesh, which tracks the financing patterns of the sector and helps to identify the issues relating to health financing in addressing equity, efficiency and effectiveness. BNHA (1997-2015) is the fifth national- level survey designed to provide information to address the monitoring and evaluation needs of the Health, Population and Nutrition Sector program (HPNSP) and to provide managers and policy makers involved in this program with the information that they need to effectively plan and implement future interventions. The report provided the information that the rate of increase in health expenditure matches with the growth of our GDP. However, out-of- pocket expenditure remains very high in our country. We all need to think about how to reduce this expenditure significantly to help the poor and to achieve Universal Health Coverage in Bangladesh. The findings of this report and its policy and programmatic implications will be instrumental in monitoring and evaluation of HPNSP. However, there remains much scope for detailed analysis of BNHA data. I hope that the academicians, researchers and program personnel and their expertise for achieving equity and efficiency in the health sector will carry out such analysis.

I would like to thank the BNHA Cell members of HEU for their untiring efforts in conducting this round of BNHA and the Development Partners, specifically Rockefeller Foundation, World Bank and World Health Organization Dhaka Office, for their technical and financial support for this initiative. I hope, BNHA Cell of Health Economics Unit along with its partners will continue their efforts in supporting the Government to identify and initiate appropriate policy measures so that the health status of the people can be improved further.

(Zahid Maleque, MP)



**Faiz Ahmed**

**Secretary in Charge**

Medical Education & Family Welfare Division  
Ministry of Health and Family Welfare  
Govt. of the People's Republic of Bangladesh

**ফয়েজ আহম্মদ**

**ভারপ্রাপ্ত সচিব**

স্বাস্থ্য শিক্ষা ও পরিবার কল্যাণ বিভাগ  
স্বাস্থ্য ও পরিবার কল্যাণ মন্ত্রণালয়  
গণপ্রজাতন্ত্রী বাংলাদেশ সরকার

## Message

Health and population is one of the leading sectors for the government of Bangladesh as the government wants to build a happy and healthy society through inclusive development. Our sectoral goal is to ensure the access to the health and family planning care both financial, geographical and in terms of service coverage.

National Health Accounts are the tried and tested tools for summarizing, describing and analyzing the financing of national health systems. It helps the policy planners; to improve stewardship in the health system financing through developing, implementing and monitoring appropriate policies and strategies that improve system performance.

This report has captured many valuable information in the area of financing. It has highlighted the trend of health financing in the country, the share of different stakeholders, the total expenditure for health, the per capita average expenditure and the distribution of the expenditure in geographical and delivery level terms. I must appreciate that this is a very analytical approach and beneficial for both the policy makers and extended stakeholders.

I hope that the findings of the Bangladesh National Health Accounts will help the policy makers to review critically how health care is being financed in our country. I also hope that Bangladesh would be able to produce such an important document regularly.

My sincere thanks to Health Economics unit of Health Services Division in making this report available when data gaps are needed to be fulfilled to prepare more appropriate and realistic policies and programs in achieving Universal Health Coverage.

Faiz Ahmed



## মুখবন্ধ

টেকসই উন্নয়ন লক্ষ্যমাত্রা (এস.ডি.জি) অর্জনের লক্ষ্যে বাংলাদেশ সরকার যে সকল কার্যাবলী গ্রহণ করেছে তার মধ্যে অন্যতম প্রধান কাজ হচ্ছে স্বাস্থ্য, জনসংখ্যা ও পুষ্টি সেক্টরে সরকারী অর্থায়ন বৃদ্ধি, সম্পদ ব্যবহারের দক্ষতা ও কার্যকারিতার প্রসারণ এবং অধিকতর গুরুত্বপূর্ণ ক্ষেত্রসমূহে সরকারী সম্পদের প্রবাহিতকরণের মাধ্যমে স্বাস্থ্য খাতের উন্নয়ন। বাংলাদেশ ন্যাশনাল হেলথ একাউন্টস (BNHA) এর মূল লক্ষ্য হচ্ছে নিয়মতান্ত্রিক পদ্ধতিতে আমাদের স্বাস্থ্যখাতের ব্যয় সম্পর্কিত তথ্য সংগ্রহ, হালনাগাদ এবং প্রকাশ করা। এটি সম্পাদনা এর মাধ্যমে স্বাস্থ্য, পুষ্টি ও জনসংখ্যা সেক্টরে মোট (সরকারী এবং বেসরকারী পর্যায়ে) ব্যয়িত খরচের তথ্য, নীতি-পরিকল্পনা প্রণেতাগণকে অবহিত করণ করা হয়ে থাকে। এর আহরিত তথ্য উপাত্ত ব্যবহার পূর্বক স্বাস্থ্য, পুষ্টি ও জনসংখ্যা সেক্টরের নীতি নির্ধারণ, পরিকল্পনা প্রণয়ন, বাস্তবায়ন ও পরিবীক্ষণে জ্যেষ্ঠ নীতি নির্ধারণী কর্মকর্তাদের সংবেদনশীল (sensitive) করা হয়।

বর্তমানে আমাদের চতুর্থ সেক্টর প্রোগ্রাম বাস্তবায়নের কাজ প্রক্রিয়াধীন, বাংলাদেশ ন্যাশনাল হেলথ একাউন্টস, এই সেক্টরে একটি গুরুত্বপূর্ণ প্রমাণ ভিত্তিক তথ্য উপাত্ত সংক্রান্ত দলিল হিসেবে কাজ করবে বলে দৃঢ় আশাবাদ ব্যক্ত করছি। আমি রকফেলার ফাউন্ডেশন, ওয়ার্ল্ড হেলথ অর্গনাইজেশন এবং ওয়ার্ল্ড ব্যাংককে ধন্যবাদ জানাচ্ছি এবং শুধু বি.এন.এইচ.এ প্রাতিষ্ঠানিককরণ নয় বরং স্বাস্থ্য অর্থনীতি ইউনিটের অন্যান্য কাজেও তাদের অবিরাম সমর্থনের জন্য কৃতজ্ঞতা জ্ঞাপন করছি।

এই কার্যক্রম সফলভাবে সম্পন্ন করার জন্য স্বাস্থ্য অর্থনীতি ইউনিটের বি.এন.এইচ.এ সেলের সকল সদস্যদের আমার আন্তরিক অভিনন্দন।

সিরাজুল হক খান

সচিব

স্বাস্থ্য সেবা বিভাগ

স্বাস্থ্য ও পরিবার কল্যাণ মন্ত্রণালয়

গণপ্রজাতন্ত্রী বাংলাদেশ সরকার

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## Acronyms

BBS	Bangladesh Bureau of Statistics
BNHA	Bangladesh National Health Accounts
CGA	Controller General of Accounts
CHE	Current Health Expenditure
DP	Development Partner
FP	Family Planning
FS	Financing Schemes Revenue
GDP	Gross Domestic Product
GOB	Government of Bangladesh
HC	Healthcare Functions
HF	Healthcare Financing Schemes
HP	Healthcare Providers
HEU	Health Economics Unit
HIES	Household Income and Expenditure Survey
ICHA	International Classification for Health Accounts
MOF	Ministry of Finance
MOHFW	Ministry of Health and Family Welfare
NGO	Non Government Organization
NHA	National Health Accounts
NPI	Non Profit Institution
NPISH	Non-profit Institutions Serving Households
OECD	Organization of Economic Cooperation and Development
OOP	Out of Pocket Expenditure
PPP	Purchasing Power Parity
ROW	Rest of the World
SHA	System of Health Accounts
THE	Total Health Expenditure
WHO	World Health Organization

## Notes

### Accounting Basis

The System of National Accounts (SNA-93) recommends compilation of all accounts relating to national accounting to be on a calendar year basis to ensure proper international comparison. Almost 70% of healthcare expenditure in Bangladesh are made by the private sector and most of the private sector healthcare providers prefer reporting annual expenditure on calendar year basis. However, all government accounts and the public budget in the country are based on fiscal or split year of July through June basis. Much of the public-sector data are compiled on fiscal year basis by the Controller General of Accounts (CGA). The CGA audited data is on fiscal year basis. Hence, when public sector data is referred for a calendar year, say 2015, that would mean it is referring to fiscal year 2014/15. This deviation from the international practice needs to be kept in view particularly during international comparisons.

Expenditures are calculated using an accrual definition, i.e., the year defined for the provision of health care goods and services is the year in which the health care goods and services are consumed. Annual government expenditures do not need to be adjusted using this definition, even though the accrual (obligation incurred) year may or may not exactly coincide with the fiscal year in which the cash transaction occurs. This definition also implies that the incurrence of liabilities by an entity is equivalent to an actual expenditure.

### Development Partner Spending

Government borrowing or receipt of grants from development partners for healthcare services is treated as government's own funds. This type of funds is directly deposited at the treasury and at the time of disbursement source of funds are not disclosed to the users.

Foreign funds received directly by the NGOs are tracked and reported separately.

### Purchasing Power Parity (PPP) Adjustment

The World Bank provided factors for adjustment of Purchasing Power Parity is used for PPP conversion of all healthcare expenditure for Bangladesh.

## Highlights

- Bangladesh National Health Expenditure calculate Total Health Expenditure (THE) as Current Health Expenditure (CHE) plus gross capital formation for the year plus expenditure on medical education and research. THE for Bangladesh in 2015 is estimated at Taka 452 billion. This is equivalent to Taka 2,882 per person, or US\$37 per capita.
- Share of THE in Gross Domestic Product (GDP) continues to grow at a high pace. THE accounted for around 2% of GDP in 1997; in 2015, it is estimated at 3% of GDP. Under National Health Accounts (NHA) parlance, all non-government expenditure is termed private sector outlay. THE in Bangladesh is dominated by private sector financing. In 2015, private sector financing accounted for 77% of THE, and public sector's share was 23%. Donor funds utilized directly by private providers is estimated at 7%, while such funds channeled through the government treasury are included under public financing. Despite government's continued increase in public sector financing, their relative share has declined from 36% of THE in 1997 to 23% in 2015.
- Real growth in THE averaged 6% between 1997 and 2015 with the highest growth rate (11%) occurring in 2006. Real growth rate of THE for 2015 is estimated at 5.6% while it is 4.8% for Current Health Expenditure (CHE). CHE does not include capital investment relating to healthcare. The Ministry of Health and Family Welfare (MOHFW) financing share of total public spending has remained stable over the years -- 96% in 1997, 94% in 2015. There has been a marginal increase in expenditure by other ministries. The share of local government in financing has remained below 1%.
- Over the years, private sector financing of health expenditure is dominated by household Out of Pocket (OOP) spending. It has ranged from 83% to 89% during the 1997 to 2015 period. Health insurance primarily dominated by Employer-sponsored insurance's contributions has been varying between 0.6% to 1% of total private sector financing. Relative share of all private sector financing sources has not changed significantly over time. OOP healthcare expenditure in Bangladesh is progressive whereby the richest quantile of the population pays for the maximum amount of OOP.
- Expenditure for inpatient care has increased over time from 41% in 1997 to 51% to 2015. During the 1997 – 2015 period, share of expenditure on outpatient care has fallen from 55% to 46%.
- Share of public financing in curative care has declined significantly – 26% in 2015 compared to 56% in 1997. The decline imply only 23% curative care service is provided by public facilities. Rather, it reflects highly expensive private sector curative care availed of.
- In 2015, pharmaceuticals account for the largest amount of spending (43%), followed by providers of curative care (25%) and preventive care (11%). The trends over time show that pharmaceuticals share of spending has increased, while spending on governance, health system and financing administration has decreased.
- Divisional breakdown of total health expenditure shows that Dhaka accounts for highest (46%) while Sylhet and Barisal are jointly lowest (4%) in 2015. Dhaka enjoys highest amount of contribution from both public (36%) and private (49%) financing.
- For 2015, per capita health spending on healthcare for Bangladesh is Taka 2,882 (\$37). For residents of Dhaka division, it is Taka 3,832 followed by Taka 3,315 in Khulna. Per capita spending by government is around Taka 652 in 2015. The highest level of per capita government spending is in Rajshahi division at Taka 679 per capita.

# Bangladesh National Health Accounts 1997-2015

## Background

Health system across Bangladesh continues to expand, offering greater access to healthcare services, and increased availability of specialized medical and diagnostic facilities. The supply of trained healthcare professionals is on the rise, and the public and private sector continue investing in medical education and training institutes. The Ministry of Health and Family Welfare (MOHFW) of the Government of Bangladesh is mandated to oversee the development and efficient functioning of the health system of the country. The Bangladesh National Health Accounts (BNHA) prepared by the Health Economics Unit (HEU) under MOHFW is an effort from the government to provide a detailed breakdown of annual healthcare expenditures.

According to the System of Health Accounts 2011 (SHA 2011) guideline, the definition of National Health Accounts (NHA) do not include healthcare investment and education within the core function of healthcare and treat them distinctly under capital account. The Bangladesh National Health Accounts (BNHA) therefore prepares two sets of National Health Accounts estimates: (i) BNHA estimates which reveals total expenditure made under the health system for a specific year; (ii) SHA based NHA estimates that offers breakdown of expenditure based on World Health Organization (WHO) classification.

### Flow of Funds

Payment of healthcare goods and services are mostly met by government and households. Third party payment mechanisms such as social or private insurance have little or no significant role in Bangladesh. Funds mostly pass directly to the providers by financing schemes of the government or from households' out-of-pocket payment. Apart from the government and households, foreign development partners also fund directly to the Non-Profit Institute Serving Households (NIPSH).

### Public Sector Financing

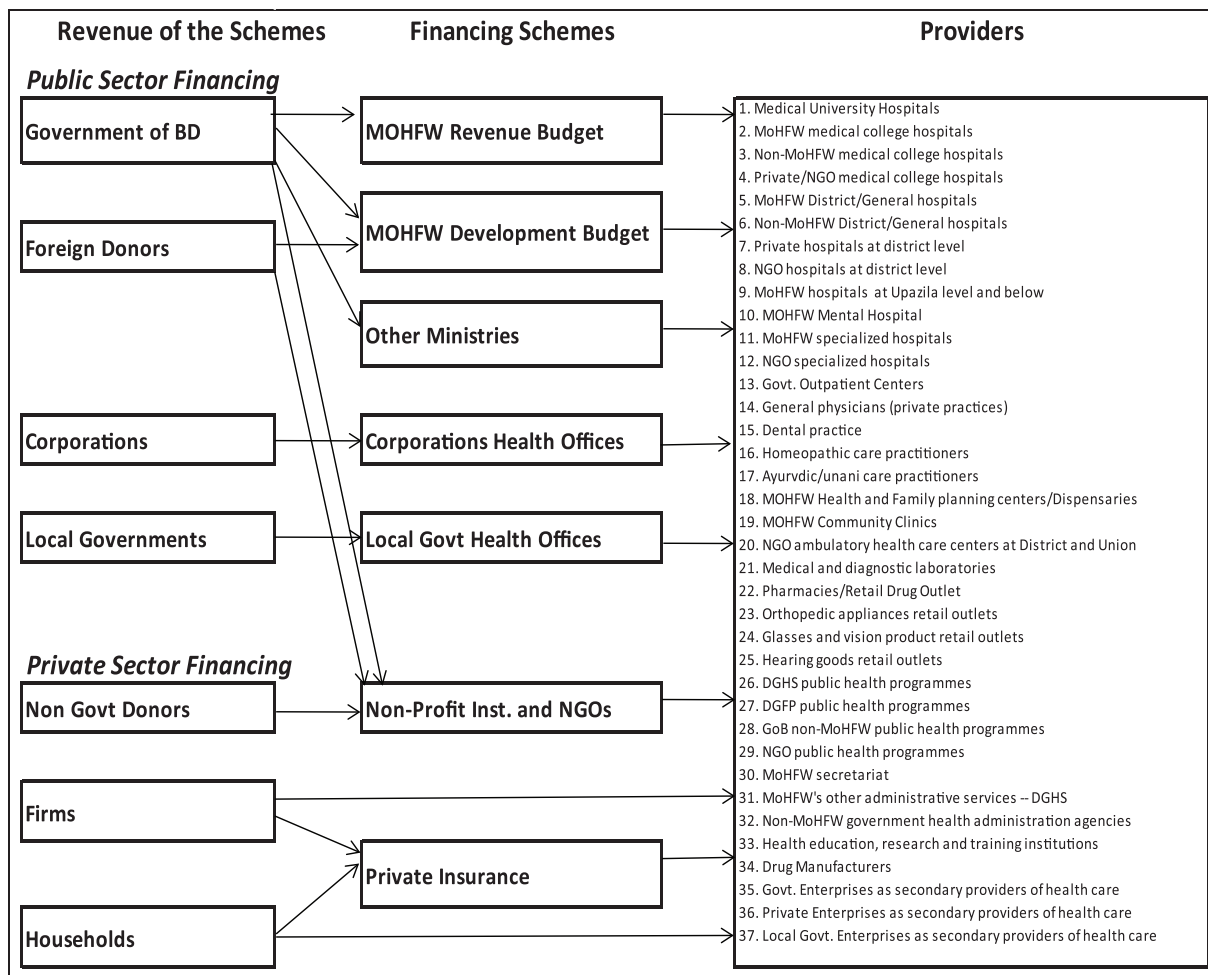
The central government undertakes responsibility for government funding. Funding by the local government and other public sector agencies is minimal, and primarily limited to urban areas. Government funding is largely directed through the Ministry of Health and Family Welfare (MOHFW). Health spending by the government is derived from two sources: revenue and development budget. In most cases, recurrent expenditure of the MOHFW is funded through the revenue budget. All MOHFW development programmes (mostly investment and technical assistance) are financed through the development budget. The government also provide funds to Non-profit Institutions Serving Households (NIPSH) for carrying out public health programmes.

### Private Sector Financing

The health system in Bangladesh is predominantly funded by the private sector financing mechanism. While the household finance around 67% of healthcare payment, large private corporation and companies are investing in curative and tertiary care specialized hospitals. NGO financing from its own resources is small and accounts for only 2% of total private sector financing. Major portion of the NGOs healthcare services are funded by foreign and local donors and that accounts for 9% of private sector financing in health.

A sizeable portion of development budget in Bangladesh is financed through international development partners and MOHFW is no exception to that. The largest donors in the health sector are USAID, European Union, CIDA, DFID, Asian Development Bank and the World Bank. International donors disburse funds both to government and NGOs. An overview of flow of funds through revenue and finance schemes, and a listing of major providers is presented in Figure 1.

**Figure 1: Flow of Funds**



## Total Health Expenditure

Total Health Expenditure (THE) under the Bangladesh National Health Accounts (BNHA) is defined as Current Health Expenditure (CHE) plus expenditure made on gross capital formation and education accounts. CHE accounts for 2.98% of Bangladesh's Gross Domestic Product (GDP) in 2015. THE estimated for 2015 is Taka 452 billion (**Table 1**) while consumption of THE, termed as CHE, is Taka 415 billion. Per capita THE for 2015 is estimated Taka 2,882 (US\$37) and CHE is Taka 2,647 (US\$34). During the last one decade, THE remained steady at around 3% of GDP.

The Global Health Database of the World Health Organization (WHO) website provides healthcare expenditure for various countries. Notwithstanding differences in inter-country estimation procedures, Table 2 provides trend on THE as share of GDP for South Asian Association for Regional Cooperation (SAARC) countries. A comparison of percentage share reported for Bangladesh by WHO with BNHA estimates shows some differences when compared with THE as well as CHE. For comparison, BNHA estimates for both THE and CHE is shown separately along with WHO estimates (**Table 2**). In 2014, Bangladesh's THE as a percentage of GDP is 2.8%. A comparison of THE as percentage of GDP amongst SAARC countries reveals that Bangladesh is the second lowest country in the region. Within the SAARC nations, Maldives accounts for highest healthcare spending as percentage of GDP (13.7%) in 2014 followed by Afghanistan (8.2%). Healthcare expenditure in Nepal has been around 6% of GDP since 2004.

Recently the Bangladesh Bureau of Statistics (BBS) published revised GDP estimates of all economic indicators, and for calculation of real values, changed the base year from 1995/96 to 2005/06. The revision of GDP and other economic indicators warranted re-estimates of previous BNHA expenditure estimates on healthcare. Apart from this adjustment due to revised GDP number, the

Purchasing Power Parity (PPP) adjusted per capita THE and GDP is also estimated and presented in **Table 3**. Adjusted THE per capita for Bangladesh is US\$ 102 for 2015 against an adjusted per capita GDP of US \$3,429.

In nominal terms, health sector in Bangladesh has grown at a higher rate than GDP during the last two decades. The average nominal growth of THE for the period 1998-2015 is 13%. The highest annual growth was in 2006 -- 19%. The lowest growth was 8% in 2003 (**Table 4**). For BNHA, constant price health expenditure is expressed in terms of 2015 price. Using 2015 as the base year, a comparison of Total Health Expenditure (THE) in nominal and constant price is presented in (**Table 5**). Table 5 also provides a comparison of growth rate for THE both in current and constant price. In 2015, the growth rate of THE in current price was 13.5%, and 7.1% when adjusted for inflation.

During 1997-2015, real growth in per capita THE averaged around 6%. The highest percentage of real growth rate (around 11%) occurred in 2006 (**Table 6**). For 2015, the per capita THE grew at 5.7%. A separate calculation of per capita CHE was carried out. CHE growth in 2015 is 4.9%. Despite lower percentage of real growth in CHE for 2015, a trend analysis of real growth for THE and CHE for last two decades shows that since 2007 CHE grew at a faster pace than THE overtime. A graphical presentation of real growth in GDP, THE and CHE is presented in (**Figure 2**). Constant growth rate of GDP and THE is shown in constant value (**Figure 3**) where 2015 is used as the base year.

Although government expenditure in healthcare is increasing every year, percentage share of government financing in health continues to decline. In 2015, the government spent around Taka 102 billion in health which accounts for 23% of THE (**Table 7**), and 0.67% of Bangladesh's GDP. Total health expenditure constitutes around 3% of

GDP, as discussed earlier, implying that the remaining bulk of health sector financing is from the private sector – 2.3%, of which almost two-third is by households.

BNHA track and estimates donor funds utilized directly by private providers, while such funds channeled through the Treasury are included under public financing. Public financing as percentage of GDP remains below 1% for last two decades while private financing has grown to 2.3% of GDP in 2015 from 2.02 in 2006 and 1.4% in 1997 (**Table 7**).

Further analysis of healthcare expenditure by SAARC nations shows that in Maldives, Bhutan and Sri-Lanka the government finance more than 50% of THE. In 2014, government share on THE for Maldives, Bhutan and Sri Lanka was 78%, 73% and 56% respectively (**Table 8**). Analysis of household out-of-pocket (OOP) expenditure amongst the SAARC countries shows that the lowest percentage of household OOP is in Maldives (18%) followed by Bhutan (25%) where both the countries enjoy high level of public spending in healthcare (**Table 9**).

**Table 1: Total Health Expenditure (THE) and Per Capita THE, 1997 – 2015**

Year	Total Health Expenditure in Current Price (million Taka)		Total Health Expenditure (THE) in Constant Price (Base 2015) (million Taka)		Total Health Expenditure as % of GDP		Per Capita (Nominal Taka)		Per Capita (Nominal \$)	
	THE	CHE	THE	CHE	THE	CHE	THE	CHE	THE	CHE
1997	46,754	42,959	126,979	116,672	2.3	2.1	382	351	\$9	\$8
1998	50,904	46,909	131,999	121,637	2.2	2.1	408	376	\$9	\$8
1999	56,985	52,718	142,383	131,721	2.3	2.1	448	414	\$9	\$9
2000	63,008	58,053	152,188	140,218	2.3	2.2	492	453	\$10	\$9
2001	72,030	61,855	168,484	144,684	2.5	2.1	553	475	\$10	\$9
2002	81,559	72,818	183,623	163,944	2.6	2.3	615	549	\$11	\$10
2003	87,882	81,846	186,986	174,143	2.5	2.3	652	607	\$11	\$10
2004	100,456	91,764	204,413	186,726	2.6	2.4	734	670	\$12	\$11
2005	115,399	105,324	224,522	204,921	2.7	2.5	831	758	\$14	\$12
2006	137,114	121,711	251,967	223,662	2.8	2.5	975	865	\$15	\$13
2007	156,977	143,095	270,935	246,975	2.9	2.6	1,104	1,006	\$16	\$15
2008	181,775	159,566	290,870	255,332	2.9	2.5	1,265	1,110	\$18	\$16
2009	207,671	184,396	311,254	276,370	2.9	2.6	1,430	1,270	\$21	\$18
2010	246,040	218,599	344,170	305,784	3.1	2.7	1,675	1,488	\$24	\$21
2011	288,806	258,981	374,555	335,874	3.2	2.8	1,945	1,745	\$25	\$23
2012	323,437	297,745	387,806	357,000	3.1	2.8	2,156	1,984	\$27	\$25
2013	353,960	327,909	395,991	366,847	3.0	2.7	2,318	2,147	\$29	\$27
2014	398,420	368,839	421,819	390,500	3.0	2.7	2,575	2,384	\$33	\$31
2015	451,889	415,066	451,889	415,066	3.0	2.7	2,882	2,647	\$37	\$34

**Table 2: THE as Percentage of GDP for SAARC Countries**

	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014
<b>SAARC Countries</b>											
Afghanistan	8.8	8.1	7.4	6.7	8.3	9.4	9.2	7.9	8.5	8.1	8.2
Bangladesh	<b>2.6</b>	<b>2.7</b>	<b>2.8</b>	<b>2.8</b>	<b>2.8</b>	<b>2.9</b>	<b>3.1</b>	<b>3.2</b>	<b>3.1</b>	<b>2.9</b>	<b>2.8</b>
<b>BNHA—THE</b>	<b>2.6</b>	<b>2.7</b>	<b>2.8</b>	<b>2.9</b>	<b>2.9</b>	<b>2.9</b>	<b>3.1</b>	<b>3.2</b>	<b>3.1</b>	<b>3.0</b>	<b>3.0</b>
<b>BNHA—CHE</b>	<b>2.4</b>	<b>2.5</b>	<b>2.5</b>	<b>2.6</b>	<b>2.5</b>	<b>2.6</b>	<b>2.7</b>	<b>2.8</b>	<b>2.8</b>	<b>2.7</b>	<b>2.7</b>
Bhutan	4.4	5.3	5.3	5.9	6.6	6.0	5.2	4.7	3.7	3.8	3.6
India	4.2	4.3	4.2	4.2	4.3	4.4	4.3	4.3	4.4	4.5	4.7
Maldives	5.9	9.5	7.4	6.6	9.3	9.2	7.9	8.1	9.2	11.2	13.7
Nepal	5.8	5.7	5.7	5.8	6.4	6.4	6.4	6.7	5.9	5.7	5.8
Pakistan	2.6	2.9	3.4	3.4	3.3	2.9	3.0	3.0	2.8	2.7	2.6
Sri Lanka	4.3	4.1	4.1	3.8	3.4	3.4	3.4	3.3	3.2	3.7	3.5

Source: Global Health Expenditure Database, WHO website

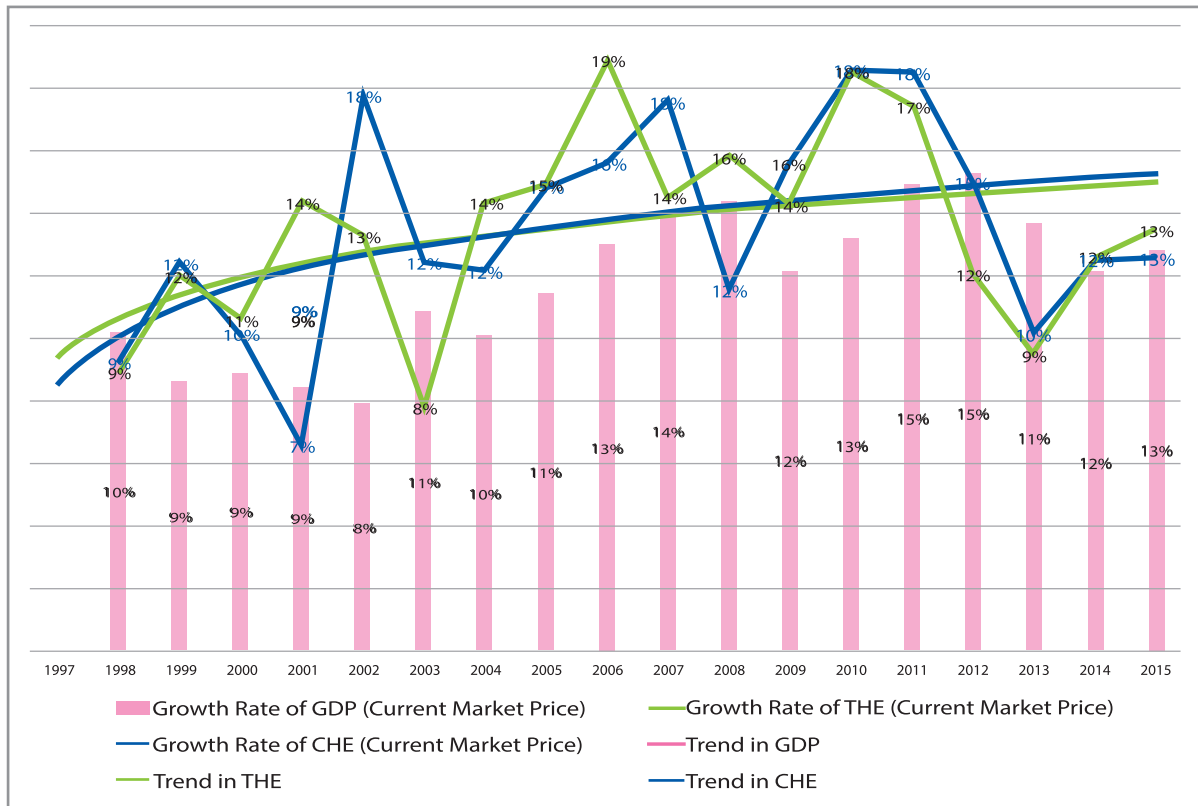
**Table 3: PPP Adjusted Per Capita GDP, THE**

Year	GDP at current price (billion Taka)	GDP in US\$ (in billion)	Population (Million)	Per Capita GDP (Taka)	Per Capita GDP (\$)	Per Capita THE	Per Capita THE (\$)	Implied PPP conversion rate	Purchasing Power Parity (PPP) per capita GDP (\$)	Taka Rate per US\$	Purchasing Power Parity (PPP) per capita THE (\$)	Purchasing Power Parity (PPP) per capita THE (Taka)
1997	2,060	\$48	122.37	16,834	\$394	382	\$9	\$15	\$1,150	42.70	\$26	1,115
1998	2,269	\$50	124.80	18,183	\$400	408	\$9	\$15	\$1,199	45.46	\$27	1,223
1999	2,465	\$51	127.22	19,377	\$403	448	\$9	\$16	\$1,250	48.06	\$29	1,389
2000	2,685	\$53	128.02	20,974	\$417	492	\$10	\$16	\$1,338	50.31	\$31	1,579
2001	2,913	\$54	130.34	22,351	\$414	553	\$10	\$16	\$1,412	53.96	\$35	1,884
2002	3,143	\$55	132.64	23,695	\$413	615	\$11	\$16	\$1,463	57.44	\$38	2,181
2003	3,483	\$60	134.86	25,828	\$446	652	\$11	\$17	\$1,537	57.90	\$39	2,245
2004	3,833	\$65	136.95	27,988	\$475	734	\$12	\$17	\$1,637	58.94	\$43	2,528
2005	4,271	\$70	138.88	30,751	\$501	831	\$14	\$17	\$1,775	61.39	\$48	2,944
2006	4,823	\$72	140.63	34,299	\$511	975	\$15	\$18	\$1,927	67.08	\$55	3,675
2007	5,498	\$80	142.21	38,661	\$560	1,104	\$16	\$18	\$2,094	69.03	\$60	4,128
2008	6,287	\$92	143.71	43,746	\$638	1,265	\$18	\$20	\$2,240	68.60	\$65	4,443
2009	7,051	\$102	145.25	48,543	\$706	1,430	\$21	\$21	\$2,346	68.80	\$69	4,754
2010	7,975	\$113	146.89	54,296	\$768	1,675	\$24	\$22	\$2,479	70.74	\$76	5,410
2011	9,158	\$119	148.46	61,691	\$801	1,945	\$25	\$23	\$2,665	77.00	\$84	6,472
2012	10,552	\$133	150.04	70,329	\$889	2,156	\$27	\$25	\$2,861	79.10	\$88	6,936
2013	11,989	\$150	152.70	78,515	\$982	2,318	\$29	\$26	\$3,028	79.93	\$89	7,146
2014	13,437	\$173	154.70	86,857	\$1,118	2,575	\$33	\$27	\$3,227	77.72	\$96	7,437
2015	15,158	\$195	156.80	96,671	\$1,245	2,882	\$37	\$28	\$3,429	77.63	\$102	7,936

**Table 4: Total Health Expenditure, GDP, Annual Growth Rates and Share of Health on GDP 1997-2015**

Year	Total health expenditure		GDP		Ratio of health expenditure to GDP (%)
	Amount (Taka Million)	Nominal Growth rate (%)	Amount (Taka Million)	Nominal Growth rate (%)	
1997	46,754		2,060,032		2.3
1998	50,904	9%	2,269,299	10%	2.2
1999	56,985	12%	2,465,089	9%	2.3
2000	63,008	11%	2,685,033	9%	2.3
2001	72,030	14%	2,913,371	9%	2.5
2002	81,559	13%	3,142,804	8%	2.6
2003	87,882	8%	3,483,201	11%	2.5
2004	100,456	14%	3,832,939	10%	2.6
2005	115,399	15%	4,270,741	11%	2.7
2006	137,114	19%	4,823,370	13%	2.8
2007	156,977	14%	5,497,997	14%	2.9
2008	181,775	16%	6,286,822	14%	2.9
2009	207,671	14%	7,050,718	12%	2.9
2010	246,040	18%	7,975,387	13%	3.1
2011	288,806	17%	9,158,288	15%	3.2
2012	323,437	12%	10,552,040	15%	3.1
2013	353,960	9%	11,989,232	14%	3.0
2014	398,420	13%	13,436,744	12%	3.0
2015	451,889	13%	15,158,022	13%	3.0
Average annual growth rate					
1998-2002		12%		9%	2.4
2003-2007		14%		12%	2.7
2008-2012		16%		14%	3.0
2013-2015		12%		13%	3.0
1998-2015		13%		12%	2.8

**Figure 2: Growth of GDP, THE and CHE 1997-2015**

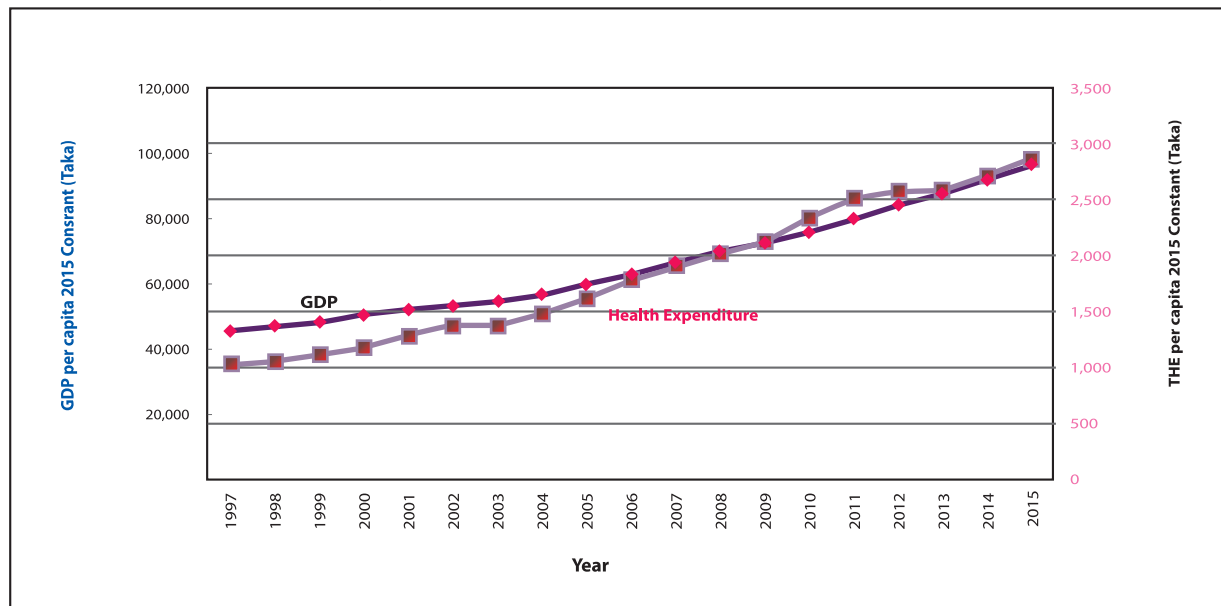


**Table 5: THE Current and Constant Prices (2015), and Annual Growth Rates 1997-2015**

Year	Total Health Expenditure (Taka Million)		Growth rate over previous year (%)	
	Current	Constant (a)	Current	Constant
1997	46,754	126,979	-	-
1998	50,904	131,999	8.9	4.0
1999	56,985	142,383	11.9	7.9
2000	63,008	152,188	10.6	6.9
2001	72,030	168,484	14.3	10.7
2002	81,559	183,623	13.2	9.0
2003	87,882	186,986	7.8	1.8
2004	100,456	204,413	14.3	9.3
2005	115,399	224,522	14.9	9.8
2006	137,114	251,967	18.8	12.2
2007	156,977	270,935	14.5	7.5
2008	181,775	290,870	15.8	7.4
2009	207,671	311,254	14.2	7.0
2010	246,040	344,170	18.5	10.6
2011	288,806	374,555	17.4	8.8
2012	323,437	387,806	12.0	3.5
2013	353,960	395,991	9.4	2.1
2014	398,420	421,819	12.6	6.5
2015	451,889	451,889	13.4	7.1
	Average annual growth rate			
1998-2002	64,897.3	155,735.4	11.8	7.7
2003-2007	119,565.7	227,764.7	14.0	8.1
2008-2012	249,546.0	341,731.0	15.6	7.5
2013-2015	401,423.1	423,232.9	11.8	5.3
1998-2015	180,056.2	264,359.6	13.5	7.3

(a) Constant value is calculated using 2015 as base year

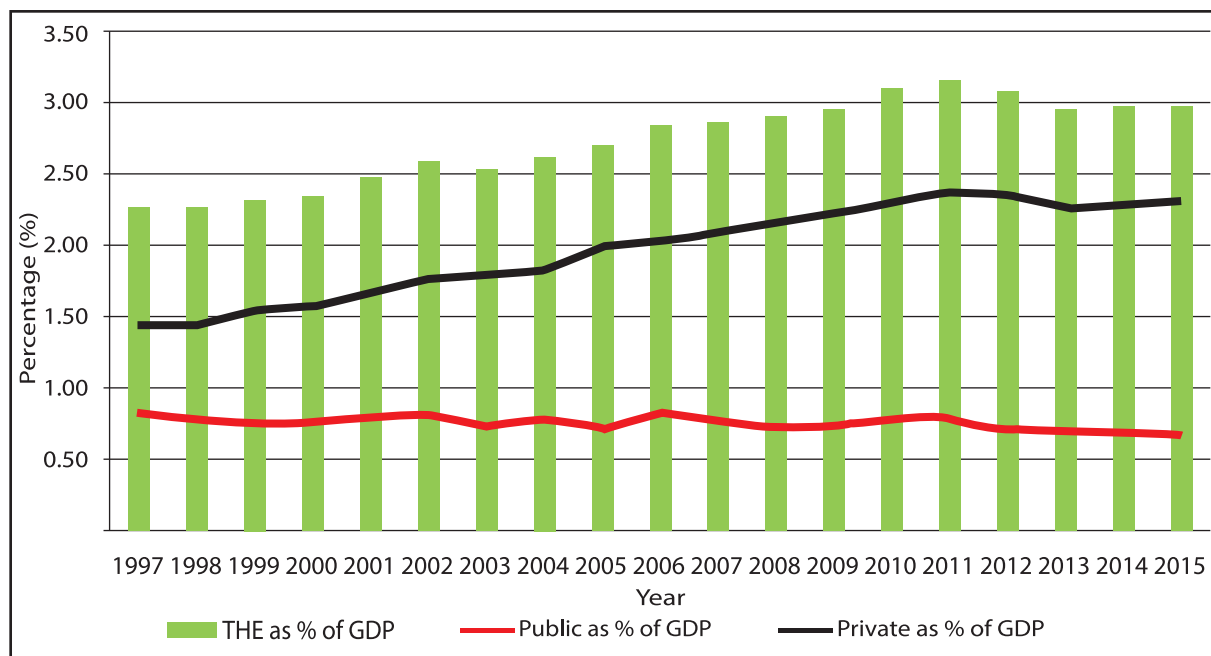
**Figure 3: Growth of GDP and THE 1997-2015**



**Table 6: A Comparison of Per Capita Total Health Expenditure THE and GDP 1997 to 2015**

Year	Per Capita THE				Per Capita GDP		
	Current (Taka)	Constant (Taka)	Current (US\$)	Real growth rate (%)	Current (Taka)	Constant (Taka)	Current (US\$)
1997	382	1,038	\$9		16,834	45,721	\$394
1998	408	1,058	\$9	1.9	18,183	47,150	\$400
1999	448	1,119	\$9	5.8	19,377	48,416	\$403
2000	492	1,189	\$10	6.2	20,974	50,659	\$417
2001	553	1,293	\$10	8.7	22,351	52,282	\$414
2002	615	1,384	\$11	7.1	23,695	53,347	\$413
2003	652	1,387	\$11	0.2	25,828	54,955	\$446
2004	734	1,493	\$12	7.6	27,988	56,951	\$475
2005	831	1,617	\$14	8.3	30,751	59,830	\$501
2006	975	1,792	\$15	10.8	34,299	63,030	\$511
2007	1,104	1,905	\$16	6.3	38,661	66,727	\$560
2008	1,265	2,024	\$18	6.2	43,746	70,000	\$638
2009	1,430	2,143	\$21	5.9	48,543	72,756	\$706
2010	1,675	2,343	\$24	9.3	54,296	75,951	\$768
2011	1,945	2,523	\$25	7.7	61,691	80,007	\$801
2012	2,156	2,585	\$27	2.4	70,329	84,325	\$889
2013	2,318	2,593	\$29	0.3	78,515	87,838	\$982
2014	2,575	2,727	\$33	5.1	86,857	91,958	\$1,118
2015	2,882	2,882	\$37	5.7	96,671	96,671	\$1,245
Annual growth rate							
1998-2002	503	1,209	\$10	6.0	20,916	50,371	409
2003-2007	859	1,639	\$14	6.7	31,505	60,298	499
2008-2012	1,694	2,324	\$23	6.3	55,721	76,608	760
2013-2015	2,592	2,734	\$33	3.7	87,348	92,156	1,115
1998-2015	1,281	1,892	\$18	5.9	44,597	67,381	649

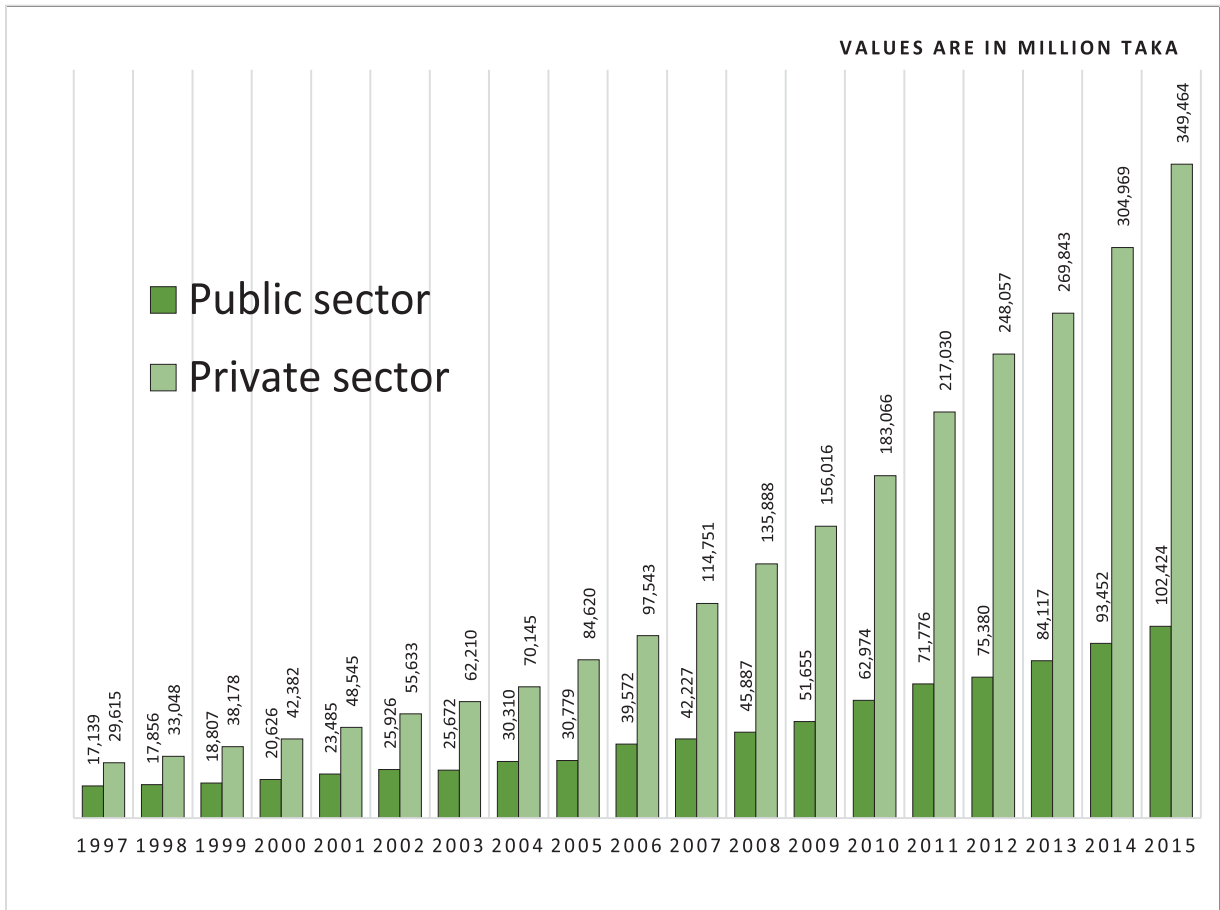
**Figure 4: Growth of THE 1997-2015 and Share of Public and Private Healthcare Spending as % of GDP**



**Table 7: Public and Private THE and its Share in GDP**

Year	THE	Public	Private	THE as % of GDP	Public as % of GDP	Private as % of GDP
1997	46,754	17,139	29,615	2.27	0.83	1.44
1998	50,904	17,856	33,048	2.24	0.79	1.46
1999	56,985	18,807	38,178	2.31	0.76	1.55
2000	63,008	20,626	42,382	2.35	0.77	1.58
2001	72,030	23,485	48,545	2.47	0.81	1.67
2002	81,559	25,926	55,633	2.60	0.82	1.77
2003	87,882	25,672	62,210	2.52	0.74	1.79
2004	100,456	30,310	70,145	2.62	0.79	1.83
2005	115,399	30,779	84,620	2.70	0.72	1.98
2006	137,114	39,572	97,543	2.84	0.82	2.02
2007	156,977	42,227	114,751	2.86	0.77	2.09
2008	181,775	45,887	135,888	2.89	0.73	2.16
2009	207,671	51,655	156,016	2.95	0.73	2.21
2010	246,040	62,974	183,066	3.08	0.79	2.30
2011	288,806	71,776	217,030	3.15	0.78	2.37
2012	323,437	75,380	248,057	3.07	0.71	2.35
2013	353,960	84,117	269,843	2.95	0.70	2.25
2014	398,420	93,452	304,969	2.97	0.70	2.27
2015	451,889	102,424	349,464	2.98	0.68	2.31

**Figure 5: THE by Public and Private Sector**



**Table 8: Public Expenditure as Percentage of THE by SAARC Nations**

	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014
<b>SAARC Countries</b>											
Afghanistan	11	10	14	8	17	27	31	26	34	33	36
<b>Bangladesh</b>	<b>40</b>	<b>36</b>	<b>37</b>	<b>35</b>	<b>34</b>	<b>34</b>	<b>34</b>	<b>33</b>	<b>32</b>	<b>28</b>	<b>28</b>
<b>BNHA--THE</b>	<b>30</b>	<b>27</b>	<b>29</b>	<b>27</b>	<b>25</b>	<b>25</b>	<b>26</b>	<b>25</b>	<b>23</b>	<b>24</b>	<b>23</b>
<b>BNHA--CHE</b>	<b>24</b>	<b>22</b>	<b>23</b>	<b>23</b>	<b>21</b>	<b>20</b>	<b>21</b>	<b>21</b>	<b>20</b>	<b>19</b>	<b>19</b>
Bhutan	72	79	81	87	85	81	88	88	73	73	73
India	24	26	26	26	27	28	27	27	27	28	30
Maldives	66	75	71	69	76	73	67	69	71	74	78
Nepal	27	28	36	39	42	44	45	48	42	39	40
Pakistan	26	24	23	24	26	27	32	31	37	37	35
Sri Lanka	47	46	48	49	46	46	45	42	38	57	56

Source: Global Health Expenditure Database, WHO website

**Table 9: Household OOP Expenditure as Percentage of THE by SAARC Nations**

	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014
<b>SAARC Countries</b>											
Afghanistan	89	90	85	92	83	72	69	73	65	67	64
<b>Bangladesh</b>	<b>58</b>	<b>60</b>	<b>58</b>	<b>61</b>	<b>60</b>	<b>60</b>	<b>60</b>	<b>61</b>	<b>63</b>	<b>64</b>	<b>66</b>
<b>BNHA--THE</b>	<b>58</b>	<b>60</b>	<b>58</b>	<b>61</b>	<b>60</b>	<b>61</b>	<b>61</b>	<b>61</b>	<b>63</b>	<b>65</b>	<b>66</b>
<b>BNHA--CHE</b>	<b>63</b>	<b>65</b>	<b>66</b>	<b>66</b>	<b>68</b>	<b>68</b>	<b>68</b>	<b>68</b>	<b>68</b>	<b>69</b>	<b>71</b>
Bhutan	28	21	18	13	15	18	11	12	26	25	25
India	68	66	66	65	64	63	63	64	65	64	62
Maldives	23	18	21	23	18	21	27	25	24	22	18
Nepal	55	53	47	50	48	45	45	41	46	49	48
Pakistan	61	66	69	68	66	64	61	61	55	55	56
Sri Lanka	44	45	43	42	44	44	45	48	49	41	42

Source: Global Health Expenditure Database, WHO website

## Total Health Expenditure by Financing Schemes

The structure of healthcare financing system in Bangladesh, primarily consists of Household schemes to finance out-of-pocket payment, Government schemes, Voluntary health insurance schemes, NGOs financing schemes, Corporations, autonomous bodies and private companies, and Rest of the World Voluntary Schemes. Financing schemes in Bangladesh is dominated by Household schemes followed by Government schemes. In 2015, households financed Taka 302 billion (67% of THE), government's contribution is Taka 102 billion (23% of THE). (Table 10). Although, government funding in healthcare continues to increase in nominal Taka, its share in THE kept on declining. In 1997 government share on THE was 37% which in 2015 is only 23%.

The Ministry of Health and Family Welfare (MOHFW) is the largest contributor amongst Government schemes (Table 11). In 2015, MOHFW alone contributed about Taka 96 billion (94% of total public expenditure) while the combined contribution of all other ministries was around Taka 6 billion. For private sector schemes, household accounts for Taka 302 billion (88%) of private expenditure in 2015 followed by financing schemes of the foreign development partners implemented by NGOs (Table 12). Other private financing schemes, primarily offered by private companies and corporations, accounts for around 2% of total private schemes in 2015. Since 2005, the share of private scheme showed a marked increase largely due to new investments in several large sized private hospitals in Dhaka city.

**Table 10: THE by Financing Schemes 1997-2015 (million Taka)**

Year	Government schemes	Voluntary health insurance schemes	Non-profit institution/NGO financing schemes	Corporations, autonomous bodies and private companies	Out-of-pocket expenditure excluding cost-sharing	Rest of the World Voluntary Schemes	Total Health Expenditure (THE)
1997	17,139	28	461	569	25,909	2,651	46,757
1998	17,856	31	537	687	29,083	2,715	50,909
1999	18,807	34	692	719	32,541	4,034	56,829
2000	20,626	38	770	1,156	35,885	4,534	63,008
2001	23,485	86	1,131	557	40,679	6,079	72,017
2002	25,926	94	1,411	1,043	45,809	7,276	81,559
2003	25,672	103	1,524	1,125	51,551	7,907	87,882
2004	30,310	115	1,825	1,137	57,876	9,192	100,456
2005	30,779	125	2,599	3,099	68,840	9,957	115,399
2006	39,572	142	3,257	4,376	79,860	9,908	137,114
2007	42,227	168	3,194	4,863	95,001	11,525	156,977
2008	45,887	206	3,333	10,838	108,195	13,317	181,775
2009	51,655	249	3,523	9,690	125,236	17,317	207,671
2010	62,974	308	3,707	10,922	148,488	19,641	246,040
2011	71,776	339	5,311	12,593	176,473	22,314	288,806
2012	75,380	381	5,656	11,468	203,407	27,144	323,437
2013	84,117	507	5,127	6,801	227,707	29,701	353,961
2014	93,452	549	5,933	6,337	261,535	30,614	398,420
2015	102,424	705	6,918	7,422	302,306	32,113	451,889
Row %	23%	0%	2%	2%	67%	7%	100%

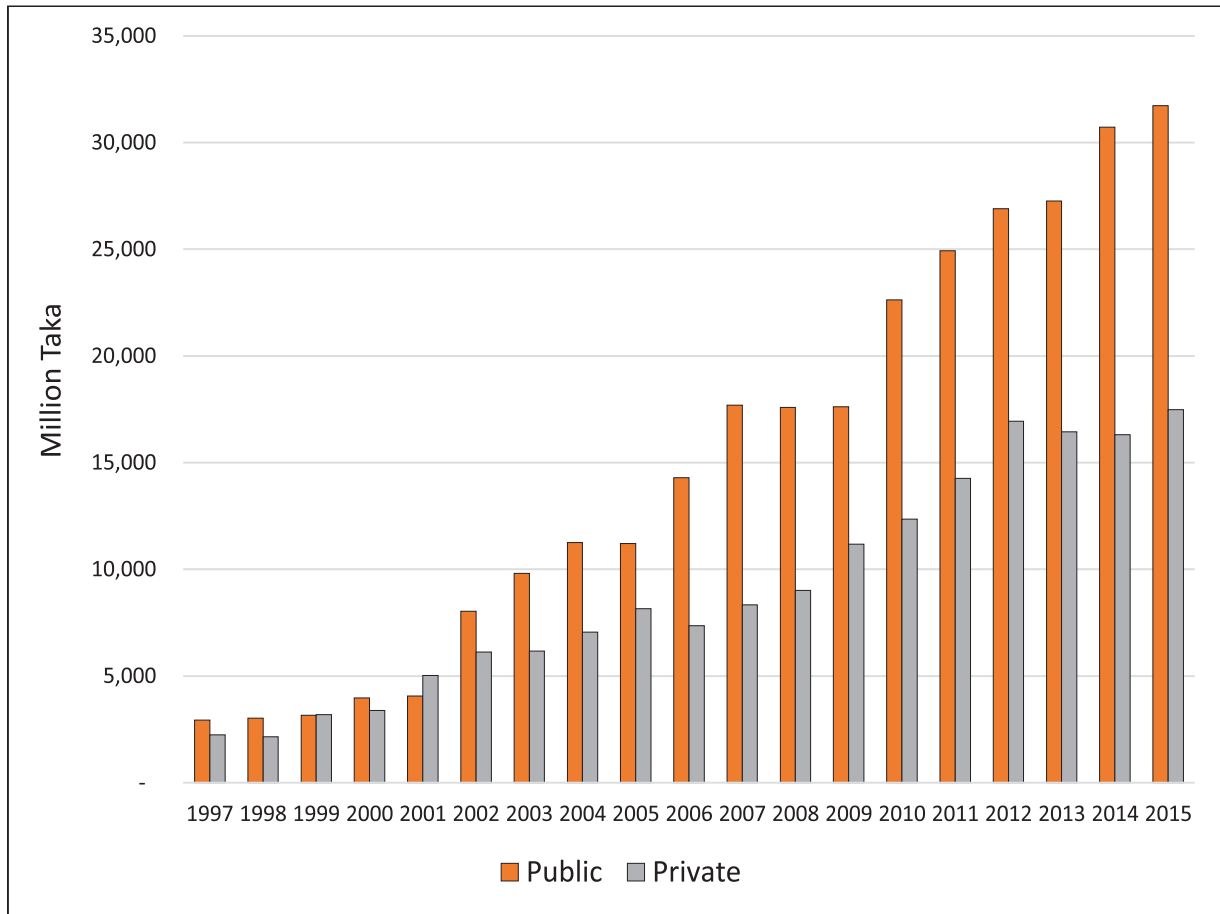
**Table 11: Share of Different Schemes Under Public Spending 1997-2015 (million Taka)**

Year	Ministry of Health and Family Welfare (MOHFW)		Other Ministries not mentioned elsewhere		Local Government (City Corporations)		Local Government (Municipalities)	
	Million Taka	Row %	Million Taka	Row %	Million Taka	Row %	Million Taka	Row %
1997	16,394	96%	526	3%	192	1%	26	0.2%
1998	16,984	95%	628	4%	211	1%	33	0.2%
1999	17,835	95%	698	4%	224	1%	51	0.3%
2000	18,841	91%	1,481	7%	237	1%	67	0.3%
2001	21,781	93%	1,364	6%	255	1%	86	0.4%
2002	23,788	92%	1,758	7%	278	1%	101	0.4%
2003	23,250	91%	2,003	8%	297	1%	122	0.5%
2004	27,666	91%	2,184	7%	315	1%	144	0.5%
2005	28,098	91%	2,161	7%	357	1%	163	0.5%
2006	36,752	93%	2,249	6%	389	1%	183	0.5%
2007	39,028	92%	2,520	6%	478	1%	199	0.5%
2008	42,482	93%	2,602	6%	588	1%	214	0.5%
2009	47,420	92%	3,374	7%	638	1%	223	0.4%
2010	57,803	92%	4,232	7%	700	1%	239	0.4%
2011	66,251	92%	4,454	6%	810	1%	261	0.4%
2012	69,065	92%	5,154	7%	878	1%	283	0.4%
2013	78,506	93%	4,180	5%	858	1%	574	0.7%
2014	87,570	94%	4,273	5%	990	1%	619	0.7%
2015	95,878	94%	4,857	5%	1,022	1%	667	0.7%

**Table 12: Share of Different Schemes Under Private Sector Spending 1997-2015**

Year	Household out-of-pocket spending		NPISH/NGO financing schemes		Other private financing schemes		Foreign development agencies scheme	
	Million Taka	Row %	Million Taka	Row %	Million Taka	Row %	Million Taka	Row %
1997	25,909	87%	461	2%	597	2%	2,651	9%
1998	29,083	88%	537	2%	718	2%	2,715	8%
1999	32,541	86%	692	2%	754	2%	4,034	11%
2000	35,885	85%	770	2%	1,193	3%	4,534	11%
2001	40,679	84%	1,131	2%	643	1%	6,079	13%
2002	45,809	82%	1,411	3%	1,137	2%	7,276	13%
2003	51,551	83%	1,524	2%	1,228	2%	7,907	13%
2004	57,876	83%	1,825	3%	1,253	2%	9,192	13%
2005	68,840	81%	2,599	3%	3,224	4%	9,957	12%
2006	79,860	82%	3,257	3%	4,518	5%	9,908	10%
2007	95,001	83%	3,194	3%	5,031	4%	11,525	10%
2008	108,195	80%	3,333	2%	11,043	8%	13,317	10%
2009	125,236	80%	3,523	2%	9,940	6%	17,317	11%
2010	148,488	81%	3,707	2%	11,230	6%	19,641	11%
2011	176,473	81%	5,311	2%	12,932	6%	22,314	10%
2012	203,407	82%	5,656	2%	11,850	5%	27,144	11%
2013	227,707	84%	5,127	2%	7,308	3%	29,701	11%
2014	261,535	86%	5,933	2%	6,886	2%	30,614	10%
2015	302,306	87%	6,918	2%	8,128	2%	32,113	9%

**Figure 6: Preventive Care Expenditure by Public and Private 1997-2015 (million Taka)**



## Total Health Expenditure by Revenue of Financing Schemes

Source of revenue for different financing schemes is termed as Revenue of Financing Schemes under the System of Health Accounts 2011. As mentioned earlier in this report, in Bangladesh, third party payment mechanisms like social or private insurance have little or no significant role. As such, no differences in expenditure figure between large Financing Schemes like household and

government versus Revenue of the Financing Schemes (**Table 13**) is evident. Voluntary paying insurance premium by employer and household was Taka 705 million in 2015 (**Table 13**). Government's receipts of foreign funds as loan or grants cannot be tracked, and therefore do not reflected in the Revenue of the Schemes estimates.

**Table 13: THE by Revenue of Financing Schemes 1997-2015 (million Taka)**

Year	Govt. Internal transfers and grants	Voluntary prepayment from employers	Revenues from households n.e.c.	Revenues from corporations n.e.c.	Revenues from NPISH n.e.c.	Direct foreign financial transfers	Total Health Expenditure (THE)
1997	17,139	28	25,909	569	461	2,651	46,757
1998	17,856	31	29,083	687	537	2,715	50,909
1999	18,807	34	32,541	719	692	4,034	56,829
2000	20,626	38	35,885	1,156	770	4,534	63,008
2001	23,485	86	40,679	557	1,131	6,079	72,017
2002	25,926	94	45,809	1,043	1,411	7,276	81,559
2003	25,672	103	51,551	1,125	1,524	7,907	87,882
2004	30,310	115	57,876	1,137	1,825	9,192	100,456
2005	30,779	125	68,840	3,099	2,599	9,957	115,399
2006	39,572	142	79,860	4,376	3,257	9,908	137,114
2007	42,227	168	95,001	4,863	3,194	11,525	156,977
2008	45,887	206	108,195	10,838	3,333	13,317	181,775
2009	51,655	249	125,236	9,690	3,523	17,317	207,671
2010	62,974	308	148,488	10,922	3,707	19,641	246,040
2011	71,776	339	176,473	12,593	5,311	22,314	288,806
2012	75,380	381	203,407	11,468	5,656	27,144	323,437
2013	84,117	507	227,707	6,801	5,127	29,701	353,961
2014	93,452	549	261,535	6,337	5,933	30,614	398,420
2015	102,425	705	302,306	7,422	6,918	32,113	451,889
Row %	22.7%	0.2%	66.9%	1.6%	1.5%	7.1%	100.0%

## Total Health Expenditure by Financing Agents

Financing agents are institutional units that manage one or more financing schemes. For example, households are the financing agents for out-of-pocket payments schemes. In the Financing Schemes tables, what is shown as Government Schemes includes public expenditure by Ministry of Health and Family Welfare (MOHFW), Other Ministries, City Corporations and Municipalities. In **Table 14**,

Financing Agent for Government Schemes are categorized into Central government and State/Regional/Local government. In 2015, the central government as financing agent spent Taka 100 billion, which is 98% of total public spending. The State/Regional/Local government accounted for the remaining Taka 2.2 billion outlay (**Table 14**).

**Table 14: THE by Financing Agents, 1997-2015 (million Taka)**

Year	Central govt.	State/Reg ional/Loc al govt.	All other general govt. units	Commercial insurance companies	Mutual and other non-profit insurance company	Health management and provider corporations	Corporations (other than providers of health services)	Non-profit institutions serving households (NPISH)	Household	Rest of the world	Total Health Exp. (THE)
1997	16,920	219	44	22	6	284	241	461	25,909	2,651	46,757
1998	17,612	244	50	25	6	361	275	537	29,083	2,715	50,909
1999	18,532	275	55	28	7	350	314	692	32,541	4,034	56,829
2000	20,323	303	60	30	8	677	418	770	35,885	4,534	63,008
2001	23,144	341	66	69	17	89	401	1,131	40,679	6,079	72,017
2002	25,546	380	75	75	19	515	453	1,411	45,809	7,276	81,559
2003	25,253	419	85	82	21	508	532	1,524	51,551	7,907	87,882
2004	29,850	460	96	92	23	463	579	1,825	57,876	9,192	100,456
2005	30,259	520	106	100	25	2,338	655	2,599	68,840	9,957	115,399
2006	39,000	571	119	113	28	3,497	760	3,257	79,860	9,908	137,114
2007	41,549	678	133	135	34	3,833	897	3,194	95,001	11,525	156,977
2008	45,084	802	147	165	41	9,701	990	3,333	108,195	13,317	181,775
2009	50,795	861	161	200	50	8,378	1,152	3,523	125,236	17,317	207,671
2010	62,035	939	186	247	62	9,430	1,306	3,707	148,488	19,641	246,040
2011	70,705	1,071	204	271	68	10,958	1,431	5,311	176,473	22,314	288,806
2012	74,219	1,161	226	305	76	9,674	1,568	5,656	203,407	27,144	323,437
2013	82,685	1,432	244	405	101	4,726	1,831	5,127	227,707	29,701	353,960
2014	91,843	1,609	311	439	110	4,058	1,969	5,933	261,535	30,614	398,420
2015	100,735	1,690	343	564	141	4,937	2,142	6,918	302,306	32,113	451,889

## Out-of-Pocket (OOP) Expenditure on Healthcare

The share of Out of Pocket (OOP) health expenditure by households continues to be the major component of Total Health Expenditure (THE) for Bangladesh. In 2015, households spent Taka 303 billion (**Table 15**) on health-related goods and services, which is around 67% of THE. Household OOP expenditure on healthcare is normally seen as a burden on households especially for underdeveloped or developing countries; the share of Household OOP is on the rise since 2010. Bangladesh has witnessed two decades of steady economic growth, and is on track to become a middle-income country within few years' time. Under such circumstances, a close review of OOP by economic quantile is warranted to see whether the burden of OOP lies on the poor or the share of OOP is increasing due to healthcare expenditure by the rich.

There are two major factors for steady increase in OOP: (1) although healthcare spending by the public sector continues to increase since 1997, a comparison in rate of increase between government and household OOP reveals that annual increase in OOP outpaced public outlay by 4% or higher annually; (2) decrease in allocating government healthcare expenditure as percentage of total public consumption. In 1997, overall government spending on healthcare was around 17% of total public consumption while it is only 13% in 2015 (**Table 16**).

In the absence of recent national level household expenditure data, BNHA team carried out a Quintile analysis of healthcare expenditure using BBS's Household Income and Expenditure survey data 2010 (HIES

2010). The analysis was carried out for urban and rural areas separately. In both cases, the richest 20% of the population spending (**Table 17**) accounts for the major share of OOP.

In 2015, households spent Taka 195 billion on pharmaceutical drugs (**Table 18**). Expenditure on drugs as a percentage of OOP however has declined over time. In 1997, drug outlay was 75% of OOP which is 64% in 2015 (**Table 18**). Most of the healthcare services provided by the government in public health facilities are for free, with households paying a nominal user fee. Such OOP expenditure by the household are reflected as general government administration of health. In 2015, households paid around Taka 25 million as administration fee to government facilities primarily as registration/admission.

**Table 18** presents OOP estimates whereby services are further disaggregated. For instance, curative care is categorized into inpatient and outpatient care. The relative share of inpatient curative care expenditure steadily increased during 1997 to 2004 period, and stabilized at around 12% subsequently. The increase in inpatient curative care spending is arguably due to higher OOP in private healthcare facilities.

Further breakdown of OOP by provider shows that retailer of medicine and medical goods commonly known as "pharmacy" accounts for majority of OOP expenditure. In 1997, household were spending 76% of their OOP expenditure on retail drug outlet which has decreased to 65% in 2015 (**Table 19**). In 2015, hospital share in OOP expenditure was 14% which was only 6% in 1997.

**Table 15: Total Health Expenditure (THE) by Major Financing Schemes**

Year	Government schemes		Voluntary health care payment schemes		Households out-of-pocket payment		Rest of the world health financing schemes	
	Million Taka	Row %	Million Taka	Row %	Million Taka	Row %	Million Taka	Row %
1997	17,139	37%	1,058	2%	25,909	55%	2,651	6%
1998	17,856	35%	1,255	2%	29,083	57%	2,715	5%
1999	18,807	33%	1,446	3%	32,541	57%	4,034	7%
2000	20,626	33%	1,963	3%	35,885	57%	4,534	7%
2001	23,485	33%	1,774	2%	40,679	56%	6,079	8%
2002	25,926	32%	2,547	3%	45,809	56%	7,276	9%
2003	25,672	29%	2,752	3%	51,551	59%	7,907	9%
2004	30,310	30%	3,078	3%	57,876	58%	9,192	9%
2005	30,779	27%	5,823	5%	68,840	60%	9,957	9%
2006	39,572	29%	7,775	6%	79,860	58%	9,908	7%
2007	42,227	27%	8,225	5%	95,001	61%	11,525	7%
2008	45,887	25%	14,376	8%	108,195	60%	13,317	7%
2009	51,655	25%	13,462	6%	125,236	60%	17,317	8%
2010	62,974	26%	14,938	6%	148,488	60%	19,641	8%
2011	71,776	25%	18,243	6%	176,473	61%	22,314	8%
2012	75,380	23%	17,506	5%	203,407	63%	27,144	8%
2013	84,117	24%	12,435	4%	227,707	64%	29,701	8%
2014	93,452	23%	12,819	3%	261,535	66%	30,614	8%
2015	102,424	23%	15,046	3%	302,306	67%	32,113	7%

**Table 16: Government Financing in Healthcare as Percentage of Total Public Consumption 1997-2015**

Year	Public Health Expenditure (PHE) (Current Price)		Public consumption (Current Price)	PHE as % of Public Consumption	Private consumption (Current Price)	
	Million Taka	Growth %	Million Taka	%	Million Taka	Growth %
1997	17,139		101,003	17%	1,605,939	
1998	17,856	4%	116,317	15%	1,730,082	12%
1999	18,807	5%	124,231	15%	1,879,203	16%
2000	20,626	10%	133,530	15%	2,013,993	11%
2001	23,485	14%	141,172	17%	2,171,126	15%
2002	25,926	10%	157,852	16%	2,330,025	15%
2003	25,672	-1%	178,629	14%	2,601,467	12%
2004	30,310	18%	198,331	15%	2,822,489	13%
2005	30,779	2%	221,234	14%	3,150,272	21%
2006	39,572	29%	262,395	15%	3,527,007	15%
2007	42,227	7%	294,663	14%	4,062,644	18%
2008	45,887	9%	325,549	14%	4,754,869	18%
2009	51,655	13%	359,146	14%	5,257,991	15%
2010	62,974	22%	404,777	16%	5,910,930	17%
2011	71,776	14%	466,839	15%	6,802,819	19%
2012	75,380	5%	531,753	14%	7,780,747	14%
2013	84,117	12%	613,385	14%	8,733,888	9%
2014	93,452	11%	717,189	13%	9,751,386	13%
2015	102,424	10%	819,176	13%	10,980,061	15%

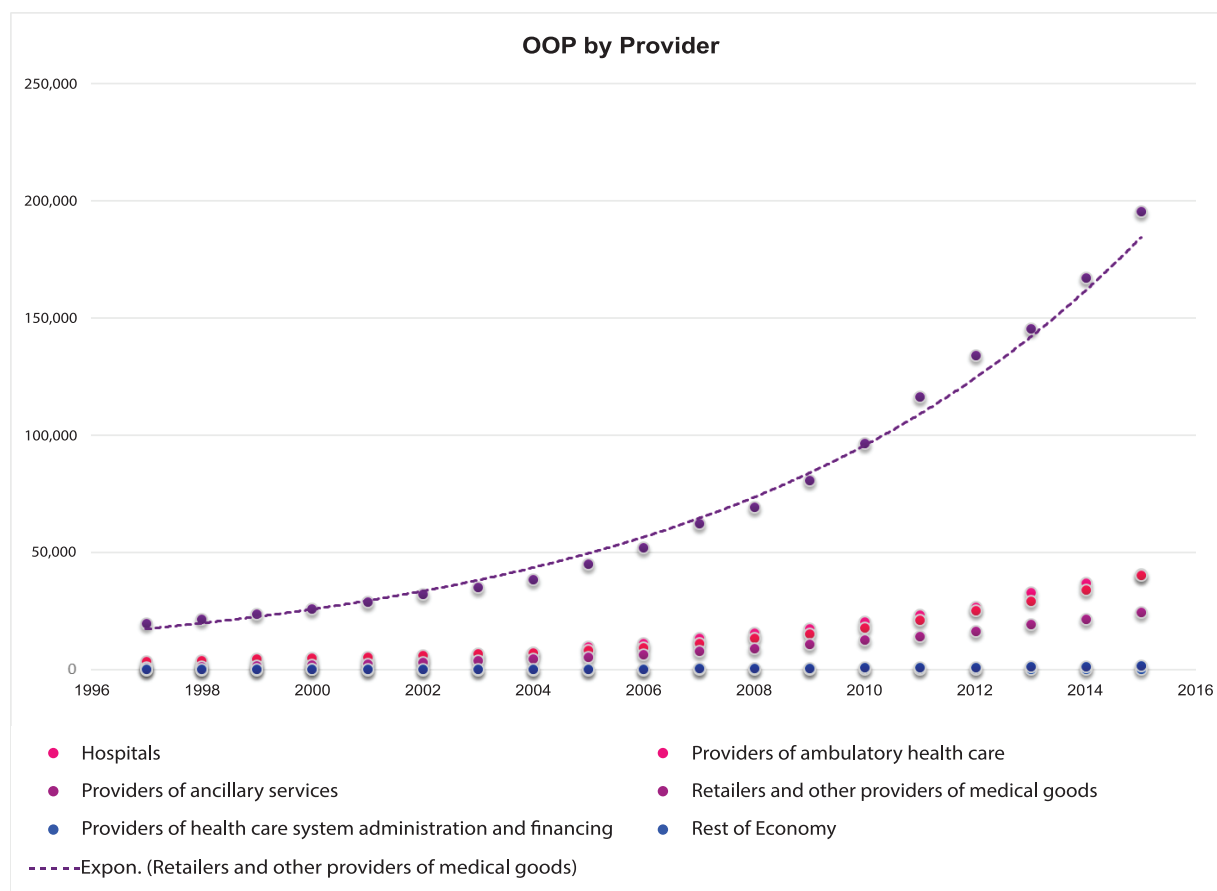
Source: CGA Data and Bangladesh National Accounts (revised estimates from 1995/96 to 2013/14 with base year 2005/06)

**Table 17: Household Consumption and Out of Pocket Healthcare Expenditure by Quintiles**

Quintile	Urban Expenditure			Rural Expenditure		
	Annual Household Consumption Expenditure (Million Taka)	Annual Household OOP Health Expenditure (Million Taka)	OOP as % of Consumption	Annual Household Consumption Expenditure (Million Taka)	Annual Household OOP Health Expenditure (Million Taka)	OOP as % of Consumption
Quintile 1 -- Poorest 20%	131,792	2,962	2.25%	272,506	7,304	2.68%
Quintile 2	197,813	4,353	2.20%	376,727	10,405	2.76%
Quintile 3	261,416	5,730	2.19%	472,459	16,316	3.45%
Quintile 4	368,690	9,800	2.66%	608,270	22,990	3.78%
Quintile 5 -- Richest 20%	739,235	29,177	3.95%	1,081,430	48,017	4.44%
Overall	1,698,950	52,022	3.06%	2,811,390	133,213	4.74%

Source: Estimated from the Household Income and Expenditure Survey Data 2010

**Figure 7: Out-of-Pocket Expenditure by Providers 1997-2015**



**Table 18: Out-of-Pocket Expenditure by Functions 1997-2015 ( Million Taka)**

Year	Inpatient curative care	Outpatient curative care	Laboratory services	Imaging services	Pharmaceuticals and other medical non-durable goods	Therapeutic appliances and other medical goods	Governance and health system administration	Education and training of health personnel	Out of pocket payment
1997	1,406	2,898	608	372	19,554	93	130	844	25,905
Row %	5%	11%	2%	1%	75%	0%	1%	3%	100%
2000	2,492	4,283	1,303	797	25,777	118	42	1,073	35,885
Row %	7%	12%	4%	2%	72%	0%	0%	3%	100%
2005	8,777	7,709	3,393	2,115	44,740	322	11	1,513	68,581
Row %	13%	11%	5%	3%	65%	0%	0%	2%	100%
2010	16,697	17,575	7,427	5,173	96,584	235	19	4,778	148,488
Row %	11%	12%	5%	3%	65%	0%	0%	3%	100%
2013	28,575	24,738	9,755	9,511	144,986	455	28	9,659	227,707
Row %	13%	11%	4%	4%	64%	0%	0%	4%	100%
2014	31,967	28,401	10,768	10,910	166,999	496	20	11,975	261,535
Row %	12%	11%	4%	4%	64%	0%	0%	5%	100%
2015	34,931	32,182	12,081	12,600	194,948	564	25	14,974	302,306
Row %	12%	11%	4%	4%	64%	0%	0%	5%	100%

**Table 19: Out-of-Pocket Expenditure by Providers 1997-2015 (Million Taka)**

Year	General hospitals including teaching hospitals	Medical practices	Dental practices	Other health care practitioners	Medical and diagnostic laboratories	Pharmacies /Retail Drug Outlet	Retail sellers of durable medical goods and appliances	Total Out-of-Pocket Expenditure
1997	1,606	2,768	60	844	980	19,554	93	25,905
Row %	6.2%	10.7%	0.2%	3.3%	3.8%	75.5%	0.4%	100.0%
2000	2,739	3,976	103	1,073	2,099	25,777	118	35,885
Row %	7.6%	11.1%	0.3%	3.0%	5.8%	71.8%	0.3%	100.0%
2005	9,707	6,583	208	1,513	5,508	44,740	322	68,581
Row %	14.2%	9.6%	0.3%	2.2%	8.0%	65.2%	0.5%	100.0%
2010	21,118	12,739	434	4,778	12,600	96,584	235	148,488
Row %	14.2%	8.6%	0.3%	3.2%	8.5%	65.0%	0.2%	100.0%
2013	33,482	19,175	684	9,659	19,266	144,986	455	227,707
Row %	14.7%	8.4%	0.3%	4.2%	8.5%	63.7%	0.2%	100.0%
2014	38,067	21,542	780	11,975	21,677	166,999	496	261,535
Row %	14.6%	8.2%	0.3%	4.6%	8.3%	63.9%	0.2%	100.0%
2015	41,825	24,407	906	14,974	24,681	194,948	564	302,305
Row %	13.8%	8.1%	0.3%	5.0%	8.2%	64.5%	0.2%	100.0%

## Total Health Expenditure by Providers

Ranging from traditional and alternate healthcare providers to tertiary level specialized hospitals, there are about 40 types of healthcare providers identified under the Bangladesh National Health Account (BNHA). Following the System of Health Accounts guideline, these providers are classified according to International Classification of Health Accounts for Healthcare Provider (ICHA-HP). The BNHA framework for provider has some variations to SHA 2011 classification largely due to the inclusion of sub-classification of providers. Efforts was expended in not compromising any definitional integrity set forth under SHA. For example, hospitals under BNHA is divided into Government Teaching Hospital, Government District/General Hospital, Government Specialized Hospital, Government Upazila Health Facilities and Below, Private Hospital and NGO Hospital. As mentioned in the background section of this report, the BNHA database has built-in dual coding system and therefore can produce SHA 2011 compatible tables simultaneously.

Retailers and other providers of medical goods, commonly known as pharmacy, is the largest provider for Bangladesh accounting for Taka 196 billion (43% of THE) in 2015. Pharmacy as a provider has been the largest entity since 1997. Its share in THE varied between 38% to 43% during the past two decades. Hospital is the second largest provider of healthcare services, spending Taka 115 billion in 2015. The share of hospital expenditure in THE remains between 23% to 34% for the period 1997-2015. A high rate in hospital expenditure is evident during 2005-2012, led by considerable investment by the private sector.

A comparison of hospital expenditure between public and private shows that although government spending in public

hospital continues to increase, the rate of increase was much lower compared to the increase in private spending in private hospitals. In 1997 government expenditure in public hospitals was Taka 7.6 billion, accounting for 70% of total hospital expenditure. In 2015, public spending in hospitals accounted for Taka 42 billion which is 37% of total hospital expenditure (**Table 22**). A further analysis of government spending reveals that on an average 45% (during 1997-2015) of public health expenditure was incurred in hospitals.

Expenditure reported by various types of hospitals reveals that in 2015, the largest share of hospital expenditure, Taka 46 billion, was spent in private hospitals. There are various types of public hospitals operated by the government and their combined expenditure for 2015 is Taka 41 billion. A comparison of public hospital spending also shows, that healthcare facilities at the Upazila level and below accounts for the highest share of public spending. In 2015, expenditure on Upazila level and below was Taka 16 billion. Government spending for that year at tertiary level teaching hospital and district/general hospital were almost equal, amounting to Taka 10 billion each.

Although hospitals at Upazila level and below are enjoying the highest share of public funding, the overall share of hospital spending at the Upazila level is declining. In 1997 hospital facilities at Upazila level and below was 43% of total hospital expenditure, which came down to 22% in 2007; currently it accounts for only 14% of total hospital expenditure. This decline in expenditure share is largely due to establishment of private large hospitals at the district level offering diverse and specialized services.

Healthcare facilities that are established to provide outpatient services are described as ambulatory healthcare providers. Ambulatory healthcare provider can be an individual like a general physician or a dentist having his/her private practice or operating from a center or a healthcare facility like a Community Clinic. A total of Taka 70 billion was spent on Ambulatory healthcare provider in 2015. Expenditure share of ambulatory healthcare providers under THE is increasing and currently it accounts for 15% of THE, which was 13% in 1997. A comparison of Ambulatory healthcare provider expenditure by public and private shows that the government spent around Taka 26 billion which is 37% of total expenditure by Ambulatory healthcare provider. Further analysis of the public expenditure reveals that the government is currently spending 25% of its total healthcare expenditure on Ambulatory healthcare provider, which was only 13% in 1997.

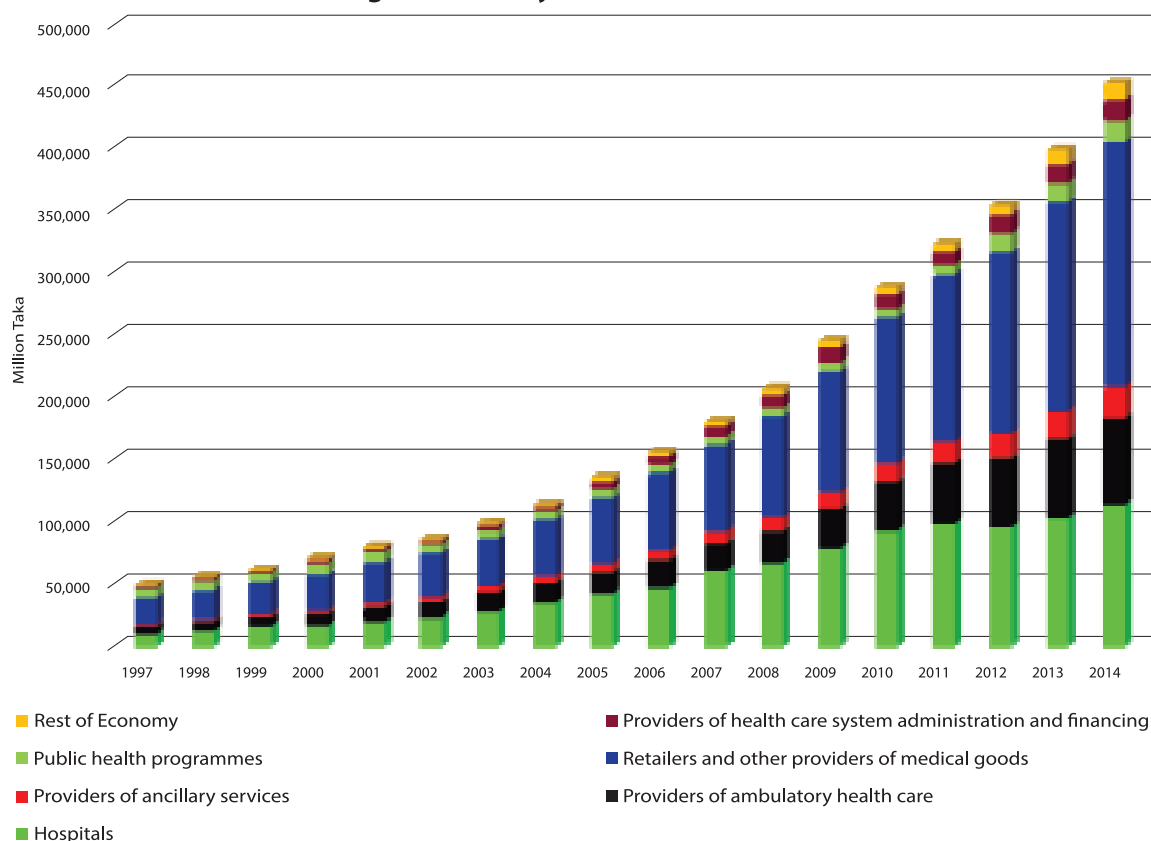
Within the Ambulatory healthcare provider, the relative share of general physicians categorized under the “Medical practices” fluctuated between 1997-2007. Since 2008, the share of Ambulatory healthcare provider has started to decline and in 2015 they accounted for 35% of total Ambulatory healthcare providers compared to 47% in 1997. Ambulatory health care centers comprise of MOHFW Health and Family planning centers/Dispensaries, MOHFW Community Clinics and NGO ambulatory health care centers at District and Union level have increased from 38% in 1997 to 42% in 2015. The increase in expenditure on Ambulatory health care centers can be explained partly by the government’s initiatives in making the Community Clinics functional. In addition, there has been a structural shift in major metropolitan cities whereby qualified and specialized physicians offer their services more from outpatient health care centers than from retail drug outlets or their private chambers.

The Ministry of Health and Family Welfare (MOHFW) and Non-Profit Institute Serving Household (NPISH) are two major providers of public health programmes. In 2015, total expenditure by providers of public health programme was Taka 17 billion, with Taka 7 billion spent by the government and the rest by NGOs (**Table 20**). The percentage share of expenditure by provider of public health programmes in THE has declined significantly in the past two decades. In 1997, expenditure share of public healthcare providers was 14% of THE which is only 4% in 2015. A decline in share of provider of public health program does not imply a decrease in government spending on public health programmes. Rather, it is due to the increase in contributions from other providers like healthcare facilities and private spending on medicine.

**Table 20: Total Health Expenditure by General Providers 1997-2015 (Million Taka)**

Year	Hospitals	Providers of ambulatory health care	Providers of ancillary services	Retailers and other providers of medical goods	Providers of Public health programmes	Providers of health care system administration and financing	Rest of Economy	Total Health Expenditure (THE)
1,997	10,914	5,931	980	19,647	6,580	1,668	1,034	46,754
1,998	11,327	6,470	1,305	21,729	7,209	1,737	1,128	50,904
1,999	14,011	7,124	1,688	23,812	7,255	1,848	1,246	56,985
2,000	17,620	7,393	2,099	25,895	7,308	1,234	1,460	63,008
2,001	18,355	9,224	2,576	29,079	8,763	2,361	1,674	72,030
2,002	21,056	12,236	3,100	32,283	8,571	2,347	1,966	81,559
2,003	24,468	12,817	3,835	35,104	6,895	2,501	2,263	87,882
2,004	29,305	15,786	4,568	38,411	6,328	3,530	2,527	100,456
2,005	36,783	15,472	5,508	45,062	6,739	3,375	2,460	115,399
2,006	43,822	17,309	6,690	52,246	7,196	5,966	3,885	137,114
2,007	47,924	22,516	7,822	62,369	5,986	6,887	3,473	156,977
2,008	61,921	22,120	8,990	69,623	6,261	8,634	4,227	181,775
2,009	68,253	25,752	10,975	80,724	6,025	10,746	5,196	207,671
2,010	79,711	32,151	12,600	96,819	6,937	12,168	5,654	246,040
2,011	94,195	39,193	14,387	116,734	6,829	11,110	6,357	288,806
2,012	99,414	48,707	16,473	134,211	7,289	10,654	6,689	323,437
2,013	96,675	55,372	19,266	145,441	14,474	15,369	7,364	353,960
2,014	103,915	63,457	21,677	167,494	14,814	15,087	11,976	398,420
2,015	114,707	69,562	24,681	195,512	16,622	17,029	13,774	451,889
Row %	25.4%	15.4%	5.5%	43.3%	3.7%	3.8%	3.0%	100%

**Figure 8: THE by Providers 1997-2015**



**Table 21: Expenditure at Various Type of Hospital Service Providers 1997-2015 (Million Taka)**

Year	Gov. Teaching Hospital	Gov. District / General Hospital	Gov. Specialized Hospital	Gov. Upazila Health Facilities and Below	Private Hospital	NGO Hospital	Total Hospital Expenditure	Hospital expenditure as % of THE
1997	1,129	835	639	4,733	1,755	1,824	10,914	23%
1998	1,191	884	663	4,936	2,207	1,446	11,327	22%
1999	1,291	956	696	5,244	2,551	3,272	14,011	25%
2000	1,720	1,929	819	5,877	3,075	4,199	17,620	28%
2001	1,457	2,156	538	5,403	3,254	5,546	18,355	25%
2002	1,656	2,451	737	4,986	4,515	6,712	21,056	26%
2003	1,897	2,780	898	5,212	5,918	7,763	24,468	28%
2004	2,360	3,370	1,107	5,961	7,472	9,035	29,305	29%
2005	2,955	3,627	1,377	7,009	11,574	10,241	36,783	32%
2006	3,804	3,537	1,965	8,935	14,215	11,366	43,822	32%
2007	2,935	4,000	1,336	10,502	16,672	12,479	47,924	31%
2008	3,176	4,444	1,472	11,020	25,581	16,227	61,921	34%
2009	3,332	5,426	1,736	11,256	26,093	20,410	68,253	33%
2010	4,120	6,737	2,221	13,433	30,111	23,090	79,711	32%
2011	5,093	8,016	3,653	15,790	34,483	27,161	94,195	33%
2012	6,062	7,477	3,872	13,036	36,651	32,317	99,414	31%
2013	7,560	8,254	4,247	13,277	37,850	25,486	96,675	27%
2014	8,281	9,956	3,290	14,357	41,182	26,849	103,915	26%
2015	10,175	9,980	4,921	15,979	46,041	27,610	114,707	25%

**Table 22: Hospitals Expenditure Breakdown by Public and Private 1997-2015 (Million Taka)**

Year	Public		Private		Total Million Taka	Pub. Exp. as % of GOB exp.
	Million Taka	Row %	Million Taka	Row %		
1997	7,615	70%	3,317	30%	10,932	44%
1998	8,008	71%	3,299	29%	11,306	45%
1999	8,541	61%	5,470	39%	14,011	45%
2000	10,852	62%	6,768	38%	17,620	53%
2001	10,010	55%	8,332	45%	18,342	43%
2002	10,347	49%	10,710	51%	21,056	40%
2003	11,350	46%	13,118	54%	24,468	44%
2004	13,281	45%	16,024	55%	29,305	44%
2005	15,490	42%	21,293	58%	36,783	50%
2006	19,153	44%	24,669	56%	43,822	48%
2007	19,286	40%	28,763	60%	48,050	46%
2008	20,883	34%	41,037	66%	61,921	46%
2009	22,720	33%	45,533	67%	68,253	44%
2010	27,438	34%	52,273	66%	79,711	44%
2011	33,708	36%	60,487	64%	94,195	47%
2012	31,354	32%	68,060	68%	99,414	42%
2013	34,283	35%	62,392	65%	96,675	41%
2014	36,955	36%	66,959	64%	103,915	40%
2015	42,280	37%	72,428	63%	114,707	41%

**Table 23: Expenditure by Different Type of Ambulatory Healthcare Providers 1997-2015 (Million Taka)**

Year	Medical practices	Dental practice	Other health care practitioners	Ambulatory health care centers	Total Ambulatory health care	Ambulatory health care as % of THE
1997	2,787	60	844	2,240	5,931	12.7%
1998	3,140	72	904	2,353	6,470	12.7%
1999	3,568	87	987	2,483	7,124	12.5%
2000	4,002	103	1,073	2,215	7,393	11.7%
2001	4,361	117	1,133	3,613	9,224	12.8%
2002	4,736	132	1,190	6,178	12,236	15.0%
2003	5,346	155	1,301	6,014	12,817	14.6%
2004	5,891	177	1,383	8,335	15,786	15.7%
2005	6,647	208	1,513	7,104	15,472	13.4%
2006	7,497	238	1,880	7,695	17,309	12.6%
2007	8,691	280	2,402	11,143	22,516	14.3%
2008	10,208	334	3,120	8,458	22,120	12.2%
2009	11,328	378	3,829	10,217	25,752	12.4%
2010	12,874	434	4,778	14,065	32,151	13.1%
2011	14,912	510	6,104	17,668	39,193	13.6%
2012	17,151	596	7,750	23,210	48,707	15.1%
2013	19,405	684	9,659	25,624	55,372	15.6%
2014	21,701	780	11,975	29,001	63,457	15.9%
2015	24,608	906	14,974	29,074	69,562	15.4%

**Table 24: Expenditure by Different Type Ambulatory Healthcare Providers 1997-2015 (Million Taka)**

Year	Public		Private		Total Million Taka	Pub. Exp. as % of GOB exp.
	Million Taka	Row %	Million Taka	Row %		
1997	2,219	37%	3,713	63%	5,931	13%
1998	2,320	36%	4,150	64%	6,470	13%
1999	2,476	35%	4,648	65%	7,124	13%
2000	2,237	30%	5,156	70%	7,393	11%
2001	3,634	39%	5,589	61%	9,224	16%
2002	6,203	51%	6,033	49%	12,236	24%
2003	6,037	47%	6,780	53%	12,817	24%
2004	8,381	53%	7,405	47%	15,786	28%
2005	7,147	46%	8,324	54%	15,472	23%
2006	7,739	45%	9,571	55%	17,309	20%
2007	11,228	50%	11,288	50%	22,516	27%
2008	8,336	38%	13,784	62%	22,120	18%
2009	9,961	39%	15,791	61%	25,752	19%
2010	13,950	43%	18,201	57%	32,151	22%
2011	17,596	45%	21,598	55%	39,193	25%
2012	23,156	48%	25,551	52%	48,707	31%
2013	21,994	40%	33,379	60%	55,372	26%
2014	25,541	40%	37,916	60%	63,457	27%
2015	25,571	37%	43,992	63%	69,562	25%

**Table 25: Expenditure by Providers of Public Health Care Programme 1997-2015 (Million Taka)**

Year	GoB MoHFW public health programme	GoB non-MoHFW public health programme	NGO public health programme	Total exp. by provider of public healthcare	% of THE by provider of public healthcare providers
1997	4,836	30	1,714	6,580	14.1%
1998	4,949	35	2,225	7,209	14.2%
1999	5,018	40	2,196	7,255	12.7%
2000	5,183	13	2,112	7,308	11.6%
2001	2,554	17	6,192	8,763	12.2%
2002	1,855	90	6,626	8,571	10.5%
2003	1,881	267	4,748	6,895	7.8%
2004	3,051	207	3,071	6,328	6.3%
2005	3,181	40	3,518	6,739	5.8%
2006	3,781	45	3,370	7,196	5.2%
2007	2,513	47	3,426	5,986	3.8%
2008	5,144	52	1,065	6,261	3.4%
2009	4,502	184	1,338	6,025	2.9%
2010	5,706	91	1,140	6,937	2.8%
2011	5,158	105	1,566	6,829	2.4%
2012	5,962	58	1,269	7,289	2.3%
2013	7,528	173	6,773	14,474	4.1%
2014	6,773	319	7,722	14,814	3.7%
2015	6,829	512	9,282	16,622	3.7%

**Table 26: Expenditure by Providers of Public & Private Health Care Programme 1997-2015 (Million Taka)**

Year	Public		Private		Total Million Taka	Pub.exp as % of GOB exp.
	Million Taka	Row %	Million Taka	Row %		
1997	5,097	77%	1,483	23%	6,580	30%
1998	5,232	73%	1,977	27%	7,209	29%
1999	5,325	73%	1,930	27%	7,255	28%
2000	5,426	74%	1,882	26%	7,308	26%
2001	6,352	72%	2,410	28%	8,763	27%
2002	5,709	67%	2,862	33%	8,571	22%
2003	4,233	61%	2,662	39%	6,895	17%
2004	3,358	53%	2,971	47%	6,328	11%
2005	3,236	48%	3,503	52%	6,739	11%
2006	3,832	53%	3,364	47%	7,196	10%
2007	2,562	43%	3,424	57%	5,986	6%
2008	5,239	84%	1,022	16%	6,261	11%
2009	4,714	78%	1,311	22%	6,025	9%
2010	5,802	84%	1,135	16%	6,937	9%
2011	5,267	77%	1,562	23%	6,829	7%
2012	6,024	83%	1,265	17%	7,289	8%
2013	7,705	53%	6,769	47%	14,474	9%
2014	7,097	48%	7,717	52%	14,814	8%
2015	7,357	44%	9,265	56%	16,622	7%

## Total Health Expenditure by Functions

Healthcare goods and services produced by the healthcare providers for consumption of household is classified as healthcare function according to the System of Health Accounts 2011 (SHA 2011) guidelines. Bangladesh National Health Accounts (BNHA) boundary of functions is slightly different from the SHA 2011 as it includes expenditure on medical research, education and training. All health expenditures are categorized by core health care functions and include such activities as: curative care, rehabilitative and long-term care, medical goods, preventive care and health system and financing administration.

Disaggregation of expenditures by function shows that retail drugs and medical goods and services of curative care account for major share of THE. The share of retail drugs and medical goods and services has varied between 38% and 43% during the 1997 to 2015 period. Curative care services share of THE fluctuated between 24% to 27% in the past two decades. In 2015, total expenditure on retail drugs and medical goods and services was Taka 196 billion; it was Taka 134 billion in 2012 and Taka 45 billion in 2005. In 2015, total spending on curative care services was Taka 114 billion where 51% was on general inpatient care, 46% on general outpatient and the rest was on specialized curative care.

There has been a steady increase in inpatient curative care expenditure over the years, both in absolute terms as well as relative to outpatient curative care outlays. In 1997, inpatient curative care constituted 41% of total curative care compared to 51% in 2007 and maintaining the same share (51%) in 2015. Outpatient curative care including dental services was 55% of total curative care in 1997, which declined to 45% in 2007 and continuing similar share percentage (46%) in 2015. A cross tabulation of expenditure on curative care by public and private reveals that share of public funding over time has decreased. In 1997,

the government was spending 37% of its total health expenditure on curative care which is now around 29%. In 2015, total spending by government on curative care was Taka 30 billion while it is Taka 84 billion from the private sector (**Table 29**).

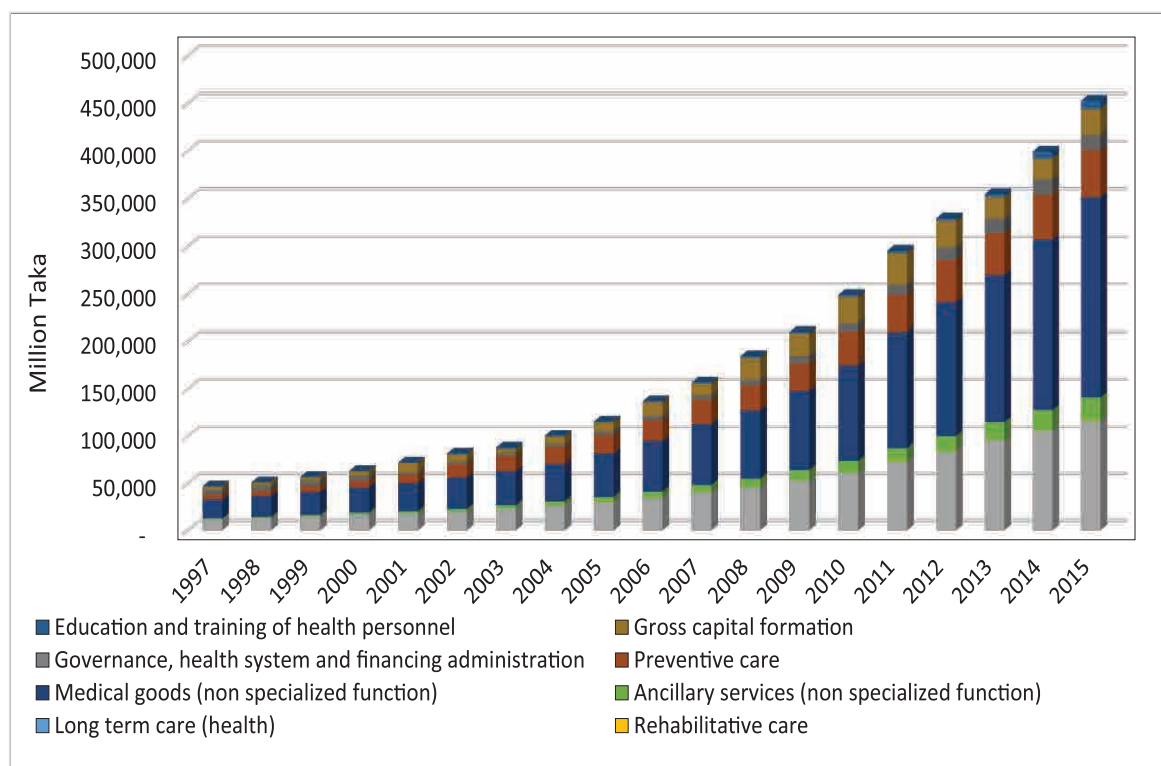
Services offered from diagnostic facilities are termed as ancillary care, and encompass activities such as laboratory testing and imaging. Expenditure share of ancillary care in THE is growing steadily. In 2015 total amount spent on ancillary service is Taka 25 billion which is around 5% of THE. Further disaggregation of ancillary service shows that an almost equal amount was spent on laboratory and imaging – Taka 12.1 billion and Taka 12.6 billion respectively. The relative share of laboratory services has declined from 62% in 1997 to 49% in 2015, except for 2009. Outpatient curative care offered primarily by public sector community clinics in rural areas show an increase in recent years.

In 2015, Taka 49 billion was spent on preventive care. Expenditure on Information, education and counseling relating to maternal and child health including immunization and family planning collectively constitute approximately 98% of preventive care. Public awareness creation on health and hygiene issues are conducted both by the government and the NGO sector. In 2015, Taka 5 billion was incurred for awareness creation (**Table 31**), which is 10% of total preventive care outlay. HIV/AIDS/STD related expenditure in 2015 was Taka 2.5 billion, which is 5% of total preventive care expenditure. Cross tabulation of preventive care expenditure by the public and private sectors show that 64% of the preventive care expenditure are covered by public funds in 2015.

**Table 27: Total Healthcare Expenditure (THE) by Healthcare Function 1997-2015 (Million Taka)**

Year	Services of curative care	Rehabilitative care	Long term care (health)	Ancillary services (non specialized function)	Medical goods (non specialized function)	Preventive care	Governance, health system and financing admin.	Outpatient and home-based TCAM	Gross capital formation	Education, Training, and Research in health	Total Health Exp. (THE)
1997	11,376	47	29	984	19,654	5,178	4,847	844	3,363	432	46,754
1998	12,582	50	31	1,309	21,736	5,169	5,127	904	3,542	454	50,904
1999	14,287	55	34	1,692	23,820	6,356	5,487	987	3,777	490	56,985
2000	16,402	81	44	2,104	25,904	7,364	5,081	1,073	4,417	538	63,008
2001	17,335	76	46	2,581	29,089	9,087	2,509	1,133	9,644	531	72,030
2002	19,386	82	53	3,105	32,294	14,147	2,560	1,190	7,867	874	81,559
2003	22,691	90	70	3,842	35,116	15,971	2,764	1,301	4,388	1,649	87,882
2004	25,717	138	76	4,575	38,425	18,312	3,136	1,383	7,840	852	100,456
2005	29,455	169	70	5,516	45,078	19,373	4,149	1,513	9,316	758	115,399
2006	34,106	144	66	6,698	52,264	21,654	4,901	1,880	14,236	1,167	137,114
2007	39,922	150	80	7,832	62,388	26,036	4,284	2,402	12,719	1,164	156,977
2008	45,177	141	87	9,001	69,644	26,597	5,800	3,120	20,361	1,848	181,775
2009	52,022	170	102	10,987	80,747	28,792	7,748	3,829	21,387	1,888	207,671
2010	60,146	215	118	12,612	96,846	34,984	8,899	4,778	25,334	2,108	246,040
2011	71,513	260	144	14,401	116,764	39,192	10,603	6,104	27,236	2,589	288,806
2012	81,916	270	159	16,488	134,243	43,853	13,065	7,750	22,965	2,728	323,437
2013	93,959	279	165	19,281	145,467	43,716	15,383	9,659	22,815	3,236	353,961
2014	104,038	289	145	21,713	167,532	47,025	16,122	11,975	21,977	7,604	398,420
2015	114,293	330	165	24,717	195,557	49,210	15,820	14,974	27,912	8,910	451,889

**Figure 9: Total Health Expenditure by Function 1997-2015**



**Table 28: Curative Care Expenditure by Inpatient and Outpatient 1997-2015**

year	General Inpatient Care		General Outpatient Care		Specialized Inpatient/Outpatient		Total curative care (Million Taka)	Curative care as % of THE
	Million Taka	Row %	Million Taka	Row %	Million Taka	Row %		
1997	4,618	41%	6,281	55%	477	4%	11,376	24%
1998	5,148	41%	6,924	55%	511	4%	12,582	25%
1999	5,801	41%	7,922	55%	563	4%	14,287	25%
2000	7,219	44%	8,524	52%	659	4%	16,402	26%
2001	7,955	46%	8,703	50%	676	4%	17,335	24%
2002	9,018	47%	9,529	49%	839	4%	19,386	24%
2003	10,683	47%	10,975	48%	1,034	5%	22,691	26%
2004	12,602	49%	12,097	47%	1,018	4%	25,717	26%
2005	15,135	51%	13,256	45%	1,064	4%	29,455	26%
2006	17,294	51%	15,588	46%	1,223	4%	34,106	25%
2007	20,432	51%	18,123	45%	1,367	3%	39,922	25%
2008	21,461	48%	22,059	49%	1,657	4%	45,177	25%
2009	24,500	47%	25,594	49%	1,927	4%	52,022	25%
2010	28,299	47%	29,627	49%	2,220	4%	60,146	24%
2011	33,472	47%	35,152	49%	2,889	4%	71,513	25%
2012	37,610	46%	41,309	50%	2,997	4%	81,916	25%
2013	46,654	50%	43,869	47%	3,436	4%	93,959	27%
2014	52,140	50%	48,235	46%	3,664	4%	104,038	26%
2015	57,773	51%	52,234	46%	4,286	4%	114,293	25%

**Table 29: Curative Care Expenditure by Public and Private 1997-2015 (Million Taka)**

Year	Public		Private		Total Million Taka	Pub. Exp. as % of GOB exp.
	Million Taka	Row %	Million Taka	Row %		
1997	6,317	56%	5,059	44%	11,376	37%
1998	6,696	53%	5,887	47%	12,582	37%
1999	7,195	50%	7,092	50%	14,287	38%
2000	8,180	50%	8,222	50%	16,402	40%
2001	7,703	44%	9,618	56%	17,321	33%
2002	8,168	42%	11,218	58%	19,386	32%
2003	8,655	38%	13,916	62%	22,571	34%
2004	8,724	34%	16,768	66%	25,492	29%
2005	9,046	31%	20,151	69%	29,197	29%
2006	10,432	31%	23,674	69%	34,106	26%
2007	11,912	30%	27,579	70%	39,491	28%
2008	12,548	28%	32,629	72%	45,177	27%
2009	14,602	28%	37,420	72%	52,022	28%
2010	17,104	28%	43,042	72%	60,146	27%
2011	21,972	31%	49,541	69%	71,513	31%
2012	24,903	30%	57,012	70%	81,916	33%
2013	26,672	28%	67,287	72%	93,959	32%
2014	27,943	27%	76,095	73%	104,038	30%
2015	29,872	26%	84,420	74%	114,293	29%

**Table 30: Ancillary Services Expenditure 1997-2015 (Million Taka)**

Year	Ancillary services as % of		
	Laboratory services	Imaging services	Total ancillary services
1997	612	372	984
1998	814	495	1,309
1999	1,052	641	1,692
2000	1,307	797	2,104
2001	1,603	977	2,581
2002	1,929	1,176	3,105
2003	2,386	1,455	3,842
2004	2,841	1,733	4,575
2005	3,401	2,115	5,516
2006	4,135	2,563	6,698
2007	4,683	3,149	7,832
2008	5,381	3,620	9,001
2009	7,439	3,548	10,987
2010	7,439	5,173	12,612
2011	8,221	6,180	14,401
2012	9,403	7,085	16,488
2013	9,770	9,511	19,281
2014	10,803	10,910	21,713
2015	12,117	12,600	24,717

**Table 31: Preventive Care Expenditure by Services 1997-2015 (Million Taka)**

Year	Maternal and child health	Family planning and counseling	HIV/AIDS/STD	Reproductive health	Awareness	All other Information, education and counseling	Breast Cancer Detection	TB and Leprosy Control	All other early diseases detection programmes	Occupational health care	Healthy condition monitoring	Prevention of communicable diseases	Epidemiological surveillance and risk and disease control	Total Preventive
1997	1,203	3,103	1	8	667	77	0	0	28	14	0	67	8	5,178
1998	626	3,416	1	8	909	81	0	0	29	16	0	73	9	5,169
1999	1,676	3,568	1	8	880	88	0	0	30	17	0	79	10	6,356
2000	1,888	4,246	1	9	872	204	0	0	32	18	0	84	10	7,364
2001	3,011	4,581	1	16	1,135	171	0	0	50	19	0	91	13	9,087
2002	5,978	5,551	48	843	1,304	272	0	0	22	20	0	100	9	14,147
2003	6,680	5,276	112	1,462	1,669	493	0	0	134	20	0	106	19	15,971
2004	6,498	8,112	864	259	2,035	257	0	64	80	19	0	111	12	18,312
2005	7,000	7,347	1,865	230	2,282	252	0	188	42	22	1	132	14	19,373
2006	8,600	8,002	1,540	77	2,178	366	0	521	151	28	22	142	26	21,654
2007	10,331	10,714	1,532	25	2,356	423	0	175	249	32	22	160	18	26,036
2008	9,850	10,119	1,346	22	2,748	461	0	908	985	11	22	105	19	26,597
2009	10,427	11,668	898	33	3,393	488	0	780	934	11	24	110	27	28,792
2010	13,748	14,011	865	22	3,783	847	0	629	881	13	38	118	31	34,984
2011	15,249	16,694	1,196	29	3,998	578	0	445	759	19	63	125	37	39,192
2012	15,300	18,908	1,082	15	4,997	2,188	8	492	675	20	0	133	35	43,853
2013	15,337	17,299	2,087	0	4,017	2,804	19	613	1,173	14	0	321	32	43,716
2014	16,468	19,249	2,503	0	4,523	2,731	29	444	668	16	0	349	44	47,025
2015	17,072	20,168	2,525	0	5,066	3,204	26	586	156	18	0	344	44	49,210
Row%	35%	41%	5%	0%	10%	7%	0%	1%	0%	0%	0%	1%	0%	100%

**Table 32: Preventive Care Expenditure by Public and Private 1997-2015 (Million Taka)**

Year	Public		Private		Total Million Taka	Pub.Exp. as % of GOB Exp.
	Million Taka	Row %	Million Taka	Row %		
1997	2,935	57%	2,243	43%	5,178	17%
1998	3,017	58%	2,151	42%	5,169	17%
1999	3,167	50%	3,189	50%	6,356	17%
2000	3,975	54%	3,388	46%	7,364	19%
2001	4,060	45%	5,027	55%	9,087	17%
2002	8,028	57%	6,119	43%	14,147	31%
2003	9,805	61%	6,166	39%	15,971	38%
2004	11,259	61%	7,053	39%	18,313	37%
2005	11,213	58%	8,160	42%	19,374	37%
2006	14,300	66%	7,354	34%	21,654	36%
2007	17,694	68%	8,343	32%	26,036	42%
2008	17,592	66%	9,005	34%	26,597	39%
2009	17,617	61%	11,175	39%	28,792	34%
2010	22,626	65%	12,358	35%	34,984	36%
2011	24,931	64%	14,260	36%	39,192	35%
2012	26,908	61%	16,946	39%	43,853	36%
2013	27,268	62%	16,449	38%	43,716	33%
2014	30,723	65%	16,302	35%	47,025	33%
2015	31,729	64%	17,481	36%	49,210	31%

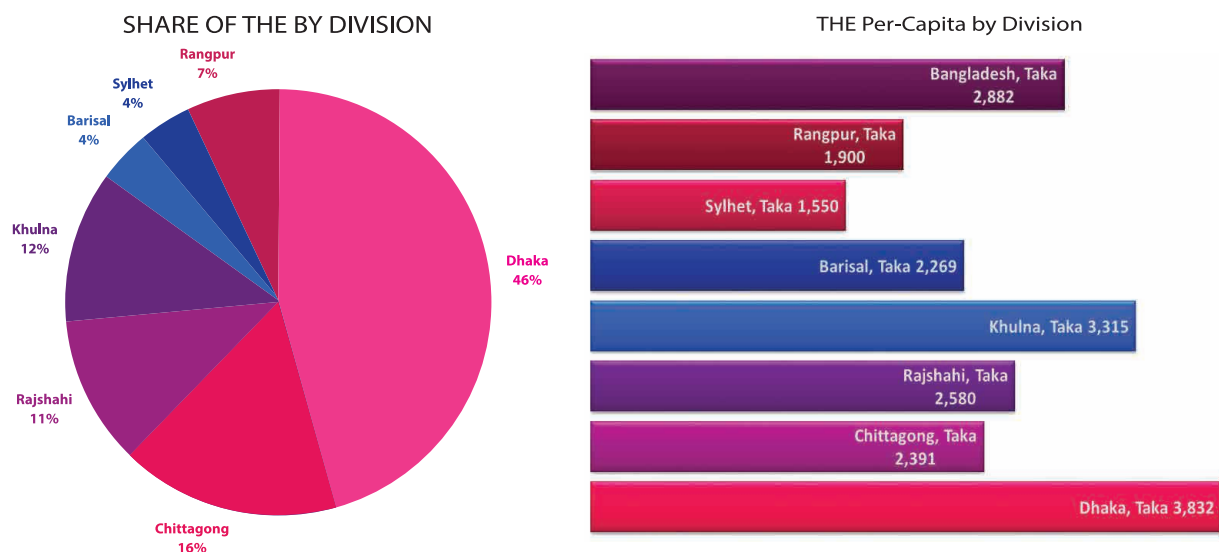
## Total Health Expenditure by Division

A breakdown of Total Healthcare Expenditure (THE) by administrative divisions show that 46% of THE is spent on Dhaka in 2015 (**Figure 10**) while it is only 16% for Chittagong, 11% in Rajshahi and 12% for Khulna. Although Dhaka division accounts of 46% of THE, further analysis of divisional expenditure reveals that the per capita THE for - Dhaka division is Taka 3,832 while it is Taka 3,315 for Khulna and Taka 2,580 for Rajshahi. The percentage distribution of healthcare spending by geographical region has not changed much between 1997 and 2015, except for Dhaka and Chittagong divisions. In 2015, health expenditure in Dhaka division was Taka 207 billion while it was Taka 75 billion for Chittagong. Dhaka's share was 39% of THE In 2007 while it was 31% in 1997. In 1997, health expenditure in Chittagong division accounted for 27%, a share that has decreased to 22% in 2007 to 17% in 2012. The

main reason for this shift is due to faster increase in private sector health spending as well as investment in Dhaka division. The relative shares are much lower in Sylhet and Barisal, and have changed little.

Public financing of healthcare expenditure shows that in 2015, Dhaka division alone received 36% of public fund followed by Rajshahi 13% and Chittagong 18%. However, a comparison by per capita healthcare expenditure shows that Khulna division received highest per capita public fund -- Taka 815 followed by Barisal Taka 769. In 2015, per capita public expenditure for Dhaka was Taka 690 which is slightly higher than national average public spending of Taka 652. Dhaka received highest per capita private spending of Taka 3,143 followed by Khulna Taka 2,499.

**Figure 10: THE and Per-Capita THE by Division 2015**



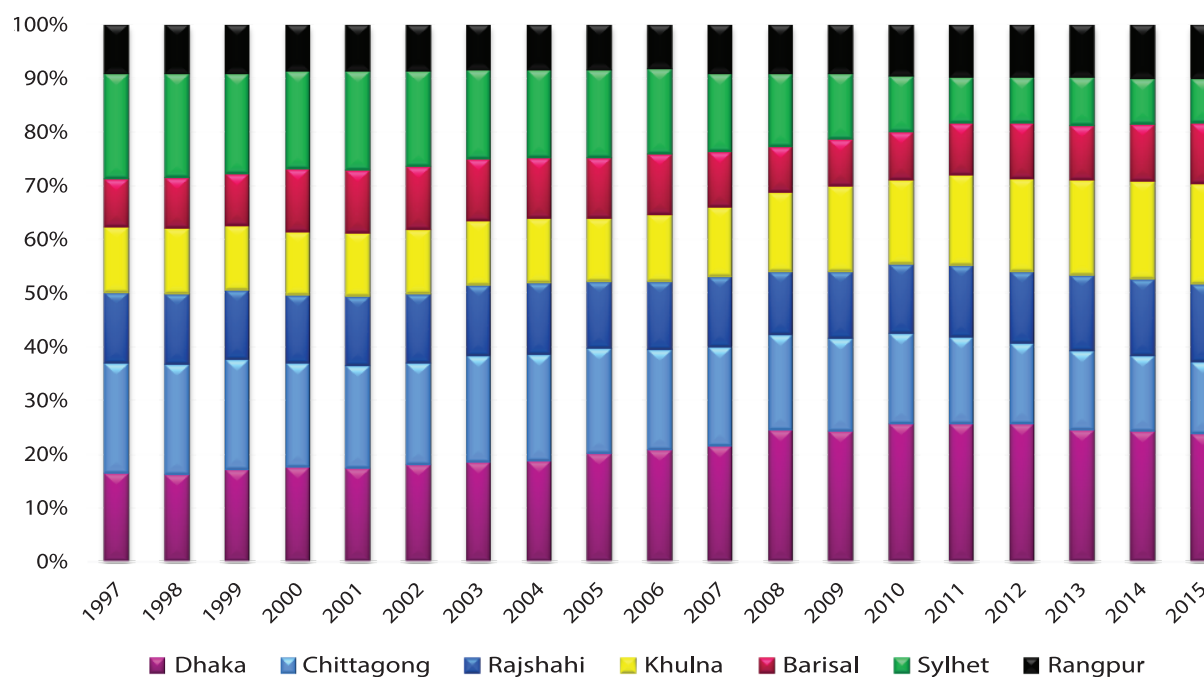
**Table 33: THE by Division 1997-2015 (Million Taka)**

Year	Dhaka	Chittagong	Rajshahi	Khulna	Barisal	Sylhet	Rangpur	Bangladesh
1997	14,721	12,541	5,940	4,688	1,976	3,640	3,248	46,754
1998	16,555	13,463	6,215	5,075	2,149	3,944	3,503	50,904
1999	19,263	14,917	6,810	5,584	2,392	4,160	3,859	56,985
2000	21,228	15,307	7,621	6,223	3,556	4,618	4,454	63,008
2001	24,234	17,201	8,754	7,096	4,108	5,534	5,103	72,030
2002	28,560	19,011	9,894	7,961	4,626	5,967	5,540	81,559
2003	30,997	21,153	10,629	8,513	4,646	6,011	5,933	87,882
2004	35,630	24,139	12,194	9,779	5,299	6,835	6,580	100,456
2005	43,520	26,929	13,106	10,639	5,972	7,645	7,587	115,399
2006	53,002	30,475	15,357	13,301	7,074	8,619	9,286	137,114
2007	61,427	34,386	17,951	15,696	7,582	9,267	10,668	156,977
2008	78,439	37,348	18,177	19,081	7,194	9,664	11,872	181,775
2009	88,104	41,219	22,097	23,327	8,279	10,195	14,451	207,671
2010	108,201	47,310	26,350	27,168	9,770	10,309	16,932	246,040
2011	128,233	53,450	31,616	32,801	11,824	10,902	19,979	288,806
2012	147,210	56,331	34,416	37,075	13,343	12,157	22,905	323,437
2013	159,978	61,081	39,585	40,165	13,981	14,218	24,952	353,960
2014	181,166	67,094	44,418	45,722	15,899	16,004	28,117	398,420
2015	206,843	74,516	50,506	51,982	18,029	17,965	32,048	451,889

**Table 34: Per-Capita THE by Division 1997-2015 (Taka)**

Year	Dhaka	Chittagong	Rajshahi	Khulna	Barisal	Sylhet	Rangpur	Bangladesh
1997	153	202	140	125	90	179	91	382
1998	422	554	377	346	261	493	252	408
1999	482	602	405	374	285	510	272	448
2000	528	614	450	414	422	562	312	492
2001	592	677	508	463	478	662	351	553
2002	686	735	564	511	529	701	375	615
2003	730	805	599	535	523	699	395	652
2004	826	905	676	605	588	783	432	734
2005	995	996	717	650	653	863	491	831
2006	1,197	1,113	829	802	764	961	593	975
2007	1,372	1,242	959	936	810	1,022	674	1,105
2008	1,738	1,330	962	1,123	762	1,053	742	1,265
2009	1,932	1,453	1,157	1,358	867	1,099	894	1,430
2010	2,346	1,649	1,364	1,564	1,012	1,099	1,035	1,675
2011	2,689	1,831	1,632	1,926	1,270	1,110	1,214	1,945
2012	2,988	1,898	1,772	2,221	1,487	1,184	1,383	2,156
2013	3,147	2,024	2,033	2,455	1,620	1,328	1,497	2,318
2014	3,457	2,188	2,275	2,854	1,918	1,436	1,677	2,575
2015	3,832	2,391	2,580	3,315	2,269	1,550	1,900	2,882

**Figure 11: THE by Division, 1997-2015**



**Table 35: Government Healthcare Expenditure by Division 1997-2015 (million Taka)**

Year	Dhaka	Chittagong	Rajshahi	Khulna	Barisal	Sylhet	Rangpur	Bangladesh
1997	4,972	4,704	2,469	1,849	755	1,204	1,187	17,139
1998	5,448	4,767	2,440	1,929	784	1,255	1,232	17,856
1999	5,893	5,022	2,569	2,033	821	1,181	1,288	18,807
2000	5,955	4,847	2,956	2,355	1,433	1,375	1,705	20,626
2001	6,941	5,213	3,339	2,631	1,642	1,745	1,973	23,485
2002	8,012	5,627	3,762	2,867	1,828	1,792	2,040	25,926
2003	7,859	5,715	3,720	2,851	1,640	1,782	2,104	25,672
2004	9,331	6,784	4,347	3,430	1,935	2,131	2,353	30,310
2005	9,873	6,709	4,263	3,329	2,006	2,121	2,478	30,779
2006	13,002	8,337	5,317	4,320	2,465	2,459	3,671	39,572
2007	13,900	8,739	5,817	4,923	2,757	2,632	3,459	42,227
2008	16,945	9,166	5,780	5,096	2,667	2,607	3,626	45,887
2009	17,795	10,160	6,771	6,124	2,991	2,985	4,829	51,655
2010	22,912	12,029	8,280	7,554	3,531	3,158	5,510	62,974
2011	25,513	13,769	9,552	8,662	4,191	3,807	6,281	71,776
2012	27,273	13,457	9,914	9,308	4,397	3,967	7,063	75,380
2013	30,965	15,114	10,912	10,287	4,821	4,381	7,636	84,117
2014	34,210	16,477	12,114	11,793	5,529	5,000	8,330	93,452
2015	37,216	18,510	13,290	12,787	6,112	5,388	9,121	102,424
Row %	36%	18%	13%	12%	6%	5%	9%	100%

**Table 36: Per-Capita Government Expenditure by Division 1997-2015 (Taka)**

Year	Dhaka	Chittagong	Rajshahi	Khulna	Barisal	Sylhet	Rangpur	Bangladesh
1997	52	76	58	49	34	59	33	140
1998	139	196	148	132	95	157	89	143
1999	147	203	153	136	98	145	91	147
2000	148	194	175	157	170	167	120	161
2001	170	205	194	172	191	209	136	180
2002	192	218	215	184	209	211	138	195
2003	185	218	209	179	185	207	140	190
2004	216	254	241	212	215	244	154	221
2005	226	248	233	203	219	240	160	221
2006	294	304	287	261	266	274	235	281
2007	310	316	311	294	295	290	219	295
2008	376	327	306	300	282	284	227	317
2009	390	358	354	357	313	322	299	354
2010	497	419	429	435	366	337	337	428
2011	535	472	493	509	450	388	382	482
2012	554	453	510	558	490	387	427	501
2013	609	501	560	629	559	409	458	547
2014	653	537	620	736	667	449	497	603
2015	690	594	679	815	769	465	541	652

**Table 37: Private Healthcare Expenditure by Division 1997-2015 (Million Taka)**

Year	Dhaka	Chittagong	Rajshahi	Khulna	Barisal	Sylhet	Rangpur	Bangladesh
1997	9,749	7,836	3,471	2,840	1,221	2,436	2,061	29,615
1998	11,107	8,696	3,775	3,145	1,365	2,689	2,271	33,048
1999	13,370	9,895	4,241	3,552	1,571	2,979	2,570	38,178
2000	15,273	10,460	4,665	3,869	2,123	3,243	2,748	42,382
2001	17,293	11,988	5,415	4,464	2,466	3,789	3,130	48,545
2002	20,547	13,385	6,132	5,094	2,798	4,176	3,500	55,633
2003	23,138	15,438	6,909	5,663	3,005	4,229	3,828	62,210
2004	26,299	17,356	7,847	6,349	3,364	4,704	4,227	70,145
2005	33,647	20,220	8,843	7,311	3,966	5,524	5,109	84,620
2006	40,000	22,139	10,040	8,980	4,609	6,160	5,614	97,543
2007	47,527	25,647	12,134	10,773	4,824	6,636	7,209	114,751
2008	61,494	28,181	12,397	13,985	4,528	7,057	8,246	135,888
2009	70,309	31,059	15,325	17,203	5,288	7,209	9,622	156,016
2010	85,289	35,282	18,070	19,613	6,239	7,151	11,422	183,066
2011	102,720	39,681	22,064	24,138	7,633	7,095	13,698	217,030
2012	119,937	42,875	24,502	27,767	8,945	8,190	15,841	248,057
2013	129,012	45,968	28,672	29,878	9,160	9,837	17,316	269,843
2014	146,957	50,617	32,304	33,929	10,370	11,004	19,788	304,969
2015	169,627	56,005	37,216	39,195	11,917	12,577	22,927	349,464
Row %	49%	16%	11%	11%	3%	4%	7%	100%

**Table 38: Per-Capita Private Healthcare Expenditure by Division 1997-2015 (Taka)**

Year	Dhaka	Chittagong	Rajshahi	Khulna	Barisal	Sylhet	Rangpur	Bangladesh
1997	101	126	82	75	55	120	58	242
1998	283	358	229	215	166	336	163	265
1999	335	399	252	238	188	365	181	299
2000	380	419	276	257	252	395	193	332
2001	422	472	314	292	287	453	216	373
2002	493	518	350	327	320	491	237	420
2003	545	588	389	356	339	492	255	462
2004	610	651	435	393	373	539	277	513
2005	770	748	484	446	434	624	331	610
2006	904	808	542	542	498	687	359	694
2007	1,062	926	648	642	515	732	456	810
2008	1,363	1,004	656	823	479	769	515	967
2009	1,542	1,095	802	1,002	554	777	595	1,093
2010	1,849	1,230	935	1,129	646	762	698	1,267
2011	2,154	1,360	1,139	1,417	820	722	832	1,508
2012	2,435	1,445	1,262	1,663	997	798	957	1,694
2013	2,538	1,523	1,472	1,827	1,061	919	1,039	1,777
2014	2,804	1,650	1,655	2,118	1,251	987	1,180	1,980
2015	3,143	1,797	1,901	2,499	1,500	1,085	1,359	2,235

## Changes in the Bangladesh National Health Accounts 1997-2015

Under each round of Bangladesh National Health Accounts (BNHA), healthcare expenditure estimates for additional years are produced and preceding years are revised. While production of new BNHA estimates for recent years has become a routine activity performed by the Health Economics Unit (HEU) of the Ministry of Health and Family Welfare (MOHFW), making revision of old estimates has also become a necessity, as it makes old estimates comparable to new estimates. Since the second round of BNHA (2001), healthcare expenditure estimates has gone through several revisions and this fifth round of BNHA is no exception to that. Revision of old estimates sometime yield completely new estimates but that does not make the old estimates incorrect; rather, it makes the new estimates more reliable and accurate. There are three major reasons that mandate revision in estimates: (1) changes in definition; (2) changes in data collection approach and methodology; and (3) having access to new reliable national level data.

For production of BNHA, two independent National Health Accounts (NHA) framework are used in defining healthcare boundaries and expenditures. The frameworks are: (1) BNHA Framework, which attempts to capture all expenditure incurred within the healthcare system of the country; (2) SHA 2011 Framework, which focuses on reporting current healthcare expenditures (CHE) following System of Health Accounts (SHA 2011). Boundaries for defining healthcare expenditure under BNHA is much aligned to SHA 1.0 classification for Total Health Expenditure as it more relevant in the national context to SHA 2011. Hence, when old estimates are made, it often reflected more under output generated using SHA 2011 than BNHA. Under the fifth round of BNHA, a few significant changes are observed due to revised estimates. It happened mainly due to changes in methodology adopted for identifying Capital

expenditure in the government expenditure database and the availability of new audited healthcare expenditure data for other ministries.

Earlier, capital expenditure made by the government in the healthcare system were identified using name of the development programme. For example, if there was a development programme entitled "Construction of 50 bed Hospital in Jessore" then the entire expenditure for this project is treated as Capital expenditure. Under the fifth round of BNHA, a new approach in identifying capital expenditure is taken due to better understanding and availability of government data. Economic classification code is used in tracking government expenditure on capital items. Application of economic code has allowed in identifying capital expenditure from every programme and project undertaken by the government. Applying this new method for identifying capital expenditure has made the capital expenditure more reliable and accurate and concurrently reduced the size of CHE.

Under the fifth round of BNHA, new audited electronic data on various fees including user fees collected from government facilities were available. The total amount reported as user fees in earlier rounds of BNHA was significantly less, and those numbers are replaced with the new audited numbers. Similarly, new figures for reimbursement made to the government employees for having treatment at the private facility was solicited. These new sets of data required adjustment in the preceding years healthcare expenditure estimates. Accordingly it is reflected in the BNHA and SHA 2011 tables produced under the fifth round of BNHA.

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**Ministry of Health and Family Welfare**  
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