

Healthcare expenditure in 2020–2022

27.07.2023

This document describes information on healthcare expenditure coming from two sources: results of the National Health Account (SHA2011), developed by Statistics Poland and expenditures on healthcare, developed by the Ministry of Health. Due to methodological differences, these data vary. The main difference¹ between those schemes is coverage of the domain of expenditure. National Health Account covers current expenditure on healthcare, both public and private, while expenditures on healthcare, in accordance with the provisions of the Act² refers only to public funds and is not limited to current expenditure and does not include local government expenditure. The information produced is also used differently: the results of the National Health Account serve mainly international comparisons and create the possibility of describing healthcare system from the perspective of total current expenditure incurred by various entities, while the information developed by the Ministry of Health serves monitoring and evaluating public funding of healthcare system.

National Health Account


21.3%

Estimated increase in current health expenditure in 2022 compared to 2021

According to preliminary estimates³, current expenditure on healthcare in 2022 amounted to PLN 205.6 billion (representing 6.7% of GDP) and was higher than in 2021 by about PLN 36.1 billion (in relation to preliminary data⁴ for 2021, which amounted to PLN 169.4 billion). The increase in expenditure has been observed for both public, as well as private expenditure.

¹ For more information on the methodology, please refer to the methodological comments at the end of the note.

² Act of 27 August 2004 on healthcare services financed from public funds Art. 131c (Journal of Laws 2021, item 1285).

³ Preliminary estimates of the National Health Account cover the total current expenditure incurred by financing agents on healthcare in the previous year and are presented in three main categories: HF.1: Public expenditure, HF.2: Private expenditure without direct household expenditure and HF.3: Direct household expenditure. The methodological justification is included in the annually uploaded file with the questionnaire called "Explanatory Notes to T-0 JHAQ" entitled: "T-0 JOINT OECD, EUROSTAT AND WHO HEALTH ACCOUNTS (SHA 2011)" in the section "Scope and approach to the T -2 data collections".

Preliminary estimates refer to 2022 data.

⁴ The results of the National Health Account for **2021** (until the publication of the official announcement of the President of Statistics Poland are treated as **preliminary data**) developed in accordance with the so-called The Joint Questionnaire (JHAQ) which covers health expenditure in four classification dimensions: financing schemes (HF), healthcare functions (HC), healthcare goods and service providers (HP) and financing system revenues (FS). Preliminary data was provided at the end of April this year to international organizations are subject to validation by an international panel of experts on national health accounts (IHAT) and are subject to change. The preliminary data for which the account was prepared (not verified by the OECD) refer to the data for 2021.

In 2022, preliminary estimates of current expenditure on healthcare amounted to PLN 205.6 billion to and was higher than in 2021 by PLN 36.1 billion, i.e. by 21.3% compared to the amount of corresponding expenditure from 2021 according to preliminary data. Current expenditure on healthcare (public and private) according to preliminary NHA estimates, accounted for 6.7% of GDP in 2022.

In 2022, current expenditure on healthcare, according to preliminary estimates, represented 6.7% of GDP

An increase in current expenditure has been observed among both public and private expenditure. Public current expenditure on healthcare amounted to PLN 154.0 billion in 2022 and was PLN 31.2 billion higher than in 2021, and their share in GDP amounted to 5.0%. Current private expenditure increased by PLN 5.0 billion and amounted to PLN 51.6 billion in 2022. The increase in private current expenditure on health was influenced, among other things, by an increase in direct household expenditure, which amounted to PLN 37.0 billion, i.e. by 3.3 billion (9.9%) more than in 2021.

Table 1. Current expenditure on healthcare and its share of GDP

SPECIFICATION		2020		2021 (preliminary data)		2022 (preliminary estimate)	
		PLN million	% GDP	PLN million	% GDP	PLN million	% GDP
Gross domestic product ^a		2 337 672	100	2 631 302	100	3 078 325	100
Methodology of SHA 2011 ^b							
HF.1+HF.2+HF.3	Total current expenditure on healthcare^c	151 873.5	6.5	169 418.4^d	6.4	205 559.1^e	6.7
HF.1	Public expenditure	109 752.7	4.7	122 767.2	4.7	153 955.9	5.0
of which:							
HF.1.1	State insurance schemes	14 939.4	0.6	25 639.3	1.0	.	.
HF.1.2	social insurance and compulsory private health insurance schemes	94 813.3	4.1	97 127.8	3.7	.	.
HF.2+HF.3	Private expenditure	42 120.8	1.8	46 651.3	1.8	51 603.2	1.7
HF.3	of which households' direct expenditure	29 668.4	1.3	33 625.3	1.3	36 958.8	1.2

^a Source: GDP data available at: <https://stat.gov.pl/en/poland-macroeconomic-indicators/> - update 20.06.2023

^b SHA 2011 – A System of Health Accounts 2011.

^c Together with private expenditure (HF.2+HF.3).

^d Preliminary data of National Health Account (methodological comment).

^e Preliminary estimate of National Health Account (methodological comment).

According to the **preliminary results of the National Health Account for 2021**, current expenditure on healthcare amounted to PLN 169.4 billion⁵, which constituted 6.4% of GDP⁶ (in 2020 – 6.5% of GDP), including current public expenditure amounted to PLN 122.8 billion for 2021, which represented 4.7% of GDP, as in 2020.

⁵ In Statistics Poland publication issued on 29.07.2022 called „Healthcare expenditure in 2019-2021”, preliminary estimates (data for 2021) of current expenditure on healthcare amounted of PLN 172 884.6 million

⁶ <https://stat.gov.pl/en/poland-macroeconomic-indicators/> - GDP (current prices): 2020 – PLN 2 337 672 million, 2021 – PLN 2 631 302 million and 2022 – PLN 3 078 325 million for 2022 (preliminary estimate).

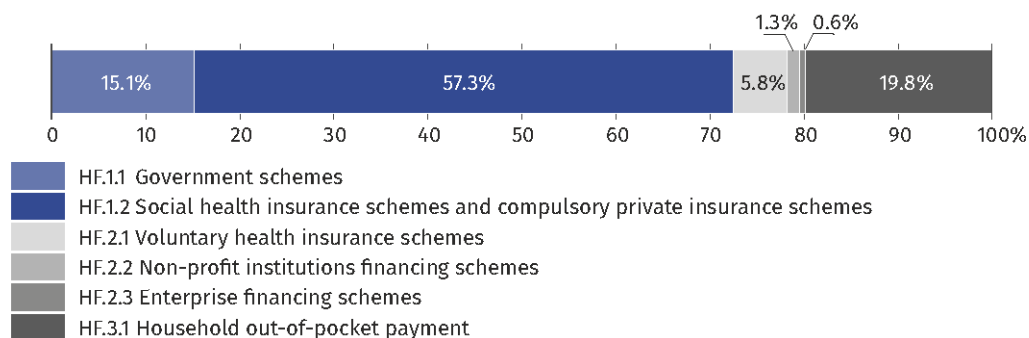
Structure of expenditure due to financing schemes of preliminary data

As the elaboration of the results of the NHA for 2022 is at the stage of preliminary estimates, a comparison of the expenditure structure is given for the period 2020–2021. For the year 2021 is given and used for comparisons of preliminary data, which are still being verified.

The structure of expenditure according to health funding schemes (ICHA-HF classification) in the National Health Account for 2021 was as follows:

- public expenditure accounted for 72.5% of current health expenditure (72.3% in 2020)
of which:
 - state insurance schemes – 15.1% (in 2020 – 9.8%)
 - social insurance and compulsory private health insurance schemes – 57.3% (in 2020 – 62.4%)
- private expenditure accounted for – 27.5% (in 2020 – 27.7%)
 - including direct household expenditure – 19.8% of total current expenditure on healthcare (in 2020 – 19.5%).

Chart 1. Preliminary data of current expenditure by financing schemes in 2021



Structure of preliminary expenditure by function of healthcare

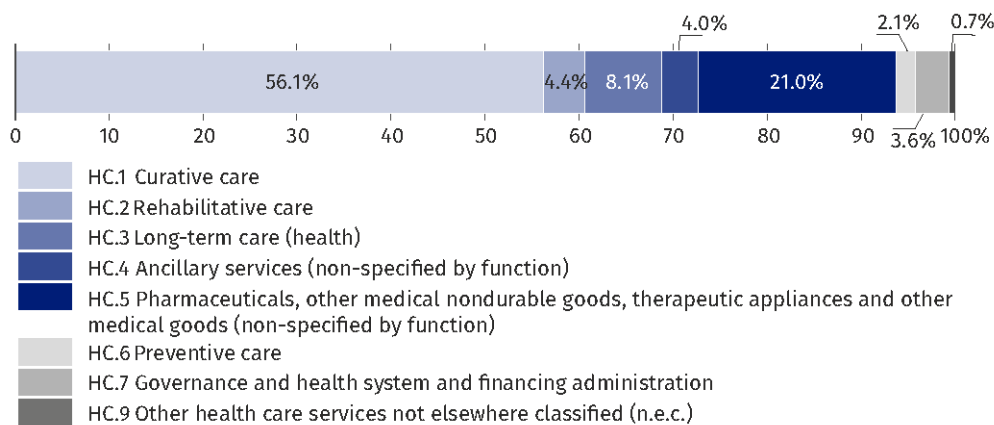
Within the Classification of healthcare Functions (ICHA-HC), the current health expenditure stream in 2021 included, inter alia:

- medical services – 56.1% (in 2020 – 58.0%)
of which:
 - hospital treatment – 30.2% (in 2020 – 30.9%)
 - outpatient treatment – 24.2% (in 2020 – 24.8%)
- medical articles, including medicines – 21.0% (in 2020 – 21.7%)
- long-term healthcare – 8.1% (in 2020 – 8.3%)
- rehabilitation services – 4.4% (in 2020 – 4.2%).

Public preliminary expenditure on health in 2021 accounted for 72.5% of current health expenditure

Expenditure on medical services accounted for the largest percentage share (56.1%) of current health expenditure in 2021

Chart 2. Preliminary data of current expenditure on healthcare by function in 2021



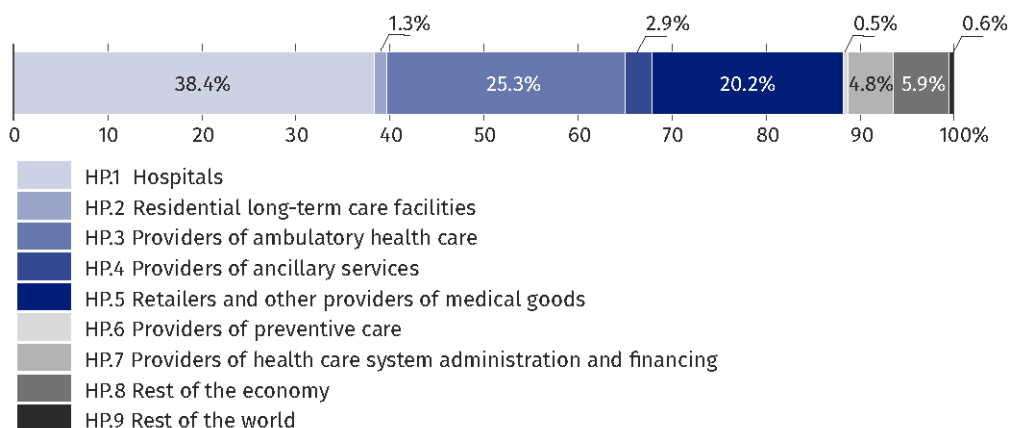
Structure of preliminary expenditure for healthcare providers

For healthcare providers (HP classification), the largest expenditure stream in 2021 went to:

- hospitals – 38.4% of current expenditure on healthcare (in 2020 – 40.4% of which to general hospitals – 29.9% (in 2020 – 30.5%))
- outpatient healthcare facilities – 25.3% (in 2020 – 25.8%)
- sellers and other suppliers of medical goods – 20.2% (in 2020 – 21.3%)
 - most of them to pharmacies, to which more than 18.0% of the total funds were transferred (in 2020 – 18.6%).

The largest stream of funds for healthcare expenses went to hospitals – 38.4%

Chart 3. Preliminary data of current expenditure by healthcare providers in 2021



The structure of preliminary expenditure by the revenues of financing schemes

In 2021, the largest contribution to healthcare funding was from compulsory health contributions classified under the ICHA-FS category FS.3: social contributions – 56.1% (in 2020 – 61.1%).

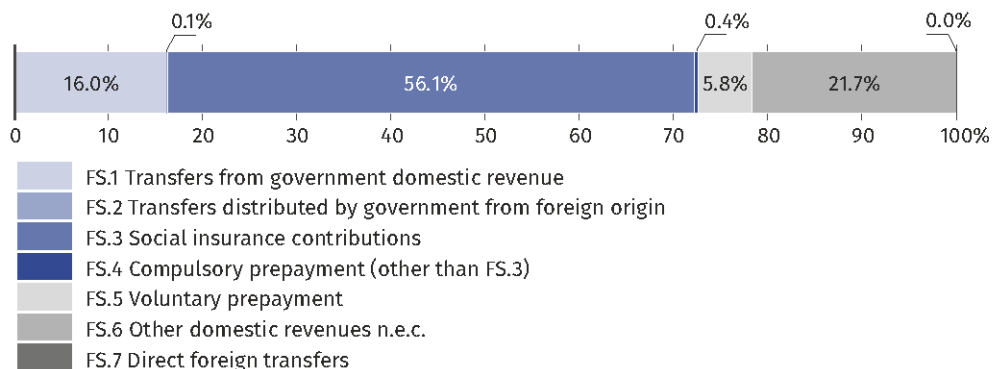
More than one-fifth (21.7%) of health expenditure was transferred to the healthcare system in the form of voluntary financial transfers by national institutional units, including households, businesses, non-profit institutions (in 2020 – 21.7%), in the graph below defined as other national revenues n.e.c.⁷

16.0% was made up of funds allocated by the general government (in 2020 – 10.8%).

⁷ n.e.c = Not Elsewhere Classified.

Smaller, but also significant share had voluntary prepayments – 5.8% (in 2020 – 5.9%). This item includes contributions to voluntary, private health insurance⁸.

Chart 4. Preliminary data of structure of expenditure due to revenues of financing schemes in 2021

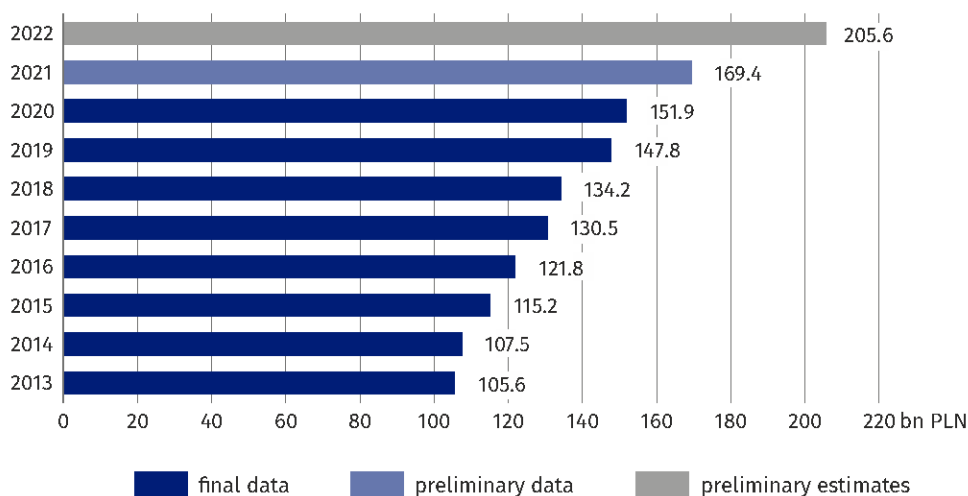


Healthcare funding was based on health contributions, which accounted for 56.1% of total revenue

Increase in expenditure in the National Health Account in 2013–2022

Between 2013 and 2022, there is a steady increase in expenditure included in the NHA. For years final results were presented for 2013–2020, preliminary results were presented for 2021 and preliminary estimates for 2022.

Chart 5. Increase of expenditure in National Health Account



⁸ Voluntary contributions are payments made by insured persons or other institutional units to insured persons in order to secure access to voluntary health insurance benefits.

Public expenditure on health in 2022⁹

 **6.9%**

Increase in public expenditure on healthcare in 2022 compared to 2021

According to Article 131c of the Act of 27 August 2004 on healthcare services financed from public funds (Journal of Laws of 2022 item 2561), measures of not less than 5.75% of GDP set out¹⁰ in the notice of the President of the Statistics Poland should be used to finance healthcare in 2022¹¹. As a result, expenditures on financing healthcare in 2022 were planned to the amount of PLN 133.6 billion, and eventually they were implemented in the amount of PLN 151.0 billion.

Pursuant to the provisions of the Budget Act for 2022 and the initial plan of the National Health Fund, funds amounting to PLN 133.6 billion were planned for this year, which in the course of the year were increased, and their final implementation amounted to PLN 151.0 billion (including PLN 5.5 billion from the COVID-19, COVID-19 Counteracting Fund¹² and PLN 0.6 billion from the Aid Fund¹³ transferred to the National Health Account), which represents 6.50% of GDP (from year N-2)¹⁴. It should be emphasized that in 2022 these funds were about PLN 9.7 billion higher (6.9%) than the expenditures allocated to healthcare in 2021.

Compared to 2021, there was an increase in expenditure on healthcare by PLN 9.7 billion, i.e. by 6.9%

Table 2. Public expenditure on healthcare and share in GDP of year N^a, i.e. current year and year N-2, i.e. according to the Act

Year	GDP N-2 according to the act ^b	GDP for current year (N) ^c	Plan ^b		Execution		
	in billion PLN		% GDP N-2	in billion PLN	% GDP N-2 ^b	% GDP N ^c	
2021	2 273.6	2 622.2	120.5	5.30	141.3	6.22	5.39
2022	2 323.9	3 078.3	133.6	5.75	151.0	6.50	4.91

^a The letter N indicates the year to which the data on health expenditure refer (Plan and Execution).

^b In accordance to art. 131c paragraph 2 of the Act on healthcare services financed from public funds, for 2021 expenditure, the benchmark is 2019 GDP 2019 and 2022 for 2020.

⁹ The chapter was developed by the Ministry of Health in cooperation with Statistics Poland on the basis of data from the Ministry of Health.

¹⁰ The catalogue of measures is set out in Article 131c(3) of Act on health care services financed from public funds.

¹¹ The value specified in the notice of the President of Statistics Poland referred to in Article 5 of the Act of 26 October 2000 on the method of calculating the value of the annual gross domestic product, as at 31 August 2021.

¹² The COVID-19 Anti-Action Fund referred to in Article 65(1) of the Act of 31 March 2020 amending the Act on special solutions related to the prevention, prevention and eradication of COVID-19, other infectious diseases and crisis situations caused by them and certain other acts (Journal of Laws item 568, as amended).

¹³ The Aid Fund referred to in Article 14(1) Act of 12 March 2022 on assistance to Ukrainian citizens in connection with the armed conflict on the territory of that country (Journal of Laws of 2022, item 583, as amended).

¹⁴ Current year was marked by the letter N, and N-2 means year prior to N by 2 years. In accordance with Article 131c(2) of the Public-funded healthcare Services Act, for 2021 expenditure the reference point is GDP from 2019 and for 2022–2020.

^c According GDP data. Source: Statistics Poland GDP data available on the website: <https://stat.gov.pl/en/poland-macroeconomic-indicators/> – update 20.04.2023.

Structure of expenditure arising from the Act

A breakdown of expenditure on health protection according to the categories resulting from the Act is presented in Table 3.

Table 3. Structure of expenditure on health protection according to the categories resulting from the Act

LP.	Categories by law	2021			2022		
		plan ^a	execution		plan ^a	execution	
		in million PLN	in million PLN	%	in million PLN	in million PLN	%
I	Budgetary expenditure in the part of the state budget managed by the minister responsible for health	11 905	15 979	11.3	14 917	15 522	10.3
II	Expenditure of the European funds in the "healthcare" section	574	810	0.6	1 598	592	0.4
III	Budget expenditures in the "health care" section in other parts of the state budget	10 306	6 075	4.3	8 433	7 256	4.8
IV	Costs of the National Health Fund included in the Fund's financial plan excluding planned transfers of funds received from sources referred to in other categories	97 428	118107 ^b	83.6	108 335	127317 ^c	84.3
V	The cost of the Medical Studies Loan Fund included in the Fund's financial plan	0	0	0.0	0	0	0.0
VI	Costs included in the financial plan of the Immunities Compensation Fund, excluding funds from the State budget paid in the financial year	0	0	0.0	0	4	0.0
VII	Costs included in the financial plan of the Gambling Fund	26	20	0.0	23	18	0.0
VIII	Costs of implementing government programmes, referred to in Article 7(1) Act of 23 October 2018 on the Solidarity Fund for the Support of Persons with Disabilities in the field of health support for persons with disabilities	0	41	0.0	0	0	0.0
IX	Copy to the Agency for the Assessment of Medical Technology and Tariffs in question in Article 31t(5-9) Acts included in the Fund's financial plan	0	0	0.0	0	0	0.0
X	A copy to the Medical Research Agency, referred to in Article 97(3e), apprehended in the Fund's financial plan	286	286	0.2	323	323	0.2
	Total^d	120 525	141 318	100	133 629	151 032	100

^a According to the budget act.

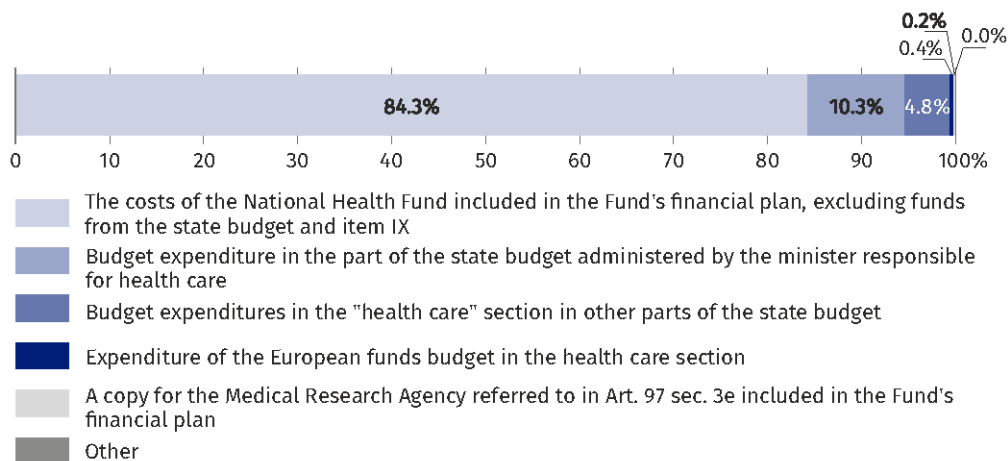
^b Including PLN 23 743 million which came from the COVID-19 Counteracting Fund.

^c Including PLN 5 539 million which came from the COVID-19 Counteracting Fund, and PLN 604 million which came from the Aid Fund.

^d Column sums have not been rounded.

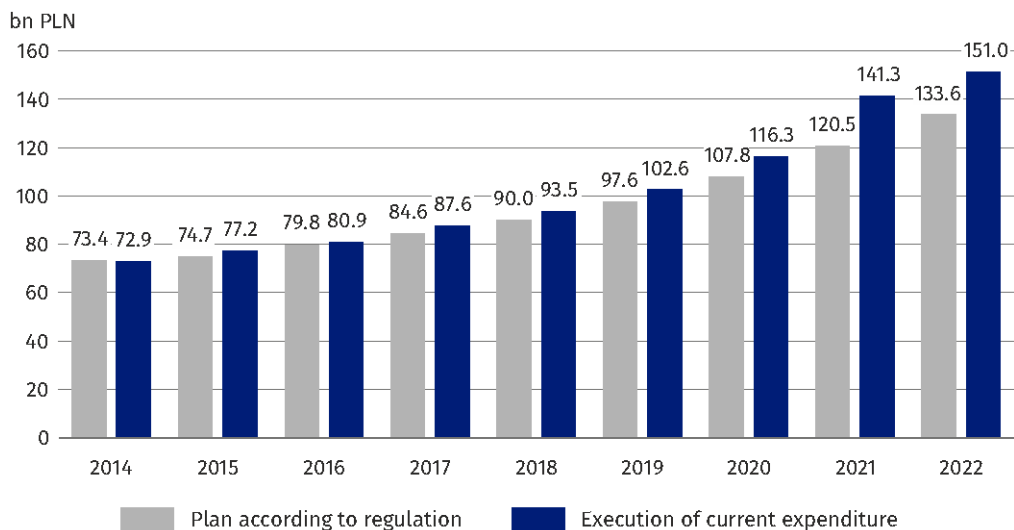
In the structure of these expenditures, the main items relate to the costs included in the financial plan of the National Health Fund (point IV of Table 3) and expenditure of the State budget, included in Part 46 – Health (point I of Table 3) and in the healthcare section in other budgetary parts (point III of Table 3).

Chart 6. Share of expenditures in healthcare expenditures by categories resulting from the Act in 2022



In the years 2014–2022, we can see a steady increase in healthcare expenditure. This applies to both annual spending plans according to the Act and their implementation, which was almost always larger than the plan, with the exception of 2014. Between 2014 and 2022, expenditure on healthcare as planned increased by 82.0%, while, according to implementation, they increased by 107.1%. The largest annual increase in healthcare expenditures in this period was recorded in 2021 – by 21.5%.

Chart 7. Increased spending on healthcare



Summary

Regardless of the methodology adopted – according to the National Health Account or in accordance with the provisions of Article 131c of the Act of 27 August 2004 on healthcare services financed from public funds – in the years 2014–2022 there was a significant increase in the amount of expenditure on healthcare.

Figures for 2022 indicate that public expenditure has reached 6.50% of GDP¹⁵ and current public and private health expenditure¹⁶ included in the National Health Account is at 6.7% of GDP.

The time series of public spending on healthcare indicates an increase of more than 100% between 2014 and 2022. Similarly, between 2014 and 2022, current public and private expenditure on healthcare, according to the NHA, increased by more than 91%.

¹⁵ According to the statutory methodology of GDP for the year N-2.

¹⁶ According to the NHA, preliminary estimates for 2022 for GDP of the same year.

Methodological commentary

1. Method for estimating the National Health Account

The system of health accounts is an international tool for analyzing health expenditure, which captures them in a comprehensive manner, ensuring comparability between countries. National Health Accounts provide a systematic description of financial flows related to the consumption of healthcare goods and services. Their aim is to describe the healthcare system from a spending perspective. Due to the lengthy, multi-month process of preparation and verification of final data, they are preceded by preliminary data and preliminary estimates between which significant differences may occur.

For several years, these accounts have been drawn up according to the SHA 2011 methodology¹⁷, according to which information on healthcare expenditure is transmitted to three international organizations (OECD, WHO, Eurostat) – in 2015 (data for 2013) on the basis of the Gentlemen's Agreement, and since 2016 in accordance with the Commission Regulation (EU) 2015 and from 2021 on the basis of the new Commission Regulation (EU) 2021/1901¹⁸.

The National Health Account is drawn up every year for the year T-2. The account is compiled according to the International Classification for Health Accounts (ICHA) and is included in four tables (HCxHF, HPxHF, HCxHP and HFxFS), which are transmitted, including preliminary estimates and methodological notes, to the OECD, Eurostat and WHO.

Expenditure classifying variables are: HF (financing schemes), HC (healthcare functions) and HP (healthcare providers). The additional variable FS contains information on the revenues of financing schemes (HF).

The final results of the National Health Account for the year T-2 are supplemented annually by preliminary data for the year T-2 and preliminary estimates of funding schemes for the year T-1.

Sources of information for the NHA on public expenditure (HF.1), which consist of Government schemes, Social health insurance schemes and Compulsory private insurance schemes are, among others, the administrative schemes of institutions called financing agents (FA), i.e. Ministry of Health, National Health Fund, Social Insurance Institution, Agricultural Social Insurance Fund, Ministry of Interior and Administration, Ministry of National Defense, Ministry of Justice, Ministry of Family and Social Policy. Estimates of private expenditure (HF.2 and HF.3) use data from the Polish Financial Supervision Authority, National Health Fund, Social Insurance Institution and Agricultural Social Insurance Fund, as well as the results of other surveys carried out within the framework of the programme of statistical surveys of official statistics such as non-profit institutions, the survey of household budgets and other available sources of information.

It should be borne in mind that health schemes around the world are evolving, often subject to complex organizational changes, and funding schemes are changing, which requires systematic adaptation to those changes in health accounts, which are supervised

¹⁷ Until 2014, the National Health Account was drawn up on the basis of the SHA 1.0 methodology and forwarded to the OECD, Eurostat and the WHO based on the Gentlemen's Agreement. The establishment process of SHA 2011 began in 2007 as part of a collaboration between experts from the OECD, WHO and Eurostat, working under the common name of the International Health Accounts Team (IHAT). The Handbook prepared by the Team was the subject of detailed and extensive consultations aimed at gathering the views of international experts and international organisations from around the world. Statistics Poland representatives actively participated in the work on the new SHA methodology during the next stages of its development. Since 2015 – data for 2013 according to the Commission Regulation, the National Health Account has been developed according to the methodology of SHA 2011 – A System of Health Accounts 2011.

¹⁸ Commission Regulation (EU) 2021/1901 of 29 October 2021 implementing Regulation (EC) No 1338/2008 of the European Parliament and of the Council as regards statistics on healthcare expenditure and its financing.

internationally by a complex panel of experts. from representatives: Eurostat, OECD and WHO – IHAT (International Health Account Team). Therefore, every year, the so-called "validation process", which aims to eliminate any inconsistencies that could jeopardize the comparability of data between countries. Countries are making changes to their previously developed accounts to bring the data to the best possible international comparability.

Current expenditure on healthcare, refers to the currently valid GDP¹⁹ value and they refer to the GDP value of the same year.

2. Method for estimating public spending on healthcare²⁰

The methodology for calculating healthcare expenditures by the Ministry of Health is strictly defined in Article 131c of the Act on healthcare benefits financed from public funds of 27 August 2004 (Journal of Laws of 2021, item 1285) and is not related to the SHA 2011 methodology, according to which the National Health Account is developed.

Pursuant to the provisions of the Act, there shall be appropriated annually for financing of healthcare an amount not less than 7% of the gross domestic product, provided that the amount of funds appropriated for the financing of healthcare from 2019 and 2026, shall not be less than:

- 1) 4.86% of gross domestic product in 2019
- 2) 5.03% of gross domestic product in 2020
- 3) 5.30% of gross domestic product in 2021
- 4) 5.75% of gross domestic product in 2022
- 5) 6.00% of gross domestic product in 2023
- 6) 6.20% of gross domestic product in 2024
- 7) 6.50% of gross domestic product in 2025
- 8) 6.80% of gross domestic product in 2026.

These limits, in accordance with paragraph 4 of Article 131c of this Act, are taken into account by the Council of Ministers in draft budget laws or draft laws on budget provisions.

The reference point for the value of the gross domestic product is indicated in Article 131c(2) of the Act, according to which the value of gross domestic product is determined on the basis of the value specified in the announcement of the President of Statistics Poland issued pursuant to Article 5 of the Act of 26 October 2000 on the method of calculating the value of annual gross domestic product as at 31 August. This announcement is issued by May 15 of a given year for the previous year. Thus, when planning outlays on healthcare for the following year, in accordance with the Act, the Council of Ministers, in draft budget laws or draft laws on budget provision, takes into account the value of GDP which is available for year N-2 in relation to years N to which the budget law refers. In addition, the Act on healthcare services financed from public funds, also defines a strict catalog of expenses or costs that are included in healthcare outlays.

This catalog includes:

- 1) budgetary expenditure in the part of the state budget managed by the minister responsible for health;
- 2) budget expenditure in the "healthcare" heading in other parts of the state budget;

¹⁹ Data on the value of GDP may change, in accordance with the revision policy applied in the national accounts.

²⁰ Material developed by the Ministry of Health.

- 3) the costs of the National Health Fund included in the Fund's financial plan excluding funds from the Medical Fund transferred to the Fund;
 - 4) the estreat for the Agency for Health Technology Assessment and Tarification, referred to in Article 31t(5-9), included in the financial plan of the Fund;
 - 5) costs of the Medical Studies Loan Fund included in the financial plan of this The Fund;
 - 6) costs included in the financial plan of the Gambling Fund, referred to in Article 88 of the Gambling Act of 19 November 2009;
 - 7) a copy for the Medical Research Agency referred to in Article 97(3e), included in the plan the Financial Fund;
 - 8) costs included in the financial plan of the Immunisation Compensation Fund, referred to in Article 17b(1) of the Act of 5 December 2008 on the prevention and control of infections and infectious diseases in humans;
 - 9) costs included in the annual financial plan of the Clinical Research Compensation Fund referred to in Article 41(5) of the Act of 9 March 2023 on clinical trials of medicinal products for human use (Journal of Laws, item 605);
- excluding planned transfers of funds received from sources, referred to in points 1 to 9.







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Related information

[Health and healthcare in 2021](#)

[Announcement of the President of the Central Statistical Office on the 2020 NRZ](#)

[Manual of SHA2011](#)

Data available in databases

[OECD database](#)

Terms used in official statistics

[In-patient healthcare](#)

[Hospital](#)

[Healthcare facility](#)

[Health](#)