

Post graduate course 2025

HEALTH MACROECONOMICS



HEALTH EXPENDITURE



Capital & recurrent expenditures on activities whose primary intentions is to improve health.

- → Recurrent: drugs, supplies, salaries...etc.
- → Non-recurrent: buildings, equipment.

Costs of providing health care are considerable, & growing at a rapidly increasing rate.

NHE in Iraq will continue to increase even without new technologies (World Bank).

PRACTICAL: US NATIONAL HEALTH EXPENDITURE WHAT DO YOU CONCLUDE?

Year	NHE \$billion	NHE % GDP	
1960	27	5%	
1990	696	12%	
2000	1310	13%	
2001	1425	14%	

Gross Domestic Product (GDP): market value of final goods & services produced within the border of a country in a year اجمالي الناتج المحلي

PRACTICAL



Health care sector is large & growing portion of our economy.

What are the effects of increase share of GDP spent on health, on health services?

HEALTH EXPENDITURE PROBLEMS

Financing increases as health improves:

- → Increase aged population
- → Development of medical technology
- → Complexity of institutional structure.
- → Services un-coordination (duplication, gaps
- → Increased public demands.

In addition we have constant country needs:

Developing: Epidemics, malnutrition & sanitation.

Developed: Geriatrics, accidents & pollution.

HEALTH MACRO ECONOMICS

How much GDP devoted to health?

→ (Usual 3-10 %)



- → Resources allocated by economists.
- → Health programs are usually long
- → Development needs costly equipments.
- → Non-health investments readily seen.
- → Health Planners are not economists.



ECONOMIC DEVELOPMENT IMPACT ON HEALTH



Reduction in mortality was achieved even before the discovery of specific therapies through -> nutrition, environmental sanitation & housing



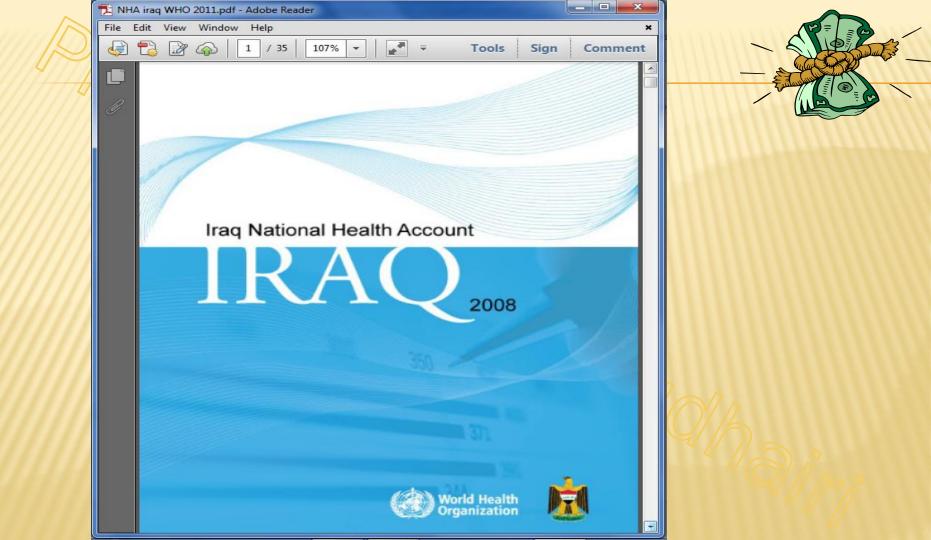
HEALTH IMPACT ON ECONOMIC DEVELOPMENT



→ Improve childhood survival into adulthood.

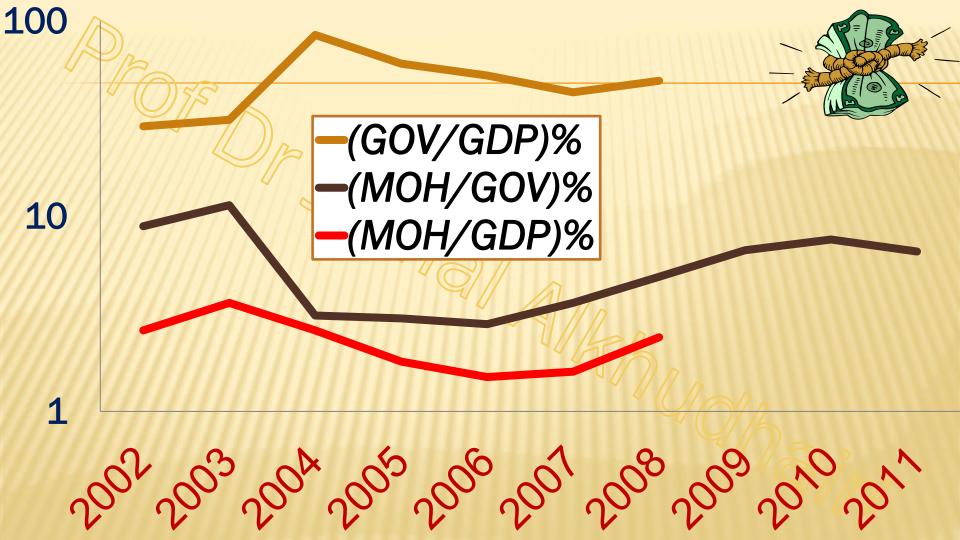
YDR = pop < 15 / pop (15-65) %

- →IMR is highly correlated with Per-capita GNP
- → Increase life expectancy of labor force.
- →Increasing fitness, & reducing absenteeism.
- → Utilization previously disease-ridden areas



REGIONAL COMPARISON OF HEALTH EXPENDITURES (NHE) AS A % OF GDP

Countryregion	Per capita GDP, 2008	Health expenditure	
	(US\$)	% of GDP	(per capita US\$)
Regional average	221	6.0	
Djibouti	953	8.5	81
Egypt	2313	4.8	111
Iraq	4208	3.3	137
Iran, Islamic Republic of	4667	6.3	294
Jordan	3000	9.1	273
Lebanon	6261	8.8	551
Morocco	2509	5.3	133
Tunisia	3550	6.0	213
Sudan	1545	5.6	111
Syrian Arab Republic	1689	4.5	76







We both do want

best patient care

It's a responsibility

we all do share.