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Report on National Health Accounts 2020

Prishtina,

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Foreword

National Health Accounts constitute a process whereby countries monitor the flow of money in their health sector, looking at different perspectives of health financing. The World Health Organization is coordinating efforts at the global level to carry out such assessments for each country.

National Health Accounts provide basic information to the development of data-driven analysis and policy formulation, enabling an understanding of the resources and use of all funds (public, private and donor contributions) in the health sector.

National Health Accounts must be useful for the Ministry of Health and other stakeholders in understanding the dynamics of health expenditures in the country and improving the overall regulation of the health sector. Such information, accompanied with quality improvements and access to other health statistics, should form the basis for monitoring the health system performance.

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List of abbreviations

| | |
|-------|--|
| MoH | Ministry of Health of the Republic of Kosovo |
| HUCSK | Hospital and University Clinical Service of Kosovo |

| | |
|------|---|
| WHO | World Health Organization |
| HAPT | Health Accounts Production Tool |
| KAS | Kosovo Agency of Statistics |
| PHC | Primary Health Care |
| SHC | Secondary Health Care |
| THC | Tertiary Health Care |
| WB | World Bank |
| CBK | Central Bank of Kosovo |
| MFMC | Main Family Medicine Center |
| FMC | Family Medicine Center |
| FMA | Family Medicine Ambulance |
| MoJ | Ministry of Justice |
| MIA | Ministry of Internal Affairs |
| HIF | Health Insurance Fund |
| GDP | Gross Domestic Product |
| NA | National Accounts |
| HBS | Household Budget Survey |
| FS | Revenues of Health Care Financing Schemes |
| HS | Financing Schemes |
| HP | Health Care Providers |
| HC | Health Care Functions |
| HK | Capital Account |

1. Introduction

This document aims to summarize all health expenditures, including health expenditures of the public and private sectors, and all donations during 2020, and feed them in the relevant software designed by the WHO, in order to reflect as clearly as possible the health sector funding in the country.

The document was compiled by the Interdepartmental Commission for the reporting of National Health Accounts:

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- Mrs. Vjosa Kalaja, Ministry of Health;
- Mr. Ragip Hyseni, Ministry of Health and
- Mrs. Kosovare Murseli, Ministry of Health.

The Commission in question drafted this report with the assistance and cooperation of the WHO Office in the Republic of Kosovo and with the expertise of WHO consultants. The Health Accounts Production Tool (HAPT) software, the default WHO module for all reporting countries, was used to develop the Report. Unless otherwise specified in the table, all amounts used in this report are in *EUR* currency.

The Report intends to give detailed information on public and private health expenditures for citizens of the Republic of Kosovo and beyond, as well as information on the Kosovo health system in general, including the services it provides, as well as data on human resources in the health system.

This report's specific objective is to use the HAPT software to align our method of reporting expenditures with that of the WHO. See the footnote in this phrase for further information on this reporting method (WHO health accounts system).¹

¹ Health Accounts System according to WHO:

https://score.tools.who.int/fileadmin/uploads/score/Documents/Optimize_Health_Service_Data/SHA2011/System%20of%20Health%20Accounts_2017.pdf

2. Methodology

Despite persisting issues with the development of appropriate professional capacities, the Kosovo health financing analysis has continued with the preparation and drafting of the Report on National Health Accounts for 2020 using the following methodology:

For the drafting of this Report, various sources of data were used, such as the Reports on the Department of Budget and Finance of the Ministry of Health, Reports on donations from the Department of European Integration and Policy Coordination of the Ministry of Health, Reports of the Treasury of the Ministry of Finances on budgets of MoH, HIF, HUCSK and Municipalities; Macroeconomic reports of the Ministry of Finance, data of the Kosovo Agency of Statistics, data on health expenditures of other departments, data of the Central Bank of Kosovo, etc.

It was decided to use the Household Expenditure Survey, a survey that the Kosovo Agency of Statistics conducts on a periodic basis, as the most suitable data source for the private sector. The only expenditures that were estimated using assumptions were those coming from the private sector, sometimes known as out-of-pocket payments. All other expenditures, unlike out-of-pocket payments, are current.

The following methodology was used to estimate these expenditures: the percentage of household expenditures health on health to total household expenditures (obtained from the Household Expenditure Survey - from the Kosovo Agency of Statistics) was multiplied by the nominal value of private consumption (or final consumption of households) obtained from the National Accounts published by the Kosovo Agency of Statistics. For more information see the formula below.

$$\begin{aligned}
 & \textit{Out - of - pocket payments} \\
 &= \frac{\textit{Household expenditures on health}}{\textit{Total household expenditures}} \\
 & \times \textit{Nominal value of private consumption}
 \end{aligned}$$

Also, specific expenditure in the category of out-of-pocket payments have been divided based on disaggregated data obtained again from the Kosovo Agency of Statistics. This assessment is based on the methodology developed by the consultants engaged by the WHO to provide technical assistance to the Ministry of Health in Kosovo.

There are two restrictions or, more accurately, clarifications to this methodology:

- a) As previously indicated, estimation of out-of-pocket payments is a projection because, unlike other expenditures, which are based on current data, out-of-

pocket payments are based on rounded data (with no decimal point), where each extra figure might drastically alter the total amount.

- b) This point relates to out-of-pocket payments once more, especially the fact that the data from the Households Expenditure Survey 2017 - from the Kosovo Statistics Agency were used in 2020. It should be noted that it rarely happens that the structure of expenditures changes substantially over the years. A special exception is made for years when public health is subject to drastic changes, as in the case of the COVID-19 pandemic, which started at the beginning of 2020 and continued into the following year and made it impossible to record out-of-pocket household payments, which are supposed to be significant compared with previous years.

It is worth noting that not only Kosovo, but many other countries do not conduct the Household Expenditure Survey on annual basis.

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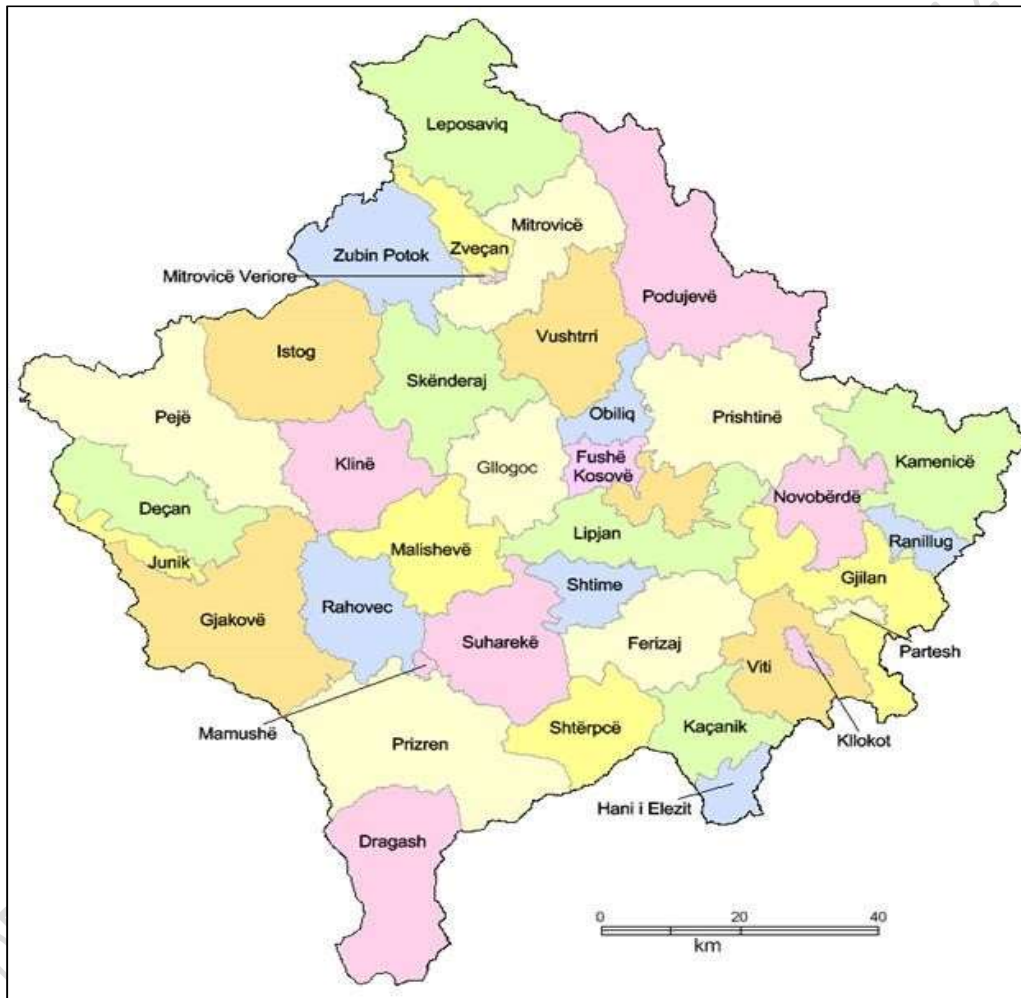
3. Kosovo demographics

The Republic of Kosovo has a surface area of 10 905.25 km². It is located in the south-eastern part of Europe, bordered by Albania in the south-west, Montenegro in the north-west, Serbia in the north-east and Macedonia in the south.

Administrative division of Kosovo

Currently in Kosovo there are 38 municipalities with 1,469 settlements organized according to the laws of the country (KAS, Kosovo in Figures 2020).

Figure 1. -Administrative division of Kosovo.



The total resident population in 2019 was 1,782,115. The average age was estimated to be 30.2 years. The percentage of the population living in rural areas is 61.7%. The percentage of the population living in urban areas is 38.3% (2011). The population density was 163.42 inhabitants per km² (December 31, 2019). The average life

expectancy in Kosovo is estimated to be 76.7 years, for men 74.1 years, and for women 79.4 years.

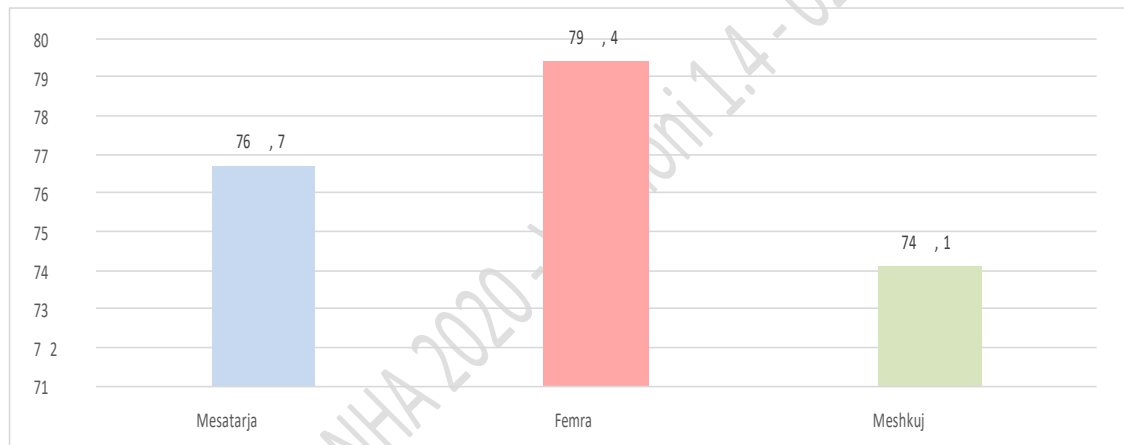
The resident population of Kosovo, for the period January 01-December 31, 2020, increased by 16,071 inhabitants, and is 1,798,186 (KAS, 2020).

Table.1 - Population by age groups

| Age | Share in % |
|-------------------|------------|
| 0 - 14 years old | 24% |
| 15 - 64 years old | 67% |
| 65 and older | 9% |

Source: KAS, Population Estimation, 2020

Figure 2. -Life expectancy at birth – 2011 (KAS, 2021)



Population Pyramid

The population pyramid presents the population structure by the year of census, age and sex. Until the last census of 2011, results were presented based on the concept of residential and non-residential population, while the census of 2011 did not include the population living outside Kosovo for more than 12 months. It should also be noted that the population census did not cover the following municipalities: North Mitrovica, Zvecan, Zubin Potok and Leposaviq. In 2011, the Municipality of Mitrovica was not divided into the municipality of South and North, but the population of the northern part did not participate in the census. Therefore, due to the change in methodology, we have a disproportion with the total number of the population compared to previous years.

Figure 3- Population pyramid - 2020 (KAS, 2020)

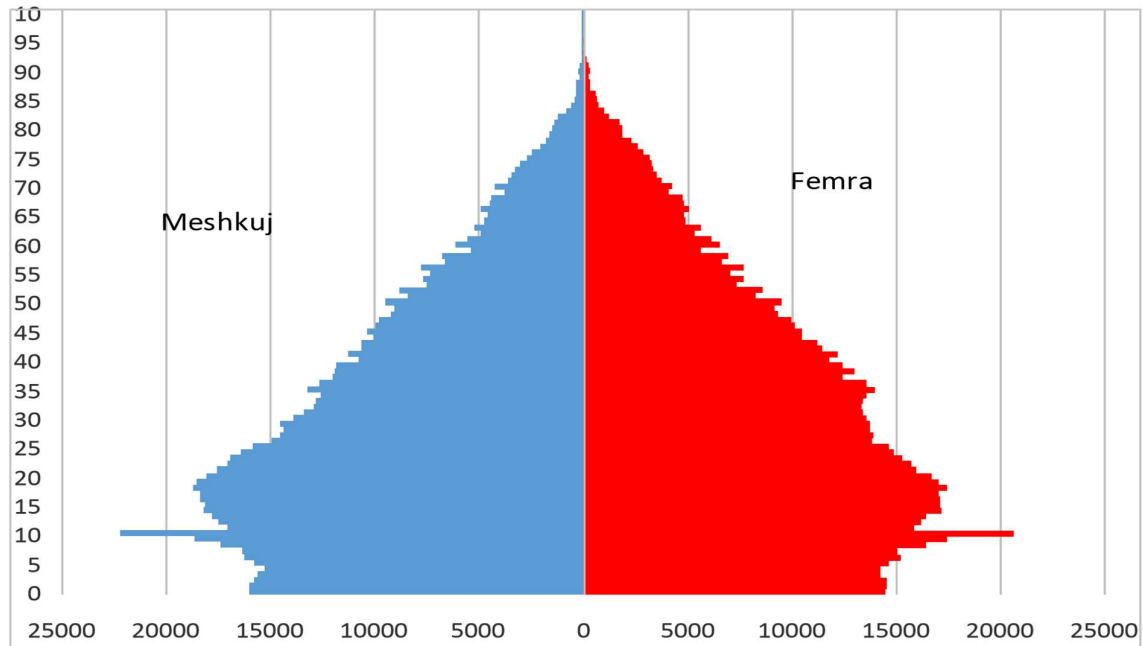


Table 2.- Total estimated population of Kosovo for 2020

| No. | Municipality | Total estimated population (31 December 2019) | Natural increase (2020) | Balance of migrations (2020) | Total increase for 2020 | Total estimated population of Kosovo for 2020 (31 December 2020) |
|-----|-----------------|---|-------------------------|------------------------------|-------------------------|--|
| 1 | Deçan | 42.244 | 261 | -25 | 236 | 42.480 |
| 2 | Gjakova | 93.740 | 470 | 124 | 594 | 94.334 |
| 3 | Glllogoc | 60.525 | 687 | -67 | 620 | 61.145 |
| 4 | Gjilan | 76.271 | 428 | 446 | 874 | 77.145 |
| 5 | Dragash | 33.983 | -2 | -34 | -36 | 33.947 |
| 6 | Istog | 40.923 | 226 | 32 | 258 | 41.181 |
| 7 | Kacanik | 34.420 | 332 | -80 | 252 | 34.672 |
| 8 | Klina | 40.076 | 403 | 11 | 414 | 40.490 |
| 9 | Fushe Kosove | 38.960 | 408 | 580 | 988 | 39.948 |
| 10 | Kamenice | 27.823 | 55 | 70 | 125 | 27.948 |
| 11 | Mitrovice | 68.840 | 489 | 2 | 491 | 69.331 |
| 12 | North Mitrovica | 12.043 | -53 | 4 | -49 | 11.994 |
| 13 | Leposaviq | 13.207 | -51 | 46 | -5 | 13.202 |
| 14 | Lipjan | 57.413 | 511 | 4 | 515 | 57.928 |

| | | | | | | |
|--------------|---------------|------------------|---------------|--------------|---------------|------------------|
| 15 | Novoberde | 7.121 | 8 | 29 | 37 | 7.158 |
| 16 | Obiliq | 17.899 | 263 | 56 | 319 | 18.218 |
| 17 | Rahovec | 56.414 | 471 | 162 | 633 | 57.047 |
| 18 | Peja | 98.141 | 397 | 63 | 460 | 98.601 |
| 19 | Podujeva | 81.514 | 791 | -283 | 508 | 82.022 |
| 20 | Prishtina | 216.870 | 1543 | 368 | 1911 | 218.781 |
| 21 | Prizren | 193.123 | 1227 | 231 | 1458 | 194.581 |
| 22 | Skenderaj | 52.372 | 533 | -191 | 342 | 52.714 |
| 23 | Shtime | 27.031 | 307 | 111 | 418 | 27.449 |
| 24 | Shterpce | 6.670 | -40 | -9 | -49 | 6.621 |
| 25 | Suhareka | 57.203 | 671 | 321 | 992 | 58.195 |
| 26 | Ferizaj | 105.116 | 998 | 172 | 1170 | 106.286 |
| 27 | Viti | 47.507 | 404 | -15 | 389 | 47.896 |
| 28 | Vushtrri | 62.026 | 609 | 290 | 899 | 62.925 |
| 29 | Zubin Potok | 6.648 | 16 | 0 | 16 | 6.664 |
| 30 | Zvecan | 7.336 | -45 | -1 | -46 | 7.290 |
| 31 | Malisheve | 56.046 | 890 | 325 | 1215 | 57.261 |
| 32 | Junik | 6.364 | 9 | 10 | 19 | 6.383 |
| 33 | Mamushe | 5.834 | 33 | 7 | 40 | 5.874 |
| 34 | Hani i Elezit | 10.013 | 79 | -2 | 77 | 10.090 |
| 35 | Gracanice | 12.186 | -9 | 53 | 44 | 12.230 |
| 36 | Ranillug | 3.785 | -50 | 2 | -48 | 3.737 |
| 37 | Partesh | 1.726 | -29 | 2 | -27 | 1.699 |
| 38 | Klllokot | 2.702 | 12 | 5 | 17 | 2.719 |
| Total | | 1.782.115 | 13.252 | 2.819 | 16.071 | 1.798.186 |

4. Health system financing in retrospect

The Republic of Kosovo has many needs and priorities, which need financing from the state budget, in order to ensure the economic and social development of the Kosovar society. The budgetary possibilities of the country cannot meet all the needs/requests for funding, and this mirrors the lack of a real strategy for the purposes of financing the public health sector, in retrospect.

The limited budget of the public health sector, causing a serious discrepancy between the needs of the citizen/patient, forces households to bear the cost, primarily for medications and consumables (out-of-hospital medicines), as well as for health services, in cases where these services are not provided in the public sector.

In order to address all the issues brought to light by the COVID-19 pandemic in 2020, the Ministry of Health has asked the government and donors for additional financial support.

The program for treatment outside public health institutions (in the country or abroad), managed with FIH means has continued, with the aim of providing health services to citizens, for those services that are not provided in the public health system.

Since these means, dedicated by the state for the TOPHI program, are still not enough for all the needs of citizens for health services; therefore, a number of citizens seek treatment abroad, spending considerable amounts of financial means, which unfortunately, at the moment we are not able to register, nor can we make an objective assessment, which could have been used for the purposes of this report; in addition to the Household Survey conducted periodically by KAS.

This fact can explain the differences in the estimation of out-of-pocket expenses (OOP) between the reports of the national health accounts and those of international institutions.

The expenditures of the Ministry of Health during the last decade have had the following movements.

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Table 1. - Expenditures in the Ministry of Health for 2010 - 2020, by economic categories (in EUR)

| Economic category | 2020 | 2019 | 2018 | 2017 | 2016 | 2015 | 2014 | 2013 | 2012 | 2011 | 2010 |
|---------------------------|-------------------|-------------------|-------------------|-------------------|-------------------|-------------------|--------------------|-------------------|-------------------|-------------------|-------------------|
| Wages and salaries | 8,222,716 | 7,436,352 | 8,050,649 | 8,313,972 | 7,940,750 | 7,652,757 | 52,854,734 | 44,408,183 | 42,527,654 | 38,827,166 | 32,868,160 |
| Goods and services | 27,154,586 | 10,175,832 | 34,337,304 | 29,507,959 | 24,676,108 | 9,166,585 | 36,324,871 | 38,332,671 | 29,167,678 | 29,397,827 | 27,626,773 |
| Utility costs | 83,183 | 157,332 | 155,408 | 183,802 | 183,845 | 196,571 | 3,739,731 | 3,388,643 | 3,871,062 | 3,292,171 | 3,354,697 |
| Subsidies and transfers | 1,731,449 | 1,929,033 | 11,016,744 | 14,364,873 | 9,935,261 | 9,716,570 | 9,683,042 | 4,763,603 | 2,841,184 | 2,206,483 | 2,955,421 |
| Non-financial assets | 14,165,306 | 6,454,579 | 4,999,345 | 5,213,494 | 7,146,481 | 4,990,190 | 8,807,593 | 8,628,310 | 8,897,476 | 6,158,817 | 7,999,286 |
| Total expenditures | 51,357,239 | 26,153,128 | 58,559,449 | 57,584,100 | 49,882,445 | 31,722,673 | 111,409,971 | 99,521,409 | 87,305,055 | 79,882,464 | 74,804,338 |

**This table shows the expenditures according to the economic categories of the Ministry of Health for the period 2010-2020.*

Table 2. - Expenditures in HUCSK for 2015 - 2020, by economic categories (in EUR)

| Economic category | 2020 | 2019 | 2018 | 2017 | 2016 | 2015 |
|-------------------------|--------------------|--------------------|-------------------|-------------------|-------------------|-------------------|
| Wages and salaries | 64,029,760 | 62,736,817 | 58,242,230 | 51,586,625 | 51,294,776.17 | 49,882,132 |
| Goods and services | 52,779,078 | 40,972,359 | 13,659,911 | 13,049,585 | 10,812,241 | 27,286,586 |
| Utility costs | 2,120,297 | 3,756,559 | 3,617,547 | 2,060,463 | 3,351,393 | 3,482,745 |
| Subsidies and transfers | - | - | - | - | - | - |
| Non-financial assets | 7,092,604 | 16,697,379 | 9,473,831.71 | 3,856,439 | 3,772,213 | 5,490,853 |
| Total | 126,021,739 | 124,163,113 | 84,993,519 | 70,553,112 | 69,230,624 | 86,142,316 |

** This table shows the expenditures according to the economic categories of the HUCSK for the period 2015-2020.*

Table 5. – Expenditures in PHC for 2010 - 2020, by economic categories (in EUR)

| Economic category | 2020 | 2019 | 2018 | 2017 | 2016 | 2015 | 2014 | 2013 | 2012 | 2011 | 2010 |
|-------------------------|-------------------|-------------------|-------------------|-------------------|-------------------|-------------------|-------------------|-------------------|-------------------|-------------------|-------------------|
| Wages and salaries | 44,199,382 | 42,348,732 | 40,971,614 | 39,296,553 | 39,363,941 | 38,276,205 | 34,381,291 | 31,133,814 | 30,963,725 | 29,881,861 | 25,385,411 |
| Goods and services | 22,357,630 | 7,860,596 | 7,666,861 | 6,228,039 | 5,794,995 | 5,859,230 | 5,465,355 | 6,199,678 | 6,020,434 | 4,972,348 | 4,465,575 |
| Utility costs | 1,379,296 | 1,451,808 | 1,396,815 | 1,407,892 | 1,452,879 | 1,477,955 | 1,319,799 | 1,455,494 | 1,406,139 | 1,412,824 | 1,390,091 |
| Subsidies and transfers | 2,039,446 | 1,255,284 | 1,024,825 | 714,106 | 685,918 | 794,023 | 961,902 | 1,075,243 | 837,048 | 866,047 | 796,735 |
| Non-financial assets | 6,741,846 | 8,485,716 | 6,230,629 | 4,594,592 | 3,997,867 | 4,841,654 | 7,036,755 | 5,822,963 | 6,085,427 | 6,477,587 | 4,895,421 |
| Total | 76,717,600 | 61,402,137 | 57,290,744 | 52,241,181 | 51,295,600 | 51,249,067 | 49,165,102 | 45,687,192 | 45,312,774 | 43,610,666 | 36,933,233 |

* In this table, we notice that the budget allocated for primary health care (PHC) has had an increasing trend over the years, mainly in the Salaries and Wages category for capacity building with health staff; taking into account the large increase in spending on goods and services in 2020 due to the COVID-19 pandemic.

- As for the expenditures of other public sector departments for health for 2020, see the table below.

Table 3. – Expenditures of other departments of the public sector for health, in 2020 (in EUR):

| Institution | 2020 | 2019 |
|------------------------------|------------------|----------------|
| Ministry of Justice | 1,103,599 | 130,879 |
| Ministry of Defense | 667,635 | |
| KAPS | 16,857 | |
| ANSA | 39,025 | |
| Ministry of Internal Affairs | 310,601 | 25,723 |
| Total expenditures | 2,137,717 | 156,603 |

* In this table we see that other ministries also spend on health mainly in terms of prevention and primary care:

Table 4. -Expenditures for the Health Insurance Fund for 2020, by economic categories (in EUR):

| Economic category | 2020 | 2019 |
|---------------------------|------------------|------------------|
| Wages and salaries | 327,527 | 357,960 |
| Goods and services | 294,288 | 269,304 |
| Utility costs | 17,091 | 22,217 |
| Subsidies and transfers | 7,999,984 | 8,699,979 |
| Non-financial assets | 153,687 | 61,804 |
| Total expenditures | 8,792,577 | 9,411,265 |

** In this table we notice that the budget allocated (according to Law on Budget) for the Health Insurance Fund is mainly for the category of Subsidies and Transfers for MTOPHI.

- The following table summarizes the total expenditures in the public sector during the period 2010-2020. This table shows that public sector health expenditures during this period experienced a 2.5 times higher increase (from over 111 million in 2010 to over 272 million in 2020).

Table 5. -Public sector expenditures for health, 2010-2020 (in EUR):

| Institution | 2020 | 2019 | 2018 | 2017 | 2016 | 2015 | 2014 | 2013 | 2012 | 2011 | 2010 |
|---------------------------|--------------------|--------------------|--------------------|--------------------|--------------------|--------------------|--------------------|--------------------|--------------------|--------------------|--------------------|
| Ministry of Health | 51,357,239 | 26,153,128 | 58,559,449 | 57,584,100 | 49,882,445 | 31,722,673 | 111,409,971 | 99,521,409 | 87,305,055 | 79,882,464 | 74,804,338 |
| HUCSK | 126,021,739 | 124,163,113 | 84,993,519 | 70,553,112 | 69,230,624 | 86,142,316 | | | | | |
| Municipalities (PHC) | 76,717,600 | 61,402,137 | 57,290,744 | 52,241,181 | 51,295,600 | 51,249,067 | 49,165,102 | 45,687,192 | 45,312,774 | 43,610,666 | 36,933,233 |
| HIF | 8,792,577 | 9,411,265 | | | | | | | | | |
| Donations | 7,761,394 | | | | | | | | | | |
| Other ministries | 2,137,717 | 156,603 | 1,237,309 | | | | | | | | |
| Total expenditures | 272,788,266 | 221,286,245 | 202,081,021 | 180,378,393 | 170,408,669 | 169,114,056 | 160,575,073 | 145,208,601 | 132,617,829 | 123,493,130 | 111,737,571 |

* This table shows health expenditures funded directly by the government grant.

Whereas, the following table summarizes the expenditures, or financing of the health system, from the public and private sector. This table also explains the step-by-step methodology of how private health expenditures are calculated, or rather - estimated - according to the methodology proposed by the WHO. This table clearly shows that health expenditures, as a ratio to nominal GDP, increased during the period in question.

Table 6. -Public GDP, and % of GDP for health (total) 2015-2020 (in million EUR)

| # | 2020 | 2019 | 2018 | 2017 | 2016 | 2015 | Data source and additional explanations |
|--|--------|----------|----------|----------|----------|----------|--|
| Nominal GDP | 6771.6 | 7,056.20 | 6,671.50 | 6,356.50 | 6,037.30 | 5,674.40 | Source: years 2015-2019: KAS |
| Final consumption of households | 5718.0 | 5,621.20 | 5,296.10 | 5,009.00 | 4,910.50 | 4,803.70 | Source: years 2015-2019: KAS |
| Private expenditures on health (% of final household consumption) | 3.0% | 3.0% | 3.0% | 3.0% | 3.0% | 3.0% | Source: KAS |
| Private expenses | 188.3 | 168.64 | 158.88 | 150.27 | 147.31 | 144.11 | Calculation = Final consumption of households (LLK) x Private expenditures in health (% of final consumption of households (ABEF)) + Health insurances |
| Public expenses | 272.78 | 221.29 | 202,09 | 180.38 | 170.41 | 169.11 | Current data from Table 8. |
| % of GDP for public health | 4.00% | 3.20% | 3.00% | 2.80% | 2.80% | 3.00% | Calculation = Total Public Expenditure on Health/Nominal GDP |
| % of GDP for private health expenditures | 2.8% | 2.40% | 2.40% | 2.40% | 2.40% | 2.50% | Calculation = Total Private Expenditure on Health/Nominal GDP |
| % of GDP for health | 6.8% | 5.60% | 5.40% | 5.20% | 5.30% | 5.50% | Calculation = (Total Public Expenditure on Health + Total Private Expenditure on Health)/Nominal GDP |

5. Health system financing in 2020

The year 2020 has been a challenging year for the whole world, and in particular for our country, due to the COVID-19 pandemic.

Only health expenditure, or how the health system will be financed in 2020, is the sole subject of this section. The public sector's data is shown first, followed by the private sector's data.

Before revealing information on public and private sector expenditures, it is important to provide information about the overall state of the economy in our country. The real GDP decreased by 5.3 percent in real terms for the year 2020, while the nominal GDP decreased by 4.0 percent, according to the official figures of the Kosovo Agency of Statistics (KAS). Total investment and export of services were the factors (from the GDP expenditure method) that contributed to this real decrease, although real consumption and export of goods saw satisfactory increase.

In 2020, health financing was still mostly sourced from the Republic of Kosovo's budget, own source revenues and from borrowing from the World Bank. Own source revenues in Primary Health Care are used to partially finance the implementation of capital projects for municipal health.

The reform of the health system, during 2015 has enabled the separation of the HUCSK from the Ministry of Health, as an independent budget organization, while in 2019 the Health Insurance Fund was also divided as an independent BO.

5.1. Public sector

The public health sector in Kosovo consists of all health and administrative institutions which are dependent on the state budget to conduct their activities, including various government departments and executive agencies of departments which have the task of monitoring the implementation of legality in the sector.

Before all the data on public spending are displayed, several tables are compiled; Table: loans belonging to the MoH - by economic categories, as well as donations received from the MoH which have passed through the state budget divided by economic categories. For more see the tables below.

Table 7. -Loans in MoH, by economic categories

| Economic category | Amount |
|--------------------------|-------------------|
| Wages and salaries | 316,575 |
| Goods and services | 11,541,910 |
| Utility costs | - |
| Subsidies and transfers | 53,908 |
| Non-financial assets | 10,125,856 |
| Total | 22,038,248 |

* Loans that have passed through the state budget.

Table 8. -Donations, by economic categories

| Economic category | Ministry of Health | HUCSK | HIF |
|--------------------------|---------------------------|---------------|---------------|
| Wages and salaries | 10,725 | 15,380 | |
| Goods and services | 818,640 | 9,646 | 10,061 |
| Utility costs | | | |
| Subsidies and transfers | | | 802 |
| Non-financial assets | 597,386 | | 39,435 |
| Total | 1,426,752 | 25,026 | 49,496 |

* Loans that have passed through the state budget.

Table 9. -Donations received by health institutions

| Donor | Amount |
|---|------------------|
| Donations to HUCSK as Capital Investments | 2,598,861 |
| Donations to HUCSK as Goods and Services | 5,159,032 |
| Donations to MoH as Goods and Services | 3,500 |
| Total | 7,761,394 |

* Donations received from health institutions that have not passed through the state budget.

The following table shows the expenditure data by the public sector, broken down by economic categories as well as the relevant budget organization. It can be seen that the main spender is the HUCSK, followed by the municipalities, and the MoH etc. Total expenditures from the public sector for 2020 were over EUR 272 million.

Table 10. -Summary: The structure of expenses for the main public spenders (with donations), for 2020

| Economic category | MoH | HUCSK | Municipalities | Fond | MoJ | MIA | MoD | KAPS | ANSA | Donations | TOTAL |
|---------------------------|-------------------|--------------------|-----------------------|------------------|------------------|----------------|----------------|---------------|---------------|------------------|--------------------|
| Wages and salaries | 8,222,716 | 64,029,760 | 44,199,382 | 327,527 | 933,398 | 17,714 | 78,558 | 16,857 | 31,879 | | 117,857,790 |
| Goods and services | 27,154,586 | 52,779,078 | 22,357,630 | 294,288 | 105,645 | | 293,501 | | 7,146 | 5,162,532 | 108,154,407 |
| Utility costs | 83,183 | 2,120,297 | 1,379,296 | 17,091 | | 178 | 21,060 | | | | 3,621,105 |
| Subsidies and transfers | 1,731,449 | | 2,039,446 | 7,999,984 | 64,556 | 292,709 | | | | | 12,128,145 |
| Non-financial assets | 14,165,306 | 7,092,604 | 6,741,846 | 153,687 | | | 274,516 | | | 2,598,861 | 31,026,820 |
| Total expenditures | 51,357,239 | 126,021,739 | 76,717,600 | 8,792,577 | 1,103,599 | 310,601 | 667,635 | 16,857 | 39,025 | 7,761,394 | 272,788,266 |

* This table summarizes all health expenditures from the public sector and donations.

5.2. Private sector

The private health sector consists of private health institutions, licensed by the Ministry of Health to provide health services, within the Law on Health and bylaws that regulate this area.

Services offered in the private sector are hospital-day and inpatient services, outpatient specialist services, laboratory and imaging diagnostics, outpatient and inpatient rehabilitation physiotherapy, etc.

These expenditures are based on an estimate, which is made according to the methodology suggested by the WHO. For more details on how the estimation was done, see the methodology chapter and the table above named: GDP, and % of GDP for health (total) 2015-2020 (in EUR million). The database for this estimation is the National Accounts 2008 - 2020 and Household Budget Survey (2017) by the Kosovo Agency of Statistics.

Table 11. -Citizens' out-of-pocket expenditures for health disaggregated by subcategory, 2020:

| Service / expense | 2020 | 2019 |
|--|----------------------|--------------------|
| Medications | 116,224,024 | 114,256,224 |
| Pharmaceutical products other than medication | 45,172 | 44,407 |
| Medical equipment and other aids | 27,620 | 27,153 |
| Outpatient public health services | 2,634,554 | 2,589,948 |
| Outpatient private health services | 15,963,152 | 15,692,879 |
| Public dental services | 1,528,555 | 1,502,675 |
| Private dental services | 5,790,157 | 5,692,124 |
| Medical tests, laboratory, public radiology (Roentgen) | 2,132,943 | 2,096,830 |
| Medical analysis, laboratory, private radiology (Roentgen) | 7,951,070 | 7,816,450 |
| Public hospital services | 1,352,874 | 1,329,968 |
| Private hospital services | 5,183,639 | 5,095,875 |
| Accommodation, food, ambulance transport in Kosovo | 158,969 | 156,278 |
| Health services abroad | 11,269,652 | 11,078,844 |
| Accommodation, food, ambulance transport abroad | 1,222,840 | 1,202,136 |
| Traditional medicine | - | - |
| Other medical services | 54,748 | 53,821 |
| Total | 171,539,970.0 | 168,635,610 |

* The table above shows that most of the (private) out-of-pocket health expenditures go to medicines (over EUR 116 million) as well as to Outpatient private health services (almost

EUR 16 million). The third category with the most expenditure is that of health services abroad with over EUR 11 million.

The data below are current, and are provided by the Central Bank of Kosovo and the Kosovo Agency of Statistics, regarding voluntary health insurance in our country. This data is part of the calculations in the table above, but only offers another perspective with additional data.

Table 15.-Expenditure for voluntary health insurance, 2020

| Gross written premiums from "Accident and health" insurance | Written premiums |
|---|------------------|
| Year 2020 | 16,720,116 |
| Year 2019 | 19,600,812 |

**This table shows the premiums paid by the citizens of Kosovo for accident and health insurance policies in private insurance companies.*

Table 126. -Total expenses for health in 2020

| Economic category | MoH | HUCSK | Municipalities | Fond | MoJ | MIA | MoD | ANSA | Donations | Out-of-pocket money | Private Health insurance | TOTAL |
|-------------------------|-------------------|--------------------|-------------------|------------------|------------------|----------------|----------------|---------------|------------------|---------------------|--------------------------|--------------------|
| Wages and salaries | 8,222,716 | 64,029,760 | 44,199,382 | 327,527 | 933,398 | 17,714 | 78,558 | 31,879 | - | - | - | 117,840,934 |
| Goods and services | 27,154,586 | 52,779,078 | 22,358,062 | 294,288 | 105,645 | - | 293,501 | 7,146 | 5,162,532 | 171,539,970 | 16,720,116 | 296,414,924 |
| Utility costs | 83,183 | 2,120,297 | 1,379,297 | 17,091 | - | 178 | 21,060 | - | - | - | - | 3,621,106 |
| Subsidies and transfers | 1,731,449 | - | 2,039,446 | 7,999,984 | 64,556 | 292,709 | - | - | - | - | - | 12,128,144 |
| Non-financial assets | 14,165,306 | 7,092,604 | 6,741,846 | 153,687 | - | - | 274,516 | - | 2,598,861 | - | - | 31,026,820 |
| Total | 51,357,240 | 126,021,739 | 76,718,033 | 8,792,577 | 1,103,599 | 310,601 | 667,635 | 39,025 | 7,761,393 | 171,539,970 | 16,720,116 | 461,031,928 |

* This table summarizes all health expenditures in Kosovo for 2020, divided by economic categories of expenditures and by their sources.

6. Conclusions and recommendations

- The conclusions of the Report on National Health Accounts for 2020 are listed below:
 - When the public sector does not supply health services, the expense of health is pushed into the citizen's pockets due to a lack of health insurance, particularly for medications and consumables (out-of-hospital medicines).
 - The only expenditures for which estimates were based on assumptions were those of the private sector, or as they are called out-of-pocket payments, as they are based on rounded data (no decimal point), because each additional number might drastically alter the total amount.
 - All other expenditures, other than out-of-pocket payments, are current, and estimation of them did not include any assumptions; and
 - In the 2020 report, as well as in the previous one, there is a lack of updated information from the institutions responsible for health.

- - The recommendations of the Report on National Health Accounts for 2020 are listed below:
 - The Ministry of Health and the Government should establish a mechanism that will reduce the level of out-of-pocket expenditures. Two recommendations from the committee in question are:
 - Update of the essential list of medicines; and
 - Regulation of medicines' prices through legal acts.
 - The Health Insurance Fund's operation should be an inter-institutional priority, as it will lower the amount of out-of-pocket expenditures and lessen the population's poverty due to high health costs.

7. Annexes - Charts from HAPT software

Annex 1 - HAPT Table: Total health expenditure from all levels of funding

2022

Select type of data source:

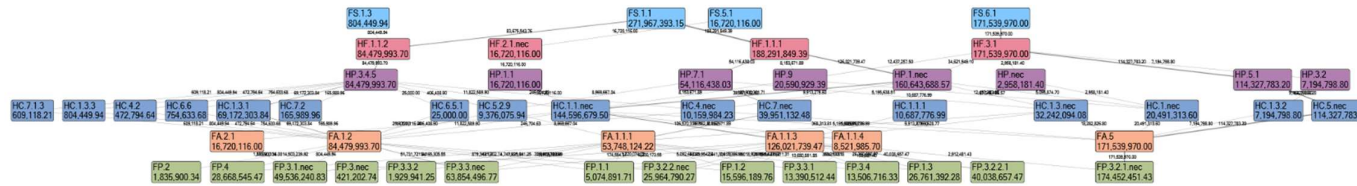
All

FY2020/2020

Total expenditure amount: 461,031,929.09 Euros

Select accounts:

General



Dh

Annex 2 – HAPT Table: Total health expenditure financed by the Government Grant

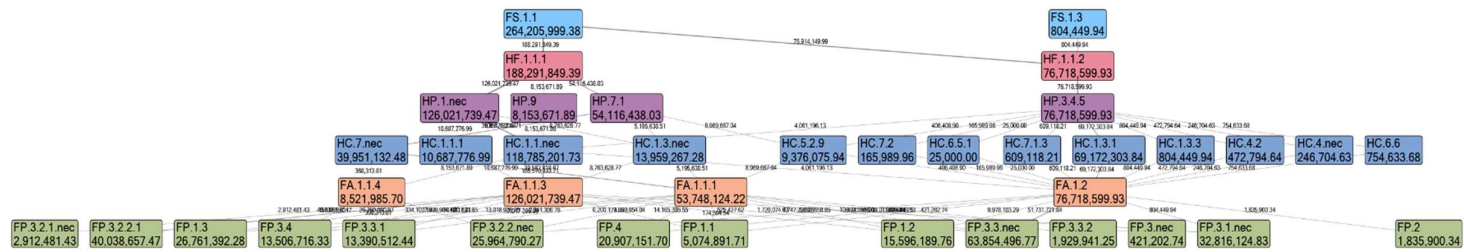
FY2020/2020

Total expenditure amount: 265,010,449.32 Euros

Select type of data source:

Select data source:

Select accounts:



Annex 3 – HAPT Table: Total health expenditure from private insurance companies

2022

Select type of data source:

Insurance

Select data source:

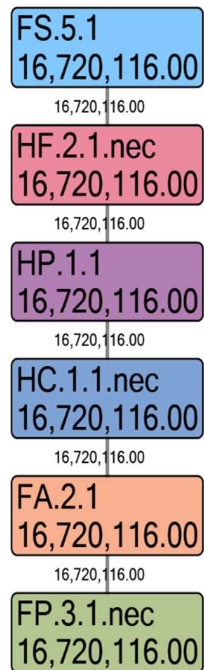
All

Select accounts:

General

FY2020/2020

Total expenditure amount: 16,720,116.00 Euros



✓

Annex 4 – HAPT Table: Total health expenditures from out-of-pocket payments

FY2020/2020

Select type of data source:

Miscellaneous

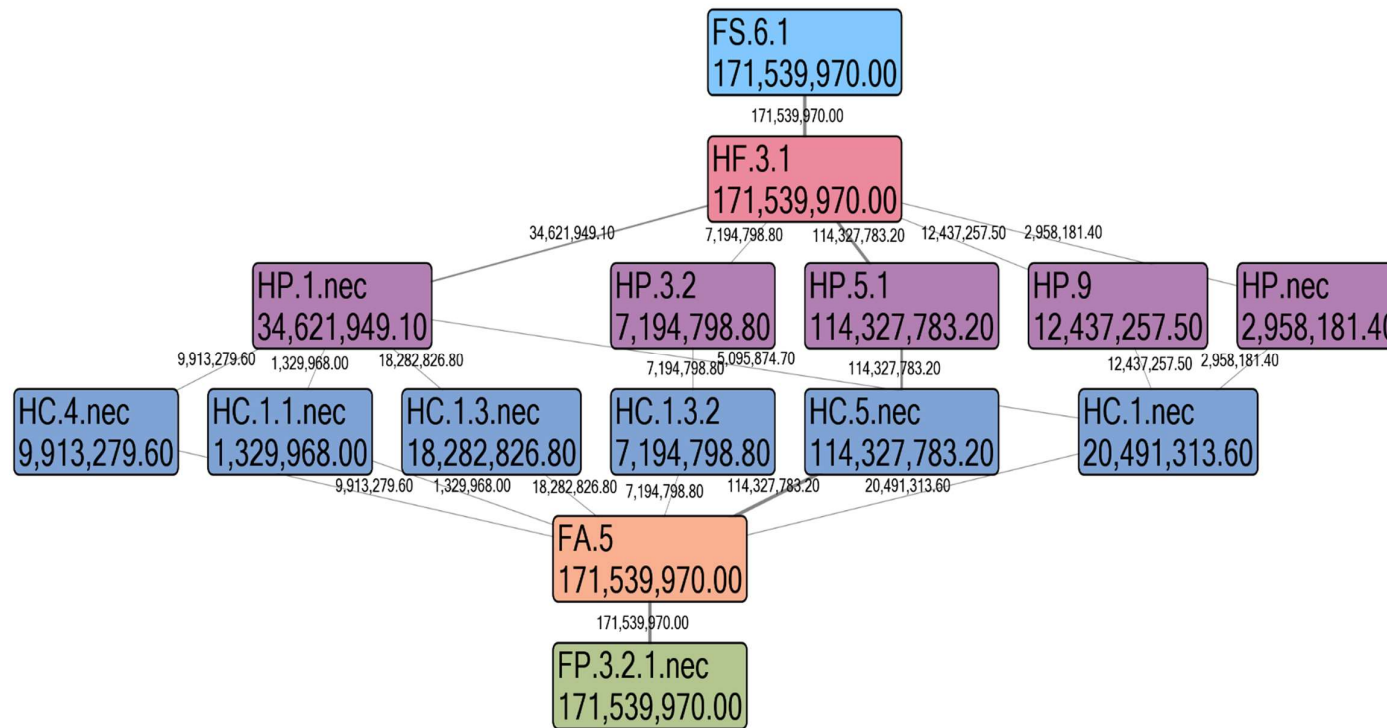
Select data source:

All

Select accounts:

General

Total expenditure amount: 171,539,970.00 Euros



Annex 5 – HAPT Table: Total health expenditures financed by donors

FY2020/2020

Select type of data source:

Donor

Select data source:

All

Select accounts:

General

Total expenditure amount: 7,761,393.77 Euros

FS.1.1
7,761,393.77

7,761,393.77

HF.1.1.2
7,761,393.77

7,761,393.77

HP.3.4.5
7,761,393.77

7,761,393.77

HC.1.1.nec
7,761,393.77

7,761,393.77

FA.1.2
7,761,393.77

7,761,393.77

FP.4
7,761,393.77