

2nd Regional consultation meeting on the revision of the System of Health Accounts

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ICHA – HP

Discussions around Classification of
Health Care Providers in SHA2

In ICHA classification, HP are entities or organizations receiving money from financing agents in exchange of health services or activities

The ICHA-HP Classification of Health Care Providers serves the following objectives;

- Provide a complete classification of all units producing health services and goods
- Structure the units of health care delivery by their main characteristics of producing health services and goods
- Show the related structure of economic units which support the processes and development of health care delivery

Comprehensive Classification, where presented all potential economic units of healthcare means:

- Less questions from users
- Better quality accounts
- Better International Comparability

ICHA-HP in SHA1 roughly structuring providers into 5 main groups and more than 30 subgroups

- Providers mainly delivering inpatient services (HP1, HP2)
- Providers Mainly delivering outpatient services or medical goods (HP3, HP4)
- Providers of public health and administration (HP5, HP6)
- Other Providers (HP7)
- Rest of the World (HP9)

In Georgia NHA we have 6 main groups and more 50 subgroups

- At first digit level we have difference only in one case, we added - HP8 Institutions Providing Health Related Services. With following subcategories:
 - HP8.1 Research Institutions
 - HP8.2 Educational and training institutions
 - HP8.9 Other Institutions providing health related services
- In SHA1 is subcategory HP7.9 All other industries as secondary producers of health care, but it does not reflect as other categories under HP7, the needs we indicated under HP8

We have other examples which indicates the weakness of SHA1 classification

In Parallel of Health Accounts
development process according the
countries, it was timely develop SHA2

Now, what we have in SHA2, does it structure all economic units who are producing health care either as principal activity or secondary activity?

Changing in Classification Structure

- HP13.2 Home care providers – from Residential providers moved to other Health care providers
- HP 15 Patient transportation – from Ambulatory medical care providers moved as a separate group
- HP20 Households – From other industries moved as a separate group
- HP42 Laboratories – from Ambulatory medical care providers moved as a separate group

New categories in classification

- HP13.5 Social care providers
- HP30.4 NPISH
- HP40 Education and Training
 - HP40.1 Medical education and training
 - HP40.2 Other education and training

Comment ; HP 40 and its subcategories should be formed as a Education Center/Organization, otherwise it is Function not Provider

- HP41 Research
 - HP41.1 Scientific research
 - HP41.2 Market research

Comment ; HP 41 and its subcategories should be formed as a Research Institutions, otherwise it is Function not Provider

New categories in classification

- HP 43 Industries
 - HP 43.1 Pharmaceutical Industry
 - HP 43.2 Manufacture of medical supplies
 - HP 43.3 Manufacture on denture
 - HP 43.4 Installation of medical equipment
- HP 44 Wholesale retailers
- HP 45 Reinsurance
- HP 49 Other
- HP 50 Other institutions

Comments to HP44 and HP45

- HP 44 Wholesale retailers
 - Of course this category is important in the classification, but necessary clear clarification what should included or excluded under the code otherwise it may become the way of duplication
- HP 45 Reinsurance
 - I think it's function not provider, because according definition - This item include activities of assuming all or part of risk associated with existing insurance polices originally underwritten by other insurance carriers

Other comments to SHA2

Comment and Recommendation

- SHA2 has category - HP 16 Retailers and other providers of medical goods, where is not assigned companies who sale medical equipment (only disposals).
- Under category HP43 Industries, given subcategory HP43.2 manufacture of medical supplies, but of course it does not include companies, who are not manufacturers and are engaged importing the medical equipment
 - I think we have to add under HP16 category - *Other retailers of medical equipment*

Comments to health and financial administration category (HP30)

- It will be good, to classify separately providers on central, regional and municipal levels
 - Regional and municipal Governmental organs very often are not only financing agents, they administrate health services and other activities. Do we have to assign it under HP30.9 (other administrative units)? I think we have to create independent subcategory under HP30
- It will be good, if we split categories on providers level similarly as in Financing agents level

Comments regarding Blood and Organ banks

- In SHA2 discussed; “Question where to put those institution with ancillary services as blood and organ banks – According NACE Rev2 it’s planned to put under pharmaceutical industry”
- From my point of view Blood and organ banks should be in same place as it was in SHA1, under other providers of ambulatory health care, it more attract county needs

Interesting aspects In SHA2

In SHA2, Offered Public/private ownership subcategorizing, which is very interesting and useful for analytical purpose related to efficiency of health care provision. For example, where private hospitals replacing public hospitals

Also it's very interesting in the classification subcategory, Renting and repair of medical equipment – It's normal part of the health care goods delivery process

Insurance administrative costs

- SHA1 has not developed the accounting of premiums and claims.
- In SHA2, given clear definition “A way to allocate expenditures on administration in health insurance companies”. Administration in health insurance companies=service charge=sum of all premiums-sum of all payouts. Profit/losses have to be included as part of the cost of insurance

In fact SHA2 classification is as detailed as possible and has clear definitions of each category and subcategory, which gives opportunity to country teams use it easily

In SHA2, some important references are done on functional classification of health (Unit7), which was represented in Cairo meeting. I think such references should not be done until will not be improved and finalized Unit7

We hope, that functional classification Unit 7 also will become successful as Providers classification and will be made needed changes, based on WHO EMRO and EURO Regions Summary comments done in Cairo

Thanks all people participated in creation HP classification in SHA2 and hope that all our comments will be assigned accordingly

Thank You For Attention