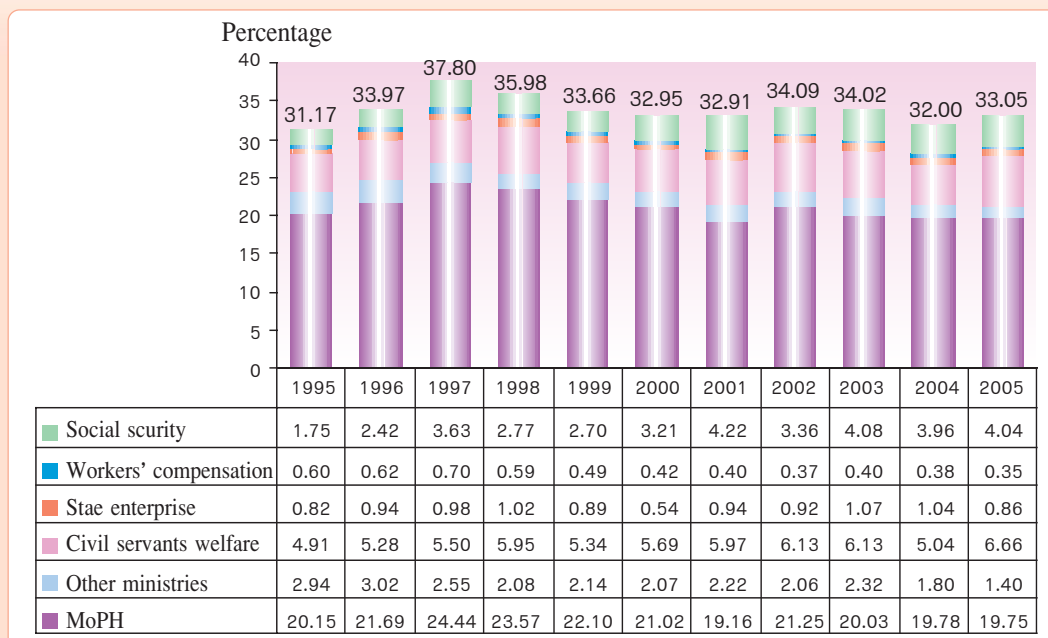


4.2 Public Health Expenditure

The major source of public expenditure on health is the government budget, especially the MoPH which is a central administration agency. During the 1980-1989 decade, the proportion of public spending on health dropped from 29.9% to 19.7%. But after 1989, the public spending proportion had a rising trend to 37.8% in 1997, during the period of rapid economic recovery and continuous growth. After the economic crisis the government had to adjust the national budget downwards, resulting in a drop to 32.9% in 2001, but increased again in 2002 to 34.1%, probably due to the launch of the universal health care policy.

An analysis of the sources of public spending on health revealed that the proportion from the MoPH had a falling trend from 24.4% in 1997 to 19.7% in 2005, while the proportion of health expenditure under the civil servants medical benefits scheme rose from 5.5% in 1997 to 6.7% in 2005; similarly, the proportion of health expenditure under the social security scheme also rose from 2.4% in 1996 to 4% in 2005 (Figure 6.67).

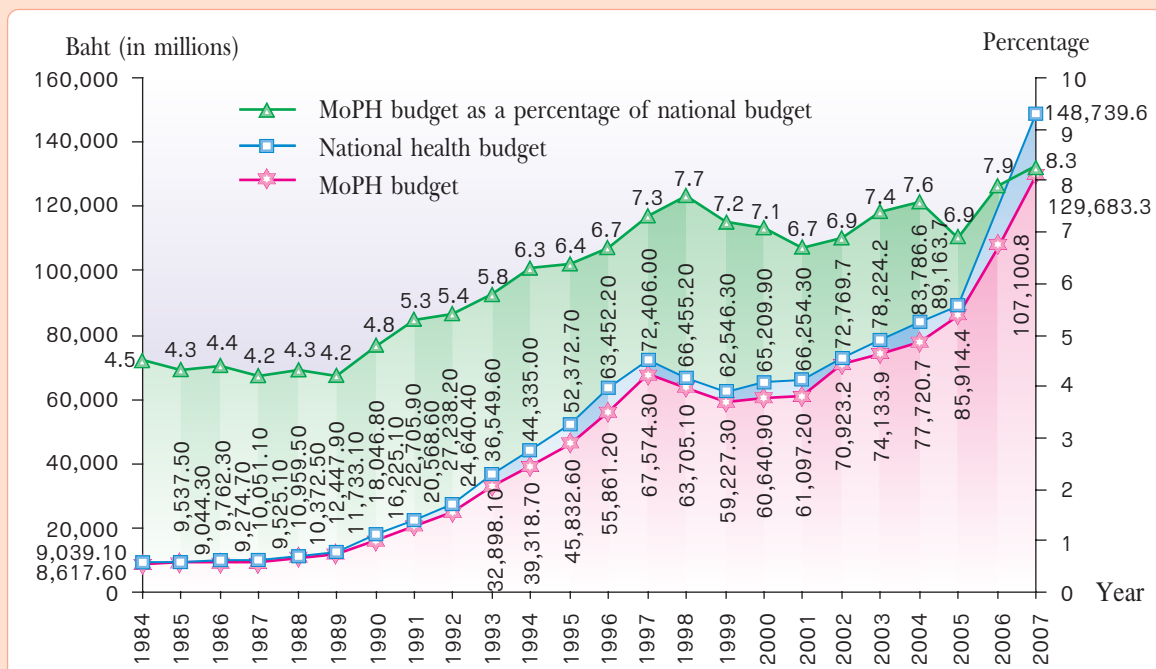
Figure 6.67 Proportion of public health expenditure, 1995-2005



Source: Table 6.17.

Regarding the budget of the MoPH, the proportion in relation to the national budget rose from 6.7% in 2001 to 7.6% and 8.3% in 2004 and 2007, respectively (Figure 6.68), reflecting the continuous importance accorded by the government to the health service system.

Figure 6.68 The National health budget and the MoPH budget, 1984-2007



Source: Bureau of the Budget.

Note: For 1995-2007, the MoPH budget includes the health insurance revolving funds (previously known as health card revolving funds).

In connection with the allocation of government health budget, importance has been accorded to curative care, as evidenced by the 60% to 66% of budget allocated hospital-based services, while only 20% to 24% of health budget is allocated for health services at subdistrict health centres focusing on health promotion and disease prevention (Figure 6.69). Since 2002, the budget system has been restructured, according to the Universal Coverage of Health Care Scheme, and the investment budget decreased, resulting in a drop in the proportion of budget for hospitals. However, the budget increase is noted for the universal healthcare fund (other health programmes) including the budget for health centres as well as health promotion and disease prevention

When considering the amount of budget, it was found that the trends in hospital budget were on the rise as the MoPH budget, especially the budget for other health activities which include the universal healthcare fund, rose considerably from 30,113 million baht in 2002 to 82,741 million baht in 2007 (Figure 6.70).

Figure 6.69 Proportion of health budget by category, 1999-2007

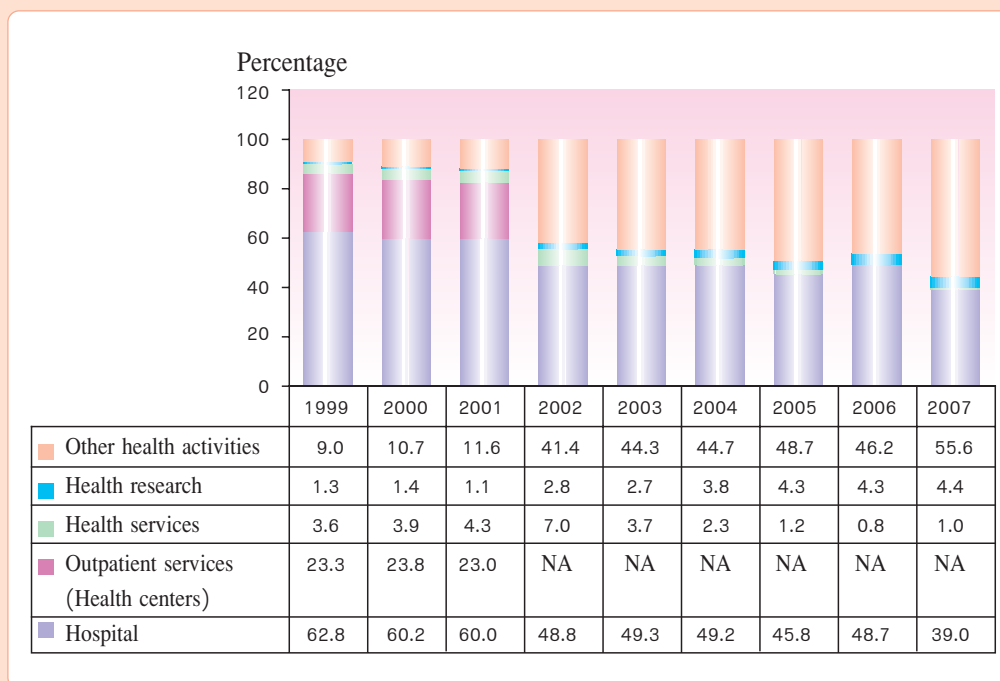
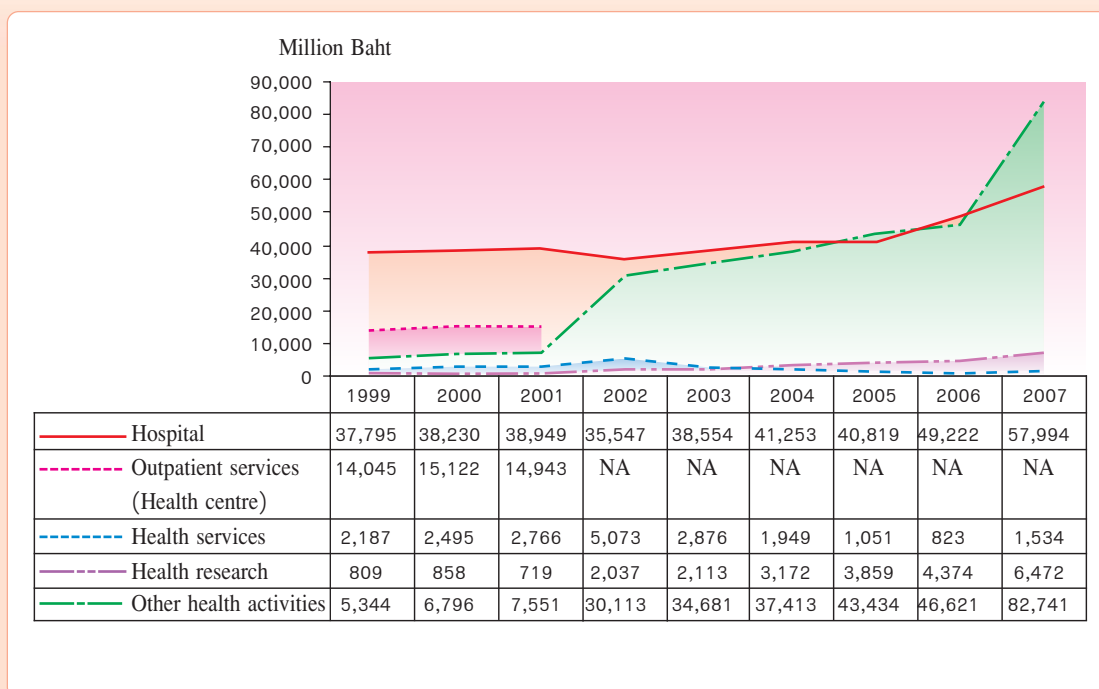




Figure 6.70 Health budget by category, 1999-2007



Source: Bureau of the Budget.

Note: Since 2002, the Bureau of the Budget has included the outpatient service budget (at health centres) in the “other health activities” category.