Leveraging Health Accounts Tool to Improve Health Spending for Non-Communicable Diseases

Policy Brief

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HEALTH POLICY ANALYSIS CENTER

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1 | Context and Purpose

As health systems around the world face increasing pressure, the urgency for transparent, evidence-based planning and financing for non-communicable diseases (NCDs) has become more pronounced. Achieving Universal Health Coverage (UHC) requires a clear understanding of how resources are mobilized, allocated, and used within the health sector. In this context, National Health Accounts (NHAs), based on the System of Health Accounts (SHA 2011), have become a foundational tool for tracking health financing flows.

NHAs provide comprehensive answers to key questions: Who pays for health care? Who provides it? What services are delivered? And, critically, are resources being used efficiently and equitably? By producing standardized, disaggregated data on health expenditure by function, provider, and source of financing, NHAs offer a solid evidence base for policymaking, particularly in advancing NCD strategies.

Despite the availability of NHA data in many countries, its use remains limited. Policymakers and analysts often focus on health outcomes, service coverage, and disease prevalence, while neglecting financial data. This underutilization is partly due to a lack of awareness and the perceived complexity of accessing and interpreting NHA outputs. As a result, crucial insights that could inform better budgeting, strategic prioritization, and investment decisions—especially for chronic conditions like diabetes and mental health—are often missed.

To address this gap, the NCD Policy Lab convened a webinar on 21 November 2024 titled “Leveraging the Health Accounts Tool to Improve Health Spending for Non-Communicable Diseases.” The event brought together country experts and international partners to explore practical uses of NHAs in shaping NCD policies. This policy brief summarizes the key messages from the webinar, focusing on the experiences of North Macedonia and Kyrgyzstan. These case studies illustrate how NHAs have been used to inform financing strategies for diabetes, mental health, and primary health care, and demonstrate the real-world application of SHA 2011 in aligning expenditure data with national policy goals and reform efforts.

2 | The Role of Health Accounts in Strengthening NCD Policies

The SHA 2011 framework enables countries to analyze health spending across financing schemes, providers, functions, and diseases. When national data systems are aligned with SHA 2011, the result is consistent and internationally comparable evidence.

Tracking expenditures by disease and service type is critical for ensuring equity and sustainability. Health systems that channel resources into public and preventive services tend to reduce out-of-pocket (OOP) payments and protect households from financial hardship. In contrast, when high OOP spending dominates—as in many lower-middle-income countries—it deepens health inequities and weakens access to care. NHAs, when properly institutionalized and used, support alignment of health investments with UHC goals, including financial protection and equity.

Case Study: North Macedonia

North Macedonia has successfully integrated NHAs into its health governance architecture. Through strong collaboration between the Ministry of Health and the Health Insurance Fund, the country produces annual SHA 2011-compliant reports disaggregated by disease, provider, and source of financing.

A key policy-relevant finding from this work was the concentration of diabetes and mental health spending in hospital settings—despite policy goals emphasizing community-based care. This led to a strategic shift, with greater attention and funding directed toward primary care and outpatient services.

The data have been instrumental not only in national budgeting but also in coordinating with donors. They have helped identify gaps, prioritize high-impact interventions, and more effectively allocate

resources to underserved areas and services.

Case Study: Kyrgyzstan

Kyrgyzstan was one of the first countries in Central Asia to adopt NHAs. Beginning in 2001 and later aligning with SHA 2011, the National Statistics Committee now leads health accounts production with support from international partners. Disease-specific subaccounts—such as for diabetes—have enriched policy insights.

Kyrgyzstan's experience illustrates that generating data is not enough; what matters is how that data is used. NHA findings revealed that hospital care consumed the majority of diabetes-related spending, with minimal investment in preventive or outpatient services. In response, policies were adjusted to reinforce primary health care and promote early intervention.

Nonetheless, challenges remain. Data gaps persist, particularly around private sector and NGO spending, as well as development partner contributions. Strengthening institutional capacity and intersectoral coordination is essential to unlocking the full value of NHAs in planning and monitoring.

3 | Conclusion and Policy Implications

The experiences of North Macedonia and Kyrgyzstan underscore the strategic value of Health Accounts in advancing NCD policy and broader health reforms. By offering granular insights into how resources are allocated and used, NHAs provide a foundation for more equitable, efficient, and transparent health systems.

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• **Institutionalize** the production and routine use of NHAs in health budgeting and planning;

• **Expand** disease-specific subaccounts to include key NCDs like diabetes, cardiovascular disease, and mental health;

• **Enhance** coordination among public, private, and development actors to ensure comprehensive data capture;

• **Use** health accounts evidence to advocate for strategic investments in prevention and primary health care.

As countries strive to achieve UHC and respond to the growing burden of NCDs, Health Accounts remain indispensable tools for data-driven decision-making and policy reform.


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