

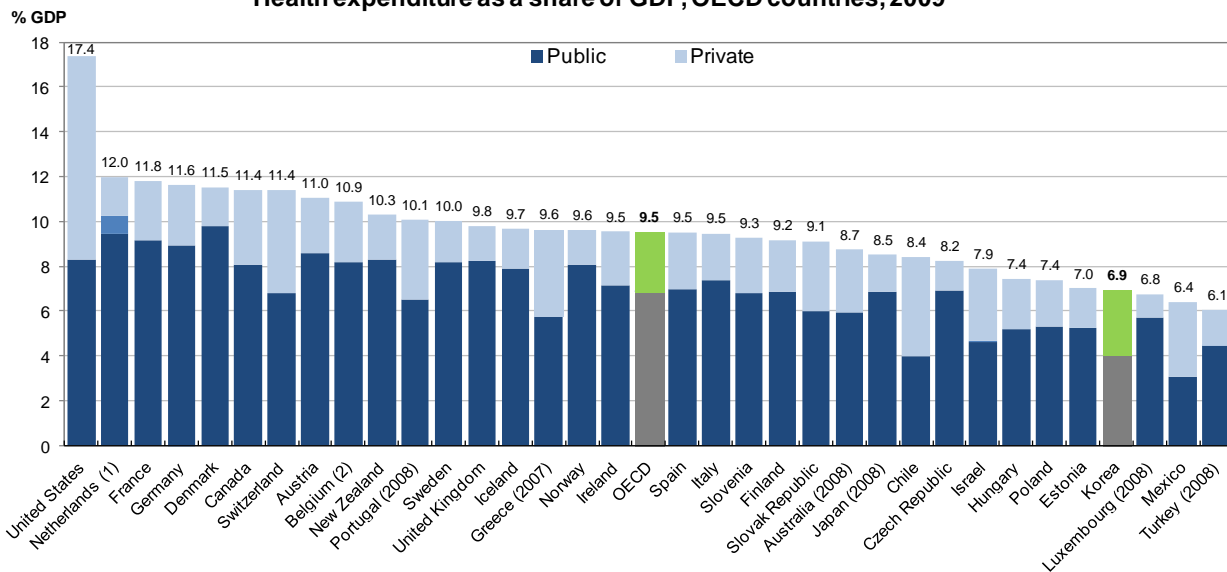
OECD Health Data 2011

How Does Korea Compare

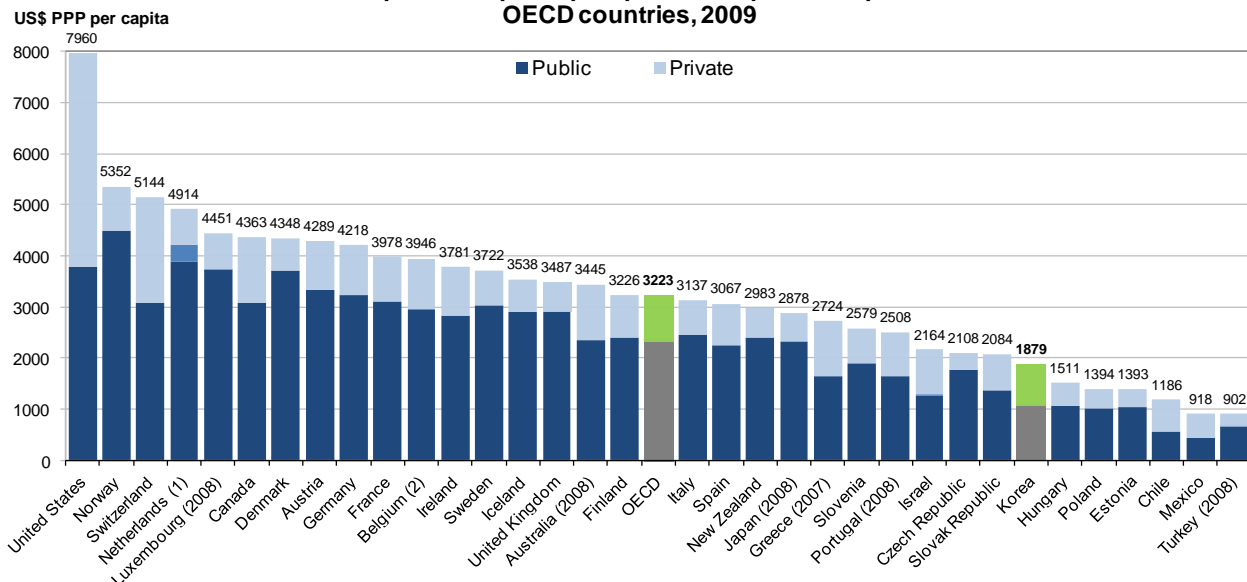
Total health spending accounted for 6.9% of GDP in **Korea** in 2009, the fourth lowest share among OECD countries, and 2.6 percentage points lower than the OECD average of 9.5%. The United States (which spent 17.4% of its GDP on health in 2009) is, by far, the country that spends the most on health.

Health spending tends to rise with income, and generally OECD countries with higher GDP per capita also tend to spend more on health. It is not surprising, therefore, that **Korea** also ranks below the OECD average in terms of health expenditure per capita, with spending of 1879 USD in 2009 (calculated based on purchasing power parity), compared with an OECD average of 3223 USD.

Health expenditure as a share of GDP, OECD countries, 2009



Health expenditure per capita, public and private expenditure, OECD countries, 2009



1. In the Netherlands, it is not possible to distinguish clearly the public and private share for the part of health expenditures related to investments.
 2. Total expenditure excluding investments. Source: OECD Health Data 2011, June 2011.

Data are expressed in US dollars adjusted for purchasing power parities (PPPs), which provide a means of comparing spending between countries on a common base. PPPs are the rates of currency conversion that equalise the cost of a given 'basket' of goods and services in different countries.

Health expenditure per capita has, nonetheless, increased rapidly in **Korea** since the second half of the 1980s when the national health insurance was established. During the 1990s, the rate of growth in health spending was twice the average across OECD countries. This trend continued between 2000 and 2009, when the growth rate in health spending in **Korea** reached 7.8% per year, compared with an OECD average of 4.0%. This was the second highest growth rate in OECD countries, after the Slovak Republic. The increase in health spending in **Korea** over the past decade or so has been driven mainly by a rapid rise in public spending on health.

The rise in pharmaceutical spending has been one of the factors behind the rise in total health spending in many OECD countries in recent years. In 2009, spending on pharmaceuticals accounted for 22.5% of total health spending in **Korea**, one of the highest shares in the OECD area and well above the OECD average of 16.9%. In per capita terms, however, pharmaceutical spending (adjusted by purchasing power parity) in **Korea** remains lower than the OECD average and less than half the spending in the United States.

Although the share of public spending on health in **Korea** steadily increased during the past decade, rising from 36.2% of total health spending in 1995 to 58.2% in 2009, it remains well below the OECD average of 71.7%. Among OECD countries, the share of government spending on health is the lowest in Chile, Mexico and the United States (below 50%), and relatively high (over 80%) in several Nordic countries (Denmark, Iceland, Norway and Sweden), Luxembourg, the Czech Republic, the United Kingdom, Japan and New Zealand.

The relatively high private share of health funding in **Korea** is linked to substantial out-of-pocket payments, which accounted for 32% of total health spending in 2009. This is in sharp contrast with the situation in the United States, where the bulk of private spending is paid by private health insurance arrangements, leaving only 12% of total health spending paid directly by consumers.

Resources in the health sector (human, physical, technological)

The number of doctors per 1 000 population in **Korea** was 1.9 in 2009, the second lowest among OECD countries after Chile and Turkey and well below the OECD average of 3.1. However, the number of doctors has increased rapidly over the past two decades. In fact, **Korea** registered the highest growth rate in the number of doctors among all OECD countries, with the number of doctors per capita more than doubling between 1990 and 2009. This growth rate is expected to slow down in the coming years, following a restriction in the number of students entering medical schools since 2004.

The number of nurses per capita in **Korea** also remains much lower than in most other OECD countries (4.5 per 1 000 population in 2009, compared to an OECD average of 8.4). But the number of nurses per capita has also increased significantly in **Korea** during the past decade.

The number of acute care beds in hospitals in **Korea** was 5.5 per 1 000 population in 2009, well above the OECD average of 3.5, and behind only Japan, Germany and Austria. While the number of acute care hospital beds is being reduced in most other OECD countries, they have been growing rapidly during the past decade in **Korea**. This fast growth can be linked in part with the lack of capacity planning for hospital beds in a private, for-profit dominated health delivery system, and in part with the non-differentiation between chronic and acute care beds.

During the past decade, there has been a rapid growth in the availability of diagnostic technologies such as computed tomography (CT) scanners and magnetic resonance imaging (MRI) in most OECD countries. **Korea** was no exception. The number of CT scanners per million population increased rapidly in **Korea**, from 12.2 in 1990 to 37.1 in 2009, much higher than the OECD average of 22.1. Similarly, the number of MRIs per million population also increased at a fast pace, from 1.4 in 1990 to 19.0 in 2009, also much higher than the OECD average of 12.0. Japan is, by far, the country which reports the highest number of CT and MRI scanners per capita, with 97 CT scanners and 43 MRI per million population.

Health status and risk factors

Most OECD countries have enjoyed large gains in life expectancy over the past decades, linked to improvements in living conditions, public health interventions and progress in medical care. Among OECD countries, **Korea** registered the greatest gain in life expectancy between 1960 and 2009, with an overall increase in longevity of 28 years, rapidly closing the gap with the average across OECD countries. In 1960, life expectancy in **Korea** was 16 years below the OECD average. By 2009, it stood at 80.3 years, almost a year above the OECD average of 79.5.

The proportion of daily smokers among adults has shown a marked decline over recent decades across most OECD countries. In **Korea**, 25.6% of the adult population reported smoking daily in 2009, above the OECD average of 22.3%. There remains however a huge gender gap in smoking rates between men and women: 44.3% of Korean men reported smoking every day in 2009, the second highest rate across all OECD countries after Greece, compared with only 7.0% of women, which was the second lowest rate behind Mexico.

Obesity rates have increased in recent decades in all OECD countries, although there are notable differences. The obesity rate in **Korea**, based on actual measures of height and weight, is the lowest among OECD countries, with only 3.8% of the adult population defined as obese in 2009. The country with the highest obesity rate among adults is the United States, with a rate of 33.8%. The average for the 14 OECD countries with measured data in 2009 was 21.0%.

More information on *OECD Health Data 2011* is available at www.oecd.org/health/healthdata.

For more information on OECD's work on **Korea**, please visit www.oecd.org/korea.