



# HOW TO FINANCE MORE RESILIENT HEALTH SYSTEMS WHEN MONEY IS TIGHT?

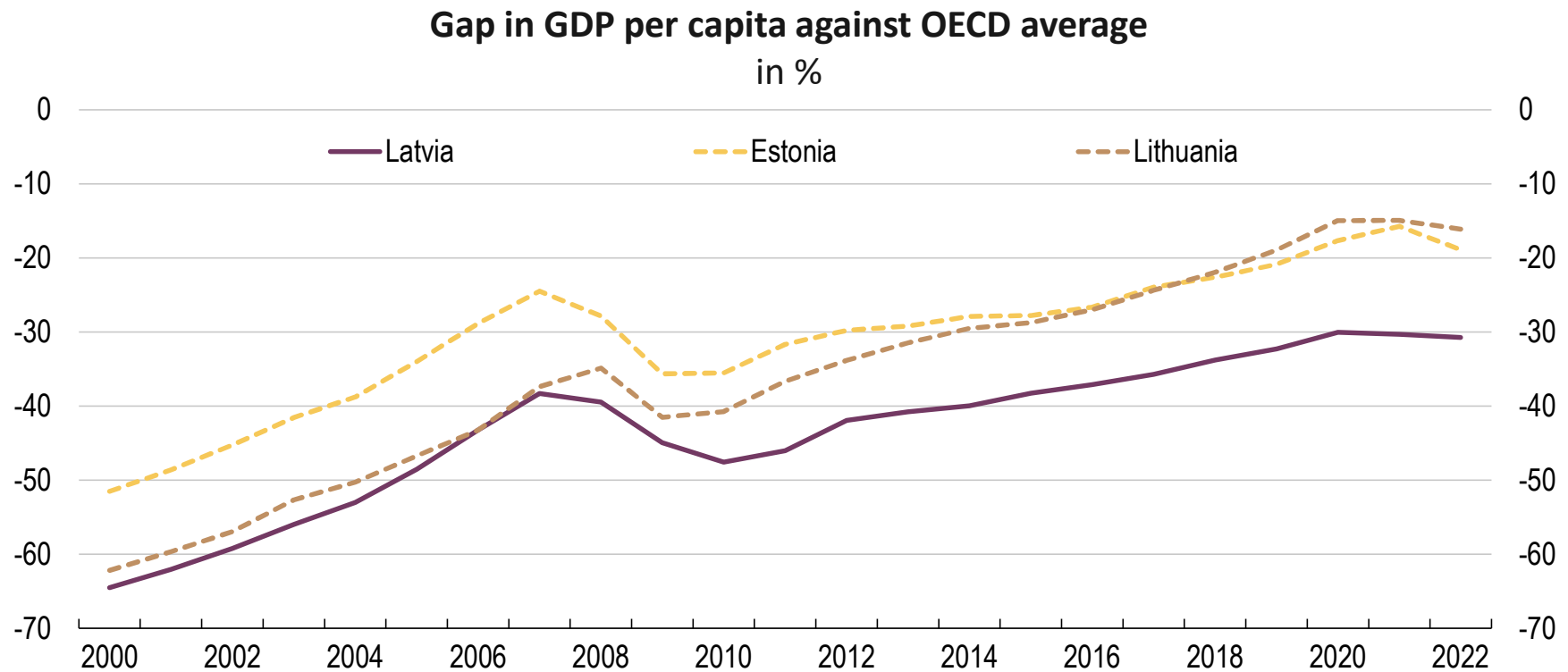
## INSIGHTS FROM OECD ECONOMIC SURVEYS OF LATVIA 2022 AND 2024

Conference on investments in health  
Riga  
29 April 2024

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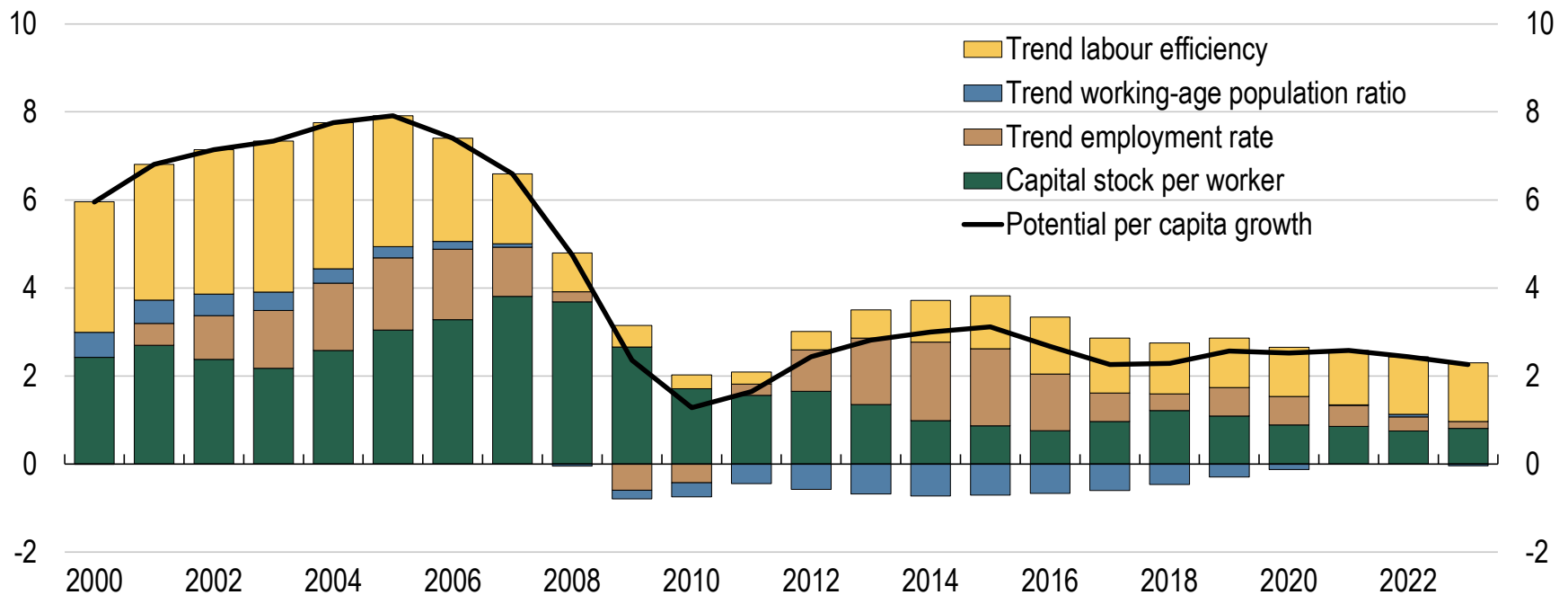
# The convergence of living standards has slowed



Note: Percentage gap to the OECD in terms of GDP per capita (in constant 2015 PPPs).  
Source: OECD National Accounts database.

# Raising labour supply and investing more in human capital is key for improving living standards

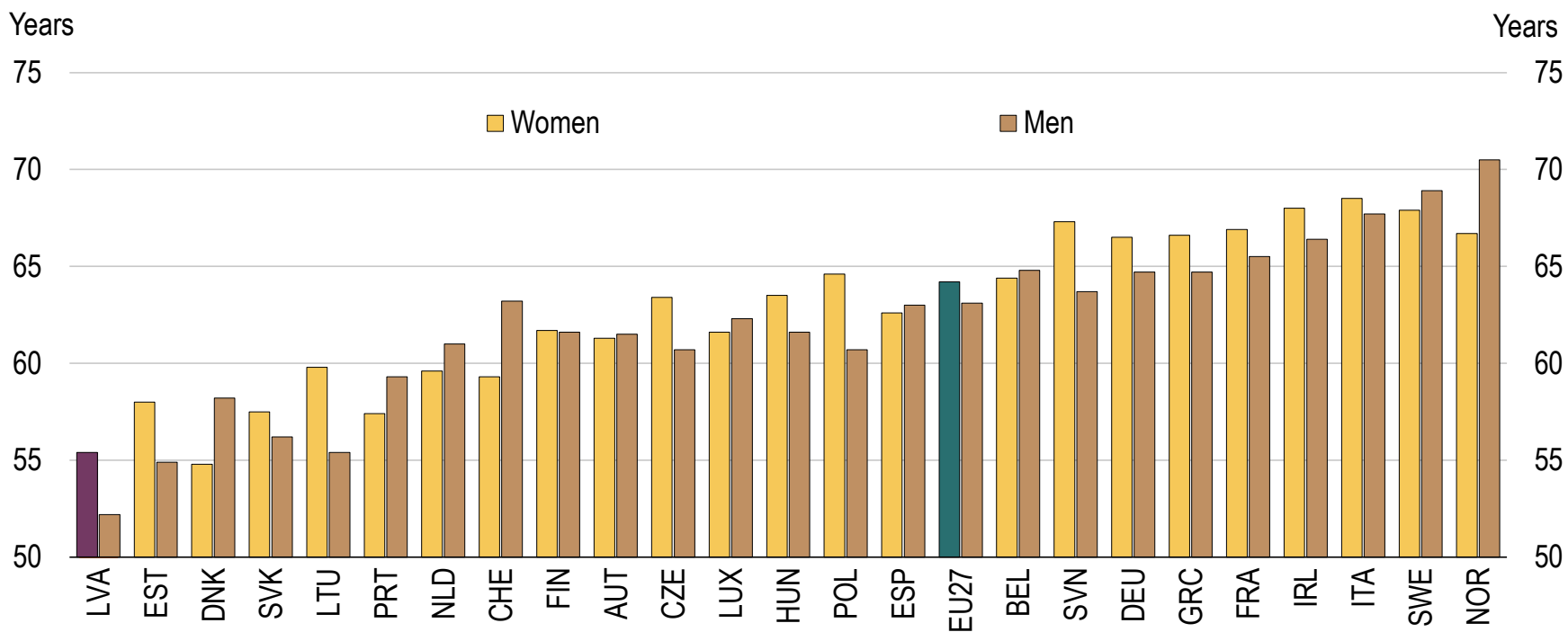
Contribution to potential output per capita growth  
in % points



Source: Updates to the OECD Economic Outlook 114 database.

# Improving health outcomes would enable older people to live and work longer

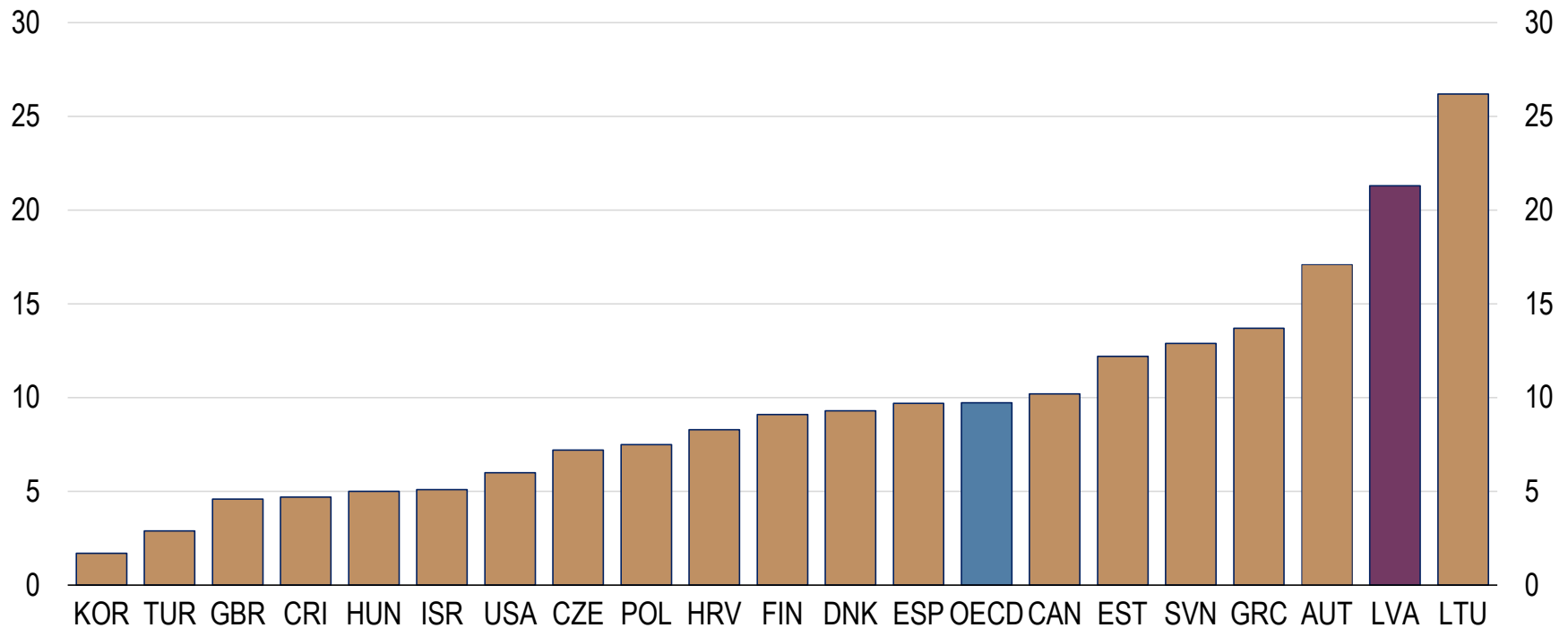
Healthy life years at birth  
2021 or latest available year



Source: Eurostat.

# Better health outcomes would also reduce the number of sick days

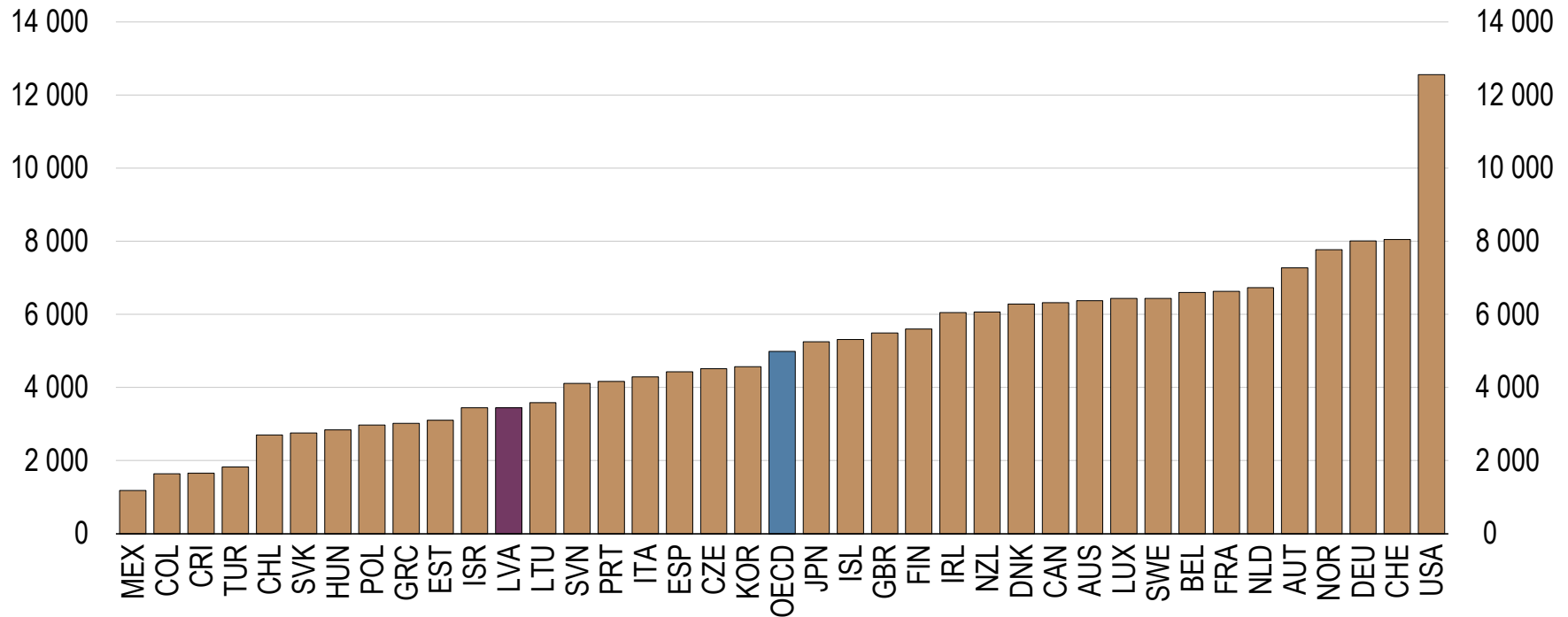
**Self-reported absence from work due to illness**  
Days per year per person, 2022 or latest available year



Source: OECD Health Statistics.

# Healthcare spending per capita has increased but remains relatively low

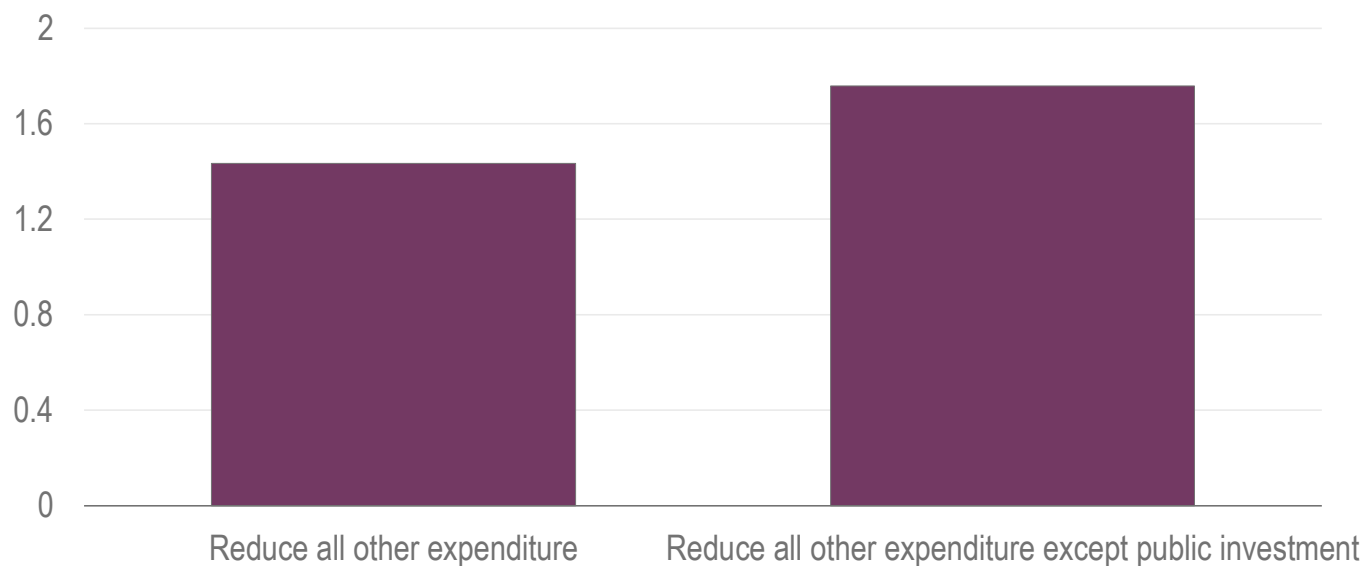
Health expenditure per capita  
2022 or latest available year



Source: OECD National Accounts, OECD Health Statistics 2023.

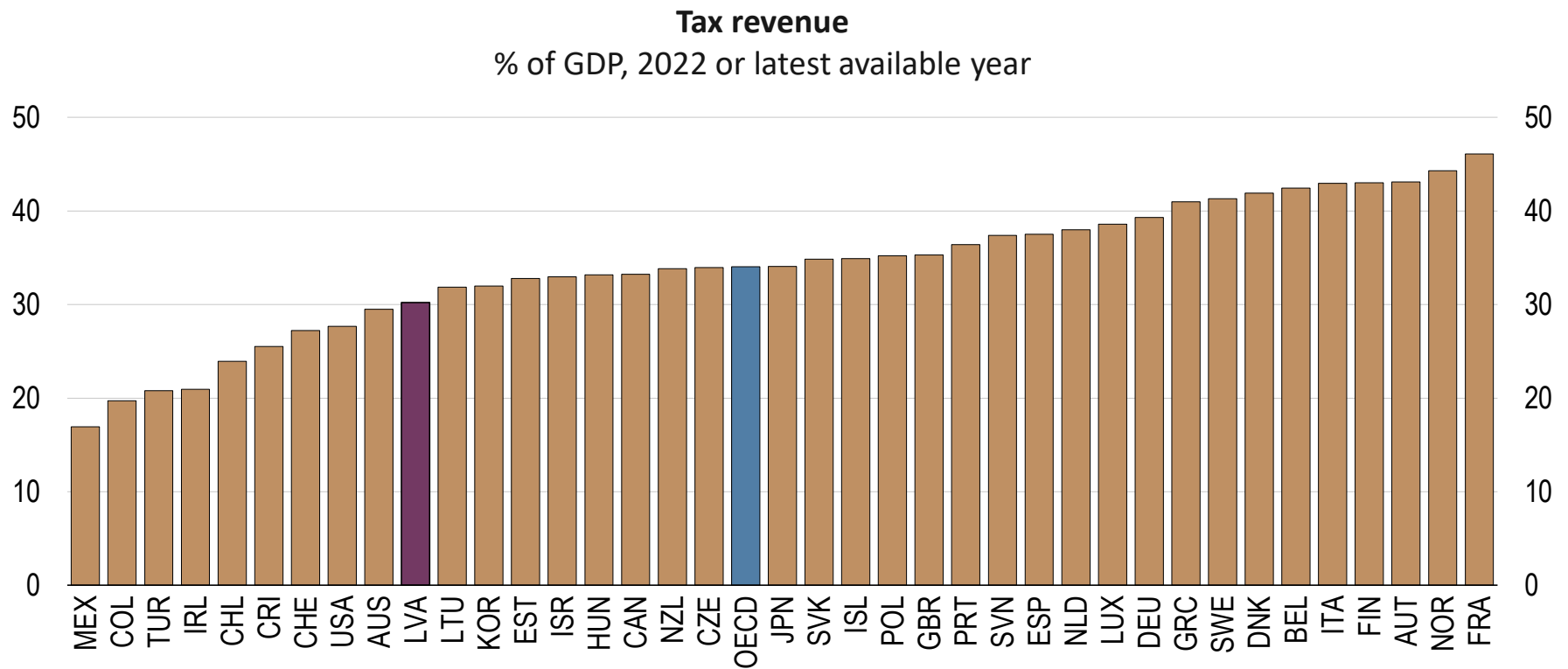
# Reallocation of spending towards health and education would increase potential growth

Percent change in long-term real GDP per capita resulting from increasing the share of health and education expenditure by 1 percentage point (of total expenditure)



Source: OECD Economic Survey of Latvia 2024.

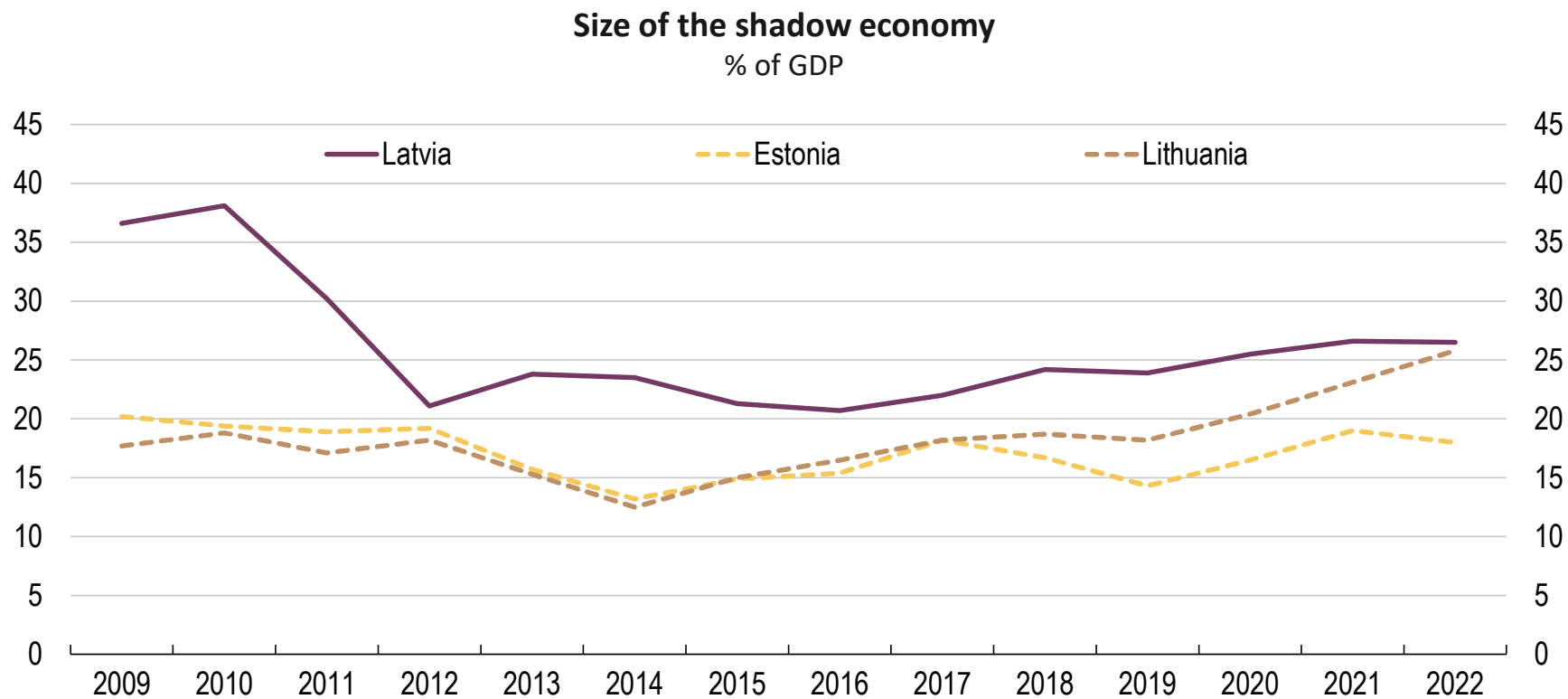
# There is room to raise tax revenue



Source: OECD Revenue Statistics.



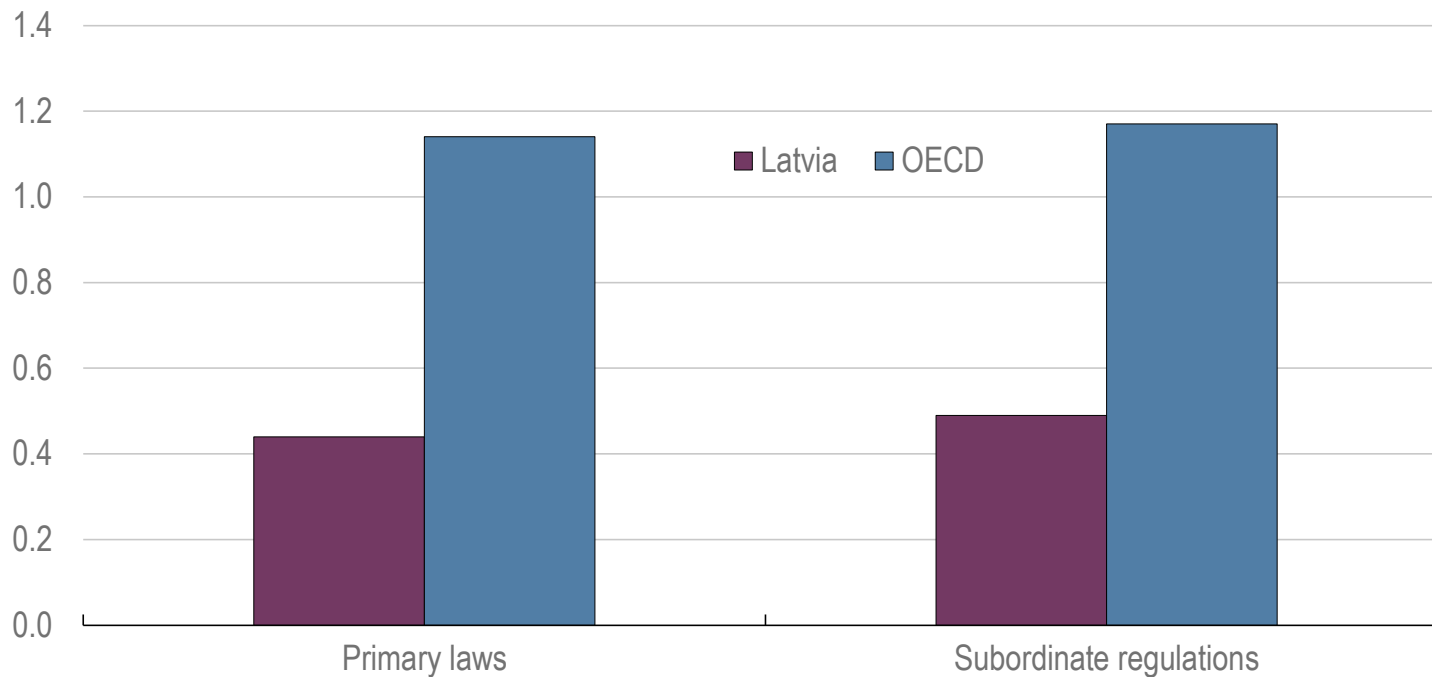
# Reducing informality is key for expanding the tax base



Source: Stockholm School of Economics Riga Shadow Economy Index for the Baltic Countries.

# Better impact evaluation is key for raising the efficiency of policies and regulations

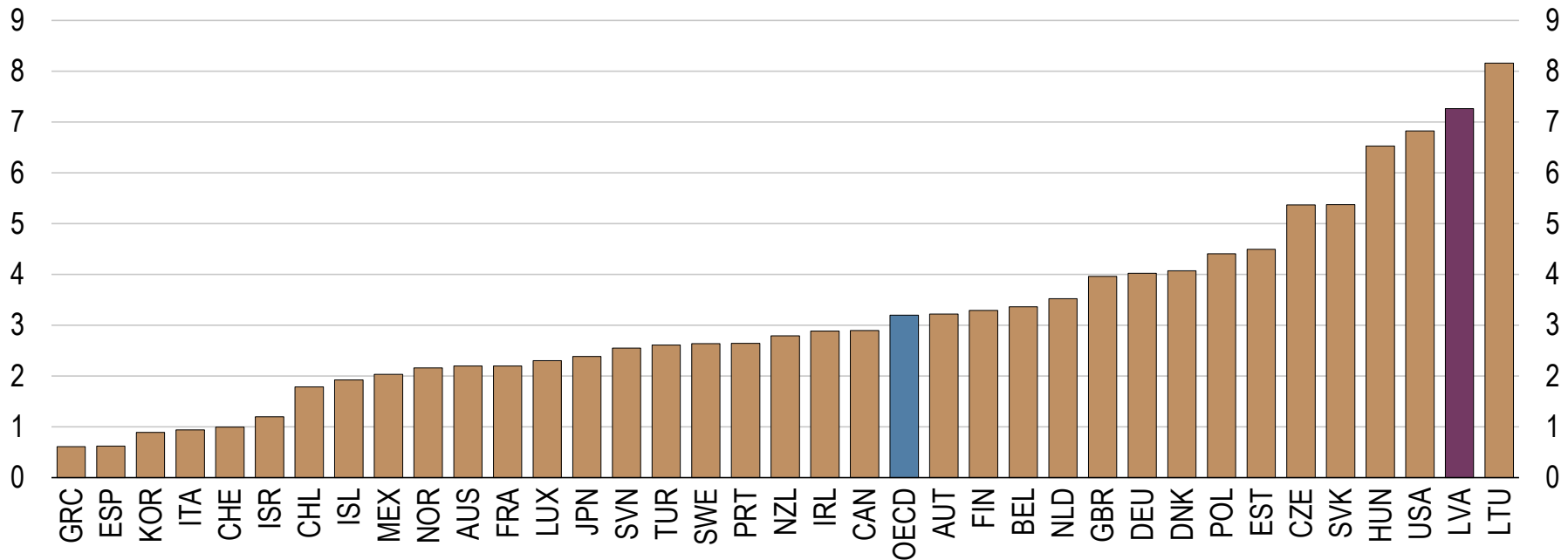
OECD indicators on ex-post evaluation of regulations, 2021  
(higher values indicate better performance)



Note: The indicator has four components: oversight and quality control, transparency, systematic adoption, and methodology.  
Source: OECD (2021), OECD Indicators of Regulatory Policy and Governance.

# Potential efficiency gains in healthcare are large

Potential gains in life expectancy  
%

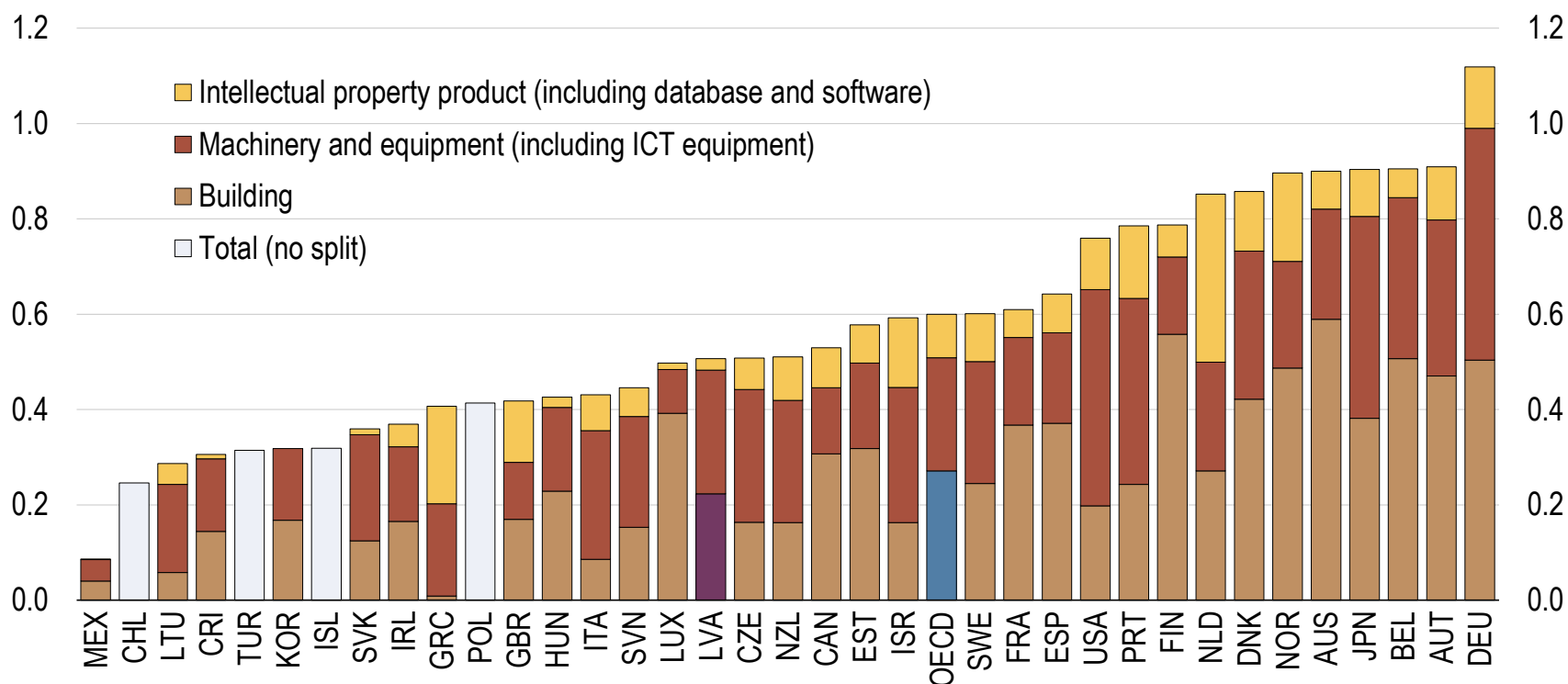


Note: Estimates based on a non-parametric technique predicting a frontier of countries that are best in maximising health outcomes for a given level of spending.

Source: Dutu and Sicari (2020) and updates.

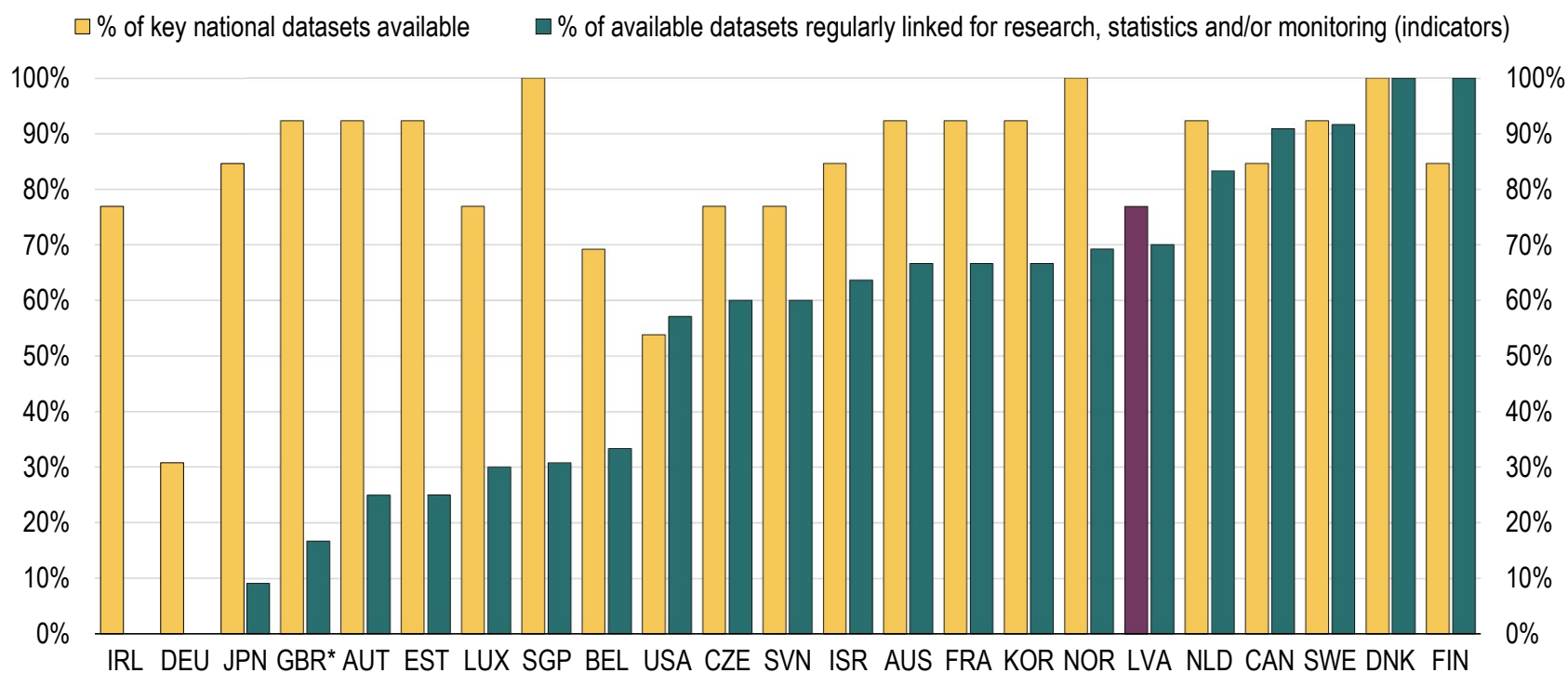
# There is room to invest more in the digitalization of health services

Gross fixed capital formation in the healthcare system  
Average 2017-21 or latest year



Source: OECD National Accounts, OECD Health Statistics 2023.

# The coverage and linkage of key healthcare datasets has room for improvement

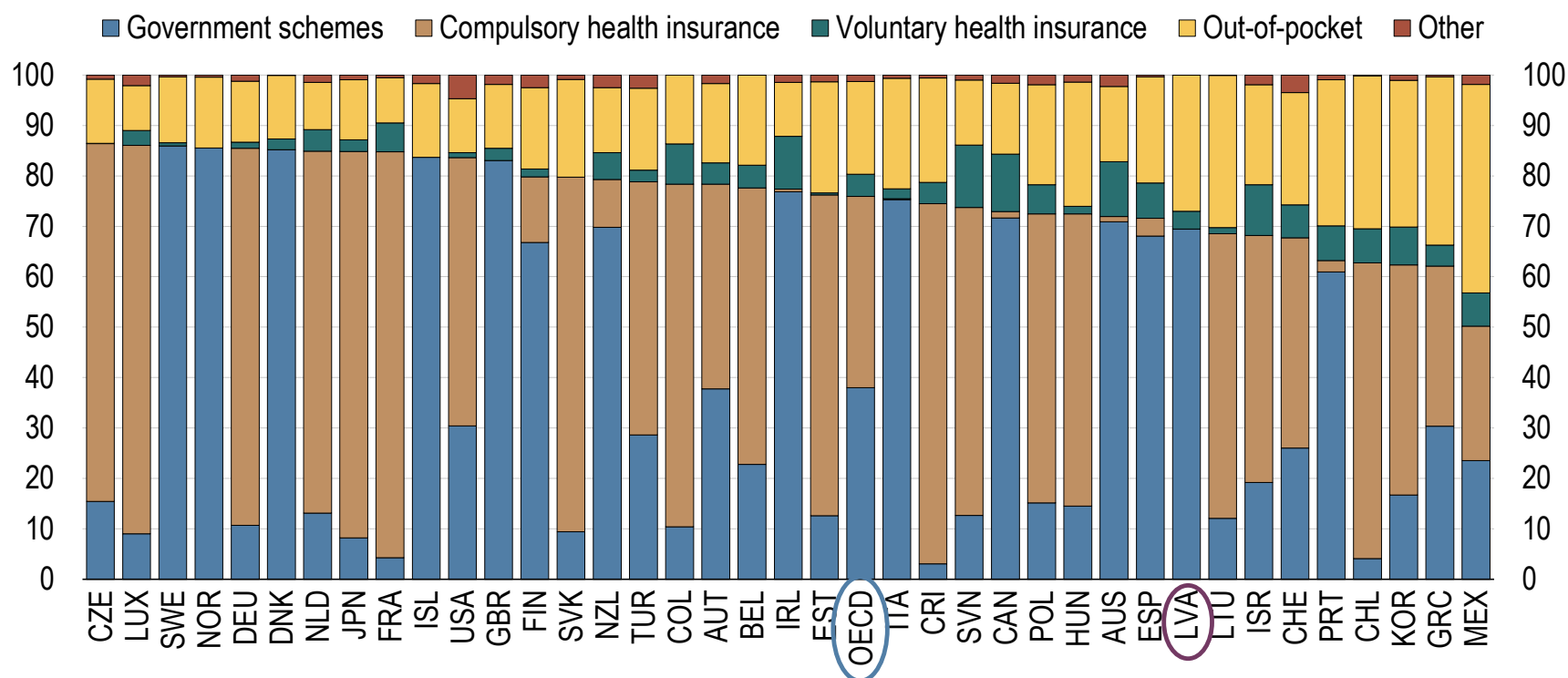


Note: Includes 10 national datasets of hospital in-patients, mental hospital in-patients, emergency care, primary care, prescription medicines and long-term care; national cancer, cardiovascular disease, diabetes registries; and national mortality data. Time lapse of 1 week or less between when a data record is created and when it is included in the dataset used for analysis. \* refers to Scotland.

Source: OECD Survey of Health Data and Governance, 2019-20; Oderkirk (2021), "Survey Results: National Health Data Infrastructure and Governance", <https://doi.org/10.1787/55d24b5d-en>.

# Out-of-pocket payments should be reduced to improve access to health care

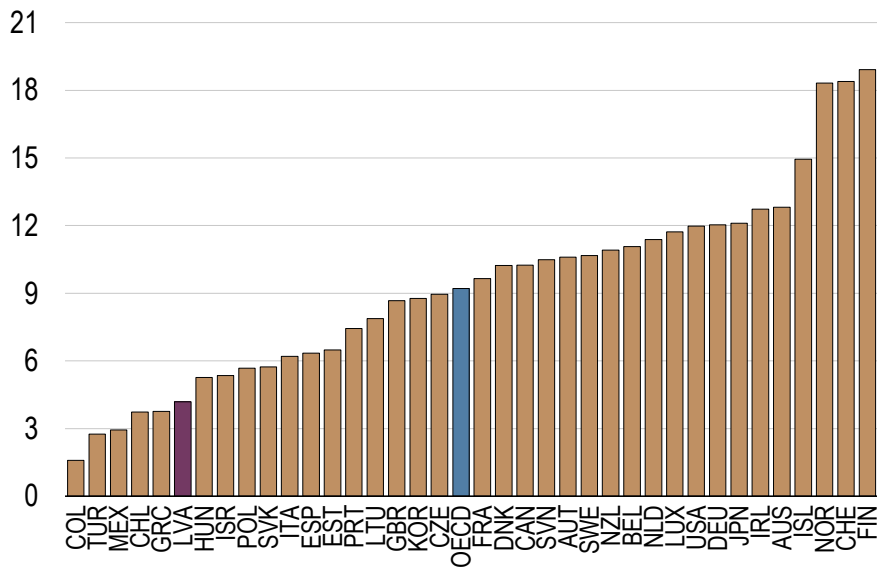
Health expenditure by type of financing  
2021 or latest available year



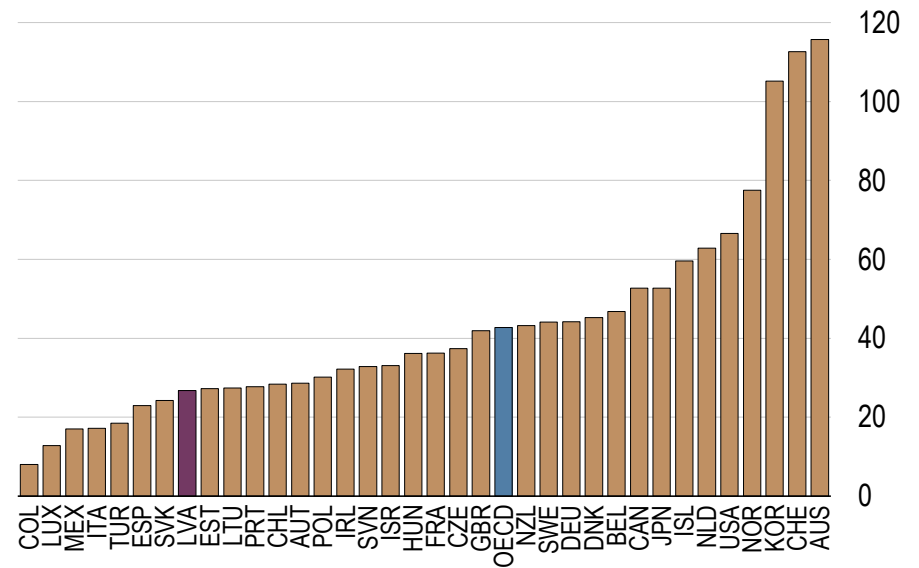
Source: OECD National Accounts, OECD Health Statistics 2023.

# Improving working conditions for health care personal is key to improve health services quality

**Practicing nurses per 1 000 population**  
2021 or the latest available year



**Nursing graduates per 100 000 population**  
2021 or the latest available year





Source: OECD Health Statistics 2023.



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