

فــركــز الإحــصـاء STATISTICS CENTRE

# Economy Statistics 2020

## Heath Price Index Report



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www.scad.gov.ae

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### Introduction

The health sector in Abu Dhabi receives high attention from the rational government, which is in the public interest to improve the quality of health services and provide the best services at the highest international standards.

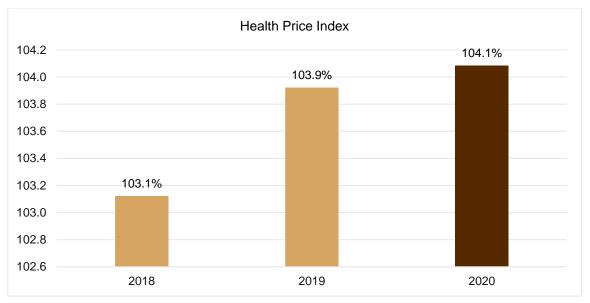
The Health Price Index is a tool to measure the rate of change in the prices of health products and services over a period of time. These indicators describe the change in the prices of health products and services between the comparison period and the base period, which helps decision-makers or planners to prepare comparisons between price movements between time periods.

The Statistics Centre - Abu Dhabi (SCAD) has worked on the Health Price Index project in the emirate. This is the first experience at the state level.

The report includes the results of calculating the health price index during the year 2020 compared to the year 2020, and also includes the percentages of the major groups' contribution to the price change during the second half of 2020 compared to the first half of 2019.

### **Key Points**

- HPI reached 103.1 in 2020 compared with 103.9 in 2020. Compared with 103.9 in 2019.
- The 'Outpatient Services' group contributed by 92.4% to the overall increase in the HPI during the second half of 2020 compared with the first half of 2020, as prices of this group increased by 0.1% during the comparison period and it weighs 49.3%.
- The 'Medical Products, appliances and Equipment' group contributed by 7.6% to the overall increase in the HPI during the second half of 2020 compared with the first half of 2020.
- The 'Hospital Services' did not affect the overall increase in HPI during the second half of 2020 compared with the first half of 2020.



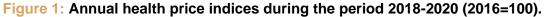


 Table 1: Health price Index of the second half 2020, compared with the first half 2020

 and second half 2019 (2016=100).

	Health Price Index	Weights	H2 2019	H1 2020	H2 2020	H2 2020/ H2 2019	H1 2020/ H2 2020
6	General number	100.0	103.9	104.1	104.1	0.2	0.1
61	Medical products, appliances and equipment	42.8	103.9	101.9	102.0	-1.8	0.0
611	Pharmaceutical products	31.2	101.8	100.4	100.4	-1.3	0.0
612	Other medical products	0.9	143.8	146.2	145.8	1.4	-0.3
613	Therapeutic appliances and equipment	10.7	106.7	102.7	102.7	-3.7	0.0
62	Outpatient Services	49.3	104.5	105.4	105.5	1.0	0.1
621	medical services	17.3	111.3	105.3	105.6	-5.1	0.3
622	Dental Services	26.6	100.0	105.9	105.9	5.9	0.0
623	Paramedical services	5.4	104.5	102.9	102.9	-1.5	0.0
63	Hospital services	7.9	100.9	107.2	107.2	6.3	0.0
631	Hospital services	7.9	100.9	107.2	107.2	6.3	0.0

Source: Statistics Centre - Abu Dhabi

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	Health Price Index	Weights	2019 year	2020 year
6	General number	100.0	103.9	104.1
61	Medical products, appliances and equipment	42.8	103.9	101.9
611	Pharmaceutical products	31.2	101.8	100.4
612	Other medical products	0.9	143.8	146.0
613	Therapeutic appliances and equipment	10.7	106.7	102.7
62	Outpatient Services	49.3	104.5	105.4
621	medical services	17.3	111.3	105.5
622	Dental Services	26.6	100.0	105.9
623	Paramedical services	5.4	104.5	102.9
63	Hospital services	7.9	100.9	107.2
631	Hospital services	7.9	100.9	107.2

#### Table 2: Health Price Index during 2019-2020 (2016=100).

Source: Statistics Centre – Abu Dhabi

## **Explanatory notes**

#### Importance

The importance of the health price index is to provide price statistics for health products and services in the Emirate of Abu Dhabi, and to know the prevailing trends in the prices of health products and services within the Emirate of Abu Dhabi to help decision-makers, policy-makers and researchers to plan and take supportive decisions. In addition to its importance in the process of comparing treatment costs between countries, as it is considered an analytical tool to estimate the affordability of health costs in society, and it is also used within statistical centers to calculate other numbers (CPI) and (GDP)

#### Objectives

- The health price index is an analytical tool for identifying price trends and predicting any price changes in the prices of products, devices, equipment and medical services by decision-makers and policy makers.
- Internal use in the Statistics Center in calculating other statistical indicators, short term economic indicators and GDP at constant prices.
- It is used by specialized bodies in the health sector.

#### **Concepts and definitions**

#### Price

Price is defined as the value of one unit of a material or service; this means the market value of the material or service.

#### Average price

It is the sum of the commodity / service prices that are collected from more than one source divided by the number of sources for that good.

#### **Relative price change**

It is the percentage increase or decrease in the current average price compared to the previous average price.

#### Health price index

an index that measures the change in health prices during two time periods, the base period and the comparison period for a fixed basket of medical and cosmetic products, devices, equipment and services for a selected group.

#### **Relative importance**

It is the relative importance of the product or service within the index basket of health services costs, which expresses its importance in comparison to all products and services within the index list. Where it was relied on the data of the Household Income and Expenditure Survey carried out by Statistics Center Abu Dhabi to know the value of all families 'spending on a specific good / service in the health group divided by the total spending of all families on the health group.

#### The Source

It is the outlet for selling products and services such as pharmacies, hospitals, beauty clinics, eyeglasses stores and medicinal herb stores.

#### Periods of collection

Periods of collection are the selected periods to repeat the survey of all groups in each basket. The period might be weekly, semi-monthly, monthly or quarterly.

#### Coverage

The HPI is considered as representative of the average prices of the list of goods and services in the Emirate of Abu Dhabi

#### Periodical

The health index report is issued annually, and the index tables are extracted semi-annually for purposes within the Abu Dhabi Statistics Center.

#### Classifications

A local classification approved by the health authority was used in preparing the HPI.

#### Main Data source

Data are collected from pharmacies, hospitals, beauty clinics, eyeglass stores and medicinal herbal stores semiannual basis in the Emirate of Abu Dhabi.

#### Questionnaires

Data is collected from the field through paper forms designed for this purpose, as well as via email.

#### Sample design

The proportional sample method is used.

#### **Data collection**

The price data for the health price index list is collected by communicating with the source by email and field visits.

#### Mechanism of calculating and Data Auditing

The health price index is calculated according to the mathematical formula of the Laspeyres equation. The weights used represent projects in 2013.

The price audit process is carried out in three phases, as follows:

- The first stage includes examining the data by the statistical price researcher, where the data is
  entered into health prices in the monthly / semi-annual data tables in which the variables are
  coded, so that they are compared with their counterparts and verify the correctness of the price
  that falls outside the reasonable range. The variables are assigned individually for each item
  according to: "usual" changes in price and "unusual" changes, and this is determined according
  to an analysis of data from previous years. And when anomalous data appears, the researcher
  communicates with the data providers to verify the accuracy of their entered data and record any
  explanations they may provide.
- And when the price is not available from a specific source in the monthly or semi-annual collection process, the values of these prices are estimated in comparison with the previous months, and in the event that the material disappears from the market, it is replaced by a material commensurate with it at the price and specifications.
- The second stage includes a comparison between the current prices and the prices of the previous half. After the prices are entered and verified, the monthly / semiannual average of prices for each commodity calculated.
- The third stage involves auditing and analyzing the contribution rates of the main groups that make up the index and comparing them with previous periods. Finally, the fourth stage, which is the stage of testing, experimenting, developing and issuing data, in which numbers are tested, reports are issued within the department, and developed on the number, and it consists of: A number test, where a month will be taken as a comparison period and the average of the previous months as a base year. And testing until the first report is published.

#### Indicators calculation

• HPI, compared to the previous half of health prices in the Emirate of Abu Dhabi.

- HPI, compared to the same half of the previous year for the health prices in the Emirate of Abu Dhabi.
- Annual HPI and its comparison with the previous year for the health prices in the Emirate of Abu Dhabi.

#### Timelines

The report is issued 60 business days after the end of the reference half year.

#### Dissemination

The HPI publication is published quarterly on the Abu Dhabi Statistics Centre website www.scad.gov.ae.

#### Improvement

- Developing a HPI to classify other projects such as Medical products, devices, equipment, cosmetic clinics, medicinal herbal stores and eyeglasses stores.
- Updating the index basket weights and updating the base year.
- Automate index calculation.
- Update data according to the classifications approved by the Statistics Centre Abu Dhabi.

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#### **Further information**

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