



NATIONAL HEALTH ACCOUNTS OF THE ARMENIA 2010



REPORT

**NATIONAL HEALTH ACCOUNTS
OF
THE REPUBLIC OF ARMENIA
2010**

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THE REPORT WAS DEVELOPED BY THE TASK TEAM OF NATIONAL HEALTH ACCOUNTS OF REPUBLIC OF ARMENIA. EXPERTS FROM THE WORLD HEALTH ORGANIZATION AND THE WORLD BANK WERE PROVIDING DIRECT SUPPORT TO THE DEVELOPMENT OF THE REPORT.

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Given the importance of a global standard for accounting framework for statistics on health expenditure and financing, and to enhance the analytical power of the OECD, EUROSTAT and WHO have agreed to collaborate on further development of methodologies for health accounts.

Main definitions and terms in the NHA methodology are based on the terms and definitions of the “System of Health Accounts” developed by the Organization of Economic Cooperation and Development (OECD). The OECD developed “System of Health Accounts” Manual sets out the international classification of Health Accounts, where all the types of health expenditures are divided into categories.

Based on this methodology development of the National Health Accounts in Armenia started in the 2005.

National Health Accounts (NHA) turned to be a useful tool for understanding a number of issues in health sector financing.

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Introduction

From the perspective of health system financing one of the most important tasks of the Ministry of Health of RoA, implemented under the reforms of health care system, is to assess the size of health financing provided by different sources, the prospects to increase funding allocated to the health sector, identify important actors in allocation of financial resources for the main projects of the health sector and for the population, in health financing and provision of health care services as an instrument for evaluation, strategy development and implementation of reforms.

To this end, the National Health Accounts (NHA) turned to be a useful tool for understanding a number of issues in health sector financing.

Statistical data used for preparation of this report have been collected from several sources. Main part of the data is collected from the administrative records and the official statistics, as well as from already conducted special annual and one-time surveys. At the same time the data was compared and confronted with the results of interviews and surveys specifically used for the NHA preparation.

The two initial stages of NHA preparation (collection of data from existing information sources and analysis) were implemented under the World Bank financed “Health System Modernization” APL-2 Credit Project. The rest of the activities (data entry to four NHA standard tables, comparison of the data, analysis of the data of final tables, preparation of annual reports) were implemented under the State budget of RoA.

This is the first time that the report of National Health Accounts is developed under the coordination of the National Institute of Health named after academician S. Avdalbekyan. Institutionalization of NHA report development activities is carried out with the support of USAID Healthcare system strengthening in Armenia (HS-STAR) project. The project has also provided advisory support to the preparation of the NHA report of 2010.

The healthcare sector performance, as a part of economy, from one side acts with a large spectrum for generation of incomes, including state budget, community budgets, resources of private company employers, remunerations from insurance companies, payments of households and etc., and on the other side, as a initiator and provider of health care services’ demand, as a consumer economic category for the population is relevant to economic regulations and is described with internal, significant, stable and repeating causal interrelations.

Thus, National Health Accounts are considered to be the single all-inclusive tool, which can provide macro-assessments to financial flows of the health sector, as well as to estimate and reconsider the results of ongoing reforms, to make essential and significant adjustments in decisions for selection of future reform strategies in the form of comparison and dynamic rows.

ABBREVIATIONS

ASRP	Armenia Social Reform Project
F	Function or Health Care Functions
FA	Financing Agent
FS	Financing Source
HDNP	Human Development National Report
HH	Households
HPIU	“Health Project Implementation Unit” State Agency of the MoH, RoA
IDC	NHAA Interdepartmental Commission
MC	Medical center
MDG	Millennium Development Goals
MoF	Ministry of Finance of the Republic of Armenia
MoH	Ministry of Health of the Republic of Armenia
MoJ	Ministry of Justice of the Republic of Armenia
MoLSI	Ministry of Labor and Social Issues of the Republic of Armenia
NHA	National Health Accounts
NHAA	National Health Accounts of Armenia
NSS	National Statistical Service of the Republic of Armenia
P	Provider or Implementers of Health Care Functions
PRSP	Poverty Reduction Strategy Paper
RoA	Republic of Armenia
SHA	State Health Agency of the RoAMoH
SNA	System of National Accounts
TT	NHAA Task Team
UN	United Nations Organization
UNDP	United Nations Development Program
USA	United States of America
USAID	United States Agency for International Development
WB	World Bank
WHO	World Health Organization

CHAPTER 1. THE IMPORTANCE AND ROLE OF NHA IN ARMENIA

1.1. The National Health Accounts in Armenia

This NHA report and the NHA in general, are mainly provided for the health system policy-makers and administrators to be used in activities targeting the improvement of health system performance and management. The information included in the NHA is useful in the decision-making process as it provides an opportunity to evaluate the degree of utilization of available resources (at current point of time) as well as for comparative analysis of the country's health system and health systems of other countries. If applied regularly, the NHA provide also a possibility to identify health expenditure trends, which are crucial for the health system monitoring and evaluation. Nevertheless the NHA methodology can be used for the predictions of the health system financial needs.

By combining the information in the NHA with non-financial data, for instance, by comparing the data on the morbidity with the utilization of resources by health care providers, the policy-makers have the possibility to adopt justified strategic decisions and avoid potentially negative alternatives.

It should be noted that the NHA is not only a tool for the officials in the policy decision-making process but also a tool for the general public to evaluate the outcomes of strategic decisions already adopted by political officials.

1.2. The Objective of the National Health Accounts

The main objective of National Health Accounts preparation is to facilitate collection of information on national health system, systematize and submit that information to make the process of planning, policy development and efficiency assessment within the sector more accessible.

Meanwhile, the present report that incorporates the comparison of the NHA data table of several years will lend an opportunity to assess:

- How does the level of participation of financing sources change in parallel with the increase of the state budget allocations? Whether the financial burden of population is reducing and for which programs and services?
- Does the implementation of the state guarantees for the population improve in parallel with the increase of the state budget allocations, i.e., do specific types of medical care or health care services actually become free of charge for the population?

Structural flexibility of the NHA gives also an opportunity to analyze the obtained results by population target groups or by activities, which are related to specific programs and types of diseases such as primary health care, types of specialized care, tuberculosis control programs, etc.

1.3. Methodology of National Health Accounts

Main definitions and terms in the NHA methodology are based on the terms and definitions of the "System of Health Accounts" developed by the Organization of Economic Cooperation and Development (OECD). The OECD developed "System of Health Accounts" Manual sets out the international classification of Health Accounts, where all the types of health expenditures are divided into categories.

Despite the fact that the NHA system of RA is relying on the international classification of the “System of Health Accounts”, it also involves sub-categories relevant for distinctive characteristics of health care system of the RoA. Such flexibility allows the NHA to take into account the diversity and specificity of Armenia’s health system structure and performance.

1.4. Definition of Health Expenditures

In accordance with NHA definitions, national health expenditures are all the expenditures related to implementation of economical activities and aimed to maintain and improve health, change the systems of living standards or finance such activities. This definition applies to all types of facilities and organizations providing or financing health care services. For instance, the NHA provides an opportunity to include funds allocated by the Ministry of Education and Science for the education and training of medical personnel in the health expenditure estimates. In a similar manner, not all the activities implemented by the Ministry of Health fall under the definitions of health expenditures and are included in the NHA. Thus, the NHA is developed based on the aforementioned differentiations and exceptions.

When setting up the NHA, the health functions related to the citizens and residents of the country have been considered but not the geographical boundaries of the country. Thus, for instance, the NHA include health care expenditures made for the citizens and residents temporarily residing abroad, and exclude health care expenditures made for the foreign citizens within the country. Health care expenditures made by the international organizations, medical goods and services for residents of the recipient country are also included in the national health expenditures.

1.5. Structure and Classification of National Health Accounts

The NHA by its structure describes the health expenditures and is grouped into four main tables. All the tables are two dimensional and reflect financial flows from one category of health care participants to another, i.e., they describe how much has been spent by each participant of the health system and where the funds were directed.

The NHA differentiates between four main categories of health system participants.

1. Financing sources (FS) responding to the following question: “Where do the funds come from?” For instance, the State Budget, households, international donor organizations.
2. Financial agents (HF) (also called financial intermediaries), who receive funds from financing sources and use them to finance health care services, medical goods (for instance, drugs) and activities. This category addresses the following question: “Who controls and channels funds?” For instance, if the annual RoA State Budget (financing source) provides funds to the RoA Ministry of Health, then the latter, in turn, decides on how to distribute the funds received within the health system. For this reason, the RoA Ministry of Health acts as a financial intermediary. Other examples may include insurance companies and other ministries (for instance, the RoA Ministry of Education and Science).
3. Providers of health services (HP) are the end users of health system funds. This category of participants responds to the following question: “To whom the funds are allocated?” Providers are the organizations that provide health care services. For

instance, private and public hospitals, polyclinics, rural ambulatories and health centers, pharmacies, etc.

4. Health functions (HC) are the services provided and activities implemented by the providers against the funds received. This category responds to the following question: “What kind of service, product or activity has been actually implemented?” Medical care, long-term nursing, medical goods (for instance, drugs), preventive activities and health administration may serve as examples.

The main cluster of tables describes the financial flows between the above mentioned categories of the health system. On the other hand, the financial flows can be very complex and involve numerous types of participants and links between them.

1.6. The Process of National Health Accounts Preparation

The preparation of NHA is comprised of the following stages:

- Health expenditure data collection;
- Input figures into the NHA tables;
- Data analysis;
- Dissemination of the outcomes among the users.

At the initial stage, when the issues of the NHA institutionalization are yet to be addressed, the NHA tables are generally prepared by the task team composed of different specialists and this work has already started in Armenia in 2004-2005.

Another factor, contributing to the success of the NHA is the coordinating committee composed of the officials from the RoA Ministry of Health, the RoA Ministry of Finance, representatives of the National Statistical Service, etc. In essence, the coordinating committee shall have an essential role in institutionalization of the NHA. To all appearances, the coordinating committee must play essential role in the institutionalization of NHA. The role of coordinating committee is to ensure the availability of data to the task team, as the preparation of NHA presupposes a comprehensive collection of data from different ministries and departments, donor organizations, providers, etc.

CHAPTER 2. ANALYSIS AND DESCRIPTION OF SITUATION

2.1. General Description, Composition and Structure of the Health System

2.1.1. Description and Management of Health Sector

The RoA health sector includes:

1. The system of the RoA Ministry of Health;
2. The systems of other Public Administration bodies implementing health services;
3. The system of health care facilities founded by the RoA Marzpets (Regional Governors);
4. Health care facilities founded by the Local Self-Governance Bodies;
5. Private health care facilities;
6. Local and foreign benevolent organizations and Non-Governmental Organizations (NGOs) implementing projects in the health sector;

7. Entities of donor countries and international organizations implementing projects in the health sector.

The RoA Ministry of Health carries out public administration of other Public Administration Bodies providing health care services, the health care facilities founded by the RoAMarzpets and the Local Self-Governance Bodies as well as private health care facilities within the scope of the state guaranteed programs (state order).

2.2. Health Financing

The health system of Armenia is financed both by internal and external sources. The main internal sources of financing are the following:

- 1. RoA State Budget**
- 2. Direct payments of citizens**
- 3. Co-payments**
- 4. Medical Insurance**

The external sources of health financing are the all the expenditures made by the outside world in health system of RoA in a decentralized way and not reflected in state budget:

- a. Import and distribution of goods received from the outside world and approved as benevolent/humanitarian goods;
- b. Works and services provided within the scope of programs approved as benevolent and financed by the outside world;
- c. Expenditures made by major international donor organizations in the health system of RoA.

CHAPTER 3. THE METHODS AND DATA SOURCES

The data sources in different countries have various distinctive features, and for Armenia the following main sources have been selected:

i. Records of the national, regional and local bodies of the health system represent the most comprehensive, reliable and accurate data;

ii. Records maintained by insurance companies (social and private insurance): the records of insurance companies must include insurance payments made to the households and companies, as well as medical and administrative expenditures of the insurer. On the other hand, however, the insurance records may lack such important data as co-payments or partial payments to the providers of medical services made by the households as the direct payments. To this end, it is very problematic to include insurance companies as data sources. If the specific weight of insurance premiums and expenditures of insurance companies in overall health expenditures are also taken into account, then the efforts to collect data on this may be underestimated. Even more, the proportion of expenditures of existing insurance companies out of total health expenditures is too small. Nevertheless, "Questionnaire for Expenditures of Insurance Companies" was developed in 2008-2009, with the purpose to study the expenditures of insurance companies.

iii. Records of medical service providers: these data could be obtained either directly from providers or from regulatory and financing bodies (for instance, from tax or licensing authority). The problem here is that the providers may not maintain the relevant records because such administrative registers have not been required and are not used by the licensing or financing bodies. In some cases, it may be outside of the body's mandate to require such registry. In addition to this, the problem is made even more complicated as the data on alternative medicine are not comprehensive and accurate.

iv. Data on assistance provided by donor organizations: the reports prepared by different organizations (United Nations Development Program, World Health Organization, etc.) or Ministry of Health very often incorporate comprehensive information required for the NHA preparation. Nevertheless, those reports raise some questions related, for instance, to the estimation of cash value for non-financial support (for instance, drugs or vaccines) provided by the donor organizations. On the other hand, in the case of implementation of health care services by donor organizations through NGO-es or other non governmental providers, it is almost impossible to get detailed information on expenditures.

To address the aforementioned issues and emerged problems an attempt has been made to:

- identify additional independent sources of information that may be used to check the accuracy of the received data;
- make an effort to obtain similar results at least from two different sources;
- identify the reasons for differences, if the calculations differ;
- ignore insignificant differences;
- check the calculations more carefully, if differences are essential. Are these estimations for the same expense items? Are the expenditure definitions the same? Do the periods differ? Do these estimations relate to the fact that in some cases the calculations have been made on the accrual basis, and in other cases on actual payment basis?

3.1. Sample Surveys

The household sample surveys are of particular importance among data collection sources on health expenditure as they provide an opportunity to get an idea about the volumes and main directions of expenditures made by the households to maintain and/or restore health.

The ILCS served as an information source for the household health expenditures for the 2010 which is periodically implemented by NSS RoA. The objective of the ILCS is to study the living conditions in Armenia, as a result of which the data on health expenditures of population are considered to be a component of non-economic poverty. This fact has considerably limited the possibility of using the data on health expenditures obtained as an outcome of this survey by all the structural components in the NHA.

In 2010 there were obstacles during utilization of the data from ILCS for the preparation of the National health accounts, because there was a change in the questionnaire related to the recording period for the expenditure: the households have presented information on expenditures for medical services and drugs for the period of 30 days preceding the interview¹. This does not allow to generalize the data by health service types for the main cluster or for the general population of RoA. Nevertheless, the role and the significance of the data of ILCS is explained with the fact, that the information on everyday expenditures of the households recorded in the diary provides an opportunity to obtain the possible complete picture on general data on the volumes of households' direct payments and volumes of expenditures made for pharmaceuticals and other goods.

Taking into consideration the fact, that the results of ILCS are not sufficient for calculation of the proportions of structural components, while preparing the report for 2010, the specific weights of the main components of 2009 accounts were used comparing with ILCS results, as well as with the results of "Household Survey on Expenditures for Health Services" jointly implemented by the NSS RoA and International Center of Human Development for development of NHA 2008 report. The summary estimate of the health expenditures made by households (volume of the expenditures with estimation of all households) is calculated from the combination of the per capita expenditure based on the data received from "household diary" and the average annual number of the population. The calculations were made based on the indicators describing the morbidity level of the population, or in other words, in the context of the problem, an attention was paid to the changes in the part of diseases or provided services compared with the previous year.

¹*Social Snapshot and Poverty in Armenia*. Statistical analytical report, in accordance with the results of Household Integrated Living Conditions Survey 2010, NSS RoA, Yerevan 2011, pages 139-151

CHAPTER 4. MAIN OUTCOMES OF THE NHA

4.1. Analysis of Basic Accounts

4.1.1. Financing Sources and Financial Agents (FSxFA)

When studying the financial flows for health care services by financial sources and financial agents, it is important to refer to the tables of *Financial Sources and Financial Agents (FSxFA)*, which give an overview on the volumes of financing provided by all Financial Sources to the particular Financial Agent (institutional body or sector).

1. Financing of the “Public sector” Financial Agent HF.A.1

The overall amount of financing provided to the health system by all financial sources, including Public, Private and the Rest of the World, in 2010 was AMD 159,086.9 million (AMD 145,313.3 million in 2009), distributed between the Public, Private and Rest of the World Financial agents.

The overall amount of financing by public sector - as a financial agent - for provision of health services in 2010 amounted to AMD 62,743.9 million, and the growth compared with the indicator of the previous year was almost 100.1% (AMD 62,709 million in 2009 and the growth compared with the previous year was 104.7%, AMD 59,859.9 million in 2008; AMD 65,088.8 million in 2007; AMD 51,156.6 million in 2006). Similar to the previous year in 2010 due to RoAGovernment Policy on maintaining the public financing directed to the social sector, the financial volume of “Public sector” agent, has kept its increase tendency, even if a not significant increase was recorded, especially when in 2009 a reduction of 8% was recorded compared with the previous year.

The public funding was a source for financing “Public sector” agent in an amount of AMD 58,349.2 million, the growth of which compared with the indicator of the previous year was 102.5% (AMD 56,917.4 million or 107.2% in 2009). It the structure of financial sources the specific weight of financing from the public sources formed the 92.3% of the sector total financing (AMD 56,917.4 million or 90.8% in 2009; AMD 53,100.5 million or 98.7% in 2008; AMD 50,825.7 million or 78.1% in 2007; AMD 42,138.4 million or 80.8% in 2006).

The financing indicator for the Rest of the World through decentralized funding amounted AMD 4,394.7 million, or 7.0% of the overall financing received from the “Public sector” agent, which calculated by current prices compared with the indicator of the previous year was decreased by 24.1% (AMD 5,791.6 million or 9.2% in 2009; AMD 6,759.5 million or 1.3% in 2008; AMD 14,263.1 million or 21.9% in 2007; AMD 9,018.4 million or 19.2% in 2006). If we take into account the fact, that in 2009 the reduction of the volume of financing of the Rest of the World compared with the previous year amounted 14.3%, than it can be stated, that during last few years the decrease pace of the financial volumes provided by this financial source is accelerating.

As it can be observed from the dynamics of indicators provided by the public sector financing sources, in the overall financing the volumes of public resources were increasing without deviation, but the external financing, which demonstrates an instable behavior in 2007, and describes the cyclic representation dynamics of the indicator of the total financing volume, during the last three years has an obvious decreasing dynamics.

In the financial structure of public sector AMD 57,991 million or 99.4% were public budget resources, which is 0.1% point less than the indicator of the previous year, despite the

growth compared with the indicator of the previous year with current prices amounted 102.4% (correspondingly AMD 56,609.9 or 99.5% in 2009; AMD 53,053.2 million or 99.9% in 2008; AMD 50,776.4 million or 99.9% in 2007; AMD 42,012 million or 99.7% in 2006). It is noteworthy that in 2010 similar to previous three years, in the financial structure of public sector no financing was provided by Territorial Administration Bodies, which in 2009 was AMD 163,8 million or 0,3% of the overall financing.

The financing provided from the budgets of local self-governing bodies in 2010 amounted to AMD 358.2 million or 0.6% of the overall financing (AMD 143.7 million or 0.2% of the overall financing from public sources in 2009; correspondingly AMD 47.3 million or 0.09% in 2008; AMD 49.3 million or 0.1% in 2007). In 2006 financing was provided in an amount of AMD 99.5 million from Regional Administrative Bodies and AMD 36.4 million from Local self-governing bodies, which amounted 0.3% in the overall financial structure. In 2005 the corresponding indicators and the ratio of which have the following picture: the total volume of financing of public sector amounted to AMD 39,827 million, for which the public resources serve as a financial source in an amount of AMD 33,159 or 83.2% of the overall financing of the sector, and the decentralized financing of the Rest of the World in an amount of AMD 6,668 million or 17.8%.

In 2008, when the reduction of total volume of financing was 8%, an increase of the public resources by 104.5% and a reduction of the Rest of the World by 52.6 % were recorded. Thus there was an essential change in the total structure of the proportions of specific weights of the mentioned sources in favor of the public sources compared with the year 2007. In 2007 the financial volume of the public sector, as a financial agent, was increased by 27.2%, moreover the increase of public financing amounted to 120.6%, and the decentralized financial growth of the Rest of the World was 158.2%. Because of a rapid increase rate of the financing from the Rest of the World, the structure of the financial sources was significantly changed, particularly, the specific weight of the public sector was reduced by 2.7% points, and on the contrary the specific weight of the Rest of the World has increased with the same amount.

The evidence of the public policy implementation effectiveness in health care sector first is the fact that the role of state budget is steadily increasing (even with no rapid increase) (99.5% in 2009; 99.9% in 2008; 99.9% in 2007; 99.7% in 2006), and second, the tendency of increase of financial volumes provided by Regional administrative bodies (0.3%) and by Local self-governing bodies (0.2%) is obvious (0.1% in 2007; 0.3% of the overall financing was provided by other public funds FS 1.2 in 2006).

As a result, in comparison with the previous year in 2008 the financial volumes and structure of the public sector as a financial agent, the following changes were recorded: the total financial volume was reduced by 8%, including an increase of 4.5% of financial volume provided by public sources, and 52.6 % reduction by the Rest of the World. Related to this the structure of public sector financial sources has got the following picture: public sources 98.7% and Rest of the World 1.3%. In 2007 compared with 2006, the following changes were observed in the financial structure provided by the public sector: despite the recorded growth of all indicators, the specific weight of the public sources were reduced by 2.7% points and a growth of the same amount was recorded for the Rest of the World, due to 1.5% growth of the financial volume provided by this source.

In 2007 the Public Administration Bodies provided an amount of AMD 50,776.4 million to the health sector from the state budget and in comparison with the level of the preceding year it amounted to 120.9% (in 2006 AMD 42,002.5 million, which in its turn amounted to 127.1% compared with the preceding year). As a point of comparison, the size of

financing by the Public Administration Bodies in 2005 amounted to AMD 33,048 million as compared to AMD 26,591 million in 2004; and compared with the level of previous year it amounted to 124.3%. Because of the growth rate (20-27%) of financial volumes in the presented period (2004-2007) almost double increase was recorded for the annual financial volumes from public sources – 191%.

While viewing the distribution of financing from public sources by financial agents (FA) it is protocolled, that in 2010 the overall financing was directed to Central Public Administration Bodies in an amount of AMD 57,977.4 million or 99.4% of the overall (AMD 56,609.9 million or 99.5% in 2009; AMD 59,808.7 or 99.9% in 2008; AMD 50,777 million or 99.9% in 2007), no financing was provided to Regional Public Administration Bodies (AMD 163.8 million or 0.3% in 2009; AMD 0.0 in 2008; AMD 3.9 million in 2007) and the financing from Local self-governing bodies amounted AMD 371.8 million or 0.7% of the overall (AMD 143.7 million or 0.2% in 2009; AMD 47.3 million or 0.09% in 2008).

The financing provided by all financial sources has been distributed between public sector components by below presented proportions:

In 2010, the total financing of RoA Ministry of Health amounted to AND 59,336.3 million, the growth of which compared with the indicator of the previous year was 101.6% (AMD 58,421.4 million in 2009; AMD 55,507.1 million in 2008; AMD 61,263.8 million in 2007; AMD 47,808 million in 2006), including AMD 54,941.7 million or 91.9% public budget resources (AMD 56,609.9 million or 90.1% in 2009; AMD 48,747.6 million or 87.8% in 2008; AMD 47,002.4 million or 76.7% in 2007; AMD 38,789.5 million or 81.1% in 2006), and AMD 4,394.7 million or 7.4% of overall, from the funding provided to the public sector from the Rest of the World (AMD 5,791.6 million or 9.9% in 2009; AMD 6,759.5 million or 12.2% in 2008; AMD 14,261.4 million or 23.3% in 2007; AMD 9,018.5 million in 2006).

The financing provided to RoA Ministry of Health from state budget in 2010 amounted the 94.2% of the overall financing (92,5% in 2009; 91,9% in 2008; 92,6% in 2007, 92,1% in 2006), which has exceeded the indicator of the previous year by 1.7% points (in 2009 there was a growth of 0,6 % points; in 2008 it was reduced by 0,7% points; and in 2007 there was a growth of 0,4% points).

In 2010 similar to previous years, the entire financing of the “Public Sector” agent by the second component of financing sources – the “Rest of the World” – has been provided to the RoA Ministry of Health in an amount of AMD 4,394.7 million (AMD 5,791.6 million in 2009; AMD 6,759.5 million in 2008; AMD 1.7 million was provided to the RoA Ministry of Education and Science in 2007).

It is noteworthy that in 2005 the total financing of the RoAMoH amounted to AMD 37,402 million (as compared to AMD 24,268.5 million in 2004; the growth of 154.1%), including 93% or AMD 30,734 million from the state budget (98.5% in 2004), which, at the same time, was 82.2% of the total MoH financing and 77.2% of the public sector overall financing. AMD 6,668 million (AMD 359.2 million in 2004; growth of 18 times) or 17.8% (1.5% in 2004) of total financing of the ministry has been provided by the “Rest of the World” sector via decentralized financing.

On the other hand, it should also be noted, that if the double increase of the health financing volumes from 2004 to 2007 by the public sector was observed due to 2.5 times growth of the financing provided to the RoA Ministry of Health: from AMD 24,268.5 million in 2004 to AMD 61,263.8 million in 2007, then in 2008 a 9.4% decrease of the financing from the Ministry of Health of RoA was recorded.

In 2010 AMD 2,654.5 million or the 4.5% of overall financing (AMD 2,794.2 million or 4.9% in 2009; AMD 2,521.8 million or 4.8% in 2008; AMD 2,303.8 million or 4.5% in 2007; AMD 1,963.5 million or 4.7% in 2006; AMD 1,462 million or 4.4% in 2005 and AMD 1,438.1 million or 5.4% in 2004) of the state budget funds and general financing of the sector from the public sources has been allocated to the RoA Ministry of Labor and Social Issues. If in 2007 the absolute indicators of the financing volume from the Ministry again has increased, but the growth of volumes of other components lead to an decrease of the specific weight of financial resources in the overall structure of the financial resources by 0,2 % point, and the small growth in 2008 lead to a 0.3% growth of the specific weight in the structure, in the background of reduction of financing of the other components, then in 2009 the 110.8% increase of financial volume compared with the previous year, in the background of the growth of other components, in the total structure the specific weight of funding received by the Ministry is increased by 0.1% point.

In 2010 the increase of the volume of financing of the ministry compared with the indicator of the previous year was 95% or a decrease of 5%, as a result the specific weight of which in the structure of financing from public sources was decreased by 0.4% points. The funding of the RoA Ministry of Labor and Social Issues was provided by the financial sources from state budget exclusively, the proportion of which in the overall financial structure amounted 4.6% (4.5% in 2009; 4.2% in 2008).

In 2010 compared with the previous years, from any of financial sources no financing was provided to RoA Ministry of Education and Science. In 2009 AMD 659.7 million or 1.5% of the overall Public Sector financing volume was allocated to this Ministry, a financial source for which was the state budget, which has increased a little compared with the previous year, and amounted the 1.2% of the state budget financing (AMD 650.7 million or 1.1% in 2008; AMD 361.8 million or 0.6% in 2007; of which AMD 360.2 million or 0.7% is provided from state budget resources; correspondingly AMD 518.2 million or 1.2% in 2006; AMD 615.1 million or 1.9% in 2005; AMD 452.1 million or 1.7% in 2004).

In 2010 AMD 120 million or 0.2% of the overall financing from state budget was allocated to the RoA Ministry of Transport and Communication (AMD 87 million or 0.2% in 2009; AMD 97 million or 0.2% in 2008; AMD 82 million or 0.2% in 2007; AMD 100 million in 2006; AMD 82.4 million in 2005 and AMD 139.3 million in 2004). As it is observed from the presented numbers, there are some deviations in the funding of this Ministry: each increase of funding is followed by a decrease in the following year, despite the unchanged specific weights in total structure of financing.

In 2010 the financing of the RoA National Security Service and the RoA Police is left almost unchanged, and amounted correspondingly AMD 27.9 million and AMD 73.7 million, which in particular for the part RoA Police was increased compared with the previous years. Despite this, no changes were made in overall funding of state budget amounting respectively 0.05% and 0.1% (AMD 26.8 million and AMD 181.9 million or 0.05% and 0.3% in 2008; AMD 26.8 million and AMD 174.6 million or 0.1% and 0.3% in 2007; AMD 26.8 million and AMD 81.9 million in 2006; AMD 25 million and AMD 76.4 million in 2005).

The specific weights in the overall financing structure for the two latter public bodies remained almost unchanged from the previous years, even though there was an obvious increase of funding for RoA Police, particularly in 2007, it was almost doubled, and in 2008 the growth was 104.2%. In 2009 the financing of the RoA Police is decreased by 59.5%.

The total financing from public sources for the HF 1.1.1.7 TBD public sector component in 2010 amounted AMD 159.6 million (AMD 337.6 million in 2009; AMD 823.4

million in 2008; AMD 826.6 million in 2007), which similar to the previous year was entirely funded by the state budget.

The sub-agent financing volume structure was different from 2004-2006: particularly in 2006 the funding amounted to AMD 622.1 million, including AMD 522.6 million from the state budget and AMD 99.5 million drams from revenues of regional public administration bodies, AMD 165 million in 2005, including AMD 53.6 million from the state budget and AMD 111.3 million from other public sources. In 2008 a 99.6% increase was recorded compared with the previous year (the growth was 132.9% in 2007).

In contrast to 2004, when the sector “Rest of the World” contributed AMD 2,586.5 million as decentralized funding for the health facilities established by the Local Self-Governance Bodies, the entire financing of the Rest of the World in 2005 and 2006 has been allocated to the RoA Ministry of Health. In 2007 AMD 14,263.1 million was allocated from the Rest of the World by a decentralized order to the two state bodies: AMD 14,261.4 million to the RoA Ministry of Health and AMD 1.7 million to the RoA Ministry of Education and Science.

2. Financing of the “Private sector” Financial Agent HF.B.2

The overall financing provided by the private sector - as a financial agent - in 2010 amounted to AMD 91,373.6 million or 114.7% increase as compared with the previous year (AMD 79,666.0 million or 109.6% growth in 2009; AMD 72,666.3 million or 104.4% AMD 69,588.1 million or 103.8% in 2007; AMD 67,066 million and reduction of 10.7% in 2006).

In the overall financial structure AMD 88,201.7 million or 96.5% (AMD 75,794.9 million or 95.1% in 2009; AMD 69,680.4 million or 95.9% in 2008; AMD 67,106.1 million or 96.4% in 2007; AMD 64,024.6 million or 95.5% in 2006) represents direct payments by households, which has a growth of 116.4% (108.8% in 2009; 103.8% in 2008) as compared with the indicator of the previous year.

AMD 620.1 million or 0.7% of the overall funding of the private sector (AMD 426.4 million or 0.6% in 2009; AMD 309.9 million or 0.4% in 2008; AMD 173.0 million or 0.2% in 2007; AMD 105.1 million in 2006) are the payments of private insurance companies financed from the “private sector” financing sources at the cost of employers/private companies component.

The decentralized financing of the Rest of the World in an amount of AMD 2,551.8 million (AMD 3,444.6 in 2009; AMD 2,675.8 million in 2008; AMD 2,308.9 million in 2007; AMD 293.6 million in 2006) was allocated to the following agents: *HF 2.4 “Non-commercial organizations”* (excluding social insurance companies) – AMD 1,825.1 million (AMD 2,709.3 million in 2009; AMD 1,893.6 million in 2008; AMD 1,764.6 million in 2007) and *HF 2.5.2 “Private/Public partnership organizations”* – AMD 726.7 million (AMD 735.3 million in 2009; AMD 782.2 million in 2008; AMD 544.3 million in 2007). The increase of the financial volume provided by the Rest of the World financial agent to the private sector amounted 74.1% or was reduced by 25.9% (the increase was 128.7% in 2009). It should be mentioned the fact, that if there was a stable increase of financial volumes provided by this financial sour, particularly in 2007 compared with 2006 there was almost an increase of ten times and in 2008 the growth was 115.9%, in 2010 a decrease was recorded

Thereby, the financial volume provided by private sector (excluding the Rest of the World) in 2010 amounted to AMD 88,821.5 million or an increase of 116.5% compared with the previous year (AMD 76,221.4 million or 108.9% increase compared with the previous

year in 2009; AMD 69,990.3 million or 104% growth in 2008; AMD 67,279.1 million in 2007; AMD 64,129.7 million in 2006).

The overall funding contributed by financial agents of this sector in 2005 amounted to AMD 75,081 million as compared to AMD 75,058 million in 2004; the growth rate was 100.03%. If financing by this sector in 2004-2005 remained almost unchanged, a significant reduction has occurred in 2006. Direct payments of households – one of the components of the sector - amounted 96.7% of the overall financing in 2005 or AMD 72,619 million (99.8% or AMD 74,887 million in 2004) and the sole financial source for this funding were the households' financial resources; AMD 65.0 million (AMD 157.7 million in 2004) are the payments of private insurance companies financed from the "Private Sector" financial sources on account of employers/private companies component; AMD 1,372 million is provided by non-commercial organizations financed by the Rest of the World. It is noteworthy that in 2004 no financing was provided under this sub-agent. AMD 1,025 million or 1.4% of the overall funding (AMD 13.6 million in 2004) has been contributed to finance health care services under insurance plans provided by sole proprietors at the cost of funds allocated by the Rest of the World.

Similar to the previous four years in 2010, due to the change of household direct payments the significant change has occurred in this sector. In 2006 there was a reduction of almost AMD 8.5 billion compared with 2005, and in 2007 there was an increase in an amount of AMD 3,081.5 million or 104.8%, because of which the specific weights of household payments were increased from 95.5% to 96.4%. In 2008 the increase tendency was the same, there was an increase in an amount of AMD 2,574.3 million or 103.8%, and the specific weight was reduced to 95.9%.

In 2010 household direct payments compared with the previous year exceeded the indicator of the previous year by AMD 12,406.8 million or a growth of 116.4%, and the specific weight after increasing by 1.1% points amounted the 96.2% of the overall funding of "Public Sector" financial agent (correspondingly in 2009 the absolute value was AMD 6,114.5 million or 108.8% growth, and the specific weight - 95.1%).

The decrease of the direct payments of households in 2010 is significant, to which we will refer later during analysis of other accounts, when it will be obvious which providers and for what functions were financed.

3. Financing of "Rest of the World" financial agent HF.3

In 2010 the funding of financial agents in this sector amounted AMD 4,969.4 million (AMD 4,969.4 million in 2010; AMD 2,938.3 million in 2009; AMD 4,516.4 million in 2008; AMD 4,582.9 million in 2007), which was completely funded by the Rest of the World financial source, from which AMD 3,660 million was provided to *HF 3.2 Contributions, Loans provided by Donor* sub-component financial agent and AMD 1,309.4 million to *HF 3.3 Technical assistance and grants provided by donor* sub-component financial agent.

The funding allocated from the Rest of the World, as a financial agent, in 2010 amounted to AMD 11,915.9 million (AMD 12,174.5 million in 2009; AMD 13,951.8 million in 2008; AMD 21,154.9 million in 2007), which compared with the previous year was decreased by 2.1% (97.9% growth) (12.7% decrease in 2009; 34% decrease in 2008; 117.3% growth in 2007).

The AMD 4,394.7 million or 36.9% of the overall funding, similar to the previous year, was allocated to the Public sector subagent RoA Ministry of Health (AMD 5,791.6 million or

47.6% in 2009; AMD 6,759.5 million or 48.4% in 2008; 67.4% from the Public Sector to the financial subagents -Ministry of Health of RoA and Ministry of Education and Science).

AMD 2,551.8 million or 21.4% of the overall funding was provided to “Non-public/Private Sector” financial agent (AMD AMD 3,444.6 million or 28.3% in 2009; AMD 2,675.8 million or 19.2% in 2008; 10.9% in 2007) and the remaining AMD 4,969.4 million to the Rest of the World financial agent (AMD 2,938.3 million or 24.1% in 2009; 32.4% in 2008; 21.7% in 2007).

In 2006 the funding from the Rest of the World amounted to AMD 17,983.5 million, which was provided to the following financial agents: AMD 9,018.5 million to the RoA Ministry of Health, and AMD 6,029.5 million from the technical assistance and grants provided by donors.

In 2005, AMD 6,285 million, including AMD 1,888 million financed under programs implemented by the RoA Government Commission Coordinating Charitable Projects and AMD 4,397 million as technical support and grants provided by donors. In addition, the “Rest of the World” was a financing source for the “Public Sector” agent in the amount of AMD 6,668 million and for the “Private Sector” agent in the amount of AMD 2,397 million. As a result, the total financing of the “Rest of the World” in 2005 amounted to AMD 15,350 million.

After summarizing the NHA “Financial Agents and Financial Sources” account or table data, the following could be stated:

The total volume of funding from all financial sources in 2010 amounted to **AMD 159,086.9 million**.

1. The total financing by the financial agents in 2010 was AMD 159,086.9 million (AMD 145,313.3 million in 2009; AMD 137,042.6 million in 2008; AMD 139,259.8 million in 2007; AMD 124,251.6 million in 2006; AMD 121,193.7 million in 2005), including:

1.1 Public Sector – AMD 62,743.9 million (AMD 62,709 million in 2009; AMD 59,859.9 million in 2008; AMD 65,088.8 million in 2007; AMD 51,156.6 million in 2006; AMD 39,767.4 million in 2005);

1.2 Private Sector –AMD 91,373.6 million (AMD 79,666 million in 2009; AMD 72,666.3 million in 2008; AMD 69,588.1 million in 2007; AMD 67,066 million in 2006; AMD 75,158.2 million in 2005);

1.3 Rest of the World - AMD 4,969.4 million (AMD 2,938.3 million in 2009; AMD 4,516.4 million in 2008; AMD 4,582.9 million in 2007; AMD 6,029 million in 2006; AMD 6,268.1 million in 2005).

2. The total financing provided by financial sources in 2010 was AMD 159,086.9 million (AMD 145,313.3 million in 2009; AMD 137,042.6 million in 2008; AMD 139,259.8 million in 2007; AMD 124,251.6 million in 2006; AMD 121 193 million in 2005), including:

2.1 Financing from public sources/funds - AMD 58,349.2 million (AMD 56,917.4 million in 2009; AMD 53,100.5 million in 2008; AMD 50,825.7 million in 2007; AMD 42,138.4 million in 2006 and AMD 33,159 million in 2005),

2.2 Private funds/resources – AMD 88,821.8 million (AMD 76,221.4 million in 2009; AMD 69,990.3 million in 2008; AMD 67,279.1 million in 2007; AMD 64,129.7 million in 2006; AMD 72,684 million in 2005), including:

-Resources of employers/private enterprises – AMD 620.1 million (AMD 426.4 million in 2009; AMD 309.9 million in 2008; AMD 173 million in 2007; AMD 105.1 million in 2006; AMD 65 million in 2005);

-Household direct payments – AMD 88,201.7 million (AMD 75,794.9 million in 2009; AMD 68,680.4 million in 2008; AMD 67,106.1 million in 2007; AMD 64,024.6 million in 2006; AMD 72,619 million in 2005);

-Non-commercial organizations – AMD 0.0 (0.0-2009; 0.0-2008; AMD 1,764.6 million in 2007);

- Private organizations – AMD 0.0 (0.0-2009; 0.0-2008; AMD 544.3 million in 2007).

2.3 The Rest of the World financing amounts for AMD 11,915.9 million (AMD 12,174.5 million in 2009; AMD 13,951.8 million in 2008; AMD 21,154.9 million in 2007; AMD 17,983.5 million 2006; AMD 15,350 million in 2005).

4.1.2. Financial Agents and Providers (FAxP) Account

To study the health expenditure flows by providers and financial agents it is necessary to refer to the tables of accounts of **Financial Agents and Providers**, which give a clear picture of the institutional body or sector, its funded specific expenditures and the providers of health care service.

1. The hospitals group HP.1

According to the data from *Financial Agents and Providers Account*, the size of health care services provided by the hospitals (group HP.1) amounted to AMD 60,450.1 million, and the growth compared with the indicator of the previous year was 102.3% (AMD 59,060.9 million and a growth of 89.2% compared with the previous year in 2009; AMD 66,245.8 million or 107.4% in 2008; AMD 61,659.9 million or 109.9% in 2007; AMD 56,125.2 million or 84.3% in 2006).

Health care services provided in 2005 amounted to AMD 66,560 million against the amount of AMD 64,037 million in 2004 and amounted to 103.9% as compared to the previous year. In other words, the volume of services provided in 2006 as compared to 2005 has reduced by 15.7%, and by 12.4% from 2004; or the growth noted in 2005 against the previous year has been replaced by a sharp decline, and amounted to 109.9% in 2008 was similar as recorded in 2007, which has a tendency to recover the level of indicators of the previous years, but in 2009 a significant decrease was recorded. The specific weight of the “Hospital” group in the sector of health care providers amounted 37.9% of the total volume of services (40.6% in 2009; 40.6% in 2008; 44.3% in 2007).

AMD 28,320.5 million or 46% of payments for the mentioned services was made by households (AMD 32,818.5 million or 55.6% in 2009; AMD 38,832.9 million or 58.6% in 2008; AMD 36,239.2 million or 58.8% in 2007; AMD 38,406.7 million or 68.4% in 2006; AMD 49,530 million or 74.4% in 2005; AMD 49,750 million or 79.3% in 2004).

It is noteworthy that the reduction tendency of specific weight of direct payments from households in 2010 was also reserved in overall financing structure, which in 2010 was decreased by AMD 4,498 million or 27.1% and was explained by the growth other components' financing volumes, particularly with the growth of public sector funding volumes. If during the years 2004-2007 the annual volume of direct payments made by households was reduced by 27.2% for the observed period, or it was reduced from AMD

49,750 million to AMD 36,239.2 million, then in 2008 it amounted to 107.2% as compared with the previous year.

In general, the structure of financing provided by the hospital group has the following composition by financing sectors:

- Public sector funding amounted to AMD 30,663.8 million or 50.7% of the overall financing (AMD 26,236.3 million or 44.4% in 2009; AMD 26,093.4 million or 39.4% in 2008; AMD 24,345.4 million or 39.5% in 2007; AMD 17,036.1 million or 30.4% in 2006; AMD 15,652 million or 23.5% of in 2005), the growth was 116.8% compared with the previous year (107.2% in 2009).

Financing of this sector by agents is the following: AMD 30,476.4 million or 99.3% (AMD 25,706.3 million or 98% in 2009; AMD 25,059.9 million or 96% in 2008; AMD 23,357.7 million or 95.9% in 2007; AMD 16,448.8 million or 96.5% in 2006; AMD 15,572 million or 99.5% in 2005) allocated to this sector by the RoA Ministry of Health and AMD 187.4 million or 0.7% (AMD 182.7 or 0.7% in 2009; AMD 234.8 million or 0.9% in 2008; AMD 153.3 million or 0.7% in 2007; AMD 125 million or 0.7% in 2006; AMD 80.5 million or 5% in 2005) by the RoA Ministry of Labor and Social Issues. Dissimilar to the previous year no financing was provided by the other Public administration bodies (as financial agents) In 2009 AMD 183.3 million or 0.7% of the overall financing was provided from the *HF 1.1.1.7 TDB* component (AMD 667.5 million in 2008; AMD 785.1 million in 2007), in 2009 compared with the previous year the financing from RoA Police (AMD 80 million in 2008) and Local Self-governing Bodies (AMD 47.3 million in 2008, AMD 49.3 million in 2007) was allocated to another provider, financing from Regional Administration Bodies an amounted to AMD 163.8 million (AMD 3.9million in 2008).

Funding from public sector in 2010 amounted to AMD 30,663.8 million or 50.7% of the overall financing (AMD 26,236.3 million or 44.4% in 2009; AMD 26,093.4 million or 39.4% in 2008; AMD 24,345.4 million or 39.5% in 2007; AMD 17,036.1 million or 30.4% in 2006; AMD 15,652 million or 23.5% of in 2005), which has distribution per components of the "Hospitals" group:

- Multi-profile hospitals: AMD 18,224.9 million or 59.4% of the overall (AMD 14,911.3 million or 56.8% in 2009; AMD 16,170 million or 62% in 2008; AMD 16,322.5 million or 67% in 2007; AMD 10,552.3 million or 61.9% in 2006; AMD 9,362 million or 59.8% in 2005), the 99.3% or AMD 18,107.5 million (AMD 96.9% or AMD 14,454.5 million in 2009; 95% in 2008; 93% in 2007) was provided by RoA Ministry of Health. AMD 117.4 million was provided by the RoA Ministry of Labor and Social Issues (AMD 109.6 million in 2009). No financing was provided by the other Public Administration Bodies to multi-profile hospitals' subgroup of providers (AMD 183.3 million from TBD component and AMD 163.8 million from Regional Public Administration Bodies). From the total funding provided by the RoA Ministry of Health AMD 15,966.2 was allocated to public multi-profile hospitals, and AMD 2,141.2 million to private multi-profile hospitals. Funding received from the RoA Ministry of Labor and Social Issues in an amount of AMD 117.4 million was allocated to private multi-profile hospitals.
- Mental hospitals and narcological dispensaries: AMD 2,067.9 million or 6.9% of the overall financing (AMD 2,179.4 million or 8.3% in 2009; AMD 1,860.9 or 7.1% in 2008; AMD 1,598.4 million or 6.6% in 2007; AMD 1,376.2 million or 8.1% in 2006; AMD 1,413 million or 9% in 2005), out of which AMD 1,997.9 million was provided by the Ministry of Health of RoA (AMD 2,106.1 million in 2009; AMD 1,796.3 million in 2008) and AMD 70.0 million by the Ministry of

Labor and Social Issues of RoA (AMD 73.2 million in 2009; AMD 64.6 million in 2008);

- Specialized hospitals: AMD 10,002.9 million or 32.6% (AMD 8,986 million or 34.3% in 2009; AMD 7,824.9 million or 30% in 2008; 6,099.4 million or 25.1% in 2007; AMD 4,776 million or 28.1% in 2006; AMD 4,606 million or 29.5% in 2005); the funding was entirely provided by the RoA Ministry of Health (AMD 7,671.5 million in 2008 by the Ministry of Labor and Social Issues of RoA -AMD 73.4 million 2008 and from the RoA Police -AMD 80 million).

The state financing distributed among the following specialized hospitals/sub-providers:

- a. Tuberculosis Treatment Hospitals (including departments in ambulatories/polyclinics) – AMD 1,493,4 million (AMD 1,051 million in 2009; AMD 1,450.3 million in 2008);
- b. Oncology Hospitals (including departments in ambulatories/polyclinics) – AMD 1,660.7 million (AMD 1,346.9 million in 2009; AMD 1,236.1 million in 2008);
- c. Maternity Hospitals (including departments in ambulatories/polyclinics) – AMD 3,483.4 million (AMD 3,121.3 million in 2009; AMD 1,828.6 million in 2008);
- d. HIV/AIDS medical care providers – AMD 84.6 million (AMD 84.6 million in 2009 and in 2008);
- e. Other hospitals (including departments in ambulatories/polyclinics) – AMD 3,268,4 million (AMD 3,382.1 million in 2009; AMD 3,071.9 million in 2008),
- f. Health resorts/sanatoria: AMD 368.1 million or 1.2% of the overall financing (AMD 159.7 million or 0.6% in 2009; AMD 237.6 million or 0.9% in 2008; AMD 325.4 million or 1.3% in 2007; AMD 335.5 million or 1.9% in 2006; AMD 272.3 million or 1.7% in 2005), funding is provided by the RoA Ministry of Health.

The financing provided by Private sector to the provider “Hospitals” in 2010 amounted to AMD 29,227.5 million or 48.3% from the overall financing (AMD 32,818.5 million or 55.6% in 2009; AMD 40,011.6 million or 60.4% 2008; AMD 37,129.8 million or 60.2% in 2007; AMD 38,828.2 million or 69.1% in 2006; AMD 50,412.0 million or 75.7% in 2005), the overwhelming part of which AMD 28,320,5 million or 96.9% (AMD 32,083.2 or 97.8% in 2009; AMD 38,832.9 million or 97.1% in 2008; AMD 36,239.2 million or 97.6% in 2007; AMD 38,406.7 million or 98.9% in 2006; AMD 49,530.0 million or 98.3% in 2005) were the direct payments from households.

It is noteworthy, that the specific weight of direct payments of households in the financial structure has decreased, which is explained with an increase of the financial volumes of other components of the sector, as well as with the decrease of the direct payments of households by AMD 3,762.7 million or 11.7%.

In 2009 the specific weight of direct payments of households has increased by 0.7% point, even if the absolute expression of the financial volume compared with the corresponding indicator of the previous year was reduced by AMD 6,749.7 million or 17.4% (the growth was 82.6%).

Payments from non-commercial organizations amounted to AMD 205.9 million or 7% of the overall financing of this sector (AMD 500.8 million or 1.5% in 2009; AMD 776.6 million or 1.9% in 2008; AMD 346.3 million or 0.9% in 2007; AMD 186.0 million or 0.5% in 2006; AMD 13.7 million or 0.02% in 2005). The financial volume of this component has

continued to decrease in the same size as in the previous year – AMD 294.9 million or by 58.9% (in 2009 there was decrease of the financial volume by AMD 275.8 million or 35.5%, in 2008 there was 2.2 times growth of the financial indicator in comparison with the previous year, in 2007 -186.2%.

Financial volume of the payments made by private/public partnership organizations in 2010 amounted to AMD 81.7 million or 0.2% of the overall financing of the sector (AMD 234.5 million or 0.7% in 2009; AMD 402.1 million or 1.0% in 2008; AMD 544.3 or 1.5% in 2007; AMD 235.5 million or 0.6% in 2006; AMD 868.2 million or 1.3% in 2005). A significant decrease of financial volumes – almost 65.2% was recorded in 2010 for this subcomponent of Private sector of financial agents. It is noteworthy, that a drastic decrease of financial volumes of this component relevant to economic crisis was recorded in 2009-41.4%.

In 2010 an information on financing from private insurance organization (HF 2.2) in an amount of AMD 1,041.9 million, was also collected.

AMD 23,144.1 million or 81.7% of the overall financing of direct payments of households (AMD 28,151 or 87.7% in 2009; AMD 35,969.3 million or 96.6% in 2008; AMD 32,720.6 million or 90.3% in 2007) was provided to the sub-group of Multi-profile hospitals, of which AMD 18,913.7 million (AMD 23,781 million in 2009; AMD 33,862.6 million in 2008) to public multi-profile hospitals and AMD 4,230.4 million (AMD 4,370 million in 2009) to private multi-profile hospitals. AMD 3,486.6 million are the payments of households to Specialized hospitals sub-component, of which AMD 1,368 million was provided to the Provider “Oncological Hospitals”, and AMD 2,118.6 million (AMD 1,919.9 million in 2009; AMD 1,553.1 million in 2008; AMD 2,692.1 million in 2007) or 7.4% of the overall financing (6% in 2009; 4.3% in 2008; 7.4% in 2007) were allocated for the services provided by the sub-component Maternities of the sub-component of Specialized hospitals (including ambulatory-policlinic sub-divisions).

In 2010 AMD 1,488.5 million (AMD 1,226.5 million in 2009; AMD 524.7 million in 2008) was paid by households for the services provided to non-allopathic/alternative hospitals or medical care providers, the volume of which, if in 2009 has a 2.3 times growth compared with the previous year, then in 2010 was decreased by 29.2%.

In 2010 the payments of the population for services provided by health resorts/sanatoria amounted to AMD 821.3 million (AMD 785.8 million in 2009; AMD 1,081.3 million in 2008; AMD 826.5 million in 2007), the growth of which in comparison with the previous year was 104%.

Financing from the Rest of the World in 2010 amounted to AMD 558.8 million or 0.9% of the overall financing of Providers’ “Hospitals” group (AMD 6.1 million or 0.01% in 2009; AMD 140.8 million or 0.2% in 2008; AMD 184.7 million or 0.3% in 2007; AMD 260.9 million or 0.5% in 2006; AMD 494.9 million or 0.8% in 2005), from which AMD 411.6 million was provided to the “Contributions, Loans provided by Donors” and AMD 147.2 million “Technical assistance and grants provided by donors” financial agents. Unlike previous years, when the financial volumes were reducing year by year, in 2010 a radical increase was recorded.

Taking into consideration the fact, that the logical flow of financial resources in the system of national health accounts starts from financial sources, and through agents is transferred to providers, then the distribution of financial resources in the account of “Financial agents and providers” can be presented by the providers funding in the below described structure.

In 2010 the structure of total financing in amount of AMD 60,450.1 million (AMD 59,060.9 million in 2009; AMD 66,245.8 million in 2008; AMD 61,659.9 million in 2007; AMD 56,125.2 million in 2006; AMD 66,560 million in 2005) allocated to the Hospitals' group by all financial agents has the following distribution per service provider:

- Multi-profile hospitals: AMD 41,908.8 million or 69.3% of the overall financing of Hospitals' group (AMD 43,358.4 million or 73.4% in 2009; AMD 52,584.7 million or 79.4% in 2008; AMD 49,510 million or 80.3% in 2007; AMD 45,953.5 million or 81.9% in 2006; AMD 56 762 million or 85.3% in 2005), the absolute value of which was reduced by compared with the previous year, AMD 1,449.6 million or 3.7% (AMD 9,226.3 million or 17.5% in 2009). Similar to 2008 despite the fact that the funding to hospitals amounted to 106.3% (107.8% in 2007 compared to preceding year), the specific weight is continuously decreasing by 0.9% points (1.6% points in 2007);
- Mental hospitals and narcological dispensaries: AMD 2,067.9 million or 3.4% of the overall financing (AMD 2,212.6 million or 3.7% AMD in 2009; AMD 1,862.4 million and 2.8% in 2008; AMD 1,598.4 million and 2.6% in 2007; AMD 1,376.2 million or 2.5% in 2006; AMD 1,413.0 million or 2.1% in 2005). In comparison with the previous year the absolute numbers and the specific weights were increased, correspondingly amounted to 118.8% and 0.9% point (116.5% and 0.3 % points in 2008; 116.1% and 0.1% respectively in 2007). For this provider, unlike previous year, the absolute value of financing (6.5%) and the specific weight in the financial structure is decreased (decreased by 0.7% points). There was a continuous increase recorded for the absolute value of financing and specific weight in financial structure in 2007-2009: correspondingly 118.8% and 0.9% points in 2009; 116.5% and 0.3% points in 2008; 116.1% and 0.1% points in 2007;
- Specialized hospitals: AMD 13,795.5 million or 22.8% of the overall financing (AMD 11,317.9 million or 19.2% in 2009; AMD 10,192.7 million and 15.4% in 2008; AMD 9,389.9 million or 15.2% in 2007; AMD 7,744.8 million or 13.8% in 2006; AMD 7,366 million or 11.1% in 2005). In 2010 the increase of the financial volume compared with the previous year amount to 121.9%, and the growth of specific weight in financial structure was 3.6% points (111.0% and 3.8% point in 2009; 108.5% and 0.2% point in 2008; 121.2% and 1.4% in 2007);
- Non-allopathic (alternative medicine) providers: AMD 868,4 million or 1.4% of the overall financing of the "Hospitals" group, and compared with the year 2009, when the financial volume exceeded the amount of previous year 2.3 times, it is reduced by 29.2% (AMD 1,226.5 million or 2.1% in 2009; AMD 524.7 million or 0.8%, no financing in 2006-2007, AMD 232.6 million or 0.3% in 2005);
- Health resorts/sanatoria: AMD 1,189.4 million was provided by all financial agents or 2% of overall financing (AMD 945.5 million or 1.6% in 2009; AMD 1,081.3 million or 1.6% in 2008; AMD 1,151.6 million or 1.9% in 2007; AMD 1,050.9 million or 1.8% in 2006; AMD 786.6 million or 1.2% in 2005).

As it is evident from comparison of figures for the specific weights of services provided by the structural components of the "Hospitals" group in 2004 and 2005, there were significant changes, in particular, the specific weight of services provided by the multi-profile hospitals in the overall structure of services has declined by 0.2% points, while for mental

hospitals it has increased by 11.3% point, for specialized hospitals by 1.6% points and for health resorts by 0.4% points. It is noteworthy that in 2005 non-allopathic/alternative medicine providers provided services in the amount of AMD 236.6 million. The tendencies of the specific weight reduction for multi-profile hospitals (by 3.4% points) and increases for mental hospitals (by 0.4% points), specialized hospitals (by 2.7% points) and health resorts (by 0.6% points) have been recorded in 2006.

1.1 The subgroup of multi-profile hospitals (HP.1)

Out of all services provided to the population by hospitals, AMD 41,908.8 million or 69.3% (AMD 43,358.3 million or 73.4% in 2009; AMD 52,584.7 million or 79.4% in 2008; AMD 49,520 million or 88.5% in 2007; AMD 45,953.5 million or 81.9% in 2006; AMD 56,762 million or 85.3% in 2005 and AMD 55,878 million or 87.5% in 2004) were provided by the “Multi-profile hospitals” (HP 1.1) subgroup divided, in turn, into public (HP 1.1.1) AMD 35,407.3 million (AMD 33,942.2 million in 2009; AMD 45,952.3 million in 2008; AMD 43,809.8 million in 2007; AMD 41,940.6 million in 2006) and private multi-profile hospital components (HP 1.1.2) AMD 6,501.5 million (AMD 9,416.2 million in 2009; AMD 6,632.4 million in 2008; AMD 5,710.2 million in 2007; AMD 4,012.8 million in 2006).

It is noteworthy, that in 2010 the total financial volume of “Multi-profile hospitals” provider compared with the previous year is reduced by 3.7%, despite this, unlike in 2009, the increase of the financing of public multi-profile hospitals in 2010 amounted 104.3%, and the financing for the private multi-profile hospitals was decreased by 30.9%. In 2009 a 26.1% decrease of financial volumes or volumes provided services in terms of public multi-profile hospitals was recorded (the growth was 73.9%), and a significant growth of 142% for private multi-profile hospitals. In 2008 a growth was recorded for the two components: 106.2% and 116.2% respectively (104.5% and 142.3% in 2007). It should be mentioned that while in 2005 a growth of 101.6% was registered compared with 2004, in 2006 the figure reduced by 19% as compared to 2005.

The financial distribution of the Providers of “Hospitals” Group per financial agent for provided services has the following picture:

In 2010 AMD 29,227.6 million or 48.3% of the overall financing (AMD 28,447.1 million or 65.6% in 2009; AMD 36,337.9 million or 69.1% in 2008; AMD 33,092.8 million or 66.8% in 2007; AMD 35,385.4 million or 77% in 2006; 83.5% in 2005; 85.4% in 2004) has been financed by the private sector, including direct payments of households amounting to AMD 28,320.5 million (AMD 28,151.0 million in 2009; AMD 35,969.3 million in 2008; AMD 32,720.6 million in 2007; AMD 35,052.4 million in 2006 and AMD 47,103 million in 2005) or 94.1% (AMD 97.8% in 2009; 99% in 2008; 98.9% in 2007; 99.1% in 2006; 99.4% in 2005; 99.7% in 2004) of this sector’s expenditures and the balance covered by commercial entities and private insurance companies.

If in 2005 the Private sector financing was inserted in the tables under “Multi profile hospitals” group without a segregation by private and public status, then in 2006 the total amount of AMD 35,385.4 million was provided to public multi-profile hospitals.

In contrast to the NHA 2004 tables, the 2005 list of indicators on the direct payments made by households included also data on payments in an amount of AMD 1,680.6 million provided for services under the maternity hospitals’ subcomponent of the specialized hospitals component as well as payments in an amount of AMD 232.6 million to allopathic hospitals and AMD 514.3 million to health resorts. In 2006, the households also made payments under the maternity hospital subcomponent for AMD 2,636.9 million and under the health resorts subcomponent for AMD 714.8 million. In 2007 the direct payments made by households again were distributed by sub-groups of above mentioned providers, in particular:

multi-profile hospitals – AMD 32,720.6 million, out of which public multi-profile hospitals – AMD 30,781.2 million, specialized hospitals AMD 2,692.1 million mainly directed to maternity hospitals and AMD 826.5 million to health resorts/sanatoria.

In the overall financial structure of Hospitals' provider, the public sector financing amounted to 30,663.8 million or 50.7% (AMD 14,911.3 million or 34.4% in 2009; AMD 16,170 million or 30.7% in 2008; AMD 15,334.8 million or 32.9% in 2007, AMD 9,965 or 23% in 2006; AMD 9,362 million in 2005; AMD 8,143.2 million in 2004) the main part of which in amount of 30,474.6 million or 99.4% (AMD 14,454.5 million or 96.9% in 2009; 94.9% in 2008; 93.9% in 2007; 94.4% in 2006; 99.1% in 2005; 97.1% in 2004) has been implemented by the RoA Ministry of Health, AMD 187.4 million was provided by RoA Ministry of Labor and Social Issues (AMD 96.8 million or 0.6% in 2008; AMD 153.3 million or 0.9% in 2007; AMD 125.1 million or 1.2% in 2006; AMD 80.5 million or 0.9% in 2005). In 2009 AMD 183.3 million or 1.2% (AMD 667.5 million or 4.1% in 2008; AMD 785.1 million or 4.8% in 2007) was funded by the *HF 1.1.1.7 TBD* component, AMD 163.8 million (AMD 3.9 million in 2008) by the Public administration bodies. There was no financing provided by self-governing bodies in 2009 and 2010 (AMD 47.3 million in 2008; AMD 49.3 million in 2007) by local self-governing bodies.

Financing implemented by the RoA Ministry of Health for this group of providers in an amount of AMD 18,107.5 million or 59.4% have been distributed as follows: (AMD 15,966.2 million or 88.2% to public hospitals (AMD 9,583.3 million or 66.3% in 2009; AMD 11,036.3 million or 71.9% in 2008; AMD 12,060.1 million or 78.6% in 2007; AMD 6,027.7 million or 60.5% in 2006 and AMD 9,281 million or 67.7% in 2005) and AMD 2,141.4 million or 11.8% to multi-profile private hospitals (AMD 4,318.3 million or 28.1% in 2008; AMD 3,274.3 million or 21.4% in 2007; AMD 3,937.3 million in 2006; AMD 2,997 million in 2005).

In 2010 the financing by RoA Ministry of Health to other components of "Hospitals" Group is the following:

- HP1.2 Mental hospitals and narcological dispensaries– AMD 1,997.9 million;
- HP1.3 Specialized hospitals (except mental and narcological) - AMD10,002.9million, including:
 - HP1.3.1 Tuberculosis Treatment Hospitals - AMD 1,491.4million;
 - HP1.3.2 Oncological Hospitals – AMD 1,660.7 million;
 - HP1.3.3 Maternity Hospitals– AMD 3,483.4million;
 - HP1.3.9 Other Hospitals - AMD 3,365.4 million;
- HP1.5 Health resorts/sanatoria– AMD 368.1 million.

The volume of financing of the RoA Ministry of Labor and Social Issues in 2010 amounted AMD 187.4 million, from which AMD 117.4 million was allocated to multi-profile hospitals, and the AMD 70.0 million was allocated to mental hospitals and narcologicaldispensaries. In 2009 no financing was provided and in 2008 the funding in an amount of AMD 96.8 million (AMD 153.3 million in 2007) has been entirely allocated to the multi-profile private hospitals. AMD 125.1 million funding provided in 2006 has been distributed in favor of private hospitals (AMD 49.6 million to public and AMD 75.6 million to private), in contrary to even distribution from the previous year when 55.9% (AMD 45.0 million) went to multi-profile public and 44.1% (AMD 35.5 million) to multi-profile private hospitals.

1.2 Subgroup of mental hospitals and narcological dispensaries HP 1.2

The overall volume of services provided under this subcategory of hospitals in 2010 amounted to AMD 2,067.9 million or 3.4% of the overall financing (AMD 2,212.6 million or 3.7% in 2009; AMD 1,862.4 million in 2008; AMD 1,598.4 million in 2007; AMD 1,376.2 million in 2006; 1,412.7 million in 2005 and AMD 1,459.4 million in 2004). All financing for the provided services was entirely implemented by the public sector (RoA Ministry of Health and RoA Ministry of Labor and Social Issues), and in 2009 AMD 2.106.1 million or 98.5% of financing was provided by public sector (RoA Ministry of Health), and AMD 33.0 million or 1.5% by private sector “Non-commercial organizations” and “Private entities with public participation” subagents.

1.3 The subgroup of specialized hospitals HP 1.3

The overall volume of services provided under this subgroup of hospitals in 2010 amounted to AMD 13,795.5 million or 22.8% of the overall financing (AMD 11,317.9 million or 19.2% in 2009; AMD 10,192.7 million in 2008; AMD 9,389.9 million in 2007; AMD 7,744.7 million in 2006; AMD 7,365.9 million in 2005 and AMD 6,218.8 million in 2004), including AMD 10,002.9 million or 72.5% was financed by public sector (RoA Ministry of Health) (AMD 8,986 million or 79.4% in 2009; AMD 7,824.9 million or 76.8% in 2008; AMD 6,099.4 million or 65% in 2007; AMD 4 776.0 or 61.7% in 2006; AMD 4,606.2 million or 62.5% in 2005).

AMD 3,590.4 million or 26% of the overall financing of services was provided by private sector (AMD 2,331.9 million or 20.6% in 2009; AMD 2,361.7 million or 23.2% in 2008; AMD 3,210.5 million or 34.2% in 2007). In the overall financing of private sector the direct payments of households made up AMD 3,486.6 million or 97.1% (AMD 1,919.9 million or 82.3% in 2009; AMD 1,553.1 million or 65.8% in 2008; AMD 2,692.1 million or 83.9% in 2007), AMD 74.3 million or 2.1% (AMD 329.5 million or 14.1% in 2009; AMD 776.6 million or 32.9% in 2008; AMD 257.1 million in 2007; AMD 31.5 million in 2006; AMD 13.7 million in 2005) by non-commercial organizations; AMD 29.6 million or 0.8% (AMD 76.4 million or 3.6% in 2009; AMD 32 million or 1.3% in 2008; AMD 261.2 million in 2007; AMD 57 million in 2006; AMD 570.4 million in 2005) private/public partnership organizations.

The Rest of the World funded in a total amount of AMD 202.2 million, from which AMD 148.9 million from Contributions and Loans from donors, and AMD 53.3 million technical assistance from donors (AMD 6.1 million in 2009; AMD 6.2 million in 2008; AMD 80.1 million in 2007; AMD 240.7 million in 2006; AMD 494.9 million in 2005). In 2006 AMD 2,639.5 million or 34.1% of the overall financing of the private sector was implemented under the direct payments of the households (AMD 1,680.6 million or 22.8% in 2005).

The subcategory of specialized hospitals based on their specializations includes the following hospital groups:

a/ Tuberculosis Treatment hospitals (HP1.3.1) – in 2010 provided services amounted to AMD 1,497.0 million (AMD 1,051 million in 2009; AMD 1,450.3 million in 2008; AMD 996.7 million in 2007; AMD 901.5 million in 2006; AMD 1,260.3 million in 2005), including financing from the private sector in an amount of AMD 1,493.4 million (RoA Ministry of Health), and financing from two sub-agents of the Rest of the World: Contributions and loans from donors – AMD 1.8 million and technical assistance from donors – AMD 0.6 million. In essence, because of negative changes in the TB prevalence in the country, and/or increase of financing of state TB projects, the growth of financing amounted 143.8%. In 2009 in

comparison with the previous year it was completely financed by RoA Ministry of Health, even the financing was decreased by 27.5% (the growth compared with the previous year was 75.5%). The volume of provided services amounted to AMD 919.8 million in 2007 (AMD 780.9 million in 2006; AMD 901.9 million in 2005) have been financed by the public sector (RoA Ministry of Health) and AMD 76.9 million (AMD 120.7 million in 2006; AMD 358.4 million in 2005) by the Rest of the World. If in 2006 the financing volume was reduced, then in 2007 again an increase of 110.6% was recorded. In 2008 145.5% growth was recorded.

b/ Oncology hospitals (HP1.3.2) – in 2010 provided services amounted to AMD 3,085.1 million and a growth of 2.2 times was recorded (AMD 1,417.9 million and the growth of 113.3% in 2009; AMD 1,251.1 million in 2008; AMD 1,674.1 million in 2007; AMD 1,036.2 million in 2006; AMD 906.9 million in 2005), including AMD 1,660.7 million (AMD 1,346.9 million in 2009; AMD 1,236.1 million in 2008; AMD 1,495.5 million in 2007; AMD 1,034.9 million in 2006; AMD 776.3 million in 2005) financed by the RoA Ministry of Health and the balance of AMD 5.4 million (AMD 71 million 2009; AMD 15 million in 2008; AMD 174.2 million in 2007; AMD 1.4 million in 2006; AMD 130.6 million in 2005) by the private/public partnership organizations; direct payments of households amounted to AMD 1,368 million. In 2010 AMD 13.9 million financing was provided by the non-commercial enterprises (AMD 4.4 million in 2007).

c/ Maternity hospitals (HP1.3.3) – provided services amounted to AMD 5,682.1 million or 41.2% of the financing of “Specialized hospitals” provider (AMD 5,044.6 million or 44.6% in 2009; AMD 3,383.3 million; AMD 3,953.3 million in 2007; AMD 3,616.7 million in 2006; AMD 3,182.3 million in 2005).

It is noteworthy that in 2007 the direct payments of households were prevailing in the overall structure of financing amounting to AMD 2,692.1 million or 68.1% (AMD 2,639.5 million or 73% in 2006; AMD 1,680.6 million or 52.8% in 2005), thus in 2008 the volume of household direct payments compared with 2007 was reduced by 42.3% and formed the 45.9% of the overall financing of this subgroup of providers. In 2009 the volume of direct payments of households was AMD 1,919.9 million, and in 2010 it was 2,118.6 million, the growth compared with the previous year was 110.4%. In 2010 about 4.0 million financing was provided by private/public partnership organizations. The growth of direct payments of household in some part is also explained by increase of number of births.

The RoA Ministry of Health in 2010 has financed an amount of AMD 3,486.4 million, the growth of which compared with the indicator of the previous year was 111.6% (AMD 3,121.3 million in 2009; AMD 1,828.6 million in 2008; AMD 1,260.7 million in 2007; AMD 977.2 million in 2006).

The Rest of the World has financed an amount of AMD 39.0 million as Contributions, Loans from donors, and AMD 13.9 million as Technical assistance from donors (AMD 0.0 in 2009; AMD 1.6 million in 2008; AMD 0.5 million in 2007; AMD 0.0 in 2006; AMD 66.0 million in 2005).

d/ The services of HIV/AIDS in-patient care providers (HP1.3.4) - in the amount of AMD 1,148.8 million (AMD 84.6 million in 2009; AMD 84.6 million in 2008; 84.8 million in 2007; AMD 63 million in 2006; AMD 54 million in 2005) have been exclusively financed by the RoA Ministry of Health.

e/ Other hospitals (HP1.3.9) have provided to the population services in 2010 in the amount of AMD 3,382.4 million (AMD 3,719.7 million in 2009; AMD 4,023.4 million in 2008; AMD 2,681 million in 2007; AMD 2,127 million in 2006; AMD 1,962.3 million in 2005), which compared with the previous year was reduced by 9.1% (in 2009 it was reduced by 7.5%, in 2008 growth of 150.1% was recorded). AMD 3,216.5 million from overall

financing (AMD 3,382.1 million in 2009; AMD 3,225.3 million in 2008; AMD 2,338.6 million in 2007; AMD 1,920.2 million in 2006; AMD 1,438.4 million in 2005) funded by the public sector through Ministry of Health and AMD 56.3 million (AMD 331.5 million in 2009; AMD 793.6 million in 2008; AMD 339.7 million in 2007; AMD 87.1 million in 2006; AMD 453.6 million in 2005) financed by the private sector, including AMD 40.3 million (AMD 329.5 million in 2009; AMD 776.6 million in 2008; AMD 252.7 million in 2007; AMD 31.5 million in 2006; AMD 13.7 million in 2005) from non-commercial organizations and AMD 16 million (AMD 2.0 million in 2009; AMD 17 million in 2008; AMD 87 million in 2007; AMD 55.6 million in 2006; AMD 439.9 million in 2005) private/public partnership organizations.

In 2010 the Rest of the World contributed AMD 109.6 million (AMD 6.1 million in 2009; AMD 4.5 million in 2008; AMD 2.6 million in 2007; AMD 120 million in 2006; AMD 70.4 million in 2005) as technical assistance and grants for services provided by this hospital group.

1.4 The group of non-allopathic (alternative) providers HP 1.4

In 2010 services in an amount of AMD 868.4 million (AMD 1,226.5 in 2009; AMD 524.7 million in 2008) were provided by this subgroup of providers, which were entirely funded by the direct payments of the households. It should be noted, that financing volume allocated by this provider compared with the previous year was increased 2.3 times in 2009, and was decreased in 2010. In 2006 and 2007 the recorded amount was zero.

1.5 The subgroup of Health resorts/Sanatoria HP 1.5

The volume of provided services in 2010 amounted to AMD 1,189.4 million or 125.8% growth was recorded compared with the indicator of previous year (AMD 945.5 in 2009; AMD 1,081.3 million in 2008; AMD 1,156.1 million in 2007; AMD 1,050.9 million in 2006; AMD 786.6 million in 2005). In 2009 the growth of implemented financial volume by provider amounted the 87.4% of the previous year. The predominant part of financing AMD 821.3 million or 69.1% of the overall funding (AMD 785.8 million or 83.1% in 2009; AMD 785.8 million or 72.7% in 2008; AMD 826.5 million in 2007 or 71.8%; AMD 714.8 million in 2006; AMD 514.3 million in 2005) were the direct payments of households. The balance of AMD 368.1 million (AMD 159.7 million in 2009; AMD 237.6 million in 2008; AMD 325.1 million in 2007; AMD 331.5 million in 2006; AMD 272.3 million in 2005) has been financed by the RoA Ministry of Health, no financing was provided the Rest of the World (AMD 57.9 million in 2008).

2. The Group of nursing and residential care organizations HP.2

The financing under this group of providers in 2010 amounted to AMD 1,376.7 million, which was financed by the RoA Ministry of Labor and Social Issues, and was distributed by the following sub-providers: AMD 16.5 million “Facilities for people with mental disabilities” HP 2.2 and AMD 1,360.2 million for “Nursing Homes”. In 2009 under this group of providers, only the “Nursing Homes” subcategory has rendered health services to population that amounted to AMD 1,323.8 million (AMD 1,351.9 million in 2008; AMD 1,217.5 million in 2007; AMD 1,035.1 million in 2006; AMD 830.7 million in 2005 and AMD 967.9 million in 2004) and they were fully financed by the public sector (the RoA Ministry of Labor and Social Issues).

3. The group of ambulatory medical service providers HP.3

This group includes the following subcategories by types: doctors’ offices, dental rooms, consulting rooms of narrow specialists, polyclinics, medical and diagnostic centers,

providers of health care services at home, other providers of ambulatory services. Every group is also divided into subgroups.

The overall volume of services provided to the population in 2010 by this group of health care providers amounted to AMD 37,883.4 million or 115.5 % growth compared with the volume of the previous year (AMD 32,804.8 million or 100.5% in 2009; AMD 32,625.2 million in 2008; AMD 30,005.7 million in 2007; AMD 30,190.7 million in 2006,; AMD 22 951.2 million in 2005; AMD 15,807.3 million in 2004).

The financing of services implemented by providers has been carried out by all sectors.

Financing of public sector amounted to AMD 20,071.7 million or 53%, which compared with the indicator of previous year was increased- 116.5% (AMD17,216.3 million or 52.5% in 2009; AMD 19,510.7 million or 59.8% in 2008; AMD 18,244.1 million or 60.8% in 2007; AMD 18,675.3 million or 61.9% in 2006; AMD 11,836 million or 51.6% in 2005; AMD 7845.3 million or 49.6% in 2004). It should be noted, that in 2009 the volume private sector financing was reduced by 11.7% compared with the indicator of the previous year, and in 2008 growth of the financial volume compared with the previous year was 106.9%.

Similar to the tendencies of the previous years, the overall financing has significantly increased and essential changes in funding, specific weights of each financial agent as well as specific weights of funding for specific components within the structures of three sectors of agents have taken place. In 2010 the financing from the RoA Ministry of Health amounted to AMD 19,405.9 million or 96.7% of the overall public sector financing. In 2009 a different picture was observed based on total reduction of financial volumes, the main part funding AMD 16,962.9 million or 98.5%, was implemented by the RoA Ministry of Health even recording a decrease of 11.8% compared with the previous year.

In 2008 the tendency of the previous years to increase the financing of RoA Ministry of Health, amounted to AMD 19,229.1 million or 98.5% of the overall funding of public sector (AMD 17,919 or 98.2% in 2007; AMD 18,503.2 million or 99.1% in 2006; AMD 11,700 million or 98.8% in 2005; AMD 7,702.8 million or 98.2% in 2004).

Financing from the RoA Ministry of Health in 2010 in the financial structure of this group of providers amounted 51.2% (51.7% in 2009; 58.9% in 2008; 59.7% in 2007; 61.3% in 2006; 51% in 2005 and 48.7% in 2004).

The dynamic picture of financial resources by the other components in structure of public sector in 2010 is the following:

- RoA Ministry of Transport and Communication – AMD 120.0 million or 0.6% of the overall funding (AMD 87.0 million or 1.5% in 2009; AMD 97.0 million or 1.5% in 2008; AMD 82.0 million or 1.8% in 2007; AMD 100.0 million or 0.9% in 2006; AMD 82.4 million or 1.2% in 2005);
- RoA National Security Service – AMD 27.9 million or 0.1% of the overall (AMD 27.9 million in 2009; AMD 26.8 million in 2008; AMD 108.7 million in 2007);
- RoA Police – AMD 73.7 million or 0.4% of the overall (AMD 73.7 million in 2009; AMD 101.9 million in 2008; AMD 92.7 million in 2007);
- Other public sources HF 1.1.1.7 – AMD 159.6 million or 0.8% of the overall (AMD 64.8 million in 2009; AMD 55.9 million in 2008; AMD 41.5 million in 2007; AMD 35.7 million in 2006; AMD 53.6 million in 2005).

In 2010 in the structure of the public sector financing AMD 358.2 million or 1.8% was provided from the resources of the budgets of Local self-governing bodies.

The private sector funded AMD 16,988.5 million or 46.1% of the overall financing (AMD 15,463.8 million or 47.1% in 2009; AMD 12,295 million or 37.7% in 2008; AMD 11,058.7 million or 36.8% in 2007; AMD 9,310.6 million or 30.8% in 2006; AMD 8,746 million or 38.1% in 2005; AMD 7,709.4 million or 52.2% financed in 2004). The funding compared with the previous year amounted to 109.8% (125.8% in 2009; 111.2% in 2008; 118.8% in 2007), which shows the sustainable continuous growth tendency of financial volumes by financial agent.

Financing from the *private sector* in an amount of AMD 16,604.2 million or 97.7% of the overall financing are the direct payments of the households, the growth compared with the indicator of the previous year amounted 111% (AMD 14,958.8 million or 96.7% in 2009; AMD 11,861.9 million or 96.5% in 2008; AMD 10,346.3 million or 93.6% in 2007). AMD 275.1 million (AMD 477.3 or 3.1% in 2009; AMD 433.1 million in 2008; AMD 712.3 million in 2007) was funded by non-commercial companies and AMD 109.5 million (AMD 27.7 million in 2009) by private/public partnership organizations.

The overall *private sector* financing for services rendered by this group of providers in 2006 amounted to AMD 9,310.6 million or 30.8% of the total financing, which compared with the level of the previous year amounted to 106.5%. In contrast to 2005, the specific weight of payments made by households in the total structure has significantly reduced and in 2006 sums to AMD 8,155.2 million or 87.6%; the remaining AMD 1,155.4 million is financed by non-commercial organizations. In 2007 the situation of the 2005 was recovered: the volume of the household direct payment in comparison with the previous year amounted to AMD 10,346.3 million or 126.9%. The financing volume implemented by the private sector in comparison with the previous year amounted to 111.2%.

While the entire financing of private sector in 2004 had been funded by direct payments of households only, in 2005 the payments of households amounted to 95.6% (AMD 8,359.5 million) in the overall private sector financing of AMD 8,746 million with 4.4% (AMD 385.5 million) of financing provided by non-commercial organizations and AMD 1 million funding from private enterprises.

External sector or the Rest of the World has financed AMD 749.1 million or 2% of the overall financing (AMD 124.6 million or 0.2% in 2009; AMD 819.5 million or 2.5% in 2008; AMD 702.9 million or 2.4% in 2007; AMD 2,204.8 million or 7.3% in 2006; AMD 2 369.3 million or 10.3% in 2005; AMD 252.3 million or 1.2% in 2004). From the financing of the Rest of the World AMD 551.7 million was provided as *Contributions and Loans from Donors*, and AMD 197.4 million as a *Technical assistance*.

One of the essential changes in 2005 again as compared to 2004, was the financing by the *Rest of the World* in the amount of AMD 2,369.3 composing 10.3% of financing for this group's services. The absolute value of the Rest of the World financing in 2006 has reduced and amounted to AMD 2,204.8 million, which, in parallel to the growth of other components' financing, has led to a significant decrease of the specific weight by 7.3%. In 2007 the funding reduction tendency provided by the Rest of the World amounted to AMD 702.9 million, and the specific weight of 2.4% in overall financing. In 2008 opposite tendencies were recorded: financing volume in comparison with the previous year amounted to AMD 819.5 million or 116.6%, which was the 2.5% of the overall structure.

The picture of services provided by the main subgroups of ambulatory health care service providers and the relevant financing is as presented below. In 2010 financing of public sector sub-agents by provided was allocated in the following proportions:

HP 3.1 Doctors' offices

In 2010 services provided by doctor's offices amounted to AMD 5,223.2 million or 13.8% of the overall financing (AMD 3,588.9 million or 10.9% in 2009; AMD 4,527.5 million or 13.9% in 2008; AMD 4,575 million or 15.2% in 2007; AMD 6,572.2 million in 2006; AMD 2,148.1 million in 2005), the growth of which compared with the indicator of the previous year was 145.5%.

Financing by public sector agent amounted to AMD 4,269.3 million and was implemented by the following sub-agents: RoA Ministry of Health – AMD 3,817.7 million (AMD 3,557.4 million in 2009; AMD 3,971.1 million in 2008; AMD 3,723.7 million in 2007; AMD 4,989 million in 2006; AMD 1,185.5 million in 2005, AMD 728.3 million in 2004) or 88.8% (99.1% in 2009; 87.7% in 2008; 81.4% in 2007; 75.9% in 2006; 55.2% in 2005); local self-governing bodies – AMD 358.2 million and HF 1.1.1.7 TBD component – AMD 93.4 million. The total financing of the Public sector was provided to the sub-provider of “therapeutic office”.

In 2010 financing provided by the private sector amounted to AMD 678.8 million, from which AMD 537.5 million are the direct payments of households, AMD 101 million is provided by non-commercial organizations, AMD 40.2 million by private/public partnership organizations. The specific weight of private sector funding in the overall structure of financing is 13% (no financing was provided in 2009; AMD 22.7 million or 0.5% in 2008; AMD 580.3 million or 12.7% in 2007; 378.1 million or 5.6% in 2006; 21.5% in 2005). In 2008 private sector financing was implemented only by non-commercial organizations. In 2007 the financial structure was a little bit different: including AMD 558.9 million (AMD 377.1 million in 2006; AMD 394.8 million in 2005) as direct payments made by households and AMD 21.3 million (AMD 0.8 million in 2006; AMD 67.6 million in 2005) as financing from non-commercial organizations.

As in the preceding year, the Rest of the World has contributed AMD 275.1 million or 5.3% of overall financing (AMD 31.6 million or 0.9% in 2009; AMD 533.6 million or 11.8% in 2008; AMD 271 million or 5.9% in 2007; AMD 1,205.4 million or 23.3% in 2006; AMD 500.1 million in 2005) as Technical assistance and grant projects.

The volumes of financing and services provided by this subgroup compared with the previous years are increased, the reason of which is the growth of financial volumes provided by all agents.

All services by the doctors' offices subgroup similar to the previous years have been provided by the general practitioners, which includes health care providers in FM offices, Rural Ambulatories, HealthCenters, and PHC. A small proportion of financing from the private sector and the Rest of the World was provided to “Narrow Specialists' rooms” (AMD 0.6 million).

HP 3.2 Dental rooms

In 2010 provided services amounted to AMD 5,884.8 million or 15.5% of the overall services (AMD 6,658.4 million or 17.2% in 2009; AMD 5,573.8 million or 17.1% in 2008; AMD 4,510.7 million in 2007; AMD 3,155.1 in 2006; AMD 693.1 million in 2005) financed respectively by the public funds - AMD 863.3 million or 14.7% (AMD 714.3 million or

13.2% in 2009; AMD 671.1 million in 2008; AMD 675.9 million in 2007; AMD 668.3 million in 2006; AMD 522.7 million in 2005; AMD 303.1 million in 2004).

AMD 4,837.3 million or 81.4% by private sector, including mainly direct payments of households (4,409.6 million or 86.8% in 2009; AMD 4,502.1 million in 2008; AMD 3,429.7 million in 2007; AMD 2,414.3 million in 2006; AMD 153.7 million in 2005; AMD 115.3 million in 2004), non-commercial organizations - AMD 67.6 million (AMD 371.7 million in 2009; AMD 371.8 million in 2008; AMD 275.2 million in 2007; AMD 13.2 million in 2006; AMD 12.3 million in 2005) and private/public partnership organizations – AMD 26.9 million.

Rest of the World – AMD 184.1 million (AMD 34.5 million in 2009; AMD 28.8 million in 2008; AMD 366.1 million in 2007; AMD 59.3 million in 2006; AMD 4.3 million in 2005).

HP 3.3 Rooms of the other narrow specialists

In 2010 the provided services and implemented financial volume amounted to AMD 139.2 million, the AMD 105.9 of which was provided by the private sector non-commercial subagent, AMD 32.3 million from the technical assistance of the Rest of the World (29.4 million AMD 31.5 million in 2008, AMD 331.9 million in 2007; AMD 843.4 million in 2006; AMD 732.8 million in 2005; AMD 134.1 million in 2004), in 2007 AMD 302 million (AMD 277.6 million in 2006) financed by the RoA Ministry of Health and the balance of AMD 29.9 million was funded by the Rest of the World.

HP 3.4 Polyclinics

In 2010 the overall volume of provided services and corresponding financing amounted to AMD 18,810.8 million (AMD 18,328.9 million in 2009; AMD 17,705.4 million in 2008; AMD 15,987.4 million in 2007; AMD 15,467.4 million in 2006; AMD 14,521.6 million in 2005) or the 49.6 of the total financing of the group (55.9% in 2009; 54.3% in 2008; 53.3% in 2007). The increase of the financing compared with the previous year amounted 101.9% (103.5% in 2009).

It was financed by three sectors of agents, including public financing of AMD 13,372.7 million or 71.1% of the overall financing (AMD 11,805.7 million or 64.4% in 2009; AMD 13,668.3 million or 77.2% in 2008; AMD 12,600.6 million or 78.8% in 2007; AMD 11,754.8 million in 2006; AMD 9,285.3 million in 2005; AMD 5,951 million in 2004), which was mainly provided by the Ministry of Health – AMD 13,271.1 million, as well as by the RoA National Security Service (AMD 27.9 million) and RoA Police (AMD 73.7 million). If public financing compared with the previous year was reduced by 13.6%, then in 2010 the growth was 111.2%.

The funding from the private sector amounted to AMD 5,155.7 million or 27.4% of the financing of the sub-provider, the volume was reduced by 20.3% compared with the previous year, in 2009 it was 161.7% (AMD 6,472.4 million or 35.3% in 2009; AMD 4,001.8 million or 22.6% in 2008; AMD 3,288.5 million or 20.6% in 2007).

In 2010 the direct payments of households in private sector amounted to AMD 5,010.7 million (AMD 6,429.6 in 2009; AMD 3,997.9 million in 2008; AMD 3,013.3 million in 2007; AMD 2,894.7 million in 2006; AMD 4,783.9 million in 2005; AMD 5,165.6 million in 2004), the volume of which compared with the previous year has decreased by 22.1%, in 2009 it has an increase of 160.8%.

Financing from non-commercial organizations amounted to 103.7 million and with a 2.4 time increase compared with the previous year (AMD 42.8 million in 2009; AMD 3.9 million in 2008; AMD 275.2 million in 2007; AMD 406.8 million in 2006; AMD 177.4 million in 2005) Private/public partnership organizations provided financing in an amount of AMD 41.3 million.

In 2010 financing from the Rest of the World amounted to AMD 282.3 million, including technical assistance in amount of AMD 74.4 million and donations – AMD 207.9 million (AMD 50.8 in 2009; AMD 35.5 million in 2008; AMD 98.3 million in 2007; AMD 374.4 million in 2006; AMD 274.8 million in 2005).

AMD 18,797.9 million or 99.9% of the financing for the provided services (AMD 18,225.7 million or 99.5% in 2009; AMD 17,635.5 million or 99.6% in 2008; AMD 15,717.7 million or 98,3% in 2007) was provided to the sub-provider of “All other multi-profile ambulatory and centers jointly providing services”, the AMD 10,010.8 million or 53.3% of the financing (AMD 11,540.5 million or 63.3% in 2009; AMD 10,125.2 million or 57.4% in 2008; AMD 9,280.8 million and 59% in 2007) to the “Policlinics as separate legal entities” providers, the remaining AMD 8,787.1 million or 46.7% (AMD 6,685.2 million or 36.7% in 2009) to the policlinics included in the structure of Health Centers.

HP 3.5 Medical and diagnostic centers

In 2010 the overall volume of provided services and corresponding financial volume amounted to AMD 4,529.8 million or 12% of the overall financing of this group of providers (AMD 2,063.5 million or 6.3% in 2009; AMD 2,093.9 million or 6.4% in 2008; AMD 2,594.6 million or 8.6% in 2007; AMD 1,379.6 million in 2006; AMD 2,355.4 million in 2005; AMD 1,384.1 million in 2004) rendered by this subgroup of providers were fully funded by the private sector, including direct payments of households –AMD 4,290.1 million (AMD 2,055.8 million in 2009; AMD 2,590.5 million in 2008; AMD 1,329.4 million in 2006; AMD 2,353.4 million in 2005) and no financing was implemented by non-commercial organizations (AMD 4.1 million in 2008; AMD 46.7 million in 2006; AMD 2 million in 2005). AMD 12.8 million from the financing of this provider was allocated to sub-provider “Ambulatory treatment centers for mental diseases and drug-addicts”

HP 3.6 Providers of residential health care and services

Financing in 2010 for this provider amounted to AMD 10.6 million, which was entirely provided by the agent non-commercial organizations. No financing was provided in 2008-2009 for services and AMD 5.1 million was the volume of provided services in 2007, completely provided by the agent non-commercial organizations of private sector.

HP 3.7 Other providers of ambulatory services

In 2010 provided services amounted to AMD 3,433.9 million (AMD 3,135.6 million in 2009; AMD 2,693.1 million in 2008; AMD 2000.9 million in 2007; AMD 2,773.5 million in 2006; AMD 2,500.2 million in 2005) or the 9.1% of the overall financing of this group (9.5% in 2009; 8.2% in 2008; 6.7% in 2007).

Funding has been implemented by three sectors of agents in the following shares:

-Public financing amounted to AMD 1,407.3 million (AMD 1,138.9 million in 2009; AMD 1,006.5 million in 2008; AMD 942 million in 2007; AMD 949.2 million in 2006;

AMD 842.4 million in 2005; AMD 772.6 million in 2004), including AMD 1,221 million (AMD 987.1 million in 2009; AMD 889.9 million in 2008; AMD 859.9 million in 2007; AMD 813.5 million in 2006; AMD 760 million in 2005; AMD 629.8 million in 2004) provided by the RoA Ministry of Health, of which AMD 966.2 million (AMD 787.7 million in 2009; AMD 681 million in 2008; AMD 688.9 million in 2007; AMD 657.8 million in 2006; AMD 635.7 million in 2005; AMD 551.6 million in 2004) for emergency care, AMD 200 million (AMD 199.4 million in 2009; AMD 193.9 million in 2008; AMD 170.9 million in 2007; AMD 147.2 million in 2006; AMD 110 million in 2005; AMD 78.2 million in 2004) for providers maintaining blood and other organs' banks. AMD 54.8 million was paid by the RoA Ministry of Health to “all other ambulatory services. In 2010 AMD 186.2 million (AMD 151.7 million in 2009; AMD 132 million in 2008; AMD 82 million in 2007; AMD 100 million in 2006; AMD 82.4 million in 2005; AMD 139.3 million in 2004) was paid by the RoA Ministry of Transport and Communications and TBD component to the same provider for the provided services.

-Private sector in 2010 financed AMD 2,023.9 million or 58.9% of the overall financing (AMD 1,996.7 million or 63.7% in 2009; AMD 1,487.7 million or 55.2% in 2008; AMD 768.6 million or 38.4% in 2007; AMD 1,824.3 million in 2006; AMD 799.6 million in 2005; AMD 394 million in 2004), including direct payments of households in the amount of AMD 2,023 million, non-commercial organizations – AMD 0.9 million and private/public partnership organizations – AMD 0.3 million. In 2009 the direct payments of households amounted to AMD 1935.6 million (AMD 1,484.5 million in 2008; AMD 754 million in 2007; AMD 1,139.4 million in 2006; AMD 673.6 million in 2005), funding of non-commercial organizations AMD 50.5 million (AMD AMD 27.7 million in 2009; AMD 3.2 million in 2008; AMD 14.7 million in 2007; AMD 684.9 million in 2006; AMD 126million in 2005) and AMD 1.7 million by private/public partnership organizations.

- In 2010 funding from the Rest of the World amounted to AMD 2.4 million (no financing in 2009; AMD 198.5 million in 2008, AMD 290.4 million in 2007). In 2005 the AMD 857.2 million was contributed through technical assistance and grants provided by the donors (AMD 252.3 million in 2004), while in 2006 no financing has been provided.

4. The group of retailers of pharmaceutical and medical supplies and other providers HP.4

The volume of goods provided by retailers of pharmaceutical and medical supplies amounted AMD 43,277.1 million in 2010 (AMD 28,752.8 million in 2009; AMD 18,985.6 million in 2008; AMD 20,520.6 million in 2007; AMD 17,571.4 million in 2006; AMD 15,063 million in 2005; AMD 17,427 million in 2004) which has been entirely financed by the direct payments of households (AMD 17,462.7 million in 2006; AMD 14,962 million in 2005); the balance of AMD 108.7 million (AMD 101.4 million in 2005) has been funded by the public sector through the Ministry of Defense and National Security Service (the National Security Service and Police in 2005).

It is important to mention, that similar to the previous year in 2010 out of all NHA indicators the rapid increase was recorded in the volume of the group of retailers of pharmaceutical and medical supplies, which compared with the previous year was increased by 150.6% (151.4%, in 2009). Detailed information on increase of utilization volumes of pharmaceuticals is presented in the account *Financial agents and functions (FAx F)*.

5. Implementation and management of public health care programs HP.5

Healthcare services rendered under this group of providers in 2010 have amounted to AMD 11,517.2 million (AMD 5,084.2 million in 2009; AMD 3,453.5 million in 2008; AMD 3,904.2 million in 2007; AMD 2,944.2 million in 2006; AMD 2,513.3 million in 2005; AMD 2,210.5 million in 2004).

The distribution of provided services by the components of this group is as follows:

- AMD 658.5 million (AMD 1,604.4 million in 2009; AMD 481.3 million in 2008; AMD 1,638.8 million in 2007; AMD 661.7 million in 2006; AMD 729.6 million in 2005) for morbidity surveillance, including AMD 637.4 million (AMD 112.9 million in 2009; AMD 81.8 million in 2008; AMD 241.4 million in 2007), which was provided for HIV/AIDS prevention and control;
- AMD 2,714.2 million (AMD 3,275.7 million in 2009; AMD 2,474.0 million in 2008; AMD 1,632.4 million in 2007; AMD 1,700.3 million in 2006; AMD 1,669.1 million in 2005) for sanitary epidemiological control;
- AMD 8 144.5 million (AMD 204.1 million in 2009; AMD 498.3 million in 2008; AMD 633 million in 2007; AMD 582.3 million in 2006; AMD 114.7 million in 2005) for services provided by other organizations.

In 2010 the financing of this group of providers by agents has the following distribution:

- AMD 6,204.6 million or 53.4% of the overall financing (AMD 3,388.6 million or 66.6% in 2009; AMD 2,694.3 million or 78% in 2008; AMD 3,194.5 million or 81.8% in 2007; AMD 2,066.8 million or 70.2% in 2006; AMD 1,696.3 million or 67.5% in 2005; AMD 1,233.7 million or 55.8% in 2004) has been funded by the public sector;
- Private sector has financed AMD 1,802.5 million or 15.6% of the overall financing (AMD 1,598.3 million or 31.4% in 2009; AMD 568.2 million or 16.5% in 2008; AMD 487.1 million or 12.5% in 2007; AMD 526.4 million or 17.9% in 2006);
- “Rest of the World” sector financing amounted to AMD 3,510.1 million (AMD 97.2 million or 2% in 2009; AMD 191 million or 5.5% in 2008; AMD 222.6 million or 5.7% in 2007; AMD 351 million or 11.9% in 2006; AMD 785.1 million or 32.5% in 2005), from which AMD 949.9 million is a technical assistance, and AMD 2,585.2 million – Contributions, Loans from Donors.

6. Health management and insurance HP.6

According to the table data, the overall health management spending in 2010 amounted to AMD 2,067.8 million (AMD 7,839.5 million in 2009; AMD 8,332.5 million in 2008; AMD 15,474.9 million in 2007; AMD 10,893.5 million in 2006; AMD 7,721.1 million in 2005), including a major part in the amount of AMD 1,855.6 million or 89.7% (AMD 7,413.1 million or 94.6% in 2009; AMD 7,896.8 million or 94.8% in 2008; AMD 14,767.9 million or 95.4% in 2007; AMD 10,154.8 million in 2006; AMD 7,163.9 million in 2005) for expenditures of public administration of health sector (RoA Ministry of Health). The financing from private sector amounted to AMD 72.0 million, including financing from non-commercial organizations in an amount of AMD 51.5 million, and private/public partnership organizations – AMD 20.5 million. In 2009 AMD 426.4 million (AMD 309.9 million in 2008; AMD 173 million in 2007; AMD 105.1 million in 2006) financing of private insurance companies.

Rest of the World financed an amount of AMD 140.2 million (AMD 123.4 million in

2009; AMD 125.8 million in 2008; AMD 534 million in 2007; AMD 633.6 million in 2006; AMD 492.2 million in 2005) provided by donors as grant and contribution in an amount of AMD 103.2 million and as a technical assistance in amount of AMD 36.9 million.

7. The group of organizations providing health related services HP.8

In 2010 provided services amounted to AMD 2,488.1 million (AMD 3,101.4 million in 2009; AMD 2,075.7 million in 2008; AMD 1,477.7 million in 2007; AMD 831.8 million in 2006; AMD 1,459.8 million in 2005; AMD 1,168.4 million in 2004), including funding in the amount of AMD 2,471.2 million or 99.3% of the overall (AMD 2,420.7 million or 78.1% of the overall in 2009; AMD 1,113.8 million; AMD 735.9 million in 2007; AMD 666.4 million in 2006; AMD 615.1 million in 2005, AMD 668.3 million in 2004) provided by the public sector along with AMD 5.7 million or 0.2% of the overall financed by the private sector (AMD 569.8 million or 18.4% in 2009; AMD 495.8 million in 2008; AMD 218.9 million in 2007; AMD 35.7 million 2006; 755.5 million in 2005) and AMD 11.2 million (AMD 111.0 million in 2009; AMD 466 million in 2008; AMD 522.9 million in 2007; AMD 129.7 million in 2006) contributed by the Rest of the World.

Public sector financing by agents and providers was distributed in the following proportions: out of AMD 818.0 million provided by the RoA Ministry of Health AMD 4.8 million was provided to research institutes; AMD 378.1 million to educational institutions, AMD 435.1 million to other institutions, which provide health related services. The total financing in an amount of AMD 562.7 million from the RoA Ministry of Education and Science was provided to educational institutions and AMD 1,090.4 million financing from the RoA Ministry of Labor and Social Issues to organizations providing health related services.

AMD 2.8 million financing from the non-commercial and private/public partnership organizations of the private sector subagents was provided to research institutions, and AMD 2.9 million to educational institutions.

AMD 11.2 million financing of the Rest of the World was formed from grants and donations in an amount of AMD 8.2 million and technical assistance in an amount of AMD 2.9 million, which was correspondingly provided to research institutes- AMD 5.4 million, educational institutions- AMD 5.7 million. As a result, the total financing of research institutes amounted to AMD 13.1 million, the educational institutions- AMD 949.5 million, the institutions providing health related services – AMD 1,764.1 million.

8.The Rest of the World (HP.9)

The volume of provided services and financing amounted to AMD 26.6 million (AMD 4,772.5 million in 2009; AMD 1,782.2 million in 2008; AMD 2,752.6 million in 2007; AMD 859.4 million in 2006; AMD 1,281.3 million in 2005; AMD 1,264.8 million in 2004), which was mainly proportion of public sector (AMD 4,596 million in 2009; AMD 1,151.3 million in 2008; AMD 860.1 million in 2007; AMD 803.4 million in 2006; AMD 1,260.3 million in 2005; AMD 1,158.1 million in 2004). No financing was provided by donors of the Rest of the World (AMD 176.6 million in 2009; AMD 630.9 million in 2008; AMD 892.5 million in 2007).

9.Not classified by types HP.nsk

No funding was provided in 2010. The volume of provided services in 2009 amounted to AMD 2,551.6 million (AMD 2,166.6 million in 2008; AMD 2,246.8 million in 2007) of

which AMD 237.6 million (AMD 24.0 million in 2008; AMD 723.4 million in 2007; AMD 610.5 million in 2006; AMD 610.5 million in 2005) was funded by the public sector, AMD 36.2 million by non-commercial organizations of private sector (AMD 796.5 million in 2006 and AMD 185.7 million in 2005) and AMD 2,277.8 million (AMD 2,142.5 million in 2008; AMD 1,523.3 million in 2007; AMD 2,393.2 million in 2006; AMD 2,016.3 million in 2005) by the Rest of the World.

After summarizing the data of the NHA “Financial agents and providers” account or table the following can be stated:

1. The overall financing by the financial agents in 2010 amount to AMD 159,086.9 million (AMD 145,313.3 million in 2009; AMD 137,042.6 million in 2008; AMD 139,259.8 million in 2007; AMD 124,251.6 million in 2006; AMD 121,193.6 million in 2005), including:

1.1 Public sector - AMD 62,743.9 million (AMD 62,709 million in 2009; AMD 59,859.9 million in 2008; AMD 65,088.8 million in 2007; AMD 51,156.6 million in 2006; AMD 39,767.4 million in 2005);

1.2 Private sector - AMD 91,373.6 million (AMD 79,666 million in 2009; AMD 72,666.3 million in 2008; AMD 69,588.1 million in 2007; AMD 67,066 million in 2006; AMD 75,158.2 million in 2005);

1.3 Rest of the World - AMD 4,969.4 million (AMD 2,938.3 million in 2009; AMD 4,516.4 million in 2008; AMD 4,582.9 million in 2007; AMD 6,029 million in 2006; AMD 6,268.1 million in 2005).

2. The overall volume of services rendered by the providers in 2010 amounted to AMD 159,086.9 million (AMD 145,313.3 million in 2009; AMD 137,042.6 million in 2008; AMD 139,042.6 million in 2007; AMD 124,251.6 million in 2006; AMD 121,193.6 million in 2005), including:

2.1 Hospital group – AMD 60,450.1 million (AMD 59,060.9 million in 2009; AMD 66,245.8 million in 2008; AMD 61,659.9 million in 2007; AMD 56,125.2 million in 2006; AMD 66,559.9 million in 2005), of which:

- multi-profile hospitals – AMD 41,908.8 million (AMD 43,358.3 million in 2009; AMD 52,584.7 million in 2008; AMD 49,520 million in 2007; AMD 45,953.5 million in 2006; AMD 56,762.1 million in 2005);

- mental hospitals and narcological dispensaries – AMD 2,067.9 million (AMD 2,212.6 million in 2009; AMD 1,862.4 million in 2008; AMD 1,598.4 million in 2007; AMD 1,376.2 million in 2006; AMD 1,412.7 million in 2005);

- specialized hospitals – AMD 13,795.5 million (AMD 11,317.9 million in 2009; AMD 10,192.7 million in 2008; AMD 9,389.9 million in 2007; AMD 7,744.7 million in 2006; AMD 7,365.9 million in 2005);

- non-allopathic providers – AMD 868.4 million (AMD 1,226.5 million in 2009; AMD 524.7 million in 2008; 0.0 in 2006 and 2007; AMD 232.6 million in 2005);

- health resorts/sanatoria – AMD 1,189.4 million (AMD 945.5 million in 2009; AMD 1,081.3 million in 2008; AMD 1,151.6 million in 2007; AMD 1,050.9 million in 2006; AMD 786.6 million in 2005);

2.2 Services of long term nursing care – AMD 1,376.7 million (AMD 1,345.3 million in 2009; AMD 1,351.9 in 2008; AMD 1,217.5 million in 2007; 1,035.1 million in 2006; AMD 8,30.7 million in 2005);

- 2.3 *The group of outpatient care providers – AMD 37,883.4 million (AMD 32,804.8 million in 2009; AMD 32,625.2 million in 2008; AMD 30,005.7 million in 2007; AMD 30,190.7 million in 2006; AMD 22,951.2 million in 2005);*
- 2.4 *The group of providers of pharmaceutical and other medical supplies – AMD 43,277.1 million (AMD 28,752.8 million in 2009; AMD 18,985.6 million in 2008; AMD 20,520.6 million in 2007; AMD 17,571.4 million in 2006; AMD 15, 063.4 million in 2005);*
- 2.5 *Implementation of public health care programs – AMD 11,517.2 million (AMD 5,084.2 million in 2009; AMD 3,453.5 million in 2008; AMD 3,904.2 million in 2007; AMD 2,944.2 million in 2006; AMD 2,513.3 million in 2005);*
- 2.6 *Health management and insurance – AMD 2,067.8 million (AMD 7,839.6 million in 2009; AMD 8,332.5 million in 2008; AMD 15,474.9 million in 2007; AMD 10,893.5 million in 2006; AMD 7,721.1 million in 2005);*
- 2.7 *All other managers of the health sector – 0.0 (AMD 0.0 in 2009; AMD 23.6 million in 2008);*
- 2.8 *The group of providers of health related services – AMD 2,488.1 million (AMD 3,101.5 million in 2009; AMD 2,075.7 million in 2008; AMD 1,477.7 million in 2007; AMD 831.8 million in 2006; AMD 1,459. 8 million in 2005);*
- 2.9 *The Rest of the World – AMD 26.6 million (AMD 4,772.5 million in 2009; AMD 1,782.2 million in 2008; AMD 2,752.6 million in 2007; AMD 859.4 million in 2006; AMD 1,281.3 million in 2005);*
- 2.10 *Providers, not classified by types – 0.0 (AMD 2,551.7 million in 2009; AMD 2,166.6 million in 2008; AMD 2,246.8 million in 2007; AMD 3,800.2 million in 2006; AMD 2,812.8 million in 2005).*

4.1.3. “Financial agents and functions” (FAx F) account

1. Group of medical care services HC. 1

Based on the FAx F table data, the total value of services provided under the health care functions in 2010 amounted to AMD 70,475.3 million (AMD 73,524.9 million in 2009; AMD 77,967.7 million in 2008; AMD 70,872.8 million in 2007), which compared with the indicator of the previous year was reduced by 4.1%, keeping the same tendency of 2009, when the financing was reduced by 5.7%. It is noteworthy that financing for this group of functions has cyclic character, in 2008 110% was recorded; in 2007 in contrast to 2006 the volume of provided services compared with the previous year amounted to 101.7% (AMD 69,717.5 million in 2006 with a 10% decrease as compared to 2005; AMD 77,421.7 million in 2005, AMD 71,695.8 million in 2004).

The public sector has provided AMD 33,393,9 million or 47,4% (AMD 32,815.6 million or 44.6% in 2009; AMD 32,108.5 million or 41.2% in 2008; AMD 26,790.1 million or 37.8% in 2007; AMD 24,590.7 million or 35.3% in 2006; AMD 20,917.6 million or 27% in 2005) of financing for services for the year 2010, the growth compared with the previous year was 103,4% (102.2% in 2009; 119.8% in 2008; 108.9% in 2007).

The private sector funded AMD 36,616,8 million or 51,9% of the overall (AMD 40,643.3 million or 55.3% in 2009; AMD 45,625.6 million or 58.5% in 2008; AMD 43,566.1 million or 61.5% in 2007; AMD 44,538.7 million or 63.9% in 2006; AMD 54,571

million or 70.5% in 2005), which compared with the indicator of the previous year was reduced by 9,9% (reduced by 6.7% in 2009; and in 2008 the growth was 104.7%).

The private sector funding distribution is the following: direct payments of households in the amount of AMD 35,758,1 million or 97,6% of overall financing this group of agents (AMD 39,858.6 million or 98.1% in 2009; AMD 44,946.8 million or 98.5% in 2008; AMD 42,993.2 million in 2007; AMD 44,244.7 million in 2006; AMD 54,498 million in 2005), non-governmental/private insurance companies funded AMD 620,1 million (AMD 426.5 million in 2009; AMD 309.9 million in 2008; AMD 173 million in 2007; AMD 105 million in 2006; AMD 65 million in 2005), non-commercial organizations financed about AMD 170,6 million (AMD 358.2 million in 2009; AMD 367.5 million in 2008; AMD 399.9 million in 2007; AMD 189 million in 2006; AMD 80 million in 2005) and AMD 67,9 million private enterprises (AMD 0,0 in 2009; AMD 1.4 million in 2008).

Funding from Rest of the World formed the 0.6% of the overall financing of the Medical care services or AMD 464.6 million (AMD 66.1 million or 0.1% in 2009; AMD 233.4 million or 0.3% in 2008; AMD 516.5 million or 0.7% in 2007; AMD 587.6 million or 0.8% in 2006; AMD 1,861.2 million or 2.5% in 2005), which in 2010 has increased almost 7 times in comparison with the decrease of 2009.

If in 2008 the financial structure of this group of functions the financial volumes of the public and private sectors are continuously increasing and the volume of the Rest of the World is decreasing, especially, if for the previous years due to the increase of the public sector financial volumes the amount of private payments was decreasing; then in 2008 a significant growth of this agent was recorded, then in 2009 the previous tendency was recovered- financial volumes from public sector were increased and financial volumes from private sector and the Rest of the World were reduced. In 2010 the allocation of the financing received from the agents for medical services has entered to a new stage: the financial volumes of the public sector and the Rest of the World have increased and the financial volume of the private sector has decreased.

Out of total expenditures within “Medical care services” functions’ group, AMD 46,425.8 million or 65.9% (AMD 51,070.6 million or 69.5% in 2009; AMD 56,391.3 million or 72.3% in 2008; AMD 51,712 million or 73% in 2007; AMD 51,306.8 million or 73.6% in 2006; AMD 61,784.4 million or 79.8% in 2005; 84.6% in 2004) are the payments for inpatient treatment. The financial volume disaggregated by financing agents is the following:

- public sector financing-AMD 21,583 million or 46.5% of the overall (AMD 22,613.5 million or 44.3% in 2009; AMD 20,442.2 million or 36.3% in 2008; AMD 16,000.6 million or 30.9% in 2007; AMD 13,546.7 or 26.4% in 2006; AMD 12,580.6 million or 20.4% in 2005);
- private sector financing- AMD 24,593 million or 52.9% of the overall (AMD 28,457 million or 55.7% in 2009; AMD 35,948.4 million or 58.5% in 2008; AMD 35,677.1 million or 69% in 2007; AMD 37,639.3 million or 73.4% in 2006; AMD 48,848.3 million or 79.1% in 2005);
- Rest of the Word financing – AMD 249.7 million or 0.5% (no funding was provided in 2009 and 2008; AMD 34.2 million in 2007; AMD 120.6 million in 2006).

Financing provided from the public sector agents to functions of “Medical care services” by the RoA Ministry of Health amounted AMD 33,257.6 million and by the RoA Ministry of Labor and Social Issues amounted to AMD 70 million and by the Component of HF 1.1.1.7 in an amount of AMD 66.2 million, which is distributed in the following proportions:

- HC1 Medical Care services- AMD33,327.6 million, including
 - HC1.1 Inpatient medical care- AMD 21, 583, of which
 - HC1.1.1 “specialized medical care” AMD^a 11,111.4million, of which AMD 1,689,8 million to psychiatric and narcological services (AMD 70.0 million from the RoA Ministry of Labor and Social Issues), AMD 2,186.2 million for TB services, AMD 740.6 million for oncological services; AMD 6,320.1 million for delivery servicesand AMD 174.6 million for HIV/AIDS services.
 - HC1.1.2 “other inpatient medical care” - AMD 10,471.5 million (AMD 12 243.1 million in 2009; AMD 12,819.7 million in 2008; AMD 10,304.2 million in 2007);
 - HC 1.2 In-patient day-care medical services - AMD 209.7;
 - HC1.3 Out-patient medical care – AMD 10,534.9, including Primary health care and diagnostic services – AMD 6,528.4, ambulatory dental services – AMD 982.7million, all other specialized services – AMD 2,530.1million, all other ambulatory medical care - AMD 1,493.7 million.

The amount of payments for medical services HC1 was AMD 35,758.1 million from direct payments of households; AMD 620.1 million from private insurance companies, AMD 170.6 million from non-commercial organizations (excluding social insurance companies) and AMD 67.9 million from private enterprises (except providers of medical insurance).

The direct payments of households by functions have the following distribution: - HC1 Medical Care Services – AMD 35,758.1, including:

- HC1.1 In-patient Health Care – AMD 24,464.8 million, from which:
 - HC1.1.1 “Specialized medical care” – AMD 6,577.1million, from which AMD 1,368 million for oncological services, and AMD 908.7 million for delivery services;
 - HC1.1.2 “Other in-patient medical care” – AMD 17,887.7million (AMD 20,546.9 million or 73.3% in 2009; AMD 26,843.3 million or 75.3% in 2008; AMD 32,812 million in 2007).
- HC1.3 Ambulatory medical care AMD 11,293.3million, from which primary health care and diagnostic servies – AMD 5,294.3 million, ambulatory dental care – AMD 4,676million, all other specialized medical care – AMD 633.6million, all other ambulatory medical care – AMD 689.4 million;
- HC 1.4 Medical care services provided inside the householdsAMD 0.

The financing from non-commercial organizations in an amount of AMD 170.6 million and from non-commercial organizations in an amount of AMD 67.9 million was distributed by functions in the following way:

HC1 Medical care services – AMD 238.5 million, from which:

- HC1.1 In-patient medical care – respectively AMD 91.7 and 36.5 million, which was provided to “specialized medical care” function (TB services – respectively AMD 81 and 32.2 million and HIV/AIDS services – AMD 10.7 and 4.3 million
- HC1.3 Ambulatory medical care - AMD 78.9 and 31.4 million, from which ambulatory dental servies – AMD 67.6 and 26.9 million, all other specialized medical services - 11.3 and 4.5 million.

Financing by functions of HC 1 Medical care services received from the Rest of the World is distributed in the following proportions:

- HC1 Medical care services – AMD 464.6million, including:
 - HC1.1In-patient medical care services – AMD 249.7million, from which
 - HC1.1.1 “specialized medical care” – AMD 249.7million, including AMD 220.5 million for TB services and AMD 29.2 million for HIV/AIDS services.
 - HC1.3 Ambulatory medical care – AMD 214.8million, from which ambulatory dental services – AMD184.1 million, all other specialized medical services – AMD 30.7 million.

Financing by functions of HC 1 Medical care services received from all financial agents is distributed in the following proportions:

- HC1 Medical care services – AMD070,475.3million, including:
 - HC1.1In-patient medical care services – AMD 46,425.8million, from which
 - HC1.1.1 “specialized medical care” – AMD 18,066.5million (AMD 17,854.2 million in 2009), including mental and narcologicalservices – AMD 1,689.8 million (AMD 1,764.5 million in 2009), TB services – AMD 2,681million (AMD 1,588.7 million in 2009), oncological services – AMD 2,520million (AMD 713.5 million in 2009), delivery services – AMD 7,228.8million (AMD 7,148.7 million in 2009)and HIV/AIDS services – AMD 218.9million (AMD 84.6 million in 2009);
 - HC1.1.2 “Other in-patient medical services” – AMD 28,359.3million.
 - HC 1.2 Day-care in-patient medical services – AMD 209.7million;
 - HC1.3 Ambulatory medical care – AMD 23,219.6million, including primary health care and diagnostic services – AMD 11,822.7 million, ambulatory dental services – AMD 5,937.3million, all other specialized medical services – AMD 3,210.3million, all other ambulatory medical care- AMD2,249.4million.
 - HC1.4 Medical care services provided inside the households - AMD 0.

The least financing from the group of these functions was implemented by day-care in-patient medical care (HC 1.2) – AMD 209.7 million (AMD 246.2 million in 2009, AMD 227.9 million in 2008; AMD 140.1 million in 2007; AMD 131.7 million in 2006, AMD 128.2 million in 2005), and no financing or function was implemented under medical care services provided inside the households(HC 1.4).

The HC 1.3 out-patient medical care component is the second largest by the functions implemented in these functions’ group or by its specific weight in the overall financing structure with AMD 23,219.6 million or 32.9% of the overall (AMD 22,208.1 million or 30.2% in 2009; AMD 21,348.4 million or 27.4% in 2008; AMD 19,020.7 million or 26.8% in 2007; AMD 18,279 million in 2006; AMD 15,506.1 million in 2005), including AMD 11,293.3 million or 48.2% (AMD 11,843.6 million or 53.3% in 2009; AMD 9,309.1 million or 43.6% in 2008; AMD 7,489.1 million or 39.4% in 2007; AMD 6,733 million or 36.8% in 2006; AMD 5,715 million 36.9% in 2005) provided by direct payments of households.

AMD 11,534.9 million or 48.2% of the financing volume of the out-patient health care function (AMD 9,955.8 million or 44.8% AMD 11,387.4 million or 53.3% AMD 10,649.4million or 56% in 2007; AMD 10,881 million or 59.5% in 2006; and 52.6% in 2005) was the public sector financing, mainly from the RoA Ministry of Health. The financial

volume compared with the indicator of the previous year amounted 113.4%, despite there was a 12.6% decrease in 2009 compared with the indicator of the previous year (106.9% growth in 2008; minor reduction of 2007).

Financing from the Rest of the World amounted AMD 214.8 million or 0.9% (AMD 66.1 million or 0.3% in 2009; AMD 233.4 million or 3.1% in 2008; AMD 482.3 million in 2007; AMD 467.0 million in 2006; AMD 1,502.7 million in 2005).

2. The group of rehabilitation care services HC. 2

The implementation of functions under this group in 2010 resulted in provision of services for AMD 1,728 million or 1.1% of the total of all functions (AMD 1,471.2 million or 2% in 2009; AMD 1,541.6 million or 2% in 2008; AMD 1,755.8 million or 1.3% in 2007; AMD 1,614 million or 1.1% in 2006; AMD 1,316.8 million in 2005), including AMD 906.7 million or 52.5% (AMD 678.6 or 46.1% in 2009; AMD 755.8 or 49% million in 2008; AMD 929.4 million or 52.9% in 2007; AMD 918.5 million or 56.9% in 2006; AMD 802.4 million or 60.9% in 2005) financed by the public sector, of which AMD 772.8 million (AMD 569 million in 2009; AMD 569.2 million in 2008; AMD 776.1 million in 2007; AMD 793.5 million in 2006; AMD 721.9 million in 2005) by the RoA Ministry of Health and AMD 133.9 million (AMD 109.6 million in 2009; AMD 186.6 million in 2008; AMD 153.3 million in 2007; AMD 125 million in 2006; AMD 80.5 million in 2005) by the RoA Ministry of Labor and Social Issues.

The financing by private sector amounted to AMD 821.3 million or 47.5% of the overall, which was mainly financed by the households (in 2009 it amounted to AMD 792.5 million or 53.9%, including direct payments of households amounted to AMD 785.8 million or 53.4%; AMD 785.8 million or 51% of the total in 2008; AMD 826.5 million or 47.1% in 2007; AMD 714.8 million or 43.1% in 2006; AMD 514.4 million or 39.1% in 2005. In 2009 funding by non-commercial organizations amounted to AMD 6.7 million).

The overall volume of household payments is provided to the inpatient rehabilitation care sub-function.

The financing implemented by the Ministry of Health of RoA per component of this group's functions has been mainly allocated to inpatient rehabilitation care AMD 755.5 million (AMD 529.7 million in 2009; AMD 529.8 million in 2008; AMD 753.9 million in 2007; AMD 774.2 million in 2006; AMD 727.7 million in 2005) and day care rehabilitation AMD 17.3 million (AMD 39.3 million in 2009; AMD 39.3 million in 2008; AMD 22.2 million in 2007; AMD 19.4 million in 2006; AMD 74.7 million in 2005).

3. Services of long - term nursing care HC. 3

The volume of services amounted to AMD 11.8 million in 2010, of which AMD 4.4 million was provided by the RoA Ministry of Health, AMD 2.5 million from the private sector (AMD 1.8 million by non-commercial organizations and AMD 0.7 million by private/public partnership organizations), AMD 4.9 million was provided as Grants and technical assistance from the Rest of the World. In 2009 the payments made for this group of functions amounted to AMD 296 million, including funding by the RoA Ministry of Labor and Social Issues in an amount of AMD 274.4 million (AMD 51.3 million), which was paid for *Nursing long-term services provided in inpatient day-care conditions* and funding by the Rest of the World in an amount of AMD 21.5 million for *Nursing long-term services provided in inpatient conditions*. In 2007 the payments were made by the non-commercial agent of private sector in an amount of AMD 5.1 million for *Residential nursing long-term*

services. For the year 2006 information for provided services, as well as for its financing is not recorded. **The distribution of expenditures and absence of opportunities for division and clarification of the data sources for this category is the main obstacle in receiving a complete data with dynamic lines of the years. After all, the significant reason is the absence of the “institute” or mechanism in present health system.**

4. Auxiliary medical care services HC. 4

The volume of services provided under this functional group in 2010 amounted to AMD 11,946.4 million (AMD 9,949.1 million in 2009; AMD 8,919.6 million in 2008; AMD 6,201.8 million in 2007 and the growth was almost twice compared with the previous year; AMD 3,102 million in 2006; AMD 3,814.7 million in 2005; AMD 3,731.7 million in 2004), and the growth compared with the previous year is 120% (115.4% in 2009; 143.8% in 2008)

The functions were mainly funded by public sector in an amount of AMD 5,122.0 million (AMD 4,926.1 million in 2009; AMD 5,022.4 million in 2008; AMD 3,427.1 million in 2007; AMD 1,450 million in 2006; AMD 1,158.9 million in 2005), AMD 6,821.3 million (AMD 5,015.3 million in 2009; AMD 3,873.9 million in 2008; AMD 2,773.2 million in 2007; AMD 1,652.1 million in 2006; AMD 2,655.8 million in 2005) funded by the private sector almost entirely AMD 6,819.8 million through the direct payments of households (AMD 3,862.9 million in 2008; 2,765.8 million in 2007; AMD 1,602.4 million in 2006; AMD 2,644.8 million in 2005) and AMD 2.2 million (AMD 7.8 million in 2009; AMD 23.3 million in 2008; AMD 1.6 million in 2007) by the Rest of the World.

Based on this group's subcomponents, the public financing has been distributed as follows:

- The overall financing of functions for clinical laboratories amounted to AMD 2,198.3 million or 18.4% of the overall financing (1,420.3 million or 14.3% in 2009), which was totally implemented by the direct payments of households.

- The overall funding of diagnostic services amounted to AMD 6,177.4 million or 51.7% of the overall financing (AMD 4,989.7 million or 50.2% in 2009; AMD 4,574.4 million or 51.3% in 2008; AMD 2,987.3 million or 55.5% in 2007; AMD 4,515.9 million or 72.8% in 2006). In contrast to the zero financing in 2005, in 2006 the implemented functions and financial volume amounted to AMD 1,487 million, including AMD 1,285.8 million were the direct payments made by households and AMD 151.8 million was the funding provided by the RoA Ministry of Health (AMD 165.6 million in 2004).

The AMD 3,086.2 million or 49.9% of the overall financing allocated for this sub-function (AMD 3,251.1 million or 65.2% in 2009; AMD 2,987.3 million or 65.3% in 2008; AMD 1,923.8 million or 42.6% in 2007) was provided by the public sector. Private sector provided financing of AMD 3,088.2 million, of which AMD 3,086.6 million or almost 50% of the overall (AMD 1,730.8 million or 34.7% in 2009; AMD 1,563.8 million or 34.2% in 2008; AMD 2,590.5 million or 57.4% in 2007) are the direct payments of the households and AMD 6.6 million (AMD 7.7 million in 2009; AMD 23.3 million in 2008) from the Rest of the World.

- Financing of functions for emergency care and transportation of patients – AMD 2,122.4 million (AMD 2,113.2 million in 2009; AMD 1,909.7 million in 2008; AMD 1,515 million in 2007; AMD 14,167.5 million in 2006; AMD 1,048.9 million in 2005; AMD 920.5 million in 2004); including AMD 1,456.0 million (AMD 1,475.5 million in 2009; AMD 1,482.9 million in 2008; AMD 1,332.3 million in 2007) by the public sector, and the

remaining AMD 666.5 million (AMD 637.7 million in 2009; AMD 426.8 million in 2008) are the direct payments made by households.

- Financing of all the other additional services - AMD 1,448.3 million (AMD 1,425.9 million in 2009; AMD 1,088 million in 2008; AMD 170.9 million in 2007; AMD 147 million in 2006; AMD 110 million in 2005 and AMD 261 million in 2004), including AMD 579.9 million (AMD 199.4 million in 2009; AMD 552.3 million in 2008) by the public sector and AMD 868.4 million (AMD 1,226.5 million in 2009; AMD 524.7 million in 2008) are the direct payments made by households.

5. Medical goods distributed to ambulatory patients HC. 5

Services provided under functions included in this group in 2010 amounted to AMD 58,191.1 million or 36.6% of overall financing in the part of all functions (AMD 33,129.1 million or 22.8% in 2009; AMD 24,131.3 million in 2008; AMD 24,784.8 million in 2007; AMD 20,854 million in 2006; AMD 18,187.3 million in 2005; AMD 20,006.8 million in 2004) or compared with the preceding year was increased by 175.6% (137.3% in 2009). In 2008 a reduction of 2.6% was recorded (in 2007 as compared with the previous year amounted to 118.8%).

Distribution of the total volume of financing of provided services by agents is the following:

The financing provided by public sector amounted to AMD 9,220.2 million or 15.8% of the overall financing, the growth of which compared with the previous year was estimated 2.1 times, in the case, that in 2009 the financing volume compared with the previous year was reduced by 13.6%, at the same time in 2008 there was a growth of 119.9% as compared with the preceding year (AMD 4,376.0 million or 13.2% in 2009; AMD 5,066.7 million or 21% in 2008; AMD 4,226.4 million in 2007; AMD 3,464.7 million in 2006; AMD 3,189.6 million in 2005; AMD 2,395.7 million in 2004). In public sector AMD 8,028.2 million or 87% of the overall public financing is provided by the RoA Ministry of Health (AMD 3,286.8 million or 75.1% in 2009; AMD 4,090.7 million or 80.7% in 2008; AMD 3,184.7 million or 75.4% in 2007; AMD 2,471 million or 73% in 2006; AMD 2,537.8 million or 79.6% in 2005), AMD 1,090.4 million or 13.5% of overall public financing (AMD 987.6 million or 22.6% in 2009; AMD 867.3 million or 17.1% in 2008; AMD 933 million or 24.6% in 2007; AMD 803 million or 23.7% in 2006; AMD 550.4 million or 17.3% in 2005) was provided by the RoA Ministry of Labor and Social Issues. Financing provided by the RoA National Security Service and the RoA Police amounted to AMD 27.9 and 73.7 million respectively (AMD 26.8 and 81.9 million in 2008; AMD 26.8 and 81.9 million in 2007; AMD 27 and 82 million in 2006; AMD 25 and 76.4 million in 2005).

The public financing of this group's functions has been implemented for the components of Pharmaceutical and other goods of short-term use in an amount of AMD 4,854.6 for the function of "Prescription drugs", AMD 1,814.7 million for the function of "Over-the-counter drugs" and AMD 2,550.8 million for "Therapeutic accessories and other medical supplies of long-term use", of which AMD 81,8 million for "Orthopedic devices and other prothesis", AMD 1,4 million for "Eyeglasses and other ophthalmologic supplies", AMD 103,7 million for "Hearing devices", AMD 998,4 million for "Techno-medical devices, including wheel-chairs" and "Other medical supplies" in an amount of AMD 1,365,4 million.

The private sector, specifically the household subgroup has paid an amount of AMD 45,208.9 million (AMD 28,752.8 million in 2009; AMD 19,007 million in 2008; AMD 20,558.4 million in 2007; AMD 17,463 million in 2006; AMD 14,962 million in 2005) for

over-the-counter drugs exclusively, with the growth of 150.5% compared with the indicator of the previous year (in 2009 the growth was 151.3% compared with the previous year).

Financing in an amount of AMD 25.9 million provided by non commercial organizations was distributed between the following components: AMD 1.2 million was paid for “Prescription Drugs” HC5.1.1, and the remaining AMD 24,7 million was distributed between the subfunctions of the “Therapeutic accessories and other medical supplies of long-term use” HC5.2.4 component: AMD 12,7 million for “Techno-medical devices, including wheel-chairs” and AMD 12.0 million for “Other medical supplies”.

Each year in the structure of the expenditures of the households as it can be observed from the dynamics of the indicators of the last two years, there is an increase of more than 1,5 times recorded under the component of “Over-the-counter Drugs”. The increase in 2009 was explained at first with the wide spread of several communicable diseases and second rapid increase of prices for medications was recorded (in 2009 a pandemic was declared for H1N1 virus by WHO).

For instance, compared with the previous year in the structure of consumer price index by 10 cluster of goods (services) the growth of prices for the group of “medical care and pharmaceuticals” on January, 2009, amounted 121.1%, whereas by the end of the year it was 112.5%²: It is noteworthy, that the picture of the indicator changes presented for 12 months, identifies the accelerating pace of the increase of prices, in particular for the same period in 2009 there was a growth from 100.3% in January to 119.5% in December, and each month compared with the previous month from 100.3% in January to 129.1% in December.

According to official statistics, compared with the previous year in the structure of consumer price index by 10 cluster of goods (services) the growth of prices for the group of “medical care and pharmaceuticals” on January, 2010, amounted 109.1%, whereas by the end of the year it was 106.6%, from which the price increase of pharmaceuticals compared with the previous year were 129.1 in January, and 108.5%³ in December. The increase of the expenditures of the households for procurement of drugs in 2010 relevant to the increase of the prices can also be observed by the data provided by Household’s Integrated Living Conditions Survey. In particular, in accordance with the data recorded in “Diary” by the sample of households included in the survey, in 2010 compared with 2009 there was an increase of household expenditures for different types of pharmaceuticals from 1.8 to 3.9 times per capita. The changes in household expenditures for drugs and other medical supplies are more visible from the numbers presented in the table below:

Table. Household expenditures for drugs and other medical supplies, per capita, AMD⁴

Indicator’s name	All households	Of which		Households with the children of < 16 age.
		Urban	Rural	
2009				
Drugs and other medical supplies	646	754	440	436
2010				
Drugs and other medical supplies	1143	1207	1028	873

Source: Database of Household Integrated Living Conditions Survey

²Armenia Consumer Price Index, January December, 2009, Statistical Bulletin, NSS RoA, Yerevan 2010, Pages 25, 28-29, 130-131.

³Armenia Consumer Price Index, January December, 2010, Statistical Bulletin, NSS RoA, Yerevan 2011, Pages 25, 28-29, 126-127.

⁴Social Snapshot and Poverty in Armenia. Statistical analytical report, in accordance with the results of Household’s Integrated Living Conditions Survey 2010, NSS RoA, Yerevan 2011, Pages 139-151

Funding provided by the Rest of the World in amount of AMD 3,762 million (AMD 0.6 million in 2009; AMD 57.6 million in 2008), of which AMD 151.1 million or “Prescription drugs” sub-function (no financing was provide in 2007 and 2006, in 2005 it was financed by charitable programs in an amount of AMD 12.8 million) and AMD 2,052.1 million for “Over-the-counter drugs”. AMD 1,558.9 million was provided by the Rest of the World for “Therapeutic accessories and other medical supplies of long-term use”.

6. Disease prevention and public health care services HC. 6

Services rendered under the functions of this group in 2010 amounted to AMD 5,738 million (AMD 6,762.8 million in 2009; AMD 6,007.4 million in 2008; AMD 4,350.8 million in 2007; AMD 5,713.7 million in 2006; AMD 4,210.7 million in 2005; AMD 946.5 million in 2004), where the share of public sector financing was AMD 4,212.6 million or 73.4% of the overall financing (AMD 4,175.7 million or 61.7% in 2009; (AMD 4,150.7 million or 69.1% in 2008; AMD 4,007.1 million or 92.1% in 2007; AMD 3,571.2 million or 64.5% in 2006; AMD 2,826.6 million or 67.1% in 2005), including AMD 4,092.6 (AMD 4,008.7 million (AMD 3,953.7 million in 2008; AMD 3,925.1 million in 2007; AMD 3,346.5 million in 2006; AMD 2,744.2 million in 2005) financing of the RoA Ministry of Health, AMD 120.0 million (AMD 87.0 million in 2009; AMD 97.0 million in 2008; AMD 82.0 million in 2007; AMD 100.0 million in 2006; AMD 82.4 million in 2005) provided by the RoA Ministry of Transport and Communication.

The private sector financing amounted to AMD 1,525.4 million or 26.6% of the overall, was totally financed by the households. In 2009 the financing amounted to AMD 2,356.1 million or 34.8%, of which AMD 1,382.3 million were the direct payments of households, and AMD 973.8 million funding provided by non-commercial organizations. The private sector financing for this group of functions in 2008 amounted to AMD 1,105.6 million, including AMD 1,099.2 million from direct payments of households and AMD 6.4 million from non-commercial organizations. In 2007 no financing or payment was provided by private sector (AMD 51.5 million in 2006; AMD 115.8 million in 2005 - payments of private enterprises).

No financing was provided by the Rest of the World in 2010 to this group of functions (in 2009 it amounted to AMD 231 million or 3.5% of the overall financing; AMD 751.1 million or the 12,5% in 2008; AMD 343.7 million in 2007; AMD 2,091 million in 2006; AMD 1,228.2 million in 2005).

Financing of functions and respective distribution of provided services per subcomponent present the following picture:

Maternal and child health: RoA Ministry of Health – AMD 1,105.8 million (AMD 1,040.2 million in 2009; AMD 946.1 million in 2008; AMD 1,110.5 million in 2007; AMD 966.5 million in 2006; AMD 642 million in 2005), Private sector- direct payments of households AMD 1,525.4 million (AMD 1,382.3 million in 2009; AMD 1,105.6 million in 2008) and the Rest of the World – AMD 0.0 (AMD 42.0 million in 2009; AMD 207.7 million in 2008; 0.0 in 2007; AMD 1,650.5 million in 2006; AMD 803.8 million in 2005);

Health care services in the schools: RoA Ministry of Health – AMD 410.4 million (AMD 393.4 million in 2009; AMD 481.2 million in 2008; AMD 466.6 in 2007; AMD 437.4 million in 2006; AMD 345.9 million in 2005);

Prevention of communicable diseases: RoA Ministry of Health – AMD 2,576.4 million (AMD 2,655 million in 2009; AMD 2,526.5 million in 2008; AMD 2,248 million in 2007; AMD 1,942.6 million in 2006; AMD 1,756.4 million in 2005), the Rest of the World – AMD

1,132.7 million (AMD 114.2 million in 2009; AMD 11.4 million in 2008; AMD 178.5 million in 2007; AMD 401 million in 2006; AMD 424.4 million in 2005).

Health maintenance in industry: RoA Ministry of Transport and Communication – AMD 120.0 million (AMD 87.0 million in 2009; AMD 97.0 million in 2008; AMD 82.0 million in 2007; AMD 100.0 million in 2006; AMD 82.4 million by the Ministry of Labor and Social Issues and AMD 803.8 million by the Rest of the World in 2005).

Prevention of non-communicable diseases: no financing was provided from the Ministry of Health (AMD 0.0 in 2009; AMD 0.0 in 2008; AMD 100.0 million in 2007 and the Rest of the World – AMD 11.4 million in 2008; AMD 2.5 million in 2007; AMD 8.4 million in 2006; in 2005 AMD 155.8 million were funds of private enterprises).

Other public health services: Rest of the World- no financing was provided by this agent (AMD 74.8 million in 2009)

7. Health and medical insurance administration HC. 7

The volume of services provided under the functions included in this group and corresponding financing amounted to AMD 2,293.5 million (AMD 1,225.8 million in 2009; AMD 1,271.8 million in 2008; AMD 1,500.4 million in 2007; AMD 1,784.6 million in 2006; AMD 1,374.6 million in 2005; AMD 517.7 million in 2004), where the major part of the overall financing AMD 2,047.2 million or 89.2% (AMD 1,213.9 million or 99% in 2009; AMD 1,156.9 million or 91% in 2008; AMD 932 million or 62.1% in 2007; AMD 1,139.8 million in 2006; AMD 925.7 million in 2005) was provided by the public sector (RoA Ministry of Health) and directed to “General State Health Management” function.

Financing from private sector agent (non-commercial organizations AMD 58.8 million and private enterprises AMD 23.8 million) amounted to AMD 83.6 million and was directed to “General State Health Management” function.

AMD 162.7 million or 7.1% (AMD 11.9 million or 1% in 2009; AMD 114.9 million or 9% in 2008; AMD 568.2 million or 37.9% in 2007; AMD 644.8 million in 2006; AMD 448.8 million in 2005) by the Rest of the World. The entire financing in 2004 has been implemented by the public sector exclusively.

8. Other health expenditures not classified by type HC. nsk

The volume of services related to functions of this group in 2010 amounted to AMD 1,350.2 million (AMD 415.7 million in 2009; AMD 1,635.9 million in 2008; AMD 1,234.3 million in 2007; AMD 1,478.6 million in 2006; AMD 1,429.3 million in 2005; AMD 2,231.8 million in 2004), which was financed by the RoA Ministry of Labor and Social Issues of Public sector. In 2009 the main part of the financing was provided by the RoA Ministry of Health AMD 379.5 million (AMD 284 million in 2008 and from RoA Ministry of Labor and Social Issues AMD 1,351.9 million in 2008; AMD 1,035.1 million in 2007). Public sector financing in 2006 amounted AMD 1,035.1 million; in 2005 - AMD 1,429.3 million and private sector financing in 2006 - AMD 443.5 million; in 2005 - zero.

9. Health related functions HC.R.1-5

Capital formation for facilities providing health services HC.R.1

The volume of services related to the functions in this group in 2010 amounted to AMD 7,342.6 million (AMD 16,987.7 million in 2009; AMD 15,453.2 million in 2008; AMD

26,923 million in 2007; AMD 18,201.6 million in 2006; AMD 10,940 million in 2005) and the volume has decreased by 57% compared with the previous year. The growth of the financing volume in 2009 was 109.9%, in the case that in 2008 there was a decrease of 42.6% for this indicator.

The funding by agents is respectively the following: AMD 6,476.7 million or 88.2% of the total (AMD 12,318.4 million or 72.5% in 2009; AMD 9,911.6 million or 64.1% in 2008; AMD 21,911.3 million or 81.4% in 2007; AMD 14,458.6 million in 2006; AMD 7,966.5 million in 2005; AMD 1,917.7 million in 2004) has been financed by the public sector, including the RoA Ministry of Health financing of AMD 5,075.8 million (AMD 11,052.9 million in 2009; AMD 8,484.5 million in 2008; AMD 20,619.4 million in 2007; AMD 13,436.8 million in 2006; AMD 7,240.1 million in 2005), no financing was provided by RoA Ministry of Labor and Social Issues (AMD 25.5 million in 2009); the financing from Ministry of Education and Science RoA AMD 935.8 million (AMD 659.7 million in 2009; AMD 650.7 million in 2008; AMD 361.8 million in 2007; AMD 518.2 million in 2006; AMD 615.1 million in 2005), other public sector financing AMD 93.4 million (AMD 272.8 million in 2009; AMD 672.5 million in 2008; AMD 788.0 million in 2007; AMD 392.3 million in 2006; AMD 111.3 million in 2005), the RoA Police – AMD 0.0 (AMD 0.0 in 2009; AMD 100.0 million in 2008; AMD 92.7 million in 2007), regional public administration entities - AMD 0.0 (AMD 163.8 million in 2009; AMD 3.9 million in 2008; 0.0 in 2007; AMD 74.9 million in 2006) and funding from local self-governance bodies AMD 371.8 million (AMD 143.7 million in 2009; AMD 0.0 in 2008; AMD 49.3 million in 2007; AMD 36.4 million in 2006).

Thus there was an abrupt increase of 147.9% for this group of functions in 2007 which was associated with an increase of the volumes of public financing, then in 2008 a reduction of approximately same amount of 42.6% was recorded, which was also relevant to the decrease of public financing. Despite the increase in public financing volumes in 2009, the level of 2007 is yet not recovered.

Financing of private sector amounted to AMD 293.8 million or 4% of the total (AMD 2,069.9 million or 12.2% in 2009; AMD 2,207.7 million or the 14.3% in 2008; AMD 1,858.7 million in 2007; AMD 2,202.0 million in 2006; AMD 2,127.6 million in 2005), The financial volume of 2009 compared with the indicator for 2008 was reduced by 6.2% (in 2008 a growth of 118.8% was recorded, in 2007 a reduction of 15.6% was recorded).

Financing by the Rest of the World was implemented in the amount of AMD 572.1 million (AMD 2,599.7 million in 2009; AMD 3,333.8 million in 2008; AMD 3,152.9 million in 2007; AMD 1,550.0 million in 2006; AMD 845.8 million in 2005; AMD 256.7 million in 2004), which in comparison with the preceding year was reduced by 78%. In 2009 the financial volume compared with the previous year was reduced by 22% (in 2008 there was a growth of 105.7%; from 2006 to 2007 there was a two times increase).

AMD 6,119.1 million or 83.3 of the overall financing in this group of functions (AMD 16,023.5 million or 94.3% in 2009; AMD 14,039.7 million or 90.8% in 2008; AMD 24,994.5 million or 92.8% in 2007) was allocated to *Capital formation for facilities providing health services HC.R.1*, of which AMD 5,371 million or 87.8% (AMD 11,658.7 million or 72.8% in 2009; AMD 9,147.3 million or 65.1% in 2008; AMD 21,175.4 million or 84.7% in 2007) was the financing from the public sector, including AMD 4,905.9 million (AMD 11,052.9 million in 2009; AMD 8,484.5 million in 2008; AMD 20,245.4 million in 2007) was provided by the RoA Ministry of Health; AMD 93.4 million was provided by other public entities, and correspondingly 371.8 million (AMD 143.7 million in 2009) by Local self-governing bodies.

Private sector financing amounted to AMD 253.8 million or 4.1% of the overall (AMD 2,054.4 million or 12.2% in 2009; AMD 2,199.6 million or 15.7% in 2008), of which AMD 181.5 million (AMD 1,334.4 million in 2009) from non-commercial organizations and AMD 72.3 million (AMD 735.3 million in 2009) from private enterprises were also allocated for Capital formation for facilities providing health services.

Funding from the Rest of the World amounted AMD 494.2 million or 8.1% of the overall (AMD 2,310.4 million or 14.4% in 2009; AMD 2,692.7 million or 19.2% in 2008).

The funding for the function of *Education and Training of Health care personnel HC.R.2* amounted to AMD 1,108.1 million (AMD 756.6 million in 2009; AMD 1,068.9 million in 2008; AMD 1,441.6 million in 2007), which was provided by the RoA Ministry of Health in an amount of AMD 76.8 million, the RoA Ministry of Education and Science in an amount of AMD 935.8 million (AMD 659.7 million in 2009), the Private sector in an amount of 32.4 million and by the Rest of the World in an amount of AMD 63.1 million (AMD 96.9 million in 2009).

The funding from the function of *Expenditures on health system researches and works HC.R.3* amounted to AMD 115.4 million (AMD 207.6 million in 2009; AMD 344.6 million in 2008; AMD 490 million in 2007), of which AMD 93.1 million by the RoA Ministry of Health, almost AMD 8.0 million (AMD 15.2 million in 2009) by private sector non-commercial organizations and AMD 14.8 million (AMD 192.4 million in 2009) by the agent of the Rest of the World.

10. Expenditures not classified by type HC.R nsk

Services provided against expenditures not classified by type in 2010 no financing was provided (AMD 1,550.9 million in 2009; AMD 60.2 million in 2008; AMD 1,631 million in 2007; AMD 1,766.1 million in 2006; AMD 2,498.7 million in 2005), In 2009 financing was entirely provided by the public sector, including subagent RoA Ministry of Health in an amount of AMD 227.1 million and subagent RoA Ministry of Labor and Social Issues in an amount of AMD 1,323.8 million. In 2008 funding was entirely provided by the subagent of Non-commercial organizations of the private sector. In 2007 the overall financing was provided by the RoA Ministry of Health in an amount of AMD 1,631 million and AMD 610.5 million in 2006; AMD 610.7 million in 2005 and by the Rest of the World sector in an amount of 1,155.6 million in 2006 and AMD 1,888 million in 2005.

After summarizing the data of the “Financial agents and functions” account of the National Health Accounts, the following could be stated:

1. *The overall financing by the financial agents in 2010 amounted to AMD 159,086.9 million (AMD 145,313.3 million in 2009; AMD 137,042.6 million in 2008; AMD 139,259.8 million in 2007; AMD 124,251.6 million in 2006; AMD 121,193.6 million in 2005), of which:*
 - 1.1 *Public sector – AMD 62,743.9 million (AMD 62,709 million in 2009; AMD 59,859.9 million in 2008; AMD 65,088.8 million in 2007; AMD 51,156.6 million in 2006; AMD 39,767.4 million in 2005);*
 - 1.2 *Private sector –AMD 91,373.6 million (AMD 79,666 million in 2009; AMD 72,666.3 million in 2008; AMD 69,588.1 million in 2007; AMD 67,066 million in 2006; AMD 75,158.2 million in 2005);*

- 1.3 *Rest of the World* - AMD 4,969.4 million (AMD 2,938.3 million in 2009; AMD 4,516.4 million in 2008; AMD 4,582.9 million in 2007; AMD 6,029 million in 2006; AMD 6,268.1 million in 2005).
2. *The overall volume of implemented functions in 2010 amounted to AMD 159,086.9 million (AMD 145,313.3 million in 2009; AMD 137,042.6 million in 2008; AMD 139,256 million in 2007; AMD 124,251.6 million in 2006; AMD 121,193.6 million in 2005), of which:*
- 2.1 *Medical care services – AMD 70,475.3 million (AMD 73,524.9 million in 2009; AMD 77,967.7 million in 2008; AMD 70,872.8 million in 2007; AMD 69,717.5 million in 2006; AMD 77,421.7 million in 2005);*
- 2.2 *Rehabilitation care services - AMD 1,728 million (AMD 1,471.2 million in 2009; AMD 1,546.1 million in 2008; AMD 1,755.9 million in 2007; AMD 1,633.5 million in 2006; AMD 1,316.8 million in 2005);*
- 2.3 *Nursing long-term care services – AMD 11.8 million (AMD 296 million in 2009; AMD 51.3 million in 2008; AMD 5.1 million in 2007);*
- 2.4 *Auxiliary medical care services – AMD 11,946.4 million (AMD 9,949.1 million in 2009; AMD 8,919.6 million in 2008; AMD 6,201.8 in 2007; AMD 3,102 million in 2006; AMD 3,814.7 million in 2005);*
- 2.5 *Medical goods distributed to ambulatory patients – AMD 58,191.1 million (AMD 33,129.1 million in 2009; AMD 24,131.3 million in 2008; AMD 24,935.8 million in 2007; AMD 20,854 million in 2006; AMD 18,187.3 million in 2005);*
- 2.6 *Disease prevention and public health services – AMD 5,738 million (AMD 6,762.8 million in 2009; AMD 6,008.9 million in 2008; AMD 4,350.8 million in 2007; AMD 5,713.7 million in 2006; AMD 4,210.7 million in 2005);*
- 2.7 *Administration of health and medical insurance – AMD 2,293.5 million (AMD 1,225.8 million in 2009; AMD 1,274.2 million in 2008; AMD 1,500.4 million in 2007; AMD 1,784.6 million in 2006; AMD 1,374.6 million in 2005);*
- 2.8 *Other health expenditures not classified by type – AMD 1,360.2 million (AMD 415.7 million in 2009; AMD 1,635.9 million in 2008; AMD 1,234.3 million in 2007; AMD 1,478.6 million in 2006; AMD 1,429.3 million in 2005);*
- 2.9 *Health related functions HCR 1-5 - AMD 7,342.6 million (AMD 16,987.8 million in 2009; AMD 15,453.2 million in 2008; AMD 26,923 million in 2007; AMD 18,201.6 million in 2006; AMD 10,940 million in 2005);*
- 2.9.1. *Capital formation of the health service provider institutions – AMD 6,119.1 million (AMD 16,023.5 million in 2009; AMD 14,039.7 million in 2008; AMD 24,994.5 million in 2007; AMD 17,409.3 million in 2006);*
- 2.9.2. *Personnel education and training – AMD 1,108.1 million (AMD 756.6 million in 2009; AMD 1,068.9 million in 2008; AMD 1,441.6 million in 2007; AMD 619.5 million in 2006);*
- 2.9.3. *Expenditures on health system researches and works - AMD 115.4 million (AMD 207.6 million in 2009; AMD 344.6 million in 2008).*
- 2.10 *Expenditures not classified by type – AMD 0.0 (AMD 1,550.9 million in 2009; AMD 60.2 million in 2008; AMD 1,631 million in 2007; AMD 1,766.1 million in 2006; AMD 2,498.7 million in 2005).*

4.1.4. Providers and Functions (PxF) Account

Summarizing the data of the NHA “Providers and functions” accounts the following could be stated:

1. *The overall services financed by the Financial agents and provided by Providers in 2010 amounted to AMD 159,086.9 million (AMD 145,313.3 million in 2009; AMD 137,042.6 million in 2008; AMD 139,256 million in 2007; AMD 124,251.6 million in 2006; AMD 121,193.6 million in 2005), including per provider:*

1.1 Hospitals – AMD 60,450.1 million (AMD 59,060.9 million in 2009; AMD 66,245.8 million in 2008; AMD 61,659.9 million in 2007; AMD 56,125.2 million in 2006; AMD 66,559.9 million in 2005);

1.2 Nursing long-term care services – AMD 1,376.7 million (AMD 1,345.3 million in 2009; AMD 1,351.9 million in 2008; AMD 1,217.5 million in 2007; AMD 1,035.1 million in 2006; AMD 830.7 million in 2005);

1.3 Providers of outpatient care – AMD 37,883.4 million (AMD 32,804.2 million in 2009; AMD 32,625.2 million in 2008; AMD 30,005.7 million in 2007; AMD 30,190.7 million in 2006; AMD 22,951.2 million in 2005);

1.4 Providers of pharmaceuticals and medical supplies – AMD 43,277.1 million (AMD 28,752.8 million in 2009; AMD 18,985.6 million in 2008; AMD 20,520.6 million in 2007; AMD 17,571.4 million in 2006; AMD 15,063.4 million in 2005);

1.5 Implementation of Public health programs - AMD 11,517.2 million (AMD 5,084.2 million in 2009; AMD 3,453.5 million in 2008; AMD 3,904.2 in 2007; AMD 2,944.2 million in 2006; AMD 2,513.3 million in 2005);

1.6 Health care administration and insurance – AMD 2,067.8 million (AMD 7,839.6 million in 2009; AMD 8,332.5 million in 2008; AMD 15,474.9 million in 2007; AMD 10,893.5 million in 2006; AMD 7,721.1 million in 2005);

1.7 Other managers of health sector – AMD 0.0 (AMD 0.0 in 2009; AMD 23.6 million in 2008);

1.8 Facilities providing health related services – AMD 2,488.1 million (AMD 3,101.5 million in 2009; AMD 2,075.7 million in 2008; AMD 1,477.7 million in 2007; AMD 831.8 million in 2006; AMD 1,459.8 million in 2005);

1.9 Rest of the World – AMD 26.6 million (AMD 4,772.5 million in 2009; AMD 1,782.2 million in 2008; AMD 2,752.6 million in 2007; AMD 859.4 million in 2006; AMD 1,281.3 million in 2005);

1.10 Not classified by type – AMD 0.0 (AMD 2,551.7 million in 2009; AMD 2,166.6 million in 2008; AMD 2,246.8 million in 2007; AMD 3,800.2 million in 2006; AMD 2,812.8 million in 2005).

2. *The overall volume of implemented functions in 2010 amounted to AMD 159,086.9 million (AMD 145,313.3 million in 2009; AMD 137,042.6 million in 2008; AMD 139,256 million in 2007; AMD 124,251.6 million in 2006; AMD 121,193.6 million in 2005), of which:*

2.1 Medical care services – AMD 70,475.3 million (AMD 73,524.9 million in 2009; AMD 77,967.7 million in 2008; AMD 70,738.1 million in 2007; AMD 69,717.568,463.3 million in 2006; AMD 77,421.7 million in 2005);

- 2.2 *Rehabilitation care services – AMD 1,728 million (AMD 1,471.2 million in 2009; AMD 1,546.1 million in 2008; AMD 1,755.9 million in 2007; AMD 1,633.5 million in 2006; AMD 1,316.8 million in 2005);*
- 2.3 *Services of long-term nursing care – AMD 11.8 million (AMD 296 million in 2009; AMD 51.3 million in 2008; AMD 5.1 million in 2007);*
- 2.4 *Auxiliary medical care services- AMD 11,946.4 million (AMD 9,949.1 million in 2009; AMD 8,919.6 million in 2008; AMD 6,203.4 million in 2007; AMD 3,145.7 million in 2006; AMD 4,106.1 million in 2005);*
- 2.5 *Medical goods distributed to ambulatory patients - AMD 58,191.1 million (AMD 33,129.1 million in 2009; AMD 24,131.3 million in 2008; AMD 24,784.8 million in 2007; AMD 20,796 million in 2006; AMD 18,187.3 million in 2005);*
- 2.6 *Disease prevention and public health services - AMD 5,738 million (AMD 6,762.8million in 2009; AMD 6,008.9 million in 2008; AMD 4,763.5 million in 2007; AMD 6,136.1 million in 2006; AMD 4,210.7 million in 2005);*
- 2.7 *Health and medical insurance administration – AMD 2,293.5 million (AMD 1,225.8 million in 2009; AMD 1,274.2 million in 2008; AMD 1,500.4 million in 2007; AMD 1,783.4 million in 2006; AMD 1,374.6 million in 2005);*
- 2.8 *Other health expenditures not classified by type – AMD 1,360.2 million (AMD 415.7 million in 2009; AMD 1,635.9 million in 2008; AMD 16.8 million in 2007; AMD 1,266.3 million in 2006; AMD 1,429.3 million in 2005);*
- 2.9 *Health care related functions, HCR 1-5 - AMD 7,342.6 million (AMD 16,987.8 million in 2009; AMD 15,453.2 million in 2008; AMD 26,577 million in 2007; AMD 18,226.1 million in 2006; AMD 10,940 million in 2005);*
- 2.9.1 *Capital formation for facilities providing health services – AMD 6,119.1 million (AMD 16,023.5 million in 2009; AMD 14,039.7 million in 2008; AMD 24,994.5 million in 2007; AMD 17,409.3 million in 2006);*
- 2.9.2 *Education and Training of Health care personnel – AMD 1,108.1 million (AMD 756.6 million in 2009; AMD 1,068.9 million in 2008; 1,441.6 million in 2007; AMD 619.5 million in 2006);*
- 2.9.3 *Expenditures on health system researches and works – AMD 115.4 million (AMD 207.6 million in 2009; AMD 344.6 million in 2008).*
- 2.10 *Expenditures not classified by type - AMD 0,0 (AMD 1,550.9 million in 2009; AMD 60.2 million in 2008; AMD 1,631 million in 2007; AMD 3,654.3 million in 2006; AMD 2,498.7 million in 2005).*

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ANNEXES

Table 1. SNA “Financial sources and financial agents” account (billion AMD)

HF Financial Agents	FS Financial sources																							
	FS 1 Public resources						FS 2 Private funds/resources						FS 3 External sources/resources ("Rest of the World")						Total					
	2006	2007	2008	2009	2010		2006	2007	2008	2009	2010		2006	2007	2008	2009	2010		2006	2007	2008	2009	2010	
HF.A Public Sector	42.1	50.8	53.1	56.9	58.3		0	0	0	0	0		9.02	14.3	6.7	5.8	4.4		51.2	65.1	59.8	62.7	62.7	
HF.B Private Sector	0	0	0	0	0		64.1	67.3	70	76.2	88.8		2.9	2.3	2.7	3.5	2.6		67.1	69.6	72.7	79.7	91.4	
HF.3 Rest of the World	0	0	0	0	0		0	0	0	0	0		6.0	4.6	4.5	2.9	5		6.0	4.6	4.5	2.9	5	
Total	42.1	50.8	53.1	56.9	58.3		64.1	67.3	70	76.2	88.8		17.92	21.2	13.9	12.2	12		124.3	139.3	137.0	145.3	159.1	

Table 2. SNA “Financial agents and providers” account (billion AMD)

FP Providers	FA FinancialAgents																							
	HF.A PublicSector						HF.B PrivateSector						HF 3 “Rest of the World” Sector						Total					
	2006	2007	2008	2009	2010		2006	2007	2008	2009	2010		2006	2007	2008	2009	2010		2006	2007	2008	2009	2010	
HP.1 Hospitals	17	24.3	26.1	6.3	30.7		38.8	37.1	40	32.8	29.2		0.3	0.2	0.1	0.006	0.5		56.1	61.6	66.2	59.1	60.4	
HP.2 Organizations providing nursing and residential care	1	1.2	1.3	1.3	1.4		0	0	0	0	0		0	0	0	0	0		1	1.2	1.3	1.3	1.4	
HP.3 Providers of ambulatory medical care	18.7	18.2	19.5	17.2	20.1		9.3	11.1	12.3	15.5	17.1		2.2	0.7	0.8	0.1	0.7		30.2	30	32.6	32.8	37.9	
HP.4 Retail and other providers of the pharmaceutical and medical goods	0.1	0	0	0	0		17.5	20.5	18.9	28.7	43.3		0	0	0	0	0		17.6	20.5	19	28.7	43.3	
HP.5 Implementation and management of public health projects	2.1	3.2	2.7	3.4	6.2		0.5	0.5	0.5	1.6	1.8		0.4	0.2	0.2	0.1	3.5		2.9	3.9	3.4	5.1	11.5	
HP.6 Health administration and insurance	10.1	14.8	7.9	7.3	1.8		0.1	0.2	0.3	0.4	0.1		0.6	0.5	0.1	0.1	0.2		10.9	15.5	8.3	7.8	2.1	
HP.7 All other managers of health care system (except economic)	0	0	0.02	0	0		0	0	0	0	0.0		0	0	0	0	0		0	0	0.02	0.02	0	

HP.8 Facilities providing health care related services	0.7	0.5	1.1	2.4	2.5		0.03	0.2	0.5	0.6	0.0		0.1	0.5	0.5	0.1	0.0		0.8	1.5	2.1	3.1	2.5
HP. 9 Rest of the World	0.8	0.9	1.2	4.6	0.03		0	0	0	0	0		0	0.9	0.6	0.2	0		0.8	2.7	1.8	4.8	0.03
HP.nsk Providers not classified by type	0.6	0.7	0.02	0.2	0		0.8	0.2	0	0.1	0		2.4	1.5	2.1	2.3	0		3.8	2.4	2.2	2.6	0
Total	51.1	63.8	59.8	42.7	62.7		67.0	69.8	72.5	79.7	91.5		6.0	4.5	4.4	2.9	4.9		124.1	139.3	136.9	145.3	159.1

Table 3. SNA Financial agents and functions (billion AMD)

F Functions	FA FinancialAgents																					
	HF.A PublicSector					HF.B PrivateSector					HF 3 Rest of the World					Total						
	2006	2007	2008	2009	2010	2006	2007	2008	2009	2010	2006	2007	2008	2009	2010	2006	2007	2008	2009	2010		
HC.1 Medicalcareservices	24.6	26.8	32.1	33.4	33.0	44.5	43.6	45.6	40.6	36.6	0.6	0.5	0.3	0.1	0.5	69.7	70.9	77.9	73.5	70.5		
HC.2 Rehabilitationcareservices	0.9	0.9	0.7	0.9	0.9	0.7	0.8	0.8	0.8	0.8	0	0	0	0	0	1.6	1.7	1.5	1.5	1.7		
HC.3 Services of long-term nursing care	0	0	0.0	0.0	0.0	0	0.0	0	0	0	0	0	0	0.1	0	0	0.0	0.0	0.3	0.0		
HC.4 Auxiliary medical care services	1.4	3.5	5	5.1	5.1	1.7	2.8	3.9	5	6.8	0	0	0	0.0	0.0	3.1	6.3	8.9	9.9	11.9		
HC.5 Medical goods distributed to ambulatory patients	3.4	4.3	5.1	9.2	5.9	17.5	20.6	19	28.7	45.2	0	0	0.1	0.0	3.8	20.9	24.9	24.2	33.1	58.2		
HC.6 Disease prevention and public health services	3.6	4	4.2	4.2	4.2	0.2	0	1.1	2.4	1.5	2	0.3	0.8	0.2	0	5.8	4.3	6.1	6.8	5.7		
HC.7 Administration of health and medical insurance	1.1	0.9	1.2	2	1.9	0	0	0.1	0.1	0.1	0.7	0.6	0	0.0	0.2	1.8	1.5	1.3	1.3	2.3		

