

BUDGET INVESTMENTS IN HEALTHCARE SECTOR OF ALBANIA

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ABSTRACT

This paper observes the impact of public health spending on the adult mortality rate, the measurement of effective increase of public health spending on the decrease of adult maturity rate in Albania. Although the effects of public health transfer on improvement on health sector are quite clear, the implication on the mortality rate is less evident. This study explores the effect of public health spending in adult mortality rate in Albania by using simple regression analysis with public health spending as independent variable and mortality rate as dependent one. All the data are taken by INSTAT and Ministry of Finance of Albania for the period of 2004 to 2011. International cross-country studies of the relationship between public health spending and health outcomes, shows there is a slight effect of public health spending on health outcomes. Similar research done for middle-level and upper middle-level countries also shows that there is not a strong relationship between public spending on health care and mortality rate. Some studies conclude that poverty and income rather than public health spending are the crucial determinants of health status. Also the findings of this study conclude with the same result that there is a weak relationship between public health spending and adult mortality rate in Albania.

Keywords: Public expenditure, Health sector, Albania, Mortality rate.