

Private Healthcare Sector Profile

Private healthcare services in Bahrain are expanding rapidly due to changing demographic dynamics and the government's strategic decision to permit and enable the private healthcare sector. The provision of healthcare in the Kingdom is regulated by the National Health Regulatory Authority (NHRA) to ensure high efficiency, safety and effectiveness in delivering health services.

Bahrain has the oldest hospitals in the region with the first hospital, the American Mission Hospital, established in 1903. The sector is expected to continue to improve as the government is actively supporting sector development and diversification like alternative health care therapies.

The private healthcare sector employs 2% of the total workforce, in which one in every five employees is a Bahraini national. Private health service providers contribute 1.5% towards the Kingdom's GDP, this resembles the contribution of the accommodation and food services sector. Government health services contribute 2.4% towards Bahrain's GDP. The number licensed healthcare facilities increased by 5% in 2021 compared to 2020. (NHRA 2021, 2020).

The Oxford Business Group estimates Bahrain's healthcare expenditures will record a compound annual growth rate (CAGR) of 5.1% to reach \$2.4 billion in 2022, from an estimated \$1.8 billion in 2017. Spending on inpatient and outpatient care is forecast to reach a CAGR of 5.3% up to 2022, while spending on medical goods and ancillary services is projected to rise at a CAGR of 3.2% over the same period.

Private Healthcare Sector Activities

MOIC - ISIC4

Human health activities

- Hospital activities
- Medical and dental practice activities
- Other human health activities

Residential care activities

- Residential nursing care facilities
- Residential care activities for mental retardation, mental health and substance abuse

- Residential care activities for the elderly and disabled
- Other residential care activities

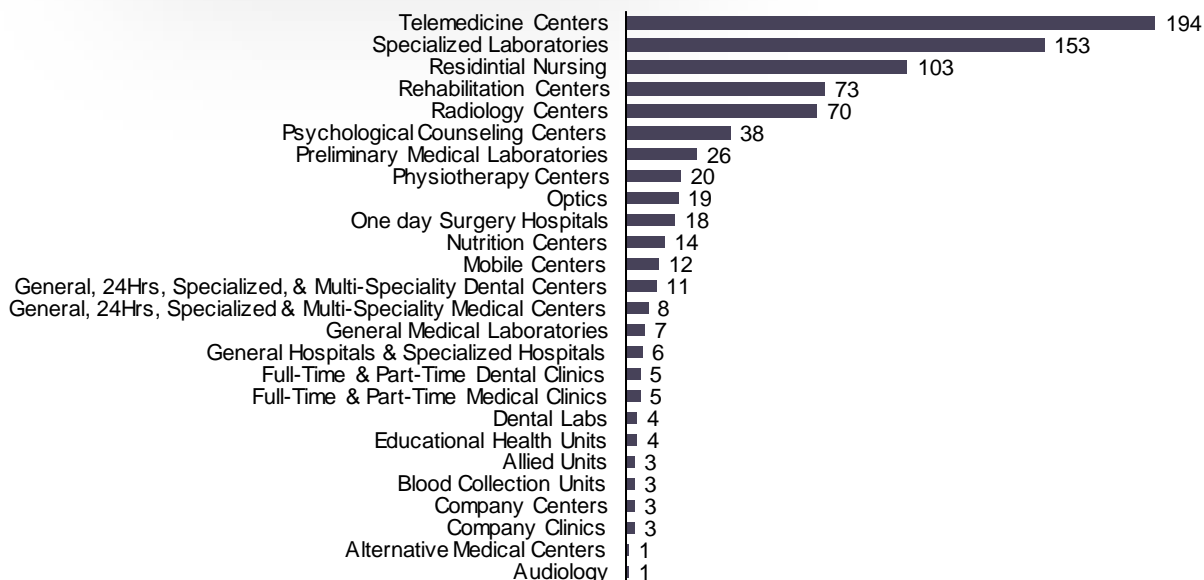
Social work activities without accommodation

- Social work activities without accommodation for the elderly and disabled
- Other social work activities without accommodation

Healthcare Facilities

NHRA, Annual Report, 2021

The Healthcare Facilities Regulation Department (HCF) had a total of 831 licensed healthcare facilities, including 21 hospitals, 301 centers, and 96 clinics, and a total of 25,076 licensed healthcare practitioners in the kingdom of Bahrain. There are 542 beds in private healthcare sector (2021).



Key Market Trends

- NHRA launched new services to reduce barriers of entry, such as an automated licensing service called “Mehan” to facilitate a more dynamic licensing process, and “Munshaat” a digital service which allows rapid application and regulation of healthcare facilities .
- The expansion of healthcare facilities and new private healthcare clinics are in response to the growing population and rising need for specialized healthcare. The growing aging population is also a factor and will likewise create a greater need for medical personnel and training. The healthcare industry is growing with new facilities emerging such as KIMs Bahrain Group, King Hamad American Mission Hospitals, and Royal Hospital for Women and Children.
- The future of healthcare delivery is fundamentally evolving to become patient-centric, virtual, driven by data and analytics and enabled by new medical technologies.

Sector Opportunities

- **Telemedicine and virtual care:** In 2020, the first telemedicine license and guidelines were issued in Bahrain to allow telemedicine consultations to take place through licensed medical practitioners in the Kingdom. Virtual care and telehealth care are likely to increase due to patient expectations and the rise of new virtual care delivery models. Linking Bahrain to the Saudi Arabia’s virtual hospital is in process. The cooperation will strengthen the healthcare between the two countries in many health fields, such as health insurance, medical research, emerging diseases, monitoring post-vaccine complications and exchanging experiences.
- **Geriatric care:** With a rising aging population, the demand for geriatric services is expected to grow. Although the geriatrics care industry is a nascent stage in Bahrain and GCC, it is expected to grow as a non-medical specialty, globally in the coming years.
- **Mental healthcare:** NHRA introduced a governing framework aimed at institutionalizing the treatment and delivery of mental care in Bahrain in 2020. The framework extended a hand of support to the most vulnerable category of mental health patient – victims of addiction. There is a need for rehabilitation centers to provide a safe, supportive environment for people to recover from addiction or mental health issues.
- **Preventative healthcare:** The NCDs related diseases cause 75% of deaths in Bahrain (UNDP), there is an important opportunity to incorporate preventative measures and early interventions that promote health and wellness within the community.
- **National Genome Center:** The introduction of this project in the preventative healthcare and genetics will create opportunities in the healthcare sector. The project will develop diagnostic methods and medicines tailored to individuals, to enable healthcare professionals to treat and prevent further genetic disorders.
- **Artificial intelligence (AI) and personalized medicine:** AI and other technologies to personalize medicine and enable real-time care interventions are being propelled by significant investment and research. Given how important data is to revealing appropriate intervention targets and strategies for treating an individual with a disease, AI can play an important role in the development of personalized medicines.
- **Medical research:** RCSI offers extensive programs in research, including grants, publications, committees, and laboratory facilities.

Private Healthcare Sector Economic Indicators

iGA-National Accounts, Q4-2021



BHD
178 M
GVA, 2021

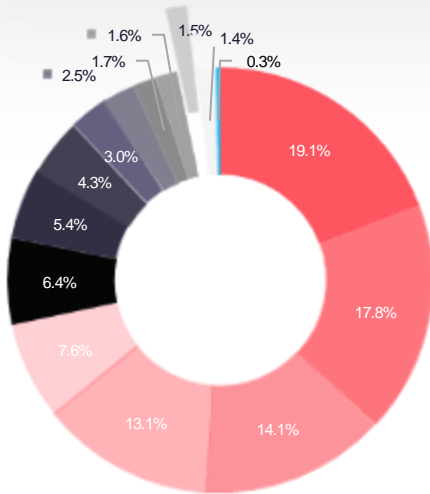


-0.3%
YoY Growth
in GVA, 2021

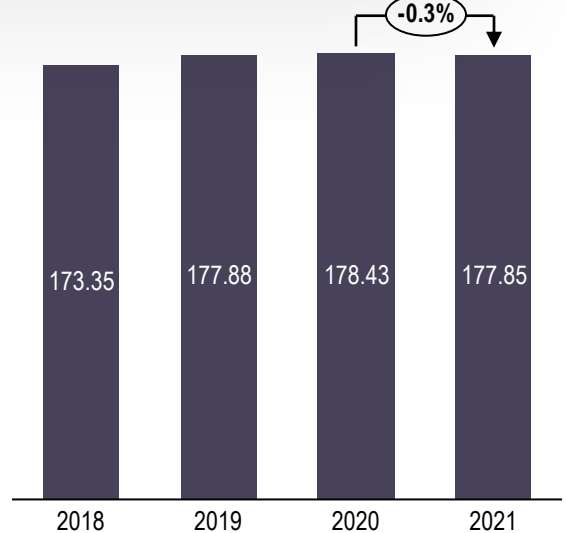


1.5%
Contribution to
Real GDP, 2021

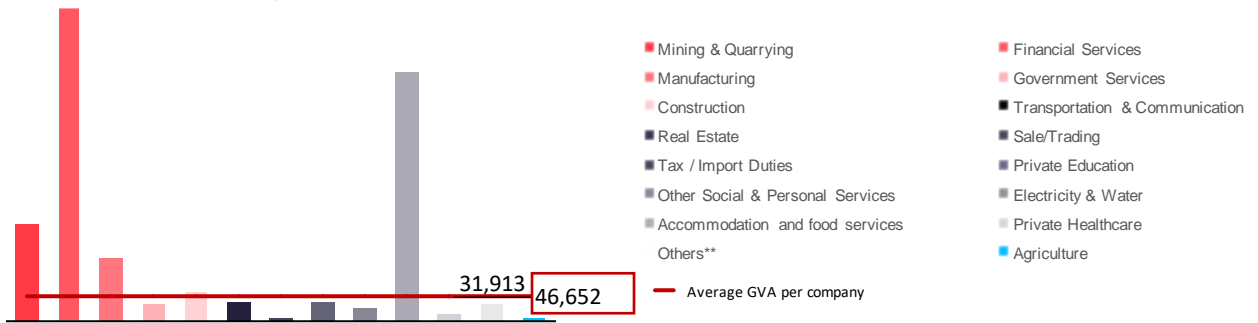
Sectors' Contribution to Real GDP (% , 2021)



Private Healthcare Sector
GVA * (BHD, M)



GVA per Company (BHD, Q1 2021)



*Gross Value added (GVA) is the measure of the value of goods and services produced in an area, industry or sector of an economy

**Other includes Government Services, Private Non-Profit Institutions, Households with Employed Persons

Private Healthcare Sector Enterprises

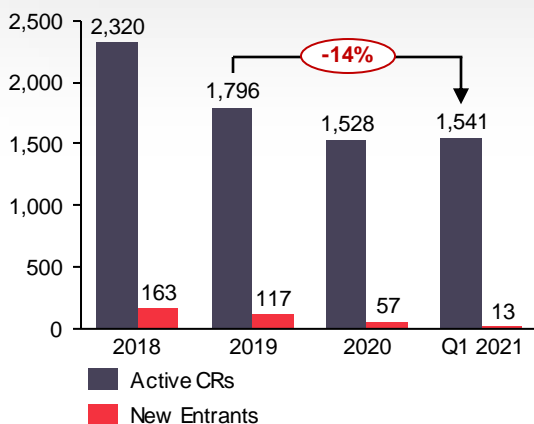
LMRA, Q1 2021 - BLMI



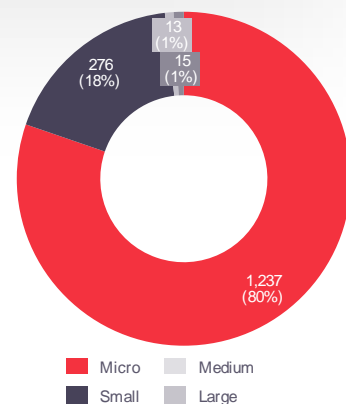
1,541
Active CRs

3%
of total Active
CRs in Bahrain

Private Healthcare Sector
Active CRs (2018 – Q1 2021)



Private Healthcare Sector
by Enterprise Size (% , Q1 2021)



Private Healthcare Sector Employment

LMRA, Q1 2021 – BLMI / iGA-National Accounts



9,659

Total Employees

2%

(% of Labor Market)



3,642

Total Female Employees

5%

(% Female in Labor Market)



6,017

Total Male Employees

1%

(% Male in Labor Market)



21%

Bahrainization Ranked 12/18 Sectors



2,054

Bahraini Employees

2%

(% of Total Bahraini Employees)



7,605

Non- Bahraini Employees

2%

(% of Total Non Bahraini Employees)



BHD 533

Average Wage of Bahrainis



BHD 297

Average Wage of Non-Bahrainis



BHD 5,091

Labor Productivity Ranked 8/13 sectors*

*13 sectors as per ISIC 3 / National Accounts, iGA



Bahraini Female Participation

13%

(% of Labor Market) Ranked 7/18 sectors

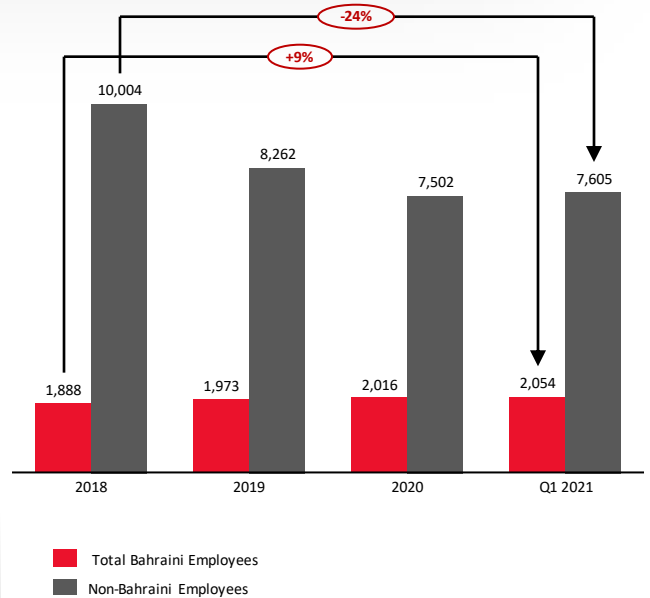


Bahraini Male Participation

8%

(% of Labor Market) Ranked 13/18 sectors

Private Healthcare Sector Growth in Employees by Citizenship (2018 – Q1 2021)



Private Healthcare Sector Labor Productivity by Sector (BHD per employee, Q1 2021)

