

Overview of Health Care Reforms in New EU Member States

Comparison of Health Care Systems in New EU Member States of Central Europe

Nicole Tapay*

*Data obtained from WHO Europe Country reports and WHO Database;
presentation presents a general overview and reflects views of presenter



Comparison of Health Systems in 4 Countries

The Czech Republic

Hungary

Poland

Slovakia

Common Health Financing System Structures

Health Financing:

- **All 4 Countries Moved to Social Insurance System During 1990's**

- **Health Insurance Covers or to Cover Majority of Total Health Expenditures (THE)**

Common Health Financing System Structures and Contributions:

The Czech Republic: 9 Health Insurers Pay **80%** of Expenditures (One insurer with 75% of population)

Hungary: One Health Insurance Fund Pays **70%** of Expenditures

Common Health Financing System Structures and Contributions:

Poland: 17 Sickness Funds to Finance Increasing Proportion of Expenditures

Slovakia: 5 Health Insurers Cover 98-99% of Health Care Services

- One Major Insurer Covers 2/3 population, another covers 13%;
- 65% of expenditures covered by insurance;
- 35% by State (which guarantees 2 insurers)

All 4 Countries Moved to Decentralize Health System and Privatized Certain Providers

The Czech Republic:

- **45% hospital are local, 45% district; Ministry of Health manages university and regional hospitals (few private hospitals)**
- **Most primary care physicians are in private practice and contract with funds; pd on capitated basis w/ffs;**
- **Specialists are in hospitals and in private practice are paid on ffs basis w/volume limits;**
- **Hospitals paid on lump sum basis w/capped budgets; volume controls on ambulatory care**

All 4 Countries Moved to Decentralize Health System and Privatized Certain Providers

Hungary:

- **Decentralized much of delivery** (state kept specialist and university hospitals);
- **Most providers public**; Family physicians can be funded privately or publicly; Health Insurance Fund *cannot* contract with private physicians (except family phys.)

All 4 Countries Moved to Decentralize Health System and Privatized Certain Providers

Poland:

- **Medical practices privatized;**
- **Hospitals have remained in public sector**

Slovakia:

- **Most physicians in private practice;**
- **Hospitals autonomous but generally not private;**
- **Primary care physicians paid by capitation**

Lower Proportional Financial Input Compared to EU Countries

The Czech Republic: THE: 7.4% GDP; one of highest in Eastern/Central European countries but below EU average

Hungary: THE: 6.8% GDP; relatively high for Eastern/Central European countries but below EU average

Poland: THE: 6.1% GDP; a bit above average for Eastern/Central European countries but below EU average

Slovakia: THE: 5.7% GDP; below EU average

Out-of Pocket Contributions Are a Significant Input into System Financing

- **Approx 21% THE (total private exp. 25% THE) in Hungary**
- **27% THE in Poland (some argue may be as high as 38%)**
- **8.6% Czech Republic**
- **10.7% Slovakia**

Out-of Pocket Contributions Are a Significant Input into System Financing

•Some Issues:

- Some Difficulties **Obtaining Data**, esp. Informal Payments
- O-O-P Payments are a **Regressive Form of Financing** and Therefore Pose Equity Challenges in the absence of other pooling mechanisms (e.g. private health insurance markets)

Health Indicators Vary Across 4 Countries

The Czech Republic:

- Among highest life expectancy in E. and Central Europe;
- Relatively low rate of cardiovascular disease related deaths (but still 2X EUavg);
- Cancer rates vary by gender; infant mortality below EU avg;
- Low rate of smoking among E/Central European countries

Health Indicators Vary Across 4 Countries

Hungary:

- **Relatively low life expectancy among group of countries;**
- **Among highest rates of death from cardiovascular disease and cancer;**
- **High rate of smoking and alcohol consumption;**
- **Impressive decline in infant mortality**

Health Indicators Vary Across 4 Countries

Poland:

- **Life exp. above average for group of countries, below EU average;**
- **Standard death rate from cardiovascular disease below average for country group;**
- **Infant mortality below average for country group;**
- **Cancer mortality fairly high compared to group of countries**

Health Indicators Vary Across 4 Countries

Slovakia:

- **Deterioration in Some Indicators Compared to Other Countries in Group**
- **Cancer only disease area where indicators are below other countries in group**
- **Infant mortality declined significantly and is below average of E/Cent. Europe countries**
- **Low smoking rate**
- **Alcohol Consumption Below EU average**

Common Challenges:

- **Health Insurance and Health System Financing Levels Low, High Levels of Debt**

- **SK: State contributes 25% of health ins. Contrib. on behalf of econ. Inactive;**

- **Significant debt of state-run system in PL;**

- **HU HIF in deficit**

- **Relatively Low Level of Salaries of Physicians**

Common Challenges:

- **Hospital Financing (e.g. Czech Republic)**
- **Overcapacity in hospitals**
- **Except in PL where shortage of beds;**
- **Success in CZ and some in SK,**
- **Less success in HU in reducing beds but large number of beds remain**

Common Challenges:

•Pharmaceutical Expenditure Growth Met With Reimbursement Limits:

- 30% of THE in SK; SK developed list of approved drugs with tiered reimbursement;

- PL basic list (flat fee by patient) and supplementary list(30-50% pd.);

- HU has high level of prescription

- High Prescription level; 2nd to FR;

- Pharma spending 10X of other CEE countries: 25%THE(98);

- HU has 5 tiers of reimbursement; increased pharma costs increased HIF debt);

- Pharma is 25% of THE in CZ (3 lists w/varied reimbursement levels)

Looking Forward to Updates From Panelists!

