

Hungarian Comments

Health Care Modernization in Central and Eastern Europe

Johns Hopkins International – CSIS

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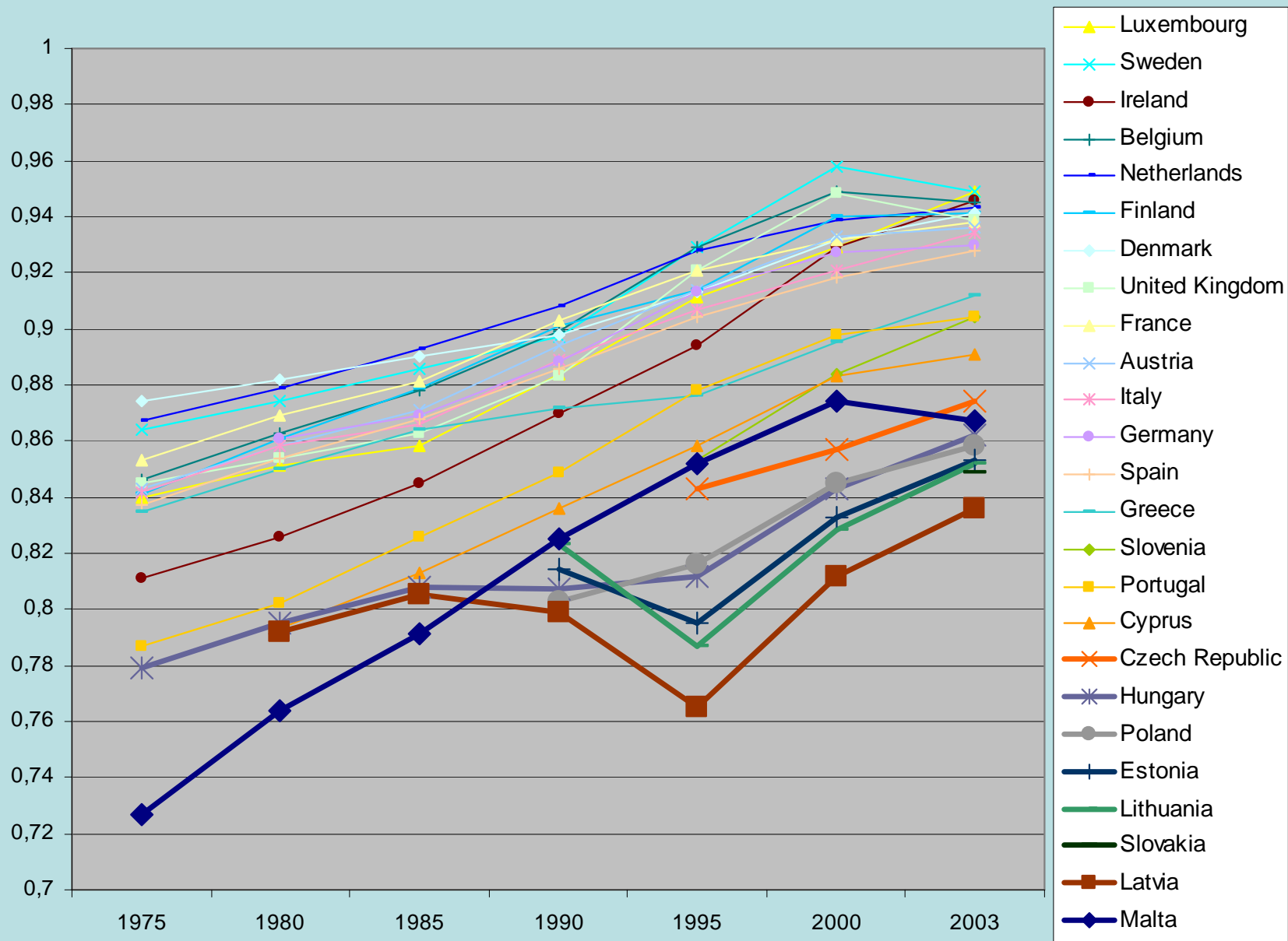
Ministry of Health

Highlighted issues

The summary and the introduction of the report highlight issues, inter alia:

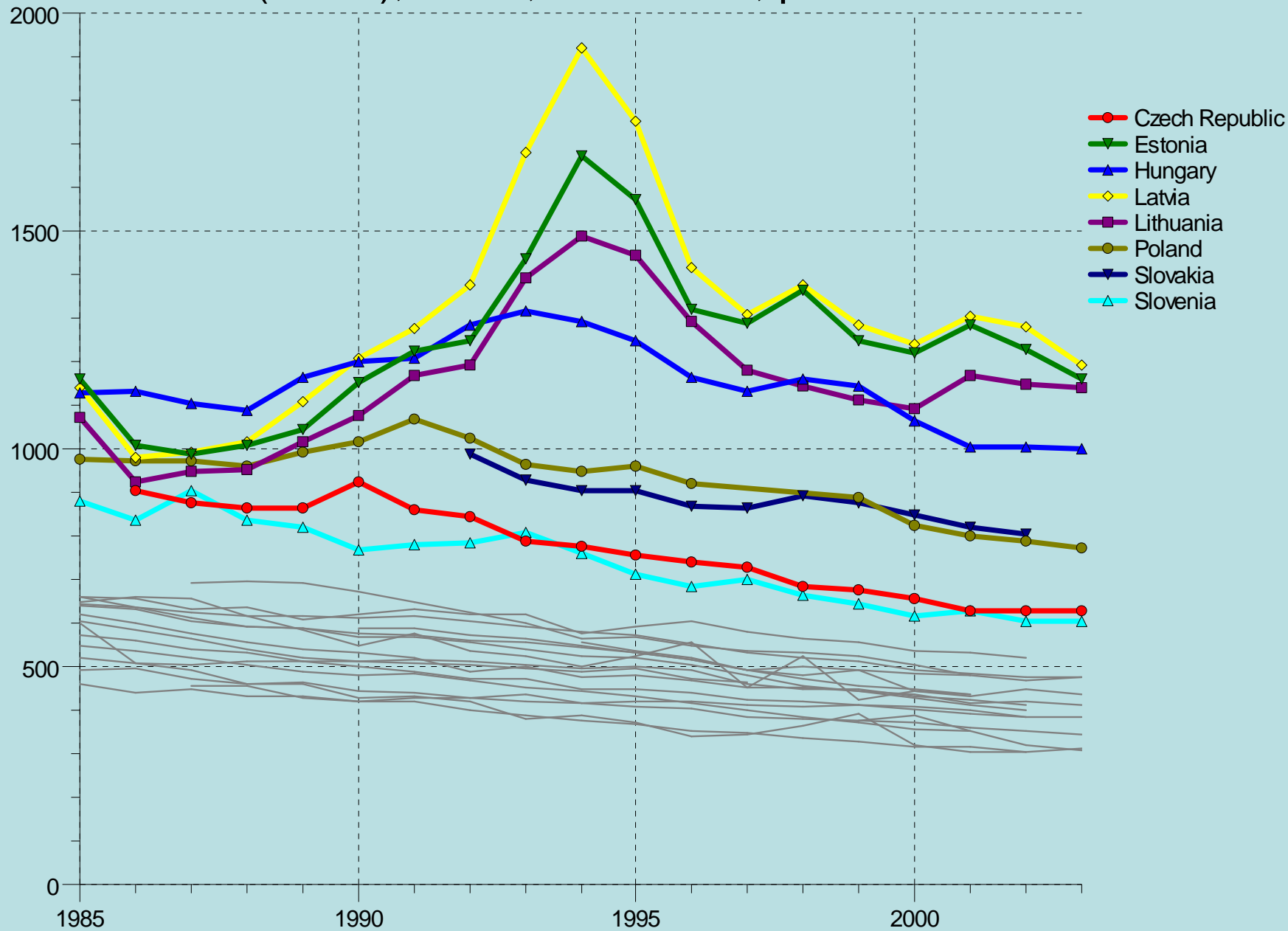
- the need to provide comparable data on health care expenditures
- the need to define benefit packages,
- coverage and regional disparities in access to health care services,
- the important role of private sector in financial as well as structural terms,
- the need to further strengthening the gatekeeper's function
- the rationalisation of health care system (strengthening primary care, closing hospital beds),
- ensuring quality services
- missing or incomplete IT registration and data collection
- DRG-financing in hospital care
- the existence and "importance" of informal payments
- the importance of human resource management and development, the need to raise salaries of health professionals,
- concerning pharmaceuticals: the need to increase focus on prescription volume control and ensure greater emphasis on the most efficacious medications,
- introduce and/or further extend formal co-payments
- impacts on health care systems due to the common challenge of demographic ageing, etc.

Change of Human Development Index in EU Member States

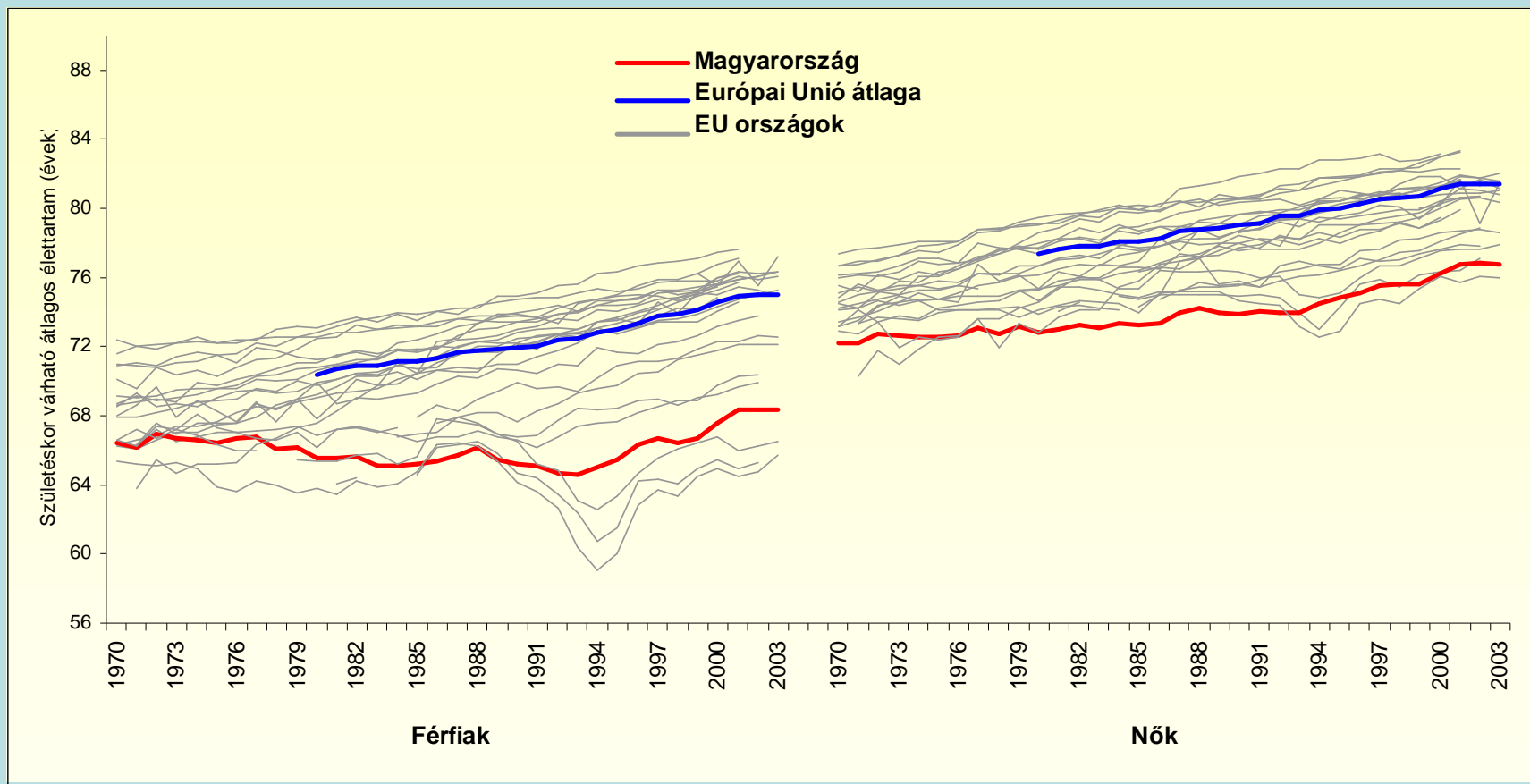


Based on data from Human Development Report 2005, UNDP 2005

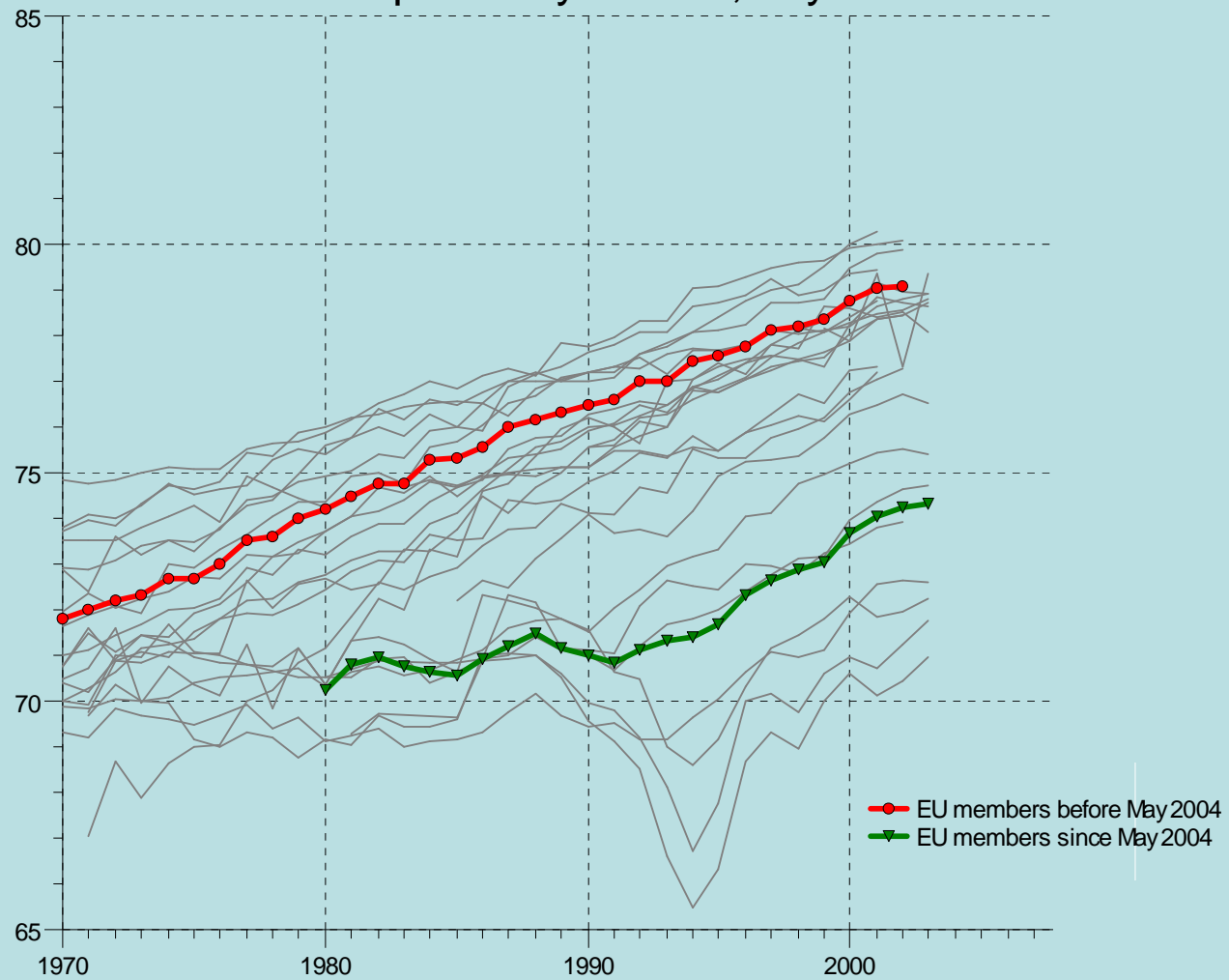
SDR(25-64),males, All causes, per 100000



Life expectancy at birth of Hungarian infants born in 2003 will be 7 (male) or 5 (female) years shorter in EU comparison

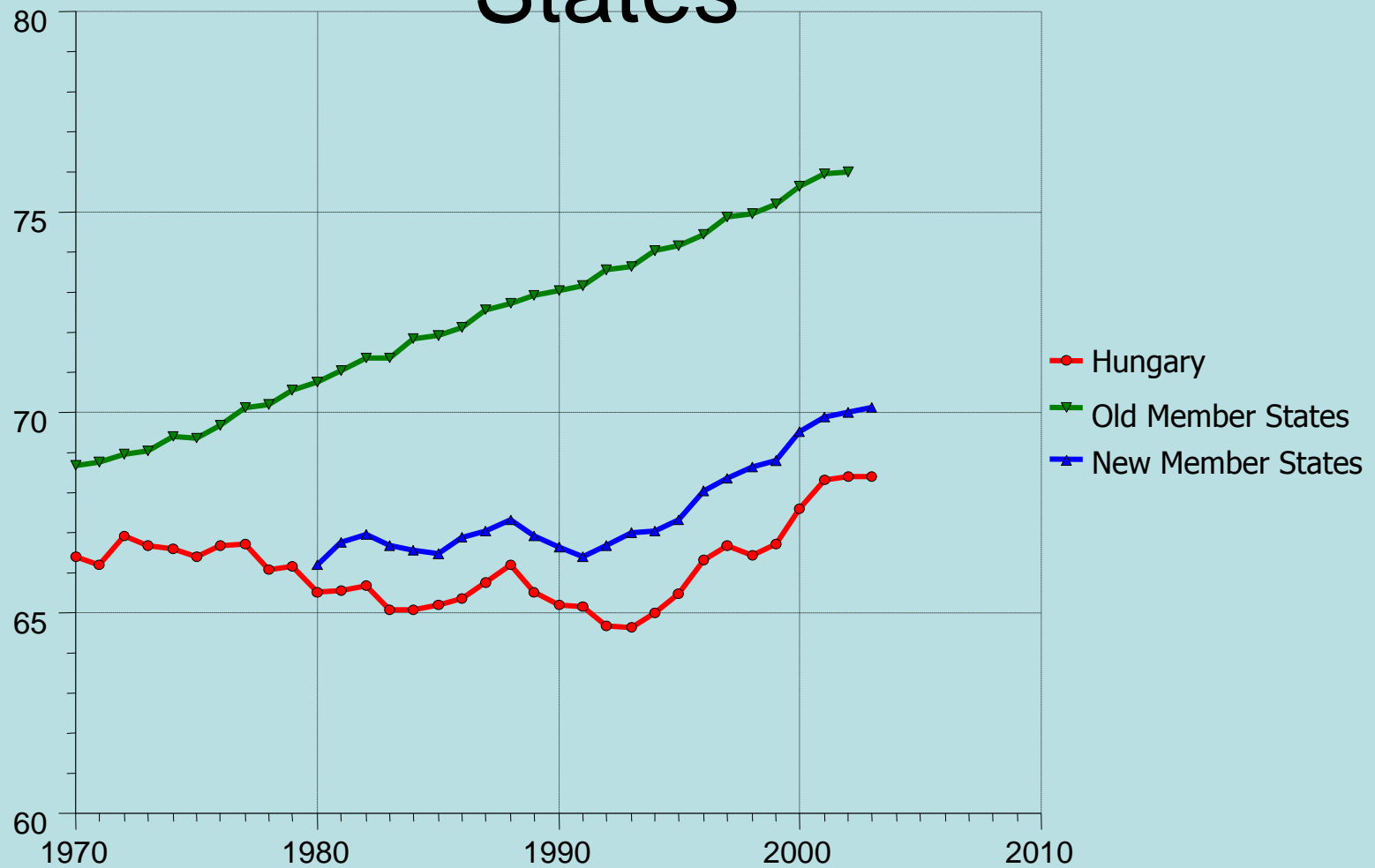


Life expectancy at birth, in years

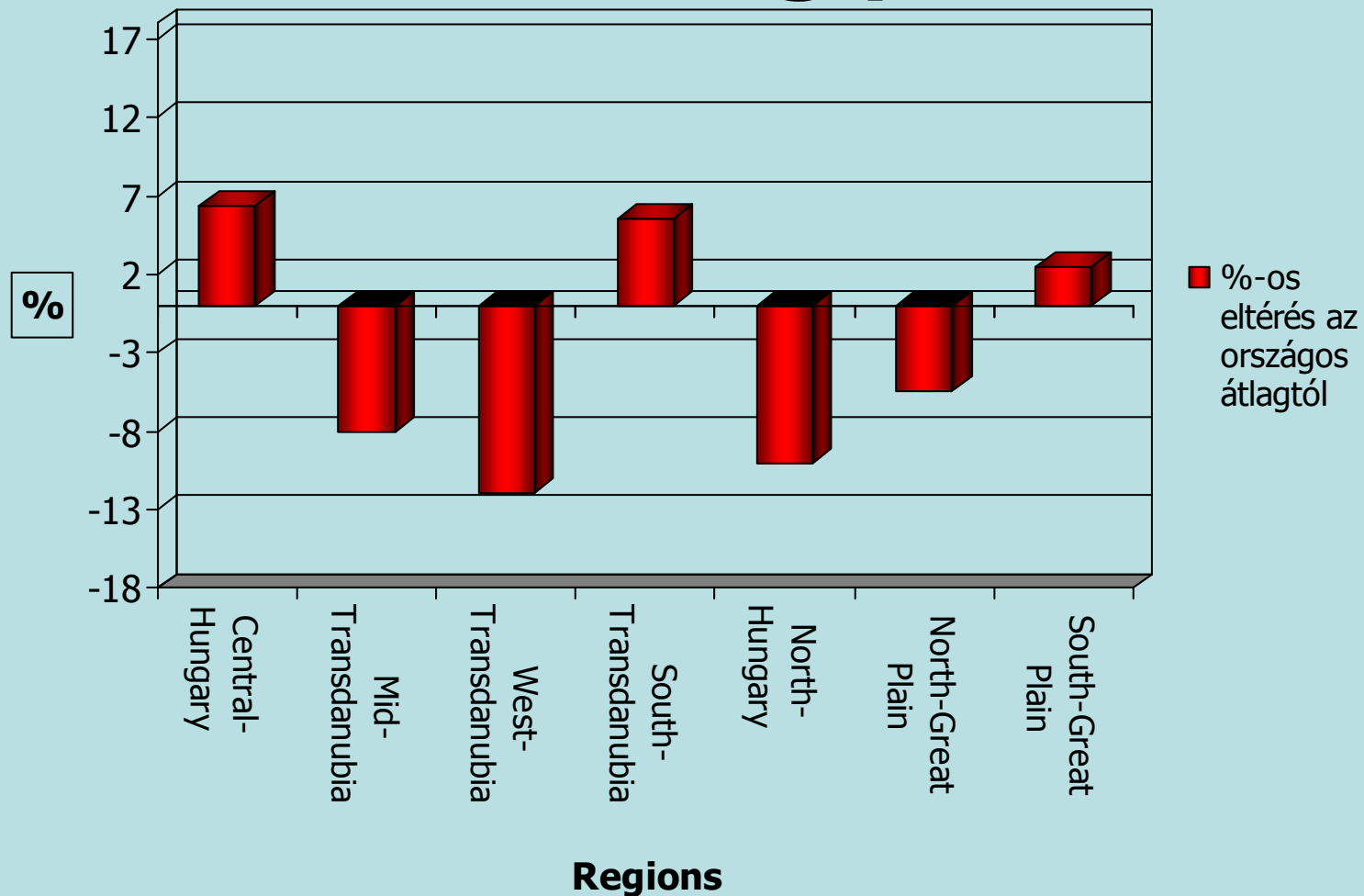


The mortality gap between “old” and “new” MSs isn’t closing

Average life expectancy at birth of males in old and new Member States



Regional differences in NHIF financing/person

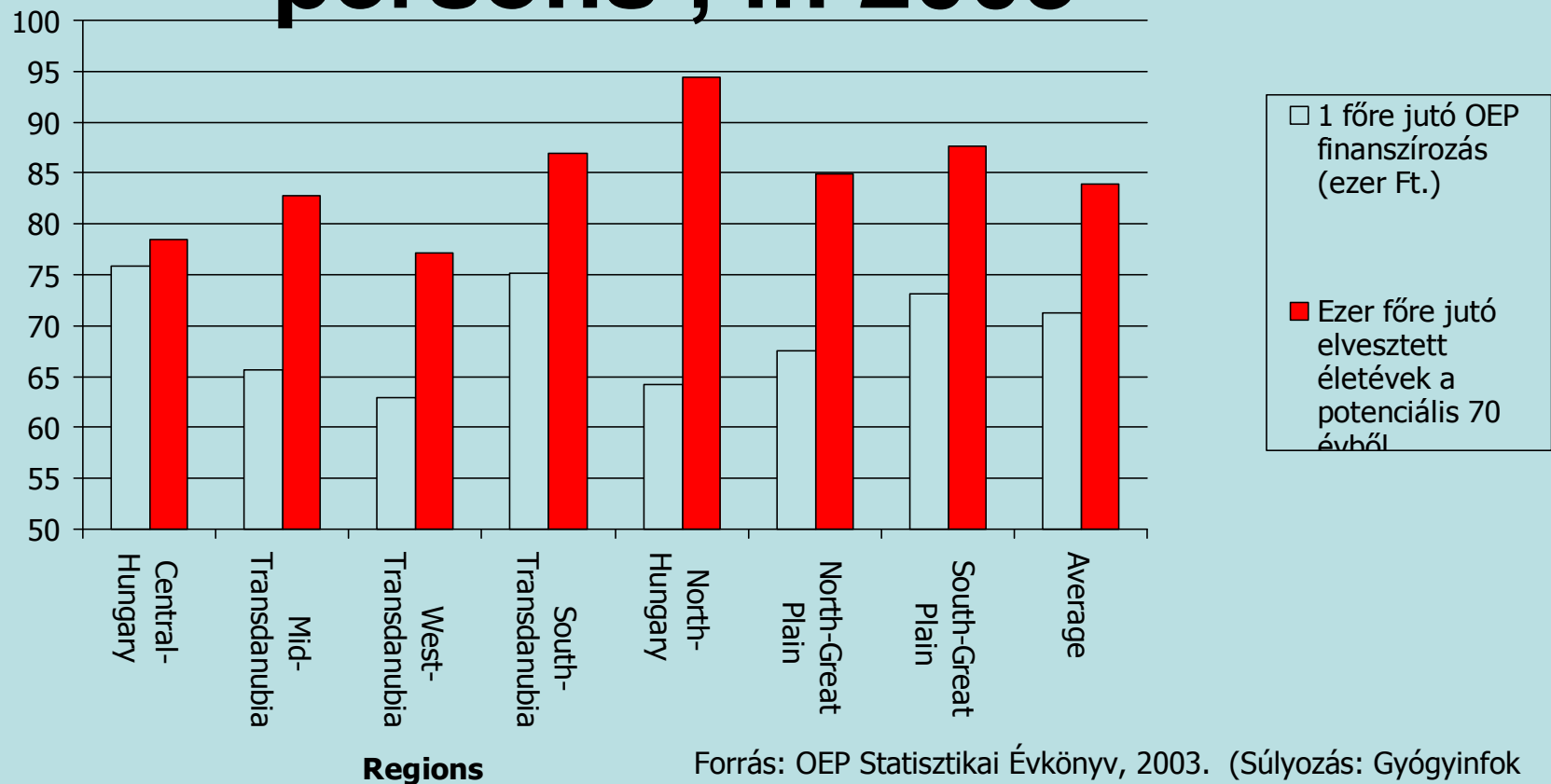


Forrás: OEP Statisztikai Évkönyv, 2003.

Súlyozás: Gyógyinfok intézet szerinti súlyszám, 2003.

*: Fekvőbeteg finanszírozás a beteg lakhelye szerint

NHIF per capita financing and lost life years per 1,000 persons , in 2003



Forrás: OEP Statisztikai Évkönyv, 2003. (Súlyozás: Gyógyinfok intézet szerinti súlyszám, 2003.)

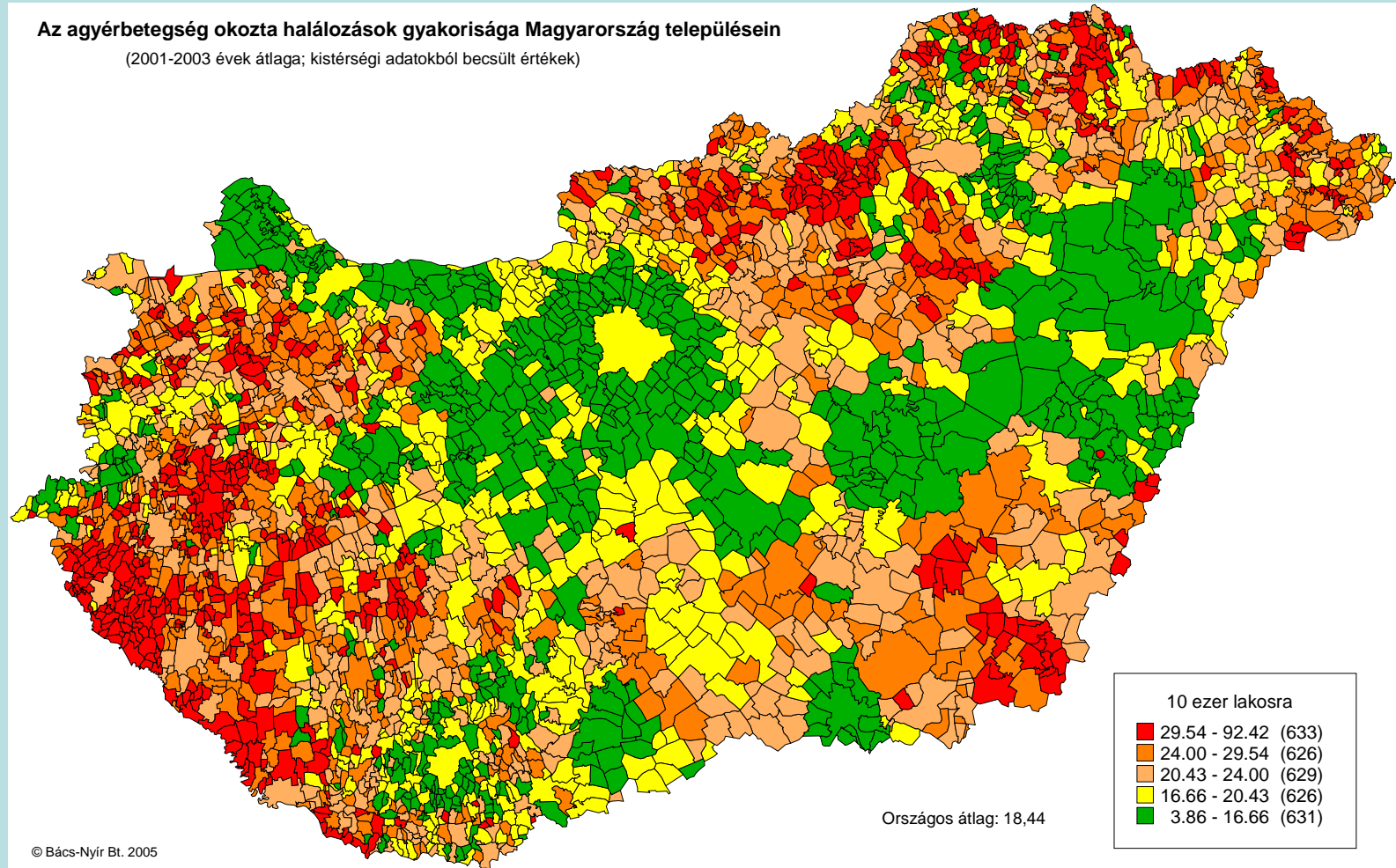
KSH Demográfia Évkönyv 2003., CD melléklet

*: Fekvőbeteg finanszírozás a beteg lakhelye szerint

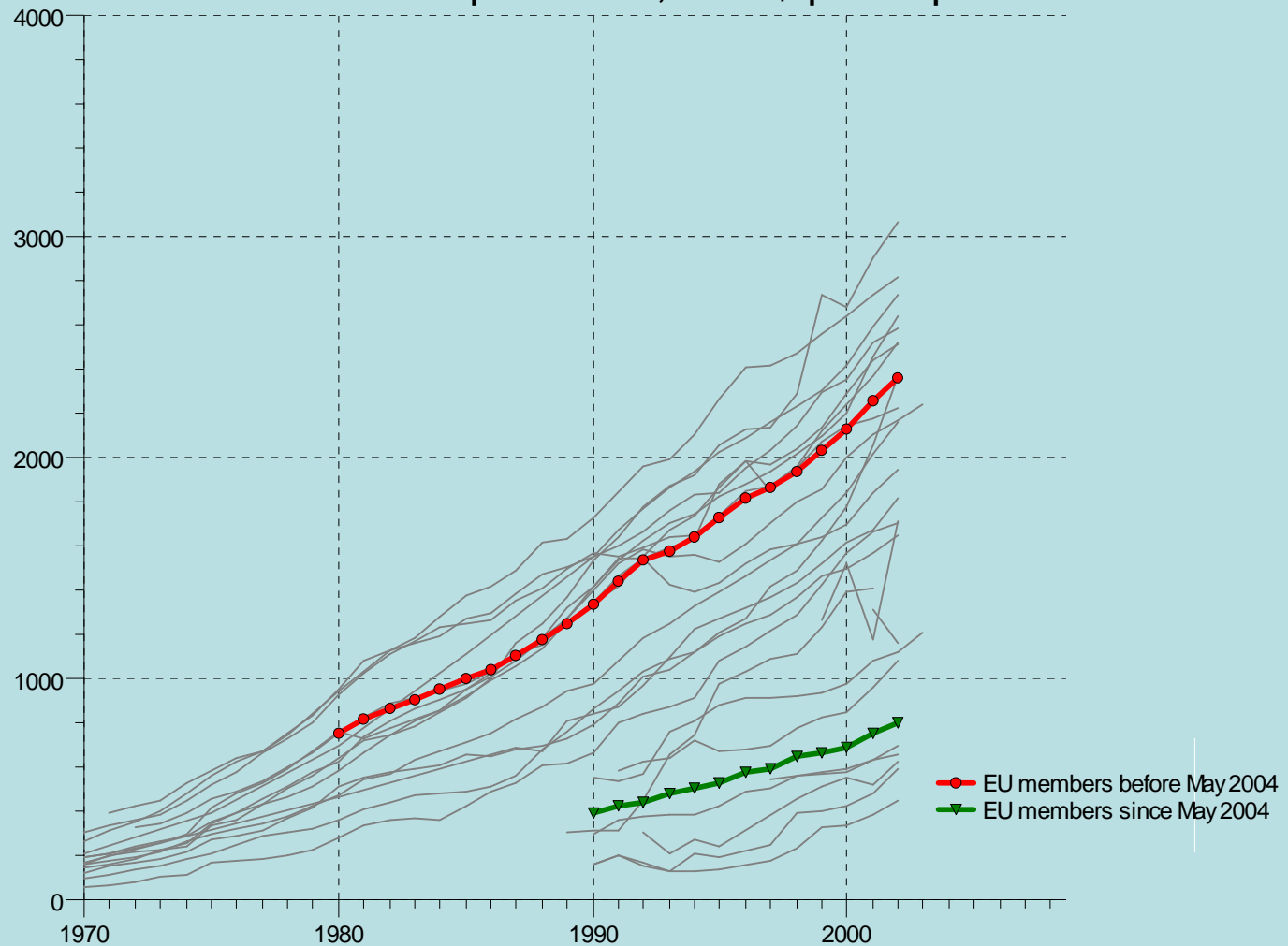
** : A nyers halálozás alapján

Great differences in the frequency of cerebrovascular mortality

Az agyérbetegség okozta halálozások gyakorisága Magyarország településein
(2001-2003 évek átlaga; kistérségi adatokból becsült értékek)



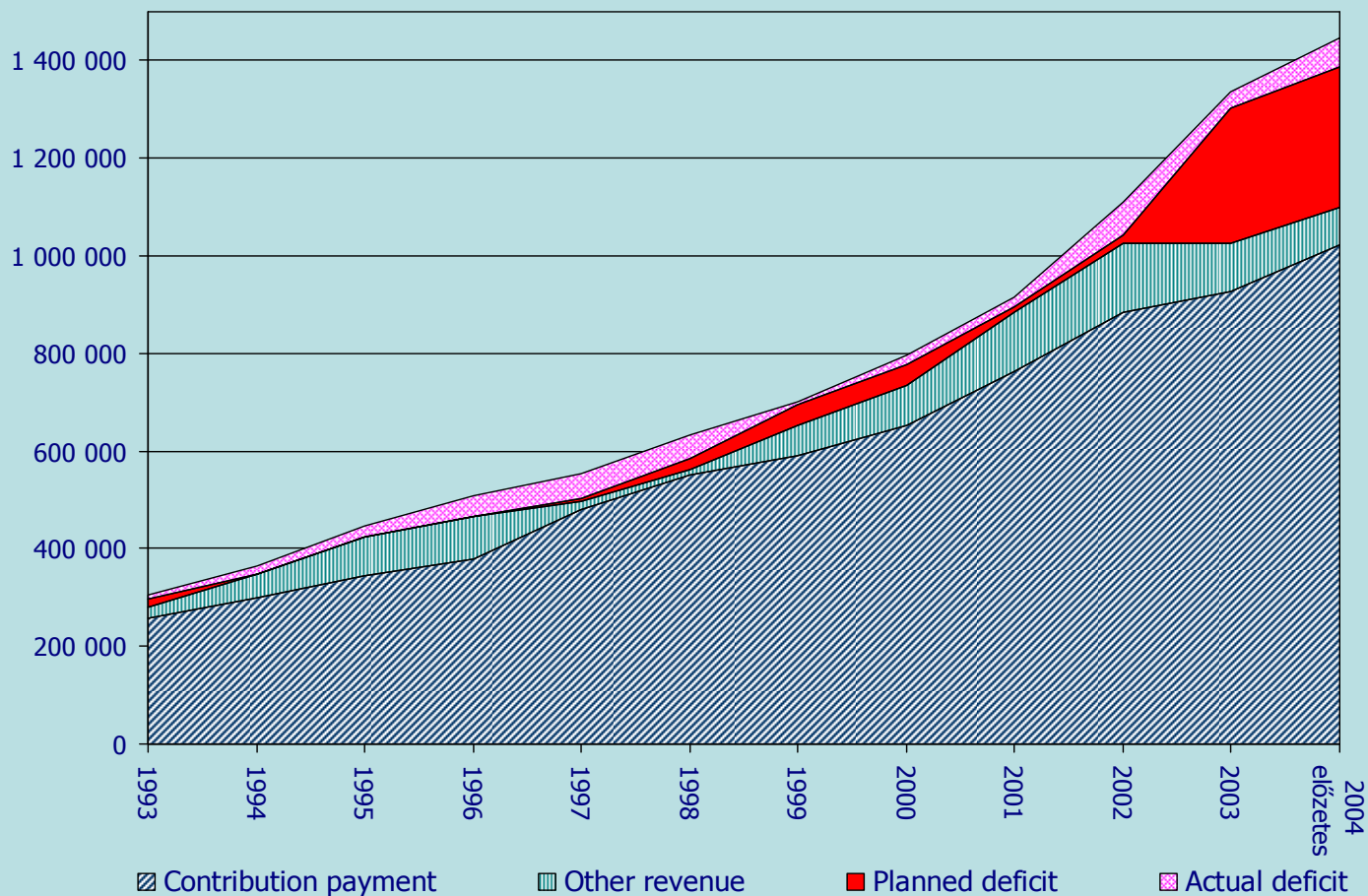
Total health expenditure, PPP\$ per capita



The gap in health expenditure between “old” and “new” MSs is widening!

Revenues and deficits of the National Health Insurance Fund

Mrd Ft.



Forrás: éves költségvetési tv.

Performance of Health Systems in OECD Countries

	Mortality Based on Population Statistics			Mortality Closely Related to the Effectiveness of Health Care				Cumulative Rank
	Healthy Life Expectancy/ Life Expectancy Rank 2001	Infant Mortality Rank 2002	Perinatal Mortality Rank 2002	Mortality Amenable to Health Care Rank 2000	Potential Years of Life Lost Rank 2000	Breast Cancer Mortality Rank 2002	Colorectal Cancer Combined Mortality Rank 2002	
Australia	9	15	9	3	6	5	2	1
Sweden	2	2	8	5	2	1	9	2
Japan	1	3	2	2	3	11	4	3
Canada	22	20	12	4	8	10	2	4
Iceland	18	1	1	12	1	4	7	4
Switzerland	6	12	24	12	4	9	1	6
France	12	7	18	1	12	6	11	7
Luxembourg	2	18	16	12	7	6	6	8
Italy	9	13	9	9	9	11	5	9
Norway	6	6	15	7	5	8	14	9
Finland	11	3	3	13	10	2	14	11
Korea	27	23	5	12	21	3	7	12
Germany	5	10	11	12	11	14	12	13
New Zealand	23	24	13	11	16	13	10	14
Spain	4	5	6	6	14	21	18	15
Austria	15	7	13	14	13	16	17	16
Netherlands	12	15	23	8	15	23	16	17
United Kingdom	20	21	18	18	19	15	13	18
Greece	12	22	25	15	17	17	19	19
Belgium	8	14	20	12	18	18	20	19
Denmark	19	11	17	10	22	21	25	21
Poland	28	26	22	12	25	20	22	22
Ireland	20	18	27	17	20	24	21	23
Portugal	24	15	6	16	24	19	23	23
Czech Republic	15	9	4	12	23	25	24	25
Turkey	15	28	13	12	19	28	28	26
Slovak Republic	25	27	20	12	26	27	26	27
Hungary	25	25	26	12	27	26	27	28

old MS

MS

Great disparity between “old” and “new” EU member states

Historical outlook

Legislative changes in health care after the change of the regime/1

1989	Social Insurance Fund established Private enterprises in healthcare allowed
1990	Financing of healthcare facilities' operating costs transferred to the Social Insurance Fund, while funding of developments continued to be made from the central budget Purchaser-provider split and contracting introduced Self-government ownership - healthcare facilities previously operated by councils transferred National Public Health and Medical Officers' Service established (authorization of private enterprises, professional supervision)
1992	Family practitioner's system established (insurance card) Entitlement to health care redefined (no longer a universal entitlement as a citizenship right)
1993	Self-governing bodies of Social Insurance set up Operation of mutual funds allowed

Legislative changes in health care after the change of the regime/2

1992-93	Financing scheme revamped: family practitioners – capitation, outpatient care – output-based German point system, (acute) inpatient care - DRGs
1996	Central measures taken to decrease hospital capacities
1997	Skilled nursing care at home appears in law and given independent funding
1998	New Health Law entered into force Act on Statutory Health Insurance enacted
1999	Collection of contributions assigned to Tax Authority Managed Care Pilot Project launched
2000	Act on Independent Medical Practice
2001	Public Health Program endorsed

Legislative changes in health care after the change of the regime/3

2002	Consolidation
2003	Renewal of Public Health Programme
2005	21 steps for health sector modernisation as a part of the 100 Steps National Programme
2006	Elaboration of detailed professional programmes (cardiovascular, cancer, emergency, paediatric) and the development in the framework of the National Development Plan II.

Priorities of health sector modernisation

Objectives

**CONSOLIDATION
REORGANISATION**
restructuring

MODERNIZATION

- Change of technology
- Informatics

**Reforming
the healthcare system**

**QUALITY
IMPROVEMENT**
Human resources
Development-education

**REFORMING THE
FINANCING
SCHEME**



Vision and Objectives by 2020

- **Overall objective:**
to bring about significant improvements in the Hungarian population's health status, so that by 2020, healthy life expectancy at birth should reach the corresponding average of the EU25
- Health should be considered an asset and value at all levels of individual and community decision-making
- Inequalities in health status, in standards of health services and in access to health care should decrease significantly.
- The healthcare system should work more cost-efficiently and at higher standards.

National Public Health Programme

- Multidisciplinary and intersectorial, passed by Parliament in 2003
- Programme Bureau was established to coordinate the operational tasks with the leadership of the governmental commissioner
- Results are monitored by Parliament



Main goals of the NPHP (1)

- **Creating a Health Promoting Social Environment**
 - Healthy Youth
 - Equal Opportunity for Health
 - Improving the Health of the Elderly
 - Health Promotion in Settings of Daily Life
- **Healthy Lifestyles, Reducing Risk Factors to Human Health**
 - Cutting Back Tobacco Smoking
 - Alcohol and Drug Prevention
 - Healthy Nutrition and Food Safety
 - Promoting Physical Activity
 - Public Health and Epidemiological Safety
 - National Environment and Health Action Programme



Main goals of the NPHP (2)

- **Preventing Avoidable Mortality, Morbidity and Disability**
 - Reducing Morbidity and Mortality due to Coronary Heart Diseases and Cerebrovascular Diseases
 - Reducing Morbidity and Mortality due to Neoplasms
 - Strengthening Mental Health
 - Reducing Morbidity due to Locomotor Diseases
 - Preventing AIDS
- **Strengthening the Institutional System of Healthcare and Public Health to Improve Health**
 - Screenings
 - Improving the provision of care
 - Resource Development
 - Monitoring — Information Technology



Results of the NPHP (1)

- **Smoke-free lifestyle**

- Tightening the provisions of Act on the Protection of non-smokers
- Increasing excise tax
- „Quit and win” programme both for health professionals and members of Parliament
- Special medical services aiming at to quit smoking, blue telephone number
- Participation in EU advertisement campaign

- **Nutrition for health**

- Application for child-friendly school buffet
- Guidelines to supply of school buffets
- Nutrition-life-style-physical-activity platform



Results of the NPHP (2)

- **Encouraging people to participate in screenings**
 - Breast cancer „coalition” (Chain Bridge Walk)
 - „Lily” programme for cervical cancer screening
- **Clear of Ragweed**
 - National average of pollen concentration of Ragweed in the air decreased by 22% compared to the previous year.
 - As a result of a newly adopted legislation, the majority of land users and/or owners carried out weeding.
 - Public work programmes were successful.
 - Public protection in agricultural areas has become more effective (system of long-distance perception)
 - Civil and local governments' cooperation as well as media campaign has become stronger.

21 steps in health sector modernisation

Strengthening emergency medical services

1. Emergency units, central out-of-hours services
2. Air emergency rescue services
3. New ambulance stations, ambulance vehicles, equipment, call/dispatch centers, unified call system

National Cancer Control Program

4. Screening programs
5. Network of county oncological centers, upgrading and modernization of radiation therapy equipment of regional centers
6. Appropriate care of cancer patients, network of certified oncological treatment institutions

Developing family practitioner services and outpatient specialist services

7. Increasing flexibility of financing scheme, state-of-the-art outpatient care delivered close to where people live, arrangements of financial incentives – merging of funds
8. Group practices, practice fund

21 steps in health sector modernisation

Pharmaceuticals market

9. Program of generics, expansion of fixed reimbursement based on active ingredient, new price margin system in retail pharmacies
10. Making promotion and drug advertisement stricter, pharmaceuticals market régime
11. Revamping system of provision of medicinal products for the medically indigent

Decreasing inequalities in access to health care

12. Medical and financing guidelines, standards of health care, high quality services
13. Referral system, rules of accessing different levels of care

21 steps in health sector modernisation

Ensuring funding for services

14. Individual accounting system of contribution payment
15. Control of entitlement and payments – benefits within the EU
16. More efficient contribution collection system, recovery of amounts due
17. Transparent contribution payment, expanding scope of contribution payers through making illegal work legal
18. Seeing to it that there is actual contribution payment behind each entitled person – accurate accounting

Strengthening the insurance principle (definition of levels of care and of benefit packages)

19. Strengthening the insurance principle – state responsibility – definition of basic benefit package
20. Definition of insurance benefit package (services that may be used, medical requirements, referral system)
21. Extra services not included in the insurance package – supplementary or commercial insurance, co-payment)

Elaboration of detailed professional programmes

- **National Cancer Control Programme**
- **National Programme for Preventing and Treating Cardiovascular Diseases**
- **„Children, our common treasure” – national infant and child health programme**
- **Human resource national strategic plan**

Strategic objectives as identified in relation to the 2007 – 2013 EU budgeting period

- **8+1 strategic objectives of the National Development Policy Concept (NDPC):**

1. Sustained growth of economic competitiveness
 2. Expansion of employment
 3. Increasing competitive knowledge and education
 - 4. Improvements in the population's health**
 5. Strengthening social cohesion
 6. Improving physical accessibility
 7. Expanding information society
 8. Protection and sustainable use of natural resources and environmental assets
- +1 balanced regional development

Thank you for your attention!