

## **CURRENT DEVELOPMENTS IN THE HEALTH CARE SYSTEM OF CZECH REPUBLIK**

by Jiří Maštálka, Member of the KSČM-delegation in the GUE/NGL group in the European Parliament

### **1. Short history of the Czech health care System**

*Basically, the orientation of the Czechoslovakian health care system after 1945, after the conclusion of the preparation of the new conception, has been a left one. It was mainly focussed on access, non-contributory insurance and high professional quality. Hygiene, social medicine and epidemiology played a particularly big role in the new system.*

After the changes in 1948 this conception has been put in practice by the government of the National Front, whereby, due to mistake in the 50ies, some physicians have been treated like suspect intellectual, egoistic health dealers.

Within the framework of the new conception till the 60ies, the private health care facilities were being abolished. A systematisation was being established for which no comparison can be found in other fields. Thanks to huge activity of the state Czech Republic succeeded in guaranteeing a high level of access to health care services. Officially, additional private payment was only possible for cosmetic and luxury treatment. Medical equipment and high quality in the health care system were modelled on the experiences from the First Republic. During that time the Czechoslovakian health care system reached admittedly great success (in the fight against epidemics, TBC, tetanus, children's diseases, polio), also precisely because stay at a health resort (cure) became affordable for the vast majority.

During the following years some factors arose that formed obstacles for the development of health care and the improvement of the general state of health:

- A shortage of finance (caused by real economic problems but also by the fact that health care was seen and treated like a side issue).
- Restriction of imports.
- A poor information policy.
- Weak promotion of research.

A slogan during that time has been: "Quality, freedom of charge and access are reality - but never all of it at the same time".

Before the basic changes in society in the year 1989 there had been a real existing network of health care facilities (although admittedly too poorly funded) and a good quality control.

Outpatient care had been guaranteed by and concentrated in the polyclinics including the full spectrum of specialised services.

But health care institutions did not properly follow the modern trends in health care and fell short as modern equipment is concerned.

Wasting, at least, had been minimal.

## **2. Despite repeated declarations, practically there has not been any elaborate conception for health care policy after 1990**

*Due to a series of changes within the government and in our case especially in the health care ministry (since 1990 not less than 13 health ministers followed each other) the realisation of reform steps was chaotic and non-systematic.*

During the first half of the 90ies massive privatisation of health care facilities took place including the destruction of the hierarchical system of the health care institutions. This process was accompanied by all kinds of corruption.

- Polyclinics were being privatised and their departments separated, which meant a destruction of the system of specialised outpatient care.
- Despite efforts for state regulation it turned out to be impossible to control the increase in consumption and the prices of pharmaceuticals.
- As a basic principle of financing a compulsory health insurance fund was established. Later on, following the idea of 'developing a field of competition', more than 10 other health insurance funds were founded. Many of them crashed and withdrew huge sums from the health care system.
- For the state it turned out to be impossible to control the purchase of expensive equipment technology, instead this became subject of local lobby interest and corruption.

In 1998, a minority ČSSD government had been established, tolerated by the rightist ODS - which meant a strong limitation of political options. The scope for action for the new health minister (Ivan David, ČSSD) was minimal during that time. Nevertheless, after this change there has been presented the only draft for a reform of the health care system. Likewise, legislative proposals have been adopted which broadened the options of the state (and the ministries) for financial flows and opened doors for the establishment of an effectively functioning network of health care facilities. Given the incompatibility of these goals with the agenda of the rightist ODS, Minister David has been dismissed. Over the following period one socialist health minister followed the other, but none has been in the position to implement a left reform concept for the health care system.

- The last negative point in that year has been the government's decision to assign property to the regional district authorities. The then-prime-minister

Špidla did not understand that this decision opened doors to privatisation of the public health care sector. The regional authorities, which are in the vast majority led by the ODS, quickly responded and after the debt-relief of the regional hospitals by the state they started to transfer the property rights to private and corporate shareholders.

- The situation during the last weeks came to a head when the health minister had been dismissed and D. Rath (independent) became top of the department - a representative of the strongest lobby group within the Czech health care systems, the Czech chamber of physicians. Given the small legal scope for action, one can suppose that he will not be in a position to implement basic systemic changes in the health care system. At this time it is more about accounts in personnel policy and about the fight for acquisition of finance in or for the health insurance funds. The current situation is likely to force the minister as well as the prime minister to make risky steps.

### **3. Possible solution for the current situation**

*Absolute precondition for the improvement of the situation is the renewal of the link between responsibilities and competences. This will only be possible by legislative changes. Legal norms have to be modified as follows:*

- Strengthening of the role of the health minister as regards decision and control.
- Preservation of the solidary principle in the health insurance funds and minimisation (per moratorium) of direct payment by the patients.
- Development of a network of health care facilities following defined rules.
- Fixing of prices for pharmaceuticals and medical tools.
- Definition of the obligations of regional health care facilities under contract with the health insurance funds concerning their responsibilities for the patients in their respective area.
- Prevention from further privatisation of the network of in-patient (stationary) health care facilities.
- Successive fusion of the health insurance funds to one single insurance fund.
- Pressure on physicians and in-patient facilities to prescribe more generic medicaments with the goal to reach a ratio of 70:30 (generic medicaments : originals). At present the ratio in Czech Republic is 55:45.
- Modification of tax legislation - especially concerning value added tax - to the advantage of health care facilities.

- Considerable increased state investment in prevention programmes (ranging from re-introducing preventive dental treatment for children to preventive immunisation).
- A primary basis for the success of reforms in the health care sector has to be a holistic approach to the topic health care. This is because the general state of public health only contributes by 20 % to the individual health - 80% of all cases are based on environmental influences, lifestyle, accidents at work, working conditions and others.
- On the EU level all means have to be strengthened that lead to a harmonisation/unification of at least minimum standards in guaranteeing good health care as well as to further improvement of common preventive programs (for example research for vaccines against flu etc.)