

Organization and financing of health care in Poland 1989-2005

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Short history of health reforms

Background

Health care delivery

Health care financing

Key issues

Short history of health reforms 1

- 1989 Round Table Discussion - change of political and economic system including adoption of „Directions in organization and financing of health care” to improve population health
- 1991 Decentralisation of management and ownership of health care units
 - Equal status of private and public sectors in contracting for public finances
 - Introduction of primary health care (family medicine)

Short history of health reforms 2

- 1997 Act to introduce social health insurance (2 years of vacatio legis)
- 1999 Introduction of 17 Sickness funds: contribution rate of 7.5% in time of economic crisis and high unemployment
- 2002 National Health Fund (NHF) created
- 2003 NHF Act ruled unconstitutional
- 2004 Revised NHF Act:
 - Strengthened role of MoH
 - Consumer and provider involvement
 - Official waiting lists established
 - Contribution rate now at 8.0%

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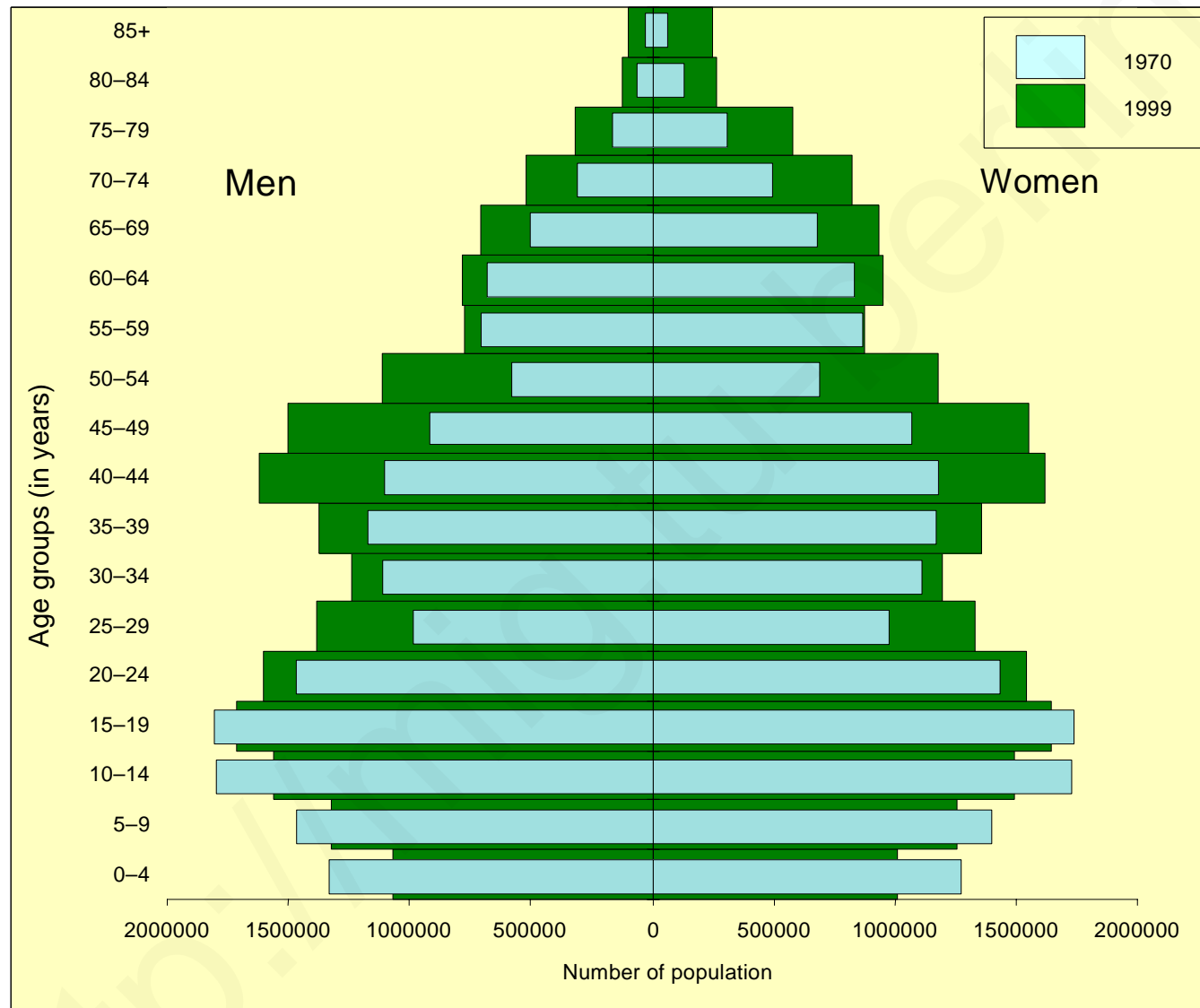
Key issues

Macro-economic indicators

Indicators	1991	1992	1995	1996	1998	1999	2000	2001	2002	2003
GDP growth rate (%change)	-7.0	2.6	7.0	6.0	4.8	4.1	4	2	1.3	-
Annual inflation rate	70.3	43.0	27.8	19.9	11.8	7.3	10.1	5.5	1.7	-
Real GDP per capita PPP US\$	4500	4994	7003	7383	8472	8989	9529	9450	10800	11350
Annual index of real wages (1989 base=100)	75.4	73.3	73.7	77.9	85.2	109.3	110.8	114.3	-	-
Registered unemployment	11.8	13.6	15.2	13.2	10.4	13.0	15.1	17.4	18.1	

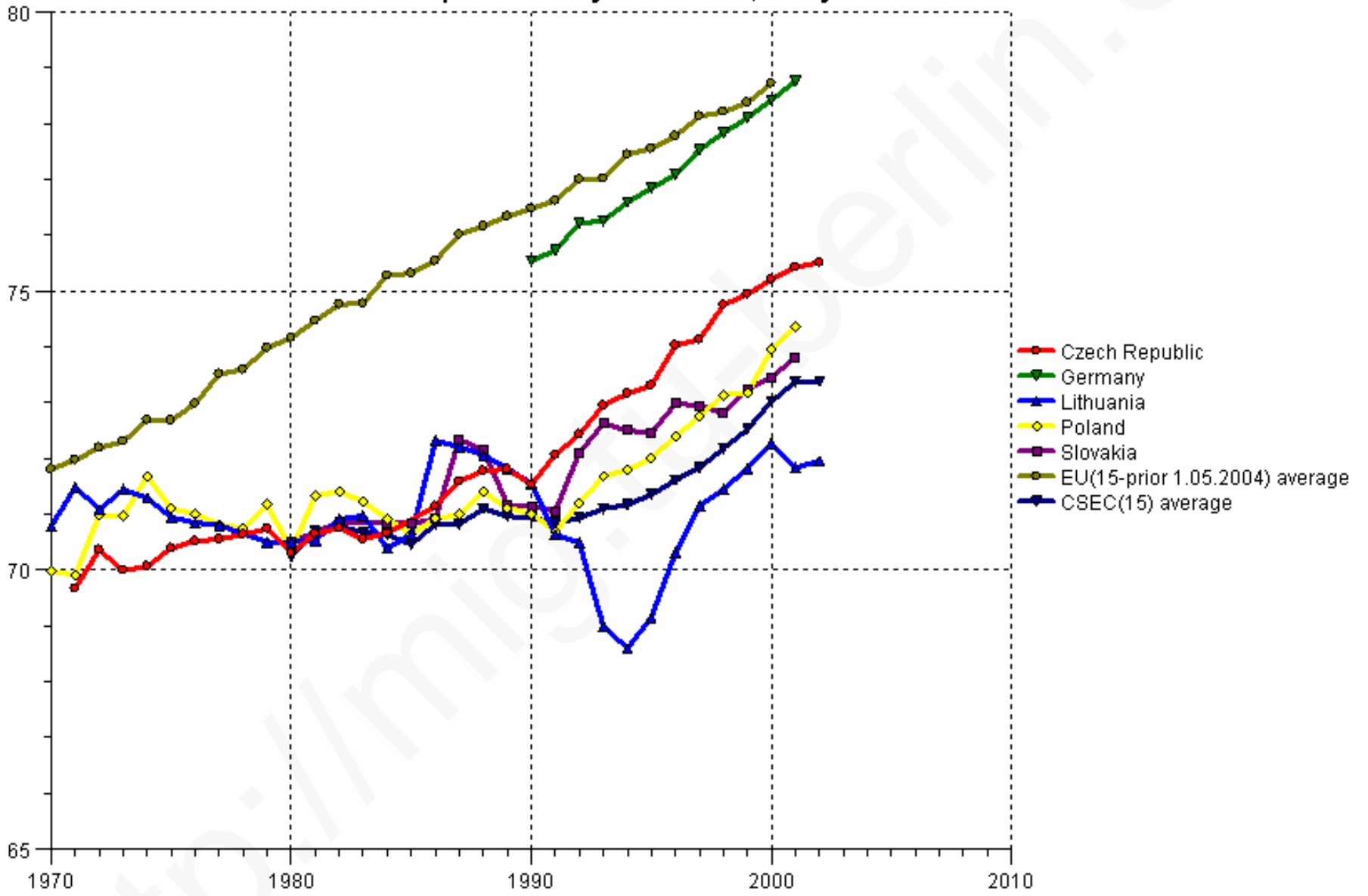
Source: UNICEF TransMONEE database ; WHO Regional Office for Europe health for all database 2005.

Population dynamics during last 30 years



Source: Health Situation of Polish Population, PZH 2002

Life expectancy at birth, in years



Source: WHO EURO HFA DB 2004

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Changes in health care delivery

- Number of hospital beds decreased by 25%
- Staff decreased from ~800,000 to ~650,000
- Increase of number of hospitalizations
- Increased consumption of innovative drugs (reimbursement growth 11.5 to 19%) – **but lack of control mechanisms**
- Introduction of contracting procedures replacing budgets

Decentralisation and market mechanisms

- 1991 Service providers – change of legal status from central governmental to local government
- 1996 Introduction contracting mechanism for health care services
- 1997 Contracting with private entities allowed
- 1999 Contracts with Sickness Funds

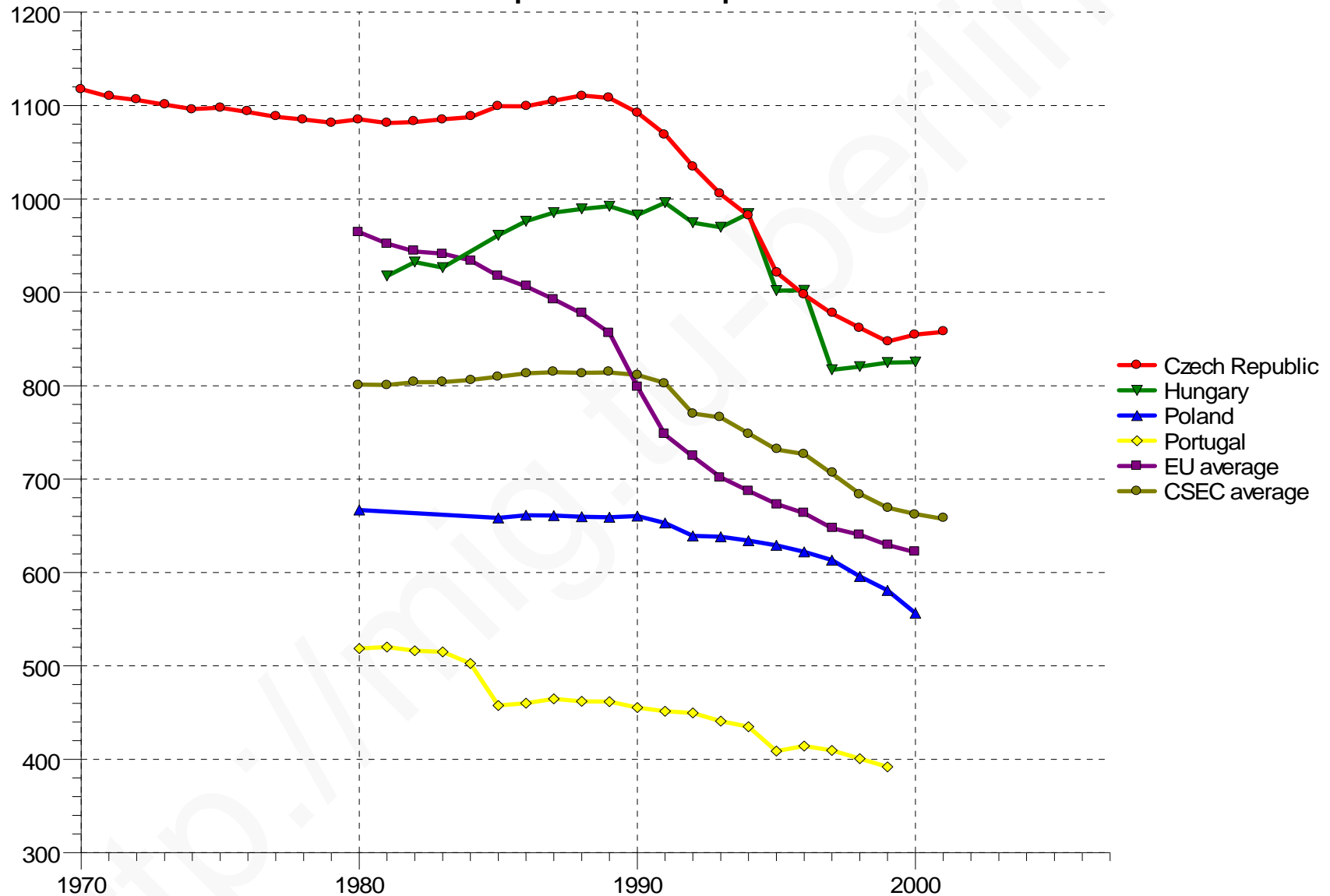
In parallel:

- 1995-1997 Development of electronic programme for Medical Services Registration, interrupted in 1998



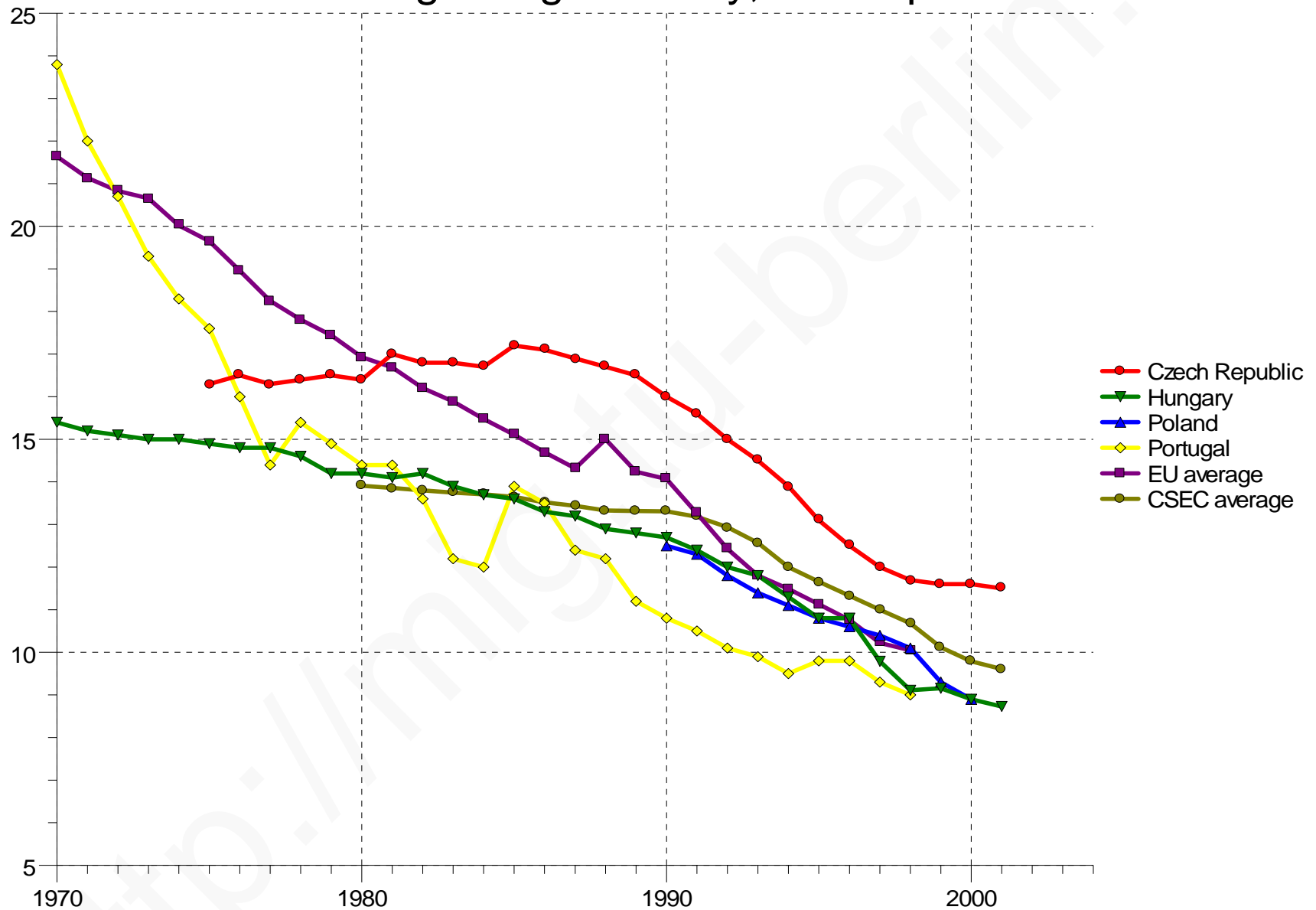
National Health Fund: horse or carriage?

270205 +Hospital beds per 100000



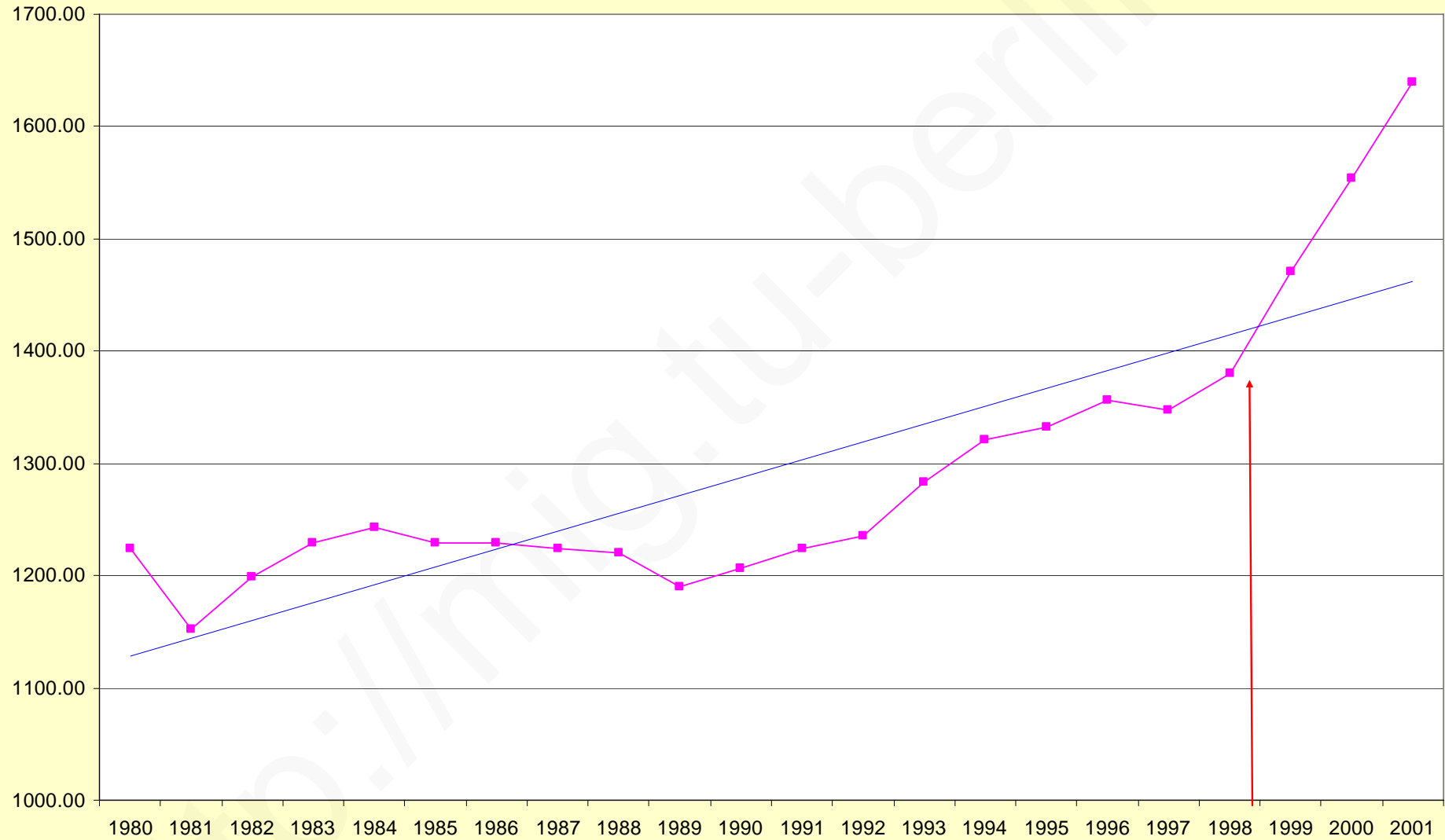
Source: WHO EURO HFA DB 2004

992901 Average length of stay, all hospitals



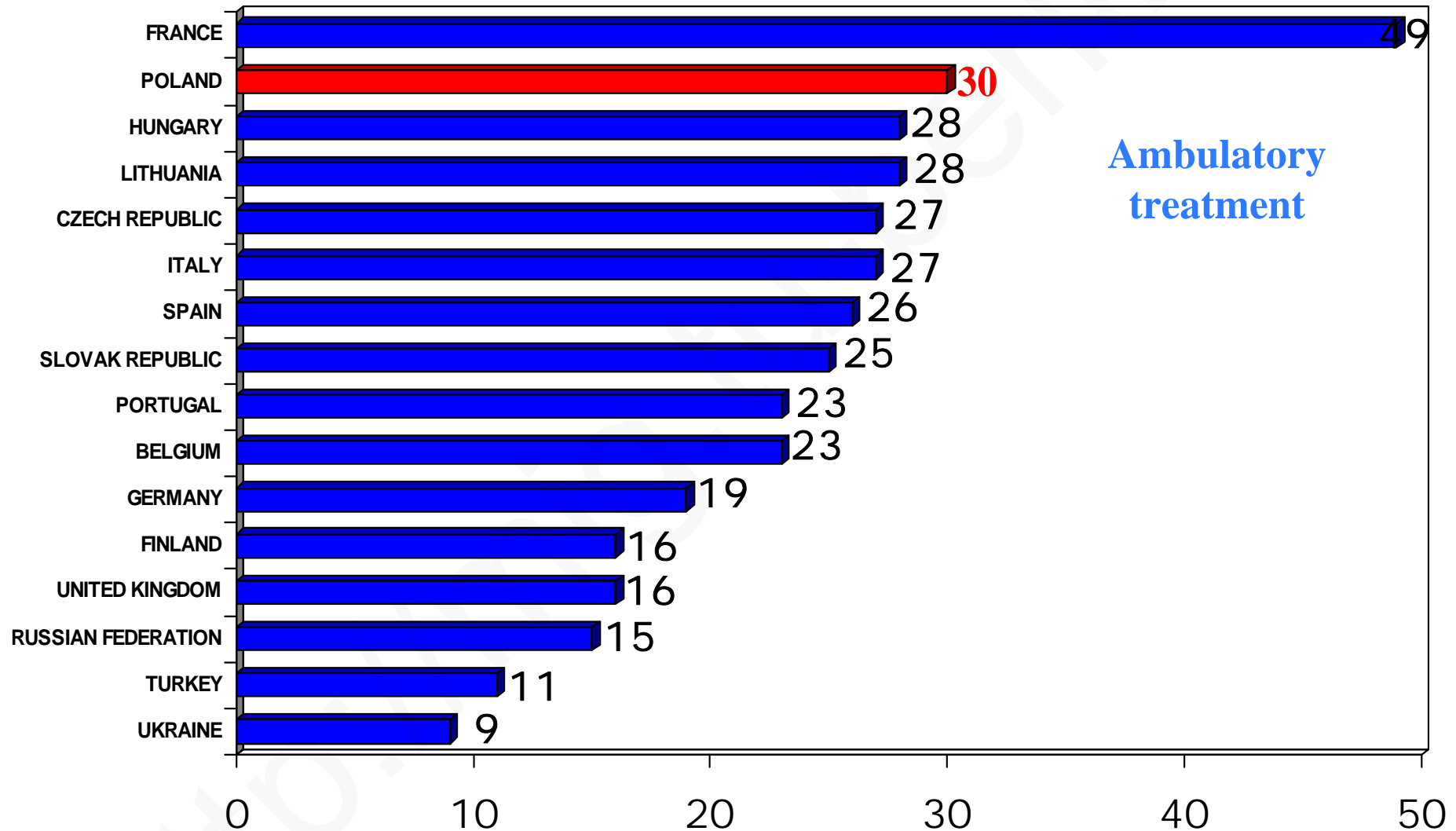
Source: WHO EURO HFA DB 2004

Number hospitalizations per 10 000 population 1980-2001



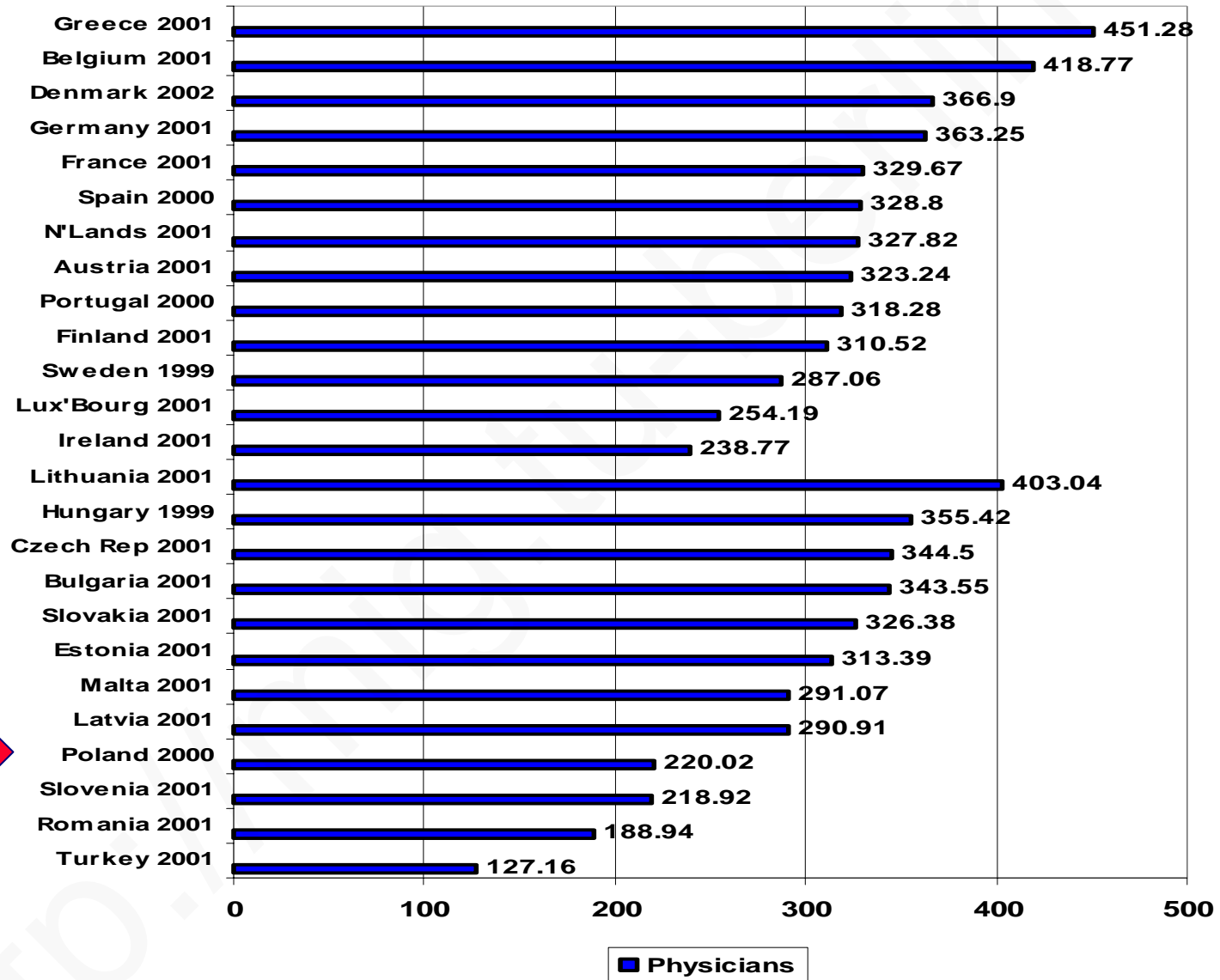
Source: CIOS, 2003

Drug consumption per one citizen in 1999



Source: AMS 2002

Number of Physicians per 100000 population



Source: WHO EURO HFA DB 2003

Short history of health reforms

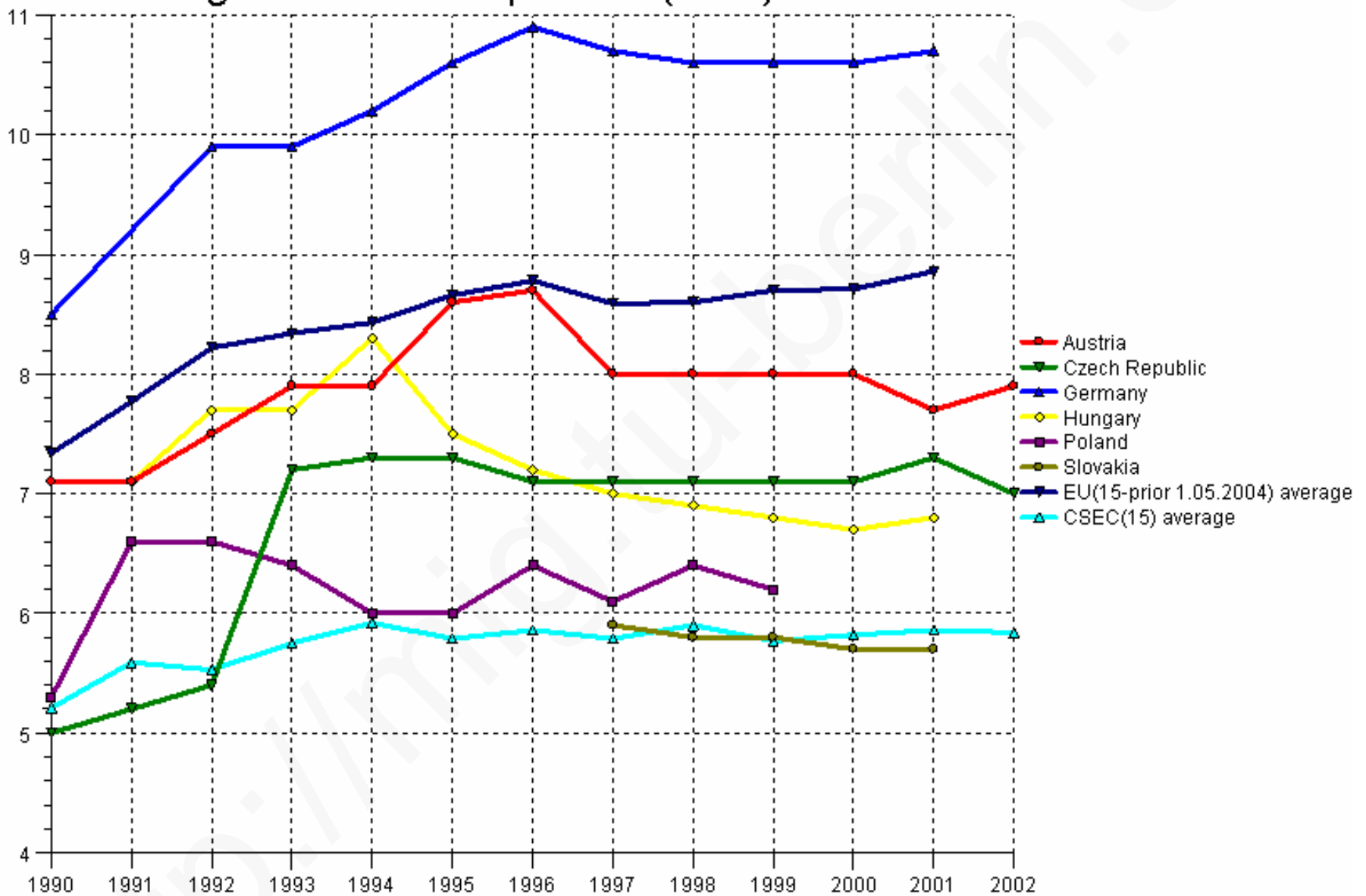
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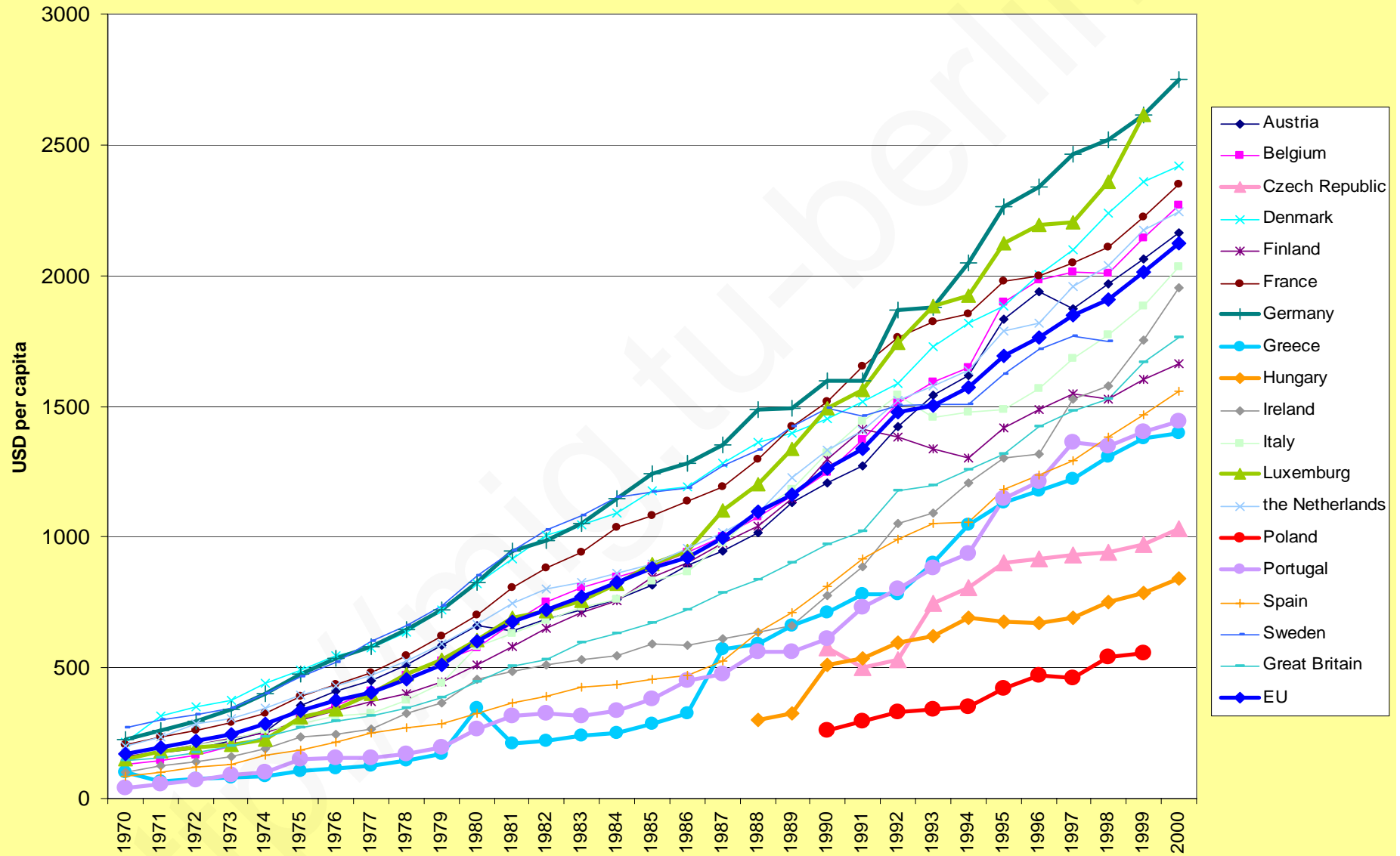
Key issues

Total health expenditure as % of gross domestic product (GDP)



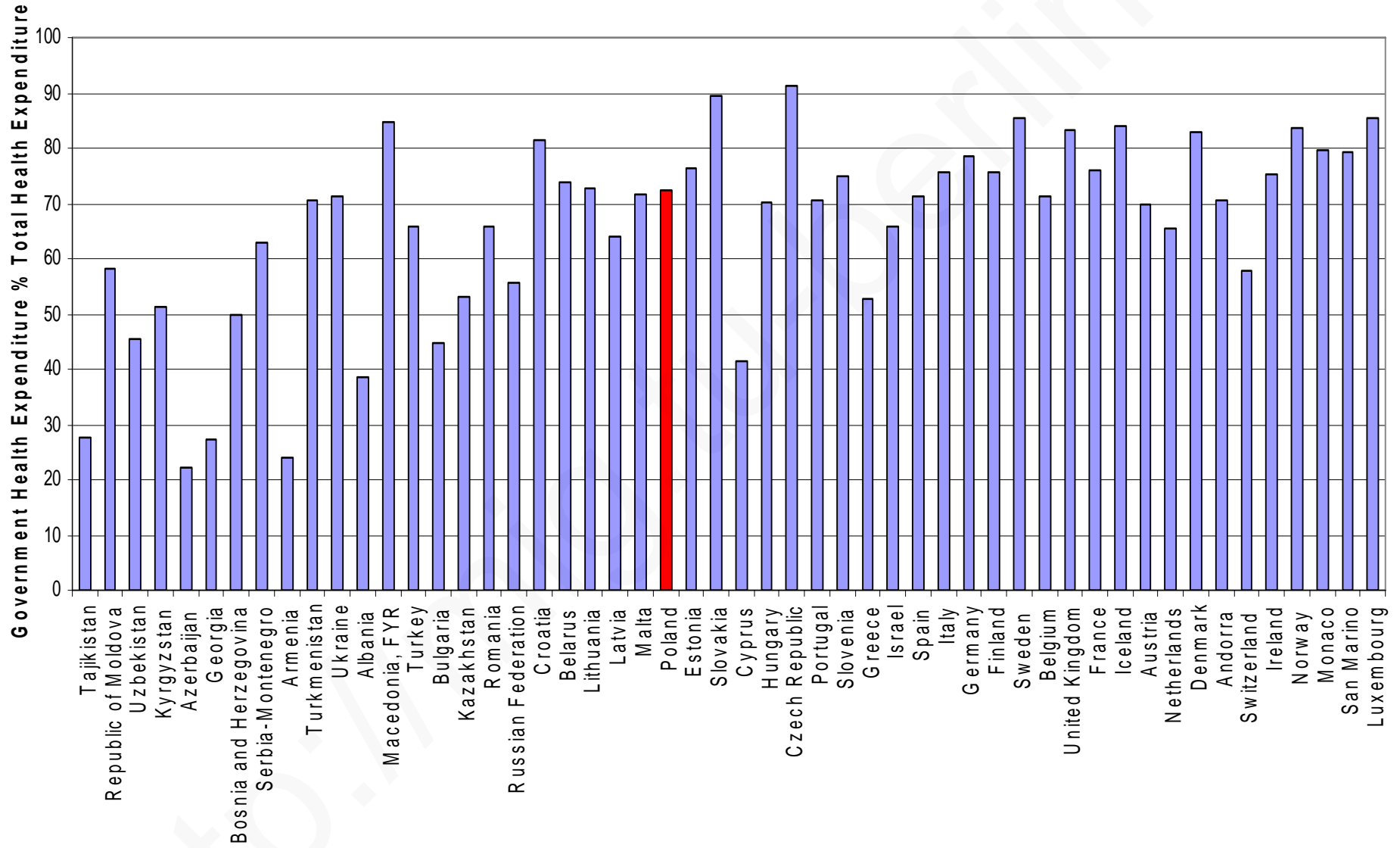
Source: WHO EURO HFA DB 2004

Expenditures on health per one citizen (PPP\$) in European countries



Source: WHO EURO HFA DB

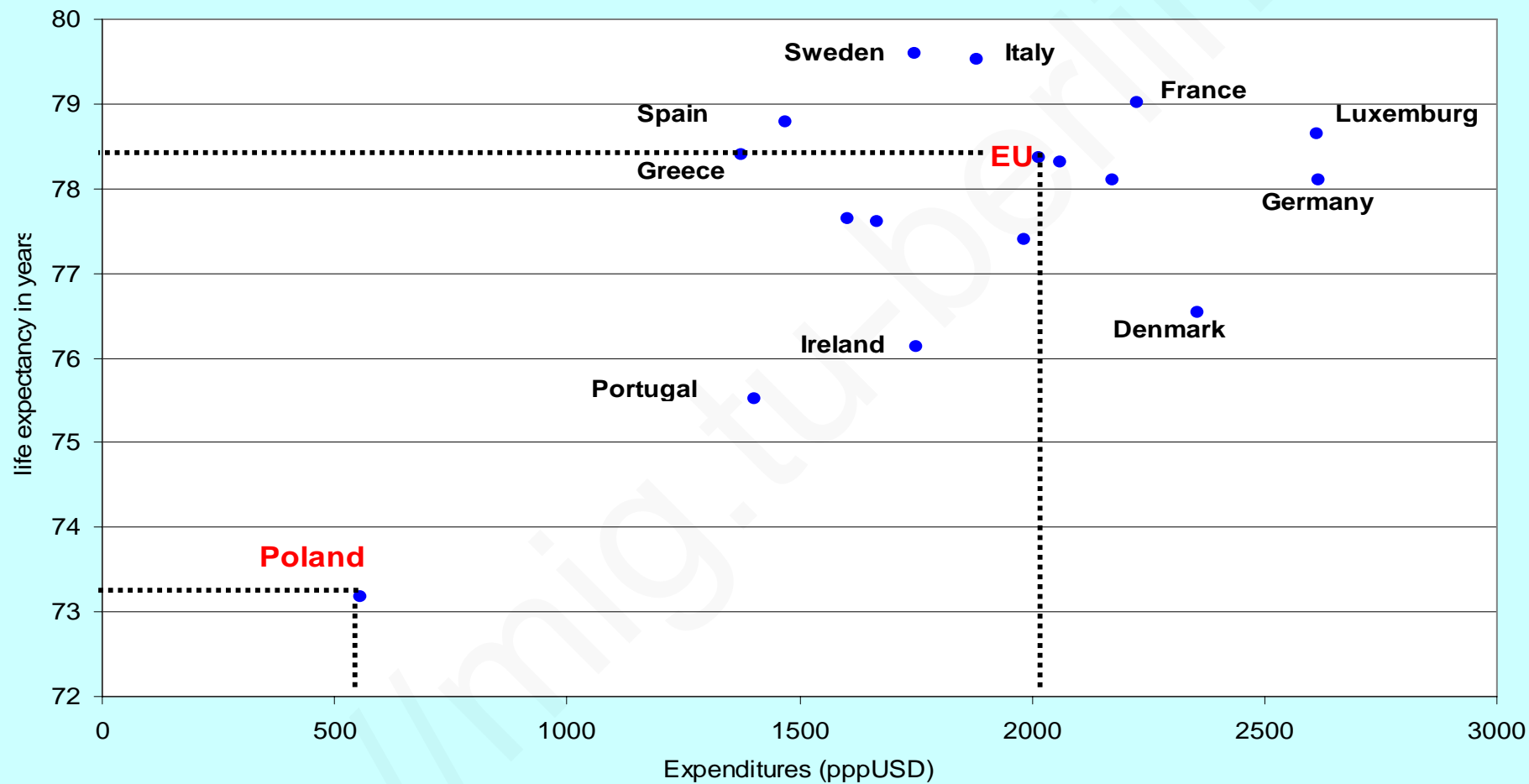
Government Health Expenditure % Total Health Expenditure for EURO countries, 2002



Source: WHO 2005

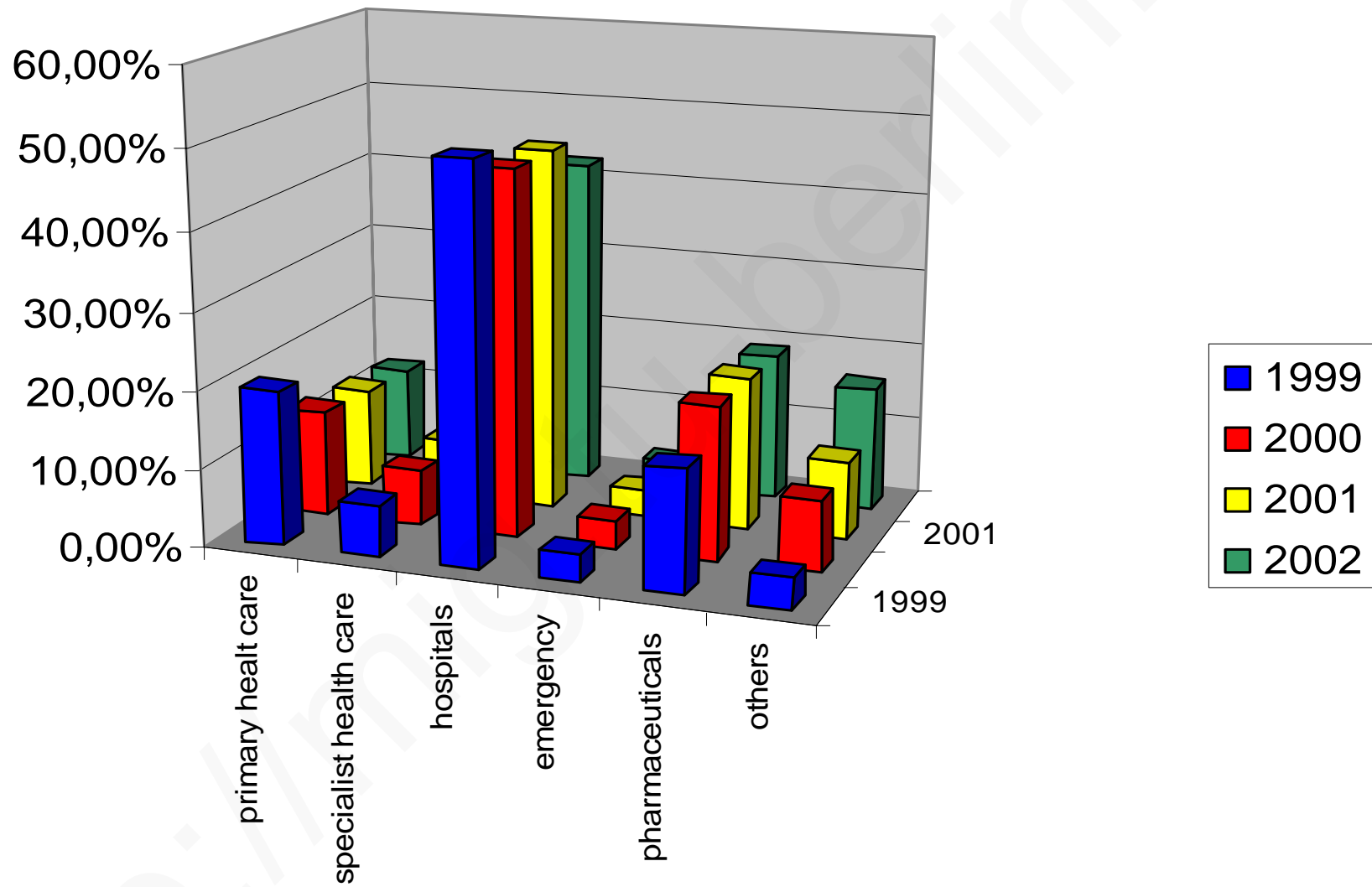
GDP per capita, intl \$

Expenditures on health care (PPP\$) on one citizen and life expectancy in European Union member states and in Poland - 1999 r., (Belgium - 1996 r., Sweden - 1998 r.)



Source: B.Wojtyniak, PZH 2000

Changes in health care costs



Source: P. Gorynski, B. Wojtyniak, PZH 2004

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Key question: Why were 17 Sickness Funds merged in one National Health Fund in 2002 ?

- Public dissatisfaction after introducing sickness funds
- Political agenda
- Centralization of health system
- „Strengthening” control functions of Minister of Health on health politics and financing
- Opportunity to introduce new people to the Health Fund management

Key issues

- Levels of public funding for health care have not kept pace with GDP growth, falling slightly as a proportion of GDP since 1995
- Private expenditures account for 30 - 40% of total expenditures on health care
- Majority of private spending goes on drugs and medical devices, which are only partially covered by the NHF benefits package
- Informal payments are widespread

Current developments

- Preparation of reliable and consistent policies for future
- National Health Programme (improving health)
- Improvement of market mechanism and information systems in order to make better use of resources
- Create special benefit packages for elderly people, screening, rehabilitation, and social care
- Contracting of services to be based on evidence-based medicine and cost-effectiveness
- Strengthening of pharmaceutical policies
- Raise of legal revenue from out-of-pocket payments and from supplementary insurances, such as those provided by mutual societies or a long-term care insurance, are discussed