EHFG 2011: LEARNING FROM EAST'S REFORM ROLLERCOASTER RIDE

Hungary's Care Coordination Pilot, introduced in 1999, and abolished during a political debacle in 2008, is a vivid example of the complexity of reforming health services, especially their finances, experts reported at the European Health Forum Gastein, discussing lessons that Western Europe could learn from health care reforms in the East. One inconvenient truth revealed by the Hungarian project: early identification, and care of, patients with chronic diseases does not necessarily generate savings in the short term, but certainly improves population health and this is what should drive a reform design.

Bad Hofgastein, October 5, 2011 – The political transition that followed the fall of the iron curtain also had tremendous implications for health systems in countries in Central and Eastern Europe. As the whole of Europe is currently facing the consequences of a severe financial crisis and the effects of a global economic downturn, other countries may benefit from the experience and the lessons learnt in the former transition countries to adapt health systems to a new political and economic context, experts said today at the European Health Forum Gastein (EHFG).

Dr Tamás Evetovits, Acting Head of the World Health Organisation Barcelona Office for Health Systems Strengthening, speaking at an EHFG workshop organized by the Russian Academy of Science and the European Observatory on Health Systems and Policies, described in detail the fate of an ambitious attempt to reform the Hungarian health system.

Hungary's economic transition in the early 1990s preserved the single payer model. Despite part-privatisation post-1989, of pharmacies and some specialist outpatient care, the vast majority of secondary and all tertiary care providers are still publicly owned, mainly by local government. "But the system lacks the integrative approach needed for the treatment of chronic patients with multiple health problems", Dr Evetovits explained.

Most notably, there was evidence of inappropriate care, disparities in access to certain high cost interventions, parallel service provision, and treatments provided at unnecessarily high levels, while the medicalisation of social problems was (and remains) common. "It is not a rarity that patients are wandering around the system, before being correctly diagnosed and treated, and the interface between acute, chronic and social care is not working properly either."

The reforms foundered when the government in power (until 2010) planned to privatize the social health insurance system, and entrust the care coordination function to competing private health insurance companies. The Pilot programme had a different conceptual foundation whereas the providers themselves were responsible for the care coordination function. Despite the programme's documented successes, it became victim of the new ideas for reforming the Hungarian system. These ideas were massively rejected in 2007 after a

national referendum on co-payments in ambulatory and inpatient care, which reform preceded the planned privatization. One casualty was the health minister, another the Pilot programme, the essence of which was to provide financial incentives to health care providers to coordinate their activities in geographically defined areas, using the wealth of accumulated national health data.

Innovations in the piloted model, which has similarities to the US managed care system, and UK GP fundholding, included a care coordinator (which can be either a group of GPs and specialists or a hospital) but with financial control remaining centralised. Second, the budget-holding function was “virtual”: if actual spending was lower than the budget per capita, only the difference (i.e. the saving) was transferred to the care coordinator, which could then use the money, for instance to remunerate doctors, or improve working conditions.

Patients retained the right to choose providers freely (with certain limitations that applied to all), but payments to such providers were deducted from the care coordinator's virtual budget. This had the effect of limiting the incentive to save money by under-treatment. The National Health Insurance Fund Administration (NHIFA) database, not properly exploited before, provided a unique opportunity to make a proper analysis of the relative effectiveness of the Pilot, which was closed down “without proper scientific evaluation,” said Dr Evetovits.

One of the most important and problematic issues to be uncovered by the Pilot was that the early identification and proper care of patients with chronic diseases did not generate savings in the short term because cardiovascular patients, for instance, would go on to access high-cost interventions such as PCI. At the same time, patients who were not properly cared for, did not get access to these high cost services, either because they died, or were past the critical time period of the intervention.

The EHFG is the most important conference on health care policy in the EU. This year it attracted more than 600 decision-makers from 45 countries for discussions on the latest developments in health care policy.

EHFG Workshop 3 “Lessons from the East”. 5 October 2011

EHFG Press Office:
Dr. Birgit Kofler
B&K Medien- und Kommunikationsberatung
Ph. during the Congress: +43 6432 3393 239
Mobile: +43 676 636 89 30
Ph. Vienna office: +43 1 319 43 78
e-mail: kofler@bkkommunikation.com