

Impact of the economic crisis and proposals for reform of health systems in southern europe - Portugal

NOVA
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& Economics

Shaping
powerful
minds

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The Memorandum of Understanding

- Quarterly reviews – all have been cleared without major problems
- Portugal has a National Health Service and it was particularly targeted in the MoU
- Takes more than 50 measures, ranging from very detailed to “general purpose”; strict timetable to implementation
- Touched almost every area of intervention of the public sector in the funding and provision of health care

Topic	Status
User Charges	Done
Pharmaceutical market	Done
Prescription patterns	Mostly done
Management of NHS	Mostly delayed, moving slowly, need to move forward on hospital reorganization
Primary care	Delayed, slowly moving; high mark for agreement with medical unions
Human capital/health professionals	Changed to ongoing
Health public subsystem/civil servants	Uncertain about path, it will face resistance by civil servants and private providers of care
Tax system adjustments	Done
Public – private interface	Partially done, part under watch (price revisions every two years)

Area	Positive impacts	Negative impacts
Pharmaceuticals	Lower spending for both Government and patients	Network of pharmacies at risk?
User charges	More adequate use of emergency room services	Deterrence of usage? (unsatisfied needs)
Management of the NHS and prescription patterns	Efficiency gains; more adequate prescription pattern.	Increase in waiting times
Primary care	More access to GP (slow progress)	
Tax system adjustments	Lower Government spending	Higher out-of-pocket payments
Human resources	Better planning of training and deployment of human resources	
Public-private interface	Lower NHS spending in private services	Private sector may leave
Health subsystems	Unknown – a plan is not yet clear; reduction of subsidized double coverage: cost for beneficiaries, better for the system as a whole	

What's different due to austerity?

- Most measures were laid out in previous documents – 2006 (On the financial sustainability of the National Health Service)
- Austerity risk: cost saving becomes objective, not constraint
- Austerity + financial assistance program – provides pressure for action; credibility of changes; but some flexibility existed
- Austerity + foreign (EC) oversight \neq Austerity

Implications

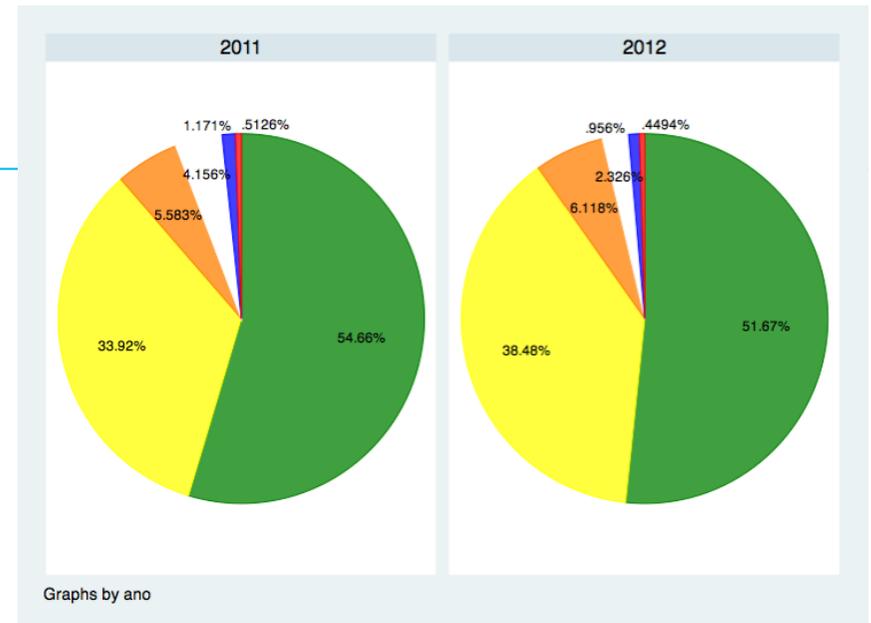
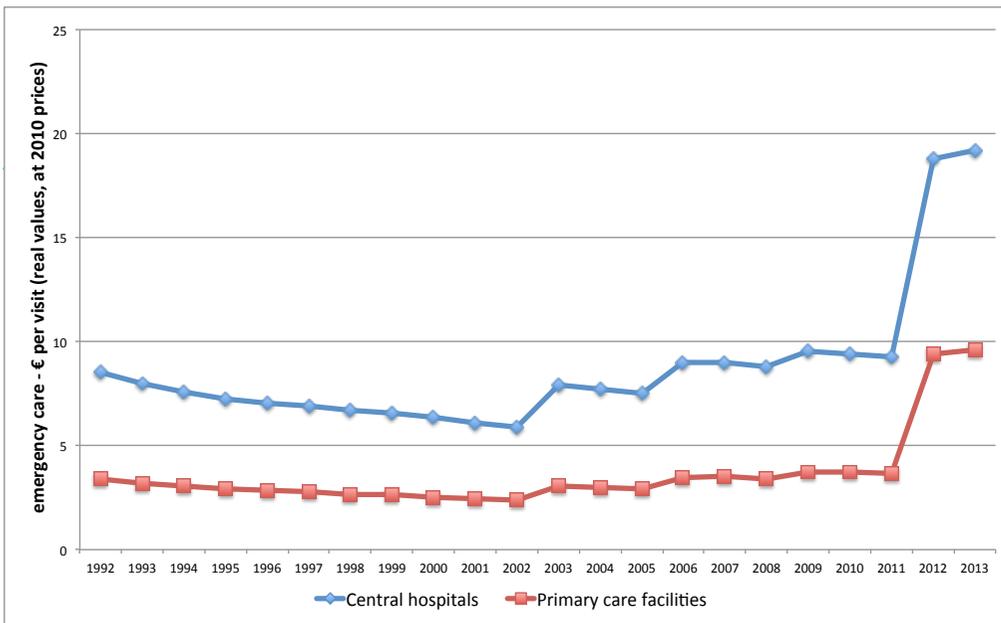
- Austerity & the NHS in Portugal – forced and made credible changes – role of external oversight probably larger than austerity per se
- What depends on laws – done
- What depends on managing people and changing organizations – delayed, changed during implementation (or window-dressing?)



DISCUSSION



USER CHARGES



(residents in Portugal) (census 2011=	2006	2012 (predicted)	2012 (7 Nov)	2013 (2 May)
Income related*	1 900 055	5 189 209	2 926 279	3 025 208
Pregnant women & children < 13	1 501 210	925 961	1 411 086	1 400 620
Significant incapacity to work	3 861	81 711	97 313	122 184
Firemen	34 225	59 387	25 844	25 678
Blood, tissue and organ donors	160 606	74 692	121 120	117 179
Other		50 000	5 934	7 027
Specific medical conditions	572 019	890 120	890 120	890 120
TOTAL	4 196 737	7 271 080	5 477 696	5 588 016

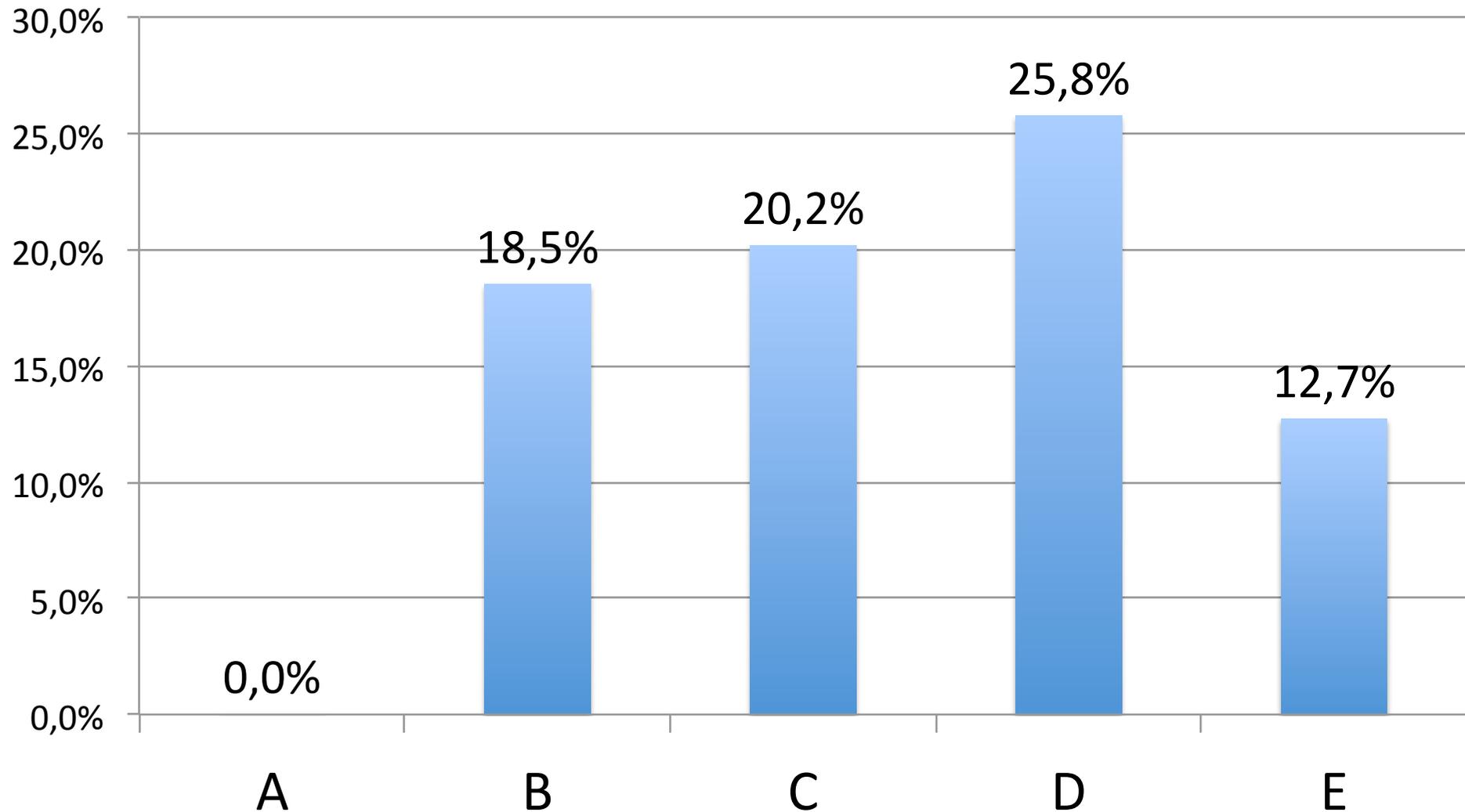
- Survey April 2013
- 1254 individuals, representing 8,5 million (age: 15+)
- 44% felt sick (3,7 million)
- Of which:
 - 13% did not look for help in the health system (481,000 people)
 - From these, 48,000 mentioned user charges as the reason to not look for health care (about 1,2%)
 - But those that looked for care and even those that were not sick in 2012 report skipping care due to user charges (the question was not specific to 2012)

- For those that did not look help in the system, how many have a reason related to financial constraints? 30,51%
- These 30,51% of that were seek and did not look for help due to financial motives are 1,72% of the total population

All answers / survey to all in general, not the latest path

	GfK 2013	OPSS 2013	Survey 2012	VC- AS 2009
Did not buy all pharmaceuticals due to financial constraints	15%	13%	13%	25%
Did not go to health care facility (emergency room or primary care) due to financial constraints /(those said had sickness)	9% / 12%			
Change to generic pharma /(those said had sickness)	31% / 41%	69%		
Did not go to health care facility due to transport costs /(those said had sickness)	5% / 6%			
Did not go to health care facility to not lose a day's wage	6%			
Cumulative (pharma + financial + transport + miss wage) /(those said had sickness)	19% / 26%	30%		

Financial constraints | being sick

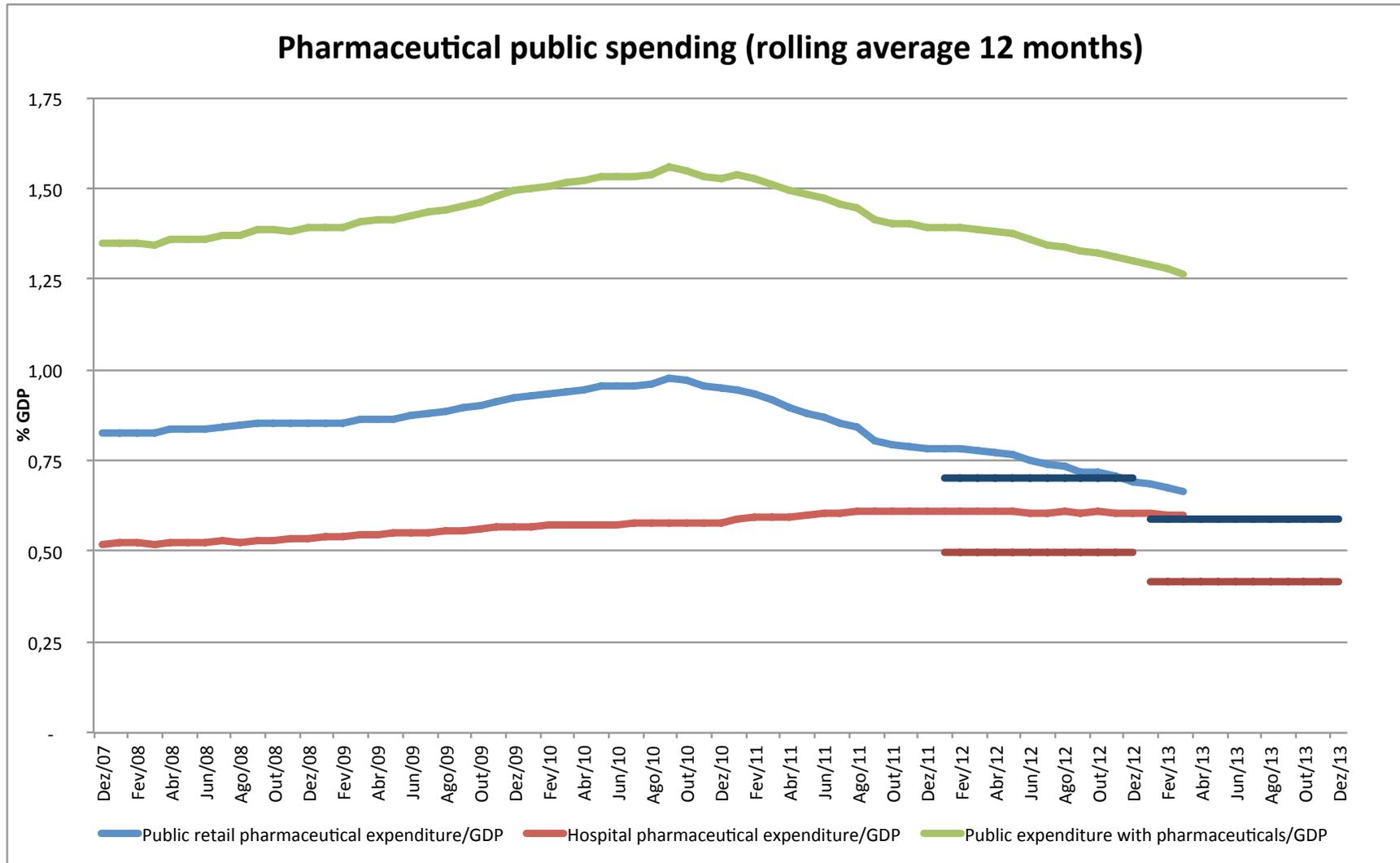


isento2011	isento2012		Total
	0	1	
0	4,974,508	519,899	5,494,407
1	341,911	2,686,689	3,028,600
Total	5,316,419	3,206,588	8,523,007



PHARMACEUTICALS

Example: payback agreement with industry will meet targets, but no change in dynamics

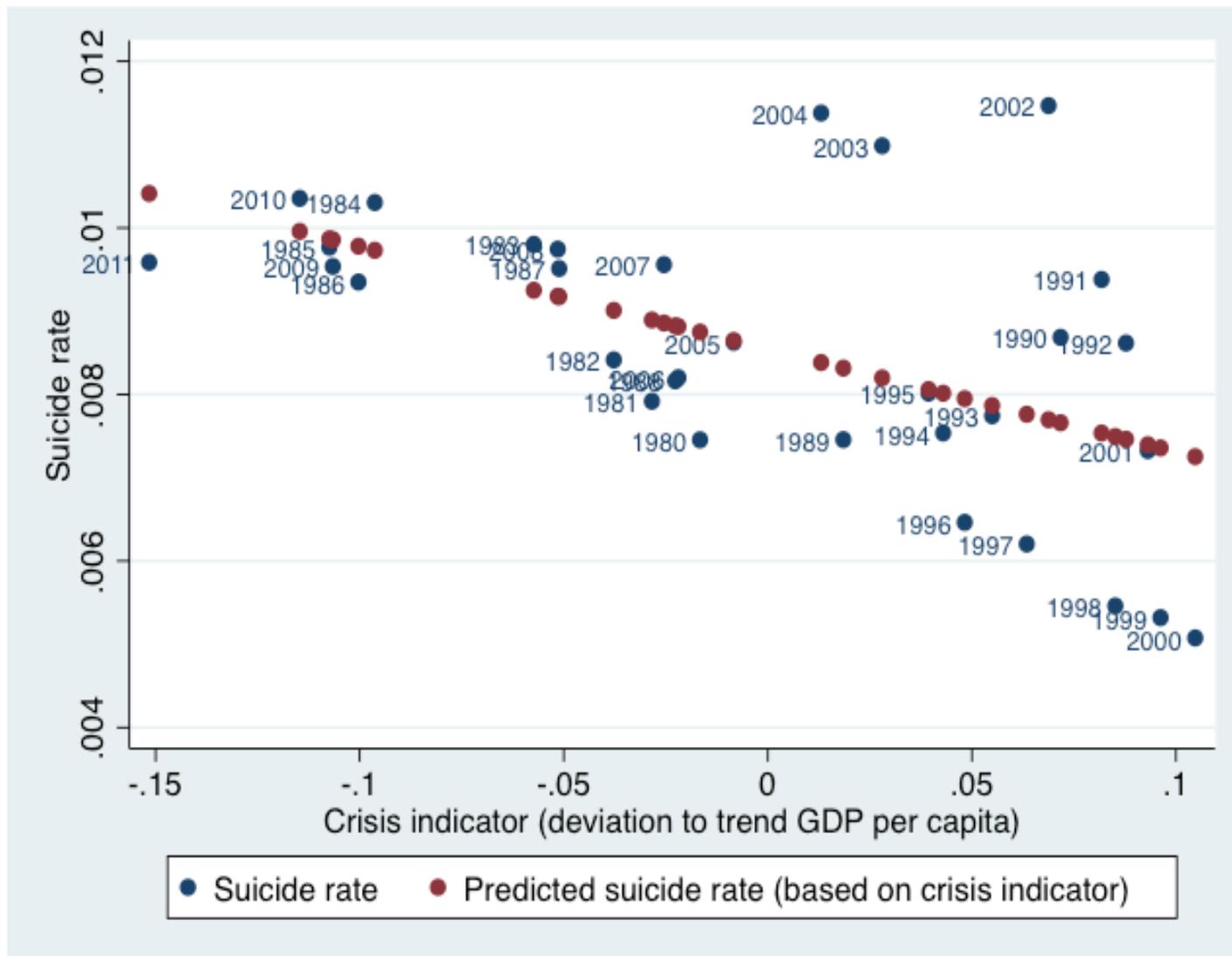


EFFECTS OF HEALTH AND HEALTH CARE USE

Effects on health and health care use

- Hospital activities: cuts in budgets and wage cuts have been met with **resilience** of health care professionals
- Decrease in emergency room use, but also in primary care
- Slight increase in waiting lists and waiting times: 3,10 m (1st 2010) – 3,13 m (1st 2011) – 3,30 (1st 2012) – current? but overall activity increased – demand grows faster
- Slight increase in suicides, but below what could be expected during economic crisis

On suicide rates





SURVEY CLASSES

		OCUPAÇÃO											
		1	2	3	4	5+6	7+8	9	10+ 15+ 16	11	12	13	14
INSTRUÇÃO	Analfabeto	C			D					E			
	Instrução Primária Incompleta	C			D					E			
	Instrução Primária Completa	C			D					E			
	6º Ano (2º Antigo)	A			D					E			
	9º Ano (5º Antigo)	A			D					E			
	11º/12º Ano (7º Antigo)	A			D					E			
	Curso Médio / Politécnico	A			B					E			
	Universitário	A			B					E			

- 01)** Patrão/proprietário (empresa/loja/exploração com 6 ou mais trabalhadores)
- 02)** Quadros superiores (Administrador, Presidente, Director, Gerente - responsável por 6 ou mais trabalhadores)
- 03)** Quadros superiores (Administrador, Presidente, Director, Gerente - responsável por 5 ou menos trabalhadores)
- 04)** Profissões liberais e similares (Médicos, Advogados, Arquitectos, Engenheiros, Contabilistas, Economistas, Artistas, Fotógrafos, Decoradores, etc.)
- 05)** Quadros médios (Chefe de secção, Chefe de serviços - responsável por 6 ou mais trabalhadores)
- 06)** Patrão/proprietário (empresa/loja/exploração com 5 ou menos trabalhadores)
- 07)** Profissões técnicas, científicas e artísticas por conta de outrém (Perfil semelhante a 04, mas trabalhando por conta de outrém)
- 08)** Quadros médios (Chefe de secção, Chefe de serviços - responsável por 5 ou menos trabalhadores)
- 09)** Empregados de escritório
- 10)** Reformados
- 11)** Empregados trabalhando sem ser em escritórios (Lojistas, Vendedores, Polícias, etc.)
- 12)** Trabalhadores manuais e similares por conta própria (Canalizadores, Carpinteiros, Sapateiros, Pintores, etc.)
- 13)** Desempregados
- 14)** Trabalhadores manuais (Operários, Trabalhadores agrícolas, etc.)
- 15)** Domésticas
- 16)** Estudantes