A Promising Health Care Reform in Greece: The Emphasis is on Hospitals

Zoe Boutsioli, Athens Institute for Education and Research, Greece

ABSTRACT

The Greek Ministry of Health has decided to reform hospital services, due to high cost and low services offered and a part of health care expenditures is wasted. The Minister of Health, Mr. Andreas Loverdos has enacted a law for the Greek health care system which include 3 major health reforms: the co-management of hospital units, taking either the type of 'shared Manager' or 'shared Board of Directors,' the transformation of some general hospitals/health centers or specialized hospitals that present low effective/efficiency rates into either primary health care units or day clinics for specific health care problems, and the merging of similar departments/clinics and/or laboratories either in a hospital or among two or more hospitals that are in the neighborhood. From these reforms, it is estimated that more than 150 million Euro will be saved from these reforms during the 4-year period 2012-2015.

Keywords: Greek Ministry of Health and Social Solidarity (MoH), Greek National Health System, Health Reform, Hospital, Hospital Efficiency, Merger

1. INTRODUCTION

The Greek Ministry of Health and Social Solidarity (MoH) has decided to reform hospital services. They spend the largest part of total health care expenditure, i.e., 60% but in a recent study it was found that the majority of the Greeks point very low the patient safety and quality of health care provided (European Commission, 2010). These reforms have been decided and planned under the huge fiscal problems face the Greek economy, over the last two years. There have been recorded significant deficits in public hospitals caused mainly due to drugs and supplies over-costing. According to the Hellenic Association of Pharmaceutical Companies (SFEE), the total debt of public hospitals to their members equals to over 1,2 billion Euros over the last 1 and ½ years (SFEE, 2011). The main initial root of all ‘ills’ in hospital accounting system is the absence of any computerization program.

With the 2011 hospital reforms (MoH, 2011) proposed by the Ministry of Health and legislated by the Greek Parliament, the Greek Government attempts to minimize the waste of money in hospital and health care services, generally. It is estimated that more than 150 million Euro will be saved from these hospital reforms during the 4-year period 2012-2015.

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This paper presents the major health care reforms, emphasizing on hospital sector. The context of the law was based on scientific proposals of Professor of Health Economics at the University of Athens, Dr. Lykourgos Liaropoulos. The assessment of hospital units was based on different data sources, such as data collected from the MoH (2010), National Statistics Service (last years), ESY.net (2011), YPEs, Universities etc. The present study has 4 sections, including this introduction. Section 2 provides the existing situation in terms of hospitals units. Section 3 describes in details the main changes for hospital services. Section 4 concludes this paper.

2. THE EXISTING SITUATION

Nowadays, the Greek National Health System (NHS) has 131 hospitals which all are Legal Entities of Public Law (NPDD). Additionally, it includes 2 hospitals that operate as Legal Entities of Private Law (NPID). Up until recently, the 5 hospitals of IKA (Health Insurance Fund of Private Employees) were added in the Greek NHS. They are all superintended by the 7 Health Administrative Bodies (YPEs). Based on hospitals’ Organizations, the total number of hospital beds amounts to 46,000 beds, from which about 35,000 are developed. In 2010, the occupancy rate is approximately estimated to 70% and the average length of stay (ALOS) is almost 4 days. In 131 public hospitals there are about 2,000 medical departments and units. On average, each department/unit has 17-18 beds, which is significantly lower than the projected number of 25 beds per department/unit. However, there are noticed important differences among YPEs. For example, in 1st YPE, including the city of Athens and in 4th YPE, including the city of Thessaloniki the average number of beds per department/unit is more than 20 beds, while in the rest YPEs the same number is less than 20 beds.

The without beginning land-planning of hospital services over the last decades has created a number of problems:

- Great variations in terms of hospital beds. On one hand, there are very great hospitals, i.e., with over 1,000 beds and on the other hand, there are very small hospitals, i.e., with less than 60 beds. An average hospital has about 300 beds.
- Almost similar Board of Directors and Managers lead completely different, in terms of size and responsibilities hospital units.
- The number of medical departments/units has more than doubled, from almost 1,000 to 2,000. In the parallel time, the number of total hospital beds has increased, but this increase does not justify the large number of medical departments/units. This has resulted to a fragmentation of hospital beds into many departments/units.
- Many small hospitals-health centers or specialized hospitals do not operate as indicated since very closely operate other hospitals that over-cover the services provided by the formers. Such situations lead to disdain of hospitals, as buildings, personnel, technology etc.

The proposals were based on the principles of equality, efficiency and effectiveness. In particular, with the proposed health reforms the MoH attempts to enhance the equal access for all in high quality health care services, to promote the effective distribution of health care inputs and to reduce the existing health inequalities in all levels, and to improve the health care units’ utilization resulting in better health outcomes. Alexopoulos and Geitona (2009) have found significant health inequalities in Greece, with 20.8% of men and 37.2% of women have reported poor health status.

3. THE HEALTH CARE/ HOSPITALS REFORMS

The MoH is directed to 3 different health reforms. These include: