



# HEALTHCARE IN SLOVAKIA

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# Healthcare overview

- Compulsory, state-funded healthcare
  - Private healthcare is available, but is rarely used
  - 5 health insurance companies
    - 2 major companies are state-owned
  - Supervised by Ministry of Health and Office for the Supervision of Health Care
  - Health care establishments + health insurance
    - Known as “solidarity package”

# State system of health insurance

- Insurance is mandatory for everyone with an income
  - Exemptions: retirees, people on sick leave, maternity leave or disability, unemployed
  - State pays contributions instead of people in these groups
- Employees pay 4% of their income into insurance fund; employers pay 10%
- Dependant family members are not covered

# What does the state insurance fund cover?

- Most medical services
  - Treatment by specialists
  - Hospitalization
  - Prescriptions
  - Pregnancy/childbirth
- Almost all of these services are free
  - Some services are subsidized and patient must pay part of the cost (a co-pay)
    - Some prescription drugs
    - Some dental services
    - Cosmetic surgery

# Costs of medicine

- Three categories
  - Essential drugs – fully subsidized
  - Partially subsidized
  - Not subsidized
- Prescriptions for people with chronic illnesses or conditions or people from vulnerable groups (pregnant women, elderly people) are always free
- Non-prescription drugs are often more expensive than prescription drugs

# Doctors

- Three categories of doctors
  - General Practitioner (GP) for adults
  - General Practitioner (GP) for children
  - Obstetrician
  - Also specialists: higher level doctors that are used for consultations
- Almost all doctors' practices are private, although facilities and equipment are usually rented from the state and have contracts with the state insurance companies
  - Always some level of state control
- Patient has choice of any GP
  - Can change GP after 6 months

# Hospitals

- 44 hospitals
  - Regionally managed and funded
  - Every major city or town has a hospital
- Chronically under-funded
  - Some hospitals are unable to afford certain drugs, medical equipment and technology
  - Often a waiting list for non-emergency treatments, surgeries, and services
- Emergency care is free for everyone

# Private care

- Most doctors are private, although they operate within the state system and as tenants in public facilities
- Private health care is an option for all citizens
  - Very few people use it
  - Can be a complement to the state insurance
  - Covers non-essential services
  - Can provide access to faster, better quality care

# Dental Clinics

- Mostly private
- Dentists are paid on a fee-for-service basis
- Some services are partially subsidized by state health insurance
  - Routine visits, cleanings, check-ups
- Other treatments must be paid for by the patient
  - Crowns, bridges, etc.

# Major problems

- Hospitals are under-funded and in debt
  - Lack of equipment, technology
- Lengthy waiting lists for services
  - All services are free (or affordable), and more people want to utilize them
- Quality of service suffers from under-funding

# Issues in the Slovak Healthcare System

- Inherited problems
- Inefficient allocation of resources
- Quality of healthcare professionals
- Inappropriate focus
  - Treatment over prevention

# Inherited problems from the Communist era

- Medical services are undervalued
- System is excessively regulated
- State ownership
  - Rent-seeking, corrupt behaviors
- Informal payments are common
  - Used when system does not function properly
  - Example: Jana needs a non-essential surgery, but the waiting list is long and she will have to wait 6 months. If she pays the doctor an informal payment (a bribe), she can get an appointment sooner.
  - A major problem with informal payments is that they get around the malfunctioning system without fixing it.

# Inefficient allocation of resources

- Slovakia's efficiency rate is 61%
  - This means that for every dollar spent, 39 cents are wasted.
- Wasted costs
  - High fixed costs
  - Overstaffing

# Misallocation of funds

- Privatization proceeds (1990s)
  - Should have been used to transform and modernize the healthcare sector
  - Instead, used to reduce debt
    - Short-term solution, but debt accrued again
  - Consequence: healthcare sector is still lagging behind in technology, equipment, and facilities.

# Quality and training of healthcare professionals

- Doctors are often underpaid
  - Many qualified healthcare professionals emigrate to surrounding European countries (often Austria or Germany) where they are paid substantially more for their services.
- Doctors have different levels of qualifications and experience
  - Many lack management skills
  - Financial business planning and other crucial management fields are often neglected
    - Result: Clinics and hospitals are often poorly managed

# Treatment vs. Prevention

- Focus of healthcare is treating ill patients
- Few efforts to promote healthy lifestyle and disease prevention
  - Poor eating habits, excessive drinking and smoking
- Some observers believe that a guarantee of health care without promoting healthy living can lead to a disregard for the responsibility of one's health.

# Reform Efforts

- The healthcare sector has seen slow reforms since 1990.
- Main focuses:
  - Fiscal decentralization
  - Improved financial management
  - Improved quality of care

# Commercialization of the healthcare sector

- Introduction of market elements
- Allowing for profit-making elements in health insurance and healthcare provision
- Payments for healthcare related expenses
  - Administrative fees
  - Meals, hospital accommodation
- Competition among health insurance providers
  - Competition encourages minimal costs, high quality service

# Quality of care

- Increased accountability
  - Special unit created at the Ministry of Health for patients' complaints
  - Reports of mistreatment immediately investigated by the Ministry
    - Suspension of doctors
    - Closed facilities, hospitals
- Introduction of medical standards for all types and levels of healthcare

# Major obstacle to reform

- Unrealistic expectations of the public
  - Patients are used to free health care
  - Mandatory health insurance contributions and minimum health care coverage must be equalized
  - Government cannot meet expectations of the public without also meeting standards of affordable care