



МЕЖДУНАРОДЕН ИНСТИТУТ
ПО ЗДРАВЕОПАЗВАНЕ И
ЗДРАВНО ОСИГУРЯВАНЕ

The Future of the Bulgarian Healthcare

*Five years perspective – the
alternative view*

D-r Stefan Sirakov

D-r Ilko Semerjiev



The functions for protection and rehabilitation of the individual and public health are realized through **medical and non-medical activities**



Healthcare functions in medical aspect:

- **Preventive** – directed towards strengthening of health and prevention of diseases. It has a public character, its effect is indivisible – **PUBLIC HEALTH.**
- **Curative** – directed towards recuperation of the individual health. Its effect is divisible - **CURATIVE HEALTHCARE.**



State sector

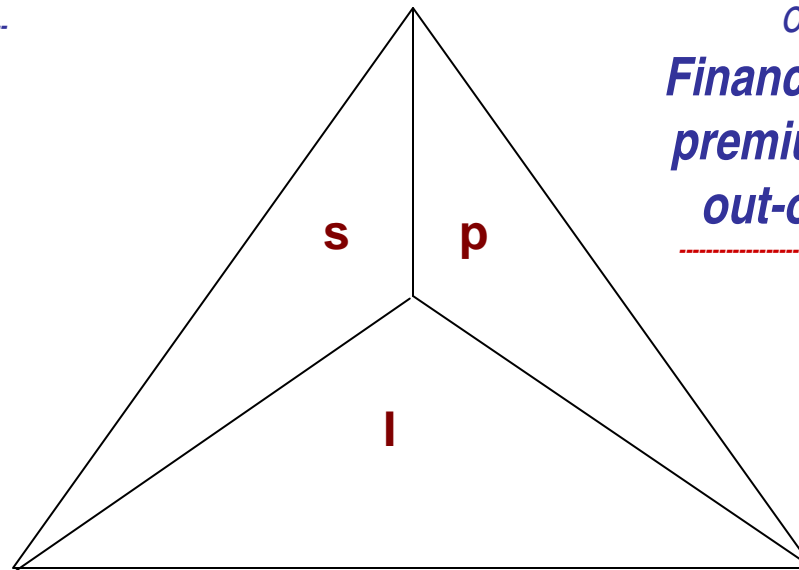
Financed from taxes

- Medical education;
- Emergency healthcare;
- Hematology – transfusion healthcare;
- Health authorities;
- Scientific research;
- State sanitary control;
- Management of statistics;
- International and inter sector cooperation

Entirely private sector

(private health insurance and out of pocket payment)

Financed though insurance premiums and consumers out-of-pocket payments



Insurance sector

Public NHIF

- Basic benefit package without extra services
- Financed though MANDATORY premiums

Corporate

Voluntary Health Insurance Funds

- Basic benefit package
- Extra services
- Financed by voluntary premiums



The Health reform in the curative healthcare is dealing mostly with:

- The Healthcare network
 - The financing of the healthcare system
- The quality and effectiveness of the medical services delivered



The steps of the Healthcare reform:

<p><u>“Semashko”</u></p> <p>Public healthcare medical establishments</p> <ul style="list-style-type: none"> -state -municipal 	<p><u>“Public-private mix”</u></p> <p>Transforming</p> <ul style="list-style-type: none"> -JSCo. -S.A. 	<p>Management contracts</p> <p>Negotiating culture</p>	<p>Free choice</p> <ul style="list-style-type: none"> -Primary healthcare -Specialized outpatient care -Hospital care – partially or fully 	<p>Privatization of the medical establishments</p> <ul style="list-style-type: none"> –registered under the Trade law 	<p>Competition</p> <ul style="list-style-type: none"> GP – GP Specialist – Specialist Hospital- Hospital
<p>1.</p>	<p>2.</p>	<p>3.</p>	<p>4.</p>	<p>5.</p>	<p>6.</p>
<p>Financed by taxes</p> <ul style="list-style-type: none"> -Regional hospitals -Municipal hospitals 	<p>Mixed financing</p> <ul style="list-style-type: none"> -NHIF -State budget -private payments 	<p>NFC</p> <ul style="list-style-type: none"> Individual contracts Other contracts 	<p>Voluntary HI and mandatory HI</p> <ul style="list-style-type: none"> Complementary - Substitutive 	<p>Demonopolization</p> <ul style="list-style-type: none"> NHIF BMU BDU 	<p>Privatization</p> <ul style="list-style-type: none"> NHIF Voluntary HI Funds



Expected effects for the healthcare network and for the financing system

- Free choice
- Competition
- Quality
- Public procurement
- Cost containment
- Market pricing
- Integration of the healthcare services in health plans
- Efficiency and effectiveness
- Improvement of health indicators
- Patient is in the center of the attention



Transition from “informed consent” to “informed choice”



21 steps towards change:

1. Transfer of the budget for hospitals from MoH to the NHIF – implemented since Jan, 2006 but for the account of the reserve of NHIF.
2. Removing the NFC (moving to free pricing and negotiating) and putting stress on the individual contracts with the medical establishments.
3. Privatization of the medical establishments, registered as a commercial entities.
4. Voluntary membership in the Bulgarian Medical Union. Stimulating of the different medical associations – demonopolization of the professional organizations.
5. Demonopolization of the mandatory health insurance.
6. Equal status of NHIF and Voluntary HI Funds



21 steps towards change:

7. Free choice of the insured under the mandatory health insurance between the NHIF and the 12 VHI companies. Free choice of the citizens of a VHI fund.
8. National Revenue Agency transfers the mandatory premiums to the fund, freely chosen by the citizens – introducing competition among the financing institutions.
9. The State defines basic benefit package within the mandatory premium (decreasing of the scope of solidarity).
10. The Health insurance funds offer their packages, including the mandatory basic benefit package.
11. The medical establishments, alone or in consortium, offer their prices for providing the packages, incl. other conditions as – time limits, quality, waiting lists, working schedules, etc.



21 steps towards change:

12. Free negotiating of the interests of the participants on the health market.
13. Free choice of insurance fund and medical establishment – competition at each level
14. ISO certification for comparable quality.
15. Introducing the health information standards for exchange of information - HL 7.
16. Stimulating the private investments in the healthcare sector through tax and administrative alleviations.
17. Ministry of labor and social policy – supporting the vulnerable groups of the population: poor, unemployed, etc.



21 steps towards change:

18. State control and supervision, provided by a Law:

- in medical aspect -MoH– over the medical establishments;
- in financial aspect – CFS – over the HIF.

19. The driving force of the development – the private interest of the citizens and of the participants in the financing and delivery of healthcare services.

20. Mechanism, balancing the interests –bilateral and multilateral contracts

21. Regulatory mechanism – free choice of the people to insure themselves in specific health fund and the patients– for treatment by specific physician and medical establishment.

Time limit: Five years perspective for realization of the steps.

Key transformation: Transfer from a system based on *informed consent* of the patient to a system, based on the *informed choice* of the customer.