SESSION 5: HEALTH CARE REFORMS IN CEE COUNTRIES

PROJECT PRESENTATION:

"20 YEARS OF TRANSITION: EXPERIENCE AND CHALLENGES IN HEALTH FINANCING IN LITHUANIA"

Presented by:

Liubove MURAUSKIENE

Public Enterprise "MTVC"
Antakalnio str. 22B,
LT-10305 Vilnius, Lithuania
E-mail: murauskiene@mtvc.lt

ABSTRACT:

In 1995-2008, the share of GDP spent on health care in Lithuanian was around 6% while private expenditure constituted about 38% of the total health care budget. Similarly to the previous years, out-of-pocket payments presented the major part of private expenditure (529 million EUR in 2009). Since 2004, the nominal value of the total health care expenditure has increased almost twice (up to 2 billion EUR) while its value in contrast to the 2004 prices has decreased by 10%. Considering the expenditure in 2004-2009 related to public health care, its share decreased from 65% to 55% alongside with the increasing fraction of cash benefits. The growth of public health expenditure since 1993 is almost 11 folds. However, the value of the public health expenditure in 2009 against the 1993 prices is only 18% more than that in 1993.

The Statutory Health Insurance Fund (SHIF) has become the major source of public care funding since the social health insurance scheme had been introduced in 1997. The fund is not consolidated with but strongly linked to the state budget. Currently, the scheme is similar to a taxed-based state system with obligatory inclusion, no-opting-out and contribution ceiling, managerial subordination to the MoH, single fund (central and five territorial branches) and permanently increasing responsibilities in financing (both regarding the services and targeted programmes). Recently, the state transfers to the SHIF have increased significantly though the contribution for those insured by the state (about 2 million people) is three times less than that of an average contribution of an employed person.

Legislation "boom" of nineties led to expanding regulations. Regulatory (through by-laws) and funding (through volume contracting, payments based on reference prices and point values) functions are highly employed in contrary to expert and ownership/governance potentials. Wages of medical professionals and the health care services restructuring are on the reforms agenda. Comprehension of the substantial experience in financing reforms over last 20 years could be valuable. Paying attention to the patterns of power-driven and bureaucratic decision-making as well as to reliability of data used for the judgments is among current challenges in health care financing.

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