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### **Weekly Briefing**

# Romania Social briefing: The gaps of the healthcare system in Romania Oana Cristina Popovici















#### New evolutions that emphasize the gaps of the healthcare system

There are three major events that hit the healthcare system in Romania in the last two weeks: the failure to host the European Medicines Agency in Bucharest, the protest of family doctors related to the conditions in which they work and the warning from the European Commission to reduce the number of informal payments.

The focus on the medical system in Romania at both national and international level came after the fire at the Bucharest nightclub Colectiv, in October 2015, due to its failure in managing the treatment of the over 155 injured people. The investigations of the media in the following period revealed the shortages in providing a proper medical treatment for covering the needs of the patients, the heavy bureaucratic procedures that could endanger the patients' life and the gaps in the proper functioning of the healthcare system. The problems identified at that moment seems to remain unresolved, as the last period developments related to the healthcare system reveal.

### a) The failure to hosting the European Medicines Agency in Bucharest

Bucharest was one of the 19 cities in the European Union that run for hosting of the European Medicines Agency (EMA). The reorganization of European agencies located in United Kingdom is determined by the Brexit – the UK decision to leave the EU in 2019. In this context, all European institutions are transferred into another EU Member State.

The headquarter of EMA - the regulatory body for the single market for medicines – will be Amsterdam, as decided at the beginning of this week, but Bucharest was considered one of the best candidates in Eastern Europe for hosting EMA. Bucharest scored high at the accessibility criteria and the quality of the educational system in medicine. In addition, the geographical positioning

could favour such a location. Moreover, Romania is among the few countries where no European Agency is located. Hosting EMA represented an important stake for all participant countries due to its almost 900 employees who would relocate with their families and the potential related businesses in the pharmaceutical industry that would be enhanced. The Agency used to attract 36,000 specialists in this area in conferences in London each year. That could also stimulate the tourism and the development of upstream and downstream businesses.

However, Bucharest missed entering the final round of the competition for hosting EMA, being ranked the fifth. Besides the technical application that could have been improved by a stronger emphasize of Romania's competitive advantages, several shortages hampered Bucharest access in the winners' league. This draws a signal alarm for the public policy-makers on the quality of the healthcare system, therefore especially on the conditions of social development.

Bucharest assessment was carried out from several points of view as regards the social conditions for the potential future employees of the Agency, and received a negative evaluation for the access on the labour market and to the social and medical services for the families of the EMA employees. Moreover, Bucharest was considered one of the most unattractive cities in the view of the EMA employees. They even threatened a mass resignation in case that EMA would locate in Bucharest, Sofia or Warsaw.

The presence of EMA in Romania would have represented an opportunity for bringing together specialists in this area, for giving a new chance to the future of Romania's medical system and for retaining the healthcare personnel that is massively living the country. Romania is known throughout Europe for its export of well-prepared doctors and nurses, in search for better salaries and conditions in hospitals, endowed with sound education. According to the European Commission data<sup>1</sup>, Romania is the third country in the EU with the highest number of persons who obtain professional qualifications here and

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<sup>&</sup>lt;sup>1</sup> http://ec.europa.eu/growth/tools-databases/regprof/index.cfm

decided to migrate in other EU Member State. 9% of all migrating professionals during 2007 to 2016 in EU come from Romania, the first two countries being Germany and Poland. Doctors of medicine and nurses are the most mobile professions in both EU and Romania. Over 14% of the total number of nurses and 10.2% of doctors who received decisions on recognition of professional qualifications in order to permanently establish in another EU Member States came from Romania.

#### b) The protest of family doctors

Recently, on November 15th, a protest of the family doctors against underfunding of primary care took place in front of the Government building. The doctors warn that the system will collapse and leave millions of patients without the medical care they are entitled to as tax payers. There are two main reasons for the discontent of family doctors: the first one is the lack of time for caring their patients due to the bureaucratic procedures they must follow if they want to receive funding for their activity and to be paid for the operations settled within the national health insurance institution. In this way, family doctors are entirely responsible for carrying out both the medical act and the bureaucratic procedures. The second one is the lack of necessary resources for ensuring the treatment of the patients. For example, in July 2017, Romania faced a crisis of baby vaccines. The Prime Minister Mihai Tudose recognises and agrees the deterioration of the family doctors' situation, pointing to the high bureaucracy of the medical system that transformed them into accountants. Interestingly, this situation seems to escalate after the introduction of a national health card together with an informational system in the whole country, meant to alleviate the bureaucratic burden. The informational system collapses and the mandatory procedures that must be followed are the main obstacles.

The funding problem is harder to be solved in the absence of a national strategy which must be followed conscientiously regardless the electoral cycles. Romania has the lowest level of health expenditure, of only 388 euro per

inhabitant, as compared to 504 euro in Bulgaria, 684 euro in Poland or 5,556 euro in Luxembourg, the highest level, according to Eurostat<sup>2</sup>.

## c) The recommendations of the European Commission for the Romanian healthcare system under the European Semester

In the area of social developments, Romania's Country Report revealed by the European Commission within the European Semester in November 2017 points to unsatisfactory results in health and education, in particular for the individuals that are the most affected by poverty and social exclusion.

The analysis on the healthcare sector reveals its main shortages: the lack of a strategy for the workforce, low funding and corruption. In addition, the bureaucracy in the healthcare system greatly hampers patients' access to medical services. The main problems identified in the country specific recommendations are the following:

- •Disparities in access to healthcare services depending on the regional level of development. Usually, poor rural areas are the main affected regions.
- •The lack of a sustainable funding on the long-term and inefficient spending at present.
- •The lack of specialized healthcare personnel, due to migration reasons, as explained above. In Romania, there are 236.3 physicians per 100 000 residents, as compared to the EU average of 349.6 physicians, according to the European Commission data.
- •Corruption in the healthcare system has many forms from informal payments to doctors and nurses to frauds in spending public money. This brakes the needed reforms in the system and makes available the medical services only to the rich ones, who have the possibility to contribute with money. Measures were taken on both sides: on one hand, a patient feedback mechanism was implemented for a quick reporting of the informal payments; on the other hands, wages were increased in this sector in order to round up the incomes of the

<sup>&</sup>lt;sup>2</sup> http://ec.europa.eu/eurostat/statistics-explained/index.php/Healthcare\_expenditure\_statistics

healthcare personnel and to refuse bribery. Still, the impact of this last measure risk to be limited due to the increases in the prices in the last period; therefore, the measures could be inefficient.

In addition, there is no national tracking plan of the patients that follows the throughout of a patient in the healthcare system since its first injury until its recovery. It is considered that such guides should exist for all medical specialties and, although they are mandatory in the 2014-2020 health strategy, yet there is no progress in this direction. That would offer the possibility for both the patients and the administrative institutions to know exactly what services can be offered in any geographical area and at what point in the care path. The patient fight for survival would be eased and cases where the patients are passed from one doctor to another would be overcame.

Although several measures for improving healthcare were implemented, the pace of the reform is too slow, mainly due to the lack of funding and of a comprehensive strategy for the workforce in healthcare and of a general development strategy on the long term.

In this context, one of the recommendation that is reiterated yearly by the European Commission is to curb the informal payments in the medical system. As compared to the 2016 country-specific recommendations, only limited progress in this area was made.