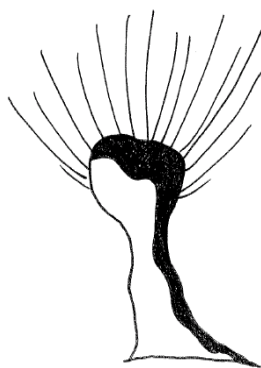


HEALTH FILE POLAND

*THE HEALTH
POLICY EXCHANGE*



JANUARY 2006

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Health Policy and Politics¹

Priority actions for the Minister of Health

The Minister of Health Zbigniew Religa indicated which are priority action issues. Some of these echo action themes previously identified by the Prime Minister as tasks for the Minister of Health in the Government Document *A Solidarity Based State*.

Emergency Medical Services: A law was passed in 2001, but never entered into force, because the effective date was successively delayed. Parts of the legislation are now no longer appropriate and the law requires amendment. Work on the issue has been accelerated following the disaster in Katowice at the end of the month. *Effective Jan 2007*

Network of public hospitals *Effective Jan 2007*

Health care constitution: This would define both the responsibilities of the different central and local authorities and the rights and responsibilities of patients. *Document by mid 2007*

Basket of guaranteed services: *Document by mid 2007*

Increasing surveillance over public spending in healthcare RUM (Register of Medical Services). *Principles mid 2006*

New forms of health insurance – voluntary/supplementary, voluntary commercial, obligatory long-term nursing care. *Principles end 2006*

Transformation of National Health Fund into independent public health insurance system. *Post 2008*

Improved functioning of public healthcare institutions – greater powers for provider owners and amendment of restructuring law enabling more assistance. *Current*

Rational and transparent drug policy

Current

- alignment with EU
- limitation on advertising and promotion
- maximum official prices on hospital products
- dispensing fee replacing retail pharmacy margin
- specialist use drugs list
- improvement in regulatory situation, President with decision powers *Document Mid 2006*
- Changes to reimbursement improved access to innovation: transparency, public information about changes on internet and formulary with recommendations Public consultation on *Document Feb 2006*
- Increased supervision over NFZ drug programmes implementation *Effective mid 2006*

Other

- National Health programme 2006-2015 law draft law *End Q1*
- National Alcohol prevention plan 2006-2010 draft ready Jan 2006
- National mother and child programme
- Youth and child dental care programme
- Fight against HCV

The existence of two different reform teams was a cause for media comment, with a suggesting of competition between the two. In addition to the Ministry of Health team, Zbigniew Religa established a team of health experts called “Polish Health”, at the Presidents request to work in

the Presidents Palace. These experts include Teresa Kaminska, Marek Twardowski (Zielonogorskie Accord), Tomasz Zdrojewski (chair), Andrzej Sosnierz and Jacek Piątkiewicz. Recently reduced in size to 7. Competition for MOH team. A similar duality exists with regard to work on reform of the Medical Emergency Services.

Ministry of Health Diary

A meeting on **Patient Safety** was held in the Ministry of Health on 4 January with representatives of the Centre for Monitoring of Quality, The Society for Promotion of Quality and Piotr Mierzewski representing the Council of Europe. During the meeting adverse events during medical care and their causes, risks associated with treatment and their prevention, medical damages and compensation were discussed. Minister Religa underlined the fundamental meaning of safety and need for change in attitude of health care employees to medical errors. Minister Piecha referred to the rising costs of hospital insurance. Participants stressed the importance of the role of analysis of medical errors in medical education. Minister Religa asked the participants to prepare the principles of cooperation between the Ministry and the organisations represented at the meeting

The **Social and Professional Council** met on 23 January 2006. The Council was established in 2001 by an Order of the Minister of Health to provide opinions for the Minister. Members of the Council are appointed by the Minister of Health and represent a number of organisations including: trades unions, employer organisations, professional self-regulating bodies and local authorities. The subject discussed during the meeting was corruption in health care, instruments to fight this, codes of practice and the civil society response. The transparency of waiting lists was also discussed.

During a meeting with the **Solidarity trades union** on 26 January the main themes were the medical emergency services law, the health care institution restructuring law and State Sanitary Inspection.

On 26 January during the 40 anniversary of first transplant performed in Poland, a kidney transplant the “**do not take your organs to heaven campaign**” was launched by the association of liver transplant patients “Life after transplantation”. The campaign will include broadcast media spots and billboards. The association also introduced the Brajan Chlebowski award named after the 6 year old who died saving his father in a fire and whose mother agreed to his organs being donated. There are 3 categories of recognition: health care professional, religious professional and journalist/voluntary worker. Two other organisations “Gift of Life” and “Heart Transplant” were also present

National Health Fund (NFZ)²

Leadership changes

Since the new government came to power there have been rumours that the President of the Fund Jerzy Miller will be dismissed. Andrzej Sosnierz the former head of the Silesian Regional Health Insurance Fund and current Member of Parliament elected from the Citizens Platform (PO) is the candidate most often mentioned. However, following suspension by his party for criticising their failure to cooperate with the Law and Justice Party (PiS) he transferred to PiS. Andrzej Sosnierz said that he had not received any official proposal. His appointment seems less likely as time passes. The nine members of Supervisory Council, which includes Trades Unions and Civil Rights Ombudsman representatives, and four members who are appointed by the government appoint the NFZ President. Two of these have already been replaced. Piotr Gryza former Head of the Insurance Supervisory Office (disbanded by the former government) replaced Janusz Zaleski as Chair of NFZ Council and Jacek Piatkiewicz former Deputy Minister of Health and currently advisor to President Lech Kaczynski has replaced Krzysztof Kuszewski. The two remaining government appointees are expected to be replaced soon.

NFZ contracts

The end of the year saw a repeat of the industrial action taken by primary care physicians two years ago. Doctors from the "Zielonogorskie Accord" which represents about 14 000 doctors did not sign contracts with the NFZ because of the low capitation fee of 5 PLN per patient per month. . They threatened to close their practices to patients unless this was increased to 6 PLN. Eleven million people would have felt the potential impact, which is equivalent to almost third of Polish patients. Elzbieta Radziszewski opposition Member of Parliament stated that if miners got money why should not doctors do so. A Crisis Team was established with Ludwik Dorn the Minister of Interior Affairs as Chair. He responded with a counter threat of prosecution and call-up for military service for a period of 3 months for doctors who did not sign contracts. A National Meeting of Medical Practitioners found this behaviour unacceptable and reminiscent of practices during the Stalinist period and passed a resolution calling for dismissal of the Minister because of this threat.

An Interior Ministry spokesman made light of this however, the Civil Rights Ombudsman said that this statement by the Minister of Interior Affairs bordered on an "unlawful threat". Arrangements were put in place with doctors on standby who would receive 18 PLN per capita payment for each out of contract patient seen. Finally, The Minister of Health announced that an additional 240 million PLN extra would be provided for family doctors allowing for an increase of 15 cents more per patient per month in capitation payments. The protest came to an end and the doctors concerned have entered into contracts with the NFZ. An NFZ spokesperson informed that these resources did not yet exist in the reserve or other earmarked funds. The Minister of Health believes that it will come from higher than planned economic growth. However, since that time a cost-cutting exercise by the NFZ is evident. The change in the basis of contracting for acute coronary syndromes is an example. Previously both the procedure and the attendant hospitalisation were paid for. From now on only the procedure itself will be paid for representing a loss to hospitals of 100-150 mln PLN/year.

Healthcare Funding

The health insurance contribution has increased by 0.25% to 8.75% from 1 January 2006. Only 7.75% of this is offset against tax. The subscription has been increasing by 0.25% over the last few years and there is provision for only one more increase next year to 9%. According to the Deputy Minister of Health Boleslaw Piecha further increases in the insurance subscriptions would be difficult because of the low social acceptance. In his opinion one way forward would be to introduce a lifestyle related discount.

The average contribution of the waged is 212.13 PLN per month. However participation of farmers in the health insurance system is funded from the state budget and is based on the official price of rye. The contribution for farmers is only 21 PLN per month and is set to fall because the price of rye is decreasing. In absolute terms total budget is 36 billion PLN of which 2.6 billion is for farmers. The rural community consists of 38.2% of the population according to data from the 2002 census.

The Minister of Finance blocked the introduction of regulations law, which provided for local authorities to subsidise funding of their own healthcare institutions. They can fund the purchase of equipment, preventive diagnosis but not of healthcare. The drain on public finances was given as the reason for this decision. It was also considered that it would be constitutionally unfair because patients living in richer areas would be better served.

In 2004 public sector health care resources 87.3% came from the NFZ, 9.1% state budget and the remainder from local authorities.

Services

Four to five years are needed to even out differences in pricing of health services between voivodships (provinces) according to Jerzy Miller President of the NFZ. The least difference is for PHC (5%), the most for hospital services (25%). This year the NFZ expects improved monitoring of the waiting lists. Hospital overprovision was reduced by 8% last year with further reduction expected this year.

During its sittings on 11 and 26 January The Parliamentary Health Committee deliberated on a report NFZ report for 2004 and a Ministry of Health report on access to services for the same year. One of the issues discussed was that of limited access to publicly funded health services. Improvement can be expected if there are more funds for health.

Formal waiting lists are a relatively new issue for Poland. Typical waiting times include hip replacement 1 year; angioplasty 2 years; corneal transplants 4 years; cataracts 2 years. Admission for treatment of Hepatitis B and C to the Warsaw Infectious Diseases hospitals is after 2008. A central waiting lists system was introduced in January 2005. Hospitals must forward information on times and number of patients. Patients can check via the internet to see where times are shortest. The system has been criticized as poorly constructed and inaccurate. People sign onto lists in several places and fail to inform the other institutions if they have the intervention elsewhere and therefore they cannot be eliminated from the waiting list. The use of the national ID numbers has been proposed. Not every hospital reports on its waiting lists. Two ordinances have been introduced one on medical criteria, which distinguishes between urgent and non-urgent status and the second stating permissible waiting times. The situation may be improved by basket of guaranteed services planned for end of 2007.

Hospitals and other healthcare facilities³

Hospital Restructuring

The number of hospitals and larger healthcare centres which applied for the restructuring and loan programme provided for by the Law on Public Assistance and Restructuring (July 2005) was 564 with only a minority of applications rejected. The total resources available for the project were 2.2 bln PLN (0.59 bln €) of which 1.7 bln (0.45 bln €) was allocated last year. The loans will enable the providers to pay outstanding salaries (the so-called 203 Law) and to make good other obligations. Debts to the state (national insurance etc.) may be waived. Successful restructuring will result in the waiving 50% of the loans. An additional 303 institutions applied and were awarded subsidies totalling 200 mln PLN (53.2 mln €) also provided for by the law for facilities that were not in debt. The Convent of Regional Marshals (heads of the regional councils) asked the Minister of Health for the complete waiving of repayment of loans. They believe that debt arose from failure on the part of the NFZ to pay for over limit procedures and from the 203 Law which provided for increased salaries for healthcare employees but did not allocate responsibility for, nor the source of the resources for this). Piecha stated change in hospital restructuring law goes in direction of waiving repayment of loans for 80% of cases.

Hospital standards

EU hospital standards must be introduced by 2010. Hospitals will have 6 months to prepare an adaptation programme after the law is in effect. New regulations have been introduced dealing with washable surfaces and distance between radiators and wall to allow space for elbow operated taps. Polish hospitals are unable to fulfil EU sanitary norms with the cost of adaptation per hospital (excluding materials) estimated at 20 000 PLN. The Convent of Marshals has also demanded changes in the unfavourable provisions for sanatoria, which demand high standards in terms of facilities and hygiene

One of the problems with upgrading facilities is the resistance in closing obsolete and sub-standard hospitals. An example of this is in Polanica where a new hospital should replace older hospitals in the area but local authorities do not want to close the other 5 hospitals in the same district. In this situation the new hospital gets insufficient funds to function effectively and if the other hospitals remain open they will all have problems.

They will also have to inform the Provincial Governor if they intend to close the hospital or department for more than 3 months. Second issue is the possibility of merging hospitals without liquidating them. Also Director must obtain approval for taking up additional employment.

EU funding

Overall 60 bln € is available for development in Poland 2007-2013. Hospitals that had difficulty in raising funds can now get EU funding for equipment and upgrade of facilities. They must have at least Need ¼ of own funds but this may come from the local authority or from loans. Although hospitals may find it difficult to draft projects but hiring consulting firms may prove worthwhile. 600 mln PLN is available for such projects available from the Ministry of Regional Development. Human Development funds are available for training and higher qualification and for cancer prevention and treatment. Although EU fund programmes are managed and co-ordinated by Ministry of Labour, Social Policy and Economy based on National Development Plan 2004-2006, the MOH responsible for healthcare part.

Healthcare Professions⁴

Medical Practitioners Policy Priorities

The Eighth National Meeting of medical practitioners (Physicians Chambers) form took place 5 – 7 January 2006. Konstanty Radziwill was once again elected as President of the Supreme Doctors Council. The doctors demanded increase expenditure on health from public funds to at least 6% stepwise by 5 billion PLN per year to 2010 and increase in remuneration for healthcare employees. In his welcome speech the Minister of Health said that health should be accepted as national priority and *raison d'état*, which should provide for thinking about the real increase in funding. The following programme was approved for 2006-2009.

Healthcare financing

- increased health funding
- representation before payors
- participation in development of standards and procedures so as to ensure appropriate costing and pricing

Healthcare organisation

- payer competitive insurance system, state budget funding of emergency services and high cost procedures
- independent team (including Physicians Chambers) to work on basket of guaranteed services
- influence over principles of contracting
- creation of National Bioethical Council

Self-regulation: ethics, good practice training etc

Continuing education

- conditions for unrestricted specialisation
- Chamber to be organiser of education
- continuing education expenditure counted against tax

Doctors salaries: twice the average wage in the commercial sector for non-specialists, and three times in the case of specialists

Medical errors

All hospitals must have insurance (civil responsibility) otherwise the NFZ will not enter into contracts with them. The cost of insurance has been increasing over the last 3 years with individual hospitals reporting rises of 6, 8 and even >22% and this is higher the more complex the interventions undertaken. The risk is too high for many companies and the PZU one of few companies prepared to offer insurance. The rising costs reflect the dramatic increase in cost of compensation. The new Disciplinary Officer of National Chamber Jolanta Orłowska-Heitzman believes that the period within which case can be pursued should be increased from 3 to 5 years and that Intermediate penalties falling between caution and suspension should be introduced. The Regional Disciplinary Officer should be able to bring case before disciplinary council. The question of a register of errors is difficult because the definition of an error is variable and most errors are registered by variety of voluntary organisations leading to widely varying estimates of their occurrence.

Doctors image

There is a proposal to establish a public affairs fund to improve doctors image and to change the perception of corruption and drinking alcohol. Members of the Physicians Chambers would pay 1 PLN each towards the fund giving 150 thousand PLN (40 ths €).

Brain drain

One fifth of all doctors about 25 000 have already left Poland with 5 000 having done so since joining the EU. The Central Register of Doctors, shows that all of the specialists from a given therapeutic area in a particular region of Poland applied for certificates proving their qualification. The reasons for the exodus are low salary (25 thousand PLN annual salary at 70% of average Polish wage) and lack of training posts and except for the few graduates interested in further academic qualification the rest want to leave after qualification. The resultant generation gap threatens a collapse of the system. The scarcity of doctors may be further compounded by the European Court of Justice ruling on overtime that must now be included in time of work which cannot exceed 48 hours per week and only 1-2 out of hours duties per week can be taken. This would need 15 000 additional doctors and 750 mln PLN (200 mln €) per year. President Konstanty Radziwil of the Physicians Chambers is in favour of Poland opting out. Doctors could sign separate individual agreements if they wanted to do the additional work, but the issue of too few doctors will remain.

Medicine⁵**Emergency Medicine**

The law on emergency medical services from 2001 did not come into effect and was delayed by successive governments because of funding issues. In Silesia the standards of the 2001 law were implemented already and this was evident in the effective crisis management following the tragedy in Katowice when the roof of the exhibition hall collapsed. Currently hospital emergency services are funded by the NFZ, which is an additional burden but this will change with financing from the budget. An integrated system of communication and of information (dispatch centres) will be implemented, which is. Since 4 years have elapsed since the law was passed amendments are necessary. The tragedy in Katowice has added impetus with the Prime Minister declaring that the government will bring forward the work on the law. Implementation of the provisions is expected to cost 1.2-1.3 bln PLN (0.32 – 0.35 bln €). Paramedics will undertake 3 year licensee studies.

Oncology

The National Plan against Malignant Disease 2006-15, established under a law of the same name came into effect on 17 August 2005. The Plan, which provides for additional expenditure from the State Budget of 3 mln PLN over 10 years, was developed by the Polish Union of Oncology (PUO) and had the support of the then Prime Minister Marek Belka who was a founding member of the Union and its Deputy President. The minimum annual expenditure is set at 250 mln PLN (66 mln €). There is a danger that this year's subsidy will be lost because the first National Plan Council did not take up the issue of funds before being replaced by the new Council which will only to start to call for tenders later in the year. A contribution from EU funds will provide for the development of 9 model centres for screening for breast and cervical cancer by 2010.

Mental Health

A draft ordinance on the network of psychiatric hospitals is at the consultation phase. It defines minimum indicators of access for four types of patients: adults 4 beds/ 10 thousand inhabitants; children/adolescents 0.4; alcoholics1; drug addicts 0.35. The network should be established by 2008. Only 4 voivodships (provinces) do not meet the adult standards, but only 3 fulfil child/adolescent requirements, with no adolescent beds in Podkarpackie province. The costs of meeting these standards will be borne by local authorities and will require an estimated outlay of about 800 mln PLN (213 mln €).

Lifestyles

A conference on healthy nutrition and physical activity, in the context of obesity, overweight and chronic disease in Poland organised by the Institute of Food and Nutrition, took place on 12 January. UNESDA the international soft beverages association has entered into an agreement on advertising and promotion of drinks to avoid obesity in children. This action will also start in Poland.

Pharmaceutical sector⁶**Medicines Agency**

Leszek Borkowski was appointed as acting President of the Medicines Agency on 30 December. He replaces Andrzej Koronkiewicz who held this post for about 1 year and was dismissed on 16 December 2005.

HTA

Waldemar Wierzbica was appointed to the post of Director of The Health Technology and was selected from a short list of 5 candidates. He was formerly the Director of the Czerniakow Hospital in Warsaw and previously the Director of the Health Insurance Department at the MOH. The Agency could not start to function because of the delay in the appointment of the Director. The first selection was voided by Marek Balicki the former Minister of Health because no candidate had suitable experience. The Agency was established by an Order of the Minister of Health in September 2005 and the opinion was expressed by the health trades union leader Krzysztof Bukiel that this statutory instrument is of too low an order for the importance of the institution.

The Director works with an 11 member council appointed by the Minister of Health from nominees proposed by the NFZ, Physicians Chambers, Council of Medical Academy Rectors and from the Ministers Scientific Council. The Council and Director serve a five year term. In addition to an advisory function, the Agency will be involved in education, providing information and as a source of reference. The main task is recommending what should be in the basket of services guaranteed from public funds. Since the funding comes from the budget of the Minister of Health this means that the Minister will retain influence over the Agency.

Domestic Manufacturers

The Polish Pharmaceutical Holding (PHF) was established in 2004 from three as yet non privatised Polfa's: Warszawa, Tarchomin and Pabianice. A business plan developed by Anderson Consulting in 2002 provided for privatisation by end of 2006 at latest. waiting for investor, which is no longer possible now. The PHF continue to be 3 independent entities without apparently any steps towards consolidation. It is proposed that they become one organisation with the individual Polfa functioning just as manufacturing facilities. The headquarters move to Warsaw from Pabianice. During a meeting of the Polfa's heads, Deputy Ministers of Treasury and Health and the Head of Medicines Agency they were given ultimatum to co-operate or be sacked. A more recent suggestion is to include Jelfa, currently the subject of a privatisation exercise, in the PHF rather than to sell it. Polfa representatives say that they face the threat of bankruptcy and that they need an investor otherwise they cannot compete on the market dominated by foreign companies for they say.

The Polish Technology Platform

The Initiative Group of the Polish Technology Platform for Innovative Medicine, which includes Polpharma, Adamed and the National Contact Point (representing the government), met to develop a strategic direction for the platform. This Platform represents one of 22 technology platforms that belong to the EU initiative for industry, research institutions and decision groups, which are important for Europe's economic and technological future. One of the main tasks of the Platforms is the establishment of effective public-private partnerships for the implementation of the strategies developed.

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