

## Health

### CONTROLLING SPENDING WHILE IMPROVING ACCESS AND QUALITY OF HEALTH SERVICES

- ▶ Public health spending in Greece fell by a third in real-terms between 2009 and 2013, with severe cuts across the board and changes to entitlement, benefits and user charges.
- ▶ Despite the cuts, pharmaceutical spending remains high, suggesting a need for further action on procurement, rational prescribing and incentives for more generic dispensing.
- ▶ The primary health care sector suffers from doctor-nurse imbalances as well as the need for better guidelines for patient care pathways.
- ▶ Hospital discharge rates are high in Greece, requiring better coordination between the hospital and the primary care sectors and better financial management.
- ▶ Population ageing and chronic diseases will add to the cost pressures going forward.

#### What's the issue?

Between 2009 and 2013, public spending on health was cut by a third, with reductions across the board – hospital, outpatient, pharmaceutical and public health all saw spending falls of between 30% and 40% in real terms.

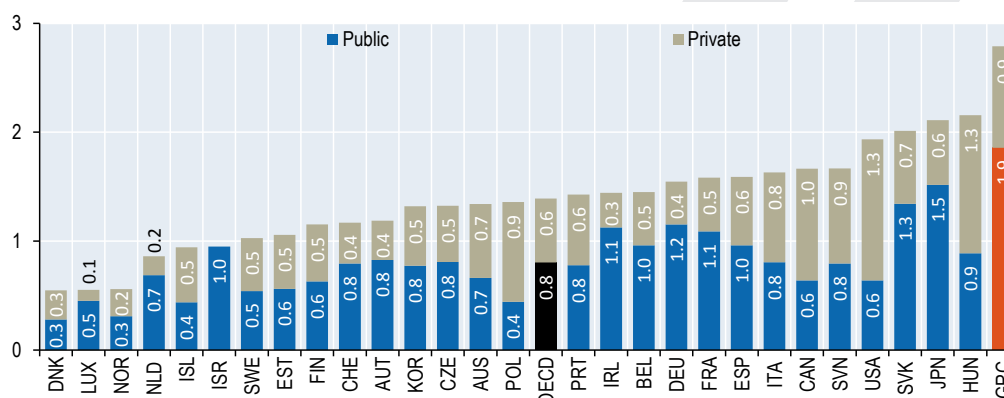
Health insurance coverage fell. Those most affected were the long-term unemployed and self-employed workers who could not renew their health insurance plans. Explicit measures were taken as part of the health reforms under the economic adjustment programmes to ensure widespread coverage of insured people for prescribed pharmaceuticals and diagnostics, emergency services in the network of public health care facilities, and non-emergency hospital care under certain conditions.

In the primary care sector, doctor-nurse imbalances imply a sub-optimal division of tasks. There are also too few general practitioners relative to the number of specialists. In the hospital sector, discharge rates are high suggesting a need to improve the appropriateness of care, the balance of services offered in different health care settings as well as the financial management of the hospital sector itself.

Pharmaceutical spending in Greece remains high (see Figure). While almost 2.3 € billion euros were taken off the public pharmaceutical bill by 2012, drug spending is still excessive in certain areas, such as antibiotics – pointing to further inefficiencies.

#### Pharmaceutical spending is very high

Expenditure on pharmaceuticals as a share of GDP, 2013 or latest available year



Notes: Data on Greece, Ireland, Israel, Italy, the Netherlands, Portugal and the Slovak Republic include medical non-durables. Data on Luxembourg exclude spending on over-the-counter medicines. Source: OECD (2015), Health at a Glance, OECD Publishing.

To address these problems, plans to rationalise the social health insurance system and pharmaceutical spending should be clearly maintained. Such reductions in spending do not necessarily have to come at the cost of high quality care. Quality health care is something that can and should be built in health systems. One way to support high quality and efficient care is through greater use and integration of health data across the whole care pathway. In this respect, Greece needs to maximize performance through better information but also improved payment mechanisms based on quality and outcomes. At the same time, the authorities should proceed with the plan to reorganise hospital care.

### Why is this important for Greece?

The dramatic reductions in health spending represented a sudden shock for the Greek health system to absorb, even though it was clear that there were inefficiencies in the Greek system. The risks to the population in terms of financial hardship and deterioration in health status have been heightened in the subsequent years. For example, there is evidence of an increased number of suicides in Greece between 2010 and 2012 and a significant correlation between unemployment and suicide mortality, especially among working age men.

Going forward, the ageing of the Greek society will put further pressure on health care budgets. Actions to safeguard the long-term sustainability and the quality of health care services therefore need to underpin the reforms. The growing complexity of the care needs of an ageing population with multiple chronic conditions will also require adapting health services delivery through a greater focus on continuity, prevention, and patient centeredness.

Finally, Greece maintains the highest level of daily smoking among OECD countries and childhood obesity is worryingly high – almost one in two boys aged 10-12 in Greece were classed as overweight or obese in 2010.

### What should policy makers do?

- ▶ Continue to implement and closely monitor measures to ensure universal health care access for all.
- ▶ Continue to enhance the overall budgeting process with expenditure controls in place to improve the long-term financial sustainability of the health care system.
- ▶ Base decisions on coverage of drugs and diagnostics on Health Technology Assessment, through the establishment of the National Health Technology Assessment Centre.
- ▶ Further encourage centralisation of procurement and incentives for generic dispensing, including through the introduction of e-prescription.
- ▶ Improve the balance of services offered in different health care settings by strengthening primary care services through the rollout of the new Primary Health care system and the introduction of electronic records to monitor performance.
- ▶ Tackle the doctor imbalances through more selective contracting and the use of incentives to retain physicians in primary care settings.
- ▶ Improve the performance of the hospital sector through better financial management and the adoption of a payment system based on diagnosis related group or activity as well as the reporting of quality information.
- ▶ Encourage primary care physicians to counsel at-risk patients about healthy lifestyle choices, targeting younger age groups and the determinants of obesity.
- ▶ Further restrict the promotion of tobacco products, for example through the introduction of plain packaging.
- ▶ Limit children's exposure to fast food advertising.



### Further reading

OECD (2015), *Fiscal Sustainability of Health Systems: Bridging Health and Finance Perspectives*, OECD Publishing. <http://dx.doi.org/10.1787/9789264233386-en>

OECD (2015), *Health at a Glance 2015: OECD Indicators*, OECD Publishing. [http://dx.doi.org/10.1787/health\\_glance-2015-en](http://dx.doi.org/10.1787/health_glance-2015-en)

Rachiotis G. et al. (2015), "What has happened to suicides during the Greek economic crisis? Findings from an ecological study of suicides and their determinants (2003–2012)", *British Medical Journal* Vol. 5 (3). <http://dx.doi.org/10.1136/bmjopen-2014-007295>

van Gool, K. and M. Pearson (2014), "Health, Austerity and Economic Crisis: Assessing the Short-term Impact in OECD countries", *OECD Health Working Papers*, No. 76, OECD Publishing. <http://dx.doi.org/10.1787/5jxx711t1zg6-en>