



HOW DOES CORRUPTION AFFECTS HEALTHCARE SECTOR IN BULGARIA.

Jordan Deliversky

Department of National Security, State University of Library Studies and Information Technologies, Sofia, Bulgaria.

SUMMARY:

Corruption in the healthcare sector is a reflection of the structural challenges in the health care system. The problem of corruption in healthcare is of a multidimensional nature.

The Bulgarian health care system is based on a regulated regime. On one hand there is the functioning of a state-owned and state-controlled health fund financed through obligatory contributions by all income earners, and on the other, a union of health providers that negotiate a national framework health contract with the fund.

Causes of corruption are classified as different factors such as structural factors and government policies factors. The health sector is susceptible to corruption for various reasons, mostly related to its organization. The health sector is a complex sector.

In order to be effective, reforms to combat corruption must be informed by theory, guided by evidence and adapted to context.

It is necessary to review and develop diagnostic and treatment algorithms as standards of good medical practice, which would help to assess the package of medical and non-medical activities.

KEY WORDS: Corruption, factors, healthcare, informal payments,

Corruption in the healthcare sector is a reflection of the structural challenges in the health care system. The problem of corruption in healthcare is of a multidimensional nature. Corruption may be involved in construction of health centers and hospitals, purchase of instruments, supply of medicines and goods, overbilling in insurance claims and even appointment of healthcare professionals. The problem involves multiple parties like policy-makers, ministers, economists, engineers, contractors, suppliers, and doctors.

Among the key reasons for corruption in the health sector are weak or non-existent rules and regulations, over-regulation, lack of accountability, low salaries and limited offer of services.

The scale of corruption varies. It may be related bureaucratic or administrative procedures, causing bureaucratic or administrative corruption that takes place at the implementation level, where the recipients of services interact with public officials. Corruption may also occur at a higher level, where it is especially notable at the policy level.

The health sector is particularly vulnerable to cor-

ruption due to uncertainty surrounding the demand for services. It many dispersed actors including regulators, payers, providers, consumers and suppliers interacting in complex ways. Bulgaria payment fees for visits to physicians and dentists and for inpatient care. These apply to all patients except for some vulnerable groups such as children, unemployed individuals, those with incomes below a certain threshold and the chronically ill.

The health care sector is unusual in the extent to which private providers are entrusted with important public roles, and the large amount of public money allocated to health spending in many countries.

Causes of corruption are classified as different factors such as structural factors and government policies factors. Structural factors include population, legacies, religion, past regime, etc., while current government policies factors, pertaining to the control of corruption include economic and specific anticorruption policies.

Corruption can be defined as the abuse of public office for private gain. [1] This definition though does not cover areas other than "public office." Transparency International, a global anti-corruption watchdog, defines corruption as "the abuse of entrusted power for private gain". [2]

Private gain may be either actual, which is immediately available or potential, which is realized in the future. Private gain may be either financial or even political. That is why it is extremely difficult to provide a definition of corruption that is applicable to all its forms, types and degrees across various cultures to the satisfaction of all stakeholders.

The health sector is susceptible to corruption for various reasons, mostly related to its organization. The health sector is a complex sector. Uncertainty prevails within the sector, because it is not possible to know who will get sick or when, and therefore it is often challenging to predict what supplies and services are needed, when they are needed, and in what quantities. The health sector can be characterized as a sector with significant information imbalances between providers and patients and suppliers and providers.

In order to be effective, reforms to combat corruption must be informed by theory, guided by evidence and adapted to context. Efforts to explain abuse of entrusted power for private gain have examined how the structure, management and governance of health care systems contribute to corruption. Based on principles of economics and good governance, these conceptual frameworks have helped policymakers to understand how government monopoly can lead to abuse of power, while strengthening government ac-

countability, transparency, and law enforcement can help to reduce corruption. [3]

Corruption associated with health providers includes theft of medical supplies or pharmaceuticals, and demand for informal payments for services that are supposed to be free. Corruption of this sort has a direct impact on the people with low income by denying them access to services.

Theft of drugs and medical supplies by health care professionals is common globally. A hospital exists to provide diagnostic and curative services to patients. Pharmaceuticals are an integral part of patient care. Appropriate use of medicines in the hospital is a multidisciplinary responsibility shared by physicians, nurses, pharmacists, administrators, support personnel, and patients. [4]

Pharmacy departments, under the direction of a qualified pharmacist, are responsible for the procurement, storage, and distribution of medications throughout hospitals. In larger hospitals, satellite pharmacies may bring the pharmacist closer to patient care areas, facilitating interactions between pharmacists and patients.

In some settings the pharmacist is used as a resource for medicine information and specialized medication therapy management.

Corruption associated with health providers also includes informal payments for services that are supposed to be free. Informal payments are charges for services or supplies that are supposed to be free. Informal payments undermine the quality of health services in general, by giving doctors incentives to provide those who pay with better treatment, and effectively rendering health services and drugs unaffordable to many. [5] They also undermine the functioning of the health care system as a whole.

In Bulgaria, the provision of specialised ambulatory care includes the consultation and treatment performed by dispensaries for psychological diseases, oncological diseases, respiratory diseases, sexually transmitted infections and dermatology. Health facilities that provide specialised ambulatory care can be registered as individual and group practices for specialised medical care within separate medical subfields; health centres (medical and dental centres) containing at least three doctors/dentists who are specialists in different medical subcategories.

It is well known that informal payments for medical services are more common in low-income countries than high-income countries, which suggests barriers to services for patients with limited resources. Research on informal payments to doctors in Bulgaria suggests that some of this behaviour falls within the definition what is professionally acceptable – that is payments intended as sign of gratitude. [6] However the distinguish between a gift and a bribe can be difficult to maintain, especially where physicians function in state systems or institutions, and where they are underpaid and therefore motivated to increase their earnings.

The Bulgarian health care system is based on a regulated regime. On one hand there is the functioning of a state-owned and state-controlled health fund financed through obligatory contributions by all income earners, and on the other, a union of health providers that negotiate a national framework health contract with the fund.

Public healthcare spending in Bulgaria is relatively similar to Gross domestic product (GDP) to other countries in Eastern Europe. Bulgaria has one of the highest numbers of dentists per 100,000 population in Europe, but the number of general practitioners (GPs,) nurses and pharmacists per 100,000 population is low by European standards. In accordance with the 1998 Act on Professional Organisations, the Bulgarian Medical Association and the Union of Dentists were re-established in Bulgaria in 1990.

In Bulgaria professional organisations defend the rights and interests of their members. They also participate in the development and endorsement of major legislative acts in the sphere of healthcare. Professional organisations are responsible for providing continuing education and training, for exercising professional control, for good medical practice and for ensuring that professionals adhere to ethical standards. Upon graduation, health professionals are required by law to become members of their respective professional organisations.

The system in the country is inclusive and provides some level of healthcare for all who need it. Inclusiveness, however, is undermined significantly by the fairly widespread practice of unregulated payments to doctors. Those who can afford to make these payments, receive faster and better care. A major efficiency problem of the Bulgarian health system is the lack of incentives for preventive measures and for stimulating healthier lifestyle.

In February 2015, the Bulgarian Council of Ministers officially approved a new Health Reform Programme, proposed by the Ministry of Health. The healthcare reform, as a continuous process of qualitative and quantitative changes of varying scope and impact on the healthcare system, has as its main goal improving the health status of the nation. The Health Reform Programme establishes a national e-health information system, in which each person has an electronic identifier. It also splits the medical insurance into two packages: one that would remain with the National Health Insurance Fund (NHIF) and one that would be managed by private health insurance companies.

Bulgaria's National Health Insurance Fund was established in 1999 and has since become the largest health services purchaser in the country. The NHIF is in principle comparable to many social health insurance funds in the European Union. The 1998 Health Insurance Law mandates coverage for all Bulgarians. Employers and employees jointly contribute 8 % of labour income, as do the self-employed. Large groups—including children, pensioners, the disabled, the unemployed, and other socially dependent groups—are covered by the state, in a system that achieves a significant intergenerational redistribution from the working-age population toward younger and older groups. [7]

The NHIF employs a wide range of payment methods to pay providers of care directly. Hospitals are reimbursed on the basis of bundled fee-for-service payments called “clinical care pathways.” General practitioners are paid on the basis of a combination of capitation and fee for service, while ambulatory specialists, laboratories, and dentists are paid purely on a fee-for-service basis.

There are several challenges facing the Bulgarian

healthcare system, including poor health outcomes, low financing and problems associated with the effective use of resources. Reviewing the pricing mechanisms of healthcare and strengthening outpatient and primary care can manage the improvement of the cost-effectiveness of the healthcare system.

Deteriorating healthcare situation in the country highlights the greater need of health care and long-term care in the future. There is still no clear plan for implementation of the National Health Strategy in Bulgaria. According to estimates, between 10 and 20% of the population is not covered for medical services covered by the National Health Insurance Fund, since they are not paying their health insurance contributions.

Bulgaria has the lowest expenditure on public health per capita in EU and a large share of private expenditure in total expenditure on health (46%), with disproportionately high levels of private spending on outpatient medical goods. For the last ten years public spending on healthcare in Bulgaria, as a share of GDP has remained at levels around 4%, which is almost two times less than the EU average - 7.4%. [8]

The significant number of concepts and strategic documents for healthcare reforms and policies in the field of healthcare adopted in recent years in Bulgaria show that they lack mutual commitment, continuity and consistency, as a result of that there is insufficient transparency and consensus in their development. These documents are not sub-

ject to a general concept that combines the efforts of government, employers and the public to achieve a new attitude to healthcare.

Healthcare strategic documents should be carried out with the participation of the broad public, free of narrow lobbyist interests, which are legitimate representatives of patients, healthcare professionals, employers, trade unions, political parties and public health experts. There should be clearly defined the nature, scope, content and sequencing of changes in the system of healthcare and health insurance.

As regard to the developments in the health insurance system, it is necessary to carry out serious changes in the status, management and organization of the system. It is needed to provide real tripartite management of the healthcare system that meets the real contribution of the parties in the system. On this basis to define the number, the composition, the participants in the management bodies of the National Health Insurance Fund and the rules for its management. It should be provided with the necessary powers to ensure equal access to healthcare for all insured persons at all territorial levels of the healthcare system.

It is necessary to review and develop diagnostic and treatment algorithms as standards of good medical practice, which would help to assess the package of medical and non-medical activities, covered by National Health Insurance Fund and paid to medical institutions, in order to improve the quality and reduce the level of corruption in healthcare system in Bulgaria.

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Address for correspondence:

Jordan Deliversky, PhD
Department of National Security, State University of Library Studies and Information Technologies,
119, Tsarigradsko Shose Blvd., 1784 Sofia, Bulgaria
Mob.: +359888856073
e-mail: deliversky@yahoo.com