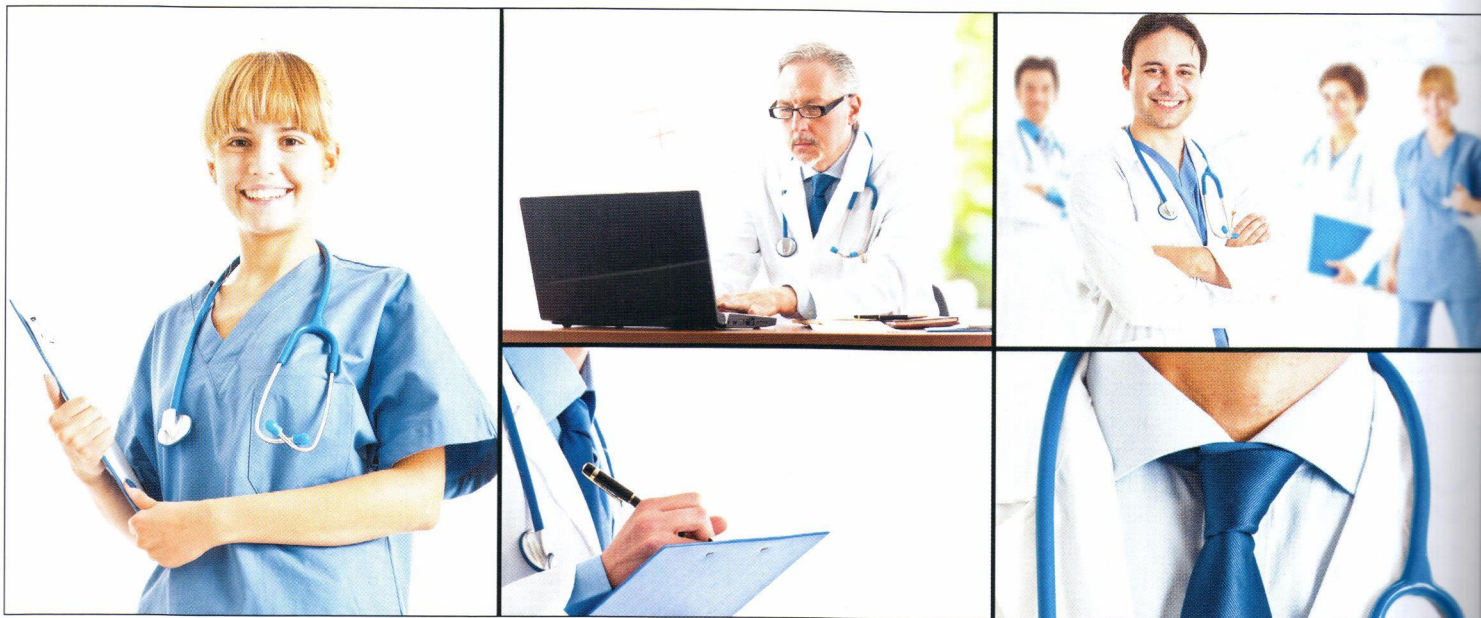


A Third of Serbians Treated by Private Doctors



Medical professionals tell CorD that because private healthcare is marginalised, Serbia's healthcare system is one of Europe's most expensive yet among its most low-quality

It seems that private surgeries and hospitals are to be kept out of the state medical insurance system for a long time to come. It also seems that nobody is serious about tackling this issue. The main reasons for this, according to officials, are that there isn't enough money to fund it and the unregulated nature of the private sector poses a big problem. This means that those patients who pay for mandatory health insurance will be forced to go to the state health sector for the foreseeable future, and Serbia will be the only country in the region to keep private medical facilities away from state healthcare and the health insurance system.

CorD interlocutors agree there must be a way for the private sector to become involved as well. And for as long as that does not happen, a huge

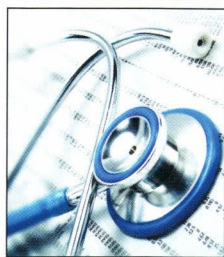
number of patients will continue to see private doctors and pay for treatment from their own pockets. The Health Ministry has withdrawn an ordinance stipulating the possibility of a private doctor's right to hospitalise patients or

Dr. DRAŠKO KARADINOVIĆ: Since 2000, the state has been preventing the integration of private practice into mandatory health insurance and access to the funds of the Republic Health Insurance Fund (RHIF) in every way imaginable

number of patients will continue to see private doctors and pay for treatment

send them on sick leave, as well as prescribe the use of medical aids. Because this is not regulated at the moment, pa-

SKETCHY STATISTICS ABOUT PRIVATE PRACTICE



There is no reliable statistical data about private practice. Estimates suggest there are more than 3,000 private practice doctors, close to 4,000 private practice dentists and 1,300 privately owned pharmacies in Serbia. By considering these numbers, it becomes clear that very few people have never used a private practice. There are dozens of hospitals and hundreds of sophisticated diagnostic devices (from ultrasounds and X-rays to scanners and MRI machines) in the private sector. The huge potential of this equipment could cut the state healthcare sector's long waiting lists down to size.

tients who have to go on sick leave or be hospitalised must go to a state-run medical facility for a referral or to have their sick leave approved. All of this is probably handled by doctors the patient has never seen before, despite having been treated by private practice doctors up to that point. Even pregnant women, and there are many of those whose pregnancy is overseen by private practice doctors, have to go to state-run community health centres to get a referral for maternity hospital.

Dr. Draško Karadjinović of the Doctors Against Corruption Association says that, since 2000, the state has been preventing the integration of private practice into mandatory health insurance and access to the funds of the Republic Health Insurance Fund (RHIF) in every way imaginable.

"Serbia is the only state in Europe where insured workers have to pay 12.3% of their gross salaries towards

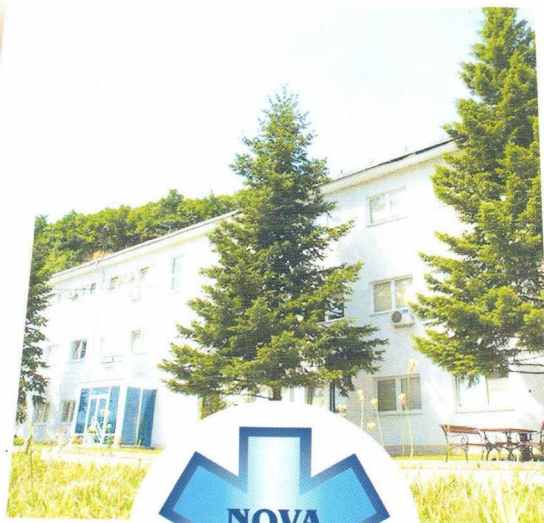


ADVANTAGES OF PRIVATE PRACTICE

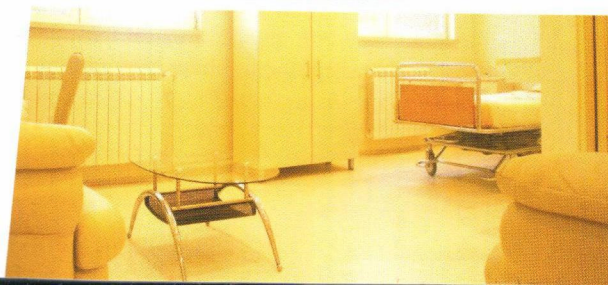
- Availability of services
- Efficiency and flexibility (private medical practitioners work in the evenings, after patients' working hours)
- Quality (patients can switch doctors if they are not happy with the service)



healthcare contributions, and yet they are not eligible for a refund from the state health insurance if they decide to go to a private practice doctor, dentist or privately owned pharmacy," says Dr. Karadjinović. "What this basically means is that the patient pays twice for the same service. And let's not forget that the state healthcare system is monopolistic, that it provides low-quality service, that waiting lists are huge and that corruption is flourishing. On the other hand, paying twice for the same service makes the Serbian healthcare sector one of the most expensive in Europe, with total state-healthcare expenditures taking up to 11% of na-



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tional GDP – and yet the quality of service it provides is the lowest.”

According to Dr. Karadjinović, private practice is excluded from the mandatory health insurance system because this is the only way for the political parties and state bureaucracy, which have been running the health-care system since 2000, to preserve their monopoly on annual discretionary funds of almost €2.5 billion. This archaic state of affairs is justified by evasive rhetoric about the concern for public health and solidarity.

“To illustrate just how bad this is for each individual patient and the overall health of the nation, let me just say that when considering the relevant health indicators – contained within annual evaluations performed for the EU by Swedish analytics group EHCI – Serbia takes last (34th) place in terms of quality of medical services,” he says.

The private sector has been developing on its own, without the state’s help and in spite of legal and administrative hurdles, as well as bureaucratic pressures and corruption. The biggest problem preventing the acceleration of development is the legalised conflict of interest that forbids state doctors from working at a private practice. The systemic consequences of this harmful rule are quite obvious: the productivity of state health-care is declining while waiting lists for check-ups, scans or medical interventions are becoming longer. The longer patients wait during the day to get treatment, the more in-demand private practice is, and people become more inclined to go to ‘evening clinics’ where they pay in cash. In the state health system, the waiting period for cataract surgery is up to two years, and half of cancer patients fail to receive radiotherapy within the optimal time.

Dr. Karadjinović says that systemic laws need to be amended before Serbia can have an EU-compliant healthcare system. He also adds:



ZORICA MARKOVIĆ:
The right to medical treatment is a basic human right. In Serbia, this right is sometimes appropriated due to it being tied to unemployment and a lack of money



“Only then, realistically speaking, will patients be able to pick and choose doctors and hospitals. Currently they are forced to have treatment at a certain medical facility. They are referred to hospitals they might not have cho-

sen. To have their sick leave approved, they go to the chosen – imposed – state doctor. They are harassed by bureaucracy, pushed into queues that form in hospital hallways and are treated in a very hasty and superficial way until they accept the business card given to them by a state doctor who works privately too. It has been estimated that between 30% and 40% of all medical services are provided by private practice at the moment, mainly in outpatient facilities.”

A step in the right direction, i.e. towards including private practice into mainstream healthcare, would be for additional voluntary health insurance to take off in a proper way. Right now, private insurers are in a submissive position and discriminated against when compared with the RHIF.

“Simply put, the RHIF has the right to turn deficit into public debt, while if private insurers are in debt, they are forced to declare insolvency,” Dr. Karadjinović explains. “Of course, private voluntary insurance cannot function if state doctors are allowed to work at a private practice and can arbitrarily choose what constitutes basic and additional services. The political elite needs to agree among themselves that radical change to this huge state-run healthcare system, which employs hundreds of thousands of people, is necessary. This can be done only if the EU exerts pressure because such core changes are detrimental both to personal interests and the interests of the political parties.”

PRIVATE AND STATE PRACTICE EQUAL IN EUROPE



Belgium has one of the best healthcare systems in Europe. Belgian citizens can receive treatment at both state and private medical facilities, and between 50% and 75% of medical costs are refunded. There is mandatory health insurance, but hospitals and surgeries are mostly owned privately. In Germany, patients can receive treatment in a hospital of their choosing and have their medical costs refunded under the health insurance policy. Most Germans pay state health insurance (13% of their salary) and can pick any hospital for treatment. Their medical costs are fully refunded. The French can also pick and choose where they receive treatment due to the country’s mandatory health insurance, which in most cases fully refunds the cost of check-ups and treatment.

Zorica Marković, editor of the Zdravoskop website, adds her thoughts on the exclusion of private practice from the mandatory health insurance system and why it is bad for patients:

"The reason is simple: they are protecting the state's monopoly in healthcare and health insurance, and someone's private interests are very cleverly concealed under the existing format," says Marković. "The healthcare sector is the only sector where there is no freedom of choice and no competition. Then there is this unhealthy bond between the state and private practice, and it just so happens that an ultrasound in a state clinic is broken; so you are referred to a private clinic where, lo and behold, the same doctor awaits you, who, for objective reasons, could not perform a check-up on you in a state health facility. These anomalies continue to thrive under the wing of the state monopoly."

Marković points out that the right to medical treatment is a basic human right, adding that in Serbia this right is sometimes appropriated due to it being tied to unemployment and a lack of money. In actuality, it is a form of discrimination and should be dealt with seriously from both an ethical and legal standpoint, not just from a financial and economic one.

She also complains about the state health sector doing absolutely nothing to adjust to patients and that it still holds on to the old philosophy of patients (citizens) being treated like subjects who must wait humbly for their turn (if their turn ever comes around).

"Instead of sitting for hours in waiting rooms, we could have been doing something useful, earning some money, reading a nice book, spending time with our nearest and dearest – nobody has the right to take that away from us," she says. "Private practice is miles ahead of state healthcare in this respect. I am using my money to pay for medical treatment in a facility

that I think would give me the proper service. Let the money, which I pay into mandatory state health insurance, work for me. It is really not that complicated, only good will is required. But, for now, there is no good will."

She thinks that everything would



ALEKSANDRA DIMITRIJEVIĆ SALOM:
Private pharmacies should be included into the state system and they should be allowed to sell prescription drugs that are paid for by the RHIF. But even this hasn't been executed properly



be better if private health insurance were allowed to take off.

Pharmacies are an integral part of Serbia's private healthcare system. Unfortunately, CorD's interlocutors agree, the situation is grim here too. According to the Chairwoman of the

Association of Private Pharmacists of Serbia, Aleksandra Dimitrijević Salom, pharmacists are also unhappy with the way private practice is treated in Serbia because "it does not resemble the situation in developed countries around the world".

One of the ways for private and state pharmacies to be treated equally is to include private pharmacies into the state system and for private pharmacies to be allowed to sell prescription drugs that are paid for by the RHIF. But, as Dimitrijević Salom says, even this hasn't been done properly:

"Some privately owned pharmacies that signed agreements with the RHIF have already been penalised because they don't sell anti-HIV drugs. Even state pharmacies don't stock them but they are not penalised. State pharmacies have been put in a privileged position from the get-go. This only demonstrates that there is no equality whatsoever and that these two sectors are not going to be commensurate. However, small progress has been made, although it is still insufficient."

Another major problem is how the state allows people to set up pharmacy chains, so a person who doesn't have to be a pharmacist by vocation can own between 60 and 100 pharmacies. This is not the case in developed countries, Dimitrijević Salom says. For instance, the biggest pharmacy chains in Germany have six pharmacies at most, whereas in France it is only three.

"The authorities have failed to realise that this is a very delicate vocation that affects human lives and health," says Dimitrijević Salom. "The EU is very strict when it comes to allowing pharmacists to work with prescription drugs. In our country, anything goes. I really cannot understand why the state doesn't want to regulate this sector and make life easier both for pharmacists and patients." «