



Reducing congestion in public hospitals in Cyprus

P. PASHARDES, C. KOUTSAMPELAS, C. CHARALAMBOUS – EUROPEAN SOCIAL POLICY NETWORK

ESPN FLASH REPORT 2016/10

As a result of the economic crisis, waiting lists for public healthcare services in Cyprus have increased considerably. In response, the Ministry of Health is expanding the system of referring patients to the private sector through the use of “coupons”. The reduction of congestion in public hospitals is expected to benefit mostly low income patients.

LEGAL NOTICE

This document has been prepared for the European Commission. However it reflects the views only of the authors, and the Commission cannot be held responsible for any use which may be made of the information contained therein.

Description

According to Ministry of Health (MoH) data, in 2013 in-patient waiting times (measured from when the specialist adds the patient to the treatment list) for surgical treatment in public hospitals varied from 1 to 24 months, depending on the type of treatment; urgent procedures always receive immediate priority. Indicatively, waiting time for cataract surgery in Cyprus was more than a year, whereas the corresponding time was just over 30 days in the Netherlands, almost 70 days in the UK and about 100 days in Spain and Finland (OECD Health Statistics 2014). Long waiting lists for treatment in public hospitals have undeniably negative implications for vulnerable groups, such as low income pensioners and patients with chronic diseases. For example, according to Eurostat, in 2013, 6.6% of people in the poorest income quintile in Cyprus reported unmet medical needs, compared to 0.8% of those in the richest income quintile.

In order to reduce waiting time, the MoH is currently expanding the existing scheme of “coupons” through which patients eligible for treatment in public hospitals can be referred to hospitals of the private sector. This will notably be the case for patients whose condition cannot be treated effectively in public hospitals or in cases where waiting time exceeds six months; eligibility is decided by the Head of the relevant Department. The new scheme will provide for heart and eye surgeries, magnetic resonance imaging tests,

laparoscopic and robotic prostatectomies, interventional radiology and chemoembolization. This arrangement can help towards ameliorating the acute problem of patients having to wait for months (and, in some cases, years) for treatment in public health centres. The expansion of the coupon scheme is expected to cost, in total, around €12 million.

The coupon sets a minimum price calculated on the basis of real prices asked for the above treatments by private medical health centres. Patients can select a private facility that offers treatment at the coupon price; or opt for one that charges a price above the coupon and pay the difference. In practice, eligible patients will receive a referral note from the Head of the Department of the relevant hospital, with which they can obtain a coupon from the MoH. Coupons will have a certain duration over which they can be used to pay for treatment in the private sector.

The coupons programme has been in operation since April 2015. It is an initiative of the MoH to ameliorate a long-standing problem, and is not included in the EU Memorandum of Understanding. By October 2015, 270 patients (22.8% of total cases) had already been sent to the private sector for heart surgeries and 294 (7.7% of total cases) for eye surgeries. In addition, according to data from the MoH, since 2012 some 14,770 patients are waiting for a magnetic resonance imaging test. The MoH has already been

in touch with a quarter (3,340) of them, giving priority to those waiting longer: 900 patients declared that they are no longer interested in participating in the scheme, since they had already purchased the relevant services from the private sector; while the others have proceeded to obtaining their coupon from the MoH.

Outlook & Commentary

Evidence from the literature shows that in countries with publicly financed healthcare systems individuals with low education and/or low income levels wait for treatment significantly longer than their better off peers (Laudicella et al., 2012; Abásolo et al., 2014). Thus, by reducing long waiting lists for public healthcare services, the expansion of the use of coupons in Cyprus is expected to benefit mostly low income patients, who cannot afford buying medical services from the private sector. Furthermore, according to the MoH, this new arrangement will not only improve the quality of life of patients but also save economic resources, in the sense that patients will promptly receive the necessary care and not be forced to buy expensive medical services from the private sector.

Extending the coupons scheme can act as a small step towards encouraging synergistic cooperation between the public and private health sectors. Additionally, expanding patients' choice of medical provider may enhance the overall efficiency of the system. More importantly, it can help make more transparent potential benefits that can be realised from the far-reaching structural reforms, which are required for the long-planned introduction of the New Health Care System (NHCS) in Cyprus.

That said, it should be noted that all relevant stakeholders (MoH, Cyprus Medical Association and Patients' Organisations) have acknowledged that this measure cannot but provide short-term relief, as shown by evidence from other EU countries (e.g. Portugal). It is without doubt a temporary solution currying the risk of easing further postponement of the NHCS reform, which can achieve a long-run and more effective reduction of waiting lists through increase in the productivity of public hospitals, making them able to compete with hospitals in the private sector. Furthermore, the organisation of primary healthcare and the setup of clinical pathways and guidelines in the setting of the NHCS should reduce demand for in-patient care and, thereby, waiting time for treatment.

Further reading

Abásolo, I., Negrín-Hernández, M.A., Pinilla, J. (2014) Equity in specialist waiting times by socioeconomic groups: evidence from Spain. [European Journal of Health Economics](#), 15(3):323-34.

Laudicella, M., Siciliani, L., Cookson, R. (2012) Waiting times and socioeconomic status: evidence from England. [Social Science and Medicine](#), 74(9):1331-41.

OECD (2014), [Health at a Glance: Europe 2014](#), OECD Publishing.

Authors

[Panos Pashardes](#), University of Cyprus

[Christos Koutsampelas](#), University of Cyprus

[Chrystalla Charalambous](#), Open University of Cyprus