



Is the healthcare reform process in uncharted waters?

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Description

Less than three months before the launch of the long-awaited new healthcare system, private doctors and hospitals are refusing to join the system. Although the system is expected to start as scheduled, these negative reactions raise doubts about its successful implementation, while the climate of controversy has created an explosive environment leading to the interruption of dialogue.

For nearly 30 years, the Cyprus healthcare sector has been under continuous consideration with a view to building a new system of universal coverage. Although the legal basis for this new system was agreed by Parliament in 2001, its implementation has been continually postponed. Finally, the government in 2017, showing the necessary political will, voted in favour of two key bills that establish the regulatory framework for the financial and administrative autonomy of public hospitals, as well as establishing the contribution and co-payment rates for the new system. This long-anticipated modern scheme will be an integrated National Health Service (NHS), financed by state revenues and contributions levied on wages, incomes and pensions. The basic goal of the new NHS is to bring together the public and private sectors into a single and competitive quasi market, where public hospitals can compete on equal terms with those of the private sector. The new system is scheduled to start providing outpatient care services from 1 June 2019 and be fully implemented by June 2020.

While the procedures for the administrative and financial autonomy of public hospitals are in progress, private sector hospitals and doctors have not yet agreed on the terms of joining the new system. Both the Cyprus Medical Association (PIS) and the Cyprus Association of Private Hospitals (PASIN) decided to stop any dialogue with the Health Insurance

Organization (HIO), since no common ground was found to meet their demands. The deadlock arose when the PIS, after a general assembly held on 27 October 2018, set five conditions for their participation in the new system, including “higher compensation fees per service” and the “right to practice private medicine within the new system” (PIS Resolution, Phileleftheros, 29.10.2018).

The President of the Republic, in two meetings with the board of PIS (7 and 8 January 2019), rejected both doctors’ demands. On the first point, doctors were asked to disclose the income they have declared to the tax office over the past 7 years, implying tax evasion practices, and if this is higher than the income proposed under the new system, then the necessary corrections will be made. On the second point, the President pointed out that private medicine is incompatible with the basic principles and philosophy of the new public system. The day after these two meetings, the PIS president, in a provocative newsletter sent to all doctors, referred to any doctors who might eventually join the NHS as “traitors” (Xaravgi, 11.1.2019). The PIS then called on doctors to refuse to cooperate with the new system, arguing that there is no clear and binding framework for cooperation and that sloppiness in planning and inadequate funding will lead to poor quality services (Xaravgi, 19.1.2019).

This negative attitude towards the new system was expressed, over the next

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few days, by virtually all scientific societies of medical specialties. To date, more than 40 scientific societies have decided not to participate in the new system, while in some cases doctors were asked to sign a statement that they are not going to contract with the system (Phileleftheros, 26.1.2018). Within this confrontational environment, the Minister of Health publicly accused PIS of bullying doctors to prevent them from joining the system. He also said that the PIS Council is dominated by extreme rejection positions, so how can such public opponents of the new system negotiate the participation terms of those who may eventually choose to work for it? The PASIN also expressed similar negative attitudes. Their representative said that the private hospitals are not going to join the NHS, since "we cannot go into any kind of qualitative, economic or other suicide, endangering the sustainability of our hospitals" (Xaravgi, 19.1.2019).

This negative climate was further intensified by a proposal made by the Cyprus Employers and Industrialists Federation (OEB), for the postponement of the start of health contributions payment, until it is ensured that the system works properly and all health services are provided to all beneficiaries (Phileleftheros, 31.01.2019). Moreover, despite the long-standing support of the new NHS by all political parties, the socialist party EDEK proposed, quite unexpectedly, an alternative way of organising outpatient care which differs significantly from what is provided by the law (Politis, 15.2.2019). This triggered a "war of communication" between political parties in the following

days: despite the fact that all of them voted the NHS law, some appear to be actually against its implementation. Finally, the Association of Private Doctors, (Private Medical Network Cyprus) developed a website, with the ultimate goal of organising and operating a "private health system" exclusively for those who have private health insurance or can bear the full cost of private medical services.

Outlook & commentary

All this has led to the interruption of the dialogue between the PIS/PASIN and the Ministry of Health (MoH) /HIO, a few months before the launch of the system. Although private doctors are right on some points, such as the low financing provided for the new system and the lack of protocols ensuring the quality of care, the debate from the very beginning focused on their remuneration. This created polarisation between the medical community and the MoH, as well as a serious rift between doctors and society. Every day the press is rife with articles and comments, which depict doctors more interested in their pay than in the health of their patients. Although some cracks are now appearing in the continuous and consistently negative position of doctors, after several former presidents of the PIS and well-known private-sector doctors voiced support for the NHS, it is difficult to predict what will happen.

Implementation and operation of the system is being questioned, just three months before its launch, although the President of

the Republic has repeatedly stressed that the NHS, despite any objections and difficulties, will be implemented as unanimously voted by the Parliament. The following two months will be critical to see how many private sector doctors will ignore the exhortations of PIS and the resolutions of their scientific societies and will contract with the NHS. Limited participation of the private sector will clearly undermine the credibility of the new system, since it will make it very difficult to address the current problems such as the long waiting lists and the high out-of-pocket payments.

Further reading

Phileleftheros newspaper, "PIS resolution of the General Assembly of the Cyprus Medical Association dated 27 October 2018", 29.10.2018, pp. 1, 14.

Phileleftheros newspaper, "Pediatricians gather signatures against NHS", 26.01.2019, p. 16.

Phileleftheros newspaper, "OEB: Transfer of contributions date for NHS", 31.01.2019, p. 25.

Politis newspaper, "On its own proposal EDEK", 15.2.2019, p. 4.

Private Medical Network Cyprus: <http://cypmp.eu/pmp/>

Xaravgi newspaper, "Private hospitals are not going to join the NHS", 19.1.2019, p. 3.

Xaravgi newspaper, "Doctors remain in their positions for the General Health System", 11.1. 2019, pp. 1, 8.

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