

# Portugal eliminates most user fees for hospital care

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*As of June 2022, most user fees for hospital care have been eliminated. The measure applies to both inpatient and outpatient healthcare. It is the final stage of a process in which user fees for healthcare have been progressively eliminated, following the coming into force of a new "Basic Law" on healthcare in 2019. It is an important step towards ensuring affordable access to healthcare for the whole population, especially the most vulnerable. Out-of-pocket payments for healthcare in Portugal are almost twice the EU-27 average.*

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## Description

As of June 2022, most user fees for hospital care have been eliminated (Decree-Law 37/2022 of 27 May 2022). This includes fees for both medical appointments and supplementary diagnostic tests. The notable exception regards hospital emergency appointments that have not been referred by primary healthcare services or by the contact centre – telephone and online service – of the Portuguese National Health Service (SNS). However, if the appointment leads to hospitalisation, no user fee will be levied. The measure is expected to reduce out-of-pocket expenditure of Portuguese households by €31 million in 2022.

The measure is the final stage of a process in which user fees for healthcare have been progressively eliminated, following the coming into force of a new "Basic Law" (Lei de Bases) on health in 2019. According to paragraph 24 of this law, user fees should not be charged for primary healthcare or for any other healthcare services if the patient is referred by the SNS.

User fees for medical primary healthcare appointments and for additional diagnostic tests and treatment performed by primary healthcare services were eliminated in January and September 2020, respectively. In January 2021, user fees for additional diagnostic tests and treatment performed by private providers but prescribed by primary healthcare services were also eliminated.

These changes have attracted broad political consensus. According to the Portuguese Ministry of Health, they have

resulted in a reduction in the out-of-pocket expenditure of Portuguese households of €96 million.

According to the SNS portal, in April 2022 (latest data available) 4.3 million people, i.e. 42% of the population, were already exempted from paying user fees for healthcare. This figure includes the nearly 2.3 million people (approximately 22% of the population) exempted due to economic vulnerability.



## Outlook and commentary

The measure is an important step towards ensuring affordable access to healthcare for the whole population, especially for the most vulnerable.

The high share of out-of-pocket expenditure on healthcare in Portugal has been acknowledged by various bodies including the European Commission. The 2022 country report notes that Portugal has "one of the highest proportions of out-of-pocket payments for healthcare in the EU, which in Portugal is almost twice the EU-27 average" (European Commission, 2022: 54).

Thus, the share of public health expenditure is comparatively low in Portugal (61% vs 79.5% for the EU-27 average in 2018 [most recent data available at EU-27 level]). General government health spending relative to GDP is also below the EU-27 average (7.2% vs 8% in 2020).

The Minister of Health considers the measure as an important step to continue overcoming barriers in access to healthcare. The decree-law establishing

the measure emphasises that the sole objective of user fees for healthcare is to control the inflow of users and reduce moral hazard.

So far, the financial implications of the measure have not been the subject of much political discussion. In 2019, user fees were estimated to make up only 2% of the funding of the healthcare system. Moreover, the impact of the measure is significantly less than the increased healthcare costs caused notably by the COVID-19 pandemic, which are estimated to have been €1.3 billion just in 2021.

The only exception to the broad political support for the measure comes from the right-wing Democratic Social Centre (CDS) which had already opposed the changes adopted in 2020 and 2021. This party considers that if access to healthcare is not moderated by the existence of user

charges, the result will be excess demand, leading to difficulties in the response capacity of the services.

The President of the Republic also expressed some concern about those changes. In a note accompanying the information on his enactment of the decree-law, he emphasised the challenges which could result from the measure, at a time when the health telephone line SNS24 is overstretched due to the COVID-19 pandemic and a shortage of general practitioners.

According to the latest data made available on the portal of the SNS, in May 2022 more than 1.3 million patients had not been assigned an NHS general practitioner, i.e. 13% of SNS users. This represents an increase compared with the end of 2018, when the number of patients without an assigned NHS general practitioner reached the lowest level ever recorded (7%).

## Further reading

European Commission (2022), [Commission Staff Working Document – Country Report Portugal 2022 – Accompanying the document Recommendation for a Council Recommendation on the 2022 National Reform Programme of Portugal and delivering a Council opinion on the 2022 Stability Programme of Portugal {COM\(2022\) 623 final} - {SWD\(2022\) 640 final}](#), European Commission.

República Portuguesa (2022), [Decreto-Lei n.º 37/2022, de 27 de maio](#), Diário da República n.º 103/2022, Série I de 2022-05-27, páginas 3-4.

República Portuguesa (2019), [Lei n.º 95/2019, de 4 de setembro](#), Diário da República n.º 169/2019, Série I de 2019-09-04, páginas 55-66.

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