

Czech Health Care Report – Autumn 2009

Government breakdown during the Czech presidency of the EU

The coalition government breakdown (the government had been supported by the votes of former opposition deputies - probably because of corruption or exaction) injured reputation of the Czech Republic because it happened in March 2009, which means during the time of Czech Presidency of the European Union Council. The parties in opposition (Social Democratic Party and Communistic Party), which by mutual efforts expressed the non-confidence to the Mirek Topolánek's government - that time already very unpopular – paid for this act by huge fall of popularity as it was felt like a damage to interests of the Czech Republic. So while a year ago the right-wing parties' loss in the next election seemed to be unavoidable, at present – regarding the public opinion research – chances are equal.

The government breakdown, however, caused – at least for a while – the end of the health care reform prepared by the minister Julínek's team. So called regulation fees, which every citizen has to pay while drawing medical care (30 CZK for every doctor seeing, 60 CZK for a day spent in the hospital, 90 CZK for the first aid service, 30 CZK for every item on the recipe) have become a symbol of this reform though, but the fundamental principle of the reform should be privatization of public health insurance in American way and total privatization of hospitals, which was opposed by as well the medical trade union as the Czech Medical Chamber.

Economical recession – threat for the health care

For a while, the economical recession has not had an immediate impact on Czech health care as health insurance companies, which were enabled by former minister Julínek to pay for the health care less money than which was collected as insurance from the citizens have created huge financial reserves, originally intended as a bonus for private investors who were supposed to privatize these insurance companies. Growing unemployment is however bringing fall in the insurance collection and we may expect that the government arisen from the early election will try to decrease the state budget deficit in a well-trying way, which means at the expense of health care sector. However, even our former government brought a proposal for government expense freeze that pay the insurance to the insurance companies for the citizens without their own incomes (retired people, children, unemployed). Approval of the proposal, which would cause disruption of the economical balance of public health insurance, has been thus probably only stayed off thanks to the government breakdown this March.

Political instability

Because of political instability, the Czech Republic has had already third health minister this year. At present Ms Jurásková, who is at the same time the chairman of professional association of nurses. That is why she is trying to make it advantageous to the nurses.

Increasing contractual salary of health care professionals

With regard to the upcoming parliamentary election the government has decided about 7% increasing of contractual salary for health care professionals and even 15% for nurses. Seeing that the government can only decide about the salaries in couple of the biggest (university) hospitals, which remain in public holding, it means that the salaries have not been increased at all in the most of the hospitals.

The Ministry of Health, despite of its promises, also haven't ensure the increasing of health insurance companies' payment for health care, so even in those hospitals, where the contractual salaries have been increased, the other (out-of-contractual) components of the salary – premiums, personal bonuses - have been often cut off on the other hand. Increasing of the salary thereby to a great extent remains a political pre-electoral game, which has only increased societal tension in the resort. In some hospitals, for instance, the nurses have already got in the strike preparedness.

Rise in price of post gradual/secondary medical training for the young doctors

The health minister Juraskova has put the new rules concerning postgradual training of doctors through the government. Young doctors will have to newly pay for so called attestation exam/secondary medical training exam – 3 500 CZK for the first term, 5 000 for the second term and 7 000 for the eventual third examination term. The government has also stopped financial support of organizing educational courses obligatory for the young doctors, whose commercial price has consequently increased four times. On the other hand, as a support of the young doctors the Ministry has prepared a system of so called residential places, which would be established in health care facilities with the state financial support. This support however only concerns the smaller part of doctors who have graduated from medical faculty this year and furthermore have chosen one of the preferred branches such as GP.

By mutual association of health insurance companies economically linked with hospitals and pharmacies a dangerous monopole has arisen.

The former minister Julinek didn't put through the bills enabling privatization of public health insurance tough, however it seemed that the most ravenous businessman in health care sector – steel magnate Chrenek would reach his goal. The Ministry has approved a merger of his small private insurance company - loaded in debts caused by marketing campaign, when this insurance company Agel lured clients via several benefits – with two till then statutory insurance companies.

Industrial empire Agel has been thus already governing an insurance company with 7,5 % share in the market, whereas it has had dominating position in Northern and central Moravia. Seeing that he is at the same time an owner of 10 hospitals (and some others tenanted), owner of the body of outpatient health care facilities and the body of pharmacies, a dangerous monopole, whose collusion is jeopardizing especially private physicians, is coming into being.

Early election in the middle of this October will decide about the future of the Czech health care.

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