

# RESTRUCTURING OF PUBLIC HEALTH SERVICES OF ROMANIA

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## **Rezumat**

*Under the circumstances of the current crisis of Romania affecting the totality of public services, the problems of providing population with health reaches superior capacities. At the present, current studies carried out so far by the Ministry of Health and National House of Insurance & Health put into light a modest reform in Romanian medical system with negative effects on population. This topic is of maximum importance due to its strong impact on patients. The present article highlights the non-achievements seized in long term studies carried out so far and submit proposals for assurance of performance in this field.*

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**JEL Classification:** D23, H83, I32.

## **1. INTRODUCTION**

Public health services of XXI<sup>st</sup> century Romania record a multitude of complex and contradictory economic and social aspects under the action of factors featuring the present-day crisis. Within such ample context axiological reflexions on health services leave their mark on the multi-dimensional reality of the phenomenon of managing health and suffering, life and death, biological and social order. It is only natural to pose therefore the problem of the interest in studying the relationship between the state of health and its factors of influence (economic, social, political, demographical, cultural and of environment). The public health services stand for a peculiar field dealing with man study seen under mental or physical human health side, in either solitude or collectively. The range of these services is large and intrinsic for human being focusing on aspects of the family medicine, specialty medicine in ambulatory and in hospital, dental medicine, labour medicine, sports medicine, legal medicine, emergency medicine, paraclinic investigations and laboratory analyses, nuclear medicine and medical imaging, medicine for recovery and rehabilitation of health, telemedicine and medical robotics. The complexity of the field involves a competitive management that could assure proper organizing and progress of specific activities. The sanitary management assumes knowing and assuring the actual requisite of financial, human, material and informational resources as well as efficient management of such. The real condition of Romanian medical system and its numerous shortfalls make the proof of backlogs in reforming this vital field for population. This is the reason why knowing of such realities and backlogs is required concomitantly with adopting those managerial decisions that are required including new long term strategies. The present article proposes to present research carried out so far and thus to contribute to the improvement of Romanian sanitary system.

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## 2. CONTEXTUAL APPROACHES

The establishments of the central public administration accredited by law to settle issues related to provision of public health services are represented by the Ministry of Health and National House of Insurance & Health. Attributions and responsibilities of such are set out by organic laws and effects gotten are the ones subject to large debates with critical stress from the side of users of these health services. "Feelings of dissatisfaction often develop within population that do not concern the quality of the medical deed but rather the cumbersome transit structure the time lost by patients to get solutions to their health problems. Solution to superior parameter the medical assistance does not mean placing of each individual on rolling band of being diagnosed and receiving treatment but firstly freeing patient and collectively from medical magic by preventing from becoming dependent on medical establishments. Advanced medicine places its centre of gravity on ambulatory medical assistance and preventive medicine<sup>2</sup>".

The current mission of these central administration establishments aims at achieving a significant reform within the sanitary field and the prioritized targets have in view an increase in the access to medical services, an improvement of life quality, assurance of proper financing, control of correct use of health funds, hierarchy of health system components, depoliticizing medical units and assurance of efficient sanitary management. These prioritized targets are provided in the Activity Report of Health Ministry for year 2013 ([www.ms.ro/upload/raport](http://www.ms.ro/upload/raport)) but have only partially been met.

The general targets in the field of public health services were also provided in the strategy of year 2013 and included generous aspects concerning the following:

- Implementation of an advanced health system upon population's need and consistent with structures of member state of European Union ;
- Organisational and decisional decentralization of health services;
- Quality increase in medical action;
- Allocation of resources upon transparent criteria;
- Development of social and private health insurance;
- Utilisation of public financial resources according to cost-efficiency criterion;
- Implementation of sectorial policies of human resource training and development;
- Studying of environment factor impact on population;
- Preventing from getting ill and raise in the level of life quality.

Unfortunately, these targets failed to be reached while finding out significant backlogs in every chapter.

## 3. RECORDING THE RESULTS GOTTEN

Further to the methods of management used in assessing public health services, respectively Brainstorming method and Delphi method, the following results have been written down:

- Insufficiency of medical specialty personnel in average ratio of 23.5% versus the requisite requested with difference per fields of medical assistance and medical specialties;
- High degree of dissatisfaction concerning compensations for performed work in average ratio of 35% for high level medical personnel and 42.5 % for medium level sanitary personnel;
- Absence of Carrier plan and of Training schedules to institutional level claimed by 55% of the medical personnel;

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<sup>2</sup> Alexandru,Gh.,Constantin,L.,(2008), Etica si management sanitar, (Ethics and Sanitary Management) Publishing House EfiConPress,Bucharest,page13.

- Institutionally decreased capacity of monitoring how public funds were managed, noticed by 22% of the medical personnel;
- Uncertainty in managerial decision making suggested by the interviewed medical personnel;
- Failing to achieve the new model of hospital scheduled for year 2013 , with no statute of budgetary public establishment and non-budgetary medical personnel;
- Failing to implement the actions of 20% cutting down extra hospitalizations in medical and surgical sections;
- Failing to implement actions of reduction of continuous hospitalization by 35% instead of treating patients in speciality ambulatory or by day hospitalization;
- Keeping an average degree of charging improper in sections, up to 60% versus 85% acceptable degree;
- Finding out low index of operability in surgical sections, respectively 55% versus 80% optimum index.

Besides these punctual results found out deficiencies are signalled in implementation of managerial mechanisms. “Necessity and opportunity of implementing the advanced methods of management to the level of public health services arise out of the multitude of complex issues the sanitary system faces including from difficulties encountered in implementation of sanitary reform to the respect of undertaking liability for restructuring of public sanitary units and establishing of new responsibilities for providers of medical services. These actions cannot be applied unless based on economic-social efficiency reviews that are to be grounded by scientific calculation methods and techniques corroborated with results and experience of developed countries<sup>3</sup>.”

Within such context that success in the field of medical services belongs to specialists the problem is posed of identifying complex solutions resulted out of reviewing the ratio between people’s unlimited needs of such services and financial resources that are limited, restrictive. Therefore therapeutic protocols and guides of medical practice are required to be prepared and as applicable updated so that to correspond to the high offer of costly medicines affecting the budget of public hospitals.

Significant finding out focuses on absence of concrete actions to take in order to increase high and medium level medical personnel’s income increase in attractiveness of jobs and implicitly diminishing of physicians’ migration.

Paradoxically, the government policy has aimed at mitigating budget expenses and in the first rank of expenses with salaries of medical personnel, locking further on the vacancies in medical personnel deficient sections.

Settlement of this sensible issue supposes adopting of a radical decision by political factors of governing that should substantially change the system of salary compensating the medical personnel with priority in hospital units.

The number of jobs shall reflect the actual requisite with no administrative limitations in payrolls of positions endorsed by central authority bodies as it is the current procedure. Certainly these radical actions if taken would influence the state budget and the social and health insurance budget but this is the sole solution to mitigate the exodus of medical personnel generating negative effects propagated in time.

The activity report of the Health Ministry per year 2013 published on the site [www.ms.ro](http://www.ms.ro) page.29, highlights that the total of expenses for health was last year lei 9,896.6 million, out of which from the state budget lei 8,451.0 mil and lei 1,445.6 mil of own incomes. Salaries out of these expenses stand per total lei 663.7 mil out of which lei 646.2 mil from the state budget and lei 17.5 mil lei of own incomes. These data do not reflect but expenses with

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<sup>3</sup> Alexandru,Gh.,(2004), Managementul serviciilor medicale,(Management of Medical Services) Publishing House EfiConPress,Bucharest,page,12

salaries related to sanitary units under subordination by the Health Ministry and personnel in county services of ambulance. The other expenses with salaries are carried out of the social and health insurance funds according to services contracted and disbursed. Fact is the level of expenses for health to the level of year 2013 was 3.2 % of the Gross domestic product (GDP) while governmental strategies foresaw 6 % din GDP. This severe deficit in financing health affects the national health programmes, the amount of acquisitions in advanced medical technique, investments in health.

“The analysis of the social protection system and the economic dimensions of the budgets lead to the identification of three groups of difficulties related to financing medical services:

- The insufficient financial resources in proportion to the requirements;
- The inequity between the value of medical services and paid contributions;
- The maladjustment of medical services to requirements of the economic policies<sup>4</sup>.”

Restructuring of public health services may be achieved with direct contributions by managers in this sector, by liability-bearing undertaken concerning modernization of structural and process organizing of sanitary units as a result of reforming political decisions.

A prime example is represented by the assessment upon general, basic and specific indices of sanitary activity. The most representative of them are: the degree of bed utilization in the hospital, the average duration of hospitalizing and the costs per day of hospitalizing. For instance, if the average time for hospitalizing in a hospital section is 280 days a year, then an effective shortfall is found out versus the optimum level of 320 days a year set out for medical sections and managerial decision would have to be to properly reduce the number of beds in the respective section as it induces unjustified costs.

Another significant example is the assessment of quality factors of efficiency of sanitary activities. “The algorithm of assessing quality factors consists in processing specialty information by using reference patterns and value indices, establishing levels of health per causes, implementation of curing treatments on cause and risk factors including monitoring of health condition by proper control<sup>5</sup>.”

Within this context, assessments becomes necessary to evaluate investing factors, while reviewing influences determined by age and determined by the level of revenues, assessment of demographic and cultural factors , evaluation of economic-social factors.

Aspects presented herewith make the proof of the fact there is a multitude of methods for assessment of medical services by quantity and quality elements, methods standing for grounds of restructuring of sanitary activity.

The problem is there has been no political and administrative will to proceed to the achievement of a profound reform in this field.

#### **4. CONCLUSIONS**

Restructuring of public health services is an imperative necessity within the context of difficulties related to the operation and financing of medical action. Problems are known by decisional political factors and sanitary managers. Experts in sanitary management dispose of objective methods and techniques for scientific grounding of decisions for reforming of the present-day system. In spite of the numerous dysfunctions found out and of population’s dissatisfaction concerning the offer of medical services, the actions to take are delayed in occurring. And expectations are over 20 year-time by now. The steps run are modest not to affect the egos of personalities in medical world. Instead, a stressed increase shows-up in the demand of medical services concomitantly with allocation of limited funds for health

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<sup>4</sup> Cicea,C.,Borisov,D.,Alexandru,Gh.,Investment in Health Investments in People (2012),Publishing House ASE,Bucharest,page.112.

<sup>5</sup> Alexandru,Gh.,Evaluarea eficientei activitatilor sanitare (Assessment of sanitary activity efficiency) ,(2002),Publishing House Lumina Lex,Bucharest,page.101

expenses. Restructuring supposes population's large access to medical services and proper money amounts. Population's present-day expectations involve a significant rise in the public health services' quality. The deficit of financial resources supposes the development in priority of primary hospital and specialty ambulatory medical assistance against costs relatively low in favour of costly expenditure hospital medical assistance. Reforming health services involves a strong impact of technical progress state of the art by investment in competitive medical appliances and real estate endowments. Restructuring and reforming the present-day sanitary system stands for undertaking special responsibilities.

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