The Portuguese health system: challenges and opportunities

European Observatory on Health Systems and Policies

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- Presentation based on the HiT Health System Review on Portugal
- Report closed on 31 December 2010 (update to come)
- Joint work with Jorge de Almeida Simões e Sara Ribeirinho Machado, Observatory editor: Sara Allin
- HiT review follow a pre-defined template (allowing comparisons across countries for the same topic)
- Aimed at the wider international audience

Index

- Introduction to the country
- Organization and Governance
- Financing
- Physical and human resources
- Provision of services
- Principal health care reforms
- Assessment of the health system

Major features of the review

- Portuguese populations has good health and increasing life expectancy – for discussion: will this still be true in the next review?
- Based on a NHS financed through taxation
- Co-payments have been increasing over time
- Most measures directed to improve delivery of health care

Mortality and health indicators

Table 1.3

Mortality and health indicators, 1970–2008 (selected years)

	1970	1980	1990	2000	2007	2008
Life expectancy at birth, female (years)	70.3	74.6	77.6	80.3	81.6	81.4
Life expectancy at birth, male (years)	64.0	67.5	70.6	73.2	74.9	74.9
Life expectancy at birth, total (years)	67.1	71.2	74.1	76.8	78.3	78.2
Mortality rate (per 1 000 female adults)	10.1	9.0	9.6	9.5	9.2	9.3
Mortality rate (per 1 000 male adults)	11.5	10.6	11.1	11.1	10.4	10.4
Mortality rate, crude (per 1 000)	10.7	9.7	10.3	10.3	9.8	9.8
Infant deaths per 1 000 live births	55.5	24.3	10.9	5.5	3.4	3.3
Probability of dying before age 5 years (per 1 000 live births)	–	29.2	14.0	7.3	4.2	4.0

Sources: INE, 2009a, 2009b, 2009c, 2009e; WHO Regional Office for Europe, 2010.

Main causes of death

Table 1.6

Main causes of death – percentage of total number of deaths, 1990–2009 (selected years)

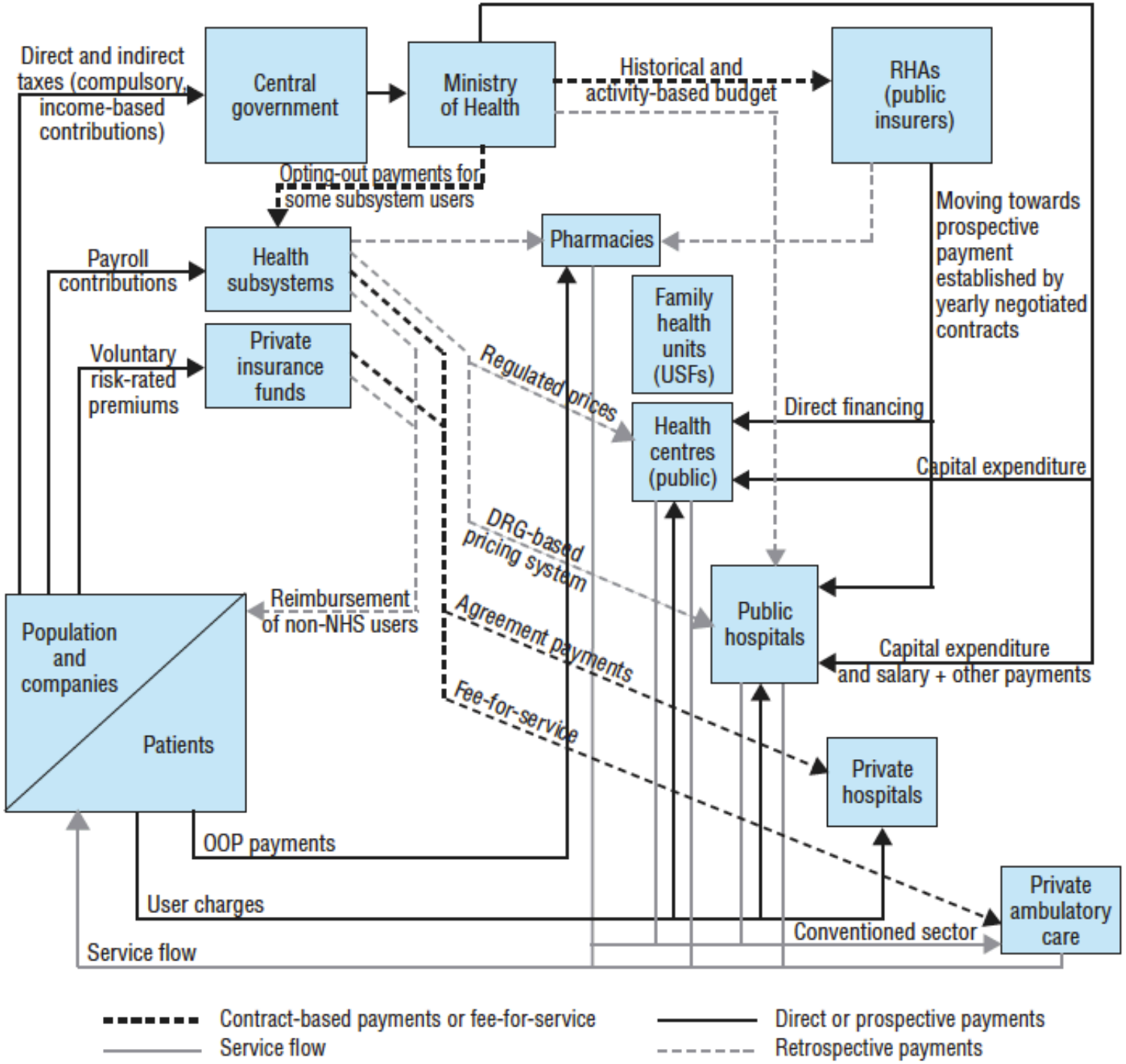
	1990	1995	2000	2005	2006	2007	2008	2009
Diseases of the circulatory system	44.2	41.9	38.7	34.0	32.2	32.9	32.3	31.9
Malignant neoplasms	17.7	19.3	20.3	21.1	21.7	22.6	23.0	23.2
Diseases of the respiratory system	7.3	7.7	9.7	10.5	11.3	10.6	11.1	11.7
Diseases of the digestive system	4.5	4.4	3.9	4.3	4.2	4.4	4.4	4.4
Diabetes mellitus	2.6	3.0	3.0	4.3	3.7	4.2	4.1	4.4

Source: INE, 2009g.

- Despite the overall improvement in living standards, there are important inequalities among the regions and between social classes
- This is so despite the progress made in the last two decades
- This is one existing challenge to the Portuguese Health System and to National Health Service

Organization and Governance

- The health system is characterized by three coexisting, overlapping coverages:
  - the universal NHS;
  - special public and private insurance schemes for certain professions (health subsystems), covering about a quarter of the population;
  - and private VHI, with estimates of coverage ranging from 10% to 20% of the population.
- Challenge: clarification of roles



Overview chart of the health system

- Current time:
  - reorganization of NHS structure
  - Reduction in number of bodies (ACS, IDT, etc.)
  - Fragmentation: ACES + USF + UCSP
- Challenge: what will the NHS look like after the dust settles down from current changes?
- (a review of this section is in order soon)

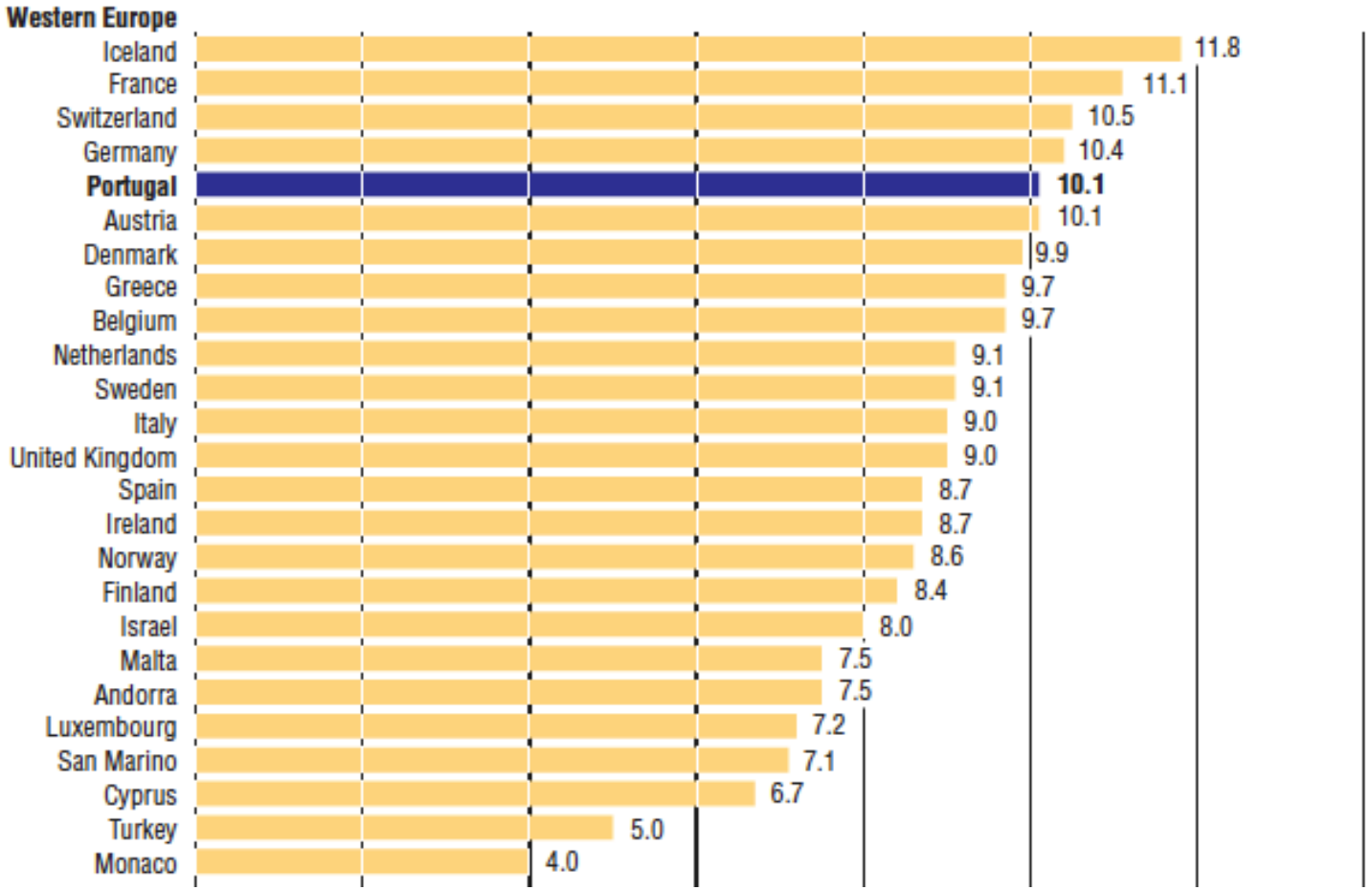
Financing

- The traditional discussion of which indicator to use
- Take health expenditure as % of GDP – we spend a lot
- Take health expenditure per capita – we spend too little
- Question: what is the right benchmark ?

Health expenditure as % GDP

Fig. 3.2

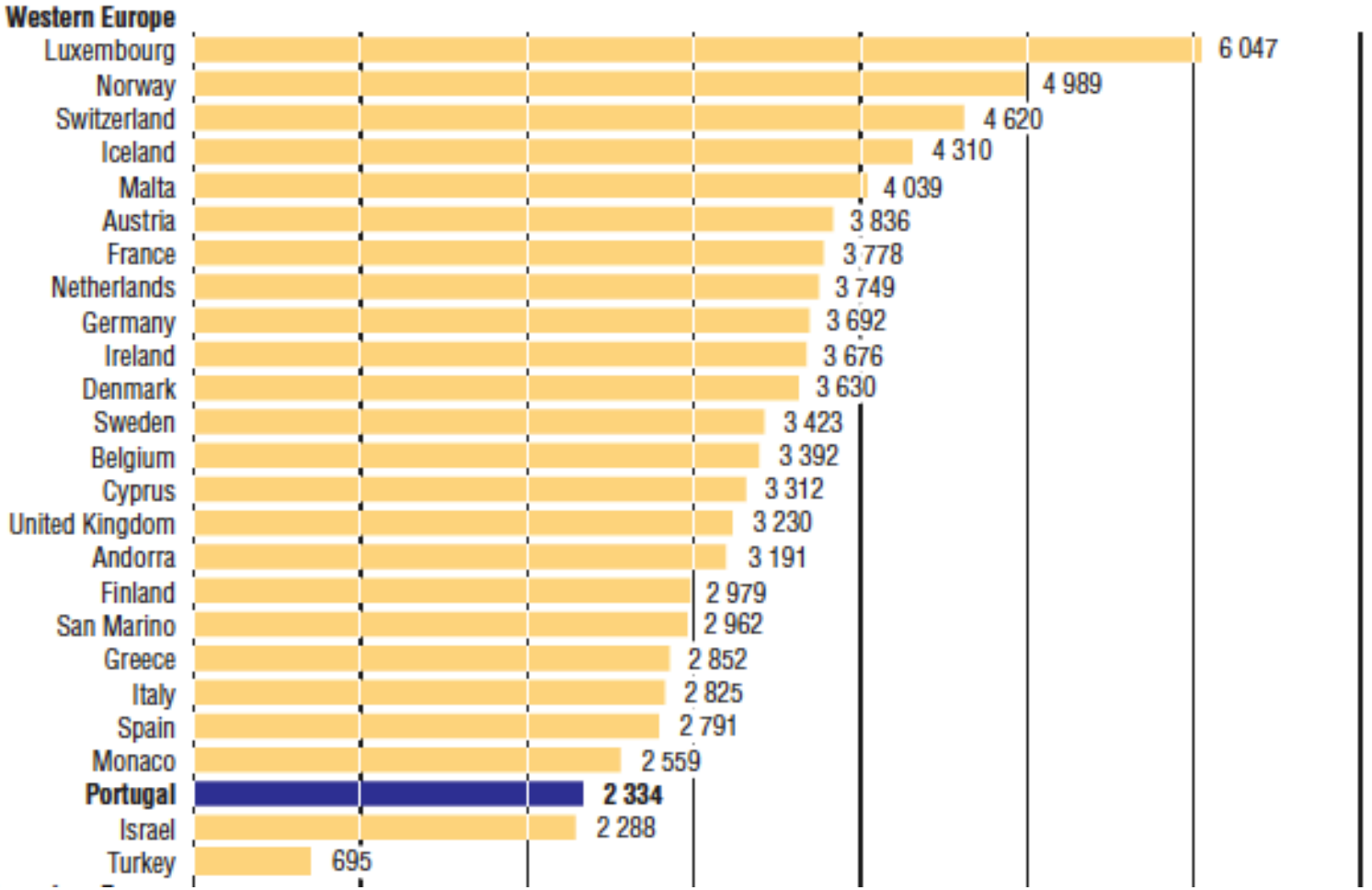
Health expenditure as a share (%) of GDP in the WHO European Region, 2008



Health expenditure per capita

Fig. 3.4

Health expenditure in US$ PPP per capita in the WHO European Region, 2008



Coverage

- Breadth: who is covered? All residents, including immigrants; we have a good record on this
- Scope: what is covered? Theoretically, no exclusions, but some services are taken more on the private sector, main example: dental care
- Depth: how much is covered? Co-payments are particularly large in pharmaceuticals

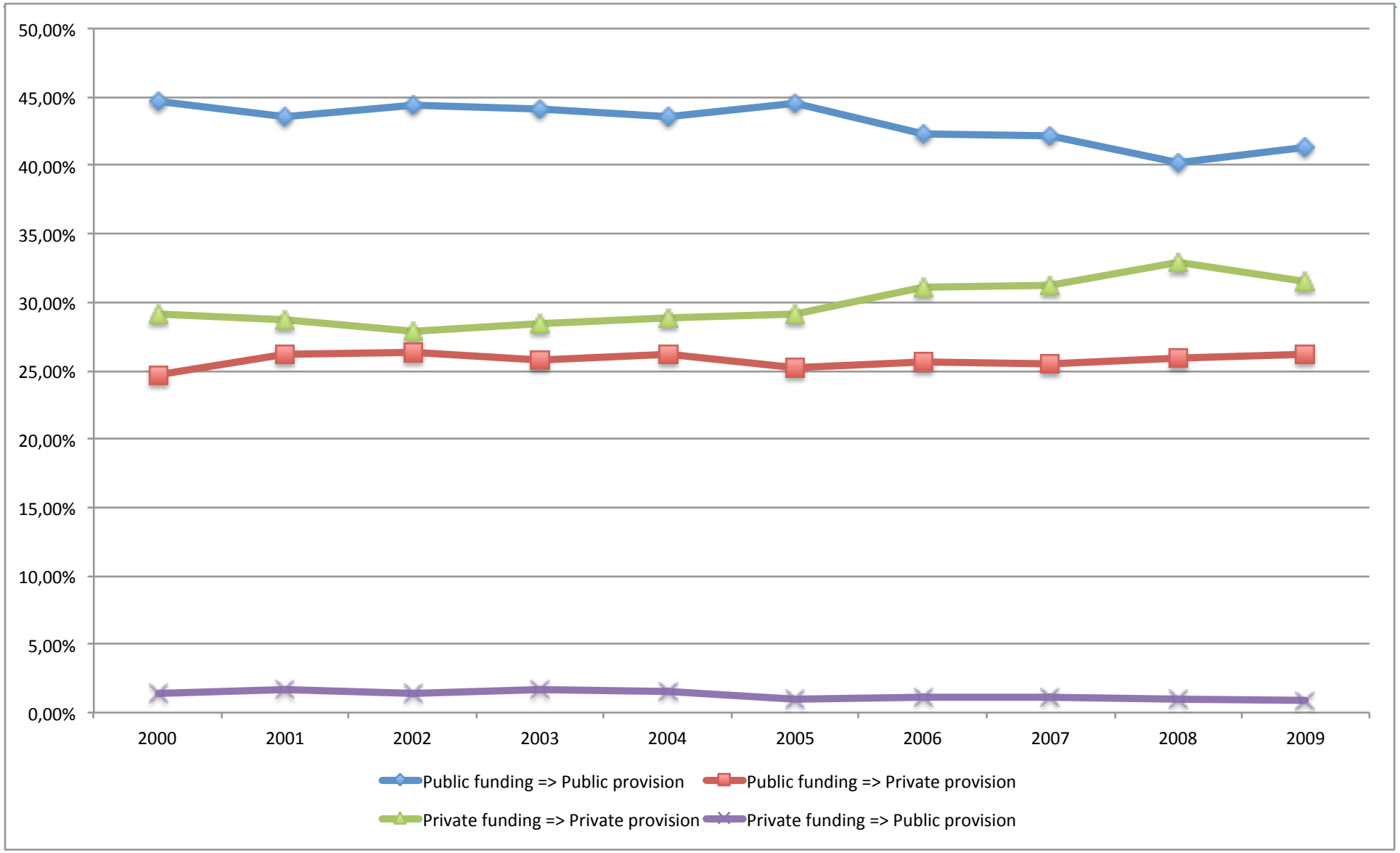
Funding mix

Table 3.2

Funding mix for the health system (%), 2000–2008 (selected years)

	2000	2005	2006	2007	2008
Public funding	68.8	68.9	66.9	66.6	65.6
Private funding	31.2	31.1	33.1	33.4	34.4
of which					
Non-profit-making institutions serving families	0.5	0.4	0.4	0.3	0.3
VHI	11.3	14.2	14.4	14.0	15.0
OOP payments	86.4	84.1	83.9	83.9	83.4
Other private funding	1.8	1.4	1.3	1.3	1.4

Sources: INE, 2010; Ministry of Finance & Ministry of Internal Affairs (2000–2008).
Note: Data are also available at http://www.pordata.pt/.



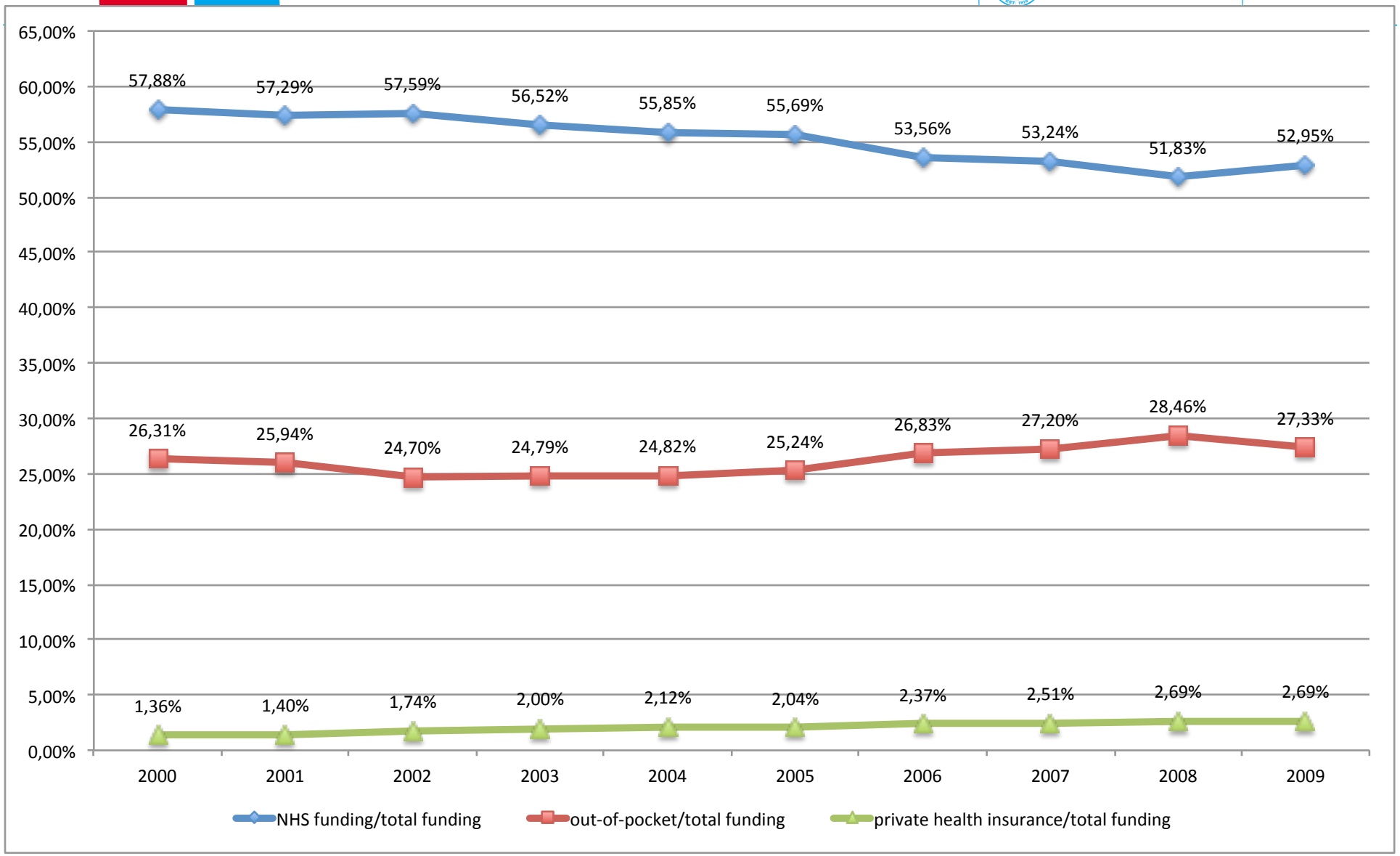
Source: Conta Satélite da Saúde, INE

Funding vs provision

2000	Funding		
Provision	Public	Private	
Public	44,74%	1,40%	46,14%
Private	24,70%	29,16%	53,86%
	69,44%	30,56%	

2009	Funding		
Provision	Public	Private	
Public	41,35%	0,89%	42,24%
Private	26,20%	31,55%	57,76%
	67,55%	32,45%	

Source: Conta Satélite da Saúde, INE



Source: Conta Satélite da Saúde, INE

Physical and human resources

- Overal trend to reduce number of beds in hospitals (technology advances reduce their role)
- Increasing number of physicians and nurses
- Still, ratio nurses to physicians seems too low from international comparisons

Provision of services

- Patient flows – organization and new entities along side old ones in primary care (NHS)
- large independent private sector that provides diagnostic and therapeutic services to NHS beneficiaries under contracts called conventions – currently under stress – price decreases, demand divertion
- Links of primary care to specialized care to continued & long term care

- Emergency care – timely response & “easy door” for citizens to access specialized health care in the NHS
- Pharmaceutical care – regulation, prices & margins, geographical distribution, expansion of role (?)
- Long term care – new publicly funded network still being built
- Mental health care – need for (re)thinking
- Dental care – need for expansion

Principal health care reforms

- Before mid-2011, five main areas:
  - Health promotion
  - Long term care
  - Primary and ambulatory care
  - Hospital management and inpatient care
  - Pharmaceutical market
- Post mid-2011
  - Pharmaceutical market
  - Hospital care

Timeline

- 2006 – network for long term care was initiated
- 2008 – creation of ACES & USF (2005)
- Hospitals – some redefinition of supply (short of what is needed); PPPs
- Pharmaceutical market – price & margin changes, removal of barriers to entry (OTC, ownership of pharmacies)
- National Health Plan (2004; 2011 (?))

Main challenges

- Bring reforms initiated in the first decade of the 2000s to be completed (primary care, long term care)
- Bring a redefinition of supply of the NHS (in hospital care) – deployment of units & efficiency
- Pharmaceuticals – limits to the strong policies of the recent past? Health costs of it?

Main challenges

- At the macro level, the Ministry of Health faces the issue of coping with pressures for higher health care spending in a context of containment of public spending, due to the excessive budget deficit of the Portuguese government.

Assessment of the health system

- 1. Stated objectives of the health system: Health policies should promote equality of access to health care for the citizens, irrespective of economic condition and geographic location, and should ensure equity in the distribution of resources and use of health care services
- Challenge: monitoring and action upon what is found?

Assessment of the health system

- 2. Financial protection and equity in financing: It is slightly progressive due to progressive income taxation (indirect taxation is slightly regressive but is compensated by income taxation progressivity).
- Out-of-pocket payments, on the other hand, introduce a regressive element (role of pharmaceutical spending)

Assessment of the health system

- 3. User experience and equity of access:
  - there are several areas where coverage is limited (ex. Dental care)
  - Primary care and access to GP
  - Access to surgery and waiting times – strong improvement since SIGIC, what lies ahead?

Assessment of the health system

- 4. Health outcomes, health service outcomes and quality of care
- No estimate of improvements in health status divided into contribution of health care, public health, lifestyle changes, income, environmental factors, etc.
- Quality of care: hospital-acquired infections, waiting times