



Global Health Economics

Informal Payments in Ukrainian Health Care

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Informal payments are those made by individuals or institutions in cash or in kind outside official channels for services that are meant to be covered by the public health care system.

Informal payments not only limit access to healthcare, but also undermine official payment systems, distort health priorities, impede health reforms and can encourage unprofessional behavior of health providers.

A list of informal payments' effects:

- impact on price;
- impact on health quality;
- impact on access to health;
- impact on health budget;
- impact on other public budgets;
- impact on markets;
- indirect impacts on society;
- cross-border impacts.

Source: Study on corruption in the health care system, 2013.

Table 1 – Total formal and informal payments for health care services by adults

Indicators / Countries	Bulgaria	Hungary	Lithuania	Poland	Romania	Ukraine
Total formal payments for services by adults [% GDP]	0.30	0.10	0.20	0.10	0.50	1.00
Total informal payments for services by adults [% GDP]	0.10	0.20	0.20	0.04	0.30	0.50
Total formal payments for services by adults [%THE]*	4.30	0.80	2.30	1.40	10.10	14.50
Total informal payments for services by adults [% THE]*	1.50	2.10	2.70	0.60	6.30	6.70

*THE – total health expenditure

Source: ASSPRO, European Policy Brief, 2013.

Table 2 – Formal and informal payments for physician visits and hospital admissions

Indicators / Countries	Bulgaria	Hungary	Lithuania	Poland	Romania	Ukraine
Formal payments for physician visits [% adult users]	69.1	12.7	31.5	19.3	42.2	42.1
Formal payments for hospital admissions [% adult users]	56.8	10.5	30.3	8.2	42.2	54.5
Informal payments for physician visits [% adult users]	9.6	20.8	19.8	6.7	28.7	36.1
Informal payments for hospital admissions [% adult users]	19.8	44.2	49.7	16.4	49.5	48.2

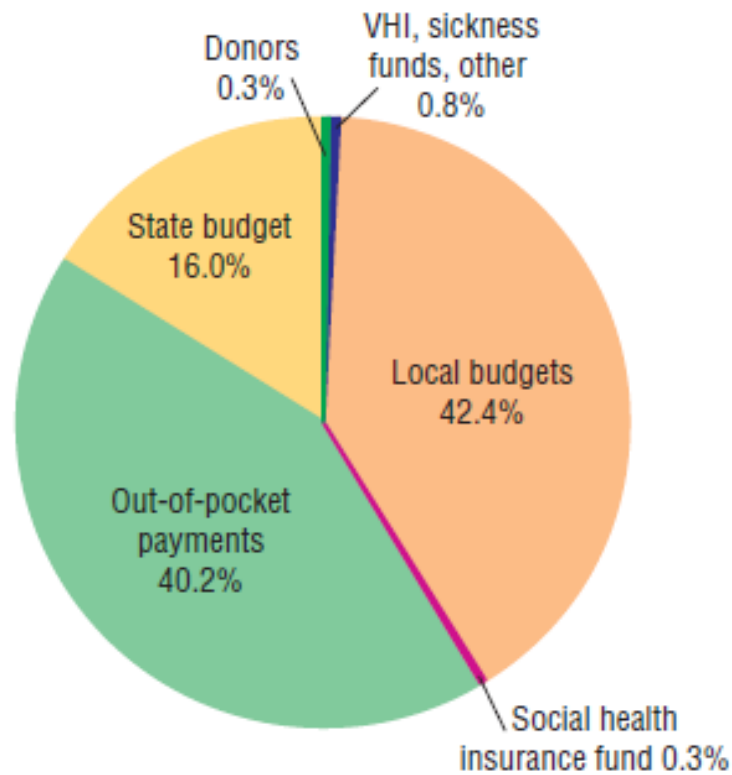
Source: ASSPRO, European Policy Brief, 2013.

Table 3 – Average physician visits and hospital admissions per adult per year

Indicators / Countries	Bulgaria	Hungary	Lithuania	Poland	Romania	Ukraine
Users of out-patient physician service [% adults]	74.2	79.9	73.1	73.6	65.2	56.4
Users of in-patient hospital service [% adult users]	16.2	21.1	16.3	15.9	19.2	18.0
Average physician visits per adult user per year	5.7	6.6	5.0	5.1	5.0	3.39
Average hospital admissions per adult user per year	2.3	1.9	1.6	1.6	1.9	1.48

Source: ASSPRO, European Policy Brief, 2013.

Figure 1 – Percentage of total expenditure on health in Ukraine according to source of revenue, 2008



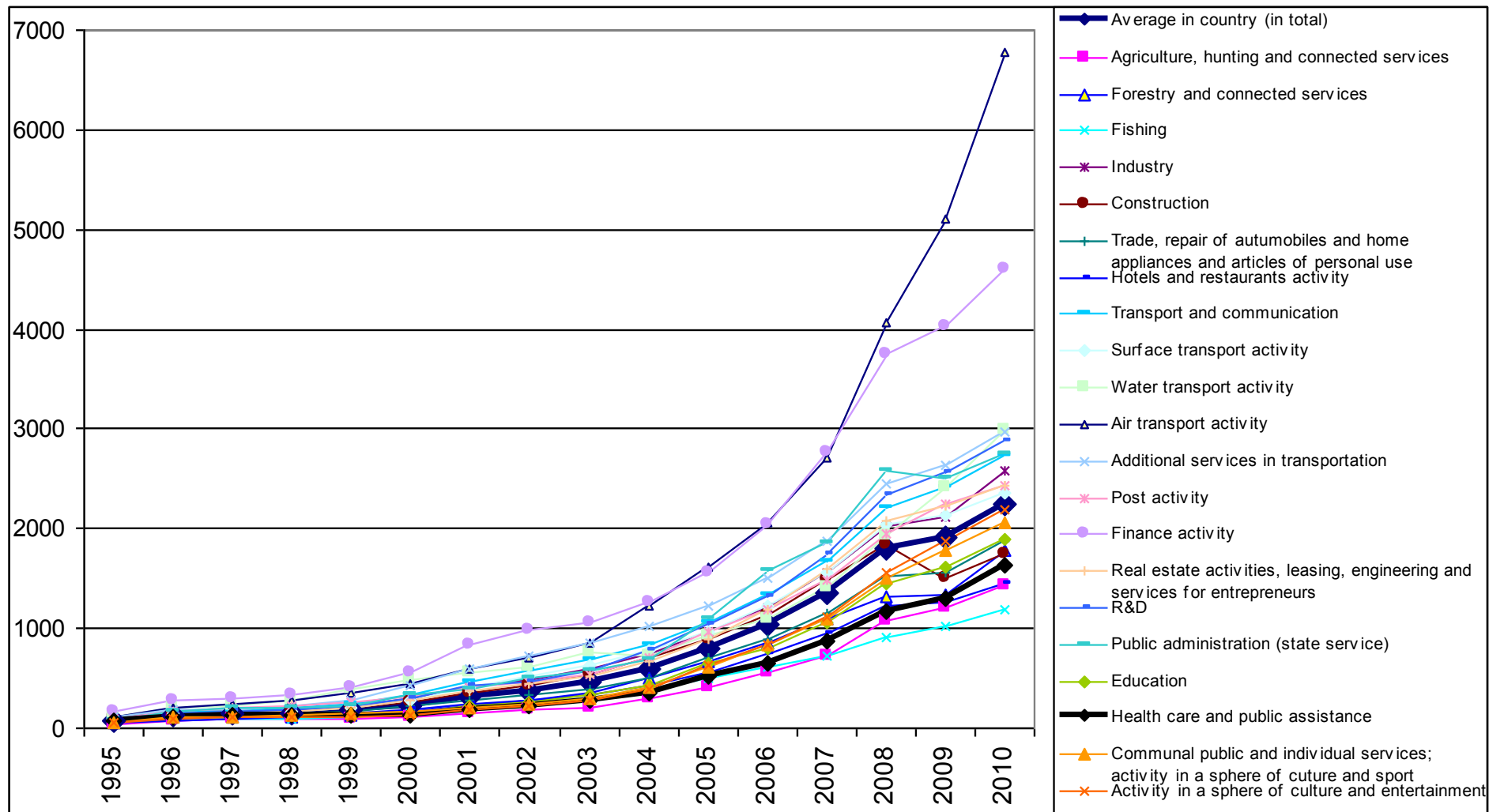
Source: State Statistics Committee of Ukraine, 2010

Systemic drivers for informal payments in health care system:

- low or irregular salaries for medical personnel;
- asymmetry of information between the physician and the patient;
- weak controlling mechanisms;
- contradictory regulation;
- tolerance by the patients towards informal medical payments.

Source: Study on corruption in the health care system, 2013.

Figure 2 - Dynamic of monthly wages in different spheres, 1995-2010 years (Ukraine), UAH



Source: State Statistics Committee of Ukraine, 2011

Salary of medical workers in different countries

Average salary of medical workers:

Ukraine – 294 \$

Lithuania – 937 \$

Poland – 1500 \$

Real minimum wages of doctors:

Ukraine – 199 \$

Bulgaria – 307* \$

Hungary – 475* \$

Lithuania – 900 \$

Poland – 1500 \$

Romania – 376* \$

Source: Market Leader, 2014; Medlines, 2013 (*)

*Table 4 - Doctors and nursing personnel density in different countries,
(per 1000 population)*

Country / Indicator	Doctors density	Nursing and midwifery density
Bulgaria (2011)	3.812	4.684
Hungary (2011)	2.96	6.388
Lithuania (2011)	3.751	7.17
Poland (2011)	2.199	5.837
Romania (2011)	2.386	5.511
Ukraine (2012)	3.531	7.599

Source: WHO

Table 5 - The current health care system in Ukraine

State System	Private System
Tertiary level: Research institutes	---
Secondary level: Clinics or Polyclinics	Private clinics
Primary level 1': Specialists*	Private specialists
Primary level: Family medicine	Private family medicine

*Being reformed (this level is planned to be removed under the new system)

Policy options:

- higher salaries for physicians and medical staff (to match the country averages);
- penalties against those who receive/request informal payments;
- introduction of formal patient charges;
- development of private sector alternatives;

Thank you for your attention!

