



Hospital sector in Lithuania: looking for efficiency

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28.06.2019

Vilnius, Lithuania



Content

1.

Basic information about healthcare financing and hospital sector

2.

Evolution of hospital care

3.

Challenges and future plans



Main Indicators of Health Financing in Lithuania, 2017

	2017
Total health expenditure (THE) (€ million)	2 719,7
Public expenditure (€ million)	1818,8
of which Compulsory Health Insurance (€ million)	1566,7 (86%)
Private expenditure (€ million)	900,3
of which private households OOP (€ million)	876,4
THE as % of GDP (%)	6,45%
Public expenditure on health as % of GDP (%)	4.31%
Private expenditure on health as % of GDP (%)	2.14%
Public expenditure on health as % of THE	67%
Private expenditure on health as a % of THE (%)	33%
THE per capita (in €)	960,2



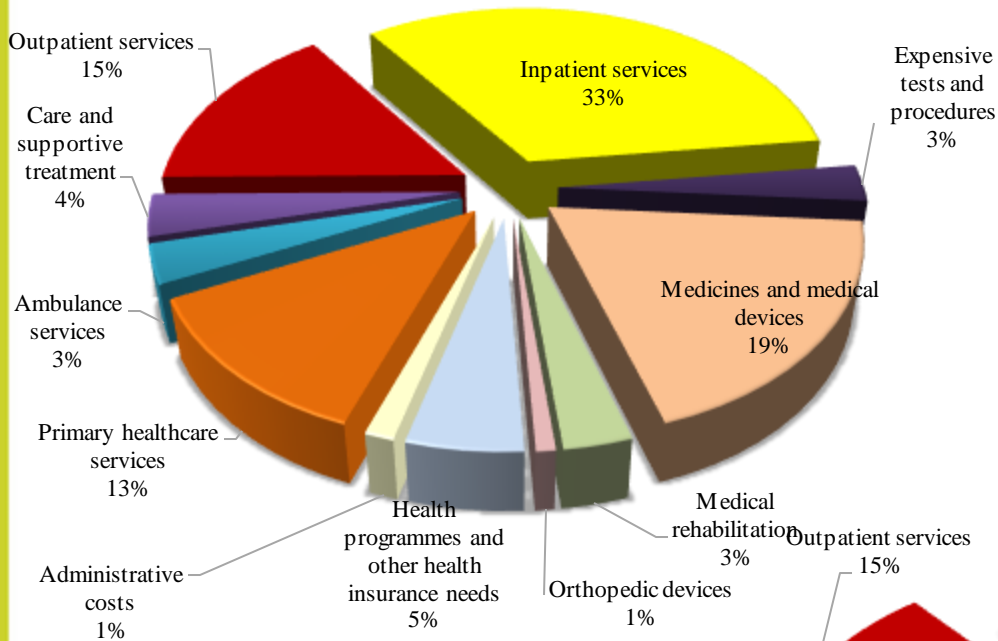
Compulsory Health Insurance System in Lithuania

- Public health insurance
- Population coverage 98,3 % (pop. 2,8 million)
- Individual insurance:
 - Economically active population (45%) pay contributions
 - For non-EAP (55%) contributions paid by Government
- Single-payer system:
 - National Health Insurance Fund
 - Five regional HIFs contracting health care providers incl. hospitals
- Hospital payment mechanisms:
 - Australian DRGs (AR-DRG v. 8.0)
 - Budget caps
 - Priority for day and outpatient care
 - Payment for performance under consideration

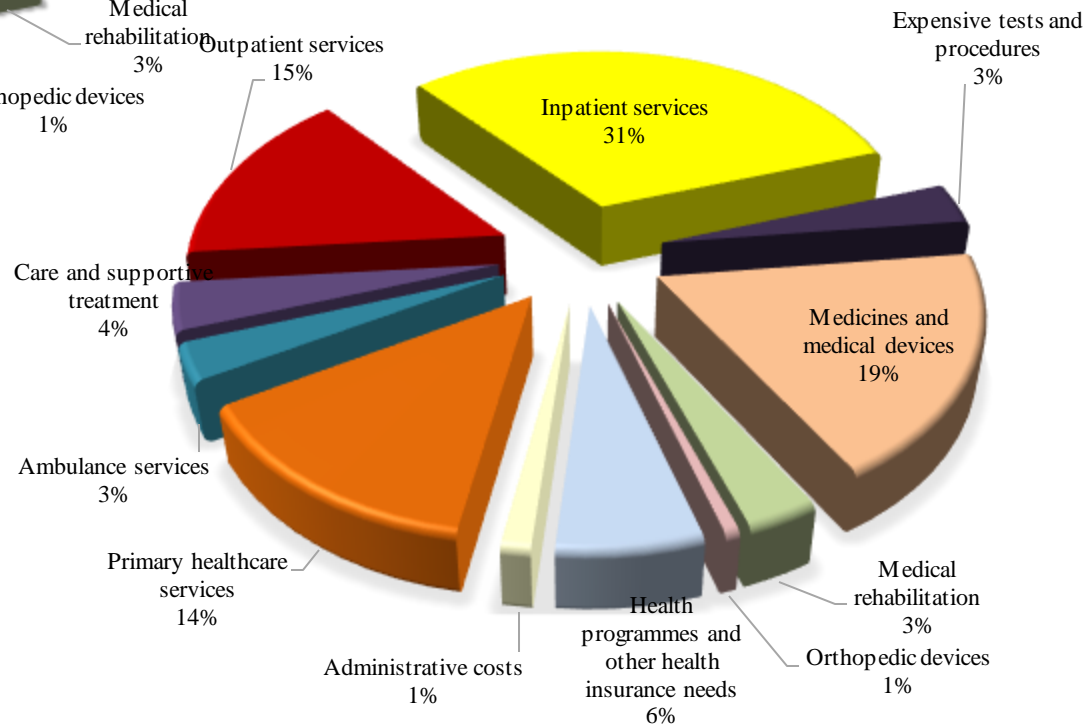


CHIF Expenditure: proportions and trends

2016

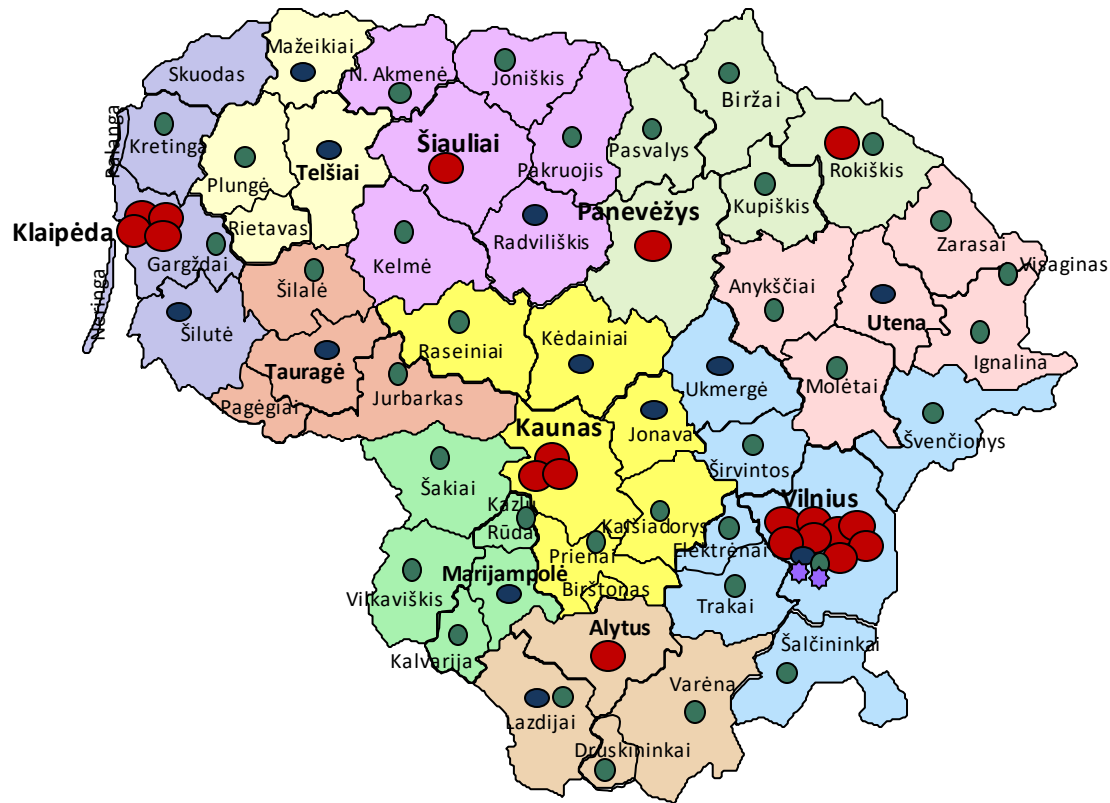


2019





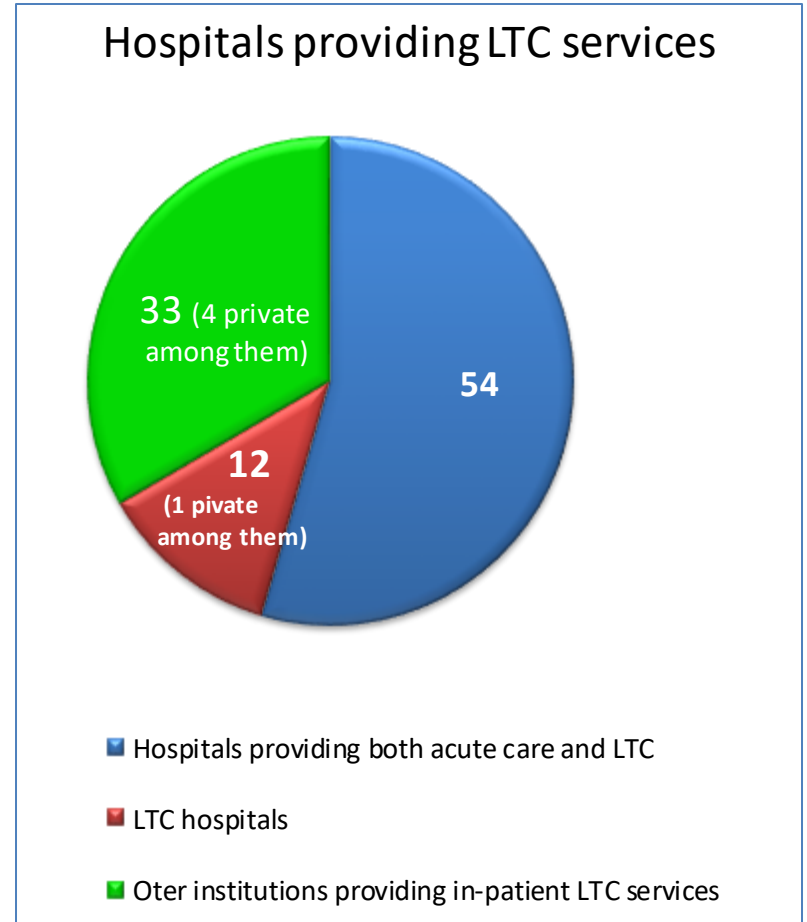
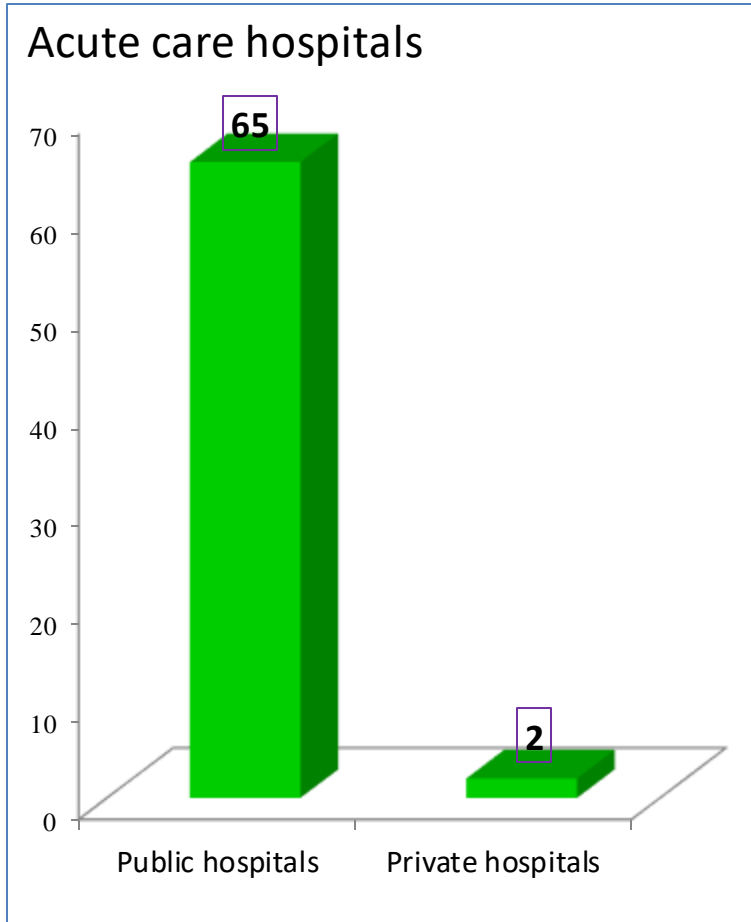
Present map of acute hospitals



●	19 republican level hospitals (4 mono-profile)
●	12 regional level hospitals
●	34 municipality level hospitals
★	2 private hospitals



Hospital sector: profile





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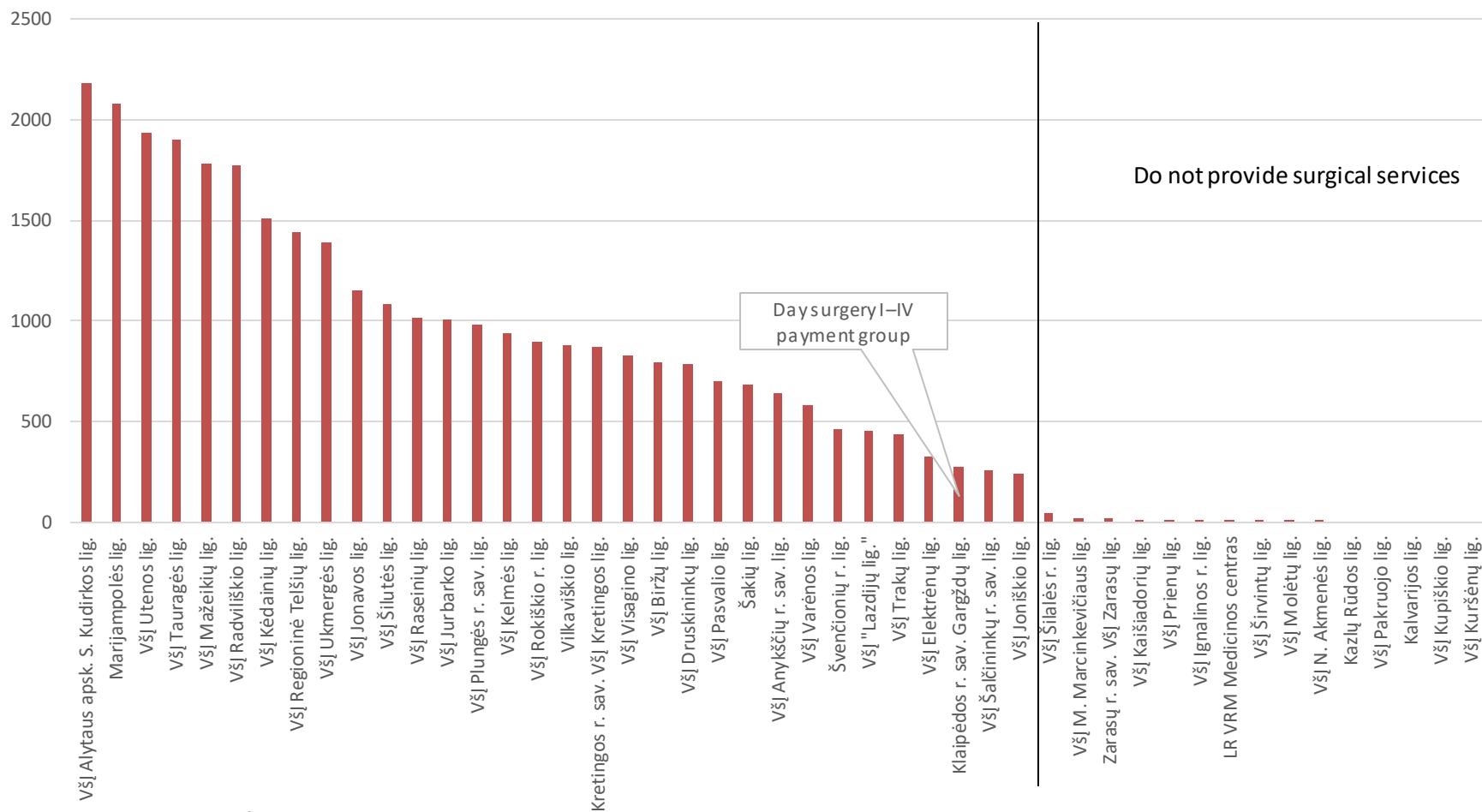


Stages and Results of Hospital Sector Restructuring

<p>Stage I (2003-2005) Stage II (2006-2008) Stage III (2009-2012) Stage IV (2016-2017)</p>	<ul style="list-style-type: none">• The number of hospitals was reduced by 42 legal entities ($\approx 40\%$) via incorporation of mono-profile hospitals into multi-profile;• The number of beds decreased by more than 10.300 beds ($\approx 15\%$) ;• The average length of stay in the hospital was down from 9.44 to 7,1 days (acute + LTC);• A number of municipal hospitals have closed their obstetrics and surgery units due to low number of deliveries and surgical operations
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Number of Surgical Cases in Regional and Municipal Hospitals, 2017

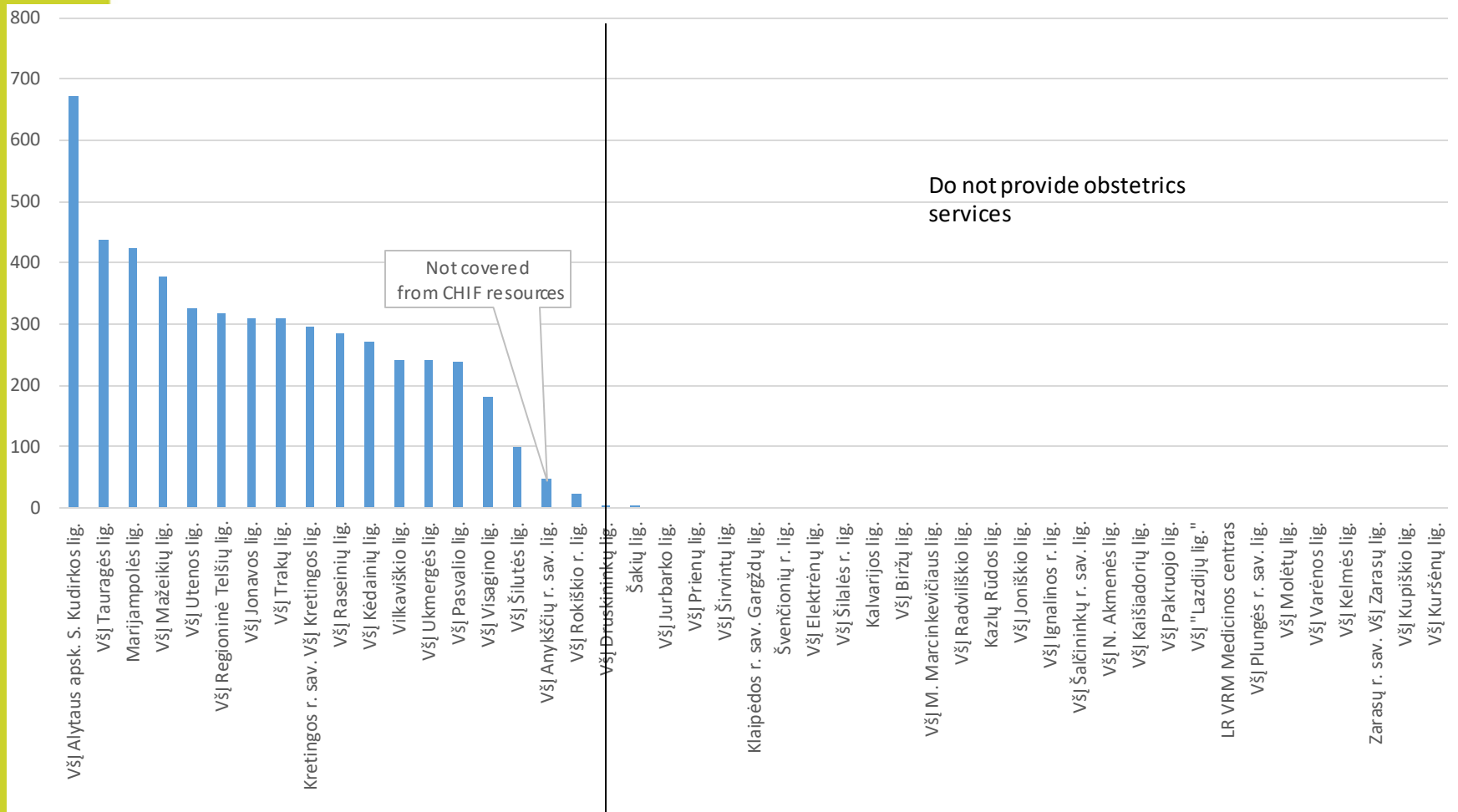


Remarks:

1. Day Surgery cases included
2. 16 hospitals do not provide surgical services



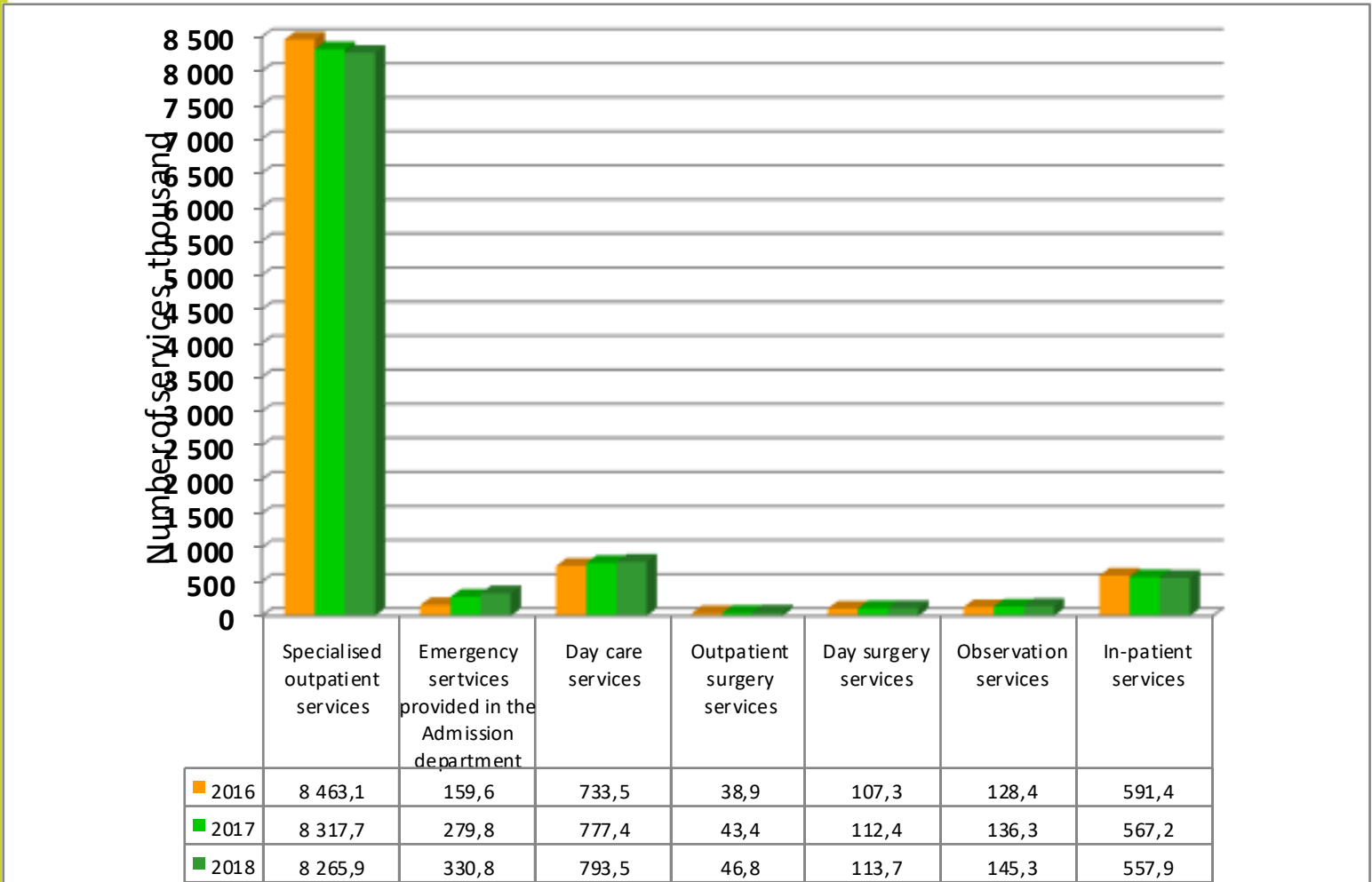
Number of Deliveries in Regional and Municipal hospitals, 2017



Remark: 29 hospitals do not provide obstetric services



Trends of In-patient and out-patient services provided by hospitals (2016-2018)

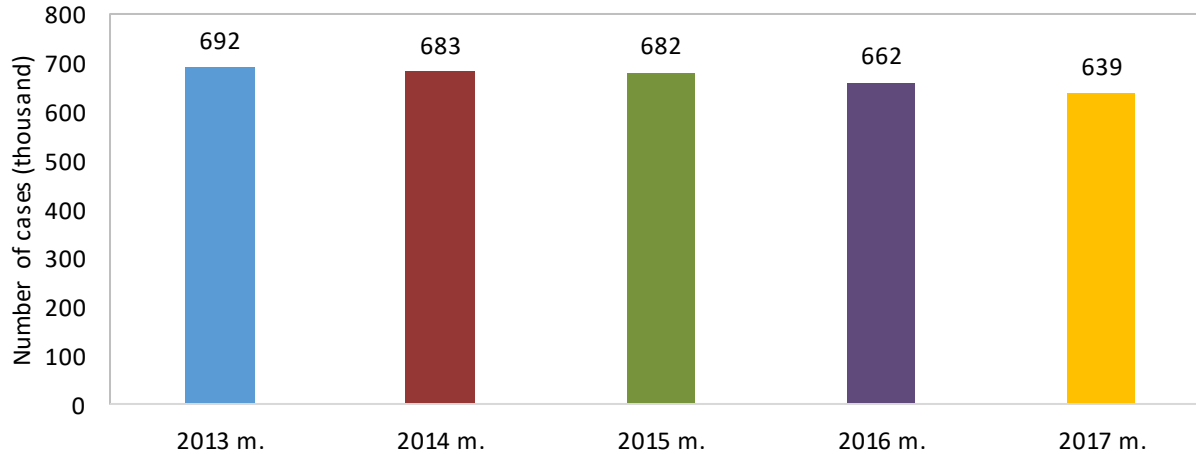


- Specialized outpatient services: II, III level consultations, long-term patient monitoring services, preventive services, neonatal screening services and additionally paid services



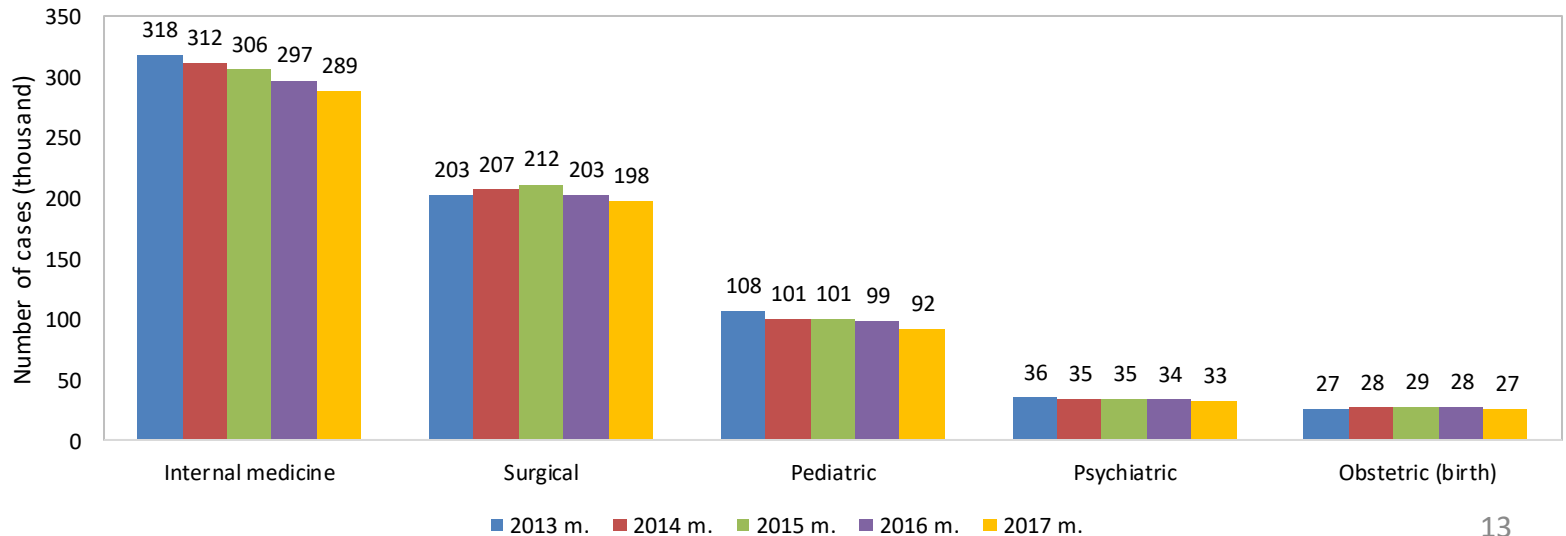
Changes in the Number of Acute In-patient Cases (2013–2017)

Total number of cases (thousand)



Average decrease - 2.0% per year

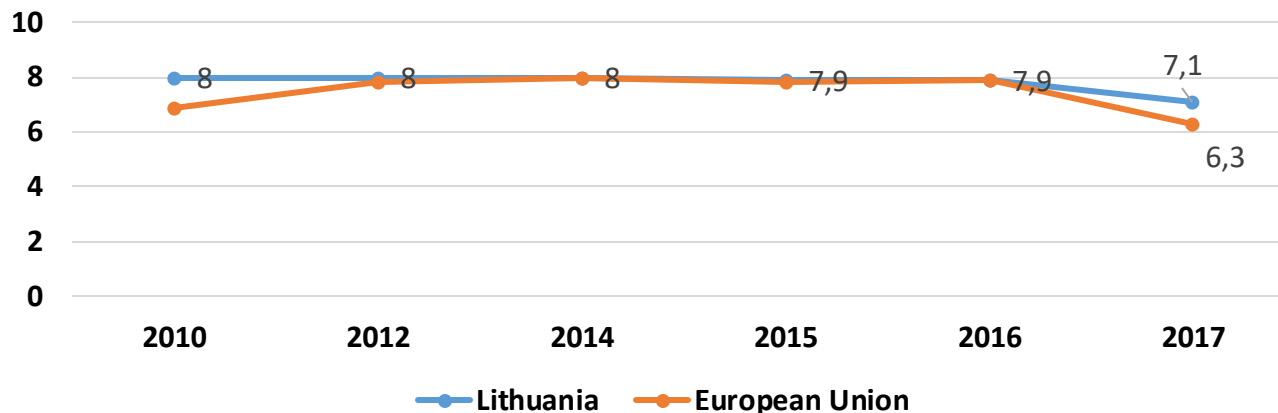
Acute care cases by service groups (thousand)



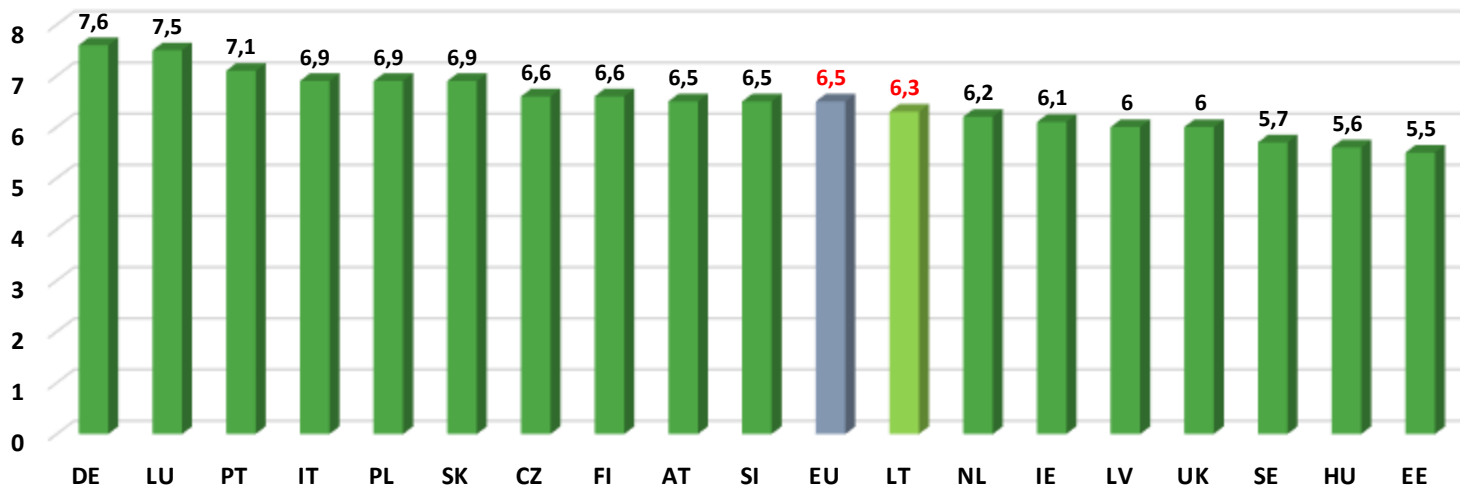


Average Length of Stay

Dynamics of average length of stay in hospital for all inpatient cases (2010-2017)



Comparison of average length of stay in acute care hospitals (2016)





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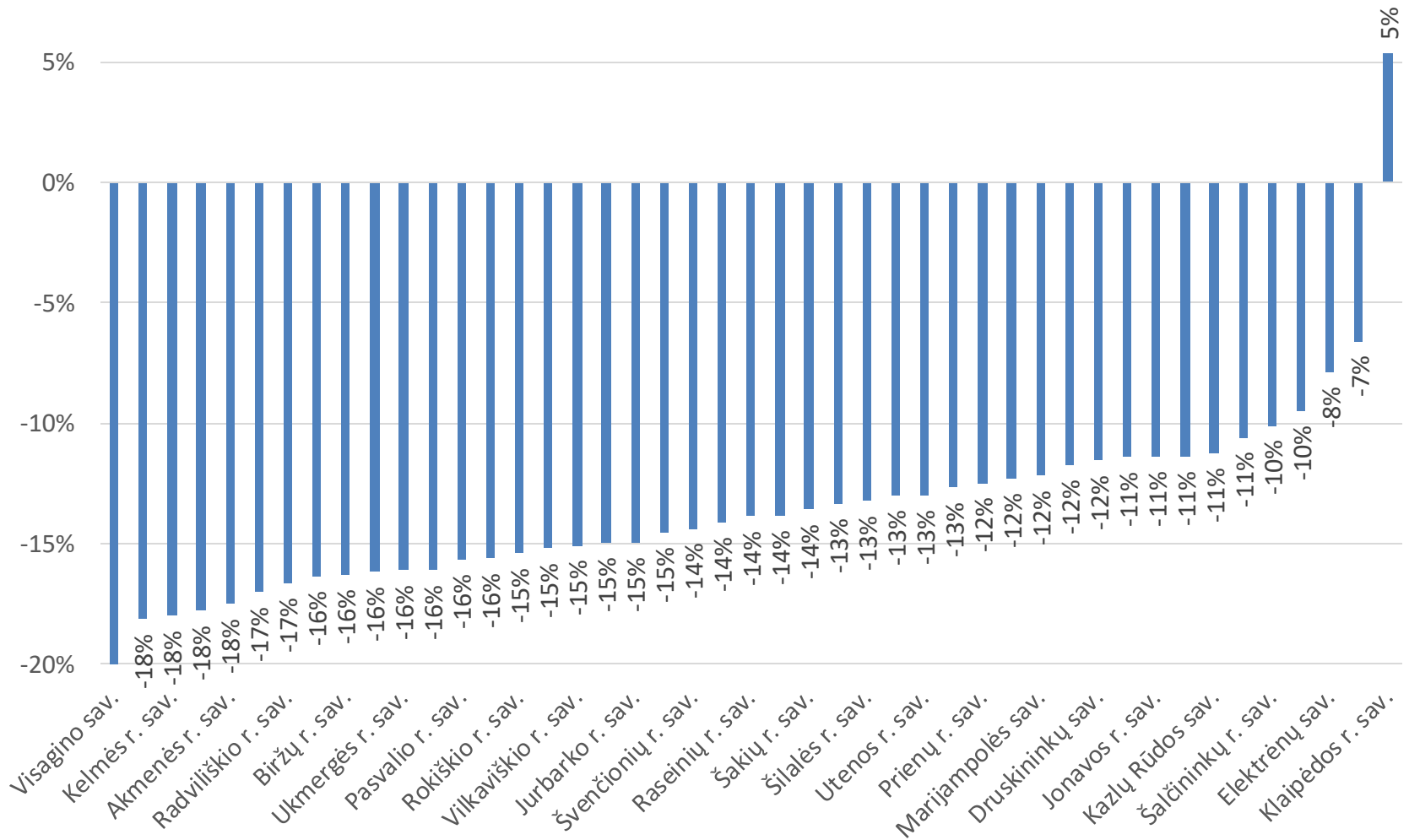
Evolution of hospital care

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Challenges and future plans

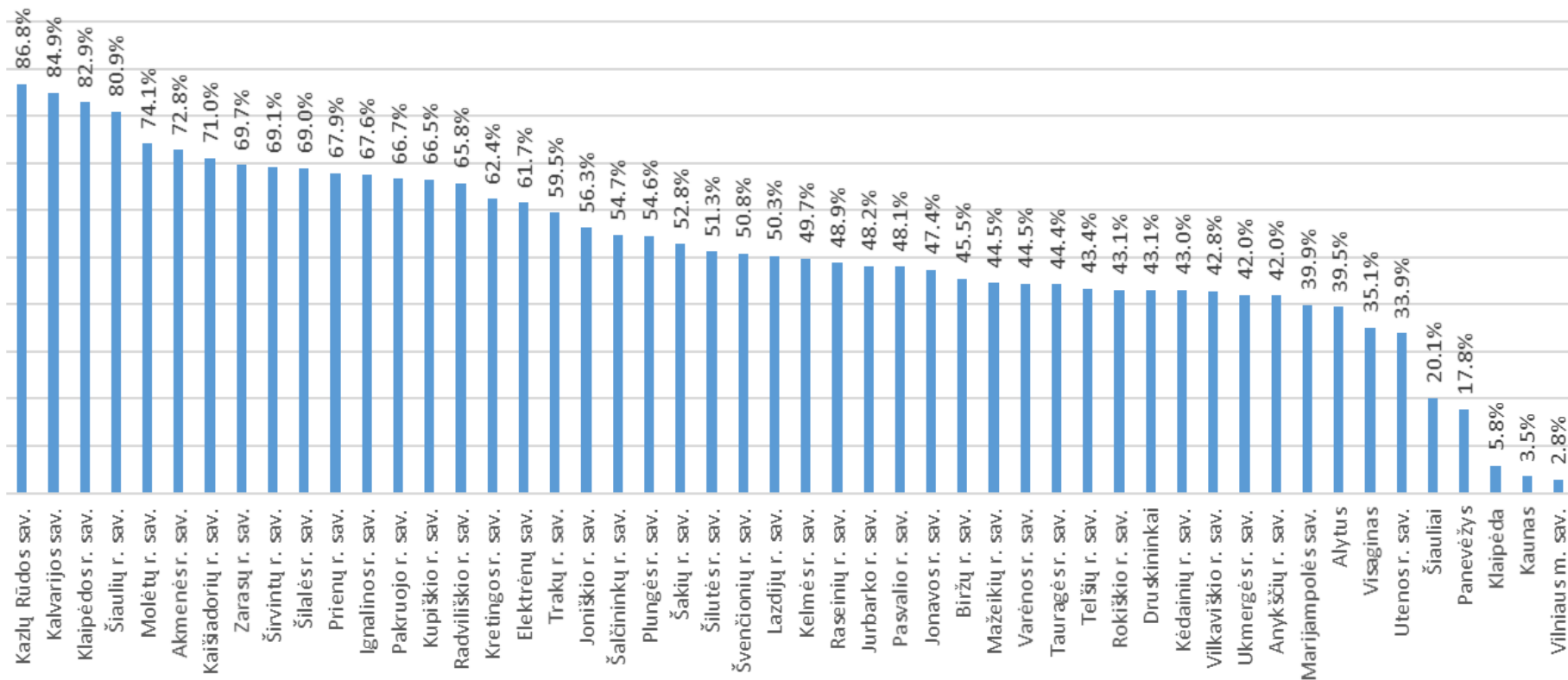


Population Decline in Municipalities of Lithuania, 2010 - 2017





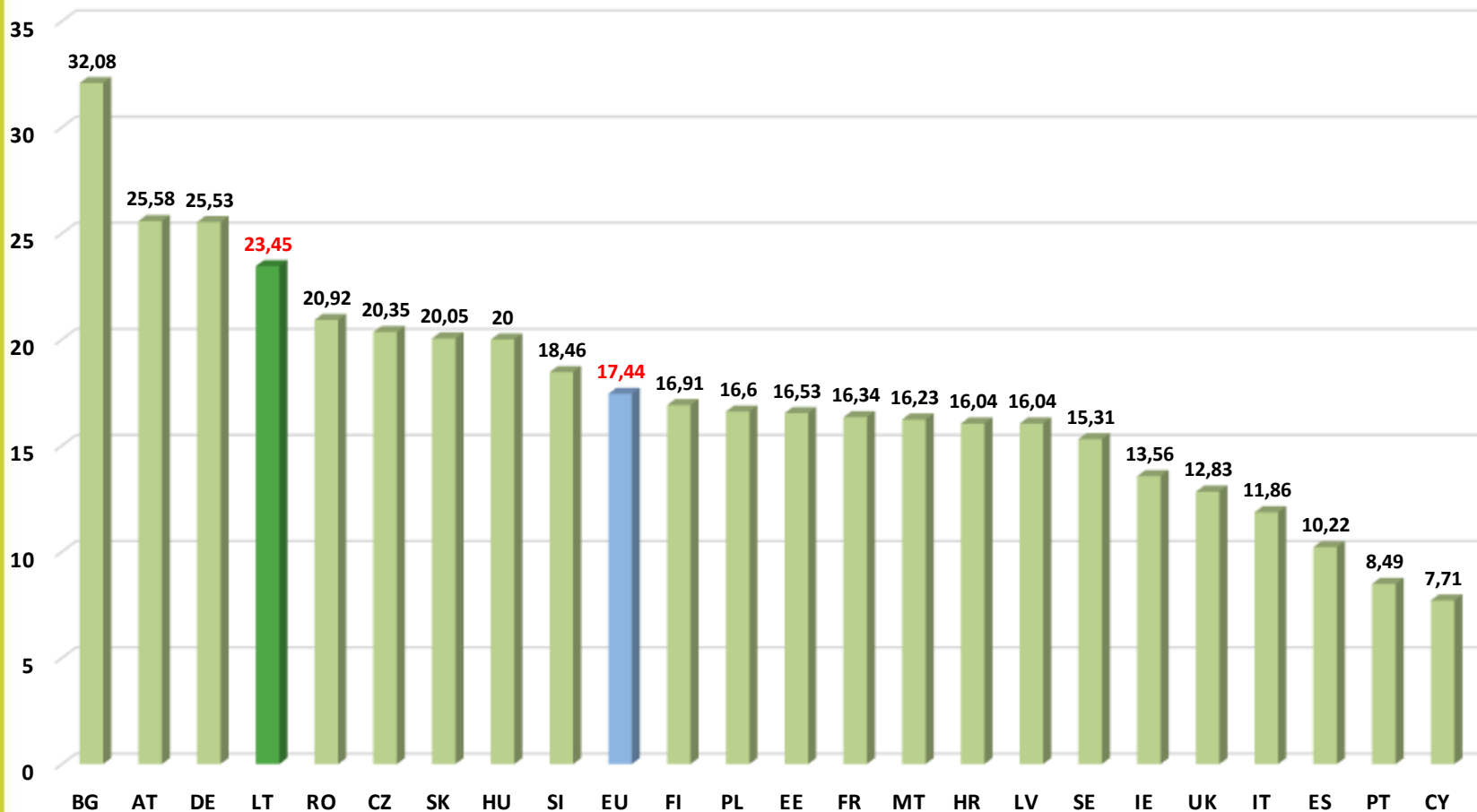
The Share (%) of Residents Receiving In-patient Services Outside the Municipality They Live



Remark: the share (%) of residents in each municipality who received in-patient services in other municipalities from the total number of residents who received active in-patient treatment in that municipality



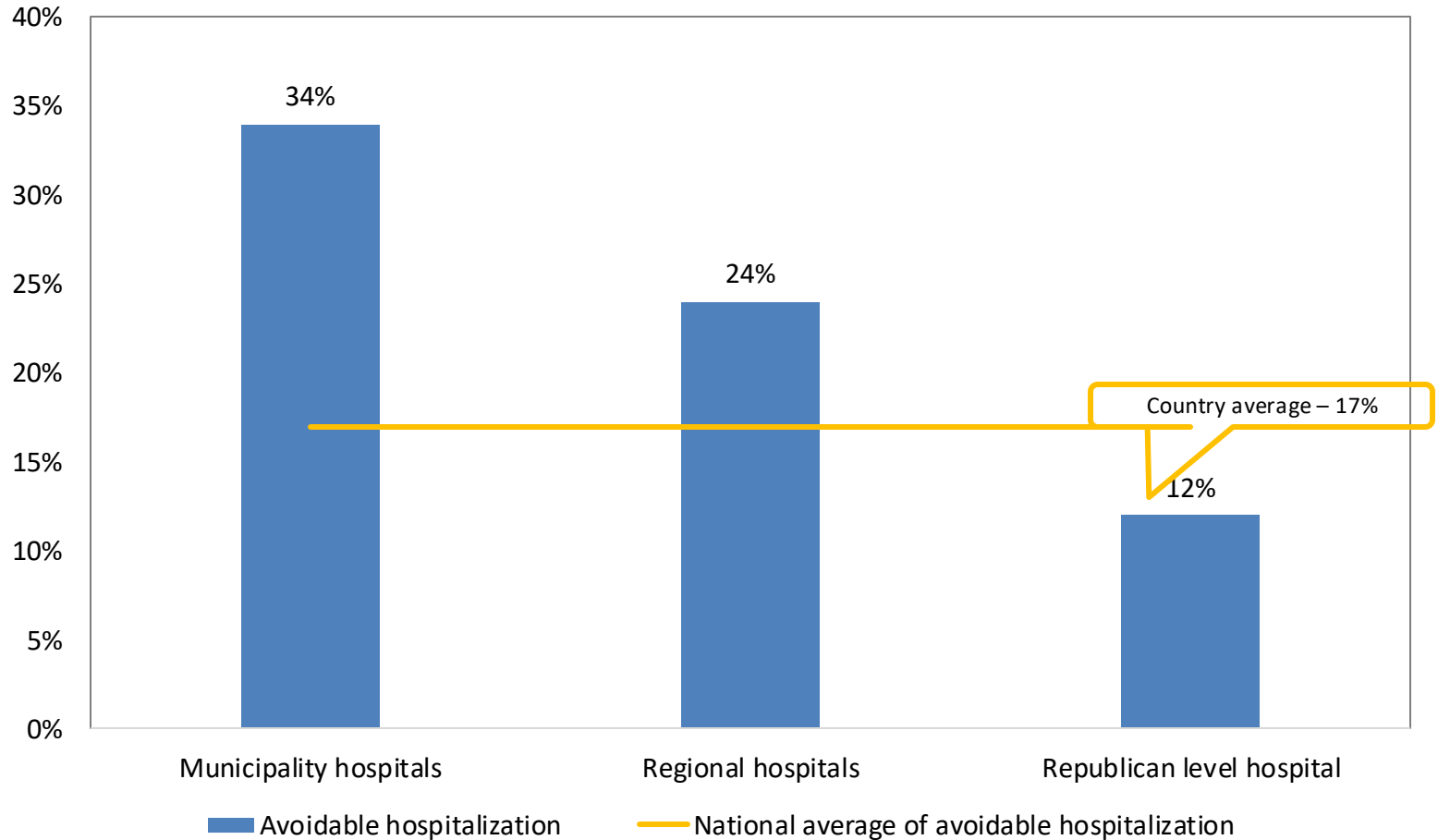
Comparison of Hospital Discharge Rates per 100 000 Inhabitants, (acute care; 2016 or latest available)



Source: Eurostat and OECD databases



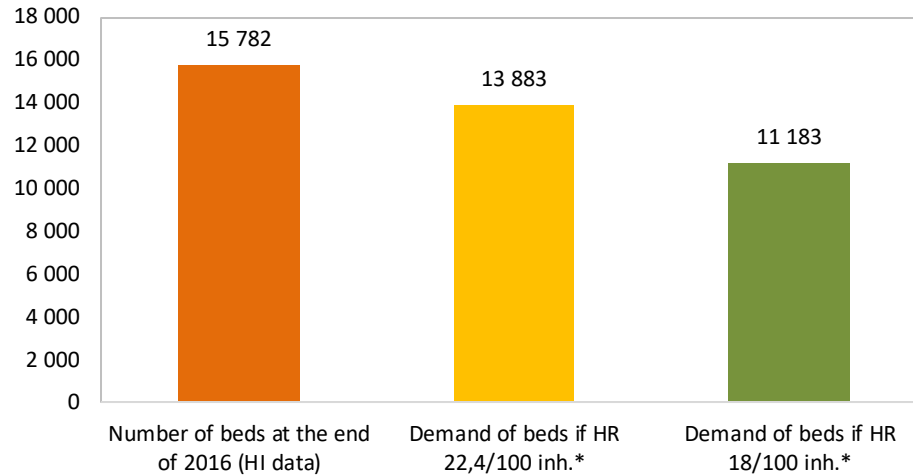
Avoidable Hospitalisations in 2017



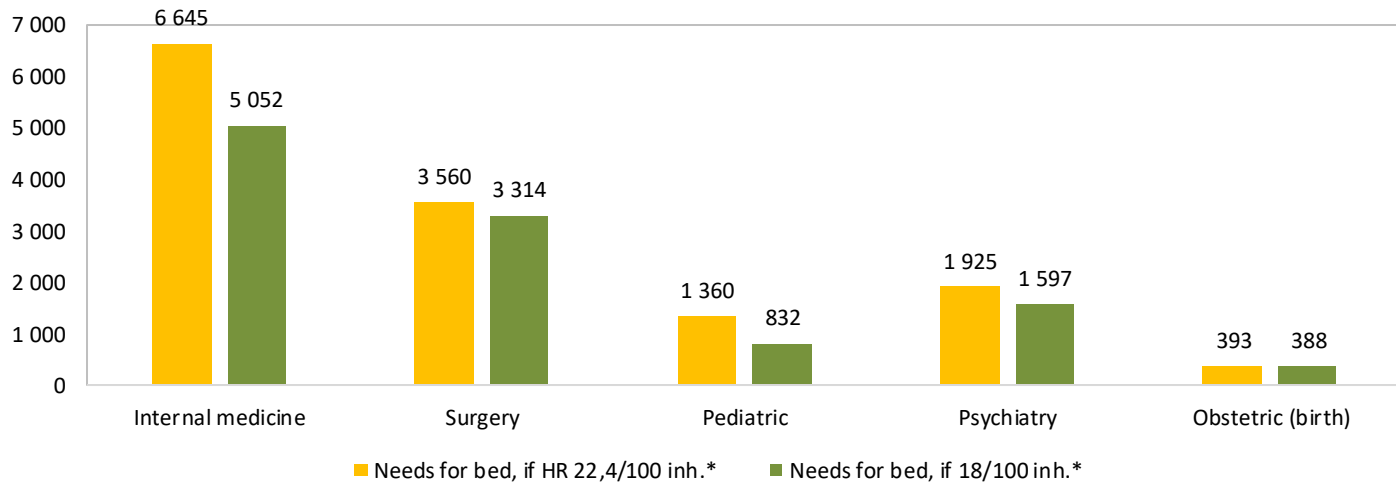
Proportion of avoidable hospitalizations (%), from the total number of hospital admissions in municipality, regional and republican level hospitals in 2017



Surplus of Acute Care Beds



Demand for acute care beds for different service groups



* Bed occupancy rate– 300 days per year

Increased bed occupancy rate up to 300 days per year would reduce the need for acute care beds by 1899 beds



Hospital network reform (suspended)

- Goals: safety, quality and efficiency of acute in-patient services
- Rationale:
 - Consolidation of acute care services provision
 - Optimization of excess capacities
 - Optimization of consumption of acute in-patient services
- Measures considered:
 - Suspension of acute care services provision in oligo-profile municipal hospitals
 - Provision of access to acute hospital within 60 minutes
 - Redistribution of patients (appr. 8%) to multi-profile hospitals
 - Elaboration of health care model for hospital without acute care
 - Preserving of access to specialized day and out-patient services
- Status:
 - Legal background not adopted – national plan suspended
 - Technical support from SRSP of EC in process
 - Plan B – consolidation of acute services in 2 – 3 pilot counties



Implementation of Patient-Level Cost Accounting

- Top-down initiative (NHIF)
- Goals:
 - DRG costing
 - Hospital sector analysis
 - Feedback to hospitals
- Representative group of 15 acute hospitals (23% of all acute hospitals)
- Status:
 - Methodology elaborated;
 - PLCA software created, installed and tested;
 - Sample data collected
- Main challenge: administrative efforts needed in 15 hospitals to collect some patient-level data



Plans to change scheme for management of capital expenditure of hospitals

- Present status:
 - Real property is not owned by hospitals but is transferred to them by owner (state/MoH or municipality) for free on basis of special agreement
 - Expensive Hi-Tec equipment is also provided by MoH
 - Hospitals lack of powers (and motivation) for rational use of both
- Ideas:
 - Transfer of ownership to hospitals (special kind of agreement)
 - Inclusion of costs into DRG tariffs
- Status:
 - Draft law amendment presented to Seimas