# **HEALTH POLICY REFORM IN ROMANIA AFTER 1990**

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**Abstract:** *Health policy reform in Romania after 1990.* Romania has had a longstanding tradition in organizing medical healthcare. The constant changes in the political system in Romania, since the end of 1989, have triggered important changes both in the economical and social field. As for the health field, the government took the decision to step from a budgetary funding of the health services, to a funding system characterized by health insurances, by dint of which, the services were to be financed more efficiently, and more well balanced. Thus, a central planned health system is being replaced by one with health insurances, financed by contributions both of the employers and the employees, supplemented by a funding based on rating in order to cover those groups of the population who do not pay taxes. The health policy, into the context of social reforms from Romania, embraces an operating model, based on the principle of social insurance and solidarity, which is encumbering the visible shortcomings, analyzed within this study, at the level of medical services. The analysis of the legislative and organizational framework, is completed by a personal study, regarding the doctors' perception regarding the medical services in Romania, the doctors representing the main actors within the medical system. Within the context of this malfunctioning of the Romanian medical system, the Government is the one trying to achieve a reform meant to represent salvation.

**Rezumat:** Reforma sistemului de sănătate în România după 1990. România are o tradiție îndelungată în organizarea îngrijirilor medicale. Schimbările din sistemul politic din România, de la sfârșitul anului 1989, au declanșat schimbări la fel de importante și în



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mediul economic și social. În sectorul sanitar, guvernul a luat hotărârea de a trece de la o finanțare bugetară a serviciilor de sănătate, prin impozite (finanțare planificată centralizat), la un sistem de finanțare prin asigurări de sănătate, prin care serviciile urmau să fie finanțate mai eficient și mai echilibrat. Un sistem de sănătate planificat central este înlocuit cu un sistem de asigurări de sănătate, finanțate prin contribuții ale angajatorilor și ale angajatului, la care se adaugă o finanțare bazată pe impozitare pentru acoperirea grupurilor de populație neplătitoare și pentru programe de sănătate publică, de importanță națională.Politica de sănătate în contextul reformei sociale din România adoptă un model de funcționare bazat pe principiul asigurării si solidarității sociale, care ingreunează deficiențele vizibile, analizate in acest studiu, la nivelul serviciilor medicale. Analiza cadrului legislativ și organizatoric este completată de un studiu propriu, privind percepția medicilor din spațiul laborator, actori în cadrul sistemului, asupra funcționării serviciilor de sănătate din Romania .În contextul ineficienței sistemului sanitar românesc, Guvernul este cel care încearcă să realizeze o reformă care se dorește a reprezenta salvarea. Acest proces trebuie bazat pe studii și cercetări amănunțite pentru a evita o serie de efecte nedorite asupra populației.

Key words: Health policy, healthcare reform, health reform in Romania. Cuvinte cheie: reforma politicii de sănătate, reforma în domeniul sănătății, reforma sanitară în România.

### 1. INTRODUCTION

Health represents a fundamental value both for the individual and society. The healthcare system has been, for a long time, into a state of extended crisis. Most of the healthcare institutions, are encountering serious problems due to the insufficient financial resources that are being allocated, and especially because of the poor quality administrative attitude, which implicitly leads to a real standard, situated far down the level of insured's expectations, who consciously pays his duty to the health insurance budget. (Boboc, L., 2012, Administrarea sistemelor de sănătate). As a result of the problems caused by the lacks encountered in the system, a fact that emphasized the doctor's lack of motivation, these do not enjoy the same social reputation. Due to some conflicts between the employer and the employees, within some of the institutions, some of the doctors chose to leave abroad.

The unitary analysis proposed by the present is a survey of the population's health state, from the spatial point of view. The major problems and challenges with which the Romanian health system is confronting, are due, both to the low funding, and the inefficient use of the resources, but also by the low and unfair access to quality services. The quality of the Romanian and local system can be improved, by rediscovering the fundamental things that have been already successfully used, but also by knowing the objectives of the Europe's health system reforms. The approach follows the reform from other states of the European Union; a special attention would be given for measuring the perception of the medical staff and of the Romanian's citizens.

The research regards the reform from the healthcare system from a historicalevolving perspective, from the point of view of its content, in comparison with reforms from other states of the European Union; a special attention would be granted to measuring the medical staff, and Romanian citizens' perception. The problem regarding the reforms from the healthcare system, has become an interdisciplinary research theme, into the context of globalization and regionalization. The research hypothesis has structured on the fact that any further knowing of the healthcare reform, of the health state, of all the factors that interact within its dynamic, and any better understanding of the mechanisms and processes, can lead to solutions and strategies, in order to improve and protect the quality of life.

#### 2. METHODOLOGY

The research methods represent "abstract polestars of the reason which lead to attainment of the standards bound by principles" (Petrea, 2000 p. 73). In achieving this research on the social-territorial impact of the reforms from the Romanian healthcare system, I intend to use investigation methods, like the analysis method , synthesis, the comparison and historical method, and enquiry. The analysis method will be carefully used in analizing and interpreting the information related to the reform from the Romanian healthcare system, in elaborating the research project, as well as for processing the information gathered from the field (data, material evidence, etc).

The historic and inquiry will be conducted during the analysis, being closely related to the past research of the reforms that have been implemented, extending their data base by collecting information from some people, healthcare projectionists and decision factors, confirming and refuting the previous suppositions.

## 3. HEALTH REFORMS IN ROMANIA AFTER 1990

Health is a fundamental value both for the individual and for the society. The health system has long been in a state of prolonged crisis. Most medical institutions are facing serious problems due to the insufficient financial resources allocated to them, on the one hand, and on the other hand, due to the poor managerial and administrative attitude, thus leading to a real standard far below the expectations of the insured person who pays health insurance.

In Romania, after 1990 "we are witnessing the almost entirely change of the formal institutions, especially of those that contained the foundations of the organization of the entire society" (Pop, 2005, p.155). However, specific social policy frameworks that regulated reality have been introduced, and they responded to the necessity of change and transformation of our health system. "Adopting the laws followed, more because of a logical of the the"pressure" than due to "internal coherence", the social policy being articulated as a response to the existing pressures at the time and to the different, actually "alarming" situations. (Pop, 2005, p.157 after Zamfir 1999). It also suggest the fact that formal regulations shall have a short life, or if they survive they do it through the costs involved, which can often be calculated, but their impact can be "unclear".

There is one approach, given by B. Deacon (1992), that shows how the health care reform was seen as part of broader change in society "from a bureaucratic and collectivist system of state welfare to capitalism." In this study, the author compares the countries from the geographic areas of Central and Eastern Europe, also highlighting the Romanian particularities.

One of the reference authors in terms of health policy is Roemer (1993 after Rebeleanu-Bereczki A., 2007, p.51) who tried to summarize the common characteristics of health policies in the ex-communist countries. Marin Preda (2002, p.110-116) also focuses on social policies in Romania, highlighting especially the negative effects of social policies on social groups, by referring to the deepening of the population poverty, an economic sphere that produces several negative effects that led to inequalities and inequities in the population.

A first study on this issue is made by Fergie (Smith, L. 2004 p.139-140)in 1991 and it aimed Central and Eastern Europe countries. The author presents a comparative study on countries such as Hungary, Poland and Romania, referring to post-communist health system and identifying a number of basic elements: the desolate condition of the infrastructure, the inefficient organization, the lack of financial resources, desolate payroll, and a general dissatisfaction toward of the health system in Romania defined the term "crisis". In the context of political and economic reform, of a transition to an aging population, of the burden of changing illnesses and the finite financial resources, strategic changes are needed in several areas: achieving a better match between health needs, the allocation of resources and services, more effective management and operational structures better adapted to the health needs of the population (Petri, Doina, 2002). The health system still has a substantial network of hospitals, ambulatories and other institutions, some of them still coordinated by the Ministry of Health. There is also a parallel network of sanitary facilities for transportation personnel and other ministries with their own network.

Private practice emerged after 1990s (Truți, Crețan, Sârbovan, 2000), but it has developed only in a few areas: family medicine services and some secondary care services. The priority, until 1998, for the health system has been financing through government sources, through direct and indirect taxes, by local budgets, special funds and several external sources, but the social security system introduced after January 1, 1998 changed this situation. The new system is based on the establishment of a fund for all employees, the payment of 7% of gross salary. This scheme is not expected to cover all the needs of the health system, and therefore the state budget is used for investment, public health and national programs of preventive medicine, health promotion and some forms of primary care.

In 1998, there were introduced health insurances across the country, medical dispensaries were converted into medical offices, the doctors from former enterprise spaces received dispensaries, which they took for free usage based a contract with the Department of Health, Health Authority District. County Health Insurance was founded and Health Department took the preventive medical services

of the Public Health Inspectorate, turning into the Public Health Department, which was intended to manage all services of preventive medicine, health promotion and health programs. (Petri, 2002).

The main objectives of the proposed reform in Romania are: decentralization of the health system in order to create competition and to improve health. Health reform is focused on reorganization and financing of health services, training, new ways of managing the health system. It was promoted the autonomy of the professionals and the cooperation between healthcare and other services, such as social and education. The state is the only system anymore, private practice is allowed. However, Romania was one of the last countries that have introduced health insurance fund, in 1998. Despite the financial efforts, health services continued to deteriorate after the 1998. The indicators reflecting the quality and level of healthcare experienced a worsening (National Human Development report for Romania, 2000).

Human resources are the most important components in providing health care. Human resource planning and, in particular, the doctors, should be a priority policy in the health sector. Although they are only about 15-20% of the medical staff, doctors are the ones who influence the utmost quality and costs of health services. In the development policies of the medical staff , there has to be followed a systematic approach, to consider the three main phases of training: universitary basic training, specialized training (residency, certificate, etc.) and continuing medical education.

## **4. CONCLUSIONS**

Even after nearly 20 years of reforms, the Romanian health system remains one of the most inefficient systems in Europe. To remedy the dysfunctions that are underperforming the system, the health system aims at remodeling by placing the patient / citizen to the core .

In the context of defining which type of health care system is desired, we have also defined the role of the patient. In those systems where the state is strong and takes full responsibility for the health, the patient has a rather passive role as a recipient of social services. In the systems where the responsibility is shared, the patient is consuming services. In this role, the patient becomes a partner in making decisions under the assumption that he will get the necessary information and will have the opportunity to exercise control over health care decisions that affect him.

The problems of the health system in Romania are manifold and manifest at every level from the national, county and municipal level to the detriment of the population's health To lead us to healthcare systems similar European countries, we have to go to several steps that refer to improving the management of health, a concentrated effort for a common goal, that of health system performance. Health reform requires changing behaviors and attitudes, this research offers a starting point for local action to improve risk factors in health, community actions that benefit their health act.

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