DESTINATION OF PUBLIC FUNDS FOR HEALTH PROTECTION PURPOSES

Wioletta Świeboda
University of Economics in Katowice, Poland, swieboda.w@onet.eu

Abstract: The aim of the article is to present the functioning of the Polish health care system in comparison with other EU countries. The aspects discussed will concern: health care expenditure by financing scheme, government schemes and compulsory contributory health care financing schemes, government schemes, health care expenditure by provider.

One of the rights guaranteed by the Constitution of the Republic of Poland is the right to health protection. Every citizen, regardless of the financial situation, public authorities are obliged to ensure equal access to healthcare services, which is financed from public funds. In addition, in accordance with the law, the state is obliged to create conditions for the functioning of the entire health care system and to assess the health needs of society, promote health, prevent and finance these activities along with health care benefits.

Demand for healthcare services can be defined as the demand for a specific number and quality of health services that result from the consumer's striving to meet needs at the prevailing level of prices in a given period and other socio-economic factors. The growing demand for health services makes the health sector strive to meet the needs of society.

A characteristic feature of health needs is their unlimitedness, which results from the observed process of population aging tendencies, technology development, changes in the quality of health services, increased awareness or patient expectations. As a consequence, the management staff of medical facilities is constantly struggling with a constant increase in costs and insufficient possibilities of their financing. Health care systems are undergoing constant transformation, which is why health care financing is becoming more and more complex. It is a kind of combination of public and private expenditure in various areas and methods of payment. However, it is impossible to fully meet the needs, to the full extent, for each insured, because it collides with the economic situation of their satisfaction. Equal access to benefits is not possible due to the limited finances of public finances. The system of organization and financing of the health care sector itself is one of the most complicated.

The methods of statistical analysis were used in the research. There were used data conducted by the Central Statistical Office in Warsaw and Eurostat data and from a representative Polish Household Budget Survey. The research methods are: critical analysis and meta analysis of Polish and foreign literature on the subject.

Keywords: health care, health sector, public funds.

Health financing is fundamental to the ability of health systems to maintain and improve human welfare. However, financing is much more than simply generating funds. Health financing refers to the “function of a health system concerned with the mobilization, accumulation and allocation of money to cover the health needs of the people, individually and collectively, in the health system (…) the purpose of health financing is to make funding available, as well as to set the right financial incentives to providers, to ensure that all individuals have access to effective public health and personal health care” (WHO 2000). The goals can be expressed in various ways, but there is general consensus that health financing systems should not only seek to raise sufficient funds for health, but should do so in a way that allows people to use needed services without the risk of severe financial hardship – often called financial catastrophe – or impoverishment. The national government's total budget and the part allocated to health are both usually public information and can be used to evaluate the government commitment to health in total amount as well as proportional to other priorities. A planned budget however, while an important indicator of commitment can differ significantly from the funds that are eventually released to departments and the subsequent expenditures. Public expenditure reviews, if they are available, are often an excellent source of information. They collate information from various sources to ask questions about whether government expenditures followed budget plans and stated strategic objectives. Sometimes they seek to examine the efficiency of resource use, though in very broad terms, as well as the ability of

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206 In 2005, the countries that are members of WHO endorsed a resolution urging governments to develop health financing systems aimed at attaining and maintaining “universal coverage” - described as raising sufficient funds for health in a way that allows access to needed services without the risk of financial catastrophe.
207 Toolkit on monitoring health systems strengthening HEALTH SYSTEMS FINANCING WHO 2008
the financial management and accounting systems and institutions to track expenditures\textsuperscript{208}. Information on commitments to official development assistance for health made by donor countries, international organizations and some foundations have been collated by the OECD for many years, and they have reported what they believe to be reliable disbursement data since 2002\textsuperscript{209}.

The EU is required to ensure that human health is protected across all policy areas, and to work with EU countries to improve public health, prevent human illness and eliminate sources of danger to physical and mental health.

The European Union Health Programme outlines the strategy for ensuring good health and healthcare. It feeds into the overall Europe 2020 strategy which aims to make the EU a smart, sustainable, Jobs, growth and investment (health of population and health care services as a productive factor for growth and jobs)

Internal market (for pharmaceuticals, medical devices, cross-border health care directive, and Health Technology Assessment)

Single digital market (including eHealth)

Justice and fundamental rights (fighting against health inequalities)

Migration policy

Security (preparation and management of serious cross border health threats)\textsuperscript{210}.

Regulation (EU) 282/2014 is the legal basis for the current Health Programme. With a budget of €449.4 million and throughout 23 priority areas, the Health Programme serves four specific objectives:

1. Promote health, prevent disease and foster healthy lifestyles through 'health in all policies',
2. Protect EU citizens from serious cross-border health threats
3. Contribute to innovative, efficient and sustainable health systems
4. Facilitate access to high quality, safe healthcare for EU citizens\textsuperscript{211}.

The data below presents information about Health care expenditure by financing scheme in 2010–2016.

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<tbody>
<tr>
<td>Belgium</td>
<td>35 930</td>
<td>37 924.03</td>
<td>39 162.7</td>
<td>40 295.48</td>
<td>41 368.09</td>
<td>41 462.47</td>
<td>42 430.14</td>
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<td>Bulgaria</td>
<td>2 946.38</td>
<td>3 185.79</td>
<td>3 297.55</td>
<td>3 639.54</td>
<td>3 714.89</td>
<td>3 960.5</td>
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<tr>
<td>Czechia</td>
<td>12 314.41</td>
<td>11 989.32</td>
<td>12 043.93</td>
<td>12 609.76</td>
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<tr>
<td>Denmark</td>
<td>25 126.67</td>
<td>25 167.02</td>
<td>26 072.23</td>
<td>26 313.05</td>
<td>27 032.54</td>
<td>27 921.96</td>
<td>28 720.24</td>
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<tr>
<td>Germany (until 1990 former territory of the FRG)</td>
<td>283 909</td>
<td>289 642</td>
<td>296 990</td>
<td>308 487</td>
<td>321 322</td>
<td>337 208</td>
<td>350 221</td>
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<tr>
<td>Estonia</td>
<td>932.10</td>
<td>970.49</td>
<td>1 045.15</td>
<td>1 137.77</td>
<td>1 227.09</td>
<td>1 318.90</td>
<td>1 410.14</td>
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<tr>
<td>Ireland</td>
<td>18 414.95</td>
<td>18 911.86</td>
<td>18 571.4</td>
<td>18 843.69</td>
<td>19 511.42</td>
<td>20 332.18</td>
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<td>Greece</td>
<td>21 608.69</td>
<td>18 835.69</td>
<td>16 984.28</td>
<td>15 201.07</td>
<td>14 203.16</td>
<td>14 475.55</td>
<td>14 727.32</td>
</tr>
<tr>
<td>Spain</td>
<td>97 521.97</td>
<td>97 316.74</td>
<td>94 369.91</td>
<td>92 572.69</td>
<td>93 654.4</td>
<td>98 497.21</td>
<td>100 335.78</td>
</tr>
<tr>
<td>France</td>
<td>223 414.79</td>
<td>230 522.12</td>
<td>238 259.07</td>
<td>242 027.46</td>
<td>249 015.41</td>
<td>252 367.8</td>
<td>257 194.38</td>
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<td>Croatia</td>
<td>:</td>
<td>:</td>
<td>:</td>
<td>2 986.1</td>
<td>3 062.17</td>
<td>3 191.2</td>
<td>3 348.75</td>
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<td>Italy</td>
<td>:</td>
<td>:</td>
<td>:</td>
<td>144 485</td>
<td>143 648</td>
<td>146 150</td>
<td>148 495</td>
</tr>
<tr>
<td>Cyprus</td>
<td>1 211.58</td>
<td>1 300.54</td>
<td>1 303.24</td>
<td>1 251.96</td>
<td>1 193.49</td>
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<td>Latvia</td>
<td>:</td>
<td>:</td>
<td>:</td>
<td>1 232.72</td>
<td>1 290.77</td>
<td>1 388.84</td>
<td>1 556.09</td>
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<tr>
<td>Lithuania</td>
<td>1 910.39</td>
<td>2 031.79</td>
<td>2 096.85</td>
<td>2 146.52</td>
<td>2 265.58</td>
<td>2 423.88</td>
<td>2 579.79</td>
</tr>
<tr>
<td>Luxembourg</td>
<td>:</td>
<td>2 638.25</td>
<td>2 898.93</td>
<td>3 048.09</td>
<td>3 131.04</td>
<td>3 165.37 :</td>
<td></td>
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<tr>
<td>Hungary</td>
<td>7 431.57</td>
<td>7 642.3</td>
<td>7 428.99</td>
<td>7 396.44</td>
<td>7 488.05</td>
<td>7 884.25</td>
<td>8 376.04</td>
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\textsuperscript{208} Probably the bulk of public expenditure reviews have been sponsored by the World Bank and DFID to date - see, for example, http://www.opml.co.uk/services/public_expenditure_reviews/index.html, access:15.11.2018,

\textsuperscript{209} 4 http://stats.oecd.org/wbos/Default.aspx?usercontext=sourc.eoecd, access:15.11.2018,

\textsuperscript{210} https://ec.europa.eu/health/funding/programme_en, access:17.11.2018.

\textsuperscript{211} https://ec.europa.eu/health/funding/programme_en, access:15.11.2018.
HEALTHCARE EXPENDITURE BY FINANCING SCHEME

Government schemes and compulsory contributory health care financing schemes highest in Germany in 2015

Figure 1 presents the analysis of healthcare expenditure by financing scheme, distinguishing: government schemes, compulsory contributory health care financing schemes, voluntary health care payment schemes and household out-of-pocket payments expenditure. With the exception of Cyprus, the combined expenditure from government schemes and compulsory contributory health care financing schemes exceeded the combined expenditure from voluntary health care payment schemes and household out-of-pocket payments in all of the EU Member States (no data for Malta) in 2015. In most of the Member States either government schemes or compulsory contributory health care financing schemes dominated, with only a limited number of cases where these two types of financing scheme were relatively balanced, for example, in Greece or to a lesser extent in Austria.

Figure 2

Source: Eurostat.
POLAND

Every year, the President of the Fund prepares a NFZ financial plan balanced in terms of revenues and costs. The plan specifies the total revenues of the Fund, while in terms of costs - in addition to the total costs of the NFZ - also costs broken down by regional branches of the National Health Fund and headquarters. The planned funds for covering by branches of voivodships the costs of financing health care services for insured persons are divided among these branches, taking into account:

- number of insured persons registered in the Provincial Department of the National Health Fund;
- separated (by age and gender) group of insured;
- separated groups of healthcare services (including highly specialized services);
- health risk corresponding to a given group of insured - in the scope of a given group of healthcare services, in comparison with the reference group.

The President of the Fund prepares a draft NFZ financial plan for the following year based on the NFZ income and costs forecast prepared by the Minister of Finance and the Minister of Health for subsequent years and draft financial plans of individual voivodship branches of the NFZ drawn up by the directors of these branches. The completed NFZ financial plan is presented by the President of the Fund for the opinion of: the Fund’s Council, the Public Finance Committee and the Health Committee of the Sejm of the Republic of Poland. After considering these opinions, the NFZ President draws up the Fund’s financial plan and submits it along with the opinions to the Minister of Health. The Minister of Health, in agreement with the Minister of Finance, approves the Fund’s financial plan.

The President of the Fund may amend the NFZ financial plan if there is a situation that could not have been foreseen at the time of its determination or approval\(^\text{212}\).

SUMMARY

One of the rights guaranteed by the Constitution of the Republic of Poland is the right to health protection\(^\text{213}\). Every citizen, regardless of the financial situation, public authorities are obliged to ensure equal access to healthcare services, which is financed from public funds. In addition, in accordance with the law, the state is obliged to create conditions for the functioning of the entire healthcare system and to assess the health needs of society, promote health, prevent and finance these activities together with healthcare services.

Demand for healthcare services can be defined as the demand for a specific number and quality of health services. It exceeds the possibilities of satisfying the needs in this area. A characteristic feature of health needs is their unlimitedness, which results from the observed process of population aging tendencies, technology development, changes in the quality of health services, increased awareness or patient expectations. As a consequence, the management staff of medical facilities is constantly struggling with a constant increase in costs and insufficient financing possibilities\(^\text{214}\).

The sources of financial information are public health entities, which bear the reporting obligation resulting from the provisions of: the act about accounting, the public finance act, the act on medical activity, the act on public statistics and other legal acts, as well as ordinances of the president of the National Health Fund and regulations of the Minister of Health. There is also the Health Care Information Systems Center and the Statistics System in Health Care\(^\text{215}\). Financial statements prepared by health care units present an image of reporting information addressed to interested users of reports.

BIBLIOGRAPHY


\(^{214}\) Trends in Polish healthcare 2017, https://www.pwc.pl/pl/publikacje/2017/trendy-w-polska-ochronie-zdrowia-2017-pwc.html, access: 10/10/2018. The article presents the fact that that the growing demand for long-term care services is a trend in every aging society in the world, however in Poland one should expect particularly dynamic growth (about 6% per annum).
