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Mediterranean diets: financial crisis prompts trimming of health care's waistline

They've been pejoratively dubbed the "PIGS" of southern Europe: Portugal, Italy, Greece and Spain. Their financial indebtedness has necessitated bailouts from the European Union and other international institutions, and as they scramble to sort out their wrecked economies, health care is starting to feel the pinch.

Greece has perhaps been the hardest hit. After it teetered on the brink of bankruptcy earlier this year, it received a salvage package from the European Union and is now dealing with the consequences. Among those is a cut in salaries and benefits for physicians.

"Greek doctors took the same hit in their 13th and 14th salaries as every other civil employee," Dr. Stylianos Tsintzos writes in an email. (In Greece, public workers receive what are called 13th- and 14th-month salaries. They work for 12 months but are paid for 13 or 14. As part of European bailout, Greece had to agree to cap those salaries at a flat rate).

Tsintzos, who recently bailed from Greece to work in the medical device industry in Switzerland, adds that the financial impact probably isn't as severe for senior doctors. They "earn their lifestyle from informal payments from patients and pharmaceutical industry kick-backs [and] are unlikely to suffer with the average population."

All doctors have felt the pinch, Dr. Stella Argyriadou, vice-president of the Greek association of General Practitioners, writes in an email. "There have been many problems concerning night and weekend shifts. In the attempt to save resources, there has been a cut in personnel, which lead to exhaustion and fatigue of doctors. There was also a cut in shifts of some specialties, such as lab doctors and dentists, who were considered unnecessary."

The financial crunch has also caused shortages in medical supplies, especially medicines and lab analysis materials. "The inability of hospitals to pay for medical equipment and the mandatory cuts in the prices of drugs has caused many distributors to limit their supplies and in some cases to even exit the market," Tsintzos writes.

Private health care providers are also taking a hit, as fewer Greeks are able to afford their services and are turning to the public sector, which has experienced a 20%-to-30% increase in demand. In response, some private centres have dropped their fees and cut physician salaries.

Greece's government is expected to move with health legislation that will articulate further dimensions of change but make the financial situation more predictable, says Argyriadou. "Nonetheless, massive pessimism dominates [the] Greek medical sector."

In Spain, the euphoria of winning soccer's World Cup is dissipating in the face of 20% unemployment, massive debt and government budget cuts.

The Spanish government has slashed the pay of all civil servants by 7%, including doctors working in the National Health Service. It also imposed a 5% reduction in complementary pay, which includes compulsory overtime. The cuts have hardly improved the morale of physicians, who were already complaining about low salaries, job insecurity and long working hours.

In June, the Spanish Medical Association and an array of other health care organizations staged a protest on the steps of the health ministry. Juan José Rodríguez Sendín, the association's president, unveiled a manifesto, which illustrated the indignation of the profession.

"Our health system is not responsible for generating this crisis, and therefore it should not suffer its consequences first hand. In fact, it has been able to assume over the past few years the increase in demand (due to the increase of the offer of health services, increase of the immigrant community and aging of the population) while keeping the same levels of health service provision, but without seeing a corresponding budget increase," it states

(www.medicosypacientes.com/colegios/2010/06/10_06_28_reforma_laboral),

The manifesto identifies 10 needed reforms, including structural reforms that reduce bureaucracy and red tape, and make more rational use of health care resources by, for example, eliminating political appointments to managerial positions. It also proposes a 2% increase in the share of gross domestic product allocated for health care.

In Portugal, the health ministry has announced that it will trim E50 million from the National Health Service and require hospitals to submit cost reduction plans (www.portaldaaude.pt/portal/conteudos/a+saude+em+portugal/ministerio/comunicacao/comunicados+de+imprensa/x+primeiras.htm).

As well, the recruitment of new doctors for hospitals or the National Health Service must be approved by the health ministry. Hospitals will also be required to cut overtime and payments to doctors coming from locum agencies, by 5%.

"Some regional health administrations are currently placing the new family physicians in remote areas of the country with low salaries, while hiring doctors from locum agencies as service providers," says Inês Rosendo, President of the Portuguese Council of Junior Doctors.

"These measures are not necessary," José Manuel Silva, President of the Central Portugal Section of the Portuguese Medical Association, writes in an email. "What is needed is a reorganization and a better management of the healthcare system. ... It is estimated that management errors are responsible for about 25% of waste, that should be corrected urgently with more competence and rigor. For example the implementation of a national shopping office and the end of the small/large corruption and local distortions in the acquisition of equipments and drugs would end up saving many hundreds of millions of Euros annually."

In Italy, proposed changes include a three-year salary freeze, cuts beyond specified wage thresholds and limitations on new hires. But not all proposed changes are likely to be approved, says Giovanni Fattore, president of the Italian Health Economics Association. "For instance, freezing the part of doctors' remuneration that is related to years of experience may be deemed unconstitutional by the Supreme Court."

Moreover, in the decentralized Italian health care system, regions have jurisdiction, he adds. “The impact of a new legislation may be softer than it seems. Despite a national legislation, what may happen in practice will be different from one region to another. It is hard to look at Italy as a homogenous system.” — Tiago Villanueva, MD, Lisbon, Portugal and Irina Haivas, MD, Bucharest, Romania

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