Interview: Prof. Dr. István Vályi-Nagy – Director General, United St. Istvan & St. Laszlo Hospitals, Hungary



I believe firmly that the main problem that hospitals are facing is that they simply do not have enough funding.

04.07.2016

Tags: Pharma, Pharmaceuticals, Hungary, Healthcare, István Vályi-Nagy, Funding, Hospital, Interview, Insight, Free

Prof. Dr. István Vályi-Nagy, Director General of the

United St. Istvan and St. Laszlo Hospitals, shares his insights on running one of the largest hospitals in Hungary and the challenges of chronic underfunding, while also providing his personal ambitions for the future state of Hungary's healthcare system.

Prior to becoming managing director at St. Laszlo, you were leading the Association of Innovative Pharmaceutical Manufacturers. Could you share some of the insights you gained during that time as well as discuss the transition into your current role?

The transition into my current role was not challenging as I was always a guest in the pharmaceutical industry. My experience in the industry was great, and I benefited significantly, but I can never stop being a doctor. Throughout the 2 years I spent leading AIPM I maintained my medical practice.

As a hospital manager you have to know every field that is connected to the hospital, and the pharmaceutical industry is of course the major partner of the hospitals so my experience at AIPM was helpful. However, the logic of pharma is completely different from the logic of the medical field. Pharma is an industry; the medical field is closer to the patients. The priority of the industry is

to produce a profit, where as in the medical field the focus is more patient-centric.

You are now the director general of one of the largest hospitals in Hungary. When you stepped into this role what were some of the main priorities that you set for yourself?

We have always struggled with maintaining the financial balance of the institution. In this part of the world a major problem is underfinancing of hospitals. This is a problem that we face every year. Occasionally the government will provide a monetary infusion, but this money will only last a few months, and institutional debt will quickly reproduce.

This hospital has a very broad portfolio, including both oncology and hematology, which for me was attractive as I am both an oncologist and hematologist. This hospital also boasts the largest stem cell transplantation unit in CEE. This unit produces significant amounts of income, as does hematology and oncology. Through these programs we are able to cross-finance other areas of the hospital.

[Featured_in]

Speaking to my professional objectives, they were to promote hematology, oncology and infectious disease. In these fields we are the leaders in the country, we also house the Hungarian Center for Infectious Disease. Infectious disease, stem cells, and hematology are the financial drivers of this hospital.

Could you share with us a general overview of the hospital's activities as well as goals for future expansion?

This hospital is over 100 years old, and currently employs over 3,000 people. One thing that I am very proud of is our level of patient care, which is excellent. For example, the cardiology department, named the National Institute of Cardiology, is modern, well equipped and provides excellent quality of care. Currently we are planning to build an additional building much larger in size to continue the modern expansion of the hospital. The older buildings will then be repurposed for various programs including clinical trials, neurology and rehabilitation. Prime Minister Viktor Orbán has authorized this expansion, and we hope to have it completed within four years.

In general, financing is one of the biggest challenges facing the healthcare system. Is it simply an issue of allocating more funds or are there fundamental challenges at play?

We simply need more money. However, other issues are at play, including the fact that we have too many hospitals. We need to concentrate the activity of the hospitals, which is a process that is

currently underway. Another area where we are facing challenges is with human resources, a serious problem affecting much of Eastern Europe. Doctors are extremely well trained here in Hungary, however they receive much higher salaries working in western countries. This is causing significant levels of migration, including nurses.

Given your experience working in both the Hungarian and American healthcare systems, how would you compare and contrast the two? Additionally, how would you compare the quality of care across Hungary as a whole?

The level of patient care is not that different between the two countries. Speaking to Hungary specifically, the hospitals in the countryside have gained significant amounts of money from the European Union. This is due to the fact that central hospitals, in and surrounding Budapest, are not eligible for EU funds. This is why the current government has decided to refurbish the hospitals here in the central area. Out of the ten million people in Hungary, four million people are going to see a doctor in the central area of the capital. Some of these hospitals are in very run-down conditions, and consolidation will help alleviate some of the pressures.

[related_story]

The health literacy rates in Hungary are among the lowest of the OECD countries. In your own experience as a practicing doctor, have you found that to be the case?

Yes, even here in the capital. More affluent people in Budapest have a life expectancy similar to that of the Swiss. However, some districts in the city have life expectancies up to 10 years less. One of the reasons for this is that these people do not take any responsibility for themselves; some can be quite ignorant and many do not take any preventative actions. There are a lot of older people who led most of their active life in the communist system, and many are not in good condition health-wise. Many smoke and drink too much and eat fatty foods, and, because of this, they have multiple major problems all at the same time. The young generation is completely different; they are more conscious about health, and I believe there has been a positive generational shift.

Personally, have you found it difficult to manage both your responsibilities as a doctor and as director general of the hospital?

I have not really found it difficult, partly because I enjoy my work very much. I do feel some pressures right now because we are in the middle of grant proposals which represent a huge step for Hungary. For example, we are working on a oncogenomic grant which, if we are successful,

would go into effect later this year.

The management of hospitals has also been an issue: missing funds, misallocation of funds, and deterioration of infrastructure. Do you think privatized healthcare is one of the solutions to improving the system?

I believe firmly that the main problem that hospitals are facing is that they simply do not have enough funding. Private healthcare is growing by itself, and for certain sets of problems it is no problem to go to a private doctor. However, if you need complex surgery, or other advanced treatment, you have to go to hospitals. People are not yet willing to pay much out of their pockets for healthcare, even those who are more affluent. Fixing these problems is the job of the state secretary for health, and I do not envy the position that he is in.

When we come back in four to five years, as a Hungarian citizen and practicing doctor, how would you like to see the system have developed?

I believe that in a few years we will still have human resource problems. We will not be able to pay enough to attract and retain good, talented workers. The migration of the workforce may slow down, but it will still be a problem. Speaking to the infrastructure problems, they are simply a matter of money. However, because of our planned expansion, I hope that in four years you will see a 21st century hospital here. In addition to the expansion, I hope to concentrate personnel and efforts here, and expand our clinical trial efforts. We are currently running many, but I hope to see that number grow. Lastly, we will also work to continue to grow and expand our research and development efforts.

See more interviews