Interview: Anda Čakša – Minister of Health, Latvia

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Anda Čakša, Latvia's minister of health since 2016, discusses her current priorities, regulatory reform, areas of strengths and weaknesses in the nation's healthcare infrastructure, e-health, and combating the threat of non-communicable diseases.

What have been your main achievements since assuming position as health minister back in 2016?

My main objective was and still is to reorganize the whole system, orientated primarily on patient needs – the examination process, treatment and also the payment system – activities and measures that improve the accessibility of healthcare services and reimbursable medicines. In 2017, waiting times for healthcare services decreased on average by 25 percent, and 2017 was the first year when the quotas for state-funded healthcare services did not expire. Another good example is the implementation of the 'green corridor' (the possibility to receive healthcare services paid from the state budget funds as quickly as possible) for patients with the medically reasonable suspicion of malignancy which we introduced in October 2016. Thus, more than 54,000 cancer patients received faster and more effective diagnosis. The 'green corridor' focuses on defining the way in which patients are treated and the algorithms for ensuring they receive the necessary care quickly.

Since I became minister in 2016 we have focused on reforming the entire healthcare system. We introduced a new healthcare financing model, the distribution of state-funded in-patient healthcare providers was determined and the remuneration of medical personnel was increased. Due to

healthcare reform we manage to gain a significant increase in the number of state-funded healthcare services, including the provision of public-paid liver transplantation for adults (until now, such state-funded service was only available to children under the age of 18). Also, the range of state-funded healthcare services is planned to be expanded with the cardiovascular program, ensuring that trans-catheter implantation of the aortic valve will now be paid for by the state.

How would you describe the Ministry's key priorities right now?

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I would highlight further improvement of healthcare service availability adapted to the needs of the patient which means a greater reduction in patient waiting times. To do that we have to ensure sufficient human resources for providing healthcare services for citizens living all across the country. The further development of the e-health system is also one of the main focuses now.

What do you perceive to be the most formidable challenges ahead?

Putting the emphasis on the patient – building patient paths for both investigating and treating and making changes to the payment system. A good example for this approach is oncology. The value is not the 'green corridor', but the patient. By seeing the first results, it's clear that such a model is good for the patient, but requires significant changes to the authorities and organizers which is the main reason why it is not easy to implement the reform.

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Also, it is important that people in Latvia feel tangible improvements in health service accessibility, affordability and quality, whilst at the same time making it clear that fundamental improvements in the system are the result of long-term work and investments.

What are the key aspects of the flagship Health Financing Bill?

The aim of the reform is to create a sustainable healthcare system with a view to improving public health levels. The new system will be fairer and more beneficial for those who live and legally work in Latvia and make social contributions. The main activities to be implemented, in line with healthcare reform, are; the remuneration of medical personnel, attraction of medical personnel to work in regions, improvement of the healthcare quality and patient safety system, improvement in the accessibility of healthcare services and availability of reimbursable medicines and implementation of the new healthcare financing model.

Health spending in Latvia ranks among the lowest in the EU and the public health system has been highly reliant on private spending in the form of direct out-of-pocket payments. Just how far does this new legislation go to addressing this imbalance?

Low public financing for healthcare has always been stressed by the Ministry of Health and internationally by the European Commission, OECD and WHO, among others. In 2017 we gained governmental support and it was decided to allocate additional funding from social contributions, while simultaneously linking the right to receive a “basket” of full healthcare services with the payment of social contributions. This means that we managed to raise the funding of healthcare in Latvia. Due to additional budget we had to reform the healthcare system and divide it into two “baskets”.

The Healthcare Financing Law states that the minimum “basket” of services[1] includes full access to the General Practitioner (GP) (including diagnostic examinations for the treatment according to the competence of the GP); as well as medicines and medical devices prescribed by the GP for outpatient treatment of diseases which have a significant impact on public health or endanger public health; maternity care; emergency services; health services related to the treatment of diseases that have a significant effect on public health indicators or which threaten public health (including mental illness, tuberculosis); as well as medicines and medical devices for ambulatory treatment of these diseases. The minimum “basket” is granted for all citizens and non-citizens of Latvia, third-country nationals who have a permanent residence permit in Latvia and stateless persons to whom the status of a stateless person has been granted in Latvia as well as refugees, asylum seekers or persons who have been granted an alternative status. The minimum amount of state-sponsored medical assistance will be received by all residents irrespective of the insurance status.

The Healthcare Financing Law states also full “basket” of services which includes all services provided in the minimum “basket”; doctor’s specialist services; wider diagnostic examinations; medical care at home; scheduled day of treatment in a hospital; reimbursable medicines; and medical rehabilitation.

From January 1, 2018, the state automatically insures all legal workers and all socially disadvantaged groups – pensioners, children, disabled people of Group I and II, unemployed persons registered with the State Employment Agency, etc. – will receive a full basket of services. This year – 2018 – is considered a transitional period during which the current procedure for receiving healthcare services will operate and from 2019, state-financed healthcare will be available to insured persons. The full basket of the healthcare services provided by the state is

granted for socially insured persons or those persons who have made health insurance contributions. In addition, there is a list of other groups qualifying for the full basket guaranteed by state, meaning they do not have to pay any contribution (except patient contributions if they are not exempted from those as well). Groups which are not paying social contributions to the state budget have an opt-in possibility for the full basket.

What would you say are the current weaknesses and strengths of Latvia's public health infrastructure?

Given the demographical trends, the development of outpatient care and the development of general technology, the demand for hospital care changes both in terms of the number of services and in terms of the length of treatment, therefore, the acute providers of inpatient care services should be concentrated, while expanding the availability of healthcare services to patients with chronic diseases. As a result, the need for infrastructure also decreases, and if infrastructure optimization is not followed then the use of infrastructure becomes ineffective.

During the 2007-2013 programming period of the EU funds in the health sector, activities were supported, mainly for improving infrastructure for the provision of inpatient health services and emergency services, as well as for the improvement of GP practice and the re-profiling of hospitals for outpatient treatment facilities. While reforms ensured the restructuring of health sector funding through care levels and healthcare institutions, investment in infrastructure contributed to maintaining accessibility and quality of services. Therefore, the continuation of the implementation of health sector reforms launched in the coming period should be ensured, increasing the efficiency of the health sector.

What specific steps is the Ministry taking to increase real wages of doctors and nurses and to limit the brain drain of healthcare professionals?

Remuneration of medical personnel is one of my priorities that will continue to evolve in close relation with the possibilities of the health sector budget. To increase the remuneration of medical personnel and other workers in healthcare sector we need to increase minimal wage-related national social security measures, including the provision of state-funded healthcare services. Also, we are working to ensure gradual refusal from extended normal working time for medical personnel and emergency medical care assistance staff, which are not medical personnel. For now, the average salary of doctors and functional specialists has been increased from EUR 859 to EUR 1,125 per month, for medical and patient care staff and functional specialist assistants from EUR 537 to EUR 675 per month, while for medical and patient care support people from EUR 400 to EUR

450 per month. Wages of medical personnel working in inpatient institutions will increase more significantly, taking into account the minimum daily allowance and the gradual abolition of normal extended working hours. Also, with the support of the European Social Fund, there are measures planned to financially support those doctors and nurses who chose to work in the regions outside Riga in hospitals and GPs' offices. These doctors and nurses will receive a payment in the amount of five monthly wages and in addition a certain monthly support payment for a period up to two years. Also, financing is envisaged for lifelong learning activities for medical staff to support them in their professional practice and recertification. These activities provide financial support for doctors and nurses and is a certain motivating element in addition to the real wage.

Why has it been so difficult to make e-health work for Latvia so far? What actions are being taken to ensure a smoother implementation of the e-health agenda?

The e-health system is a large and complicated system and we have to admit that we had no prior experience in developing such a system. Therefore the implementation has been not only hard work, but also a serious learning process for all of us. It takes time to get used to something new which requires a change in habits and learning new skills. One of the most significant instruments to ensure a smoother implementation of the e-health agenda is good communication with the users; both by providing the possibility to express an opinion on necessary improvements and the possibility of receiving the qualitative support when having, for example, some technical problems with the use of the system. Therefore, since 2016, the e-health Support Service has been available for all users. The questions and suggestions to the Support service can be submitted both by phone and by email. As was expected, the highest demand for the Support Service was in January 2018, but now we see that the number of calls received has stabilized and even decreased; indicating that users are gradually improving their e-health skills. We have also organized face-to-face interviews with professionals to receive their feedback about their experience in using the e-Health system and their opinion on necessary improvements.

What benefits do you expect e-health deliver to the public health system?

We expect that the e-health system will promote more accurate, up-to-date, and complete information about patients, will enable quick access to patient records for more coordinated, efficient care, will help providers more effectively diagnose patients, reduce medical errors, provide safer care, and reduce costs through improved safety and reduced duplication of testing. Patients also have control over their health data in the e-health system – they can control who and when has accessed their data (and what kind of data); which is more difficult if the data are stored in paper format. Regarding sick-leave, the process is fully digitalized, it means decreased

administrative burden for all sides: doctors, patients and State Social Insurance Agency.

What plans do you have for expanding digital health beyond e-prescriptions and electronic registration of sick leave?

e-prescriptions and electronic registration of sick leave are only a small part of the opportunities provided by e-health. For example, there is also a patient summary, doctors can issue the e-referral to the specialist or diagnostic procedure, prepare the overview of the out-patient visit, as well enter the vaccination data, hospitals can also issue an epicrisis, and already 13 healthcare institutions provide the visual diagnostic data to the e-health system. Healthcare institutions also have the possibilities to prepare different overviews which helps to decrease the administrative burden as well to use other tools to facilitate the physician's work process. Patients have access to their electronical health card where they can see all medical documents the doctor has issued for them in the e-health system. By using e-health system patient can submit an application to the National Health Service to receive the European Health Insurance Card and an application to register to the General Practitioner. Patients can also submit a question to the physician by using an e-consultation tool. In the coming years the e-health system will be improved by introducing new functionalities as well as improved versions of those that are already in place; for example, it is planned that laboratory test results and the medical documentation regarding national screening programs will be available in the e-health system. Also, there is a plan to develop the functionality to ensure the inclusion of the costs of medical services received in the electronic annual income declaration.

Can you please outline the Ministry's efforts to prevent non-communicable illness such as cardiovascular disease and cancer?

Non-communicable diseases are the main cause of death in Latvia. These diseases are determined also by lifestyles − unhealthy diet, insufficient physical activity and addictive substance abuse. The main public health policy planning document in Latvia is the Public Health Strategy 2014-2020, where the overarching objective is to increase the number of healthy life years of inhabitants of Latvia and prevent premature death, preserving, improving and restoring health. One of the main points of progress for reaching the set aim is "reduction of the spread of non-communicable disease risk factors". The Strategy defines four priority areas in health – prevention and control of oncologic diseases (oncology), cardiovascular health, perinatal and neonatal health and mental health. To promote a health enhancing environment over the years Latvia has implemented several legislative measures such as a smoking ban in public areas and in presence of children, regulation on trans-fatty acids limitation in food, a normative act on standards for school meals, a

system for restricting trade of new psychoactive substances and so on. These measures have resulted in the improvement of several health habits.

The Ministry of Health and the Centre for Disease Prevention and Control of Latvia also continuously make public and educational activities to promote a healthy and physically active lifestyle within the population. We have established the *National Network of Healthy Municipalities* (involving 94 percent of municipalities), as well as re-establishing the *Network of Health-Promoting Schools* (involving 10.4 percent of educational institutions) to unite schools that focus on promoting healthy habits and establishing a health-promoting environment. In addition, the Health Promotion Guidelines for Local Governments[2] were elaborated and adopted by the Ministry of Health. We should continue to implement a multi-sectorial “health in all policies” approach by working together with other public health authorities, other ministries, NGO’s in promoting public health.

In line with the Public Health Strategy and EU 2014-2020 planning period, during the coming years Latvia plans to implement extensive health promotion and disease prevention activities paying special attention to priority target groups such as children, the elderly, the unemployed, poor people, people living with disabilities and people living in rural and remote areas. These activities will target areas like addictive substance abuse reduction, healthy diet, adequate physical activity, sexual and reproductive health and mental health promotion. In addition, the *Plan for improving healthcare services in oncology for years 2017 – 2020* was adopted on 31 May 2017.The plan includes activities to improve cancer screening organization, quality and monitoring.

To what extent can the pharmaceuticals industry be co-opted into helping make Latvian healthcare more cost-efficient and financially sustainable?

The pharmaceutical industry can play a prominent role in containing costs within the healthcare system bringing the benefits for patients and societies, for instance for hepatitis C, HIV and blood cancer. Also, trends are challenging due to the growing price of innovative drugs entering the markets of EU countries and, as public health spending is limited, the high prices of innovations are starting to pose threats to the sustainability of the healthcare system.

[1] *The list of the healthcare services of the minimum basket will be stipulated in the Regulation of Cabinet of Ministers by 1 September 2018. During the elaboration of this regulation aspect of universal health coverage will be taken into account.*

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