An in-depth review of the health sector

Objective
Evaluate Lithuania’s policies and practices as compared to OECD best policies

Progress and Remaining challenges

Access and Sustainability

Efficiency and Quality
Recognise progress … and remaining challenges

- Socio-economic context
- Resources available in the health system
- Organisation and governance: key assets
- On balance, disappointing health outcomes
A very dynamic economy with considerable challenges

Lithuania has one of the fastest growing economies in the OECD.

But growth has not been inclusive enough: 20% of the population is at risk of poverty or social exclusion.

Lithuania’s working age population will decline rapidly over the next 30 years.
Lithuania’s spending on health is modest but broadly aligned with resources.
Lithuania has more human resources for health than many
Organisation and governance

Lithuania stands out for its comprehensive transformation:
- Health Insurance Fund
- Modern Primary Care
- Consolidation of hospitals
- Modern payment methods

Institutional stability

Consistency in policy directions:
- Service delivery agenda
- Importance of prevention and public health

A comprehensive approach to health embedded in government strategy:
Horizontal priority for Lithuania 2030
In 45 years, life expectancy at birth has increased by four years only and is now lower than anywhere in the OECD.
Poor health status
An ECA-wide story

Since 1960, Life Expectancy Gains in ECA Have Been the Lowest in the World

Smith & Nguyen (2013)
Unsurprisingly, NCDs are the main causes of mortality (2015)

Lithuania stands out on CVDs, external causes of death (suicide), liver diseases and TB
Poor health status

Slower decline in CVDs
Poor health status

Unhealthy behaviours are widespread

Highest reported alcohol consumption in the OECD... and rising

Additionally:
• Men are among the most frequent smokers in the OECD
• Obesity among women is average
Poor health status
Among the highest levels of avoidable deaths in the EU

Eurostat Database (standardised death rates per 100,000 population, 2014)
A missing ingredient?

Data infrastructure reasonably strong  
Genuine efforts to avail information to the public

User-friendly

Data analytics

(Independent) impact evaluation  
Are we getting the results which matter?  
If not – why?

Data-driven performance discussions

Accountability for results
Sustainability and access

By and large, a positive story
A resilient system provides effective health coverage...

- Social Health Insurance covers virtually all the population
- State explicitly contributes on behalf of the economically inactive population
- Coverage translates into effective access to services:
  - 8.7 consultations per year (25% above OECD av.),
  - 24 hospitalisations per 1,000 (50% above OECD av.)
  - Relatively low use of diagnostic tests
Consistent story of relatively low unmet needs

Unmet need for medical examination for financial, geographic or waiting times reasons, by income quintile, 2015

EHIS 2014
Unmet need for financial reason
2% of the population for medical care
5% for dental care
2% for prescribed pharmaceuticals

OECD25
SILC Survey
Financial protection
High OOPs by OECD standards, especially on pharmaceuticals

% of spending out-of-pocket

32% of spending on health for an OECD average of .....20%
42% ..................on outpatient care ...............................27%
68%......................on pharmaceuticals .........................42%

More on this during WHO’s presentation
Sustainability

Health is not a very high priority
Sustainability
Bridging different perspectives

Effective budget management

- Countercyclical financing of health
- Projected increases in contribution on behalf of inactive population
- NHIF balances its budget and builds provisions and reserves
- Facilities finances are overall sound

Public spending projected to increase less than in most of Europe

**BUT**

Sustainability is not just about spending little

Spending more will not solve all problems (next section)

.... Nor will increasing salaries of health workers
Efficiency and quality:

The crux of the matter to accelerate progress
The system could deliver more value for money

Life expectancy at birth and GDP per capita, 2015 (or nearest year)

R² = 0.57
Efficiency

The number of beds has slowly declined but remains high
Efficiency

The acute care bed occupancy ratio is lower than the OECD average in 85% of Lithuanian hospitals.
Efficiency
Consolidation also warranted on quality grounds

• Many hospitals produce very low volumes of complex services
  – 22 hospitals carry out less than one surgery a day
  – 15 hospitals carry out a major obstetric surgery less than once a week

• Minimum volumes have been introduced

• Consolidation of the network remains insufficient and may require governance reforms (networking, mergers, joint ownership)
Efficiency
Also about setting the right priorities

• Prevention
  – Recent efforts go in the right direction
  – Effective enforcement and impact

• Develop services in line with the burden of diseases
  – Thrombolyses and thrombectomies
  – Mental health
Accreditation program in place
More than 120 clinical protocols issued
P4P and FFS in PHC encourage prevention
Functional clustering

Satisfaction with the quality of services is improving

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European Quality of Life Survey 2016
One of five people over 65 received a flu shot in 2014

Cancer screening: progress remains insufficient
Hospital admissions for chronic conditions are declining

Age-sex standardised hospitalisation rates per 100,000 population aged 15 and above

Asthma  Diabetes
Thirty-day mortality after admission to hospital for acute myocardial infarction based on patient data 2013
Quality
Improving safety and effectiveness

• Need to strengthen data quality on patient safety and increase transparency/use of quality data;
• Hold providers accountable for quality (prescription);
• Develop a continuous quality assurance culture, in particular
  – a national adverse event reporting and learning system,
  – set up a system to encourage and monitor compliance with guidelines.
In sum: OECD key recommendations

- Accelerate efforts to rationalise the use of hospital resources and rebalance service delivery, with greater emphasis on care co-ordination and mental health at PHC level;
- Invest effectively in public health to tackle risk factors, notably harmful alcohol consumption;
- Develop a quality assurance culture to better measure results and hold stakeholders more explicitly accountable for improving them;
- Scale up the system’s capacity to evaluate the impact of policies and understand the reasons for their success or lack thereof.
Concluding remarks

• The Health Committee requested an update on reforms two years after accession.
• Since opinion formulated, positive developments on alcohol regulation and the development of the first medicines policy guidelines with explicit efforts to reduce the cost to patients.
• Step up efforts to demonstrate impact.
• Ultimately: cultural shift towards a more resolutely people-centred approach.
Ačiū

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