

Curbing system leakages: the health sector and licensing in Estonia

Republic of Estonia

May-October 2002

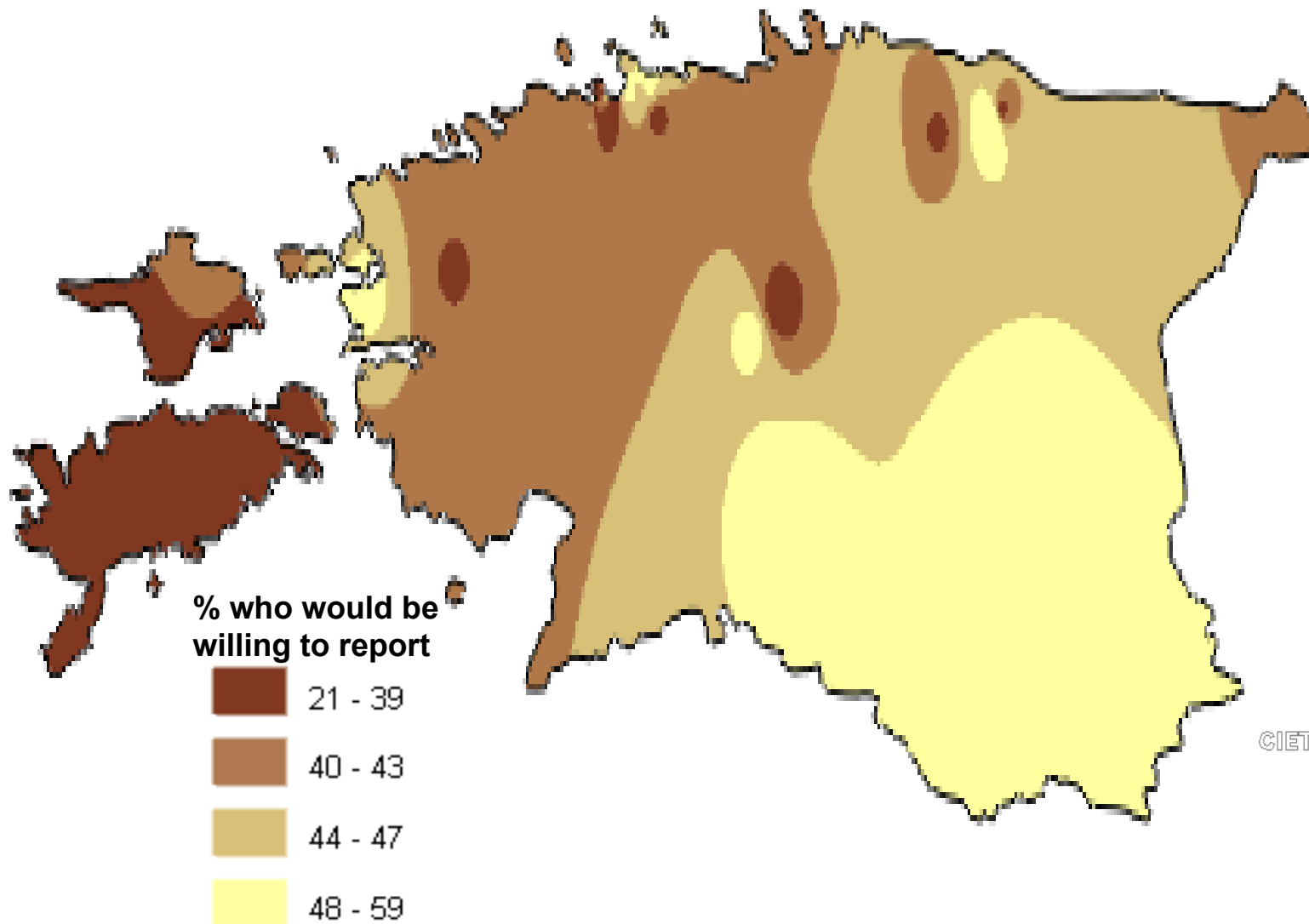
Goals of the social audit

- To contribute to identifying 'system leakages' as a result of corruption
- To suggest actionable steps to improve the situation in the health and licensing sectors

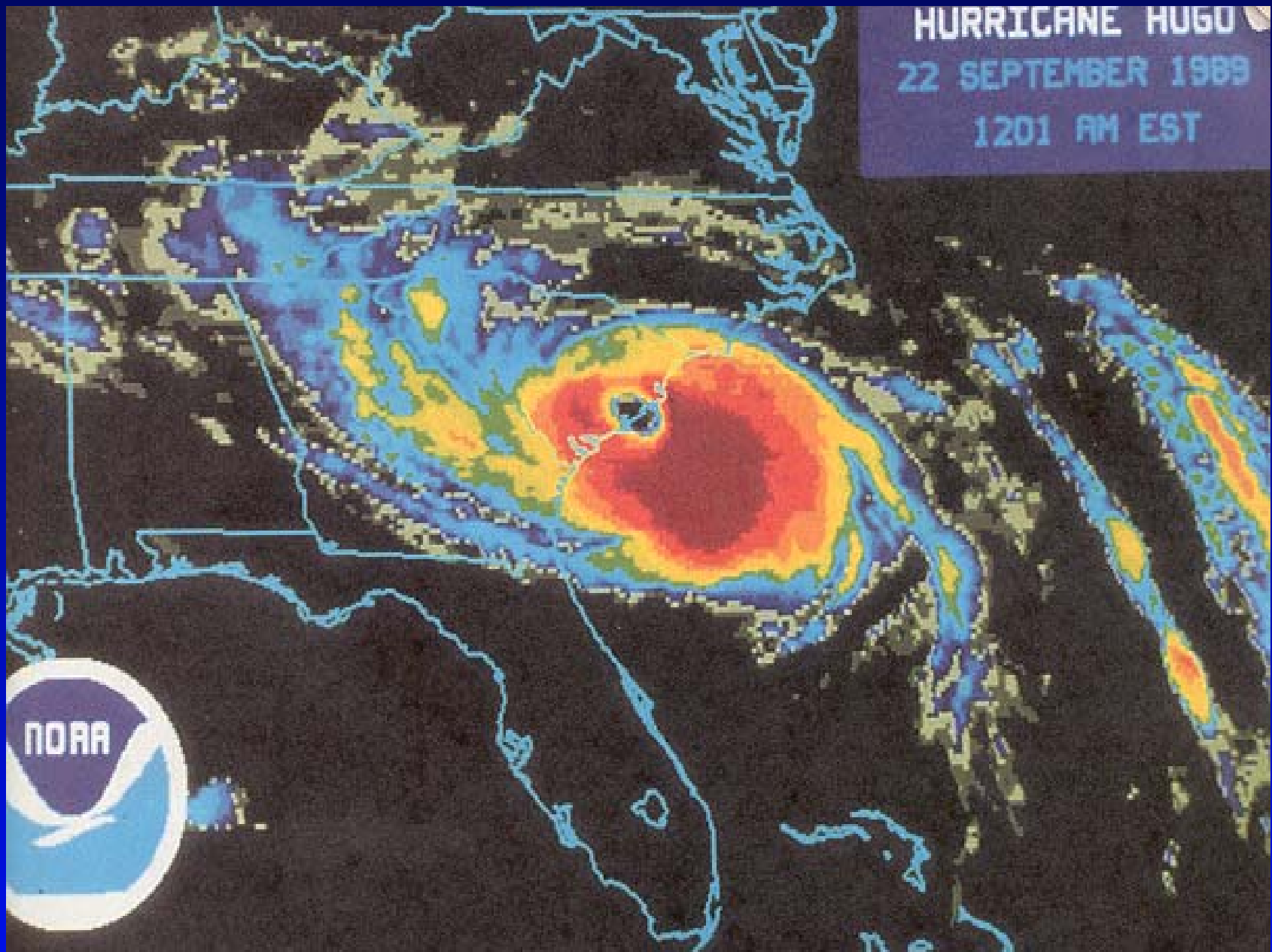
Objectives of the social audit

1. Quantify the costs incurred by households as a result of corruption in the health sector and how this affects access to services.

Proportion of households who would be willing to report health care professionals who demand unofficial payments

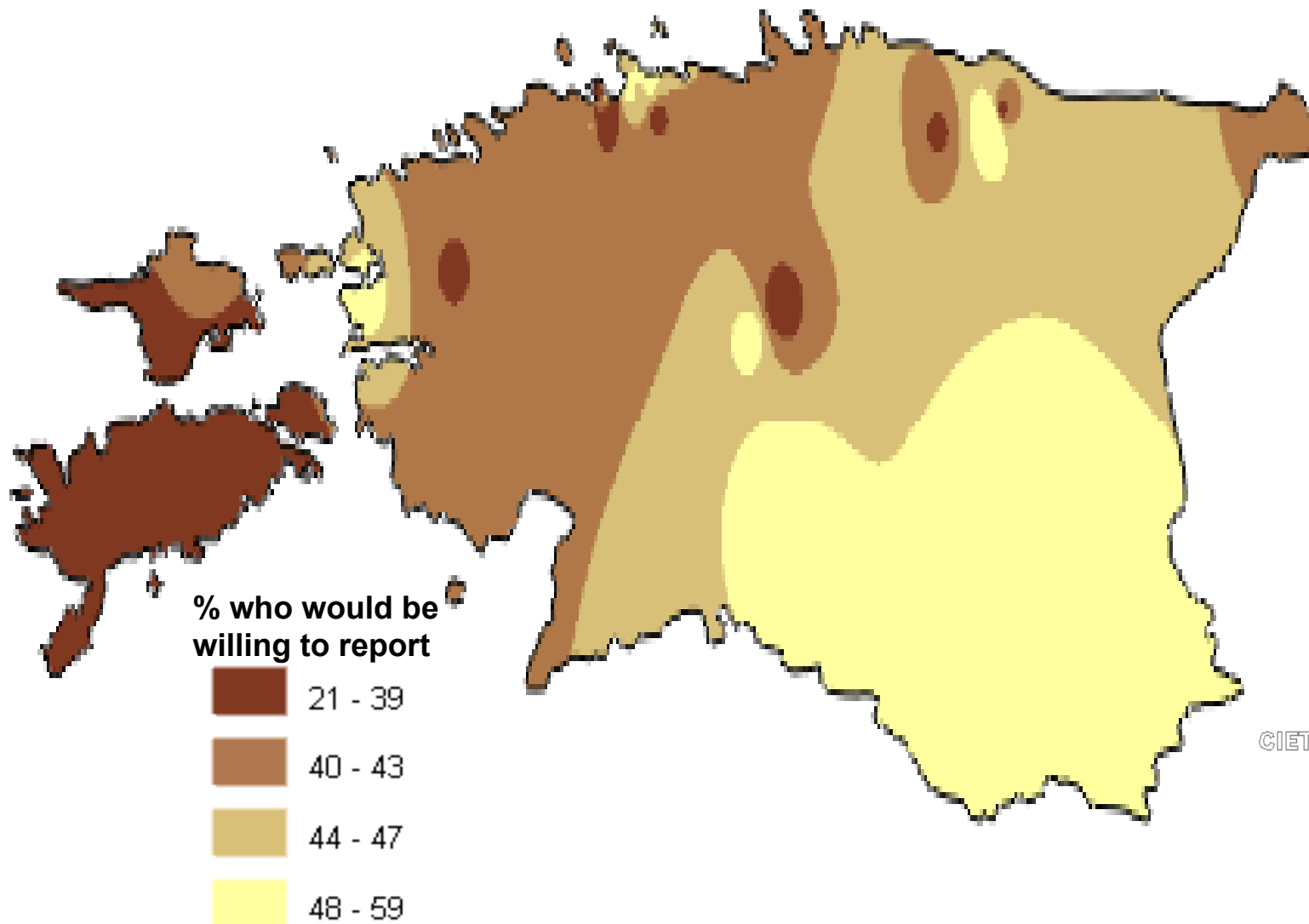


Source: BX1 Estonia 2002



CIET: Estonia 2002

Proportion of households who would be willing to report health care professionals who demand unofficial payments



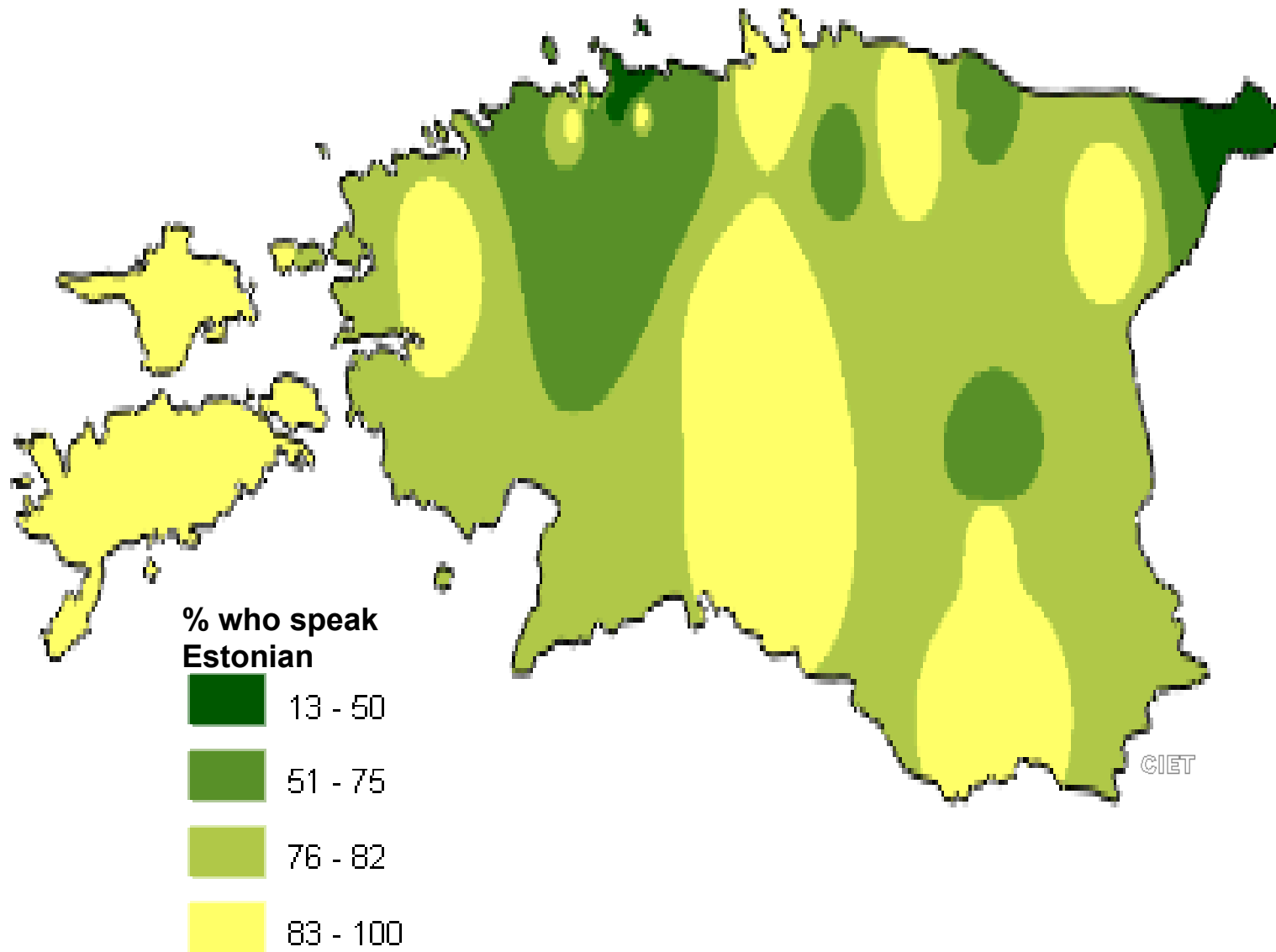
Source: BX1 Estonia 2002

Objectives of the social audit

2. Identify factors of risk and resilience in engagement with corrupt activities among both clients and service providers.

- Factors examined
 - Income
 - Age
 - Main language
 - Satisfaction
 - Enough information about entitlements
 - Beliefs about what constitutes corruption

Proportion of households who speak Estonian



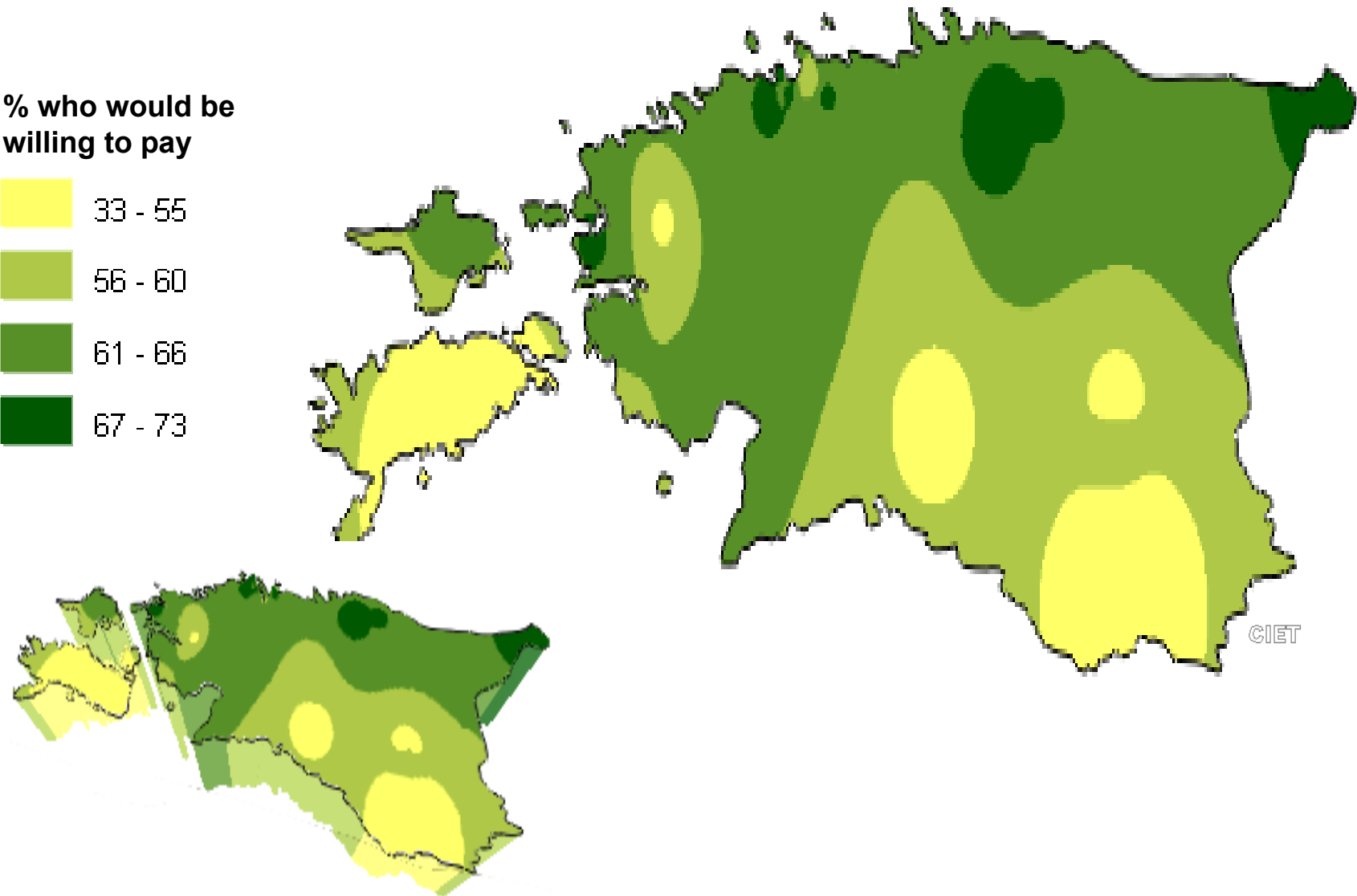
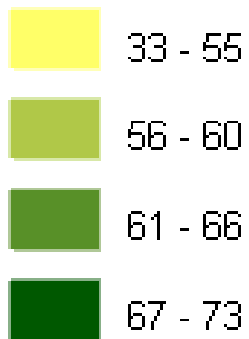
Source: BX1 Estonia 2002

Objectives of the social audit

3. Quantify how much consumers are willing to pay officially for improved services and how much service providers must earn to refuse unofficial payments.

Proportion of households who would be willing to pay to avoid a waiting list for surgery or other hospital treatment

% who would be willing to pay



Objectives of the social audit

4. Identify actionable steps to diminish system leakages in the health care system and at the local level.

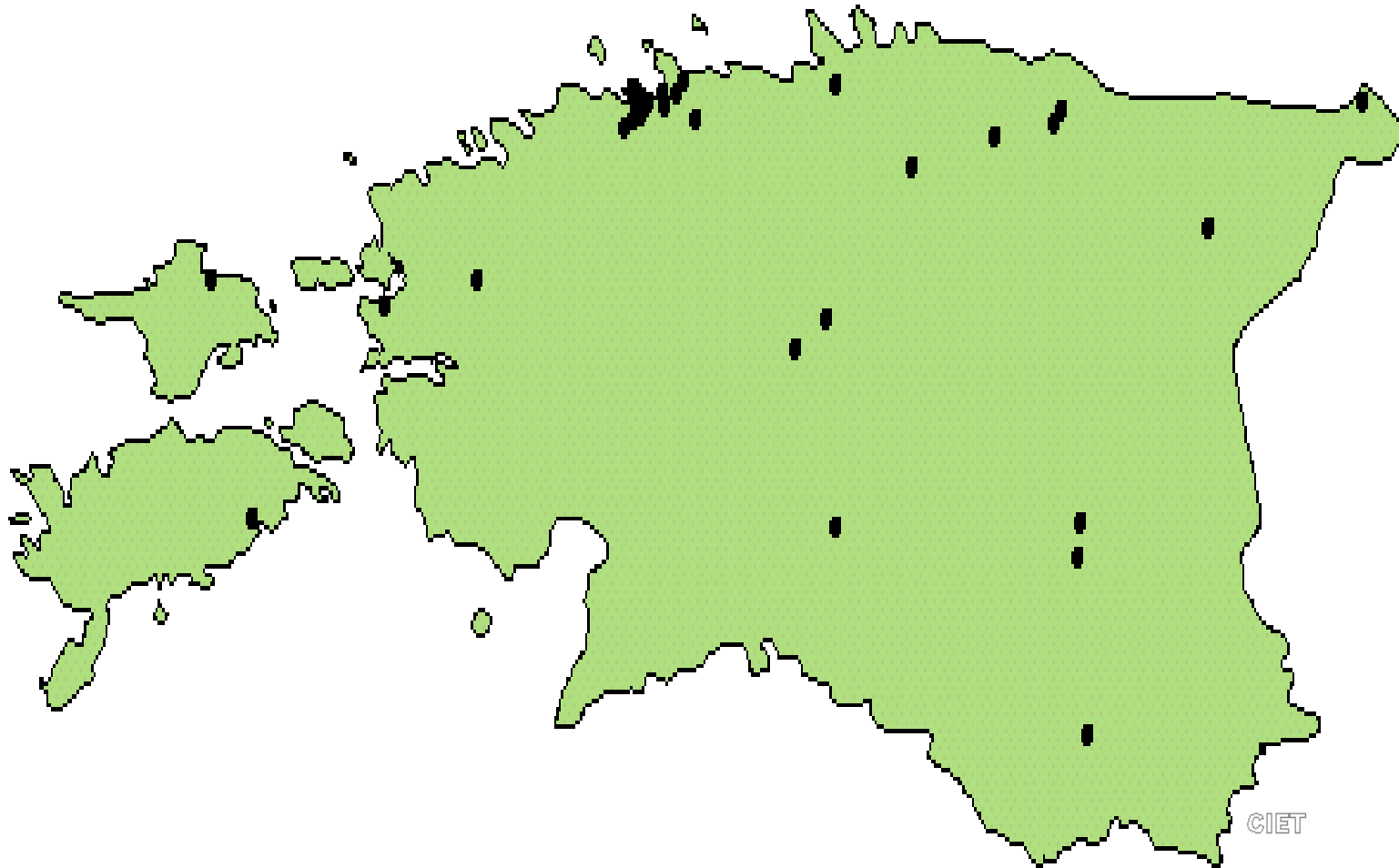
Government health services: people more likely to have made an unofficial payment

- **Those whose first language is not Estonian**
- **Those below 50 years old**
- **Those who visited a specialist (but payment not necessarily to specialist)**

Sample selection

- **Sample was drawn by Dept of Statistics**
- **Panel of sentinel sites with national representation**
- **Stratified into urban/rural and by region**
- **Last stage random selection**
- **Weights calculated to adjust for actual population distribution**
- **Final sample 3388 households, 7526 people**

Location of sample sites for the household survey



Source: BX1 Estonia 2002

Social audit instruments

- **Household questionnaire**
- **Institutional review of health care facilities**
- **Focus group guides:**
 - **Communities**
 - **Health professionals**

Licensing

Licensing

3,364
households
(7,526 people)

321 household
applicants for
licences

30
community
focus groups

Applications for licences and permits

10% of household respondents applied for a licence/permit in the last five years



38% applied in the last year

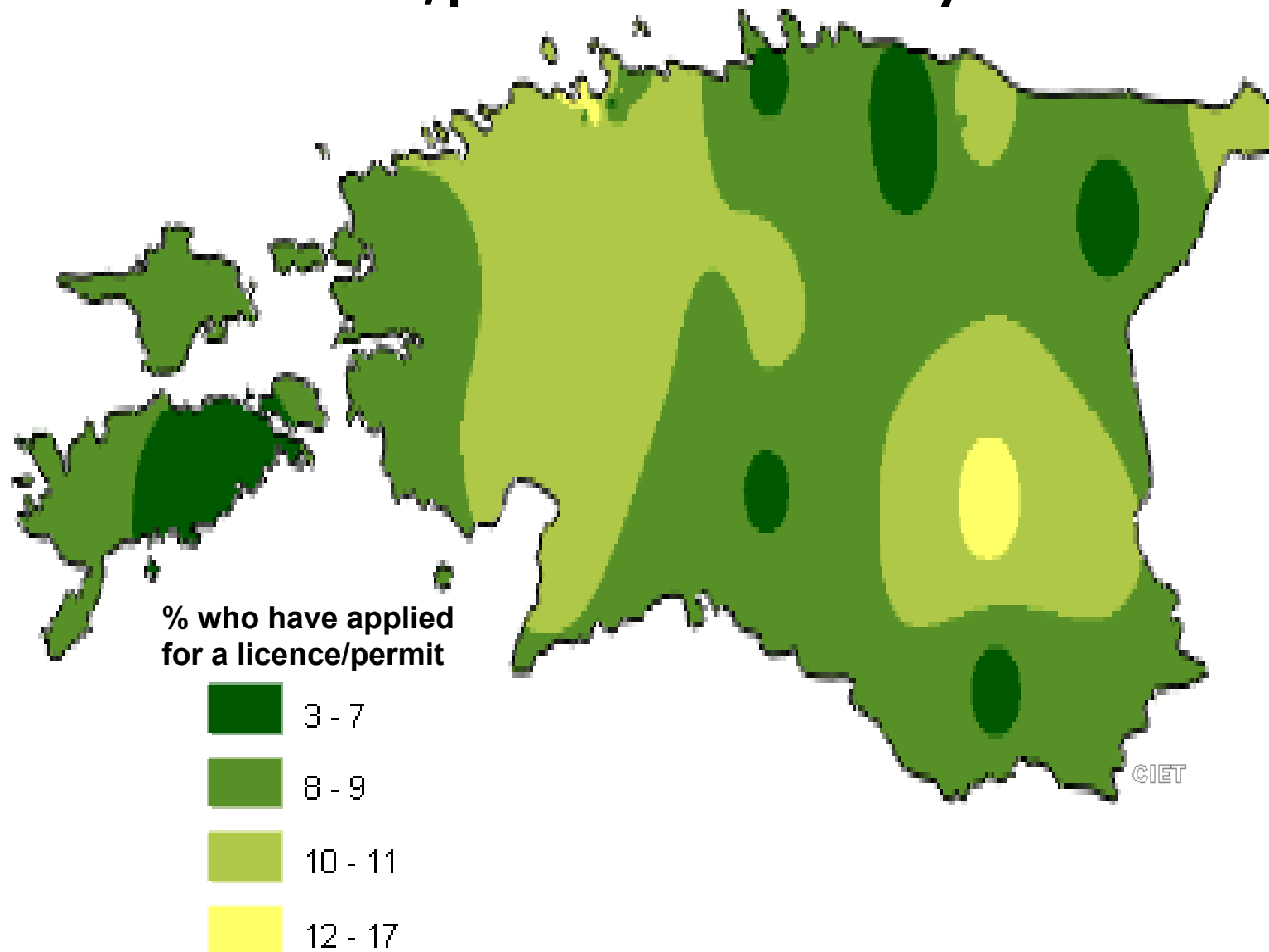


60% applied >1 year ago



2% applied at unspecified time

Proportion of households who have applied for a licence/permit in the last five years



Source: BX1 Estonia 2002

Licences households applied for

- **Driving** 69%
- **Construction** 13%
- **Trade** 5%
- **Business Regn** 4%
- **Residence** 3%
- **Firearm Regn** 1%
- **Wood cutting** 1%
- **Social Assistance** 1%

Offices where households applied for licences

- **Traffic Department 70%**
- **Municipality 13%**
- **Building dept 4%**
- **Business regn 2%**
- **Migration dept 2%**

Obtaining the licences and permits

90% of household respondents said they got the licence/permit



Official payments for licences and permits

91% of applicants paid for the licence/permit



Mean payment 2975
EEK (range 15-5000);
median 2000 EEK

Nearly all got a
receipt (91%)

Unofficial payments for licences and permits

8% of applicants gave unofficial payment or gift for licence/permit

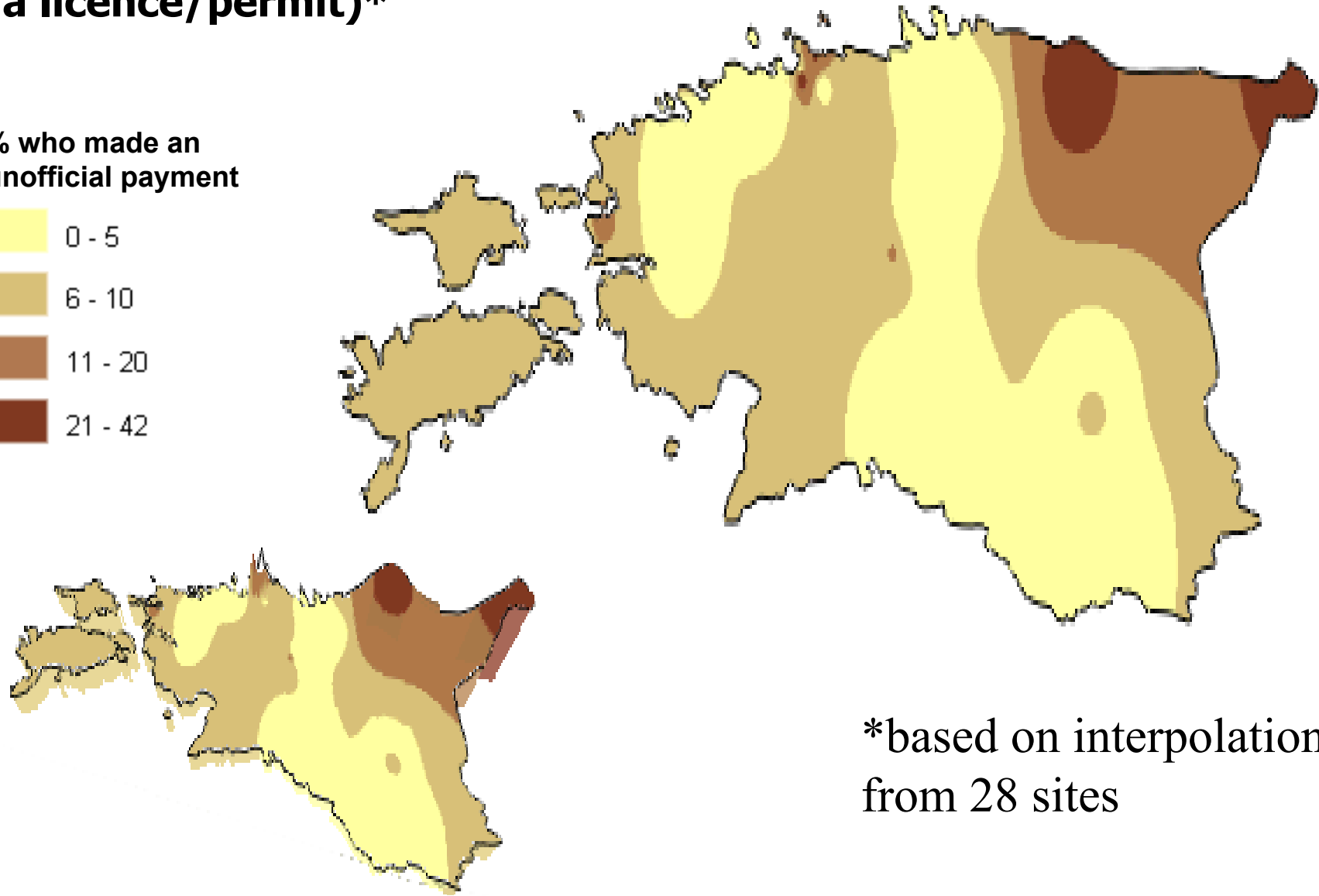
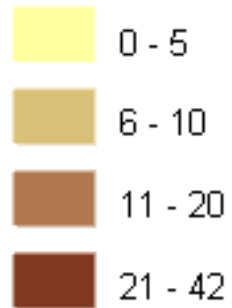
3/4 gave cash,
1/4 gave a gift

Mostly paid inspector or admin staff

Mean 1973 EEK
range 15-5000;
median 2000 EEK

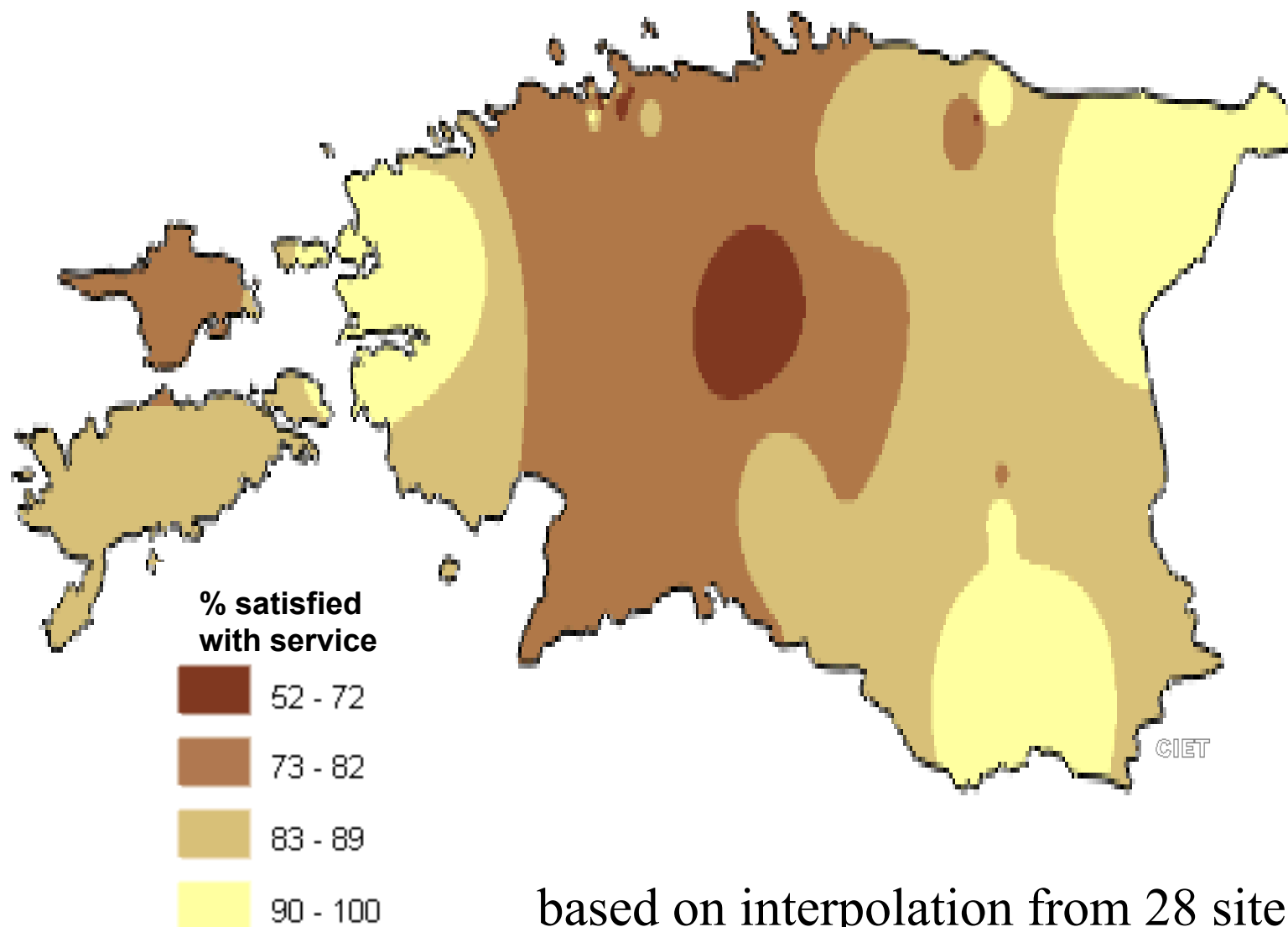
Proportion of households who made an unofficial payment or gift, or rendered a free service (amongst those who applied for a licence/permit)*

% who made an unofficial payment



*based on interpolation from 28 sites

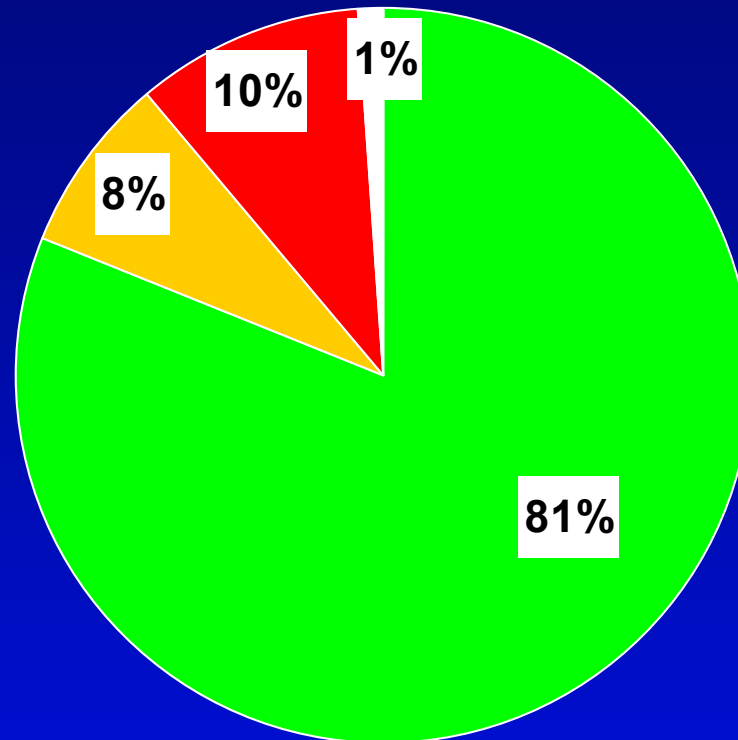
Proportion of households who were satisfied with the service they received (amongst those who applied for a licence/permit)*



based on interpolation from 28 sites

Source: BX1 Estonia 2002

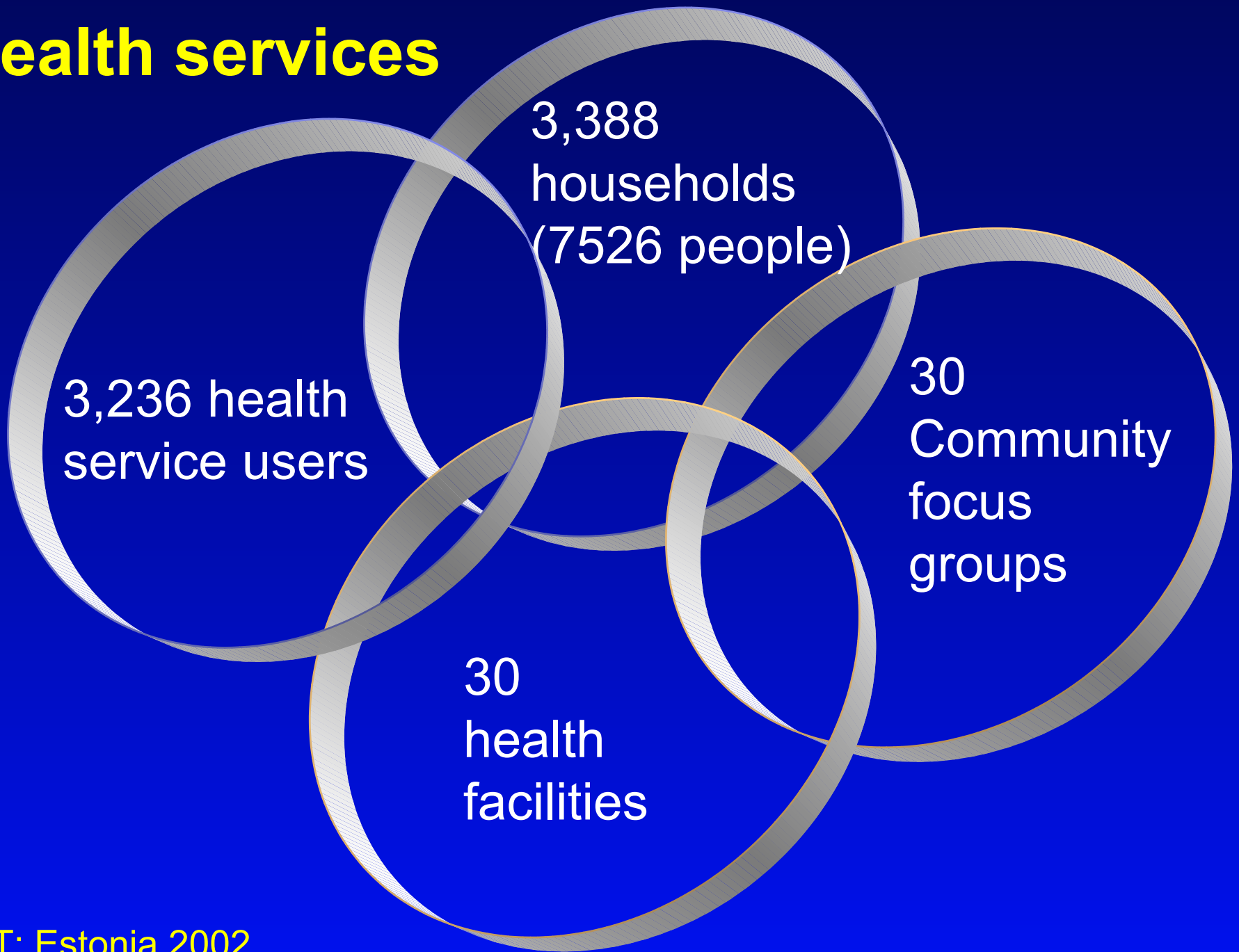
Satisfaction of household applicants with licensing services



■ Satisfied/v satisfied ■ Neither/nor ■ Dissatisfied/v dissatisfied ■ DK

The health sector

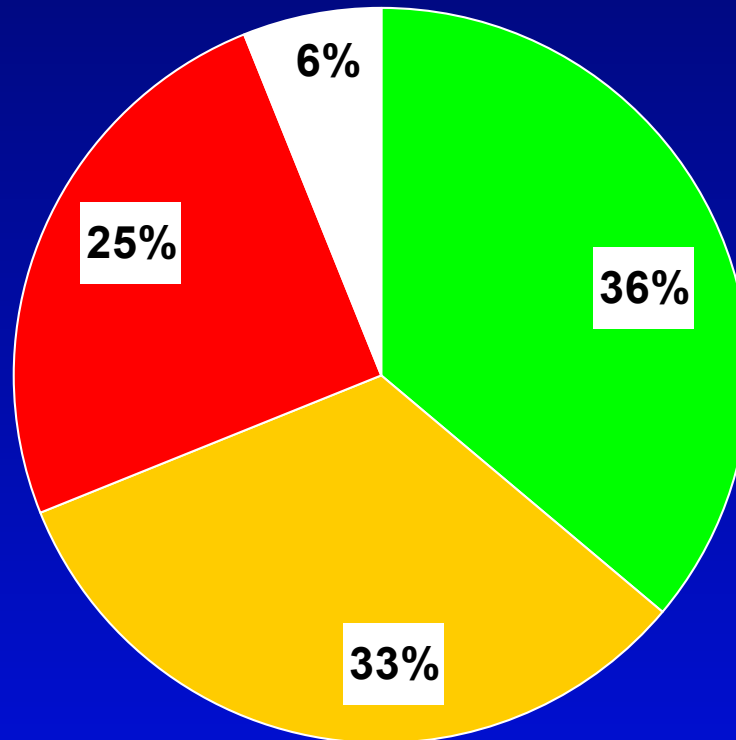
Health services



Government health insurance

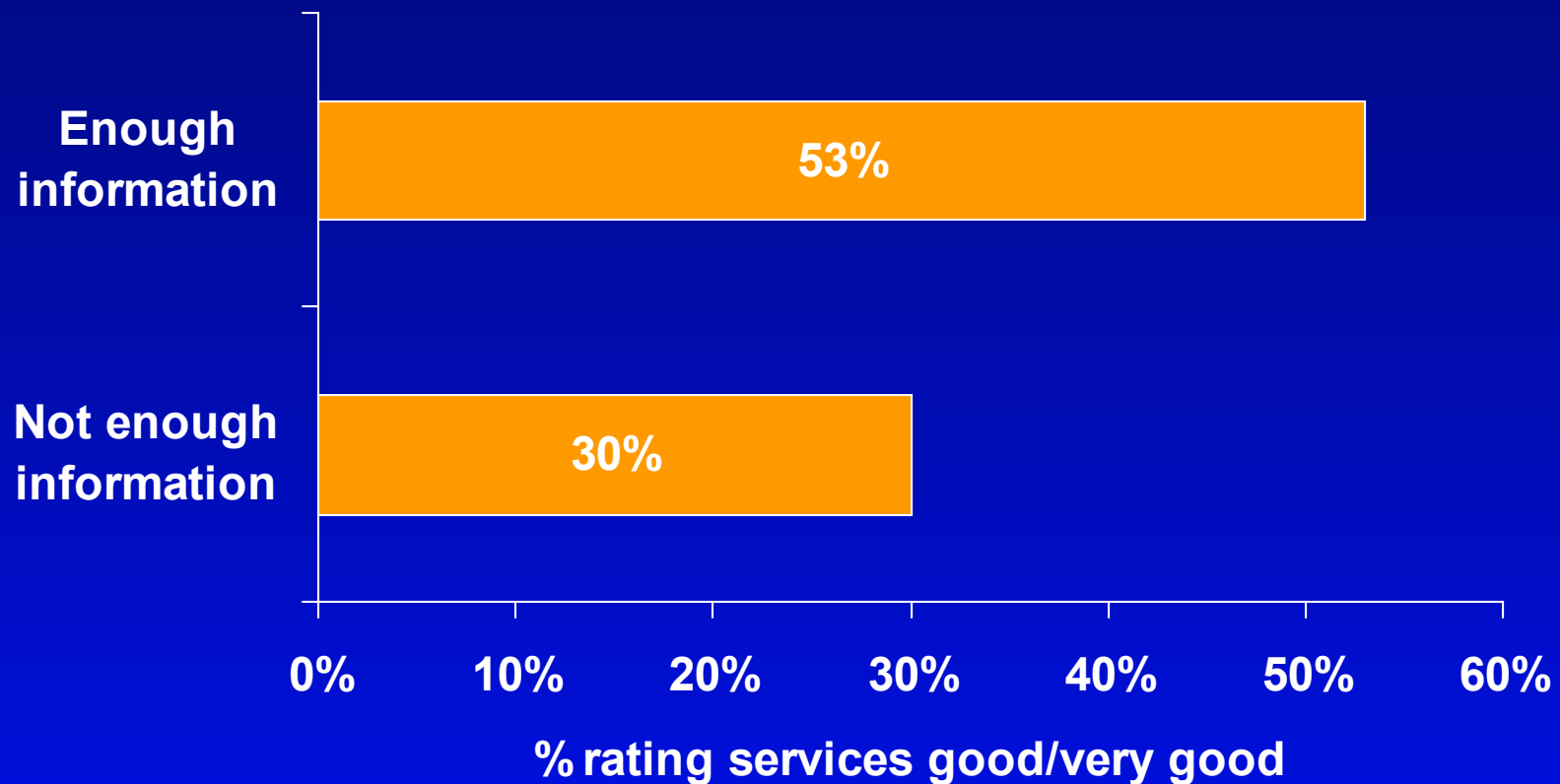
- 95% of reported household members had government health insurance
- Reasons for lack of cover:
 - unemployed, unofficial work (74%)
 - can't afford (3%)
 - Don't know reason (11%)

Household rating of government health services

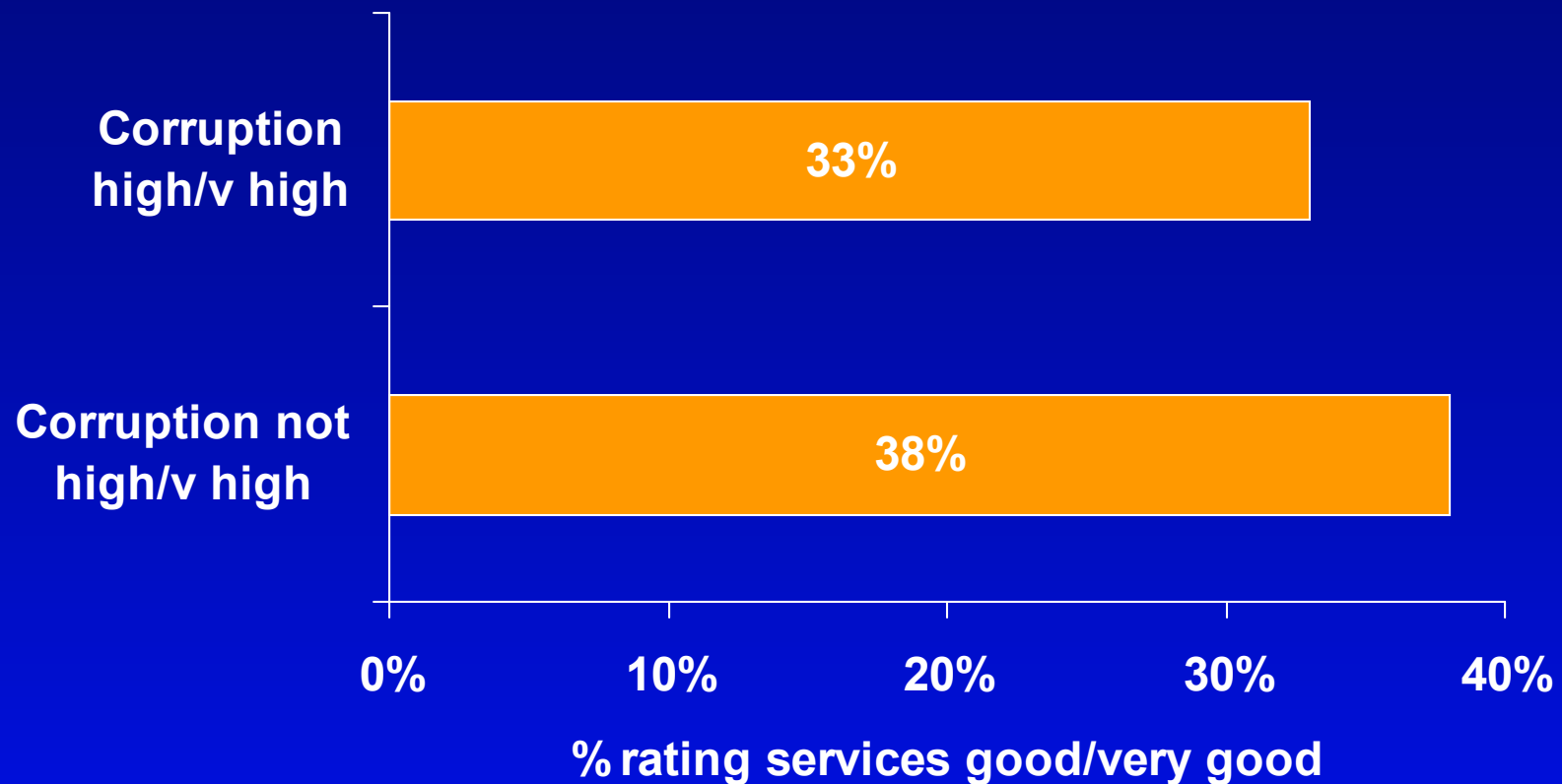


■ Good/very good ■ Neither/nor ■ Bad/very bad ■ DK

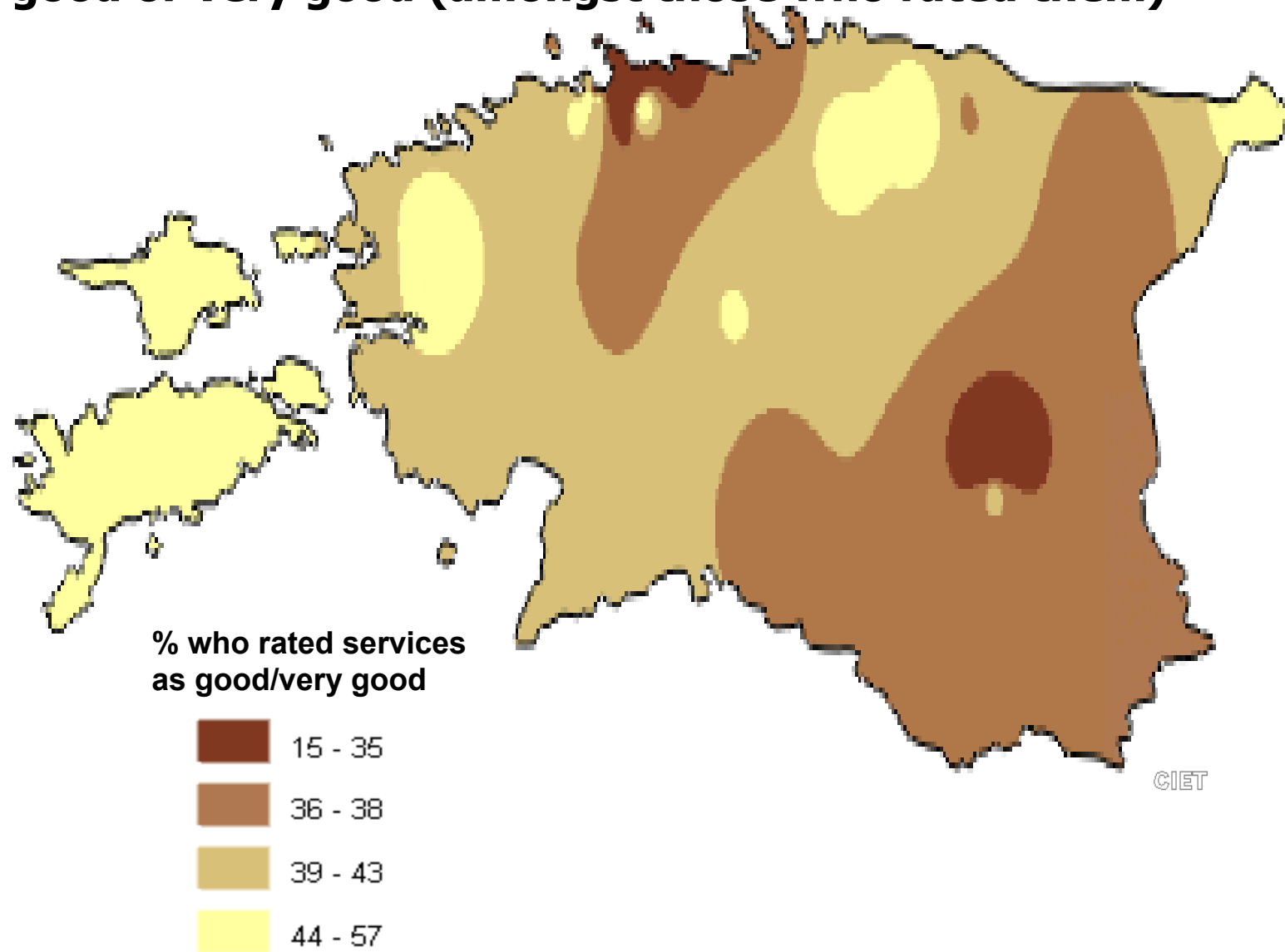
Rating of government health services and feeling informed about services/medicines



Rating of government health services and perception of corruption in the services

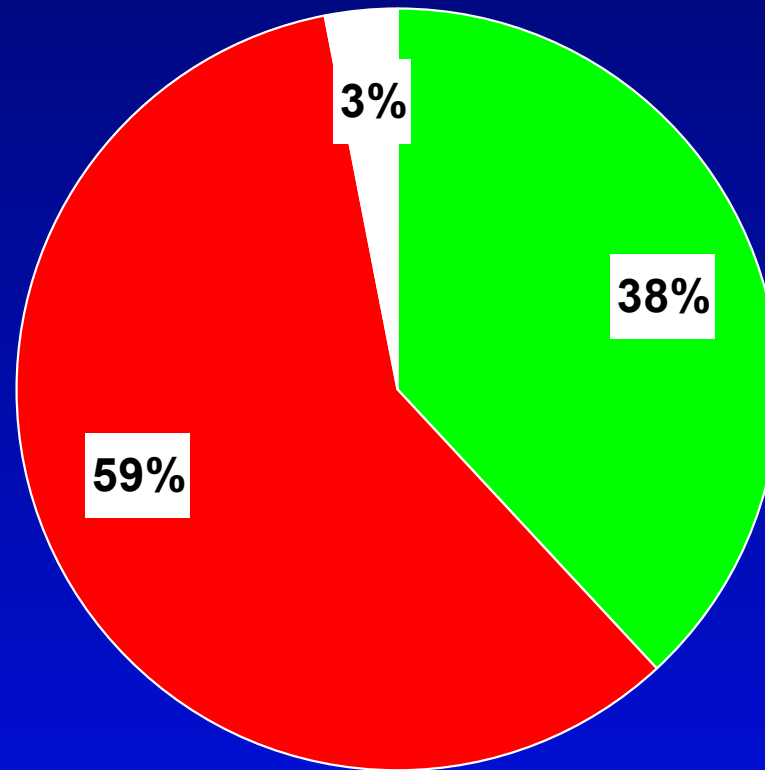


Proportion of households who rated government health services as good or very good (amongst those who rated them)



Source: BX1 Estonia 2002

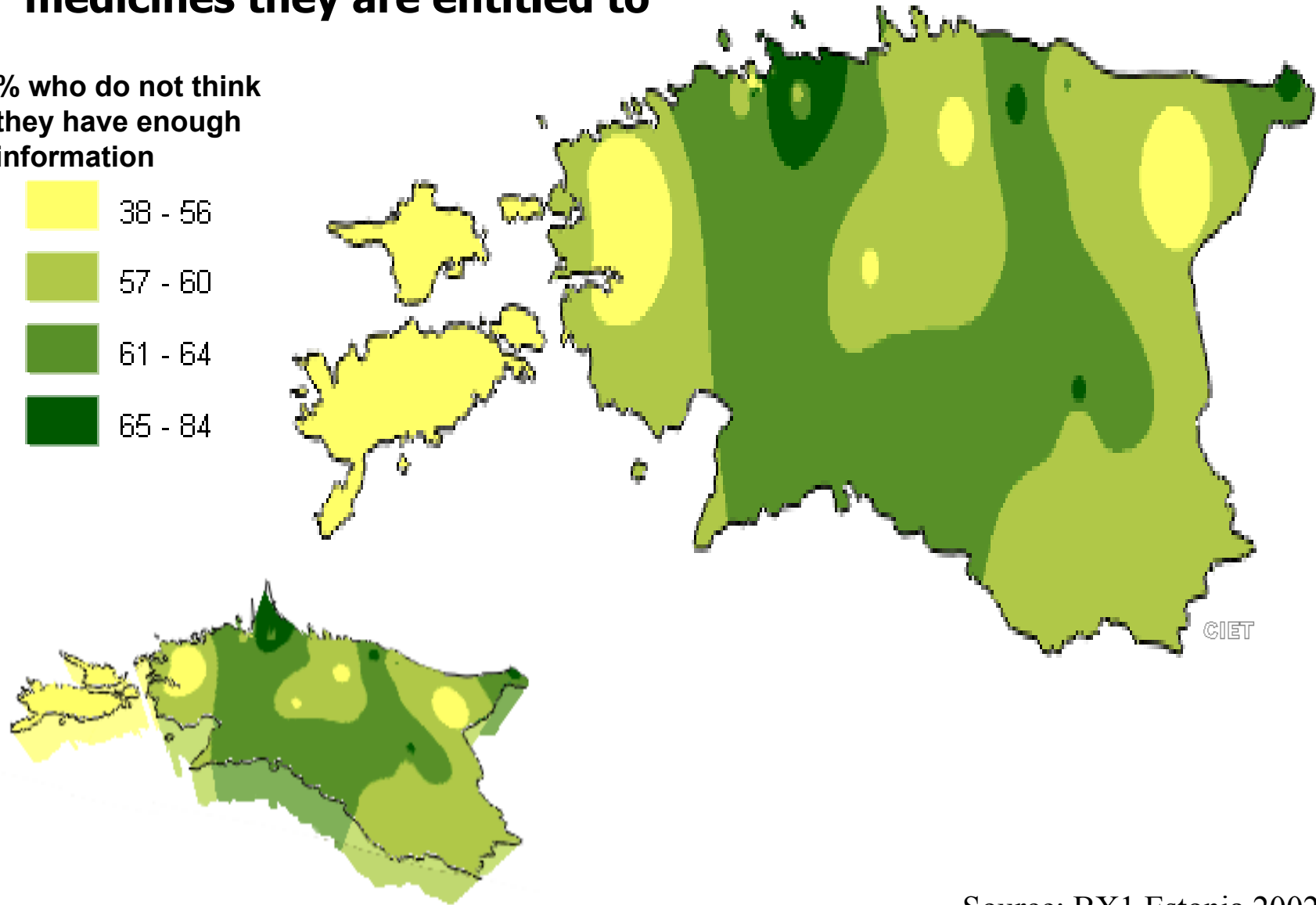
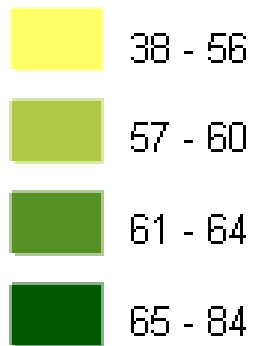
Do you feel you have all the information you need about what free services & compensated medicines you are entitled to?



■ Yes ■ No ■ Don't know

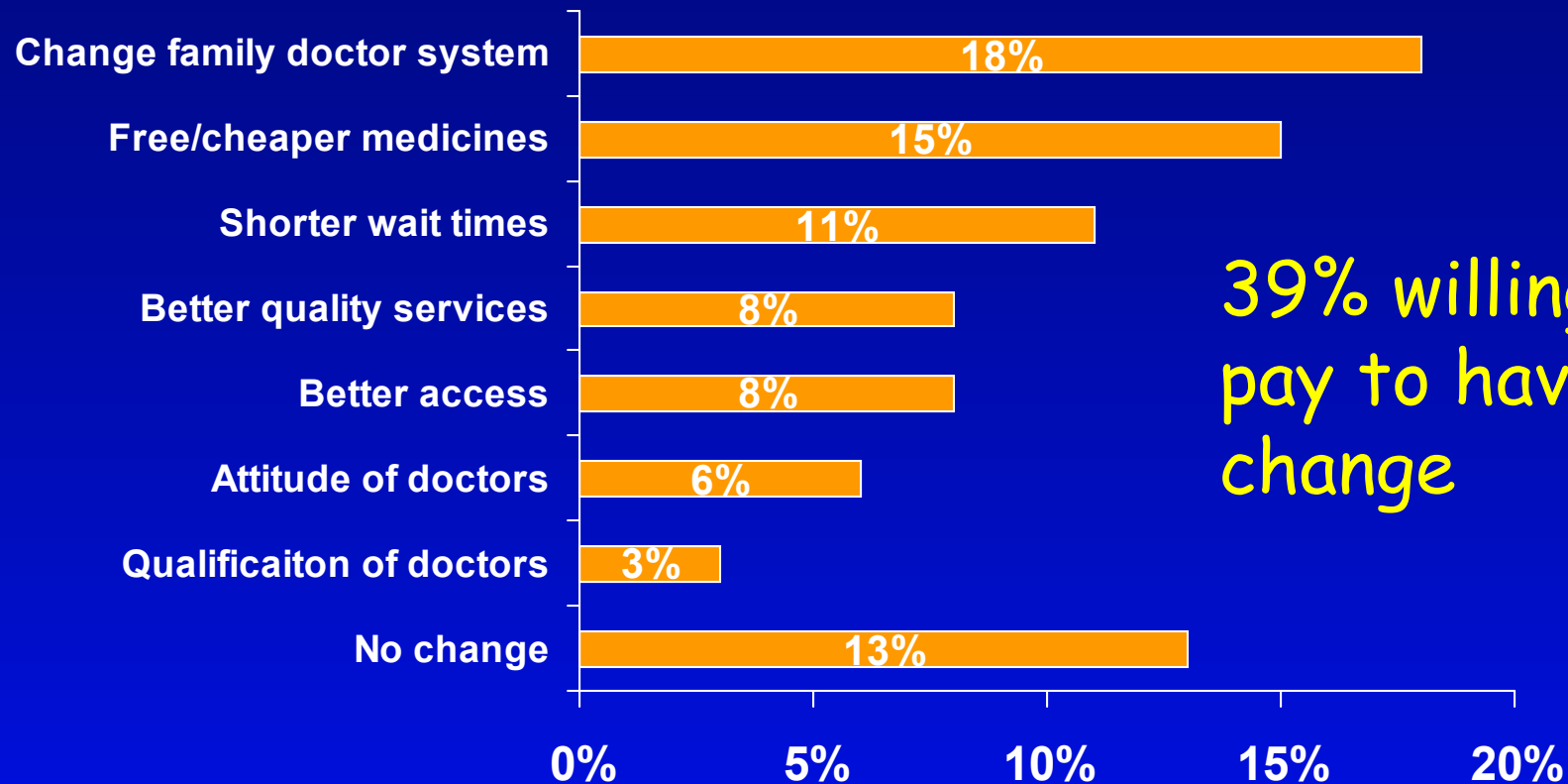
Proportion of households who do not think they have enough information on what free health services or compensated medicines they are entitled to

% who do not think they have enough information



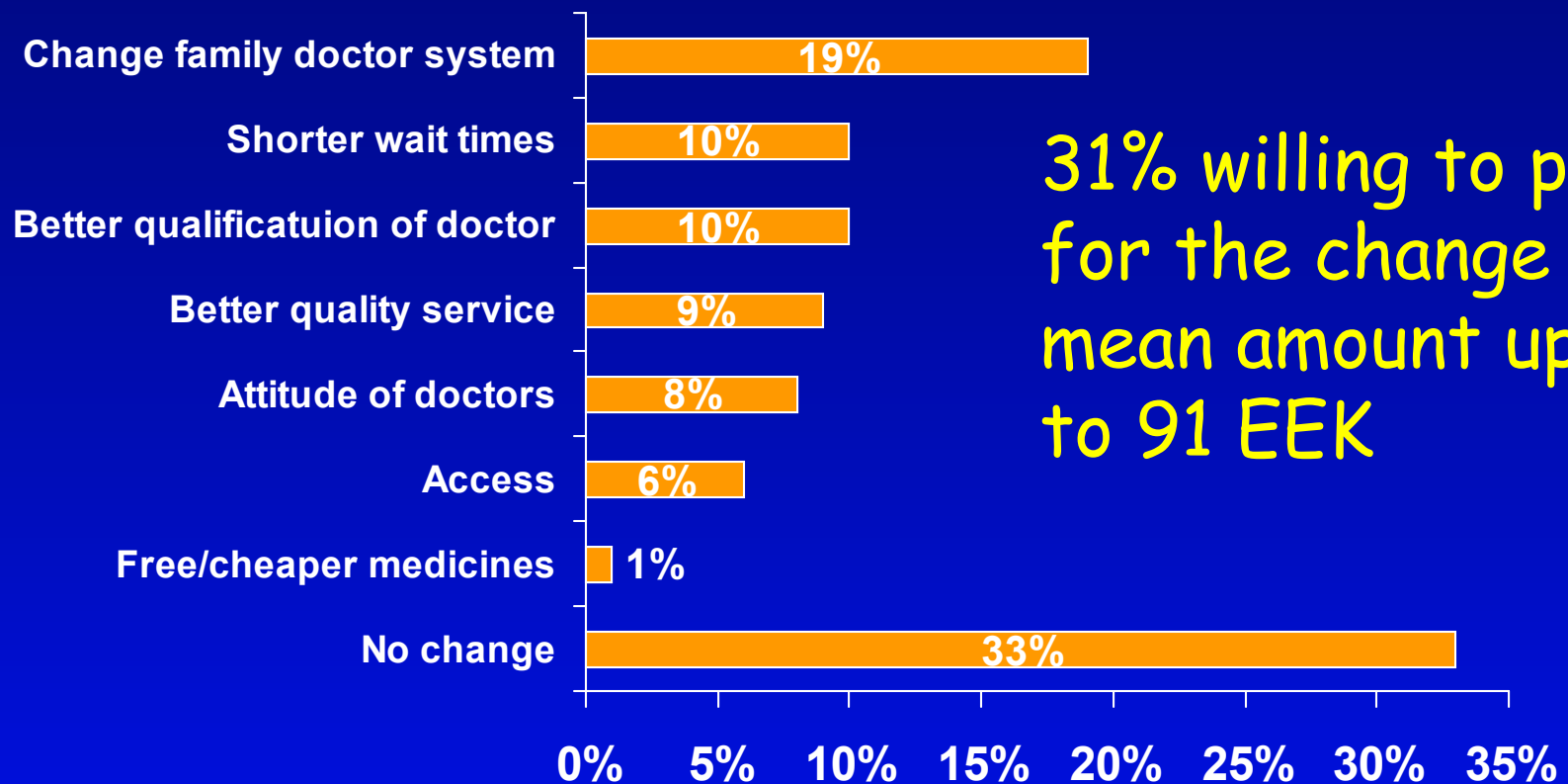
Suggestions for change to government health services

(Apart from “free/cheaper service”- 13%)



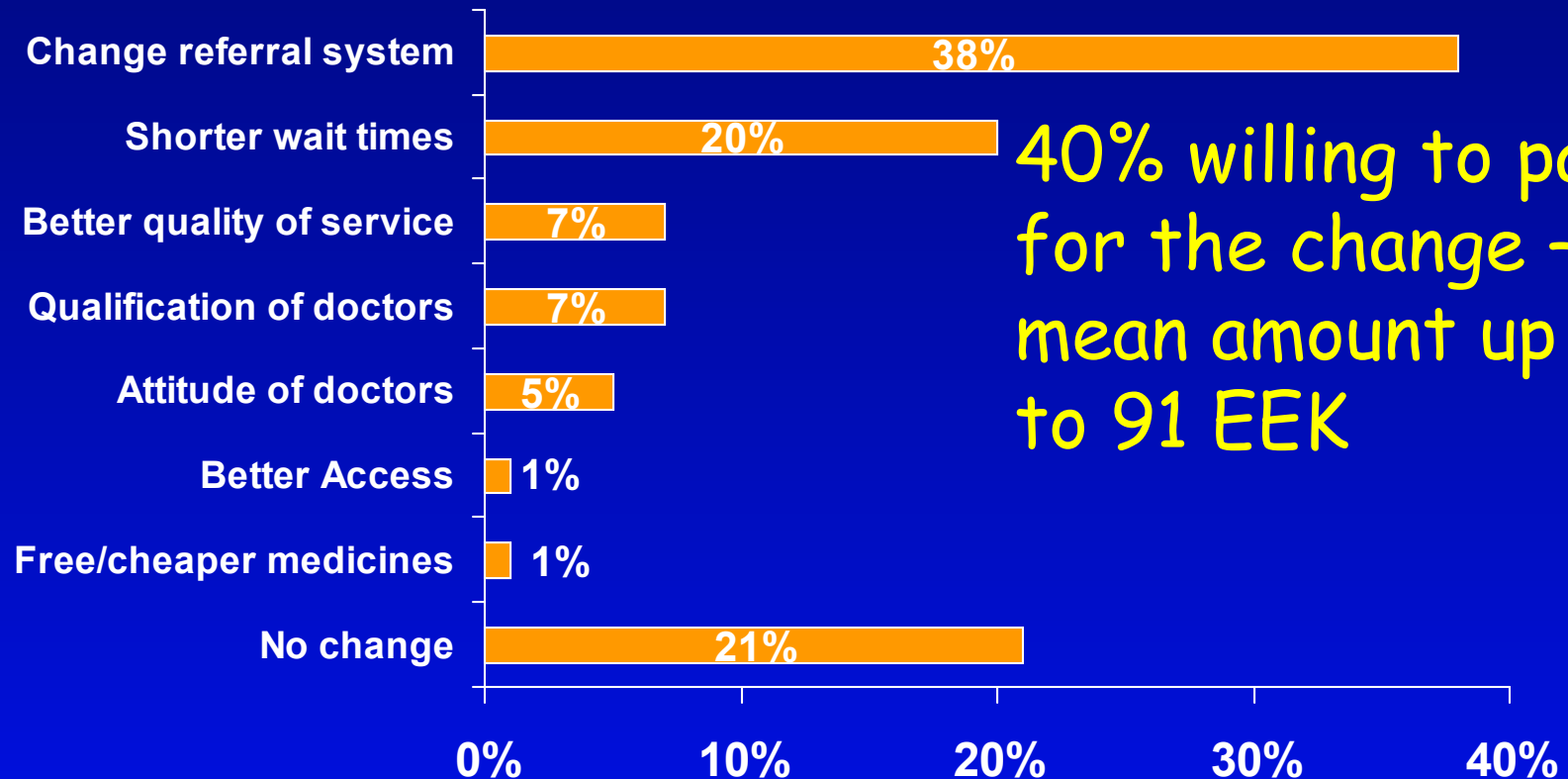
39% willing to pay to have the change

Suggestions for change to family doctor services



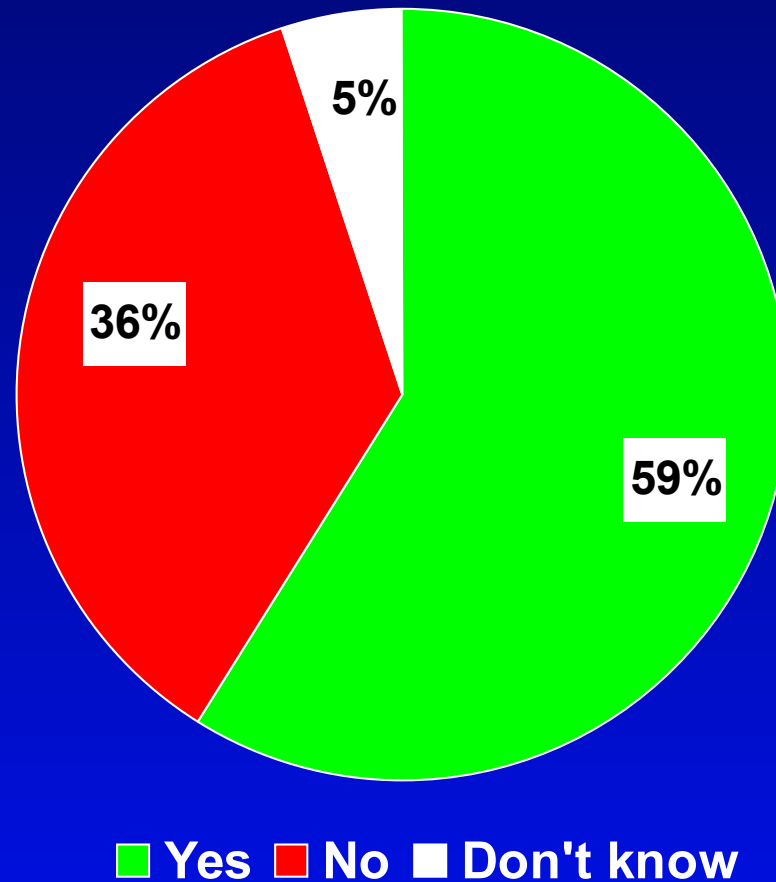
31% willing to pay for the change - mean amount up to 91 EEK

Suggestions for change to specialist doctor services



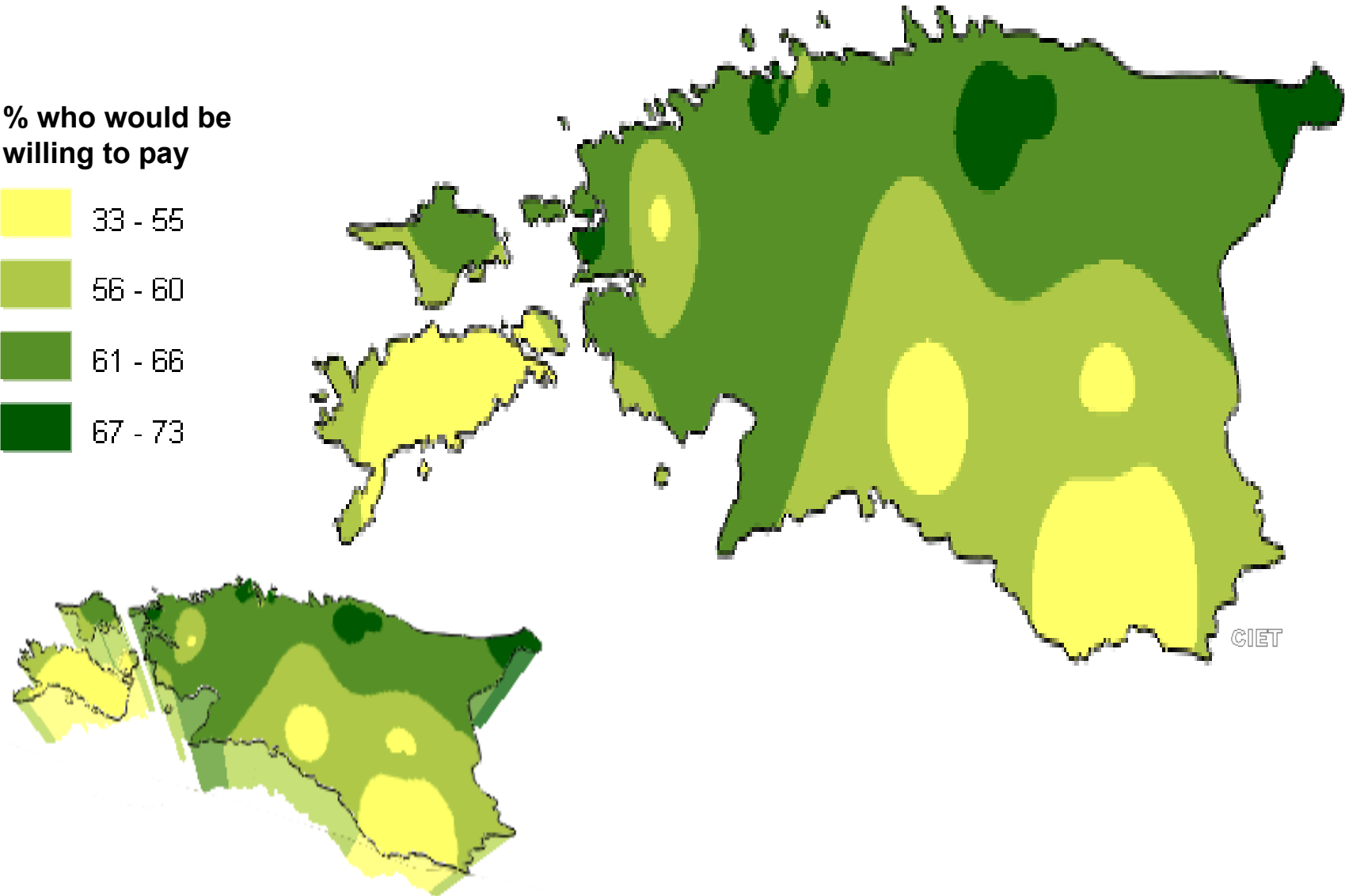
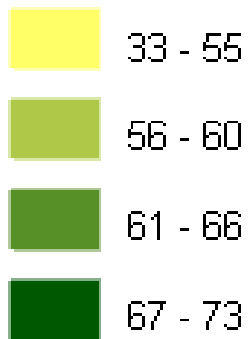
40% willing to pay for the change - mean amount up to 91 EEK

**Would you be willing to pay to avoid a waiting list for surgery or other hospital treatment?
Household views:**

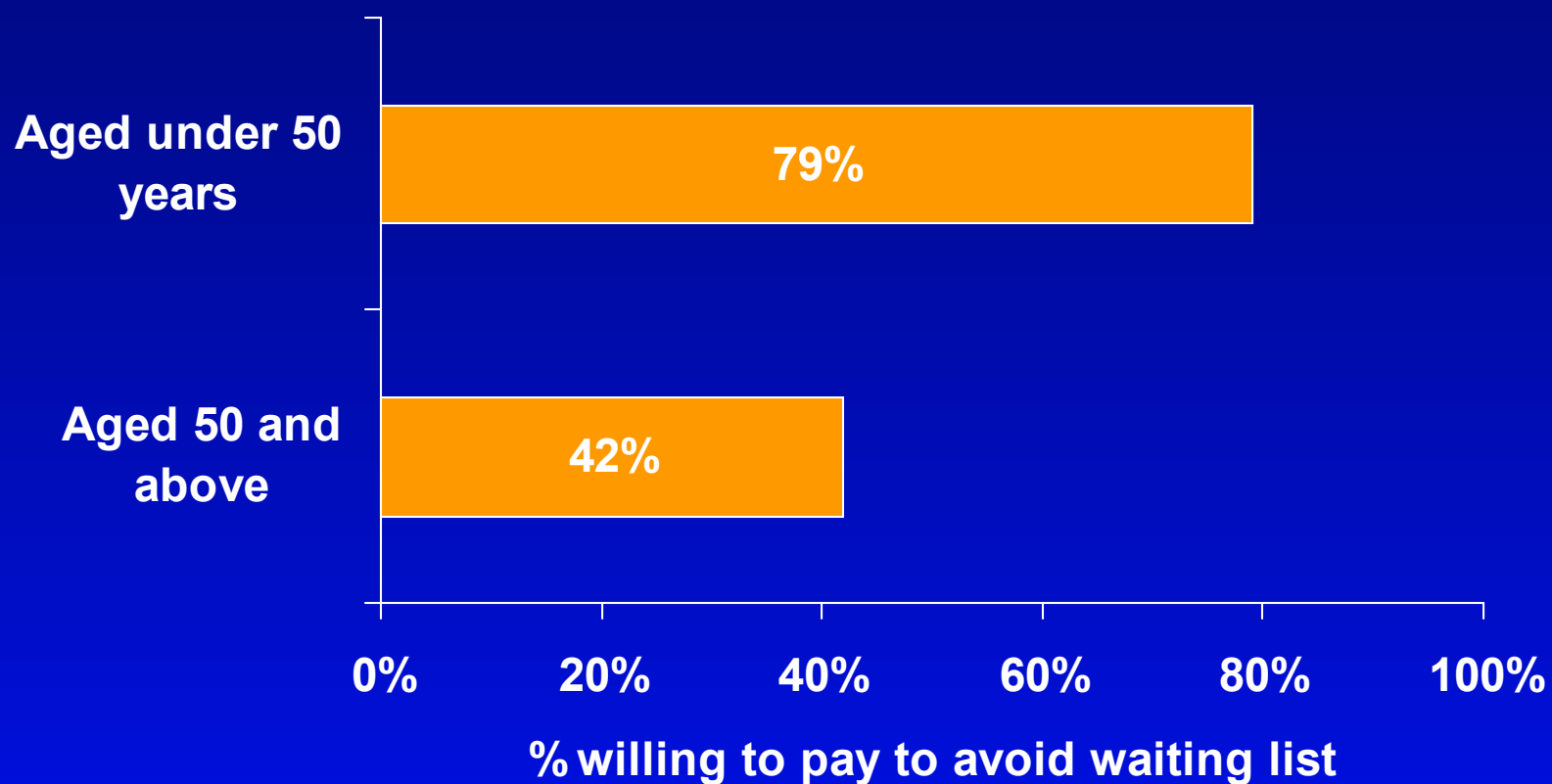


Proportion of households who would be willing to pay to avoid a waiting list for surgery or other hospital treatment

% who would be willing to pay

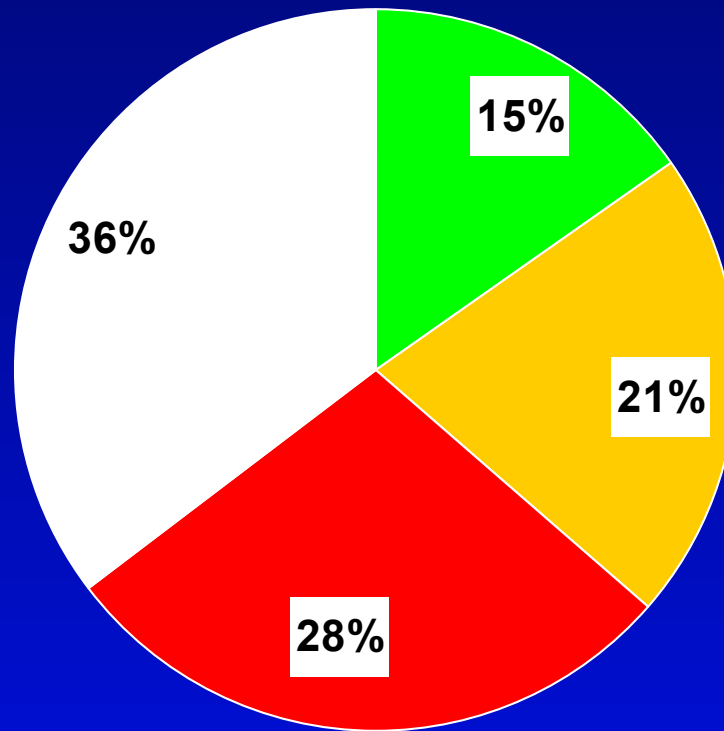


Willingness to pay to avoid waiting list and age of respondent



Household rating of corruption in government health services

Of those who gave an opinion about level of corruption, 43% rated it as high or very high



■ Low/very low ■ Neither/nor ■ High/very high ■ DK

"One relative of mine paid the doctor and nurse and was taken to a better hospital room immediately."

"Corruption is not so common in rural areas. Perhaps it is more of a problem in town."

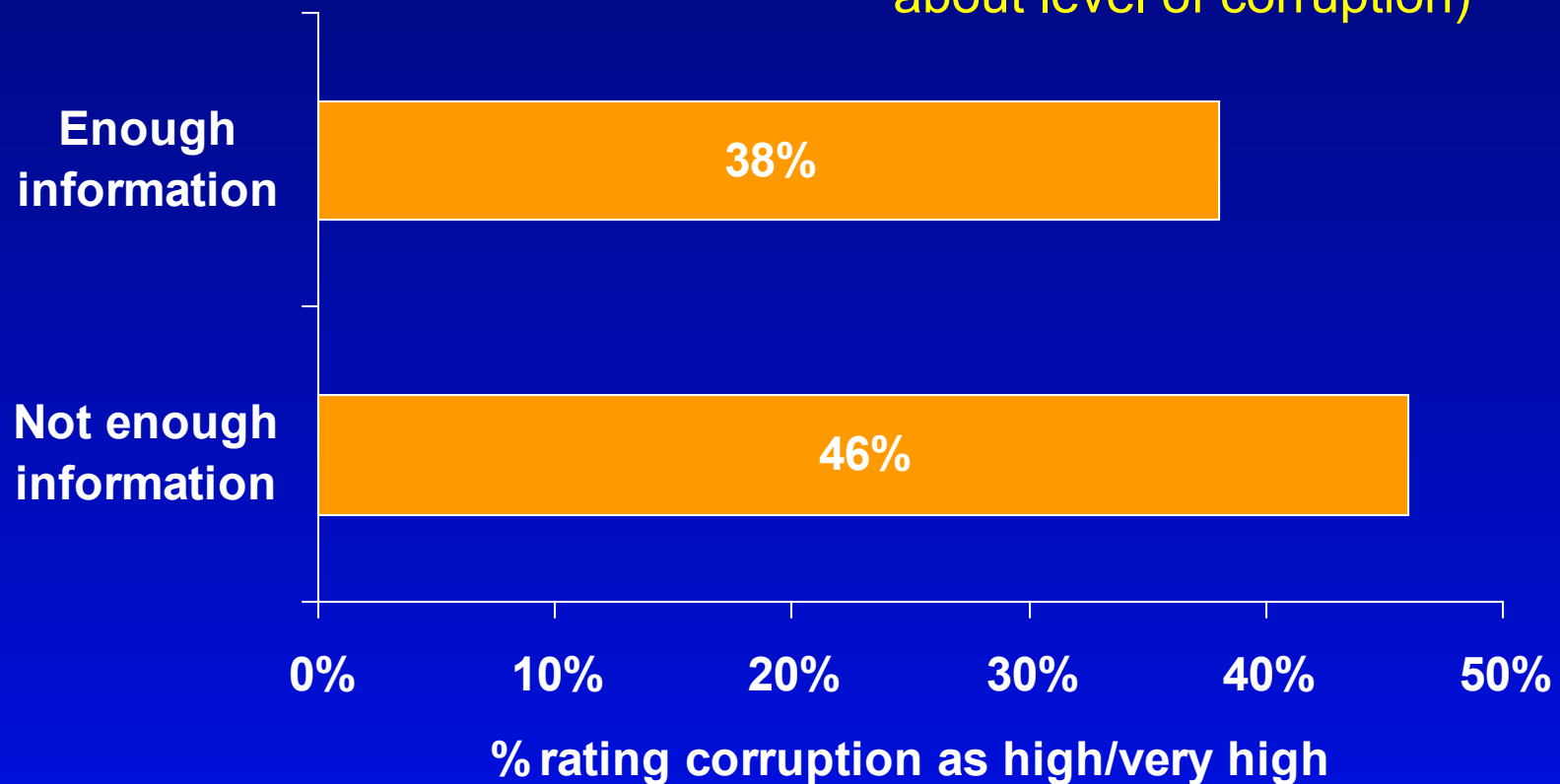
"It's a very big problem. But in which field isn't it?"

"A very expensive gift is also a corruption."

"Salaries are so small in the medical field! It's normal that people use opportunities - everyone is ready to pay if they have problems."

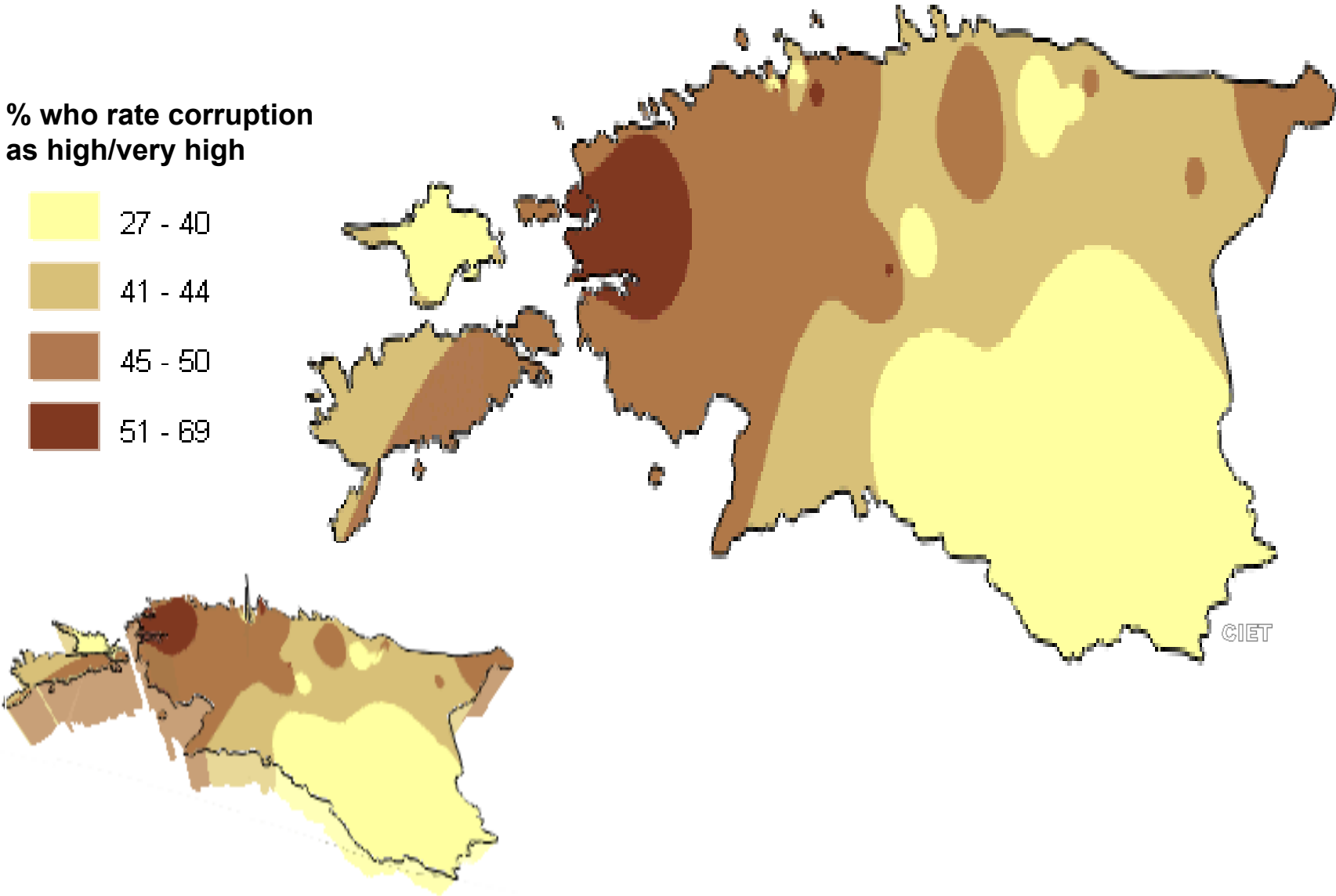
Rating of corruption in government health services and feeling informed about services/medicines

(Of those who gave an opinion about level of corruption)



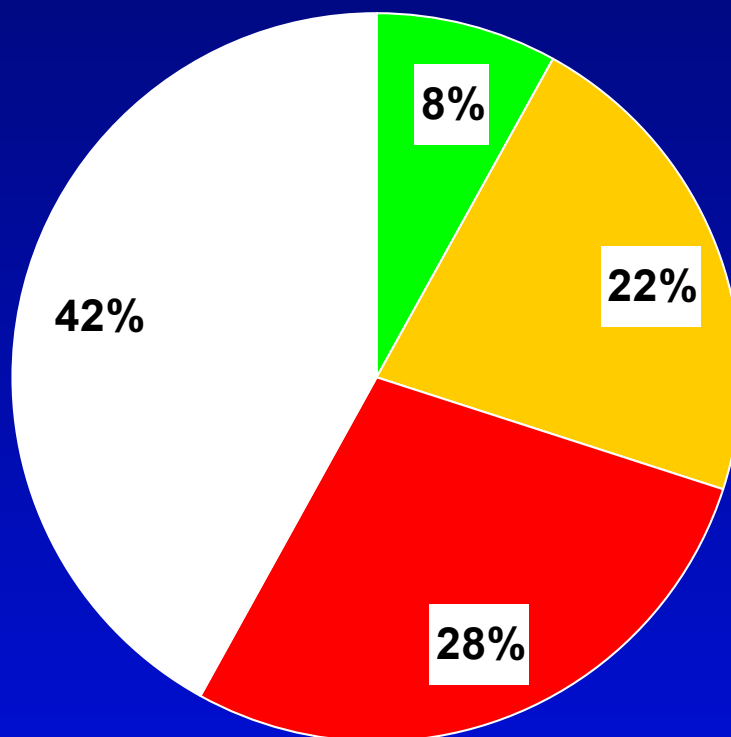
Proportion of households who rated corruption in the government health services as high/very high (amongst those who rated it)

% who rate corruption as high/very high



Household perception of change in corruption in government health services in last three years

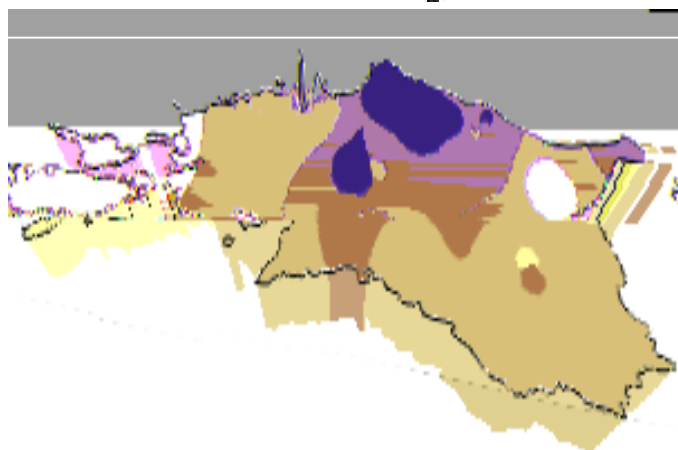
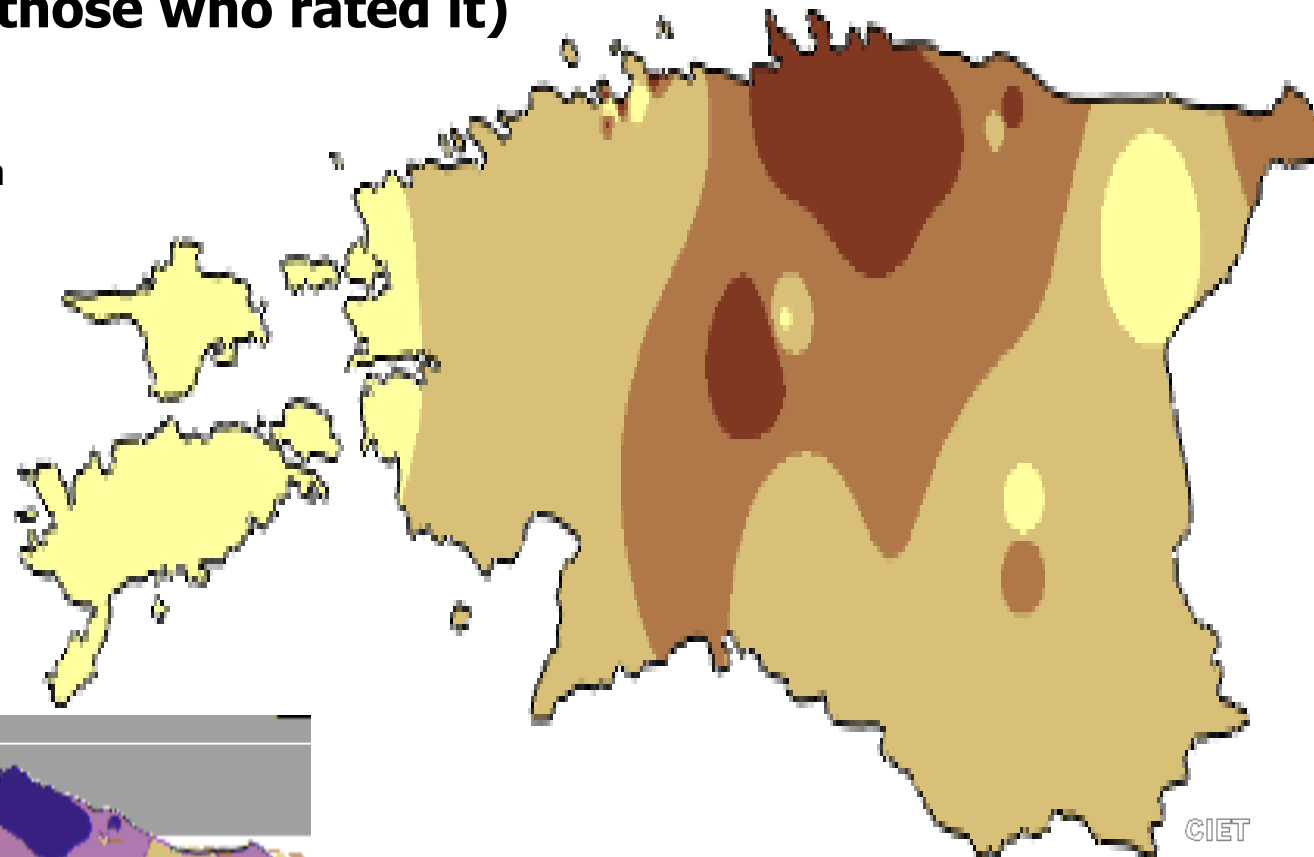
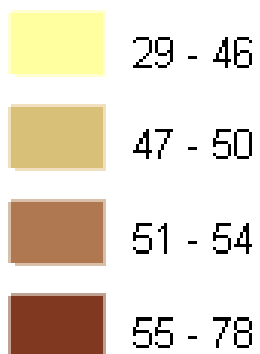
Of those who gave an opinion about change in corruption, 51% thought it had increased



■ Decreased ■ Stayed the same ■ Increased ■ DK

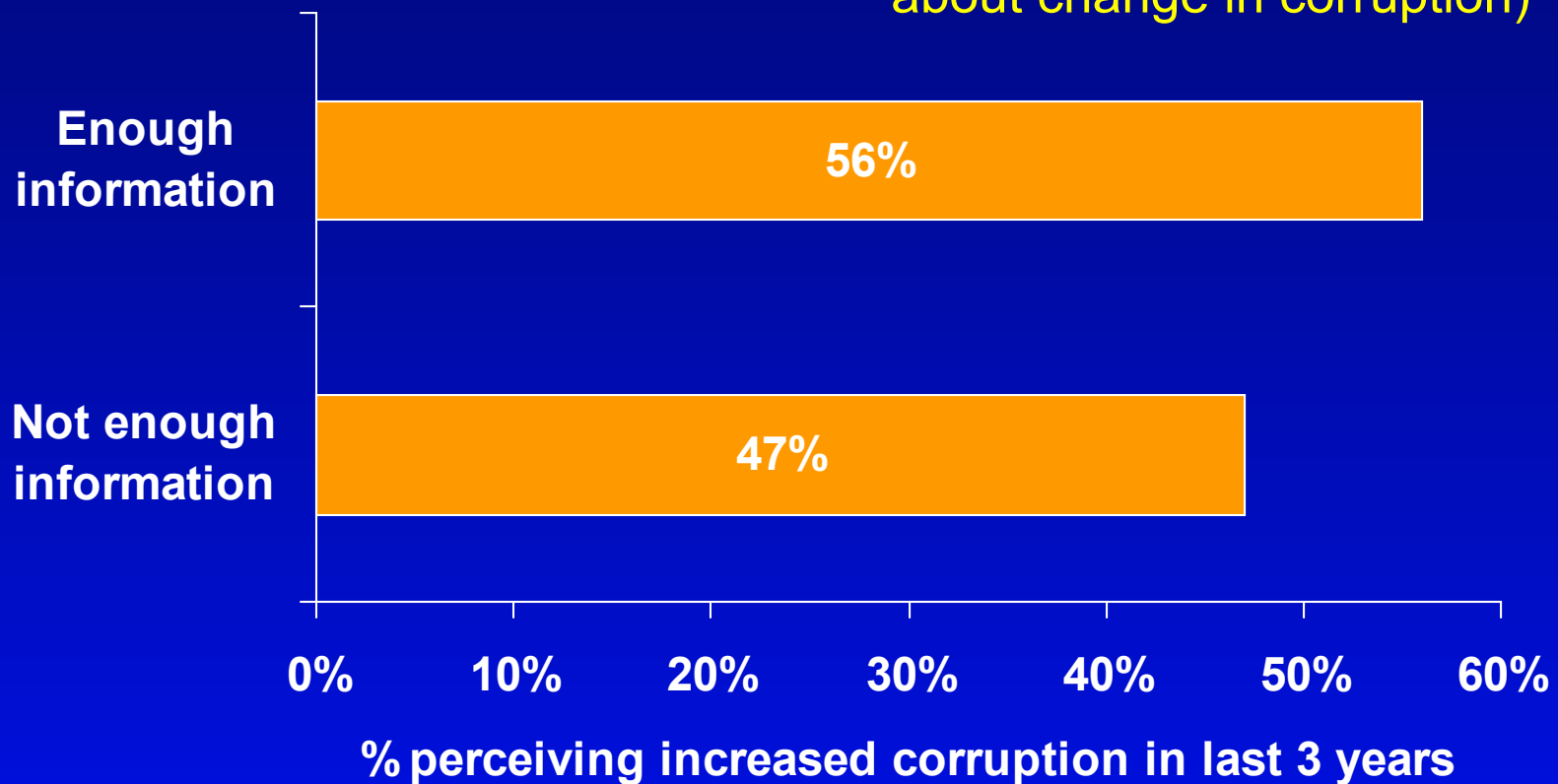
Proportion of households who think the level of corruption in health services has increased in the last three years (amongst those who rated it)

% who think corruption has increased

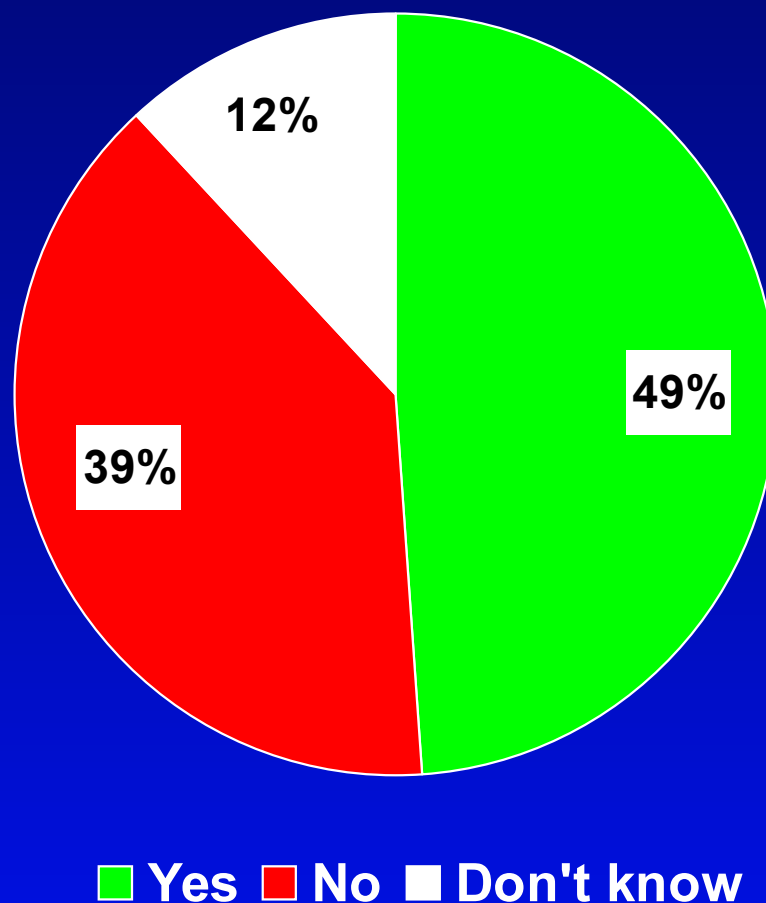


Perception of change in corruption in government health services and feeling informed about services/medicines

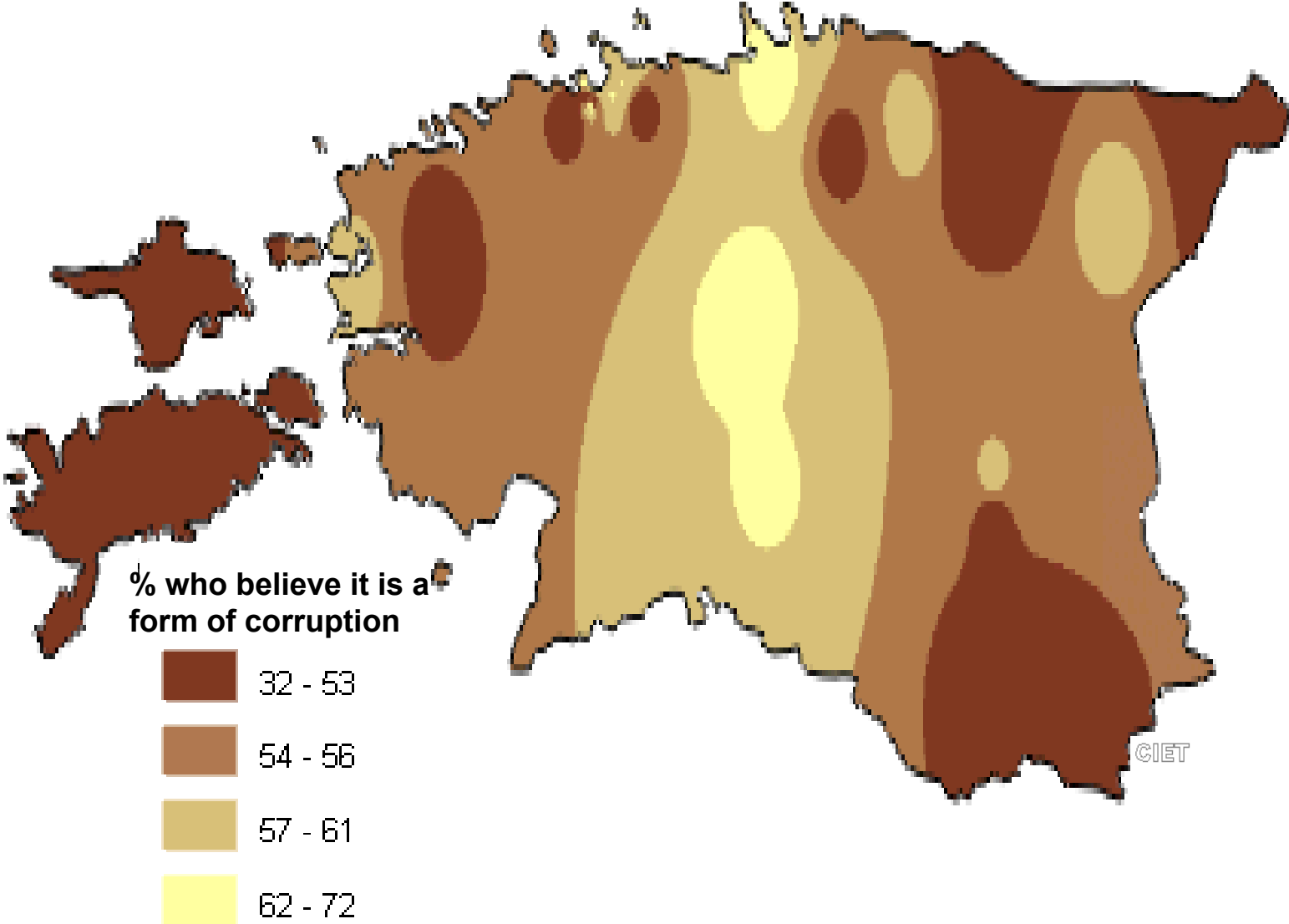
(Of those who gave an opinion about change in corruption)



Is making an unofficial payment to a health care professional a form of corruption? Household views:



Proportion of households who believe an unofficial payment to a health care professional is a form of corruption



Source: BX1 Estonia 2002

Unofficial payments to health professionals as corruption

Why corruption?

- It's illegal (49%)
- Doctors already paid (24%)
- Some cannot afford it (12%)
- Should be official (5%)

"This is a sickness from Soviet times - for money you can get everything. It makes me angry, so many people think that you can get everything for money."

Why not corruption?

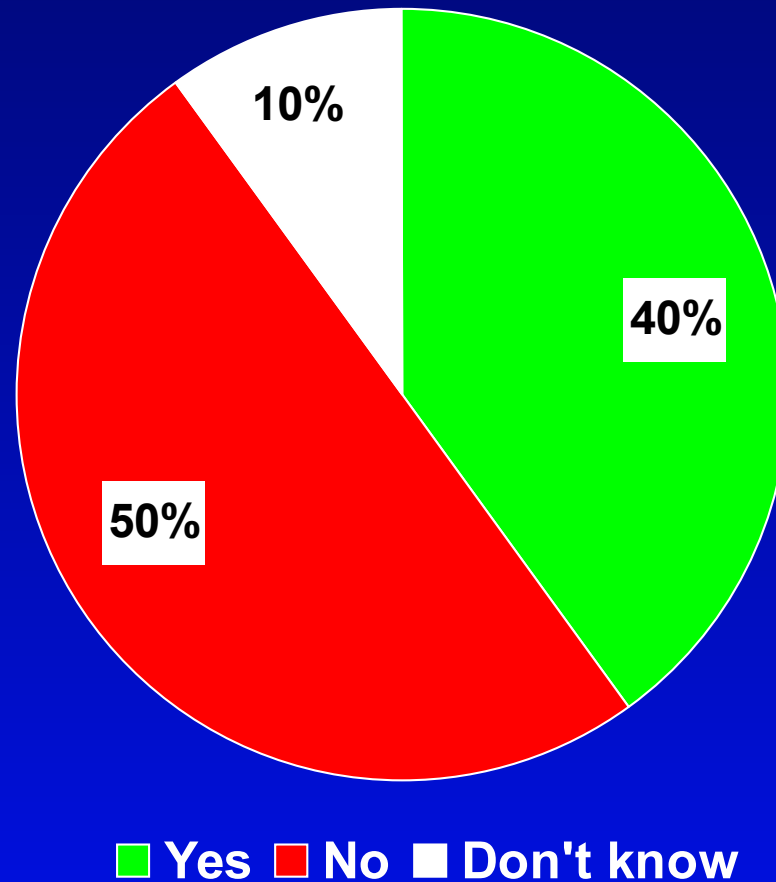
- It's a 'thank you' (63%)
- Doctors have low salaries (9%)
- It is 'normal' (8%)
- Get better attention (5%)

"I don't harm anyone if I pay my own money and if no one is demanding it from me. I don't think this is corruption."

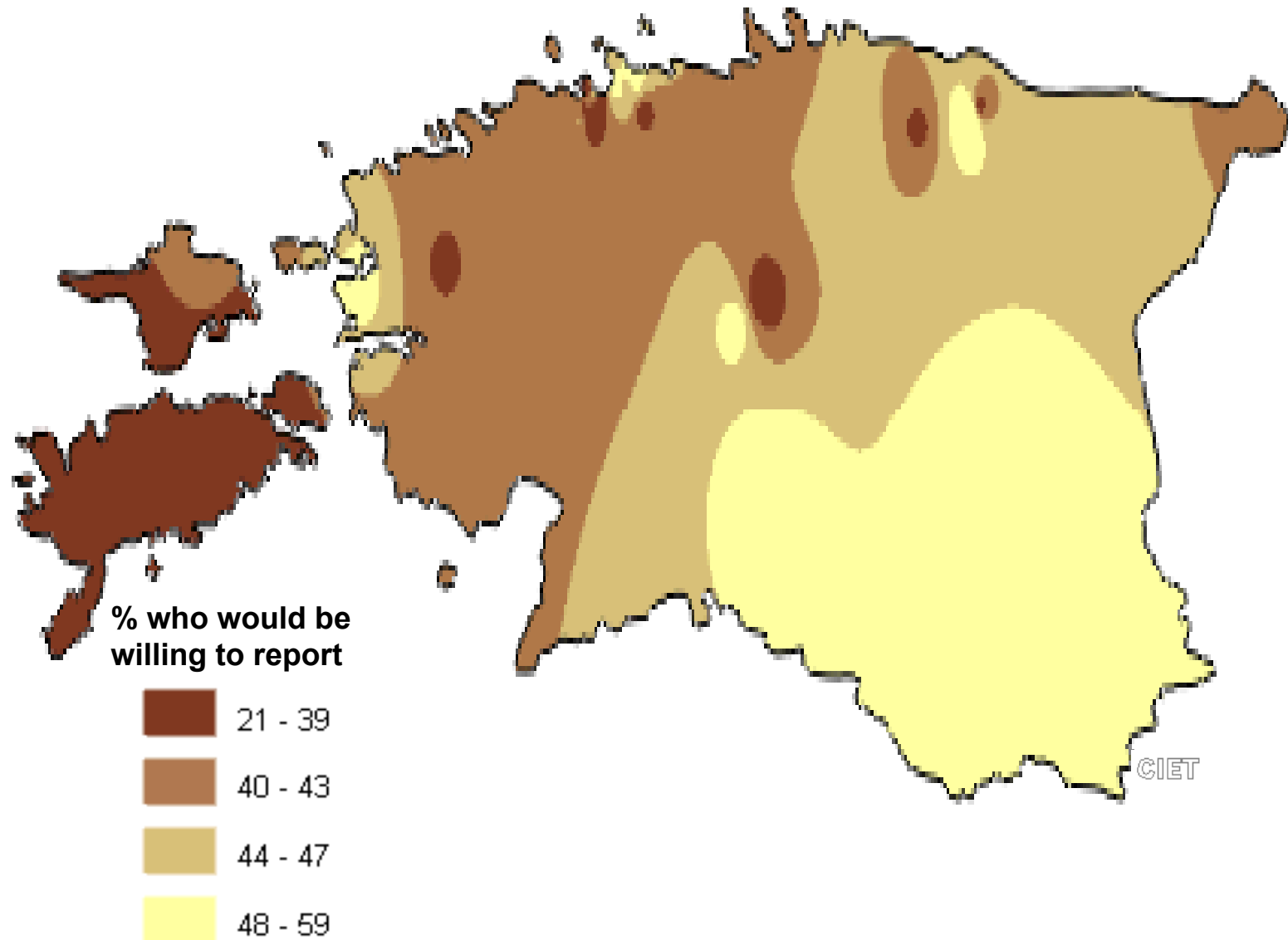
What is the acceptable maximum value of a gift to a health professional?

- 25% of households think no value is acceptable
- Overall: up to 288 EEK (median 50 EEK)
- Of those who think some value could be acceptable: up to 411 EEK (median 100 EEK)

**Would you be willing to report health professionals who demand unofficial payments from you?
Household views:**



Proportion of households who would be willing to report health care professionals who demand unofficial payments



Source: BX1 Estonia 2002

Willingness to report health professionals who demand unofficial payments

Why report?

- It's unethical/unprofessional (39%)
- It is a crime (29%)
- People pay too much (7%)
- Its unfair to others (6%)

"Corruption does not just involve the people who take; it is also the people who give."

Why not report?

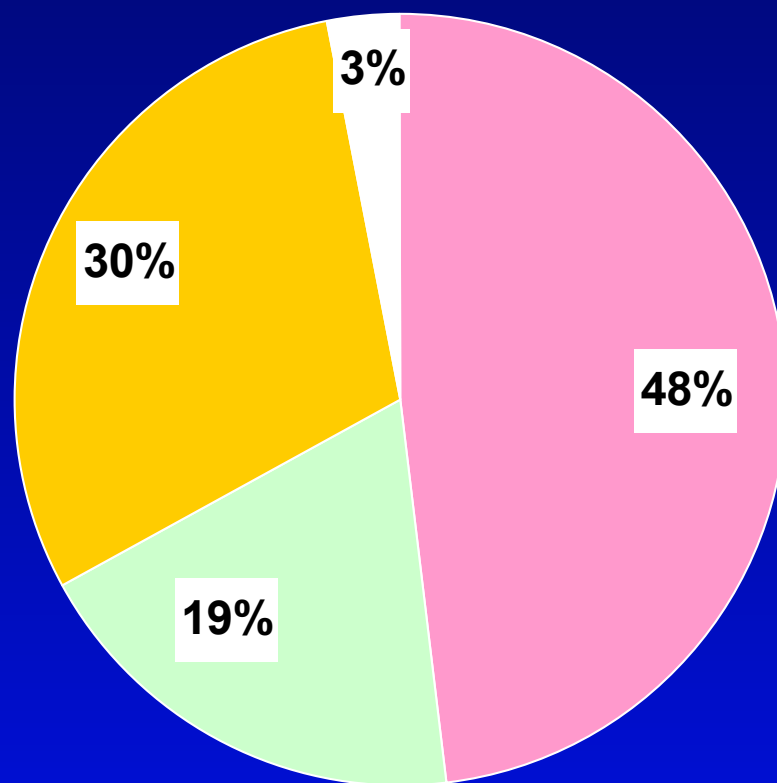
- It's not my business (54%)
- Have no experience of it (10%)
- It is impossible to change (8%)
- I'm afraid (7%)

"Well I don't know where I have to tell if I see corruption."

Use of health services in last five months

- 44% of household members had at least one contact with health services
- 91% of contacts were with government health services
- 2% of family doctor visits and 17% of visits to specialist were *not* covered by government health insurance

Government health services: place of treatment



■ Polyclinic/health centre ■ Hospital ■ Doctor's office ■ Home

Government health services: type of contact with services

- **Emergency visit : 42%**
- **Hospital admission: 11%**

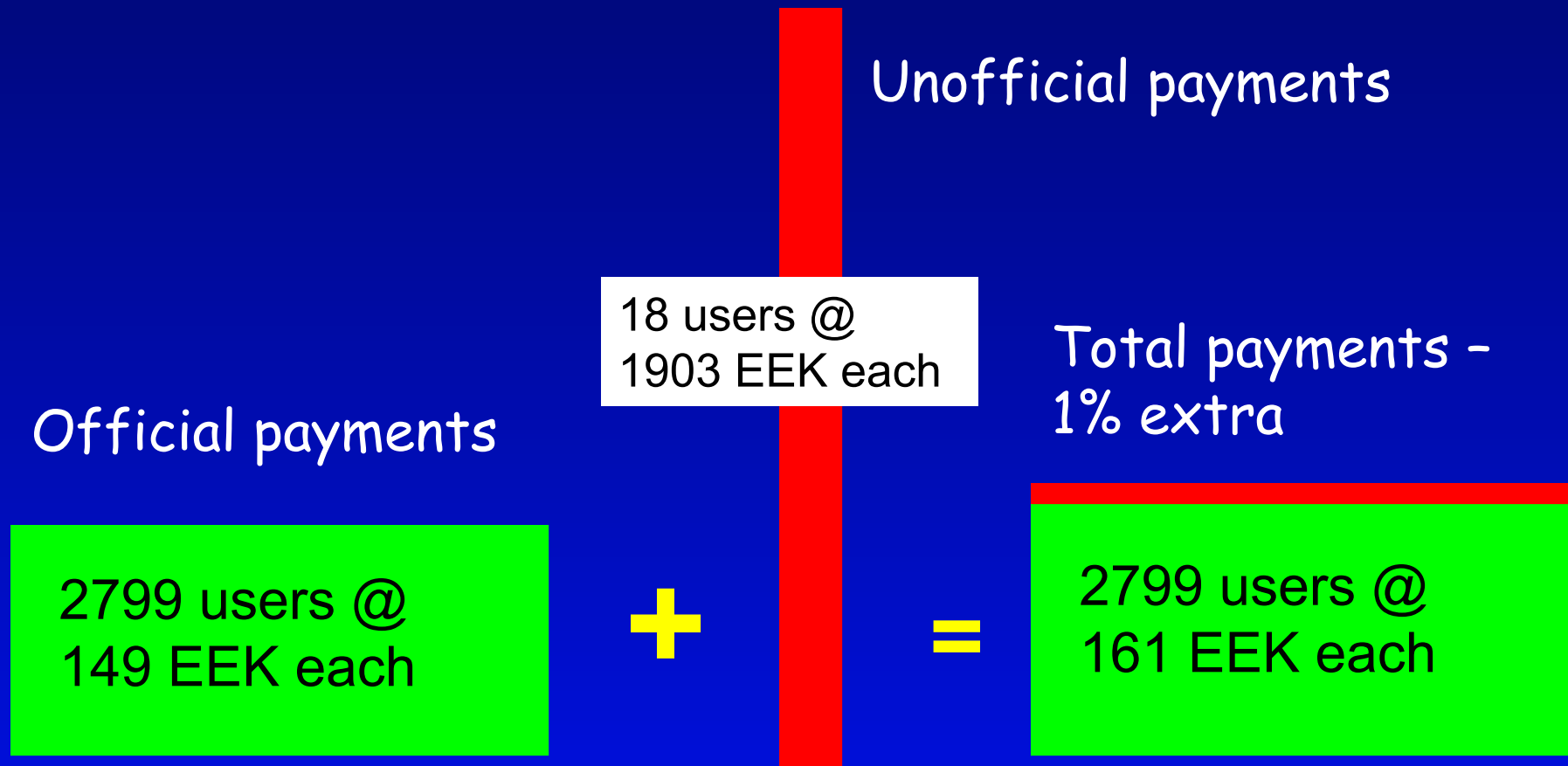
Government health services: giving of gifts

- 13% of service users reported giving a gift to a health professional
- 17% of gifts were given *before or during treatment*
- 98% were presents, not cash
- Mean value 93 EEK (median 20 EEK)
- People who gave gifts were twelve times more likely to make unofficial payments

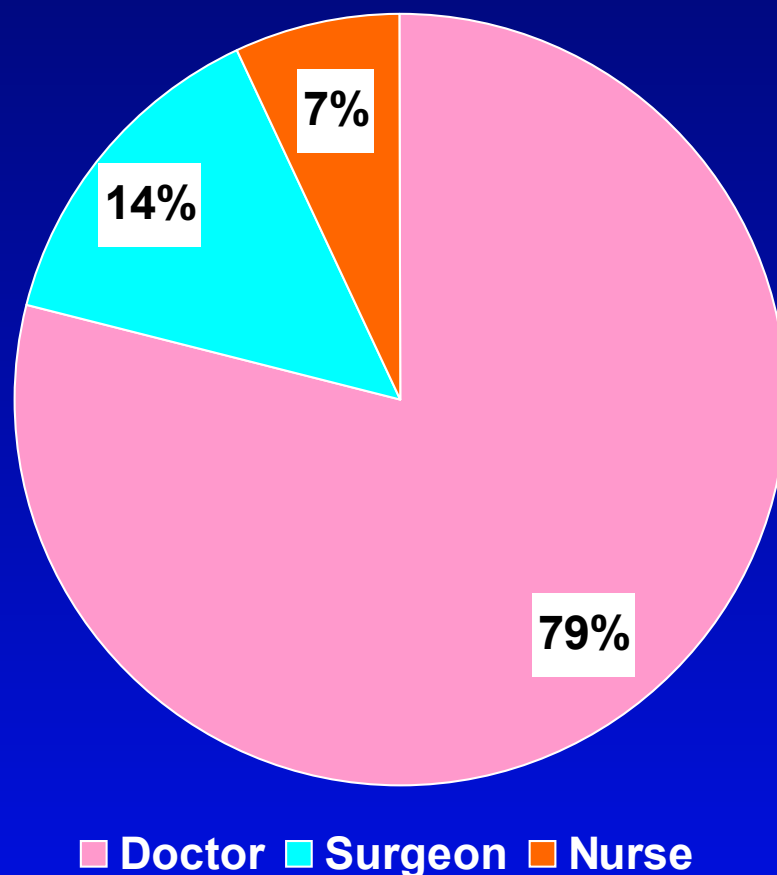
Government health services: unofficial payments

- **Less than 1% of service users (n=18) admitted to making an unofficial payment to a health professional**
- **In 8/14 cases, the service user offered the payment**
- **Mean 1903 EEK (median 250 EEK)**
- **Payment 'in advance' in 9/18 cases**

Government health services: additional cost of unofficial payments

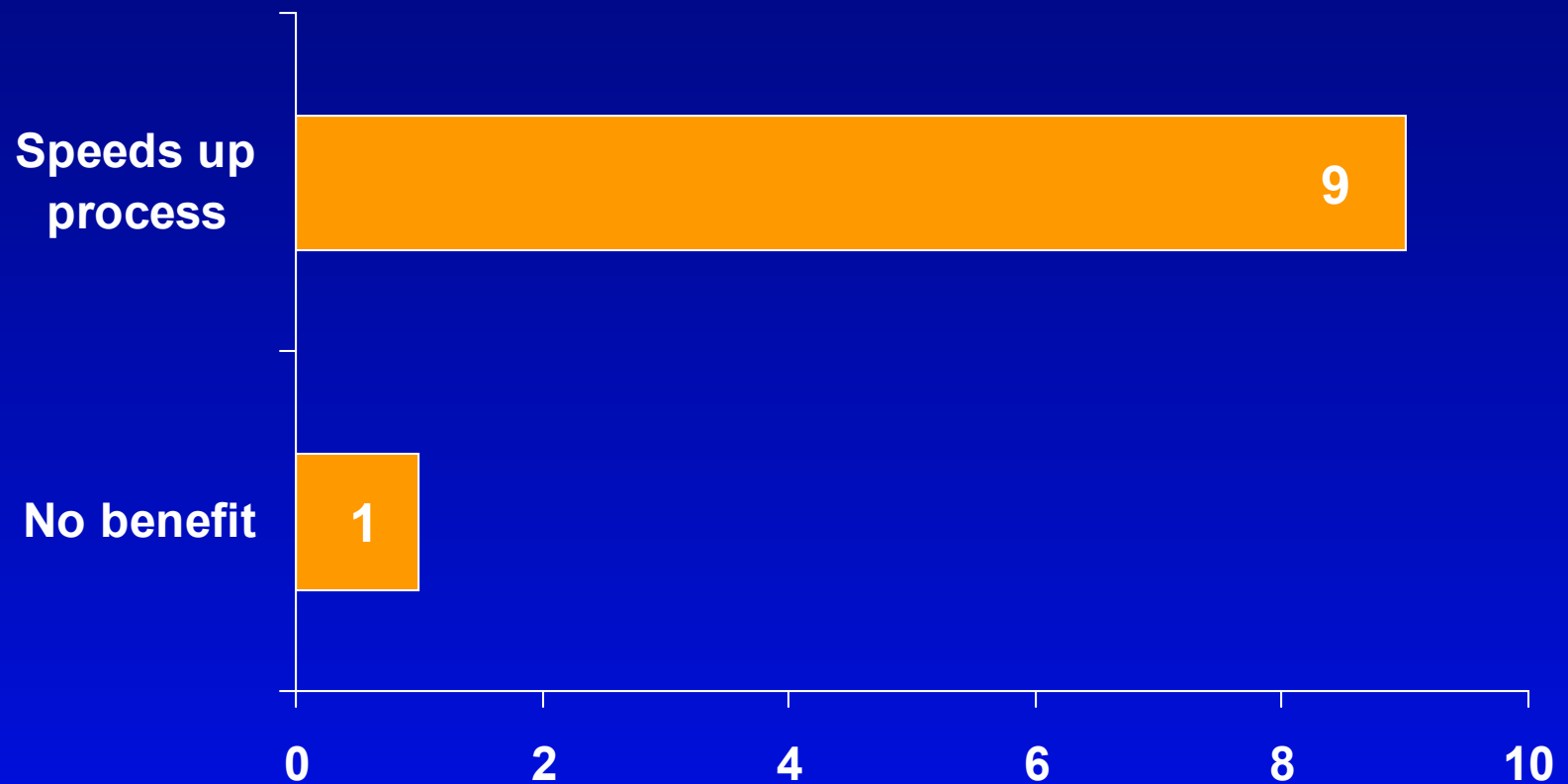


Government health services: who were the unofficial payments made to?



Government health services: benefits from making unofficial payments

(n=12)



Government health services: people more likely to have made an unofficial payment

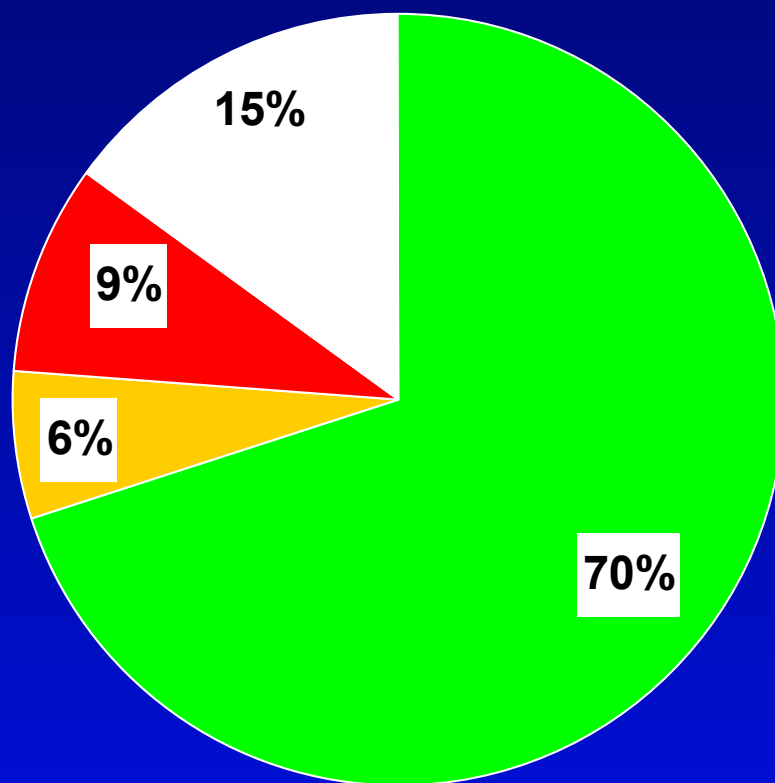
- **Those whose first language is not Estonian**
- **Those below 50 years old**
- **Those who visited a specialist (but payment not necessarily to specialist)**

How high would salaries need to be to stop health professionals taking unofficial payments?

- Family doctors: 13,429 EEK/month
- Specialists: 18,029 EEK/month
- Nurses: 7,425 EEK/month

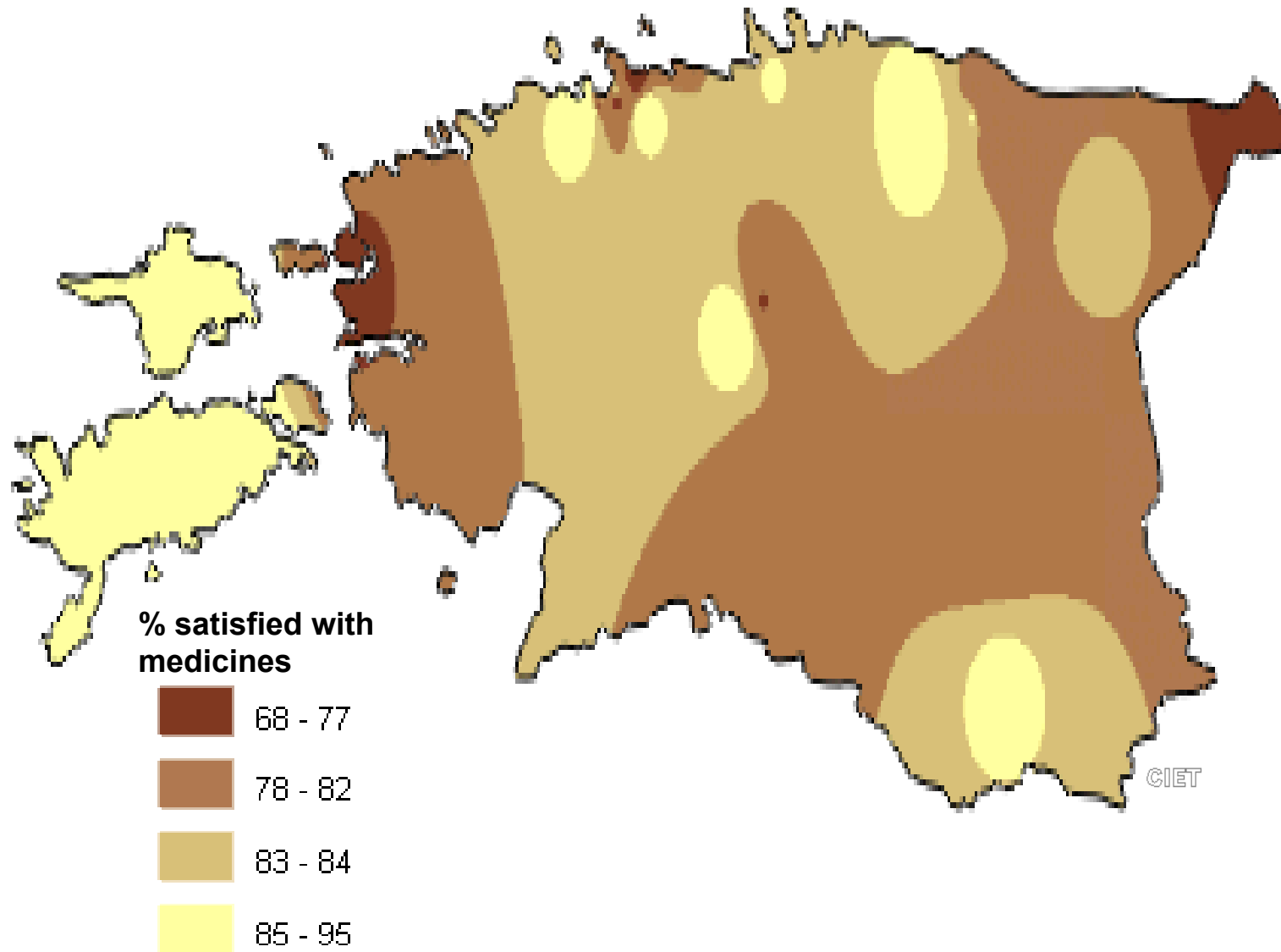
(Amounts suggested by respondents in 30 health facility reviews)

Government health services: satisfaction with medicines



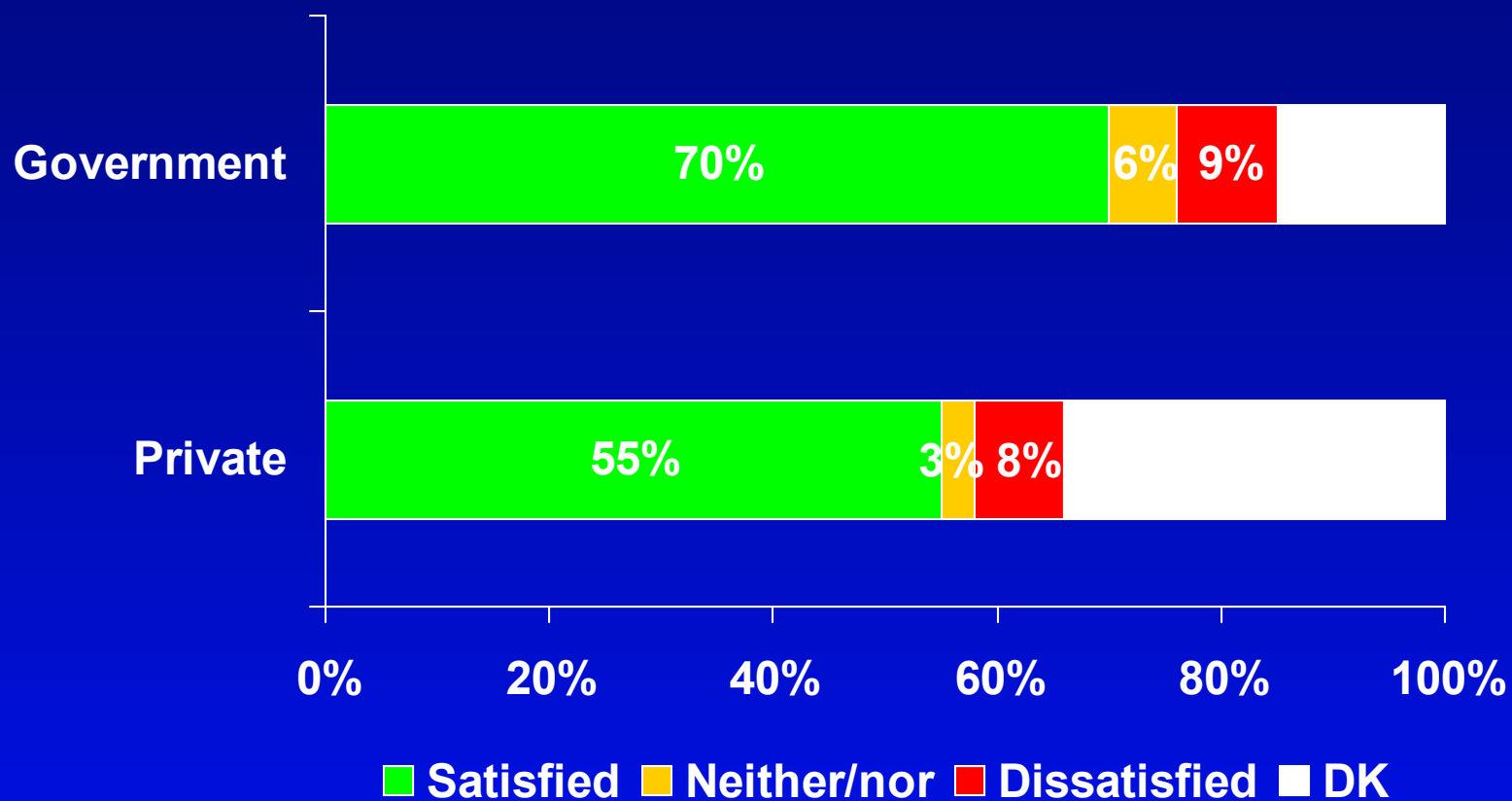
■ Satisfied/v satisfied ■ Neither/nor ■ Dissatisfied/v dissatisfied ■ DK

Proportion of government health service users who were satisfied with the medicines that were prescribed (or given)



Source: BX1 Estonia 2002

Satisfaction with medicines: government vs private health care



Government health services: satisfaction with medicines

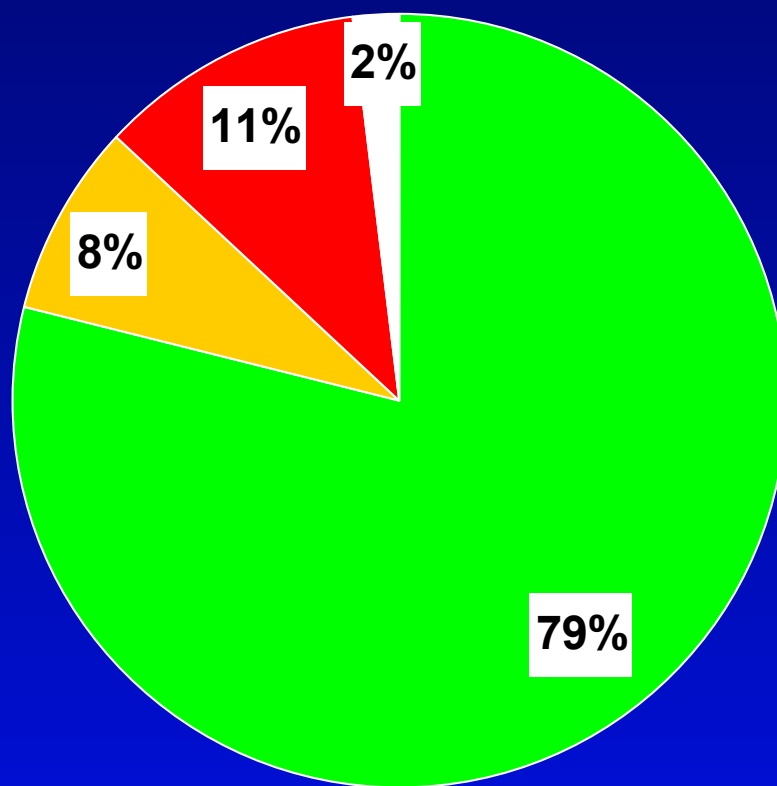
Why satisfied?

- Medicines effective (87%)
- Given same medicine (3%)
- No complaint (2%)

Why not satisfied?

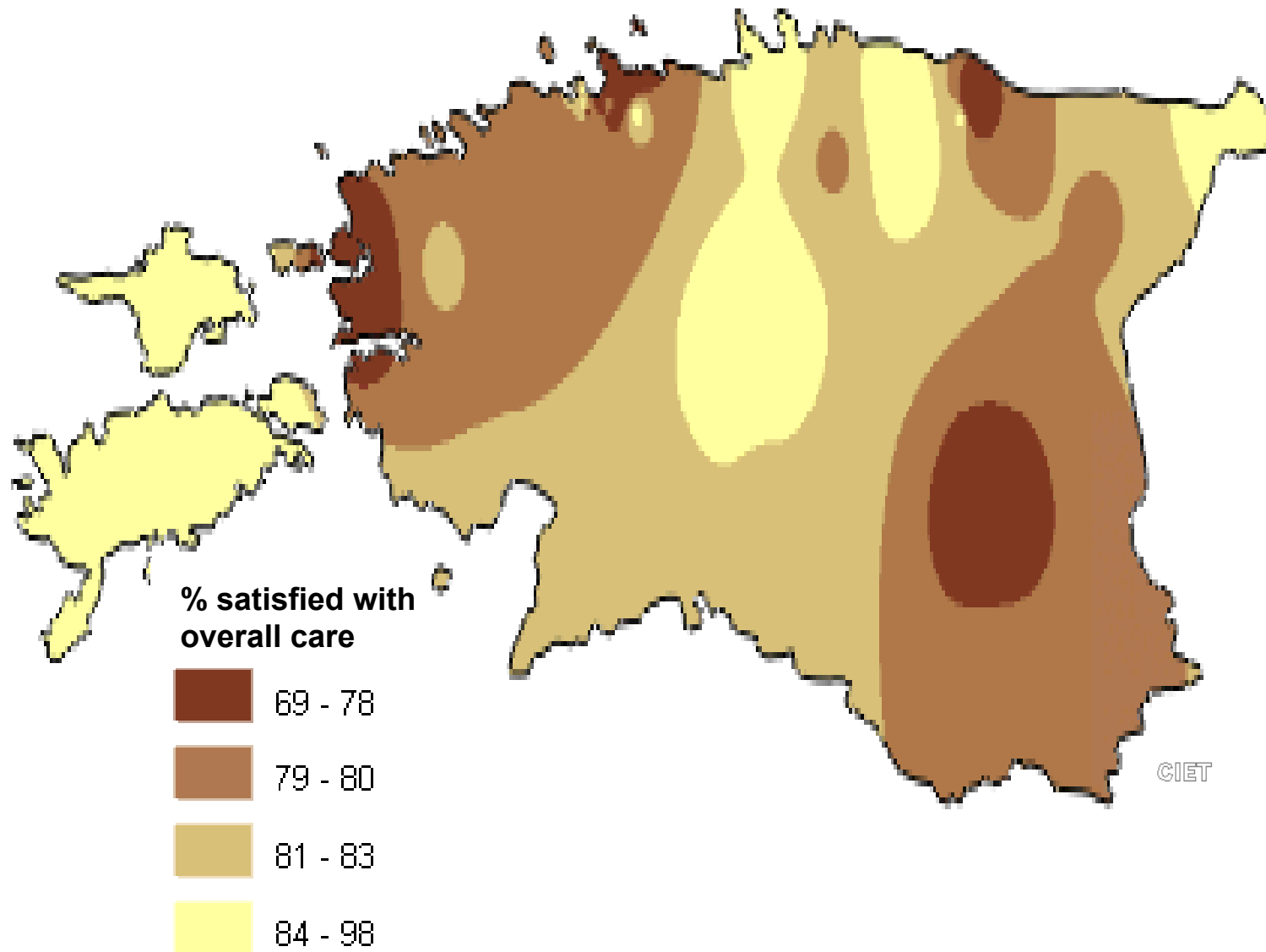
- Medicines ineffective (46%)
- Medicines expensive (14%)
- Wrong treatment (14%)

Government health services: satisfaction with overall care



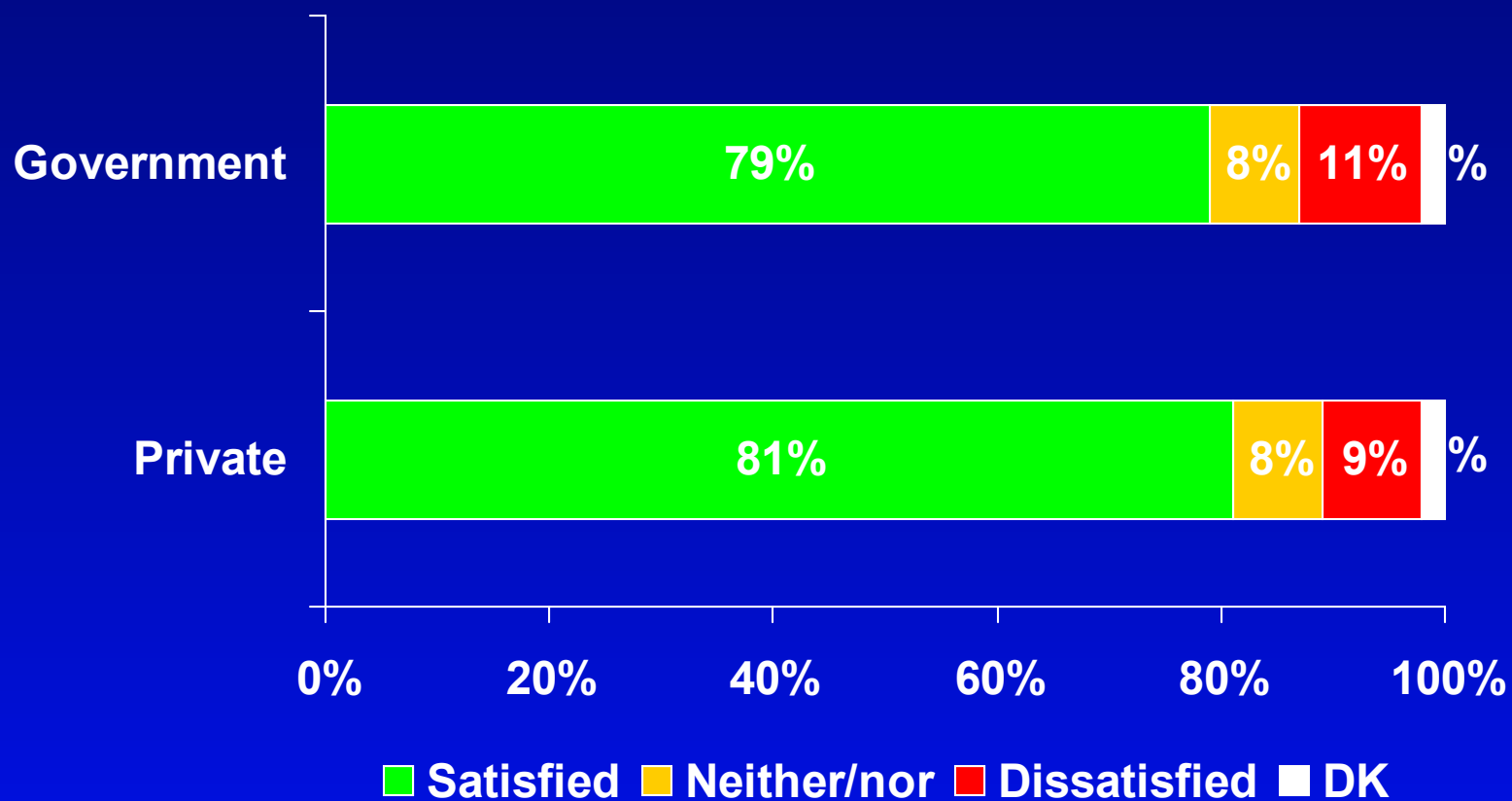
■ Satisfied/v satisfied ■ Neither/nor ■ Dissatisfied/v dissatisfied ■ DK

Proportion of government health service users who were satisfied with the overall care they received

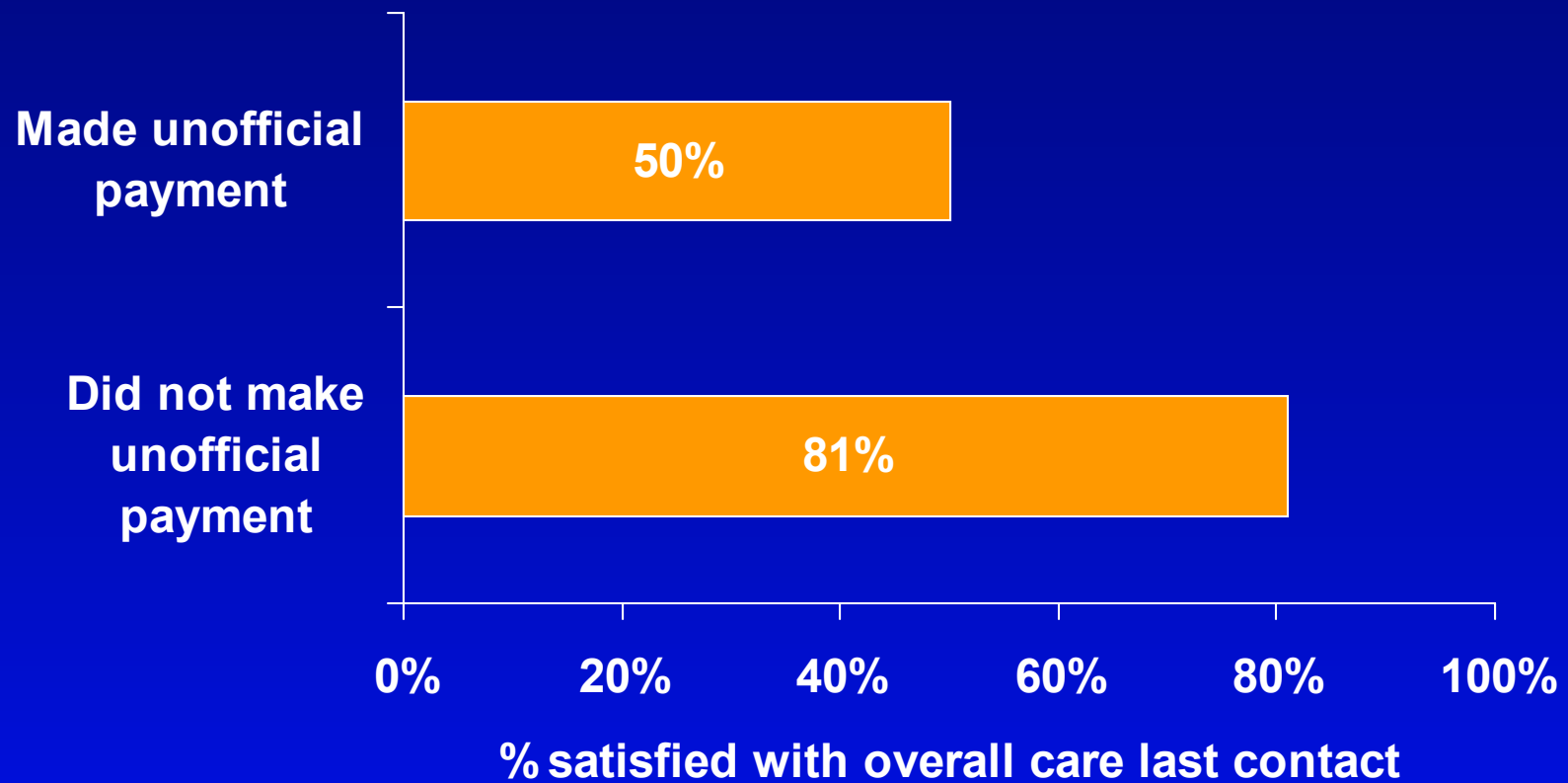


Source: BX1 Estonia 2002

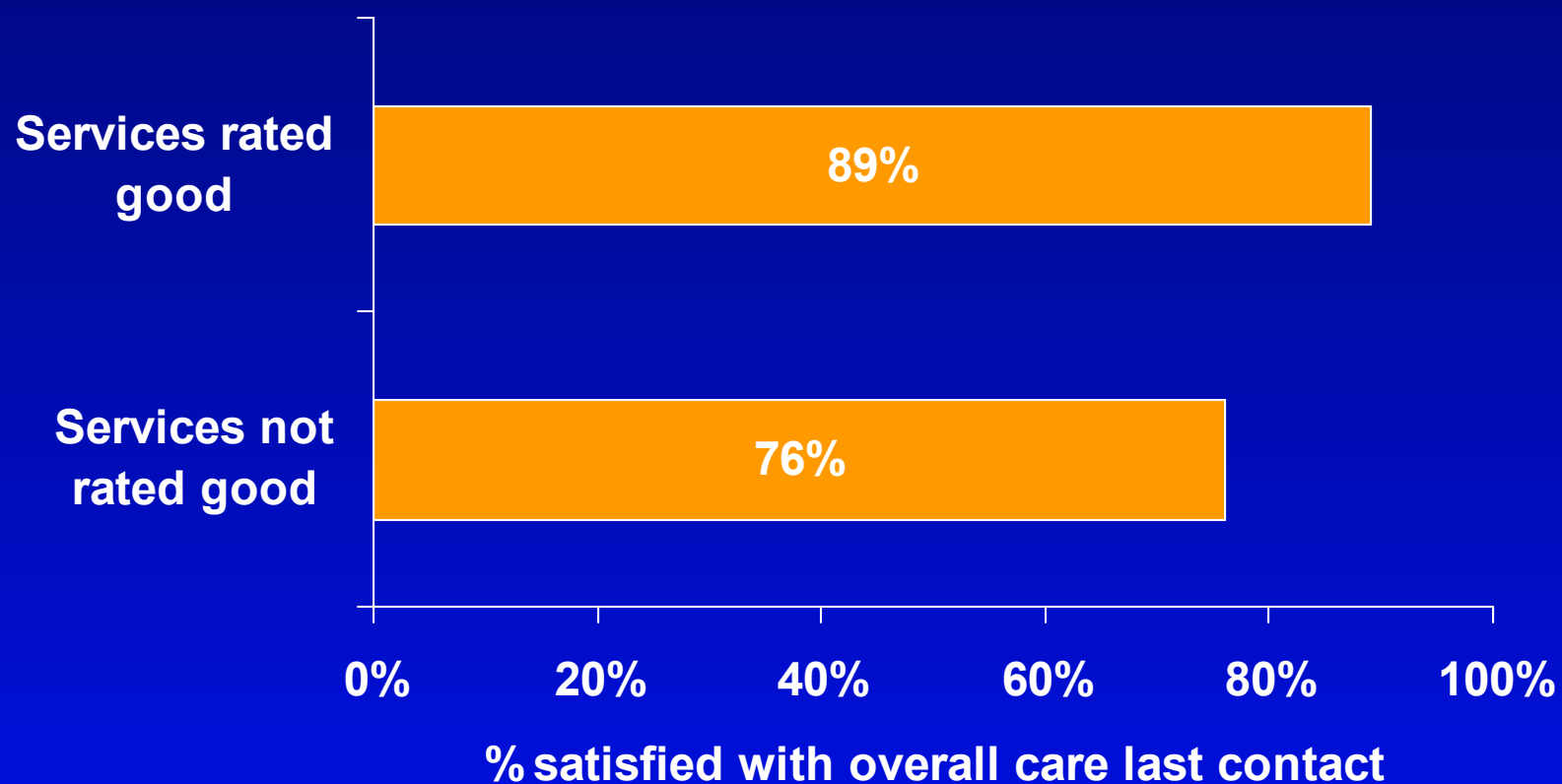
Satisfaction with overall care: government vs private health care



Satisfaction with overall care and unofficial payments



Satisfaction with overall care last contact and household rating of government health services



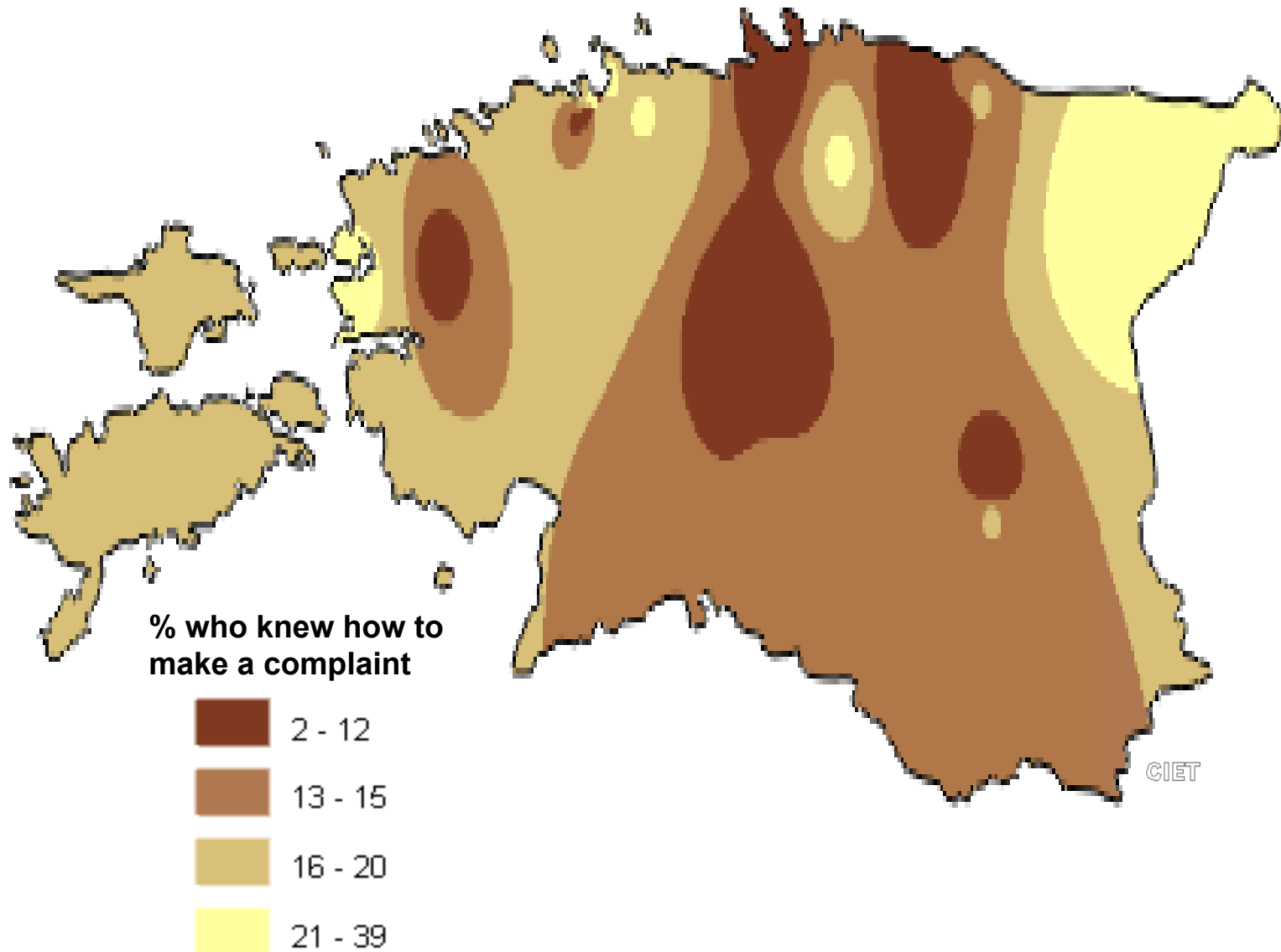
Making complaints

Only 4% of government health service users made a complaint

But.....

Only 16% of service users knew *how* to make a complaint

Proportion of government health service users who knew how to make a complaint



Source: BX1 Estonia 2002

Principles of the social audit

- No finger pointing
- Look behind the indicators
- We already know the reasons for corruption in general – but what are the actionable solutions?

Some key issues

- **Incidence and dynamics of unofficial payments**
- **Acceptance and justification of corruption**
- **Distrust in the system**
- **Inequality in access to services**
- **No disincentives**
- **How to close the leakages??**

Social audit cycle



Questions to discuss:

- **How do you interpret these findings?**
- **What actions should be taken on the basis of these findings?**
 - **Who needs to act?**
 - **What do they need to do?**
- **Who needs to know about these findings?**
 - **How should each target audience be reached?**