



MINISTRY OF HEALTH OF ALBANIA

THE LONG-TERM STRATEGY FOR THE DEVELOPMENT OF THE ALBANIAN HEALTH SYSTEM APRIL 2004

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Abbreviations and Acronyms

CEE	Central Eastern Europe
CPD	Continual Professional Development
EU	European Union
FD	Family Doctors
FM	Family Medicine
GoA	Government of Albania
GPs	General Practitioners
HI	Health Insurance
HII	Health Insurance Institute
HS	Hospital Service
LTSDAHS	Long Term Strategy for the Development of the Albanian Health System
MoES	Ministry of Educational Services
MoF	Ministry of Finance
MoH	Ministry of Health
NIS	New Independent States
NSSED	National Strategy for Socio-economic Development
OPA	Order of Physicians of Albania
PH	Public Health
PHC	Primary Health Care
PHRplus	Primary Healthcare Reform (USAID funded programme)
PS	Pharmaceutical Services
RHA	Regional Health Authority
SHC	Secondary Healthcare (hospital sector)
SI	Social Insurance
TRHA	Tirana Regional Health Authority
UoM	University of Medicine
USAID	USA International Development
WB	World Bank
WHO	World Health Organization

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Leonard Solis
Minister of Health of the Republic of Albania
Tirana, 15.07.2004

Preface

I am very pleased to introduce The Long-term Strategy of the Development of Albanian Health System, an important document that our Ministry was missing for such a long time.

This document makes a concise and clear analysis of the actual situation of health system and expresses our vision for its deep reform, based on the modern successful models and experiences. The implementation of these models requires changes of basic mechanism of the organization, financing and management to make possible the achievement of our final objective; that is “continually preserving and improving the health of the population”.

This modern and ambitious strategy introduces challenges to be faced like :

- Strengthening of technical capacity of Ministry of Health in drafting policies, strategies or national plans for health system development, gradually avoiding the traditional role of direct management of health services.
- Improving stimulating policies for private health service, as well as strengthening of legislation, standards, supervising and monitoring structure related to it in order to protect the health of population from abuses and harmful practices.
- Placing the patient in the centre of health system as a fundamental condition for quality service and development.
- Decentralisation of health system with the final aims its autonomy, as optimal solution for a good management and safeguarding of system integrity.
- Establishing of a national system of human health resources, capable to achieve its mission.
- Extension of financial basic resources, increase of financing and cost- effectiveness in their use through increasing of public funds for health, enlargement and strengthening of health insurance schemes, improving of contracting mechanisms, improvising of management etc.
- Strengthening of managerial capacity of health institutions through creation of modern models for their management. Establishing of the profession of the health managers etc.
- Preserving and improving the public health adapting it to the economic, social and epidemiologic

changes in the country.

- Strengthening and perfection of primary health service considering it as the main pillar of health services.
- Creating the model of autonomous hospital aiming at the improvement of management and increasing of quality of service.
- Radical improvement of dental and pharmaceutical service with the aim to standardize and strengthen the supervising and monitoring structures.

Obsh

I am convinced that the successful implementation of this strategy will improve considerably the organization and functioning of our health system, transforming it in a modern system comparable to that of developed countries in Europe.

The success of the implementation of reform already started, needs necessarily not only commitment on the side of health system professionals, but also understanding and support from population, large consensus, full political will, continuity etc.

Leonard Solis
Minister of Health of Republic of Albania
Tirana 15.07.2004

This document expresses the vision of the Ministry of Health (MoH) regarding the LTSDAHS and it is in perfect harmony with the sector long-term objectives of the “National Strategy of Economic and Social Development” of the Government of Albania and the Millennium Development Goals.

This document was drafted on the basis of Bulletin of the EU Commission of 16 May 2000 on “The strategy in health for the European Community” regarding the implementation of the integrity and stability principles that focus on the main issues.

The document was drafted on the basis of Directive 1786/2002/EC of 23 November 2002, a Directive of the EU Commission, Council and Parliament regarding the approval of “The Programme of the Community Action in the field of Public Health”.

This strategy was made possible thanks to the technical assistance offered by the World Health Organization and The World Bank, the two main partners of MoH.

Introduction

An ideal health system would be the one, which is capable of offering the basic health services that are easily accessible, qualitatively acceptable and efficient in delivery.

The main aim of this strategy is a deep reform of the current health system according to the experience gained during the reform process. The implementation requires the changing of the basic mechanisms of organization, management and financing to achieve the final objective:

“TO PRESERVE AND IMPROVE THE HEALTH OF THE POPULATION CONTINUALLY”

Technically, the analysis of the health system is based on two points of view: the horizontal view according to the organizational and regulatory elements, as follows:

- Direction and regulations
- Organization and decentralization
- Human Resources
- Financing
- Management

And the vertical view or structural view, according to the functional services as follows:

- Public Health
- PHC
- Hospital care
- Dental service
- Pharmaceutical service

This strategy brings synthesises to the basic elements of the health system organization and their functions. In order to create a deeper view in some particular directions it is recommended that the following strategic documents be consulted alongside this strategy:

“Document of the Mental Health Policy in Albania – 2003”,
“Strategy of Public Health and Health Promotion – 2003”,
“National Strategy for the Prevention and War against HIV/AIDS – 2004”

STEWARDSHIP

1

Stewardship

1.1.1 Situation

The MoH has aimed at directing itself toward the function of compiling policies, strategies, and national plans of health care development, by shifting gradually from its traditional role as “Health Directorate”, thus, as direct management of health services. This is indicated by a number of documents recently drafted such as:

“Document of the Mental Health Policy in Albania – 2003”

“Strategy of Public Health and Health Promotion – 2003”

“Master plan of the development of the University Hospital – 2003”

“National Strategy for the Prevention and War against HIV/AIDS – 2004” etc...

A series of important changes in the organizational structure of MoH have served to promote this objective. To mention just two changes the establishment of:

1. Directorate of Policies and Planning
2. Unit of Monitoring and Assessment etc.

1.1.2 Problems

MoH still has very limited technical capacities to compile policies, strategies, and national plans because the current incentive policies aimed to attract good professionals, have proven to be ineffective.

The MoH organization and structure requires a further improvement to achieve the new tasks and responsibilities in the sectors of:

- Health Insurance schemes & policies
- Mental health
- Health management and quality control
- Accreditation
- Licensing
- Monitoring the private activity
- CPD
- Standardization and maintenance of equipment.

All these are being hampered under the excuse of not having the number of staff increased.

1.1.3 Objective

To strengthen the MoH capacities to develop policy, strategies, and national health sector planning.

1.1.4 Strategies

- a. Restructure the MoH, aiming at strengthening policy development – making capacities by setting up and adding the necessary structures in the sector of Health Insurance policies, Mental Health, Health Management, Quality Control, Accreditation, Licensing, Monitoring, CPD, Standardization and Maintenance of Equipment and others.
- b. To strengthen the Unit of Monitoring and Evaluation, this will be the guarding eye inside the health system and will contribute to orientating the strategies and activities. Thus, MoH will work with the foreign partners on the process and functions for the Unit of Monitoring and Assessment (within 2004).
- c. Reinforce the capacities in compiling national strategies. These plans will be founded on detailed analyses of the health situation and indicators, the level of health services and the outside environment that has a big impact on people's health and services, too. The national strategies will be compiled on a 3-year basis and reviewed every year so as to add new elements that will reflect the changes made. The 3-year plans will serve several purposes. They will:
 1. Guide the compiling of health plans at local and regional level
 2. Allocate investments in the health sector according to the determined priorities
 3. Monitor and assess the development and implementation of programmes inside the health system
 4. Provide measurable and visible developments within the health sector
- d. Compile the first three-year plan (2005-2008) for the development of the health sector. This will enable the compilation of health-planning priorities at national level. Drafting of a real budget will be an important part of the planning process, so that a rational coordination between the health objectives and financial inputs can be achieved. The guidelines for the drafting of health plans in prefectures or regions will be also important. The MoH technical staff will be trained in order to offer prefectures or regions technical support in drafting health plans at that level.
- e. The national plan for the hospital sector will be completed by the end of 2004. This plan will clearly establish the district and regional hospitals and services delivered in each of them according to the population need and geographic priorities. The hospital plan will envisage also the needs for capital investments aiming at improving certain secondary services.
- f. Reinforce the systems of health information at central and local level; create the conditions for the coordination of different networks and flows of information, including those outside the health system. The following actions will take priority:
 1. Creating the concept and establishing an information system concerning PHC so that the financing procedures of the Health Insurance fund can be facilitated.

2. Establishing a new information system to monitor the performance of hospital activity at national level. This system will help MoH evaluate the situation, compile the right policies for the hospital sector and speed up the introduction of Health Insurance funding in hospitals.
3. Reinforcing the capacities of collecting and evaluating health information at national level so that the health statistics and indicators are published in a timely manner and are verifiable.
4. Establishing a mechanism to coordinate all information systems that serve the health system in Albania. The Unit of Monitoring and Evaluation would make an important contribution.

1.2 Accreditation

The accreditation is a periodic monitoring and assessment system, which aims at preserving the high standards in the delivery of health services.

1.2.1 Institutional Accreditation

Institutional Accreditation aims at assessing the service quality in health institutions (health centres, polyclinics and hospitals of all categories) for a 2-3 year period to see whether the service they offer is at a satisfactory level, the working conditions are safe and acceptable, the equipment are according to stated standards etc. These assessments require advanced and reliable information and are maintained by professional experts in the sector who analyse the results against international and/or national standards of benchmarks. As Albania does not enjoy either experience, or tradition in the sector, the MoH expresses its will in establishing a gradual accreditation process suitable to the conditions of Albania. The support of foreign technical assistance will be necessary.

1.2.2 Individual Professional Accreditation

Professional Accreditation is the periodic monitoring and assessment of the professional skills of an individual (public or private practitioner) who operates

in the health sector. This process is closely linked to CPD, licensing and Professional Orders (OPA, Order of Pharmacists etc), MoH and the Faculty of Medicine with its Post-Graduate component shares its level of responsibility. This process also lacks tradition but the good will exists and links with foreign assistance are already established.

1.2.3 Situation and problems

Albania does not currently enjoy either experience, or tradition in the sector. The interest in the area has been shown only recently and no concrete actions have yet been taken.

1.2.4 Objective

To create a national accreditation system of health services and facilities in Albania

1.2.5 Strategies

The MoH will request international technical assistance to create the necessary structures and mechanisms to complete this process. The process will be implemented gradually in special hospitals and later extended in a mid-term/long-term period to all hospitals in the country.

1.3 Partner organizations

1.3.1. Situation

The orders and professional organizations have special importance in the role that they play in the health sector:

- Protecting the public
- Preserving the standards and ethical value of the profession
- Setting the rules for the professional conduct of their members
- Assessing the competence for registration and licensing

Following the above-mentioned, a series of organizations have been established such as the Order of Physicians, the Order of Pharmacist, the Professional Associations of Nurses and Physicians etc.

1.3.2 Problems

- Even though they are structurally sound, they are far away from exercising their authority and commitment to the profession that includes educating, accrediting and licensing professionals and taking appropriate disciplinary actions against doctors who act as abusers and offenders of the law.
- They are yet to be financially independent and this is a necessity in the performance of their obligations.

1.3.3 Objective

To help create and strengthen the professional organizations so they are able to fulfil their role and obligations to the medical profession.

1.3.4 Strategies

- a. Offer methodical and financial help to the professional organizations
- b. Create new organizations in areas where they are still currently lacking.

1.4 Private sector activity

1.4.1. Situation

In socio-economic systems based on a market economy, the existence of the private health market alongside

the state health system is necessary for the complementary and competitive values it creates. As there is no tradition, the private health market in PHC (clinics, laboratories, pharmacies) and Hospital Care (based on the law on hospitals –2003) has been encouraged. Practically, the spread and development of the private sector has taken bigger and swifter steps than the regulatory process, bringing about problems related with quality of services delivered.

1.4.2 Problems

- Lack of experience in monitoring and controlling the private activity
- The legislation in force is fragmented, the roles are unclear and penalty measures weak
- Lack of the necessary structures in monitoring and controlling the service quality
- Individual licensing is discriminating and at times counter productive
- At times, the media plays a negative role by advertising unlicensed activities
- The coordination with the MoF is not at the right level.

1.4.3 Objective

To reinforce the monitoring and controlling capacities in the private health care system to protect the public health from abuse, harmful practices and charlatanisms.

1.4.5. Strategies

- a. Improve the legislation (laws, Council Directives, orders) based on the EU legislation.
- b. Improve and standardise the minimum standards in health care facilities, including private clinics, laboratories, dental clinics and hospitals
- c. Establish an inspectorate of monitoring and controlling the private activity that will be governed by proper authority and legal powers
- d. Work better with the MoF (tax office) to punish the abusers and offenders of the law.

1.5 The role of the patient

1.5.1 Situation

The developed health system puts the patient at the centre of the service. Despite the efforts to achieve this in Albania, we are conscious of the problems that exist. Current studies and questionnaires have displayed the level of patients' dissatisfaction with the level and quality of services delivered because of:

- Poor quality
- Lack of many diagnostic and curative services
- Under the table – illegal payments in diagnostic and curative services.

These factors combined reflect the reason why part of the Albanian citizens take diagnostic and curative services in different neighbouring countries like Turkey Italy or Greece. Taking treatment abroad increases the patient's expenses. They have to cover themselves treatment, travel and accommodation expenses.

There is neither a tradition, nor mechanisms in Albania to take into consideration the citizens' ideas in the

process of health policy planning, national plans, etc. The developments in the sector are long and difficult, as they are related to the general development of society and elaboration of democratic mechanisms.

1.5.2 Problems

- Public dissatisfaction of the quality of services delivered
- Informal payments that impede the access
- Lack of mechanisms that allow the public and/or patients to participate in health policies and service quality processes.

1.5.3 Objective

To strengthen the patients' role in assessing the level of health service and compiling of health policies.

1.5.4 Strategies

- Establish the patient voice within 2004, to protect the patients' rights in all institutions of the health system
- Improve continually the "Patient Charter"
- Encourage patients' participation into health/hospital boards.

ORGANIZATION AND DECENTRALIZATION **2**

2.1.1 Situation

Decentralization as a process of delegating the authority from the central level to a lower level is closely linked with the managerial capacities of the regional and local bodies. Presently, there is a contradiction in the process of decentralization in the health sector, because there is a tendency of correspondingly applying two processes that do not synchronize with one another:

- The first process is “devolution”; the transference of powers and properties of institutions toward the elected local power. The Ministry of Local Power and Decentralization and local bodies insist on the application of this process. If this concept is totally applied, it will shatter the pyramid of health services in 370 administrative units (the total number of communes and municipalities in Albania). Such a division endangers a cost-effective usage of the scarce resources. On the other hand, this model does not comply with the financing of health services by the Health Insurance Institute.
- The next model is the autonomy of health services. This model aims at creating autonomous, contracted and HII financed health services. The establishment and functioning of RHA’s has started in pilot projects in order to have services delivered in geographical areas according to the needs of the population. They will bear the responsibility for compiling regional health plans and managing directly the national programmes on public health. This process is being applied in Tirana, in the pilot study by a project financed by the WB.

The experience of partial transference of powers has not had any positive effect on PHC services as resources have not been distributed effectively. The local authorities have not been able to manage the health services properly. Health is a complicated sector as they entwine both technical and administrative aspects.

MoH considers process number two as a suitable one because it provides financing from the HII. This process preserves the integrity of the health services pyramid through the regional health plans that will be compiled by the RHA at prefecture level.

2.1.2 Problems

Which process should be applied devolution or autonomy?

2.1.3 Objective

To build a functional, autonomous and decentralized health system, but one that retains economies of scale.

2.1.4 Strategies

1. MoH will encourage the establishment of autonomous health services (PHC and Hospitals) that will be financed by the health insurance scheme and respect the standards determined by the MoH and RHA. A new legislation will be drafted. It will enable the implementation of the proposed reform.
2. MoH will establish RHA starting from 2005. The necessary legal acts will be drafted. They need to be in compliance with the law on hospitals and the RHA will enable the coordinated development of health services according to geographical units covered. This first step has been taken in Tirana.
3. The actions taken in the above-mentioned organization and decentralization process of health services will consist of:
 - a. Formulating and approving the “law on organization and decentralization of the health system in Albania” as an important step toward the autonomy of services and new patterns of intra-institutional decentralization.
 - b. Strengthening the Tirana RHA capacities concerning planning of services and managing of regional programmes in public health. Conclusions can be drawn out of this process. The first regional health plan of Tirana will conclude within 2004. Individuals/autonomous groups will bear the responsibility of PHC. Managerial boards of hospitals will be the responsibility for their hospital management.
 - c. The RHA will spread in other geographical areas as well. First, the RHA (Regional Directorate) in Berat will be established supported by PHRplus within 2004. MoH will prepare the ground for the spread of RHAs. In this frame, measures will be taken for the integration of planning, standardization, regulating and other functions of Primary Health Care, Public Health, and Hospital Care within the same regional structure (health authority).
 - d. Strengthening the decision-making boards that will translate the interests of the concerned stakeholders in the development of health systems at the respective geographical units.
 - e. Maintaining the responsibility of the Public Health functions at national and regional level. Thus the decentralization of responsibilities below the Regional Health Authority level (concerning the implementation of the national health programmes) will be avoided. Till the Regional Health Authorities are established, the Ministry of Health and its structures will bear this responsibility. The elected local administration would provide the community with a precious service, if it will be charged with the responsibility of solving social health problems such as restriction and controlling the aggressiveness of the tobacco or alcoholic beverage ads that have a greater effect on adolescents and youngsters, supplying with drinking water, disposal and treatment of solid wastes, disposal and treatment sewage and waste water, building and preserving healthy urban environments with a low level of air pollution and noise, disciplined and quiet traffic, green parks etc.

HUMAN RESOURCES ³

3.1.1 Situation

The human resources in health care system are limited. The ratio of physicians to population is 1:36 per 1000 inhabitants, (among the lowest ratios in Europe). The ratio of mid-qualified staff is 3:7 per 1000 inhabitants. This number is comparable to the situation in Spain or Portugal.

One of the acute problems the MoH is facing is the unequal distribution of medical staff. Many communities are left uncovered by a health service. Physicians have abandoned their work in remote rural areas and problems caused by migration are confusing. This makes it difficult to plan the needs for health services.

The MoH does not possess a national plan of human resources for the health sector. This plan needs to make mid and long-term plans on GP's and specialists' movements, or retirements in order that replacements can be put in post.

The Albanian health sector is faced with the continual loss of its professional elite because of many reasons:

1. movement of specialists abroad
2. retirement of specialists
3. rejection by new clinicians
4. and a lack of long-term postgraduate studies in developed countries.

This may have a long-term impact on secondary or tertiary level services and teaching at the Faculty of Medicine.

Albania possesses an insufficient number of family doctors, 0.5 per 1000 inhabitants. The specialty of family medicine was introduced only recently and keeps being the most discriminated and despised specialty. Albanians

underestimate GPs. It is very important to strengthen the category of family doctors by improving their technical abilities and the infrastructure of PHC. The public should also change its attitude toward GPs or family doctors and will begin to understand the benefits that family medicine brings to the community.

The Albanian human resources sector has inherited a traditional lack of experts in specific sectors of public health, health management, economy, promotion, policies and planning. This is impeding the management of health institutions according to contemporary concepts. Consequently, the very management of human resources is coming across obstacles and difficulties. They are made evident through the lack of career plans and stimuli, the ability to build an encouraging business environment and lack of Continual Professional Development.

Acute problems exist in nursing as well. The basic professional education standard fluctuates and as yet is not standardized. This category is heterogeneous at educational and professional levels. Staffs of a mid-qualified level are moving abroad, particularly to Italy, attracted by the recognition of the diplomas and job offers. Consequently, Albania invests in training and graduating nurses and midwives who then find work in Western Countries.

There is no accreditation system for all professional categories. If there were, standards would be preserved and predetermined criteria would be introduced in the licensing process.

Institutionalizing a continual education system is necessary to update professional knowledge and skills. This process is closely linked to mandatory professional accreditation and licensing and influences the improvement of service quality.

3.1.2 Problems

- Human resource in health sector are limited
- Unequal distribution of medical staff
- Lack of a national plan of human resources
- Shrinking of professional elite
- Insufficient number of general practitioners and family doctors
- Traditional lack of experts in specific field of public health, health management, health economics, health promotion, policies and planning
- Basic professional education in nursing continues to be fluctuated and not standardized
- Lack of professional accreditation system
- Lack of a continuous system of professional education

3.1.3 Objective

To establish a national system of human resources able to achieve their tasks, in preserving and improving public health.

3.1.4 Strategies

- a. A mid-term and long-term national plan will be compiled in the sector of human resource in the health system within 2005. It will envisage the actions to be taken in solving the majority of the above-mentioned issues and problems. Major components:
 1. Replacement and training of secondary and tertiary services
 2. Development of weak hospitals
 3. Training of mid-qualified staff (nurses, midwives and other professions)

- b. Improve the geographical distribution of mid-qualified staff by applying the principles of the labour market.
 - 1. public finance – private service
 - 2. separate service rewards based on supply and demand
 - 3. encouragement by scholarships bearing obligatory legal conditions
- c. Improve the quality of staffing contracts to make them more descriptive, responsible and responsive to the role.
- d. Apply effective policies in the election of regional directors by having them compete professionally and openly.
- e. Prepare a political-strategic document on nursing services in Albania to determine the organization and functioning standards of this service
- f. Establish a Centre of CPD, to which a fund will be allocated and it will be responsible for the coordination and organization of CPD activities for Albanian doctors and nurses. Training will be offered by the best Albanian and foreign professors and focussed on the needs and country priorities.
- g. The School of Public Health will be established within 2005. It will be a structure of the Faculty of Medicine. The legal and institutional conditions will be framed in order to establish a functional training system in the important sectors of Public Health, health management and their subsidiaries. The School of Public Health will be the product of all professional resources in Albania (Faculty of Medicine, Public Health Institute and freelance specialists). Thus, the foreign donors' initiatives will be more efficient and coordinated.
- h. Strengthen the role of the family doctor by:
 - 1. Improving the quality of post-graduate training at Faculty of Medicine. An important advantage will be the support of foreign universities that have an traditional expertise in the sector.
 - 2. Establishing and institutionalizing a continuous education course in family medicine within 2006 to update the knowledge and clinical practices. The course will be institutionalized to have GPs who practice family medicine trained. As this project is quite ambitious and long-term, it will operate in Tirana at the first stage. At the second stage, it will be decentralized and delivered in other areas.
 - 3. Changing the image of the family doctor. This process needs to go through the improvement of clinical practice and a new philosophy of dealing with the individual and community's issues. Improving the family medicine will help solve a large number of medical problems at this level of service, freeing the specialized services from the unnecessary load of patients. Promoting campaigns will explain the key role of family doctors.
- i. Creating an accreditation system for the professionals of different specialities. This system is linked to and can work with CPD. Foreign technical assistance and experience will be necessary to complete this.

FINANCING

4

4.1.1 Situation

Financing is one of the most difficult challenges the health system is facing today. Public expenditure took 2.3% of GDP during 2003. This figure may reach 4-5% of GDP if the under the table payments are included. The expenditure of the Albanian health sector has been lower than the European countries or some former socialist countries of Central Eastern Europe. The National Strategy for Social and Economic Development envisages 3.2% of GDP in the health sector for the 2006.

The government of Albania has defined the national insurance scheme as the financing institution of all health services based on the advantages of the latter. Nowadays, health insurance scheme covers the payments of family doctors and part of the drugs included in the essential drug list. The Ministry of Health and Health Care Insurance Institute have made attempts to take the scheme further by financing additional health services (covering Tirana primary health care and Durres regional hospital). But the pace of the scheme expansion concerning covering and financing other medical services has been very slow.

Health insurance scheme has faced many difficulties and problems that have affected its expansion and functioning. The contributions obtained by self-employed and private sector were very little due to the lack of information.

These contributors are not aware of the benefits form health insurance. The negative impact in small amount of contribution was also due to its collection by another institution, the Social Insurance. Health Insurance Institute evaluates the amount of contributions based on the incomes as insufficient to bring about important changes in financing health services. As the amount of contribution is insufficient, it was thought to increase the individual contribution based on the incomes. This is expected to increase the fund available for the Health Insurance Institute.

Health insurance Institute has limited capacities as far as elaborating and implementing the financial

mechanisms of health services, especially secondary care, is concerned. Even in financing Durres hospital, health insurance scheme has not applied any clear mechanism of contracting and financing. It has simply transferred the hospital budget allocated by Ministry of Finance.

There is insufficiency of public funds to cover all health services. On the other hand of the Albanian citizens spend considerable amounts of money in diagnostic and curative clinics abroad that offer technologically advanced services. Patients and consumers of health services systematically and informally pay for a number of services delivered in public clinics and hospitals. Only doctors profit from this illegal “distribution” of money. Legal payments are almost insignificant. Were these payments collected out of public services and used effectively, they could help improve the quality of services.

The Ministry of Health is trying to draw a rational planning of health services at national level, including a reasonable allocation of budget for health. The process is facing difficulties because of the technical insufficiencies and structural obstacles that keep the function of service planning separate from the function of budget planning.

Presently, the budget is allocated on a historical principle, mainly based on the expenditure and capacity of institutions rather than on the real needs of the population. There is no clear mechanism to determine the allocation of budget from the centre to the periphery. Regional health authority could help the Ministry of Health by compiling regional plans and budgets.

4.1.2 Problems

- Insufficiency of health system financing
- National health insurance scheme still not consolidated and limited
- Planning and budgeting not coordinated
- Inefficient management of financial resources population.

4.1.3 Objective

To expand resources, the level of finance and the cost efficiency of their use.

4.1.4 Strategies

1. Improve the legislation regarding financing of the health system as the “Law on Health Financing” will be framed in July 2004 and the Law on HI will be improved within 2004. This will avoid the difficulties health insurance faces in covering the hospital system. This process is being achieved through a technical assistance packet with the support of the technical and legal expert groups of MoH, MoF, and HII.
2. Increasing the public funds available for the health sector. This will improve the health services and consequently the quality of services and population health indicators will improve. The allocated funds will be protected by combining the expansion of the decentralized mechanisms (autonomy of health services and establishment of Regional Health Authorities) with the financing of services by health insurance.
3. Expand the HI scheme by:
 - a. Financing the clinical practice of family doctors through direct contracts of these services with the autonomous practice groups or family doctors that exercise their profession independently.
 - b. Contracting specialists who deliver ambulatory specialized services in policlinics or public hospitals, or private clinics.

- c. Further financing the specialized hospital services. In this framework, the contracting and financing mechanisms of Durres pilot project will be strengthened. The contracting of other hospitals will start gradually.
4. Contract the groups or individuals (GPs, family doctors) that deliver PHC. Contracting will be achieved based on service packet determined according to the populations needs. They will have to determine the needs and service planning at regional level focusing on the MoH guidelines. The pilot project in Tirana and the model applied in Berat will be taken further.
5. Elaborate the financing mechanisms of PHC (by the group or the individual family doctor) to increase the productivity and quality of services and improve health indicators. Health insurance fund should cover the whole packet of services, which includes the salaries of physicians, non-medical staff and operative expenditure cost. The model of family doctors salary will be clearly defined. A suitable solution is the combination of payment per capita and fee for service so as to avoid the negative effects of a single form of payment. Foreign assistance is necessary in defining the mechanisms of contracting and paying autonomous health services of primary health care.
6. Elaborate rational contracting mechanisms of hospital services in the Durres hospital so that this serves as a model to other hospitals. This will help avoid improvising and lack of professionalism in the field. One or more district hospitals will be included in the scheme. The new models of management and financing will be applied. Foreign assistance is needed to have the health insurance clearly elaborate the contracting and financing mechanisms of hospital services.
7. Establish mechanisms to measure the cost-effectiveness of secondary and tertiary services that are the most expensive ones (systems of management and information). This will lay the ground for the improvement in the allocation of hospital funds toward qualitative and cost-effective services. This information will help in allocation of hospital funds based on the performance of each hospital and they will serve to compare different hospitals. RHA will play an essential role. In a mid-term/long-term period, they will collect and elaborate the necessary information to create conditions of transparency in the Albanian hospital sector. The hospital performance, which is one of the mechanisms, will be measured by a series of productivity indicators, service quality intervention results, patients' satisfaction and others. WHO is assisting us.
8. Study and applying co-payments in some diagnostic and curative services as a very important measure to avoid the abuses in health.
9. Strengthen the capacities to develop a National Health Account system. The Ministry of Health will cooperate with the Ministry of Finance and foreign consultants who have experience in the field.
10. The Albanian government will bear the responsibility for financing Public Health.

5.1.1 Situation

Albania possesses few and weak capacities in the sector of health management. There are very few specialists trained abroad in this sector, many of whom work outside the public sector being attracted by the higher payments there.

There are many unilateral organizational structures in which managers are not given the necessary room for a secondary role. These structures have a well-developed clinical component and atrophied managerial component.

The deficient institutional decentralization suppresses the initiative and encourages indifference and lack of responsibility in the management of the

institution. The lack of “position” makes people indifferent and damages teamwork as “team” always refers to the boss for a decision.

We have inherited a typically centralized tendency in the direction and management of health institutions. “The number one of the office” takes all decisions: hiring and firing staff at all levels, managing the budget for even the least important things.

The directors of the lower levels have no real powers. This makes them indifferent and cold as far as the work results are concerned, because they do not feel part of the success or the responsibility in case of failure. These last years’ attempts to establish advisory boards have proven ineffective because they are just for appearance and do not perform the functions for which they are created.

By tradition the engagement of distinguished clinicians in the role managers of institutions has been very common, but they have often lacked the basic concepts of management. In principle, this solution comes across a clash of interests because a clinician is more interested in the patients and less interested in

strict management. His commitment is poor (he'll work only part-time) as the work in the clinics takes most of his time. The Ministry of Health is planning a reform in this area to have all head of health institutions replaced by trained managers.

The health sector has not elaborated models of management in hospitals, polyclinics and primary health care services. There are no management standards on which the practice of health service management, especially hospital services that are complex and expensive, can be based. The systems of clinical and financial information are very little developed. This hampers the introduction of advanced practices in modern management. Even the information collected is not used at its best. The specialists in the field of information management are very few. The cooperation with Swedish Cooperation Agency of Development SIDA in this area is very promising.

There is lack in institutionalizing the "production" of managers in the country. There is still no school for health management or public health. The Department of Public Health in the Faculty of Medicine delivers the basic concepts of health management to the students but there is no post-graduate programme for training staff in this field. Despite the efforts during these last years, the teaching and academic capacities are limited. There are some serious institutional obstacles in health management training. The Ministry of Health is the most interested party in producing qualified managers in order to raise and improve the managerial capacities of primary or secondary health care services. According to the Albanian legislation, Ministry of Education and Science is the only body that can organize post-graduate or long-term trainings in different fields, health management included. The lack of a genuine school or institution in the field of health management impedes the development and continuity of training programmes in the field of health management.

Beside the growing capacities for a long-term, post-graduate training in health management, another priority of the health sector is the establishment of short-term training courses on principles and practices of modern management. These

courses, despite their small number, will have a positive impact on the introduction of the basic principles of health management. The courses should be offered continually to best cover the country needs. The Centre of Continuous Education of Human Resources needs to make a contribution in this field.

Creating autonomous health services, as a new organization model that The Ministry of Health is aiming at will raise the necessity for professional managers or staff trained to perform the administrative and managerial functions because autonomy itself means an increase of control over the human resources fund.

5.1.2 Problems

- Albania possesses weak and few capacities in the field of health management
- Deficient and one-sided organizational structures of health institutions
- Poor institutional decentralization
- Appointment of clinicians (without proper managerial capacities) in the role of managers of institutions
- Lack of modern management models in health institutions
- Systems of clinical and financial information are very little developed
- Lack in institutionalizing the production of managers within the country
- Lack of short-term management courses.

5.1.3 Objective

To strengthen the managerial capacities at all levels of the health system and to replace the old practices with contemporary modern practices, standards and processes.

5.1.4 Strategies

- a. Create the professional manager by:
 1. Encouraging and attracting professionals trained managers abroad who are presently working outside the public health system
 2. Increasing the number of specialists trained abroad who are under an obligatory contract to return to Albania
 3. Training managers from the PH school of Health Management that is expected to be established soon.
- b. Strengthen the managerial capacities of PHC physicians. They need to learn the basic concepts of human, financial and service management. Training courses will be held regarding the techniques of micro-management in PHC. They will first be implemented in Tirana region (WB project is assisting). The first course will be established within 2004 to train approximately fifty people. The training will be applied to the whole country.
- c. Strengthen the managerial capacities of health directors at different levels, e.g. RHA, directors at district or prefecture level, national health institutes, etc.
- d. Strengthen the hospital managerial capacities by:
 1. Expanding the new style of “autonomous hospital” within the 2005 to be first implemented in Durres hospital and later in other hospitals. Elaborating the mechanisms of hospital autonomy to be implemented at the University Hospital Centre, Tirana.
 2. Elaborating a new style of “hospital management” adapted to the Albanian conditions. It will include:
 - Balanced medical and managerial organizational structures. The medical director and his staff will solve technical problems while the manager and his staff will manage the financial resources
 - Hospital decentralization – every service needs to have autonomy in the management of all its resources (plus financial ones)
 - Developing systems of clinical and financial information
 - Group decision-making to make leading boards functional and responsible
- e. Establish the School of Public Health and Health Management to train new staff in the sector of health service management.

HEALTH SERVICES 6

6.1 Public health

6.1.1 Situation

Public Health service is the most consolidated health service in the country. The harmony between vertical interventions with national programmes (immunization, reproductive health, epidemiological surveillance, etc), with the local hygienic-sanitary-epidemiological network has resulted satisfactory in protecting the population health. The maintenance of the inherited system and the strong assistance of the World Health Organization and many respective foreign institutions of developed countries have encouraged its development after the Kosovo crisis in 1999. Albania is estimated to have one of the best epidemiological surveillance systems in the Balkans. The situation in Public Health is following the curve of epidemiological transition. The number of illnesses and mortality rate related to chronic illnesses like cardio-vascular disorders or cancer is increasing. Traffic accidents and trauma are slowly becoming one of the main causes of death in Albania. Deaths and injuries caused in social settings or domestic violence have a negative effect on the health status of the Albanian population. Finally, communicable diseases remain a serious concern due to the poor hygienic infrastructure (drinking water, wastes, lack of green parks and etc).

6.1.2 Problems

In a summary, Albanian public health challenges of today are as following:

- Cardiovascular and heart diseases and cancer
- Traffic accidents in rapid increase
- Social and domestic violence

- Mental health- suicides, drug and alcohol abuse
- Communicable diseases including HIV/AIDS, sexuality transmitted diseases, diarrhoeal diseases etc.

6.1.3 Objective

Preserve and improve PH by taking effective measures.

6.1.4 Strategies

- Organize “aggressive” campaigns of health promotion focusing on improvement of life style, prevention of road accidents, acts of violence, drugs, alcohol, and others.
- Strengthen the national capacities in health promotion. The school of public health and health management would make a great contribution with its curricula.
- From the organizational point of view, the responsibility of PH functions will be borne at central/ regional level. The national programmes may be implemented better. The local elected bodies serve the community by solving problems of:
 - clean drinking water
 - disposal of solid wastes
 - evacuating and treatment of drinking and sewage water
 - pollution in urban and rural areas
 - building green parks
 - raising awareness of the public on the issues of smoking and alcohol and drug abuse.

6.2 Primary healthcare

6.2.1 Situation

Being the very first contact point of patient with health service, primary health care services should be considered as a fundament of the health system . In developed countries, where this model is well functioning, these services cover up to 90% of health problems of population. Primary health care in Albania is delivered by an extensive network composed of urban and rural health centres

and village health posts as well. This network provides basic health care services as well as a package of preventive programmes, mainly those of immunization and reproductive health.

Primary health care operates with 1500 family doctors and paediatricians and a great number of nurses and midwives. The ratio of family doctors per 1000 inhabitants in our country (1.3) is extremely low, not only in comparison with EU countries (3.9), but also with former socialist countries. (2.5)

Ministry of Health has considered the primary health care sector as a priority and up-to-now health reform aims to advocate and booster these services. Hence, the involvement of general physicians providing service at this level, in health care insurance scheme aims exactly at creating mechanism of motivation to improve accessibility and increase the quality of services as well. On the other hand, investments of Albanian government from state budget and key donors funds in the infrastructure of these services have been important and of course had their own impact on primary health care services. Even though there exist some difficulties, primary health care service has been dynamic in the implementation of ongoing health programmes such as immunization program, as well as newly introduced programmes such as family planning or pilot mental health program.

Despite of significant increase of general doctors' incomes, the issue of geographical access in basic health services remains still unsolved. There are still areas and villages, especially in the north and east-north part of the country, when the necessary health services are not ensured. We are aware that the increase of doctors' incomes is not the only factor, which can contribute in solving the handicap of coverage of remote rural areas with medical staff.

From the information received by the Ministry of Health as well as from surveys through questionnaires carried out in different areas of the country, a part of population, particularly rural areas community, thinks quality of health care services delivered at this level is unsatisfactory. It has to do with the lack of medical diagnostic and curative materials and supplies, with lack of 24 hours availability of emergency service, as well as with under table payment made by people who are constrained to do it. Also, even with investments made in the infrastructure of health centres, their running remains still problematic due to the insufficiencies in drinking water and electricity supply, sewage systems or damages in the small number of medical equipments.

Traditionally in Albania, hospital services have dominated the health services. It is well known the fact that service users are more likely to visit a specialist, without passing through general and family doctors. Even payments introduced to discourage this bypass seemed not to bring the result. It leads to an insufficient use of basic health care services and an overload of second ambulatory and hospital services, which are more expensive.

Low productivity of primary health care staff has to do not only with low request of population for these services, but also with a series of other factors such as insufficient and fragmented financing; lack of managerial autonomy of health centres staff; staff not continuously trained and unmotivated.

6.2.2 Problems

Main issues in PHC

- Population access to primary health care is limited in some geographical areas, in rural ones in particular. The lack of staff and the difficult routes of transport to areas in which medical service is provided comprise essential issues that demand special attention.
- Bribery (informal payments) – a negative widely spread phenomenon, which impedes the population access (especially those most in need) to primary health care.
- Lack of the primary health care autonomy. The autonomy of primary health care accompanied by a better financing scheme will improve its management and affect the people's notion of primary health care. The Ministry of Health will continually inform the public about the reform in primary health care and its advantages.
- Poor quality of primary health care services is the cause of their infrequent use by the public. The reasonable improvement of the services quality is an important priority and one of the main issues of the strategy for the development of the health sector. The measures that will be taken to improve the quality of primary health care will involve the infrastructure and its normal functioning (electricity and water supply, proper disposal systems for waste water and sewage, solid waste disposal systems etc). The engagement of local bodies and communities is necessary.
- Lack of a rewarding and encouraging mechanism. Having Health Insurance scheme finance the primary health care is a great achievement. The Ministry of Health and Health Care Insurance Institute must elaborate such reward schemes to encourage the improvement of access and quality of services.
- Deficient, non-standardized staff training (doctors and nurses and midwives) affects the quality of service, training results and patient dissatisfaction.
- Lack of an accreditation system for doctors and other medical staff related to the continuous education and professional licensing impedes the process of updating and decreases their professional level and quality of service.

6.2.3 Objective

To strengthen the primary health care services to improve the population access and quality of service and the effective management of the available resources.

6.2.4 Strategies

- Improve population access by:
- New rewarding mechanisms differentiated according to quantity and quality of services
- Permanent presence of mid-qualified staff that will provide basic health services
- Transport to remote rural areas in cases of emergency
- 24-hour availability of family doctors, stipulated in their contracts with health insurance.
- Delivering services never existing in some communities, in which the population is interested (esp. diagnostic labs. in big health centres).
- Improve the quality of service by:
- Institutionalizing continuous education in primary health care. National Centre of Continuous Education will plan and strengthen the professional capacities of all health professionals.
- Defining the obligatory accreditation system within 2005 for all professionals.
- Improving primary health care infrastructures by applying their autonomic management and regularly coordinating with the local power.
- Improving the primary health care financing process by:
- Increasing the budget through the government budget. It is a priority of the National Strategy for the Social Economic Development.
- Expanding the basis and increasing the contributions to the health insurance scheme.
- Introducing co-payments for particular well-studied services.
- Strengthening and improving primary health care management system by strengthening and expanding its autonomy toward the “public financing and autonomic (private) service” scheme. Primary health care services will be delivered by 2 autonomous entities: autonomous health practice group and family doctors. Both these forms will be subject to the same standards of clinical and qualitative practice. The packet of services will be compiled and discussed within 2004 and financed by the health insurance fund. It will be adapted by regional health authorities. The Ministry of Health will compile the first packet of services until the regional health authorities are created. The payment will be a combination of fee per capita and fee for service a limited number of services (ceiling).

The advantages:

- effective use of funds
- increased competition
- high productivity
- improved access and quality of service
- improved health information (it becomes indispensable as it is used for payments)

The only disadvantage is that it requires high capacities of monitoring and control and reliable information systems by the way of Health Insurance Institute and Regional Health Authorities. In essence, this model applies the rules of market economy that is why it should start implementing in bigger cities where conditions are more appropriate.

- Compile and publish clinical practice guidelines. Order of Physicians and Association of the Family Doctor will work on those. They will include standard protocols of treatments that will affect the improvement of quality of treatment and will keep under control the costs of this treatment.
- Preserve, expand and strengthen the public health programmes such as the immunization programmes, family planning programmes, TB and mental health programmes and programmes to fight acute respiratory infections and diarrhoeal illnesses. These programmes will be integrated with basic medical services and delivered by doctor and nurse teams who will work as autonomous entities.

6.3 HOSPITAL HEALTH CARE SERVICES

6.3.1 Situation

50 hospitals and a network of specialized public and private polyclinics located mainly in urban areas deliver secondary health care. The ratio is 3,1 beds per 1000 inhabitants, one of the lowest in the European region. In 2002 the bed occupancy rate was 50,5%. This indicator was far behind the Central Eastern European country average – 72,8% in 2002 – and the European average – 77%. The indicators show a low level of use. The length of stay in Albania is 6,7 days. It is lower than in the Western European ones – 8.2 days and CEE one – 8.3 days (1998).

The specialized ambulatory and hospital services face many obstacles in delivering services of quality. The Hospital Service has inherited a poor infrastructure. The number of services has not included the whole specialized diagnostic and curative services, making Albanian patients receive treatment abroad. These last years, the Ministry of Health has invested in improving the infrastructure and technology but it is still below desirable standards. The hospital location, the lack of electricity and water supply and lack of direct control by the health sector plays a negative role.

The public hospital sector does not deliver the whole number of diagnostic and curative services. There is no private hospital system to offer those services in the country under the patient direct payment. It is only in the capital or major cities that private profiting or non-profiting centres deliver ambulatory services. They have a better infrastructure and high technology but only a small number of patients can afford visits there. Health insurance scheme does not cover any of these costs. As public hospitals and private ambulatory clinics do not fulfil all the patients' needs, they try to receive expensive treatment abroad, in the neighbouring countries like Turkey, Greece and Italy. Therefore, part of the few financial resources of the population shifts abroad.

Hospitals are financed by the governmental budget on tradition basis. This does not endorse an efficient use of resources. The attempts to arrange financing according to the real needs have encountered difficulties and because of the lack of technical capacities. 65% of the total health budget was spent on hospitals in 2003. The efforts to have Health insurance scheme financing the hospital sector are still at their initial stage. Financing resources are scarce. Hospitals cannot offer adequate services that comply with the contemporary demands and standards.

Under the table payments are a serious concern for The Ministry of Health. This phenomenon is related to the low payments of qualified and mid-qualified staff and the Albanian mentality of financially rewarding the medical staff. Every service is considered as a good and to get the best quality you have to pay. These rewards started with the indirect request of doctors, the patient's will or their fear of not receiving proper treatment.

Besides the recent efforts, poor management remains the most acute issue that affects the performance and quality of services in our hospitals. Distinguished clinicians who lack managerial capacities are heads of hospitals. This is made evident in the one-sided and deficient organizational structures (technically strong but managerially weak). On the other hand, these managers spend most of their time working as clinicians, thus they are employed as “part-time” managers of institutions that face so many problems. Clinicians are interested in the patients' treatment of quality but his crosses the strict management of financial resources. Treatments require more than the predefined standards. Poor intra-institutional decentralization plays a negative role. There is lack of modern management patterns in hospitals. The clinical and financial information, the basis of the pattern, are pretty old and their staff not trained properly. The few financial resources and the impacts of non-professional management have a negative influence on the productivity and quality of services. There are no accurate data on these last ones as there is no monitoring system to supervise hospital performance.

The quality of health services is very much influenced by the hospital staff. Despite the effort and

continuous work to provide patients and consumers with good care, the hospital staffs are not motivated. The deficient income, lack of

continuous education, lacking working environment and the poor management of human resources have a direct impact on that.

There is lack of a new diagnostic and curative technology due to the insufficient financial resources that contribute to investments in medical technology. Even when the investments are implemented, new difficulties come up. They are related to the limited operative budgets that hinder the optimal functioning of the technologies. The lack of national standards in hospital technology plays a negative role. Did it exist; the technology would be distributed more evenly following foreign donations that are irrational at times.

Strengthening hospital equipment maintenance remains an important aspect. Beside the important investments in the past, the bioengineering sector does not yet respond to the requests and needs of hospital services. This sector suffers because of lack of staff, lack of staff motivation due to unsatisfactory payments, deficient trainings and lack of equipment in the maintenance workshops. The Ministry of Health has always tried to build an organized bioengineering system at national level, by introducing many market elements in its functioning. It is expected to incite the quality and continuity of its functioning.

Currently, there are no accurate protocols for treatment. The professional associations and the Order of Physicians have not compiled treatment protocols yet. The doctors would come to a complete agreement after their drafting. Their existence would have a positive effect on patient treatments, costs of different pathologies and rational planning of drug distributions and availability in hospitals.

6.3.2 Problems

- Small number, unequal distribution and low utilization of hospital beds
- Still a weak hospital infrastructure
- Insufficient financing, health insurance schemes still not included in service financing
- Under the table payments - a serious concern that damages the access of the population
- Lack of hospital autonomy
- Lack of professional management, with unilateral organizational structure, Lack of management model and modern information systems
- Lack of standardized technology, ineffective maintenance policies
- Lack of hospital accreditation systems
- Flow of funding towards hospital services of neighbouring countries
- Lack of staff motivation

6.3.3 Objective

To reach a better access, satisfactory quality and cost-effective management in hospital services.

6.3.4 Strategies

- 1) Compiling the national plan on hospital services within 2004 to define the distribution of hospital services, level of hospitals according to different geographical areas (district, regional, university hospital) sanctioned in the hospital law.
- 2) Reshaping the hospital services in Tirana. Plan and start the building of a regional hospital in Tirana (within 2005) in order to ease the burden of tertiary services from the University Hospital. There will be a gradual reduction of the number of beds in the University Hospital and the management of this mega-structure will be facilitated.

3) Improving hospital management. Build autonomic hospitals managed by hospital boards in which the interested participants (including representatives of patients' interests) will be members. Professional managers will manage the hospitals. Managerial autonomy will strengthen the transparency and accountability. For that:

- a. creating modern models of efficient management
- b. improving organizational hospital structures – bipolar structures: medical and managerial poles
- c. strengthening and updating/modernizing the hospital information systems
- d. creating the mechanisms for a decentralization within the hospital.

The hospital managerial autonomy will demand the strengthening of the transparency and accountability procedure. The elaboration of the mechanisms of this new organizational and managerial reform will require an important technical support and experience exchange with hospitals of the developed countries that have gone through similar processes.

4) Creating a national accreditation system to periodically monitor the technical and human capacities so that they can achieve their functions according to the standards.

5) Elaborating a new financing mechanism. Health insurance scheme will finance hospital services within 2007 to improve hospital performance and optional use of the existent resources. Hospitals will be financed by:

- a. The Ministry of Health funds that will be needed for capital investments in infrastructure and equipment
- b. Health insurance scheme as the main financing resources
- c. Co-payment – will contribute against abuses with resources
- d. Direct payments from patients for particular services (cosmetics etc)

6) Encouraging and support the process of legal private practices in delivering hospital services. This process will expand the number of qualitative services offered in Albania and diminish the requests for treatment abroad. A strong private sector would lay the ground for the establishment of private health insurances.

7) Compiling and apply the standard protocols of treatments and guidelines of clinical practices. Specialists, coordinated by the Order of Physicians and professional associations will work on them. The National Centre of Continuous education will help update and introduce contemporary concepts in clinical practices in secondary, ambulatory and hospital services. The standard protocols and the process of continual training are conditions that guarantee a quality of professionalism and improvement of hospital services quality.

8) Increasing the income of hospital staff by establishing contracting relations between the hospital autonomic administration and the employees at the institutions. Including hospitals in the health insurance scheme and introducing managerial autonomy will increase the staff payments and productivity. This reform may require the redundancy or redistribution of hospital staffs.

9) Strengthening the standardizing and maintenance capacities of hospital equipment. Compile a mid-term or long-term plan to rationalize devices and medical equipment at national level. Devices standards and technical guidelines will be compiled. Their rationalization and standardization will be achieved in close coordination with the process of the hospital services national plan that will affect the cost-effective distribution of equipment according to the hospital (district, regional, university) and it should comply with the services delivered in these hospitals. Standards need to comply with the directions of EU medical apparatuses. The biomedical capacities of maintenance will be strengthened alongside the rationalization process. In this framework, the project on standardization and maintenance at national and regional level with the Swedish Health Care will have a greater impact.

10) Taking the first steps in establishing “a system to provide the quality in health services”. An indication panel of hospital performance will be compiled. It will help hospital managers direct their measures toward the quality improvement. Such a system will be build thanks to technical assistance and investments that will strengthen and widen the information infrastructure of our hospital services.

6.4 DENTAL SERVICE

6.4.1 Situation

Dental service operates in public and private services. The proportion of public service to private one is approximately 30% to 70%.

Public service started operating based on a reform supported by the policy document: “Strategy of dental care in Albania” (2000) which consists in the organization of a service of prophylactic-curative nature according to the WHO recommendations. This reform lead to the organization of this service in preventive centres in schools and centralized dental clinics where all dentists are gathered. In these centres dentist assistants and newly graduated doctors who perform their 2-year course of residency exercise their public activity.

Private service is offered in private clinics centralized mainly in Tirana (about 900) and other big cities. Organizational level and services delivered in these clinics, assessing hygienic-sanitary conditions, physical-environmental ones, quality of equipments and other appliances in use, professional capacities of dentists etc, vary from the most modern and qualitative ones to those with a series of deficiencies and problems, referring to all parameters of licensing. High and not standardized prices of delivered services, often not affordable by people, can be considered also a problem.

6.4.2 Problems

- 30% of public dentistry service established to deliver service to people up to 18 years of age has many gaps for abuses
- preventive functions are often neglected and non-effective
- unequal distribution of services impedes the access in rural areas
- lack of equipments or others inadequate for children’s treatment
- depreciated situation in some centres which serve as dental clinics
- service market not controlled with regard to prices
- problems with sanitary conditions, physical status and technical rules of some private dentistry clinics
- lack of health insurance schemes in the dentistry service

6.4.3 Solutions

- Improve the legislation to harmonize the reform
- Create the national map of service distribution within 2004.
- Privatize the curative dental service completely and have Health insurance scheme cover people from 0-18 years of age. Prophylaxis is the only service to remain public.

- Have experts establish ceiling prices and display them in clinics. These prices are indispensable in introducing insurance schemes in dental service.
- Have expert groups establish floor prices, available for all dental clinics.
- Have inspector monitor and control the clinical activity and impose penalties on rule offenders.
- Encourage private schemes of Health insurance.

6.5 PHARMACEUTICAL SERVICE

6.5.1 Situation

At the beginning of the 90's, the Pharmaceutical Service totally collapsed. The production and distribution were blocked and the country needs were mainly covered through foreign humanitarian aids. The situation required a sector reform to move it to the market economy and solve the vital problems of the patients.

The national pharmaceutical policy, a dynamic component of the health policy has aimed at a rational provision and use of a number of safe, qualitative, effective drugs affordable for the whole population.

Privatizing of the sector seemed to be the priority of the policy implementation.

At the beginning was the liberalization and then the privatization of the open network of pharmacies. Today, the Pharmaceutical Service is 100% privatized. 3 manufacturers, 84 private warehouses (35 of which import drugs), a 70% public warehouse and 933 pharmacies and pharmaceutical agencies operate in Albania today. In the process of reform, a key element was the rehabilitation of the domestic industry and creation of conditions for the increase of pharmaceutical production. 2 manufactures were helped to rehabilitate and then privatize. They use the country resources and as they operate as a generic industry, a large number of drugs are widely used in health service. The industry even exports, helping therefore the economy of the country.

The sector reform and policy implementation have brought about the desired improvements in certain directions such as the supplying of the market with a variety of drugs, rehabilitating the domestic product, drug registering, drug distribution in retail, setting up a drug database as well as with regard to other new and serious problems.

6.5.2 Problems

- Poor monitoring of drug manufacturing, storage and marketing. There are very few pharmaceutical inspectors as a result drugs are smuggled into the country and the selling of humanitarian aids have always taken place during crisis periods. The manufacturing and marketing margins not respected.
- Lack of a national information system in the sector that can include inspection, registration, information on drugs and drug alertness.
- Circulation of drugs with labels in foreign language which are not foreseen in the registration guidelines. Circulation of drugs containing the instructions in foreign languages only even six months after their registration. Lack of the price label, on the side of manufacturers and importers, leaving this in the hand of the pharmacists.
- Abuses with drug prices.
- Manufacturing and marketing drugs not according to good practice.
- Deficiencies in the present pharmaceutical legislation.
- Lack of graduated pharmacists and differences in payments applied in the private and public sector

along with the lack of stimuli of the workers in those institutions which ensure not small incomes, have impeded the employment in the state structures by making them inexistent.

6.5.3 Objective

To create a Pharmaceutical Service that can provide us with safe, sufficient, qualitative and affordable drugs.

6.5.4 Strategies

- a. Improving the pharmaceutical legislation based EU experience. Compile and approve the Document on the Drugs National Policy within 2004.
- b. Strengthening the monitoring capacities in manufacturing, storage and marketing of drugs. Reorganize the National Centre for Drug Control by approving a new status; expand the activity of National Centre for Drug and others.
- c. Establishing and strengthen the structures of Order of Pharmacists as an important partner in protecting the honesty of professional etiquette.
- d. Enhancing the transparency of drug prices by improving the information system and putting the price on the label in the Albanian language.
- e. Circulating drugs that have a label and instructions in Albanian. Putting the control stamp.
- f. Improving pharmaceutical technical conditions to reach the standards of the developed countries.
- g. Approving and use the Good Practice for Manufacturing, Storage and Marketing of drugs.

THE SUCCESS OF THE REFORM 7

The focus of this strategy is the health system reform, a difficult but indispensable intervention if we wish our system to be a modern one. In order to have as much successful implementation of health system reform as we can, this reform needs to have the following features:

- **Public understanding and support.** The public is the object and subject of the reform. It is the one to benefit from it. The public should be informed and persuaded by campaigns organized by the media and the meetings.
- **Broad consensus.** We need allies to support the ideas and implement the reform, as its opponents will be many. Traditionally speaking, clinicians are the main opponents and the best partisans of the status quo. Therefore, they must be involved in the discussion and implementation process of the reform. This will help avoid their disagreement. Other interested stakeholders should be taken into consideration: local bodies, multi and bilateral foreign organizations, the media, the private business, etc.
- **Political will.** One single ministry cannot carry the burden of the reform implementation. The commitment of the leading political force is needed. A Political Committee of Health Reform should be established in order to lead this reform politically.
- **Follow-up.** Follow up and implement the interventions in progress. The documents compiled these last years by expert groups or foreign consultants concerning special departments of health need to be considered. Therefore, foreign technical assistance will be effective and repetitions avoided.
- **Continuity.** The reform should be continually achieved and never interrupted. Interruptions or delays harm the reputation of its elements. To ensure its continuity, a Leading Committee of Health reform should be established. It will implement the reform approved by MoH and Cabinet. The team should be responsible for the coordination of the planned activities according to the respective sectors. The activity follow-up should be reported regularly so as to take the measures needed to overcome the obstacles or solve the imminent problems.
- **Coherence.** It is an organic link between the strategies and actions suggested in this document. The elements of the reform condition one another. That is the reason why the elements need to be considered of the same importance, because not implementing one would automatically cause the failure of the rest.