Catastrophic conditions in the Bulgarian health system

By Anna Rombach
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The health system in Bulgaria is undergoing a devastating decline as a result of the austerity measures dictated by the European Union, the International Monetary Fund and World Bank. Five years after the accession of the Eastern European country into the EU, thousands of poor people, seniors, infants, heart patients, people with HIV and members of the Roma minority die every year due to inadequate health care.

Following the reintroduction of the capitalist free market in 1990, the former People’s Republic of Bulgaria commenced the privatisation of what was previously a state-funded social security system. While the situation worsened dramatically for broad sections of the population, former Stalinist cliques, nouveau riche “democrats” and multi-national corporations and banks made huge dividends from the privatisations.

On July 1, 1997, Bulgaria tied its currency to the German mark (and later the euro) and yielded up large parts of its sovereignty to the IMF, the World Bank and the German Federal Bank as part of a so-called Currency Board System. All of the Bulgarian parliamentary parties supported the takeover of control over money supply, interest rate policy, taxes, public service salaries and social and economic policies by the agencies of international finance capital in accordance with the so-called “transformation process”.

The process of privatisations and welfare cuts was then accelerated. In 1999, the most important laws ensuring private financing of health care were in place. The World Bank and the EU provided loans of $139 million to facilitate the transfer of medical care from the state to the patient.

To this end a health insurance for employees and self-employed (NZOK) was established, which was to be financed by insurance contributions. In addition health care was based on a system of contributory payments by patients and, at least initially, some funding from the Health Ministry.

The contribution to health insurance was initially 6 percent, and later 8 percent of gross monthly income. In 1999 employers contributed three-quarters and employees one quarter of the costs. Now the split is 50-50. The financial burden for workers has nearly tripled since the introduction of health insurance.

According to a study by the Institute for Social and Trade Union Studies, the average proportion of income spent by households on health care increased from 2.4 percent in 1997 to 5.5 percent in 2005. Access to basic medical treatment is accordingly becoming a luxury item for poorer layers of the population.

Legally the state is obliged to pay health insurance for the unemployed, the poor, children, students, pensioners, soldiers and civil servants. In practice this does not happen. In August 2010 a Bulgarian business newspaper wrote: “The state should pay insurance contributions for a total of 4.5 million people—retired civil servants, children, etc.—in general it fails to do so.”

In July 2010 the share of the state budget allocated to the Department of Health was cut by 22.7 percent, the highest rate of reduction for all ministries. Many hospitals are practically bankrupt and no longer able to finance their operations.

Valeri Dimitrov, head of the National Control Authority of Bulgaria, revealed in March that between 2006 and 2009 the NZOK denied seriously ill patients a total of 50 million leva (€25 million/US$31 million) for life-saving treatments. Instead, the funds were used for the payment of wages, severance pay or for equipment and building repairs to dilapidated health facilities. At the same time, expenditure on drugs has been systematically reduced.

With the failure of the government to provide adequate funds patients are expected to pay increasingly large sums for hospital treatment and visits to the doctor. Bulgaria tops the European tables in this respect. According to the World Health Organization, due to statutory or contractual regulations, Bulgarians must pay almost half of their medical expenses. Those seeking treatment in a medical institution by a doctor of their choice must shell out a down-payment of 250-700 leva (€125-350/$155-435).

Then there are the unofficial payments. Officially
treatment in the emergency departments of hospitals is free for all. In practice, however, seriously ill patients are denied help in hospitals if they do not cough up a few hundred leva. "If doctors force patients to make donations to hospitals, then they should be indicted, but not anonymously," was the cynical comment by former Health Minister Stefan Konstantinov.

Shortly after taking office in 2009, the current government of Boyko Borissov (GERB) decided to cut government funding for cardiac treatments, thereby risking the lives of hundreds of patients in a country with the highest proportion of cardiac deaths in Europe. In 2010 hundreds of HIV patients were not treated and in February 2011 the health minister acknowledged that the NZOK was constantly delayed in its payments to hospitals and pharmacies. The news agency novinite.com reported that clinics across the country in 2010 had cancelled planned operations and had accepted fewer emergency cases. The health sector was "faced with huge problems—understaffing, material reductions, migration experts, bribery of doctors and nurses, high debt and lack of money."

While the government bleeds the health system it threatens to punish all those in arrears with their health insurance contributions. Novinite.com quoted the words of Health Minister Desislava Atanasova on April 11: "Those who do not pay for health insurance must be punished by the deprivation of social benefits and other rights such as participation in elections or the right to drive."

The decline of the health system is accompanied by growing poverty in Bulgaria. The average monthly wage is just €300, although the average citizen requires at €200 just to survive. The average pension of €140 is way below this level and more than half of the country’s 2.2 million pensioners are forced to live under the poverty line set by the government of €110. In line with these appalling social conditions, the 650,000 Roma in Bulgaria are practically denied any access to health care.

The population of nearly 9 million has fallen to 7.3 million since 1989, largely due to emigration. Another factor, however, is the country’s low life expectancy. In 2011 it stood at 73.5 years, which is significantly below the European average. According to Doctors Without Borders the rate for Roma is just 52 years.

Since the introduction of capitalism the mortality rate has risen from 12.5 to 14.3 deaths per thousand inhabitants, the highest level in the EU. The infant mortality rate of 11 per 1,000 births is also the highest in Europe. In areas with a predominantly Roma population the infant mortality rate rises to nearly 30. This compares with a 4 percent rate in Germany.

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