



Health of the Health System

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How to Say “Thanks” in Phoenician

It is difficult to find a physician on this planet who in his/her office does not have a gift from a patient or a pharmaceutical company representative – a note-book, calendar, or at least a pencil with the logo of a friendly pharmaceutical company. Certain companies are much more generous and pay lengthy stays in exclusive hotels, on all-inclusive basis. Over the last few years, industries connected with health (pharmaceutical, bio-technological, and producers of equipment) only in the United States (USA) have invested US-\$16 billion into the marketing targeting physicians, US-\$2 billion of this sum being spent just on meals and contacts with physicians. Physicians are constantly faced by 90 000 representatives of pharmaceutical companies and millions of ads in professional journals. These representatives pay physicians to help them develop educational materials; they also “domesticate” physicians and students of medicine supplying them with free textbooks, stethoscopes, and free meals. The Amer-

icans have a saying: “There ain’t no such a thing as a free lunch” – the dividing line between marketing and non-ethical behavior of pharmaceutical companies is indeed very thin and unclear (1).

Persuasive education

Pharmaceutical companies try to incite a feeling of obligation in a physician toward the company and its representative, so that physicians could prescribe as many of their pharmaceuticals as possible. However, it sometimes happens that a physician’s obligation toward the company is contradictory to their obligation toward the patients. There are studies proving that after so many free fancy dinners and stays at expensive hotels, physicians prescribe many more products of the generous company, although these products are in no way better than the competing products – having, as a rule, no idea that they are victims of a subtle and elegant form of manipulation.

Not only in the USA, but in the most of other developed countries, nine-tenths of medical education are organized or sponsored by industries connected with health, which is called “persuasive education.” During such education, a pharmaceutical company – of course, there are no formal obligations! – persuades the physicians that their products are superior to the almost identical, but cheaper competing products.

Let us suppose that such a physician daily prescribes only five boxes of a medication that is just €5 more expensive than another pharmaceutical (in ophthalmology, for instance, the difference in the price of very similar eye drops does not exceed the ratio of 5:1, which makes about €14; while the difference in the price of psychiatric pharmaceutical olanzapine amounts to €27 per package), this makes €550 a month, i.e., about €6500 a year (2). If the state would more closely monitor such practices and pay each physician €3000 for two weeks of education in some fine hotel at the French

or Spanish coast, it would still save €3500 per each physician.

No vaccine so far

Public opinion perceives corruption as an individual phenomenon and discovery of each corrupt physician is breaking news. However, no part of the health system has been vaccinated against corruption, since bribe and corruption are immanent to the system itself, not to the individuals.

Governmental surveillance and regulatory bodies (ministries, parliaments, special commissions) are very susceptible to corruption. Moreover, the presence of regulation broadens the possibilities for corruptive activities. For example, pharmaceutical companies may influence law-making and regulatory commissions and boards to make sure that their pharmaceuticals get covered either by insurance or paid by patients themselves, or they may influence official recommendations and clinical algorithms for the use of medicines or diagnostic procedures to speed up or slow down the entry of a pharmaceutical to the market or allow that it enters the market without adequate testing (3).

This is why, several years ago, the antirheumatic rofecoxib (4) had to be noisily withdrawn from the market – it had been found that it significantly amplified the risk of cardiovascular diseases. In March 2007, tegase-

rod, a drug against constipation and irritable bowel syndrome, was withdrawn because of cardiovascular ischemic events (5).

Clean hands and a finger in the pie

Although insurance companies are often affected by corruption activities undertaken by other participants in the health system, these companies, even national insurance companies, may be corrupt themselves. They may, for example, simply direct the investments to their political allies. And this is, as it usually is with corruption, very difficult to prove.

Transitional countries expect private insurance companies to contribute to a better and more efficient health system. But even private insurers may be involved in corruption, for example, when they, dealing with state-subsidised programs, issue false receipts. Furthermore, they may reject to pay insurance compensations, although they are obliged by the law to do it or they may bribe the state supervisors of the insurance to ignore illegal acts (6).

Croatian hospitals are given more than a half of the health budget, which was more than €1.3 billion in 2008 (7). The costs of hospitals include not only medical care, but also huge investments in buildings and expensive technology, and these

are exactly the areas where the worst corruption takes place.

The sums used in Croatia to build and equip hospitals are by no means insignificant. This year, the major part of the new hospital complex in the Croatian capital Zagreb was finished. So far, the investment amounted to about €150 billion. Knowing that corruption is immanent to all health systems in the world, it would be very surprising if nobody had a finger in the pie.

In a Phoenician way

Pharmaceutical and equipment industry is an area hugely riddled with corruption. Pharmaceutical companies and providers sometimes try hard to persuade the procurement officers of the hospitals to buy their pharmaceuticals or equipment, even if they are too expensive or unnecessary (8,9).

Although, theoretically, all expensive equipment should be purchased by tender, precise specifications could be made to exclude all providers except one. The provider would then express its gratitude; ever since the Phoenicians had invented money, the need for the word “thank you” has considerably diminished.

Routine maintenance of the hospital buildings and equipment makes corruption possible in many other ways as well. For instance, hospital maintenance service declares itself incompe-

tent to fix or rebuild something and seeks another company to perform these tasks. The same goes for the procurement of pharmaceuticals or equipment – technical staff in such a case, may of course, expect some expression of gratitude from the company to which they re-direct their own job, in a Phoenician way, or through expensive business presents like laptops, cellular phones (combined with cost of all calls), car leases, or paid trips (10).

Can free lunches be healthy?

Although the public is most sensitive to overt bribery (money and “gifts”) one of the most common forms of corruption is “stealing” the working hours. The hospital personnel has fixed wages and there is practically no supervision on the quality of their work, so they are not stimulated by the hospital to work more or better. Therefore, it is quite usual to come to work late and leave earlier. In many countries, those who are employed in state institutions, but have a private practice as well, often leave earlier from their workplace to be able to work privately.

Finally, what is corruption? According to the definition of the non-profit organization Transparency International, corruption is “an abuse of public

authority.” Corruption in the health system is defined as “an abuse of entrusted authority.” In other words, corruption includes all “dishonest actions of physicians, hospitals, and other health care professionals, who are generally afforded high social and professional status and are expected to exercise professional medical judgement unbiased by private financial interests” (4).

Transparency International estimates that losses caused yearly by corruption in developed countries amounts to 10% (6). Interestingly, Croatian health-budget chronically lacks about 10% of its money.

Of course, receiving a pencil, a medical book, or some other small gift from pharmaceutical company is not the same as participating in a systematic corruption or double-dealing on a large scale. But we physicians must be aware that health system is far from functioning in an economic or moral vacuum (11). So, there’s no such a thing as a free lunch in the health system.

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