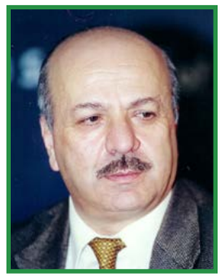
Healthcare in Georgia: Highlights



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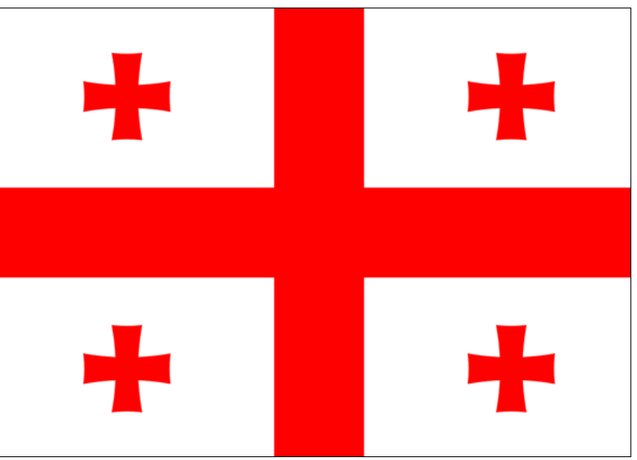
Healthcare in Georgia is provided by a universal health care system under which the state funds medical treatment in a mainly privatized system of medical facilities. In 2013, the enactment of a universal health care program triggered universal coverage of government-sponsored medical care of the population and improving access to health care services. Responsibility for purchasing publicly financed health services lies with the Social Service Agency (SSA).

Historical Introduction

From 1921 to 1991, the Georgian health system was part of the Soviet system. Till 1995 health care system in Georgia was based on Soviet Semashko model. The first dramatic change was implemented in 1995, when the budget transfers were complemented with additional sources of financing: the mandatory health insurance contributions (employer and the employee mandatory contribution - 3% and 1% respectively), funds allocated for Healthcare from the territorial budgets, official co-payment for medical services, which could not be financed by the state programs. Mandatory social health insurance was abolished after the 2003-2004 Rose Revolution. In 2003, the social insurance tax was replaced by social tax, which was accumulated in the state budget and from 2007 the government decided to delegate management of state allocations for health insurance for targeted groups of population (the poor, teachers, law enforcement officers and military personnel (or about 40% of the population), to the private insurance companies, which have become the health service purchaser for the mentioned population groups. This meant that a portion of the population could not access health insurance. The state retained control over a few medical facilities dealing with mental illness and infectious diseases, while all other hospitals and clinics were privatized. Implementation of universal healthcare was a key priority of the Georgian Dream party, which came to power in the 2012 election. It established the current Georgian Healthcare System from 2013.



Since 2013, there has been a radical change of direction in health financing policy as a new government embraced the move towards universal health coverage rather than targeted benefits.

Statistical Overview of Health Status

Life Expectancy
In 2016 average life expectancy for Georgians is 72.7, which lies just below the European average of about 78 years (2014). The life expectancy in Georgia is 68.2 for males, and 77.1 for females.

Fertility and Mortality Rates
In 2016 the total fertility rate is 2.24 children per woman. Live birth rate is 15.2 per 1000, and mortality rate is 13.7 per 1000. In 2016 infant mortality rate was 9.0 per 1000 live births, and the under-5 mortality rate was 10.7. By 2030, the Maternal mortality rate is expected to drop to 12, and the under-5 mortality rate is expected to drop to 6.0. Maternal mortality is 23.0 per 100,000 live births in 2016. While still high in international comparison, maternal and infant mortality rates have been steadily decreasing.

Disease and Leading Causes of Death
In Georgia, as in the most countries, mortality burden is mostly due to non-communicable diseases. The major causes of death are diseases of the circulatory system, neoplasms, diseases of respiratory system and accidents and injuries. Infectious diseases are still the source of significant health problems, especially MDR tuberculosis.

Organizational Structure of Healthcare Regulation Organizational Structure of Health care System

The health care system in Georgia is highly decentralized and was extensively privatized from 2007 to 2012. Regulations are also very liberal, and government is now working to ensure the quality of care provided is adequate. In 2013, the enactment of a universal health care program triggered universal coverage of government-sponsored medical care of the population and improving access to health care services. In the end of 2014 the Government approved the Georgian Healthcare System State Concept 2014-2020 “Universal Healthcare and Quality Management for Protection of Patient Rights”, which is a vision of healthcare system development that comprises basics of the sector development in relation to principles and values recognized at international and national levels. The Ministry of Labour, Health and Social Affairs (MoLHSA) is formally accountable for the health of the population, oversight of the health system, the quality of health services and equity in relation to access to health care throughout the country. There are Legal entities under state control of the Ministry and multiple agencies. Administration and management of the Health and Social care State Programs including UHC is provided by SSA, which is a subordinated institution under the MoLHSA. SSA’s territorial offices are located at 68 municipalities and more than 2000 are employed in them.

The NCDC is a legal entity of Public Law accountable to the MoLHSA with a dedicated line in the State budget.

The NCDC provides national leadership in preventing and controlling communicable and non-communicable diseases through developing national standards and guidelines, health promotion, disease surveillance, immunization, laboratory work, research, providing expert advice, and responding to public health emergencies. SRAMA formally responsible for issuing and control the licenses and permits for health care facilities, regulating medical professionals and pharmaceuticals. ESC&UAC Ensures/coordinates quality emergency medical and referral assistance for improving the state of health of the population during the disaster and martial law situation. ESC&UAC is functioning in all municipalities of the country except in the capital city. By this time 85 medical branches are included. Following extensive privatization and decentralization, most providers in primary and secondary level are private for-profit entities in terms of ownership, governance and management. Many of them are vertically integrated with private health insurance providers and pharmaceutical companies. The development of professional medical associations in Georgia is still at an early stage although there are many of them in existence. Since 2005, the major activity of professional associations has been supporting the MoLHSA in its endeavor to elaborate national clinical practice guidelines and protocols.

Numerous international partners such as WHO, UNICEF, UNFPA, World Bank, USAID, EU, Global Fund and etc. strongly support the health sector in Georgia.

The health financing reforms introduced since 2013 and backed up by significant increases in public health spending, have moved Georgia closer to European norms. These include: (i) near universal population entitlement to publicly financed health care; (ii) free visits to family doctors; (iii) referral and prescribing systems; (iv) a single purchasing agency; and (v) higher public spending on health. Sustaining the coverage achieved to date and deepening coverage through better financial protection are the policy priorities for the Government of Georgia. Total health spending in Georgia–at 8.5 percent of GDP in 2015 is much higher than the average for upper-middle-income countries (7.0 percent) and approaching the EU average (10 percent). From 2012 to 2015, the health budget more than doubled, increasing from 5.3 percent to 8.6 percent of total government spending, and as a percentage of GDP from 1.7 percent to 2.9 percent. In this respect, Georgia is experiencing a steep increase in its health sector spending, which is consistent with other middle-income countries' experience at the time of UHC introduction. Public spending on health in Georgia is mainly drawn from general tax revenues and allocated to the UHC Program and vertical programs, all of which are administered by the SSA.

Criticisms

There is an extremely high number of doctors per capita in Georgia compared with other European countries, and it had 573.3 physicians per every 100,000 people in 2015. Number of nurses per 100000 population since 1998 is going down and is much less, than in countries mentioned above (419 per 100000 population). A ratio of the number of nurses to the number of physicians was equal 0.7 in 2015.

In 2015, there were 12830 hospital beds (2014 - 11675) in the country. The number of beds per 100,000 population was 345.1 (2014 - 313.3), occupancy rate - 193.1 (2014 - 188.3), ALOS - 5.3 (2014 - 5.2), turnover rate - 36.4 (2014 - 36.3). Following the introduction of the universal health care program, the rapid growth of the admissions was observed in both outpatient and inpatient institutions. Compared to 2012, the hospital service provision for 100,000 population increased by 50%. In 2015 the numbers of encounters of the population with outpatient facilities grows to 4.0 per 1 person (2.1 in 2012).