

COUNTERING MONEY EXTORTION FROM PATIENTS BY ESTABLISHING TRANSPARENT TOOLS OF COLLECTING DONATIONS IN HEALTHCARE FACILITIES IN THE CITY OF POLTAVA

GOAL

Counter money extortion from patients of healthcare facilities in the city of Poltava by establishing transparent tools of collecting donations.

OBJECTIVE

1

Analyse the implementation of the Ministry of Health Order # 848 of 25.07.2017 “On Measures to Control Revenues and Disbursement of Donations in Healthcare Facilities” in the hospitals in the city of Poltava

2

Deliver an awareness raising campaign to highlight that mandatory extortion of donations of patients is illegal, to explain the procedure of reporting over the collected donations and how Poltava hospitals should follow it, and to stress that the solution to mandatory extortion of donations should be provided by Poltava City Council

3

Identify specific problems and solutions

4

Conduct an advocacy campaign on establishing transparent tools of collecting donations in healthcare facilities in the city of Poltava.

PROBLEM

During 2014-2016, the Institute of Analysis and Advocacy conducted a thorough structured research of informal payments in health facilities in 18 oblasts of Ukraine. The findings showed a widespread practice of informal financial relationships between patients and doctors and an extensive system of corruption schemes, especially with regard to charities that collect donations from patients in healthcare facilities.

Ideally, joint activities of charities and healthcare facilities is expected to contribute to increased funding and overall development of healthcare facilities, create conditions for improving the quality and availability of healthcare.

But in fact, it was totally different:

- Voluntary donations from patients have turned into mandatory donations. It is nearly impossible to receive healthcare unless a patient made a donation to the charity fund for the entire service s/he receives or for its components;
- Money paid as donations to the charities are almost never transferred to the budgets of healthcare facilities and pass into nothingness. Even if some money reaches these budgets, it is definitely less than 100% of the collected donations;
- There was no compulsory reporting on the total amount of donations collected by charities and of money that was actually transferred to the hospitals.

In this regard, the advocacy campaign was conducted throughout 2015-2017 to establish accountability of charities and hospitals. It brought about the following outcomes:

- Hospitals and charities started signing agreements, taking joint transparent measures and reporting on collected donations;
- The Ministry of Health Order # 848 of 25.07.2017 “On Measures to Control Revenues and Disbursement of Donations in Healthcare Facilities” was adopted to mandate the healthcare facilities to report the donations collected from individuals and legal entities.

Later on, the Institute of Analysis and Advocacy monitored the implementation of this Order in Poltava.

In Poltava oblast, the Institute of Analysis and Advocacy rolled out an advocacy campaign back at the beginning of the survey, but only at the healthcare facilities subordinated to the Department of Health of Poltava State Oblast Administration). However, no progress was achieved at the city level (in healthcare facilities subordinated to the Department of Health of Poltava City Council), as the authorities and the leadership of the Department were not motivated to address this issue. The IAA experts have repeatedly sensitized the authorities to this problem, offered analytical support and ready-made solutions, but the lack of political will made it impossible to provide necessary solution.

The situation changed in September 2018, when the then acting mayor was impeached. In parallel, a number of members of the City Council were withdrawn, too. As a result, key players in the City Council changed, the secretary of the City Council was elected as the new acting mayor and formed a new coalition. These developments shaped a favourable environment for the new round of advocacy for the mechanisms of charity reporting and stopping mandatory collection of donations from the patients.



CASE IMPLEMENTATION ALGORITHM



STAGE 1 – ANALYSIS OF COLLECTION, DISBURSEMENT AND REPORTING OF CHARITIES AND HOSPITALS OVER THE PATIENT DONATIONS IN THE HOSPITALS IN THE CITY OF POLTAVA

In 2018, the Institute of Analysis and Advocacy analysed current situation with collection of donations in the Poltava hospitals and the changes after the Ministry of Health Order # 848 was enacted. At the time of the change of Poltava city authorities, the findings of analysis were formalized in a report that was used to inform further advocacy efforts.

In addition, the information was gathered to draft a policy memo on the amount of charity funds transferred to hospitals throughout 9 months of 2018 that will be used as a negotiation tool vis-à-vis the representatives of the authorities. In parallel, this information was used to launch a media campaign aimed at covering this information in the media and sensitizing the residents and City Council members to this problem. The IAA team emphasized that in the context of medical reform, charities at hospitals have lost its sense – instead, it is a window dressing to cover mandatory money extortion from patients for healthcare that should be provided for free.



STAGE 2 – DEVELOPING EFFICIENT SOLUTIONS TO ESTABLISH TRANSPARENT CHARITY TOOLS IN HOSPITALS

The analysis showcased that the process of collecting donations from patients in Poltava is far from transparent. Therefore, the IAA team gathered all solutions of this issue available throughout Ukraine that were implemented during the 2015-2017 campaign. Decision of Vinnytsia City Council as of 2016 on mandatory use of cash-in ATMs for making donations was picked up as a model. Based on this practice, the IAA team conducted working meetings, visits and negotiations to develop an algorithm for establishing transparency of donations in Poltava.



STAGE 3 – NEGOTIATIONS WITH THE NEWLY-FORMED MAJORITY IN POLTAVA CITY COUNCIL

After the change of power in Poltava, the priority was to identify new stakeholders and partner up with a new coalition in the City Council. The advocacy experts analysed the new political situation and developed an advocacy plan aimed at:

- Sensitizing the councillors to the issue;
- Establishing partnerships with supporters of the initiative, developing a joint action plan;
- Explaining to the acting authorities that their predecessors did not support the respective solutions;
- Negotiating with opponents and justifying the need for changes in the patient donation system.

First of all, the advocacy experts presented their findings to the acting mayor of Poltava and his newly elected deputies.

At the same time, they conducted working meetings with the advisor to the Minister of Health Viktoria Loza to engage her into advocacy and promotion of the proposed solution.



STAGE 4 – DEVELOPING THE DRAFT DECISION OF THE CITY COUNCIL AND ENDORSING IT WITH LINE COMMITTEES

As the City Council members were sensitized to the issue, the draft decision “On the Prohibition of Establishing Charities in the Community-Owned Healthcare Facilities” was published on the City Council website on 1 November. It was submitted to the Council session by the members of Social Democratic Party. However, this draft decision did not offer comprehensive solution to the problem. Therefore, the IAA engaged partner organizations and city councillors to develop the concept note of priority actions to facilitate transparent collection of donations from patients and prevent mandatory money extortion. The IAA draft was used as a basis. The concept note laid foundations for the new draft decision that should be later put for voting on the agenda of City Council session.

The updated draft decision provided for the following:

1. To prohibit the mandatory extortion of cash and other donations from individuals and legal entities in Poltava health care institutions subordinated to Poltava City Council to cover healthcare, medications, medical products.
2. The Department of Community-Owned Property of the City Council shall accordance with the procedure established by law update the charities operating in the healthcare facilities of Poltava that their agreements to rent premises in the healthcare facilities will be discontinued starting from 1 January 2019.
3. The Department of Health of Poltava City Council shall enable citizens to make donations in non-cash form directly to the accounts of healthcare facilities of Poltava via cash-in ATMs. Such ATMs should be mandatorily installed in healthcare facilities of Poltava until 1 February 2019.

The draft decision also stipulated the improvement of procedure of reporting over implementation of the MoH Order # 848. Namely, the Department of Health has to create its own website with a page on donations where the healthcare facilities would report how much donations they received and used. In addition, the Department of Health is expected to ensure control over timeliness and completeness of reports on donations.



STAGE 5 – PUTTING THE DRAFT DECISION TO VOTE AT POLTAVA CITY COUNCIL SESSION

Before voting at the session, the draft decision shall be heard at the line commission on culture, education, physical education, sports and youth policy, support of veterans of war and ATO participants, social protection of the population, health care, maternity and childhood. The commission members disputed over the draft decision, but the support of the advisor to acting Minister of Health helped convince them to put the draft decision to vote at the nineteen session of Poltava City Council.

EXPERT COMMENTS

This advocacy campaign was grounded on the findings of a long-term study. We were analysing this problem throughout Ukraine, and it helped us develop the most cost-effective solutions. And the change of power in the city made favourable environment to finally bring an end to opaque money collection from the patients in Poltava. The awareness-raising events and media publications helped us sensitize the residents to this issue and explain the councillors that the community supports the solution promoted by the IAA. The unanimous support during the sessions gave confidence that we managed to set a trend in Poltava to counter informal payments.

In the future, the IAA team will continue to monitor implementation of legal requirements, as civic control is key for the authorities and city residents to jointly address this issue.

