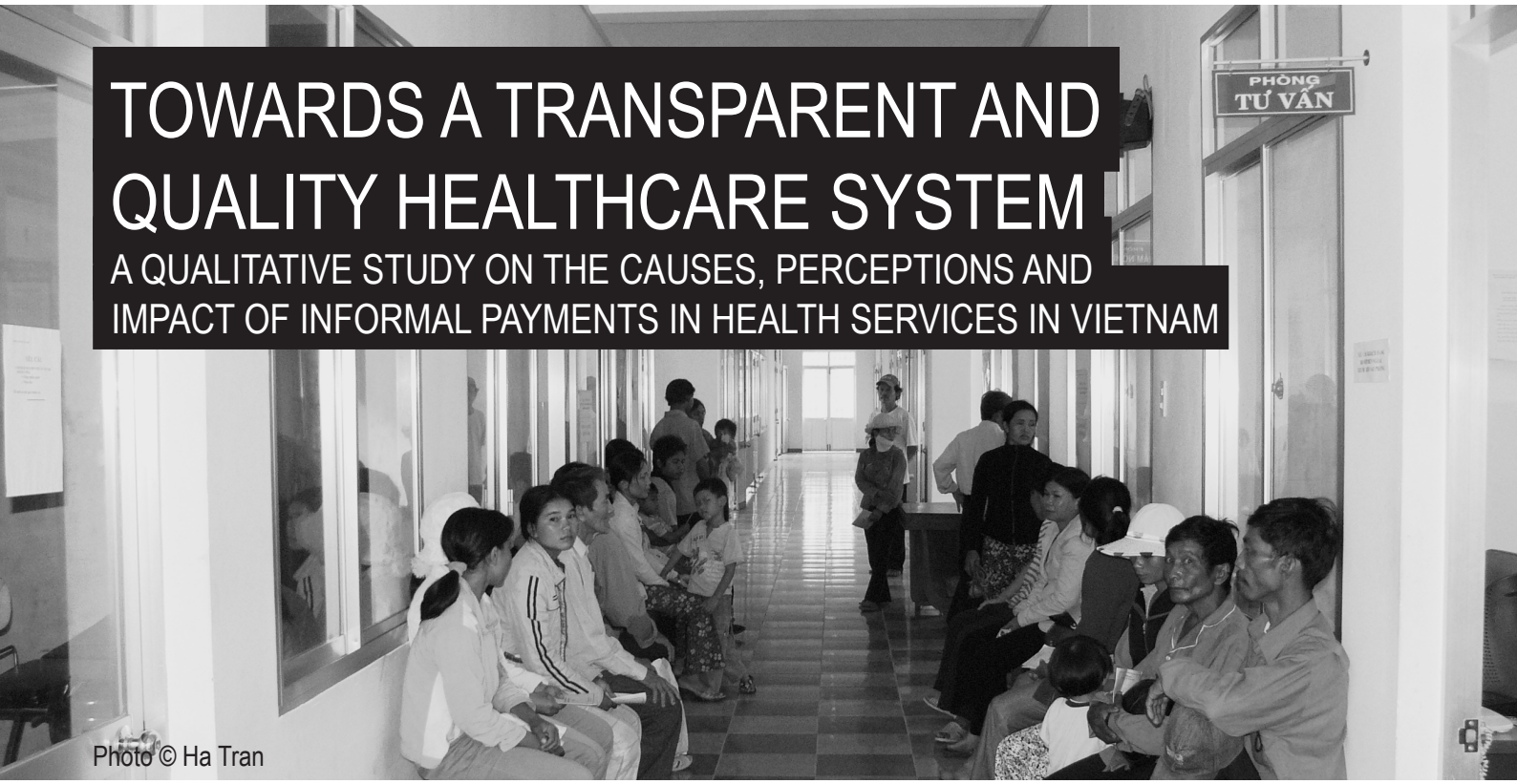
RTCCD

TOWARDS TRANSPARENCY

TOWARDS A TRANSPARENT AND QUALITY HEALTHCARE SYSTEM

A QUALITATIVE STUDY ON THE CAUSES, PERCEPTIONS AND IMPACT OF INFORMAL PAYMENTS IN HEALTH SERVICES IN VIETNAM



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BACKGROUND

Throughout the world, the practice of informal payments in health care services undermines public policies aimed at assuring equitable, low-cost and efficient access to care.

Corruption in Vietnam's health sector is of increasing concern to policy makers and the general public. In a recent study conducted by the World Bank,[1] 65 to 85 per cent of Vietnamese citizens perceived corruption to exist in public health services at the central and local levels. Informal payments to health workers has become the norm in Vietnam. However, up until now no study in Vietnam has examined the circumstances in which health workers demand and patients offer informal payments for services.

Towards Transparency, in collaboration with Transparency International, the Research and Training Centre for Community Development and the Boston University School of Public Health carried out research to better understand the nature, pattern, perception and impact of informal payments in health services in Vietnam.

METHODOLOLGY

Interviews were carried out in four geographic areas in Vietnam: Ha Noi, Son La, Dak Lak and Can Tho from August 2010 to February 2011. In each setting, two hospitals (one provincial and one district hospital) were selected. Interviews were conducted at national, province and district levels. In total, 178 people were interviewed including policy makers, health association leaders, Ministry of Health officials, hospital leaders, department managers, doctors, nurses, administration staff, patients, citizens who used services in the last twelve months and their caregivers.

Using an applied qualitative research approach, including individual semi-structured interview, focus group discussions and a literature review, this research focuses on the practice of informal payments including envelope, cash and in-kind payments exchanged during the process of receiving health care services. These payments are separate from any official payment for health care services approved by the government.

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KEY FINDINGS

HISTORY

Both health service providers and users agree that the practice of making informal payments in healthcare is pervasive. A large number of study interviewees concurred that cash or envelope payments started to become common in Vietnam when the country moved towards a market economy under Doi Moi (1986), and that the practice became a significant problem from 2000 onwards.

Policy makers and health managers mentioned several factors which contribute to the increasing frequency and trend of envelope payments: the government's new health insurance policy (which partly covers the treatment fee even if the patient seeks transfer to a higher hospital level without official referral), the policy that allows hospitals to collect patient fees (Decisions 10 and 43), a poor supervision system and inadequate investigation.

FORMS OF PAYMENT

Offering cash directly and cash in envelopes are the most common ways of making informal payments to health workers. In-kind gifts (commonly in the form of fruits, candy, biscuits and etc.) are sometimes given alone but are usually given in a plastic bag which aim to hide any envelopes.
In large cities, a new kind of informal payment involves "opportunities" offered by patients or their relatives to medical practitioners (to purchase goods at a lower price than the market value or the provision of free services).

Interviews with patients and health workers indicate that the form and value of cash and in-kind gifts vary by region and the seriousness of the illness. In-kind gifts typically do not cost much, and the amount of cash/envelope payments is considerably higher at central and provincial hospitals and in urban facilities compared to centres in rural areas. Informal payments, envelopes in particular, were not reported to be a problem in most district and commune level health facilities.

Informal payments differ between hospitals and also between different departments within a hospital. Payments are more likely to be presented in services where there is a high chance of fatality (e.g. surgery, emergency care, obstetrics, and pediatrics). However, informants said that administrative staff and those providing routine care, such as cleaning services or injections, are also given smaller amounts of cash at a lower frequency than doctors. Doctors and surgeons report being given larger amounts of money than nurses, assistants or orderlies. Accordingly, the forms of informal payment differ by profession - envelopes are commonly offered to doctors, cash to nurses and in-kind gifts of fruits or biscuits for administrative staff and the department as a whole.

Interestingly, pre-existing relationships between the client and health professional do not seem to affect either the amount of informal payment made, or the rate at which it is given. Even health workers report feeling embarrassed for not giving any in-kind gifts or envelopes to thank colleagues who provide treatment for their relatives.

PROCESS BEHIND PAYMENTS

The majority of patients interviewed, both in cities and rural provinces, confirm that they sought advice regarding the appropriate value of an informal payment by asking other patients, friends, neighbours and relatives, based on their past experiences with the hospital. A few patients reported that they were told by medical personnel exactly how much they should pay. Most of these cases occurred at central hospitals which are overburdened with patients.

Health personnel in higher level hospitals confirmed that most newly-graduated health workers did not accept cash, envelopes nor in-kind payments. They agreed that time is needed for a health worker to become accustomed to the practice of accepting envelope payments, usually around one to three years. One year is the estimated time for a health worker in the obstetrics or surgical departments to become accustomed to accepting envelope payments.

MOTIVATIONS FOR PAYMENT

Most service providers from central to provincial health facilities stated that informal payments (in-kind gifts and envelopes) are made after treatment, and are given voluntarily. However, a large proportion of interviewed patients reported giving money or in-kind gifts because it is the norm. Some reported experiencing poor quality care when no cash or envelopes were given before treatment or when no indication was made that doctors would be compensated for their care upon completion of treatment.

Reasons given by health providers for accepting informal payments include the need to increase their official income to meet increasing costs of living, the acceptance of envelope payments as a social norm and the desire to avoid embarrassment on behalf of the patient who offers payment.

IMPACTS

According to the health workers interviewed, the quality of care does not differ between patients regardless of whether or not informal payments have been made. However, they confirm the concerns shared by many patients that a health provider might be friendlier towards patients who offer informal payments or give them greater priority. As a result, from the perspective of health care equity, the quality of care is affected, as those who are unable to make informal payments take the risk of not being cared for in a timely fashion, given full information or experiencing comfortable hospitalization.

EFFORTS TO REDUCE INFORMAL PAYMENTS

All interviewed service providers stated that they did not see in-kind payments or envelopes given after treatment to be a problem - regardless of how big or small the amount - as long as such payments were made voluntarily by patients. All service providers interviewed criticized doctors or nurses who indirectly requested informal payments from patients. At the same time many users agreed that envelope payments should be eliminated in the health sector.

Most health workers noted that their facilities applied measures to control the practice of informal payments, including the introduction of disciplinary measures for service providers who request and accept informal payments and setting up open feedback mechanisms for service users. However, many of them said that the measures seem to be nominal and not very effective.

CONCLUSIONS

CONCLUSION 1: In-kind informal payments, usually in the form of gifts, is deeply rooted in the country's history. The practice increased during the post-war period when the national economy was in crisis, and grew into a significant social problem and shifted to 'envelop payments' when Vietnam shifted towards a market-oriented economy, encouraging the collection of user fees for public health services.

CONCLUSION 2: Reasons given for the existence of informal payments differ widely between the payer and the receiver. Most service providers stated that informal payments were given to express thanks (especially when made after treatment), whilst a majority of users said that informal payments were intended to help them obtain better and more satisfactory service.

CONCLUSION 3: Informal payments are threatening the goals of "equity, efficiency and sustainability" in the health system. It is more serious in higher level facilities where hospital capacity is significantly overstretched, and a significant portion of health expenditures must be paid by the citizens. Current efforts to date to address informal payments are mostly ineffective.

CONCLUSION 4: The model of private management mechanisms in public hospitals (collection of user fees and requiring hospitals to self-finance) is a risk factor increasing opportunities for informal payments. Additional risk factors are lack of transparency in public health service management (including human resource and financial management), economic pressures, weaknesses in system management, and the lack of investigation.

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RECOMMENDATIONS

FOR POLICY MAKERS

GIVING NATIONAL PRIORITY TO ANTI-CORRUPTION CONTROL in the health sector with pooled efforts from multi-sectoral agencies including civil society and managed by the National Assembly.

ELIMINATING "PRIVATE MANAGEMENT MODELS" IN PUBLIC HOSPITALS and instead moving towards a mixed health care system with three components (1) Public non profit services, which are responsible for primary health care; (2) People founded health services which are not for profit, but for science and charity; (3) Private services, which operated following market mechanisms.

STRENGTHENING THE CAPACITY OF PRIMARY HEALTHCARE FACILITIES. This, along with public education will help to reduce overload at provincial and central hospitals, which is a key factor leading to informal payments.

FOR HEALTH FACILITIES

IMPROVING CONTROLS AND SANCTIONS including supervision, follow-up, investigation, financial punishment, and dismissal. This will also require the proactive involvement of medical associations and the Ministry of Health's Inspectorate.

INCREASING BOTH FINANCIAL AND NON-FINANCIAL REMUNERATION FOR HEALTH WORKERS. Other non-monetary approaches should also be considered for public health workers, for the short-term and for long-term.

ESTABLISHING AN INDEPENDENT QUALITY SUPERVISION SYSTEM. Regulations restricting the acceptance of informal payments will require quality and performance supervision to be undertaken by a third party, independent to the health system.

FOR SERVICE USERS

DEVELOPING A PILOT INITIATIVE TO PROVIDE INFORMATION, ADVICE AND COUNSELING TO THE CITIZENS who might be asked to pay for services.

TRANSFORMING PERCEPTIONS OF SERVICE PROVIDERS AND USERS TOWARDS a service-oriented health system; zero tolerance for health workers who demand for patients to make informal payments; and limiting envelope payments in daily interactions.

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1. World Bank, Vietnam Development Report (VDR) Modern Institutions (World Bank: Hanoi, Vietnam., 2010).

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