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## Croatian Health Employers' Assotiations

There is a long held tradition of mergers of healthcare institutions in Croatia. In 1952 pharmacies merged, followed by the merger of medical spas in 1954, and the merger of hospitals and out-of-hospital institutions in 1957. In 1962 the three above mentioned associations joined and formed the Association of Health Institutions. In 1996, after the legislation on mergers in healthcare had been introduced, the Croatian Health Employers' Association was founded and it undertook the legal responsibilities of the Association of Health Institutions.

The Croatian Health Employers' Association is a non-governmental, non-profit and voluntary association of both public and private institutions. At the moment the Association has 205 health institutions as its members. Apart from hospitals, the members of the Association are primary care institutions, institutions for treating medical emergencies, polyclinics, public health institutes, and pharmacies. The work of the Association is organised and carried out by a number of bodies and committees.

Since the Association represents a variety of health institutions, there are special interest groups (SIGs) reflecting the work and the needs of particular institutions. Thus, the Association has SIGs for Hospitals, Primary Care Institutions, Polyclinics, Public Health Institutes, Home Care, and Pharmacies. Each SIG elects its Executive Committee that acts as its executive body and deals with relevant issues pertaining to the SIG members' work and activities. Considering the complexity of issues related to its work, and in order to increase its efficiency and nurture its professionalism, the Association has formed the following committees: the Economic Committee, the Legal Committee, the Committee of Hospital Engineers, and the Committee for Hospital Nutrition.

According to the present legislation, the employer in healthcare is an institution. Hence, the employers' representatives in the Association's governing bodies are mostly the heads of member institutions.

The Association's activities are regulated by its bylaws, and they include the following:

Monitoring and analysing the financial and social position of its members;

Preparing and carrying out programmes and projects designed to improve the conditions of work and business activities;

Fostering cooperation among members pertaining to concrete issues related to their work and activities so as to increase their efficiency in providing healthcare services and improve their work and work organisation;

Improving the members' legal matters and providing legal assistance in enforcing laws and professional regulations;

Improving management in healthcare and providing education in management;

Publishing professional journals in order keep its members informed about relevant business matters and matters related to healthcare services provided by other institutions;

Negotiating collectively with the employers' associations in healthcare and participating in signing collective agreements dealing with and related to terms and conditions of employment;

Providing advisory and other assistance for all its members in order to promote their rights and interests, and Representing its members in court or before arbitral tribunals, employers' associations and state authorities in cases related to labour relations.

The bylaws also regulate the possibility of joining other organisations as members or merging with another domestic or international organisation whose aim is the protection and promotion of healthcare providers' rights and interests. In accordance with this regulation, the Association made its first contact with the European Association of Hospital Managers in January 1992. Croatian representatives were invited to attend its Executive Committee's meeting held on 14 April 1994 where the Association's application for membership was discussed. It was decided unanimously that the Croatian Health Employers' Association would become a full member of the EAHM at their General Assembly in Berlin. On 1 September 1994, the General Assembly, following the recommendation made by the Board from Berlin, unanimously accepted the Croatian Health Employers' Association as their full member. Since then the Association has participated actively in the work of the EAHM. A significant contribution to their work was made in 2000 when the Association organised their 18th Congress held in Opatija, Croatia.

As for hospitals, it is important to stress that that all public hospitals are members of the Association, which means that they have found their own interest in being its member, and that their joint participation in its work brings certain benefits. The overall capacity of hospitals that are members of the Association is 21, 905 beds (73% for acute patients, and 27% for chronic patients). Furthermore, it has 1,803 offices for specialists and 1,336 diagnostic rooms. The Association's hospitals have a total of 45,827 employees, out of which 70% is medical staff and 30% non-medical employees.

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In order to understand the issues related to the hospitals' work, it is crucial to know that in 2008 the hospitals' total revenue was 1.5 billion euros, whereas their expenses totaled 1.4 billion euros. Since 87% of the total revenue comes from the Croatian Institute for Health Insurance (the HZZO), it is understandable that a significant number of the Association's activities are related to the cooperation with the Institute so as to ensure the best possible conditions for the work of member hospitals. The head of the Association regularly attends the Institute's Board meetings where s/he he expresses the Association's members' views, thoughts, proposals, and objections related to the acts and documents discussed and regulated by the Institute. The members of the Association are also members of various work groups in which they, together with the representatives from the Institute and medical chambers, work on designing proposals related to documents regulating the work of hospitals.

These activities have been particularly intensive since 1 January 2009 when the DRG system was introduced instead of the old system. In the first stage of its implementation, the purpose of the DRG system is to justify the amount of hospital budget, whereas in the second stage the system should be used as the basis for distribution of finances for healthcare provided by hospitals.

Since the expenses for hospital employees make from 70% to 85% of the total expenses, it is logical that all the activities related to monitoring these expenses are in the focus of attention of healthcare institutions, including the Croatian Health Employers' Association. The Association has limited influence on the level of these expenses because they are determined by the agreement between the Croatian Ministry of Health and Social Welfare and healthcare unions. Even though the Association was part of the negotiating team on the side of the Croatian Government in the process of drafting the latest Healthcare and Health Insurance Collective Agreement, it was not one of the signers of the Agreement. We certainly hope that in the process of drafting a new agreement, the Association will be one of the signers, which means that it will participate in both discussing the agreement's content and the process of its implementation, which will significantly affect the level of expenses for employees.

In the last eight months the Association has cooperated intensively with the Ministry of Health and Social Welfare. The reason for that is new legislation which serves as the basis for the project dealing with Croatian healthcare reform. The Association's representatives participated in work groups and their activities and workshops organised by the Ministry and related to drafting new laws as well as their implementation.

Every year the activities of the Association are defined by the Programme of Activities decided by the Association's Assembly at its annual meetings. The Programme is related to the previously described activities defined by the bylaws. The responsibility of the Directorate of the Association is continual monitoring of financial and social status of healthcare institutions and reporting on it regularly every three months and at the end of every year. Special attention is paid to the financial instruments related to the Croatian Institute for Health Insurance. In order to ensure the best possible conditions for the member's work and business activities, the Economic Committee and the Directorate communicate with the Institute concerning the financial instruments proposed by the Institute. Unfortunately, most proposals made by the Association are not accepted. The rejection is justified by the fact that the budget of the Institute is part of the State Budget which is limited.

In 2009 the Association has been particularly active in improving legal matters due to the new Healthcare Law. Having considered the new Law, the Directorate drafted a new version of the bylaws and distributed its samples to all healthcare institutions. Furthermore, this year the Association has worked intensively in the area of advisory and assistance activities, primarily by organising various professional conferences as well as individual meetings with the representatives of particular institutions.

The Association has also contributed by publishing professional journals. Pharmaca has been published since 1962, and the catalogue of medicines since 1963. The fact that these publications have been published for 46 years proves their quality as well as the healthcare community's need for such publications.

The activities of the Association are financed by membership fees, income from selling professional publications, income from projects and income from organising conferences. The total yearly income of the Association is around 700,000 euros.

This article does not to give a comprehensive account of all the activities performed by the Association. We have managed to present and describe just a few of them. For more details and information about the Association, please contact our website: www.upuz.hr.

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