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### Healthcare in Portugal

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Healthcare in Portugal aims to be free and universal, and is centred on a tax-based National Health Service (NHS). However, private financing plays a significant role. The Portuguese Constitution takes care to define the NHS as “universal, comprehensive and approximately free of charge”. The Health Ministry is currently being restructured as part of a general reform of the civil service system in the country. This is a serious issue. Total health expenditure, at 9.9 percent of GDP, is above the European Union (EU) average and 1.4 points higher than neighbouring Spain.

#### Distribution of Roles and Responsibilities

The Portuguese health care system is composed of an overlapping network of public and private providers. These are the tax-funded central National Health Service, private voluntary health insurance (VHI) as well as occupation-based insurance plans for certain professions. Each of the entities has its own reporting channel to the Ministry of Health which exerts regulatory oversight. There are some responsibilities which have been delegated by the Ministry to regional and local bodies.

Most Portuguese can choose between the NHS and VHI, or use both.

#### Primary Healthcare

Primary healthcare in Portugal is delivered by a mix of public primary care centres (PCCs) incorporated into the NHS as well as others run by private health service providers on both a profit and non-profit basis. There are a total of 350 PCCs, in addition to 1,800 smaller entities known as health posts or primary care units. There are significant differences in the size and structure of PCCs, varying from state-of-the-art, purpose-built units to small facilities in rural areas, established by the Church in disused hospitals and monasteries.

Population coverage per PCC averages 28,000, but ranges from less than 5,000 to over 100,000. Together, they employ about 7,500 physicians (mainly GPs) as well as 6,000 nurses.

Outpatient contacts in Portugal, at 3.8 versus an EU average of 6.8, indicates a relatively high and inefficient use of hospital care.

#### Hospitals and Beds

##### Sharp Fall in Hospital Numbers

Like other EU countries, Portugal has witnessed a significant decrease in the number of hospitals, from 640 in 1970 to 170 in 2005. Of the latter, 89 were public and 82 private. Almost half the private-sector hospitals are for-profit institutions. Nevertheless, public hospitals have seen steady improvement in their facilities and infrastructure.

In early 2007, the government also published recommendations on the licensing of private health care providers, in order to facilitate their growth.

##### Trends in Bed Numbers

In 2005, Portugal had approximately 22,000 acute care beds, and another 1,850 psychiatric and long-term care beds. Portugal's bed density is in line with EU averages, although it is higher than its counterparts with similar NHS models like neighbouring Spain and the United Kingdom. More importantly, as part of ongoing reforms, the Portuguese NHS targets an increase of long-term beds to approximately 13,500 by the year 2015.

One important trend is a sharp fall in the number of dedicated psychiatric beds in public hospitals, and the transfer of some psychiatric care services to general hospitals.

#### **Healthcare Financing and Reimbursement**

Both public and private bodies are involved in financing and reimbursement in Portugal. There are a variety of systems, ranging from historical budgets to prospective payments, whose role has increased sharply since 2003 after the transformation of many NHS hospitals into (stateowned) corporate entities.

Patient co-payments constitute a significant portion of financing, estimated at about 25 percent of all spending on healthcare.

Co-payments range from a fixed amount for certain NHS services to a fixed proportion of the cost of a medicine.

#### **Healthcare Staffing**

There has been a steady increase in the number of practising doctors in Portugal since 1970 (0.95 per 1,000) to 2.8 in 1990 and 3.5 in 2007. This is higher than the EU average.

In response, the government has sought to control intakes by medical schools. However, critics have concerns about a potential deficit in the number of physicians over the next 5–10 years. In addition, this is exacerbated by an uneven density in physician distribution across the country and a shortfall in availability in some regions.

In spite of a similar pace of long-term growth in the number of certified nurses (rising from less than 1 per 1,000 in 1970 to 2.24 in 1980), nurse densities in Portugal (at 5.1 per 1,000) remain among Europe's lowest. Still, recent years have witnessed an acceleration in the intake of nurses (as compared to physicians). This is being accompanied by an expansion in their roles and responsibilities. At present, over 70 percent of Portuguese nurses still work in central and district hospitals, while only 25 percent work in primary care services (the balance are in psychiatric services).

#### **Physician Payment**

NHS physicians in Portugal are paid on a salaried basis. Certain hospitals have introduced performance-related pay and other incentive mechanisms including activity- related payments.

Private practices of physicians are paid for on a fee-for-service basis. The bulk of these, however, are covered by explicit agreements with the NHS.

#### **Hospital Stay Down, Patient Throughput Up**

According to Ministry of Health figures, the average length of stay in Portuguese hospitals was 6.8 days in 2007, with a steady decrease since 2004.

The average occupancy rate in 2006 was 75 percent. In spite of a similar decrease over the 2004-2006 period in terms of occupancy, patient throughputs saw a small rise (2 percent), while emergency admissions and surgical procedures grew by over 5% each. Day care sessions saw the most dramatic increase, by almost 12.5 percent.

#### **Outlook for the future**

Slowly but surely, the Portuguese healthcare system is moving to attain EU levels of median performance. Much of the strategic vision behind this process is defined in the ongoing National Health Plan for the period 2004–2010.

Although the pace of implementation of the plan has been slower than anticipated, its overarching objectives – to get higher efficiency in healthcare delivery and contain costs – remain anchored in a general political consensus.

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