



Lessons from Greek Crisis and Healthcare



Mismanagement of the government-run healthcare system has been a significant contributor to Greece's debt crisis, according to a health policy and management expert. A lack of accountability in the system helped create a culture of overtreatment and overspending, Dr. Martin "Marty" Makary, of the Johns Hopkins Bloomberg School of Public Health, writes in his article "Greece's Costly Healthcare Craze" published in the *New York Times*.

This culture of overtreatment is evident in increased numbers of expensive surgical operations, such as cardiac stenting and bone grafting. In some hospitals, Caesarean-section rates have hit 40 to 50 percent for no clinically justifiable reason. Antibiotics were and still are widely overused.

Making things worse was the widespread corruption. Dr. Makary notes: "Corrupt administrators and unscrupulous doctors often received kickbacks from the makers of medical devices and pharmaceutical companies that flocked to Greece to take advantage of the health care free-for-all." Other forms of corruption included:

- Medical disability claims were liberally granted, and, if denied, could still be obtained through the right connections.
- Drug companies used their clout to win product approval, even as the government impeded the use of generic medications accepted in the United States.
- Doctors who faced disciplinary problems in other European countries set up shop in Greece, which requires only minimal credentials proving that the doctor has been practising for three of the five years before applying for certification to practice medicine.

"Every stakeholder was benefiting from the system, except one: the patient," says Dr. Makary. "In addition to the official costs of care and drugs, there was another price people had to pay: a fee known as 'the envelope.' Surgeons receiving meagre government paychecks were and still are routinely paid a large supplement by the patient's family. The government turns a blind eye to this illegal practice, preferring to avoid addressing the disparity between low doctor pay and high systemic spending."

A European Commission report released in 2013 said that limited transparency was a root cause of corruption in Greece's healthcare system. Public hospitals, poorly managed by ever-changing political appointees, rarely balance their budgets. The deficits are made up (with borrowed money) by the central government.

Fear of default has forced Greece to slash health spending. However, the various bailout plans offered to Greece have overlooked a root cause of the country's troubles: the urgent need for healthcare reform, according to Dr. Makary. "Instead, austerity programmes have set arbitrary spending restrictions that worsen already limited access, undermine patient safety, and are igniting a mass exodus of qualified doctors and other healthcare providers," he explains.

Since the debt crisis hit, 850 clinics have closed, 30,000 health workers have been laid off, and 11 hospitals have shut down, according to union officials.

Dedicated medical professionals and other experts are urging the government to put an end to waste and corruption. They want to replace transient political leaders now running hospitals with qualified managers; they also want more stringent oversight of medical reimbursements.

Source: [The New York Times](#)

Image credit: Johns Hopkins Medicine

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