# PARTICULARITIES OF HOSPITAL MANAGEMENT SERVICES IN ROMANIA

## Gh. PETRESCU<sup>1</sup>, Gabriela BOLDUREANU<sup>2</sup>

<sup>1</sup>,,Gr.T. Popa" University of Medicine and Pharmacy Iasi *e-mail: gheorghe.petrescu@bioinginerie.ro*<sup>2</sup>Petre Andrei" University, Iasi

The hospital is a mainly component of any health system in the world. The weight of this sector has increased steadily in the last period of time exceeding in value over 50% of health system expenditures in most European countries. The importance of this component of health system determined this article, trying an economical and managerial analysis of this specific type of service. The managerial analysis of hospital services began by comparing the weight and costs of the hospital in Romania with the main European countries. Other items considered were: type of ownership, number of hospital beds, number of hospitals, the average duration of admission days, number of personnel, material expenditure in the sector, etc. A special attention was dedicated to regional analysis, which highlighted the place and the importance of the Bucharest region in the Romanian hospital services.

Key words: management, services, hospital.

The hospital is a major component of any health system in the world. According to official statistics of the World Health Organization [3] the proportion of hospital spending is in a continuous growth in most European countries in the last couple of years, varies between a minimum of 28.2% (Spain) and a maximum of 64.0% (Ukraine) of total hospital expenditure.

Table 1

The percentage of total hospital costs of health expenditures in main European countries (2000-2003)

| Country | Year |      |
|---------|------|------|
|         | 2000 | 2003 |
| Spain   | 28.2 | 27.2 |
| Hungary | 29.3 | 29.0 |
| Germany | 36.6 | 35.8 |
| Austria | 38.3 | 36.1 |
| Holland | 39.8 | 39.6 |
| Italy   | 41.1 | 41.5 |
| France  | 42.3 | 38.5 |
| Sweden  | 46.3 | 31.2 |
| Denmark | 53.2 | 50.7 |
| Romania | 60.0 | 58.0 |
| Ukraine | 64.0 | 63.0 |

Source: World Human Organization, www.who.int

In Romania, according to the official statistical data [2], the hospital services has a significant share of over 50% of total health expenditure, which justifies the importance given to this sector.

#### MATERIAL AND METHOD

The article is the result of an inductive and deductive approach, investigation and critical interpretation and comparison of numerous national and international studies on the management of hospital services.

The researches were made based on national statistical data provided by the National Institute of Statistics relating to health and on the international health statistical data available from the World Health Organization.

#### RESULTS AND DISCUSSIONS

The complexity and the increasing differences between healthcare systems in the world, the increasing requirement of the users of medical services, and the costs of health care expenditure imposed the need for standardization. Worldwide, the experts of Organization for Economic Cooperation and Development (O.E.C.D.) created in 2000 year the Health Accounts System (S.C.S.).

The Health Accounts System (S.C.S.) is a statistical tool accepted at the international level for the description and analysis of health expenditures. The latest statistical data [4] point out an increase in Romania hospital costs.

Expenditures for Romanian hospitals (2004-2006)

Table 2

| Source                                      | Year (million RON) |         |         |
|---|--------------------|---------|---------|
| Source                                      | 2004               | 2005    | 2006    |
| National Health Insurance Fund Expenditures | 4700.79            | 5619.70 | 6065.40 |
| Health minister                             | 546.48             | 521.90  | 362.20  |
| Other ministers                             | 281.71             | 99.20   | 62.20   |
| Local administration funds                  | 0                  | 0       | 0       |
| Total public funds                          | 5528.98            | 6240.80 | 6489.80 |
| Total private funds                         | 298.07             | 426.00  | 146.00  |
| Total health expenditures                   | 5827.05            | 6666.80 | 6635.80 |

Source: Sistemul conturilor de sănătate (SCS) în România 2003-2006, National Institute of Statistics, Bucharest, 2008, p. 40-54

Even if the costs related to the hospital services in Romania at international currency [1], these costs have continuously increased from 652.77 million U.S. dollars in 2000 year to 1,618.54 million in 2005 year, more than double in a period of only 5 years.

Table 3 Spending on Romanian hospital health services (2000-2005)

| Year | Hospital health services expenditures (millions USD) |
|------|--|
| 2000 | 652.77   |
| 2001 | 719.60   |
| 2002 | 840.64   |
| 2003 | 1,072.72   |
| 2004 | 1,187.83   |
| 2005 | 1,618.54   |

Source: Vlădescu C., Scîntee G, Olsavszky, V., Allin S., Mladovsky, P., Romania: Health system review, Health Systems in Transition, 2008; vol. 10, no. (3), p. 46

Distribution of the hospitals in Romania, the number of hospital beds and the number of ambulatory hospital is, according to the latest statistics [2], following:

Table 4

Distribution of hospital after development region in Romania 2006

| Development region | Number of hospitals | Number of hospital beds | Hospital ambulatories |
|--------------------|---------------------|-------------------------|-----------------------|
| North-East         | 67                  | 21688                   | 59                    |
| South-East         | 47                  | 15629                   | 44                    |
| South              | 62                  | 16309                   | 46                    |
| South-west         | 42                  | 13561                   | 43                    |
| West               | 46                  | 14229                   | 46                    |
| North-West         | 61                  | 19864                   | 63                    |
| Center             | 51                  | 18129                   | 49                    |
| Bucharest          | 59                  | 22625                   | 43                    |
| Total              | 436                 | 142034                  | 393                   |

Source: Romanian Statistics Yearbook 2007, National Institute of Statistics, Bucharest, 2008, p.328-344

We noticed a non-uniform distribution in Romanian development regions, the largest number of beds in hospitals (22,625 beds) are in the Bucharest region.

The type of ownership of the hospital is important, the management of a public hospital is differed through their objectives than a private hospital. After the hospital ownerships, the evolution of Romanian hospitals is:

Table 5
The evolution of Romanian hospitals ownerships (2000-2006)

| Year | Total number of hospitals | Public hospitals | Private<br>hospitals |
|------|---------------------------|------------------|----------------------|
| 2000 | 442                       | 439              | 3                    |
| 2001 | 446                       | 442              | 4                    |
| 2002 | 447                       | 442              | 5                    |
| 2003 | 427                       | 422              | 5                    |
| 2004 | 425                       | 416              | 9                    |
| 2005 | 433                       | 422              | 11                   |
| 2006 | 436                       | 419              | 17                   |

Source: Romanian Statistics Yearbook 2007, National Institute of Statistics, Bucharest, 2008, p.328

We individualized the very large number of public hospitals compared with private ones in Romania, even if private hospitals are growing, its share in the Romanian hospitals system remains very low (below 4%).

Compared with the other European countries, the statistical data of the World Health Organization [5] indicate us the following situation:

Table 6
The number of hospitals, the numbers of hospital beds and the bed utilization in main European country (2005)

| Country        | Number of<br>hospitals<br>(100,000 inh.) | Number of beds in<br>hospitals<br>(100.000 inh.) | Beds utilization (percent) |
|----------------|--|--|----------------------------|
| Austria        | 3.48                                     | 844.6  | 76.4                       |
| Czech Republic | 3.63                                     | 860.2  | 74.0                       |
| Switzerland    | 4.99                                     | 591.7  | 84.6                       |
| Germany        | 4.35                                     | 892.7  | 79.4                       |
| Poland         | 2.17                                     | 557.1  | n.a.                       |
| Romania        | 1.90                                     | 655.3  | 84.4                       |
| Slovenia       | 1.40                                     | 508.4  | 68.9                       |
| Ukraine        | 5.47                                     | 881.1  | 91.0                       |
| European Union | 3.20                                     | 591.6  | 77.5                       |

Source: World health statistics 2006, World Health Organization, 2007, p. 50-65; n.a. - not available data

Notably in our country a low number of hospitals reported at 100,000 inhabitants (1.90) compared with the European average (3.20) and an over utilization of beds in hospitals (84.4%) compared with the European average of 77.5%. However the number of beds in hospitals reported at 100,000 (655 beds) remains above the European average (591 inhabitants).

As a result of this issue and the health system reform in Romania, the number of beds in hospitals decreased during 2000-2006 period from 166,817 beds to 142,034 beds, a high decreased of hospital beds of approximately 15 % in six years.

Number of beds in Romanian hospitals 2000-2006

Table 7

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|--|----------------|--|
| Year   | Number of beds |  |
| 2000   | 166817         |  |
| 2001   | 167888         |  |
| 2002   | 162588         |  |
| 2003   | 142676         |  |
| 2004   | 142029         |  |
| 2005   | 142377         |  |
| 2006   | 142034         |  |
|  |                |  |

Source: Romanian Statistics Yearbook 2007, National Institute of Statistics, Bucharest, 2008, p.331

### CONCLUSIONS

Analysis of hospital services in Romania reveals the following aspects:

- the proportion of total hospital costs of health expenditure is high, varies between 58 % and 60 % in the European Union and in Romania is over 50 % of the total;
- the spending on hospitals increased during 2000-2006 years, with a decrease in the number of beds in hospitals, which is materialized in a bad management throughout the health system;
- the percentage of hospitals in public ownership remains very high (over 95 %), while hospitals territorial division is unequal, Bucharest region having the highest number of beds;
- compared to the rest of European countries, our country have a low number of hospitals reported at the number of inhabitants and a utilization ratio of the hospital services above the European average.

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