

Health

PROMOTING BETTER ACCESS TO CARE WHILE DELIVERING HEALTH CARE MORE EFFECTIVELY

- ▶ Within a context of lower resources and higher health needs than in many OECD countries, Latvia's health system delivers relatively efficient and effective care to the population.
- ▶ Existing financial and geographical barriers to care are important drivers of unmet health care needs. These barriers may reduce demand for early health care interventions, which result in more expensive interventions later.
- ▶ Obesity and alcohol consumption are high and rising, while the uptake of screening programmes is among the lowest across OECD countries. These failures in prevention contribute to the poor health of the population.
- ▶ Quality of hospital care gives cause for concern.

What's the issue?

Within a context of relatively low resources dedicated to health, Latvia's health system broadly delivers effective and efficient care to the population. It has significantly downsized its Soviet-inherited hospital sector and strengthened outpatient care and in particular primary care. The health system has responded well to financial pressures. Latvia nevertheless faces important challenges relating to the access and quality of care.

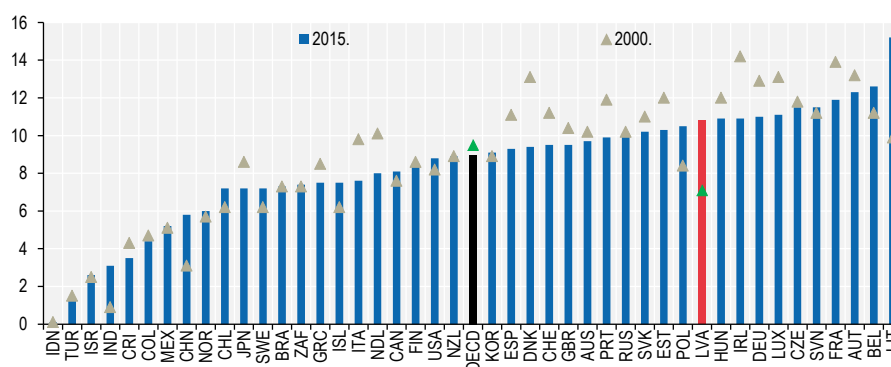
Access to health care in Latvia is relatively poor low due to both financial and geographical barriers. The contribution of out-of-pocket spending to total health

care expenditure amounted to 42% in 2015, the highest share in the OECD and well above the OECD average of 20%. Financial barriers to care are exacerbated toward the end of the year, when annual budgets for healthcare are exhausted and any demand for health services for the rest of the year may need to be paid out-of-pocket. Access to care is also difficult in rural areas due to shortages of health professionals. In 2013, the density of practicing medical doctors was more than three times higher in the urban Riga area than in Zemgale and Pieriga.

Beyond access to care, Latvia fares relatively poorly

Alcohol consumption is on the rise

Alcohol consumption among adults (aged 15 years and older), litres per capita



Source: OECD Health Statistics 2017.

with regards to some preventive efforts as suggested by worsening risk factors and low screening rates for chronic diseases. More than one in five Latvian adults were obese in 2015, an increase from one in six in 2008. Latvian adults on average consumed 10.8 liters of alcohol per capita in 2015, an increase from 7.1 in 2000, which contrasts to a decreasing trend in other OECD countries (see Figure). Few people are screened for cancer, which delays diagnosis and lowers survival rates. Latvia had, for example, the second lowest rate of cervical cancer screening in 2014, with only 28% of women aged 20-69 screened compared to 58% on average across OECD countries.

Finally Latvia faces challenges in the quality of hospital care; for example, Latvia has the second highest mortality rate following acute myocardial infarction and stroke amongst OECD countries in 2015.

Why is this important for Latvia?

High out-of-pocket spending and insufficient medical coverage in rural regions are important drivers of unmet health care needs and harm the cost-effectiveness of public health care spending in the long run, as they may reduce early health care interventions and lead to more expensive interventions later. The financial and geographical barriers are a particular problem for the disadvantaged. Low-income households are more likely to forgo medical treatment. Nearly 16% of the low income population in Latvia reported forgoing needed medical examination in 2015 for financial reasons, compared to an average of 4% across EU countries. Besides reducing poverty, lowering the financial burden would also extend people's ability to participate in the labour market and the economy more generally.

At the same time, shortcomings in prevention contribute to the poor health outcomes of the population. In 2015, life expectancy at birth of the Latvian population was the shortest among OECD countries, at 74.6 years (six years lower than the OECD average). Without strong action at the primary care level to tackle widespread behavioural risk factors and to improve cancer screening, Latvia will face decreasing well-being of its population and escalating health care costs which may jeopardise already tight public finances.



Further reading

OECD (2016), *OECD Reviews of Health Systems: Latvia 2016*, OECD Publishing, Paris. <http://dx.doi.org/10.1787/9789264262782-en>

OECD (2016), *Health Policy in Latvia*, March 2017, OECD Publishing, Paris. <http://www.oecd.org/els/health-systems/Health-Policy-in-Latvia-March-2017.pdf>

What should policy makers do?

- ▶ Continue to reduce out-of-pocket payments especially for the low-income population.
- ▶ Deliver preventive care more effectively and consider expanding the activities nurses and pharmacists are allowed to carry out, notably in primary and secondary prevention, while ensuring adequate compensation.
- ▶ Renew focus on preventive health care in order to address high rates of obesity and harmful alcohol consumption, and invest in cost-effective preventive initiatives, such as one-to-one counselling based on individual risk.
- ▶ Develop key quality and performance indicators and strengthen monitoring of hospital activities to identify underperforming hospitals as this is a prerequisite to adapt the supply of hospital services and to undertake more strategic contracting with better performing hospitals.

