

Health and Structural funds in 2007-2013: country and regional assessment

COUNTRY ASSESSMENT FOR HEALTH & STRUCTURAL FUNDS

HUNGARY (HU)

Table 1: Country assessment summary - Hungary

NSRF strategic objectives	Funding source	Direct health sector investment	Indirect health sector investment	Potential health gain Personal Economic Social Environmental	Lisbon Agenda (renewed 2005)
Economic development	ERDF	-	-	E, S.	To create a more attractive investment and working environment; To enhance growth through knowledge and innovation; To create more and better jobs.
Transport development	ERDF/CF	-	-	Env, S, E	
Social renewal	ESF/ERDF	X	X	S, P, E, Env	
Environment and energy	ERDF/CF	-	X	Env, S, E	
Regional development	ERDF	-	X	S, E, Env	
State reform	ESF/ERDF	-	-	S, E	

Table 2: Eligible regions under Cohesion Policy Objectives

Cohesion Policy Objective	Regions
Convergence	Dél-Alföld, Dél-Dunántúl, Észak-Alföld, Észak-Magyarország, Közép-Dunántúl, Nyugat-Dunántúl.
Phasing out	N/A
Phasing in	Közép-Magyarország.
Regional competitiveness and employment	N/A

Table 2: Eligible regions under Cohesion Policy Objectives

Background: Hungary has a population of 9.95 million. The age structure of the population is: 0-14 years 15.3%; 15-64 years 69.3%; 65 years and over: 15.4%. Life expectancy at birth has risen substantially since 1990. Latest estimates put it at 72.92 years. It is higher for females (77.38 years) than for men (68.73 years) (*Source: http://www.indexmundi.com/hungary/demographics_profile.html*). This lags about 7.3% behind the European average. According to the mortality rate in the 6 'Convergence' regions, the geographical territory of Hungary can be divided into two clearly different areas. Three regions (North Hungary, North Great Plain, South Transdanubia) have above-average mortality ratios, while the three remaining regions (South Great Plain, Central Transdanubia, West Pannon) have below-average mortality ratios.

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Table 2: Eligible regions under Cohesion Policy Objectives

If the cause of death is analysed, the following regions rank among the three worst: South Great Plain (respiratory diseases, circulatory diseases, cancer, external causes), Central Transdanubia (digestive diseases) and West Pannon (digestive diseases). Perhaps more fundamentally, Hungary has an ageing population coupled with a persistent low fertility rate. The ageing of the population is increasing the requirements for health and social care. There is also a low level of participation in labour market (second lowest among the Member States) partly due to ill health. On average, people spend 13% of their lives ill, and every fifth person is permanently ill or living with disabilities. In 2004 6.8 percent of the active age population was disabled, while 17.3 percent of the inactive population was disabled. In 2004 4.2% of working days were lost due to health related problems. These factors not only constitute a loss in labour market potential, but also considerable costs for the public budget (*Source: Government of the Republic of Hungary: Social Infrastructure Operational Programme 2007-2013*).

Table 3: Programme period 2007-2013 - health investment in the NSRF and OPs

Allocation of money in the SF 2007-2013

Source and budget	ERDF €11 106 124 925; ESF €3 141 629 950; CF €8 642 316 217
Total	€24 921 148 600
Health sector % of total allocated SF	€1 336 461 888 (approximately 5.4%)

NSRF strategic objectives (with OP relevance and funding source)

1. Economic development (**OP ED** - ERDF)
2. Transport development (**OP T** - ERDF/CF)
3. Social renewal (**OP SR, OP SI** - ESF/ERDF)
4. Environment and energy (**OP EE** - ERDF/CF)
5. Regional development (**OP ROP CH/WP/SGP/CT/NH/NGP/ST, OP EPA** - ERDF)
6. State reform (**OP SRF, OP EPA** - ESF/ERDF)

Operational Programmes

Convergence

1. Social Renewal (OP SR)
2. State Reform (OP SRF)
3. Economic Development (OP ED)
4. Environment & Energy (OP EE)
5. Transport (OP T)
6. Social Infrastructure (OP SI)
7. Electronic Public Administration (OP EPA)
8. Implementation (OP I)
9. West Pannon (ROP WP)
10. South Great Plain (ROP SGP)
11. Central Transdanubia (ROP CT)
12. North Hungary (ROP NH)
13. North Great Plain (ROP NGP)
14. South Transdanubia (ROP ST)

Phasing-in

15. Central Hungary (ROP CH)
- Social Renewal (OP SF)
State Reform (OP SR)
Electronic Public Administration (OP EPA)

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Table 3: Programme period 2007-2013 - health investment in the NSRF and OPs

Direct health sector investment (with NSRF/OP relevance)

Health infrastructure

- OPSI Priority 2, objective 2 "Preparation of the institutional system of inpatient specialist care for restructuring"
- Infrastructure Development in the Support of Restructuring In-patient Specialist Care: To enhance the efficiency and quality of health care services, the infrastructure of hospitals will be developed including infrastructural development of cardiovascular care. The infrastructural development activity serving to support restructuring will increase cost-effectiveness alongside the improvement of the quality of service, through block development, which will remove the multi-site and multi-building system, and by implementing matrix organisational structures. The intervention will concern the substance of the hospital asset pool, working towards a higher quality health care service and creating equal opportunities by facilitating both the infrastructural development of specialities that currently provide less care than required and the procurement and replacement of highly valuable instruments and tools. Qualified jobs will be created through professional restructuring, which will increase competitiveness, and, at the same time, as a long-term effect, also the number of healthy life-years will increase due to the improvement of service performance.
- OP SI Priority 2, objective 2 "Preparation of the institutional system of inpatient specialist care for restructuring" Infrastructure Development in the Competitiveness Poles: Infrastructure development of the teaching universities and top institutions is aimed at restructuring the specialist care structure, and the modernisation of highly progressive care, which, beyond quality development serves the purposes of education as well. This facilitates the implementation of an efficient, concentrated structure observing the principles of economies of scale and resource allocation. This modernised structure provides high-standard services for education and innovation, and promotes the development of health tourism, which is independent from medical factors. Beyond Budapest, development activities may include the University of Debrecen, the University of Sciences of Pécs, and the University of Sciences of Szeged.

Inpatient care

- OP SI Priority 2, objective 2 "Preparation of the institutional system of inpatient specialist care for restructuring" Development of screening and diagnostics (telemedicine): This involves the procurement and development of imaging and other diagnostic machines and equipment and the replacement of outdated devices. The purpose of this modernisation is to support the implementation of new techniques and methods, the safe execution of activities, the implementation of modern and humane interventions and fast and accurate diagnosing. The development activity lays great emphasis on digital technology and networking and on the use of telemedicine tools, which facilitates the implementation of the systems of electronic exchange of laboratory test results, team consultations, data communication and patient path monitoring.
- OP SI Priority 2, objective 2 "Preparation of the institutional system of inpatient specialist care for restructuring" Implementation of a regional oncological network: In accordance with the National Anti-cancer Programme, the centres will be implemented through the establishment of the integrated system of the various services. The following types of activities can be carried out under the operation:
 - implementation of a modern regional oncological network
 - modernisation of tumour-diagnostics; establishment of databanks; laying the foundations of the tele-pathological (virtual pathological diagnostics) network
 - modernisation and accreditation of the asset base of radiation therapy centres
 - development of a national-level oncological information; implementation and interconnection of regional-level information centres
 - development of domiciliary cares (hospice) within the integrated oncological in-patient-specialist care system.

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Direct health sector investment (with NSRF/OP relevance)

Outpatient care

OP SI Priority 2, objective 1 "Development of regional outpatient specialist care centres" Implementation and Development of Regional Outpatient Specialist Care Centres: The aim is to develop an integrated system of regional outpatient specialist care institutions. The network coordination tasks will be performed by county outpatient-specialist care centres in direct communication with smaller regional outpatient-specialist care centres using of ICT and telemedicine. In the scope of regional functions:

- county centres will provide: definitive care, general and special diagnostic services, screening programmes, specialist consultation hours and day care (surgery, therapy, diagnostics, cure-like cares). Through the implementation and integration of new services (e.g. domiciliary cares, specialist nursing, hospice, basic health care services central duty), they will relieve the burdens of in-patient specialist care, will provide population-friendly services, and facilitate the cost-effective operation of the system.
- Small regional outpatient-specialist care centres will be developed through the integration.

Emergency services

OP SI Priority 2, objective 2 "Preparation of the institutional system of inpatient specialist care for restructuring" - The programme will integrate and modernise the services currently provided at scattered sites with facilities that are obsolete and outdated. At regional, county and small regional levels development will involve the implementation of new organisational units providing emergency medical care. This will specifically address:

- Implementation and development of basic and advanced level and special (national) emergency departments, relying on currently existing hospitals, with 30 minutes' accessibility, including 50-60 hospitals providing continuous duty. The concentration of infrastructure and human resources involved in the emergency service will facilitate the implementation of duty systems for burns, toxicology and infectious diseases as well.
- Development of the machines/instruments of the emergency service system will cyclically satisfy the needs arising in relation with the amortisation of the required facilities.
- Development of the National Ambulance Service, which will involve the establishment of new stations; the renovation of existing stations and the development of the motor vehicle and asset pool, and the establishment of an air ambulance base, and landing pads in the areas of in-patient-specialist care.
- Perinatal Intensive Care Centres, and development and modernisation of the machines, instruments and infrastructure of paediatric emergency care under SO1.

E-Health

- OP SI Priority 2, objective 3 "IT development in the health system" Development of Intramural Patient Identification Systems: The aim of the programme is to ensure the usability of the end-point terminals (one for every institution) guaranteeing the serviceability of the multifunctional health card – integrating the functions of the TAJ-card [the Hungarian Social Insurance Card], the Közgyógy-igazolvány [certificate of being a beneficiary of the pharmaceutical co-payment exemption scheme], the European Health Insurance Card, the Nyugdíjas Igazolvány [pensioners' ID card] and the Ügyfélkapu-belépő [electronic client gate pass] – to be implemented in harmony with the actions of the Community aimed at the implementation of the European Health Insurance Card. The programme contains the development of intramural patient identification systems (patient access control, presentation of proof of eligibility for health insurance services at every patient-physician meeting, eligibility data upgrading, patient exit control). End-point terminals will be installed with the support of the Electronic Public Administration Operational Programme (EPAOP).

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Direct health sector investment (with NSRF/OP relevance)

- OP SI Priority 2, objective 3 “IT development in the health system” Development of Electronic Certified Public Records and Sectoral Portal: The programme is aimed at the implementation of an information system that would display at the Sectoral Portal a limited set of certified public data kept in the registers of the health care system (e.g. Register of Health Service Providers; Pharmaceuticals Repository; TAJ validation) and would receive and answer, on an integrated interface (providing users/PC access), the various-level queries of the participants of the health sector – service users, service providers, institutions and administrators – concerning certified data of public health care services. Other electronic certified public records proposed are: Transplantation Register, Registers of Physicians Dentists Pharmacists, Clinical Psychologists and Health Workers, Authorised Medical Devices, Authorised Health Care/Medical Interventions
- OP SI Priority 2, objective 3 “IT development in the health system” Implementation of Regional, Inter-institutional Information Infrastructure Model Systems in the Health Care System: The programme is aimed at supporting the national propagation of model systems providing internet-based e-health services (electronic laboratory test reports, e-consultation, e-prescription), using secure communication channels, for institutions of the health care system operating at all service levels.

Health promotion

- OP SR Priority axis 6 “Health preservation and human resource development the the health care system”. Action area: Improving health and encouraging health-conscious behaviour. The development of life-style programmes promoting health, and knowledge related to modern health development is based on evidence for various levels of education. With the screening programmes and campaigns these will lead to an improvement in the state of health of the workforce, reducing the number of days spent on sick leave as opposed to working, increase the number of healthy years on the long term, improve the labour market potential of the working age group, increase participation on the labour market, improve the adaptability of employees, and strengthen their status on the labour force market. The programmes implemented along this priority axis will become capable of having a targeted and synergic impact by complementing the infrastructural developments of the OP SI.

Education and training

- OP SR Priority axis 6 “Health preservation and human resource development the the health care system”. Action area: Development of human resources and services to support restructuring of health care. The aim of the programmes planned within the framework of the intervention is, amongst others, the improvement of employability, promotion of integration of workers into the labour market, keeping the healthcare workers within the sector, and their preparation for adapting to local needs which have changed in relationship with the sectoral reforms.

Quality management

- OP SR Priority axis 6 “Health preservation and human resource development the the health care system”. Action area: Development of human resources and services to support restructuring of health care. During the sectoral restructuring, the measures aimed at the improvement of the effectiveness of services and costs within service institutions call for the introduction and roll-out of modern and integrated quality management systems that also make case-by-case controlling possible. Furthermore, the quality assurance of the feasibility plans of key investments and the preparation of patient identification and control systems focus on the improvement of organisational effectiveness.

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Indirect health sector investment (with NSRF/OP relevance)

- Based on findings of a strategic environmental assessment, the OP ED would like to stimulate projects to be implemented in the fields of environmental protection and health care out of research & development activities with high priority.
- In order to improve the population's health, public health education needs to be extended, while screening programs should be rolled out, crisis helpline services should be extended and the health visitor network should be developed. It is a key priority to establish prevention opportunities that are available to everyone and to raise public awareness of their importance...with this ROP and within near-population services at micro-region level, special focus shall be rendered to establishing basic care, outpatient care and mobile healthcare services and a communication service unit and to upgrading information technology resources (ROP SGP Priority axis 4: "Human Infrastructure Development." Focus: Modernisation of health care services. See also (i) ROP NH Priority axis 4 "Development of human community infrastructure" (ii) ROP CT Priority axis 5 "Development of human infrastructure" (iii) ROP CH Priority axis 4 "Development of the system of human service institutions" (iv) ROP WP Priority axis 5 "Infrastructure development for local and regional public services").
- Providing support for the creation of a complex rehabilitation network serving the region's objectives, and in coherence with the sectoral reform concepts is justified. The objective in the scope of the priority is to develop rehabilitation services targeting active earners, as well as regional services ensuring care for the elderly, which represent real demands, in the micro regions impacted by the structural shift, and in the scope of healthcare reform. The development of rehabilitation services will play a part in the workforce requiring this form of healthcare service to be able to return to the primary labour market in good health, as soon as possible (ROP DD Priority axis 3 "Development of human public services". Focus: health care-related development efforts. See also ROP CH Priority axis 4 "Development of the system of human service institutions").
- For the achievement of the Region's strategic objectives the development of regional health care is fundamentally important as the capacities, structure, operation and infrastructure of the health care system has a fundamental impact on the improvement of the state of health and the efficiency of the human resources, – thus directly influencing the Region's competitiveness, the dynamism and employment of resources – and contributes to strengthening the Region's internal cohesion (ROP CH Priority axis 4 "Development of the system of human service institutions").

Evidence of capacity to deliver intersectoral policy and planning

The NSRF and OPs suggest where capacity exists and will be developed. Specifically, in terms of maximising health gain from Structural Funds capacity building is an approach to the development of sustainable skills, organisational structures, resources and commitment to health improvement in health and other sectors. An initial focus could include: organisation development (Intermediary bodies); workforce development (OP/ROP Managing Authorities - from National Development Council, Intermediary bodies), resources allocation (OP/ROP Managing Authorities, Monitoring Committee NHDP, OP/ROP Monitoring Committees), leadership (Development Policy Steering Committee, National Development Council, OP/ROP Managing Authorities] - thematic and regional) and partnerships/networks (Planning Operational Committee, Operational (and ROP) Programme Planning & Coordination Committees, Intermediary bodies e.g. Regional Development Councils for Convergence and Phasing-in Regions).

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Regional planning and implementation (From OPs)

In order to meet the challenges taking into account the experience of the 2004-2006 period Hungary has decided upon the structural reform of the institutional system. This comprehensive reform covers both the increasing of the efficiency of task assignment and operational management as well as in connection with that – based on preliminary measurement – the extension of administrative capacities. All managing authorities were concentrated in a single institution (the National Development Agency). The Government has revised the assignment of tasks related to programming and implementation between the MAs and IBs according to common principles. The MA will be responsible for the strategic tasks regarding the implementation of the OP while the IBs receive more autonomy and responsibility in the case of specific operational issues related to implementation. The element where regional capacity building is clear relates to monitoring and evaluation in the convergence regions. A Convergence Monitoring Committee is to be established for the 2007-13 Convergence Regional Operational Programmes. The Convergence Monitoring Committee allows regions to build on existing experience and share best practice while allowing a better and more efficient monitoring and decision making system. The Monitoring Committee will be composed of one Regional subcommittee for each operational programme based on the Regional Development Councils and ensuring the involvement of a wide range of regional partners. The Regional Sub-committees share the responsibility for programme implementation with the Convergence Monitoring Committee. Decisions of the Convergence MC will be taken separately for each of the programmes. Regional Committees will ensure supervision of programme implementation and will report and make any necessary proposals for modification to the Convergence Monitoring Committee. The Convergence Monitoring Committee will decide on the basis of the proposals of the Regional Sub-committees. Regional Sub-Committees are set up in order to take into account in their composition the principle of partnership as well as territorial specificities.

**Table 4: Non-health sector investment with potential health gain
2007-2013**

Priority theme (and OP)	Relevant investments	Potential health gain
Economic development	OP ED Priority axis 1 - "R&D and innovation for competitiveness": Focus: Support of innovation clusters The objective of the measure is the establishment and the provision of "international visibility" to innovation clusters accredited in connection with the NHP flagship programme on the development/competitiveness pole, primarily based on the existing R&D cooperations and service infrastructure (on the basis of innovation and technology parks). The measure supports the establishment of innovation and technological parks operating on commercial basis (research and innovation service and competency centres), and are ready to provide a wide range of unique customised R&D&I services for the cluster members and for all enterprises included in the given sector, as well as establish suitable research and ICT infrastructure, competency centre, technological incubator and platform in order to support the research activity of cooperating SMEs.	Economic, social

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**Table 4: Non-health sector investment with potential health gain
2007-2013**

Economic development	<p>OP ED Priority axis 1 - "R&D and innovation for competitiveness": Focus: Encouragement of the independent innovation and R&D activities of the enterprises. The support of technology-intense start-up undertakings that arise directly from the results of research institutes for preparation of receiving seed capital (e.g. resulting from financial instruments project), and are able to demonstrate the development and manufacturing method of the prototype that is based upon the research results, as well as how they imagine the technological design of the manufacturing, and how they will sell the product containing the technology on the market. Finally, the interventions of the EDOP, providing consulting, incubation, partner search, and financing activities are necessary in order to establish technology-intensive spin-off enterprises, cooperating with the university research locations, and due to the complicated assessment of the business viability and the huge risk involved in the first (so-called pre-seed phase) of strengthening them by seed capital.</p>	Economic, social
Environment and energy	<p>OP EE Priority axis 1 - "Healthy and clean settlements": Focus: Waste management. In accordance with the regulations in force and in the interest of health protection of the population of, waste management conditions have to be created at a similar level in the entire country, adapted to local conditions and with differentiated technology. The waste management priorities (prevention, re-use and recycling, and environmentally friendly treatment) can be enforced through waste management systems based on modern, logistically organized, selective waste treatment. At least 5% of the value of every single waste treatment or disposal development – based on lessons learned from earlier ISPA projects - is used for implementing developments of waste prevention. For this purpose attention is being focused on pamphlets influencing consumer habits, information work, promoting solid waste prevention among the population and involving them in selective waste treatment programmes.</p>	Environmental, social, personal
State reform	<p>OP EPA Priority axis 1 - "Renewal of the internal procedures and the services of public administration": Focus: Establishment of the central electronic services required for the efficient operation of public administration. The efficient support of the work processes of public administration organisations, by establishing the informatics conditions for group work, project type work and workflow-based work. By organising the processes in a manner that allows the propagation of telework and flexible electronics based employment in public administration, also equal opportunities and efficient organisation are enhanced. In this way disabled people condemned to unemployment for physical or health problems can be employed as well.</p>	Personal, economic, social

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**Table 4: Non-health sector investment with potential health gain
2007-2013**

Regional development	<p>ROP SGP Priority axis 2 - "Tourism-related developments": Focus: "South Great Plain Spa": complex development of health tourism facilities. Quality development in the services of existing health tourism facilities built on medicinal and thermal spa water. bringing infrastructure in line with modern health and technical standards. and clear accessibility in the South Great Plain. In order to secure efficiency in health tourism, close cooperation is required between care providers and tourist service providers (standardised appearance, branding). Setting up new medical centres in municipalities with health spas within the region, as well as modernisation of facilities at existing health centres. The action supports infrastructural developments built on thermal and health tourism, which gives opportunity for the establishment of a thermal park. involving the entrepreneurial sector. (See also: (i) ROPDD Priority axis 2 "Strengthening the region's tourism potential". Type of operation: Developing propulsive tourism products, and formulating complex regional tourism product products in the core tourism areas (ii) ROP NGP Priority axis 2 "Tourism development" (iii) ROP NH Priority axis 2 "Strengthening potential for tourism" (iv) ROP WP Priority axis 2 "Tourism development").</p> <p>ROP DD Priority axis 4 - "Integrated urban development": Focus: Assistance for social integrated urban rehabilitation operations. In action areas identified and selected under towns' urban development strategies, social urban rehabilitation operations will be supported to develop the urban environment and the local community. The operations will involve infrastructural developments in these areas...including developments to raise energy efficiency, clearance of Roma ghettos, and promotion of basic economic, public-service, community, cultural, active, high-exercise lifestyle-promoting and health promotion services together with providing basic infrastructure as needed (See also ROP NH Priority axis 3 "Settlement development"; ROP CT Priority axis 3 "Sustainable settlement development").</p> <p>ROP NGP Priority axis 4 - "Development of human infrastructure": Beyond health care infrastructure development (OP SI), the development of social care development also contributes towards the human resources development aiming to improve employability, within the activities of which the priority supports basic social and day care. All these activities are supplemented by the infrastructural development of community and recreational institutions, contributing to the useful spending of the population's leisure time, to the recreation of human energy for work.</p>	Economic, social, personal, environmental
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