Journal of Eurasian Studies 6 (2015) 46–58

Contents lists available at ScienceDirect

Journal of Eurasian Studies

journal homepage: www.elsevier.com/locate/euras

Informal payments for health care services: The case of Lithuania, Poland and Ukraine

Tetiana Stepurko [a, b, *], Milena Pavlova [b], Irena Gryga [a], Liubove Murauskiene [c], Wim Groot [b, d]

[a] School of Public Health, National University of 'Kyiv-Mohyla Academy', Skovorody Street 2, Kiev 04655, Ukraine
[b] Department of Health Services Research, CAPHRI, Maastricht University Medical Center, Faculty of Health, Medicine and Life Sciences, P.O. Box 616, 6200 MD, Maastricht University, The Netherlands
[c] Public Enterprise "MTVC" ("Training, Research and Development Centre"), Verkiu Str., 5, LT-08218 Vilnius, Lithuania
[d] Top Institute for Evidence Based Education Research (TIER), P.O. Box 616, 6200 MD, Maastricht University, The Netherlands

ARTICLE INFO

Article history:
Received 10 January 2014
Accepted 20 July 2014
Available online 15 November 2014

Keywords:
Corruption
Informal payments
Health care
Lithuania
Poland
Ukraine

ABSTRACT

This paper analyzes patterns of tips, gifts and bribes paid by patients for health care services. Informal payments are more prevalent in developing and transition countries because the economic and socio-cultural environment is more conducive to "gifts"-exchange as a means to maintain the underfunded health care system. Moreover, most Eastern European countries have experienced wider socio-political reforms, which have also affected health care service provision and have led to a greater reliance on informal patient payments in the access and quality assurance of health care services. This study provides evidence on public attitudes and recent experiences with informal patient payments in post-Soviet and post-communist countries, namely in Lithuania, Ukraine and Poland. The empirical results suggest a lower share of informal patient payments as well as a prevalence of more negative attitudes towards informal patient payments in Poland compared to Lithuania and Ukraine. Informal payments are more common and more expensive for in-patient health care services in contrast to out-patient ones in all countries. Still, in post-Soviet Lithuania and Ukraine informal patient payments co-exist with other types of patient payments such as quasi-formal patient payments. When clear regulation of the basic package and formal patient charges is lacking, patients experience a mixture of payment obligations. About three quarters of the respondents support the statement that informal patient payments should be eradicated. It is proposed therefore that governments of the countries should meet public expectations and implement a strategy to deal with informal patient payments. In all three countries, informal patient payments (both "bribes and fees") are a symptom of system failure and provide a means for patients to obtain the health care they desire, which the government is not able to guarantee. Suitable regulations coupled with (dis)incentives may decrease the level of informal payments for health care provision.

* Corresponding author. School of Public Health, National University of 'Kyiv-Mohyla Academy', Skovorody Street 2, Kiev 04655, Ukraine. Tel./fax: +380 44 4257769.
E-mail addresses: Stepurko12@gmail.com (T. Stepurko), M.Pavlova@maastrichtuniversity.nl (M. Pavlova), Griga@ukma.kiev.ua (I. Gryga), Murauskiene@mtvc.lt (L. Murauskiene), W.Groot@maastrichtuniversity.nl (W. Groot).
Peer review under responsibility of Asia-Pacific Research Center, Hanyang University.

http://dx.doi.org/10.1016/j.euras.2014.11.002

1. Introduction

In post-communist countries, including post-Soviet European countries, informal payments given by grateful patients to health care providers have been observed to exist since the 1970s (Gaal, 2004; Mossialos, Dixon, Figueras, & Kutzin, 2002). However, the phenomenon of informal payments emerged much earlier and existed in Western European countries as well. In the past, it was common that patients brought in-kind donations for their family doctors on a regular basis in order to show thankfulness for their work (Adam, 1985, 1986 in Gaal & McKee, 2005; Levene & Sireling, 1980). As Winslow (1946, p. 316) noticed over sixty years ago, "the tribute from one g.p. (the grateful patient) to another g.p. (the general practitioner) is a supplement to – not a substitute for – an assured income". In Western European countries, the phenomenon diminished or even disappeared as a result of a drive towards more transparency, accountability and control, and greater emphasis on professional norms and conduct (Bovi, 2003; Stone, 1997; Williams, 2005). Health care reforms, i.e. most notably the introduction of universal and generous health insurance systems, which ensured physicians of a stable and adequate income, also contributed to that (Bass & Wolfson, 1980; Greenberg, 1990; Orentlicher, 1994). Meanwhile, informality in the patient–physician relation flourished in the Soviet context.

Until the 1990s, market regulatory mechanisms such as negotiable prices and competition were not applied in communist and Soviet countries due to the existing socio-political arrangements. Indeed, the low public health care funding in post-Soviet republics (in the absence of private spending) led to insufficient health care resources and inequalities in access to public services and goods. Hence, a variety of informal strategies dominated in health care and other "non-productive" sectors (Ensor, 2004). Indeed, "*blat*" (the attainment of public goods through personnel connections often anchored in long-term social relationships) became a ruling approach in social life and relations (Ledeneva, 1998; Patico, 2002; Rivkin-Fish, 1997; Salmi, 2003). Because of shortages in goods (rather than money) during the communist or Soviet period, informal payments in the form of gifts like perfumes and alcohol, were especially appreciated in contrast to cash payments. The health care sector was no exception to the "ideologies of gift exchange" (Patico, 2002, p. 346). Similarly to other sectors, e.g. education, police, courts of justice and custom offices (Ledeneva, 2006; Miller, Grødeland, & Koshechkina, 1998), gifts and barter supported by reliable connections dominated in health care provision. Patients relied on these strategies mainly to motivate the underpaid health care staff and to receive extra attention of the staff. However, certain restraints were perceptible due to the strong punishment system during the Soviet period (Heinzen, 2007; Wanner, 2006). Also, when the provider is not interested in monetary transactions, gifts and favors exchanged and regulated by complex rules of reciprocity (Granovetter, 2007) may become an important but still rare practice.

In the late 1980s, communist societies started a transition process that brought drastic changes in social values, social life, and in economic and political arrangements (Berend, 2007). In particular, the health care systems in post-communist European countries were faced with a dramatic decrease in public funding despite the significant health care infrastructure and large benefit packages established during the communist period that were preserved. Also, aside from the economic and structural changes in health care, fundamental changes in the broader social structure have occurred. In particular, collectivism with its link to wider social networks gave way to more individualistic approaches based on monetary capital with embedded personal connections (Harboe, 2015). After the collapse of the Soviet Union, the state lost its *de facto* power in public service provision however *de jure* most of state's functions have remained unchanged. In order to fill the gap between regulatory and actual posture, new structures and agents – dual by nature (market and informal sector) – have emerged and have adopted some of the state functions (Williams & Onoschenko, 2014). In an overall climate of state withdrawal 'from the provision of protection from social risks that citizens expect or need' (Polese, Morris, Harboe, & Kovacs, 2014) in addition to public skepticism and distrust to formal institutions, individuals develop their own – 'self-help' or 'do-it-yourself' – strategies aimed at obtaining (adequate quality) services (Cohen, 2012; Mishler & Rose, 1997; Polese et al., 2014).

These changes have affected informal patient payments in the health care sector as well. During the transition period, cash informal payments started to play an important role since they facilitated the maintenance of the living standards of the health care staff who received them. Although informal patient payments are not seen as a transition feature exclusively, the prevalence of informal payments is thought to be higher in the post-communist period compared to the past (Gaal, 2004). Therefore, this paper aims to describe the magnitude and attitudes towards informal patient payments in post-Soviet and other post-communist countries. In particular, the peculiarities of informal patient payments are studied in three Eastern European countries – post-Soviet Lithuania and post-communist Poland, both members of the EU, and Ukraine: a post-Soviet non-EU country. These countries present an interesting base for a comparison with regard to differences in their socio-economic and political trajectory after communism. This paper contributes to the literature on informal patient payments with recent empirical data discussed from the angle of socio-political changes and reforms of the health care systems during two last decades. The paper is organized as follows: after the introduction, some background information on the understanding of informal patient payments and on the consequences of informal patient payments is presented. Then we outline the context of the two post-Soviet countries (Lithuania and Ukraine) and post-communist Poland, followed by the methods section which summarizes the data collection process. After that recent empirical evidence on the scope and scale of informal patient payments as well as on the public attitudes towards informal payment in Lithuania, Poland and Ukraine is presented. The final section concludes the paper by discussing the key challenges of "gifts and bribes" to health care providers in post-Soviet countries.