



Research Paper

Informal payment in the public healthcare sector from the Albanian patients' perspective, May 2024

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ABSTRACT:

Background: Public healthcare services in Albania are financed by mandatory healthcare insurance and the state budget. The purpose is to offer universal coverage of healthcare services to all citizens despite their ability to pay for it. Informal out-of-pocket payment however is a main menace to reaching this objective. The purpose of this study is to determine the frequency of informal out-of-pocket payments in the public healthcare sector in Albania. Also, to determine the economic and emotional impact it has and the level of acceptability of this phenomenon based on Albanians' tradition of giving gifts to express gratitude, all seen from patients' perspective.

Materials and Methods: A cross-sectional study was conducted to collect information from 200 patients through a self-administered questionnaire. 100 people receiving healthcare services in Tirana and 100 in Durrës, were interviewed about their socio-economic and health insurance status, personal experience with informal payment in public healthcare services, and its emotional and economic impact. Data was collected during May 2024. Excel was used for data analysis and descriptive statistics were developed.

Results: 39% of the interviewees reported having been demanded by the medical staff for informal out-of-pocket payment to provide health care in the public sector. The majority (70% of the interviewees) also reported having given money of their own free will, without the medical staff demanding it. The reasons for it differ from receiving favors, to increasing the quality of healthcare services, but also as a result of the culture of giving gifts as a sign of gratitude. 53% of the interviewees feel indifferent about his phenomenon, reflecting that informality is now so high that it is accepted as normally expected by patients. For half of the interviewees, either large savings are needed or it is impossible to cover the financial burden caused by informal payments.

Conclusion: Healthcare systems with governmental financing, have as their main goal the achievement of universal coverage with healthcare services for all citizens, and the reduction of the financial burden for them. However, informal payments in the public healthcare sector may constitute the main obstacle to reaching this goal. It is important to implement appropriate interventions to control this phenomenon by considering the main causes of its occurrence.

KEYWORDS: Healthcare system, public healthcare services, informal payments, out-of-pocket payment, financial burden, private healthcare services

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I. INTRODUCTION

The World Health Organization defines healthcare systems as the aggregate of organizations, people, and actions of which the purpose is to promote, restore, or maintain health.¹ Different countries have implemented different healthcare systems. Some of them are the Beveridge System, the Bismarck System, the National Health Insurance Model, the Private Healthcare Model, and the Out-of-Pocket Payment model.²

Albania has a universal healthcare system with governmental financing of services in the public sector, while the private sector services are not widespread.³ Even in the law on Health Care in the Republic of Albania, health is considered a fundamental human right.⁴ Universal healthcare services coverage can however be prevented by informal out-of-pocket payments, especially for middle and low-income countries.^{5,6} According to the World Health Organization our country manages to cover only 2/3 of the population, leaving its poorest quartile uncovered.⁷

Financing for health services in Albania is provided by mandatory health insurance and the government budget. 25% of the health budget comes from the Mandatory Health Care Insurance Fund. Meanwhile, health expenditures constitute only 3.8% of the GDP.⁸ According to the website of Open Data Albania, for the year 2022, the healthcare sector received only 3.5% of the GDP.⁹ While for the European Union, the average is 7.7% of the GDP.¹⁰

Based on the law no. 7870, date 13.10.1994, "On health insurance in the Republic of Albania", the state financially covers the following services: preventive care, visits and diagnostic medical consultations in the primary healthcare services and hospital, emergency service, and investments including reimbursable equipment and drugs. The contributors to the insurance plan include employees and employers or people who are economically active. All of them benefit from the health insurance scheme. Other people who are also financially covered by the government for public healthcare services include children, pupils or students, retired, persons with physical or mental disabilities, the unemployed, those treated with socioeconomic assistance, mothers on maternity leave, and those performing mandatory military service.¹¹

Despite the financial coverage provided by the state, Albania still faces high informality with out-of-pocket payments.^{12, 13, 14} This is common for central, eastern, and southern Europe. While in countries with successful healthcare systems around the world such as Great Britain, Germany, the Nordic and the Benelux countries, Portugal, Switzerland, France, and Italy, informal payments are hardly noticeable.¹⁵

Based on World Bank data for Albania, a gradual decrease in out-of-pocket payments was initially noticed. Thus, in 2011, out-of-pocket payments accounted for 60.46% of all health expenditures, while in 2018 this value reached 56.49%.¹⁶ However, compared to other countries in the European region, Albania still holds the record as the first country with the highest out-of-pocket expenses, followed by North Macedonia, where 41.7% of expenses are out-of-pocket payments, Montenegro with a value of 38.1%, and Serbia with a value of 35.8%. Meanwhile, in high-income countries of this region, these values are below 20%.¹⁷

The existence of informal payments in public healthcare services has several reasons. One of them may be the lack of efficiency of health care insurance.¹⁸ For some countries it is more a cultural thing related to giving gifts as a token of gratitude¹⁹. Other reasons also include low incomes for medical staff^{20, 21}, the lack of available resources, which is associated with better quality services, and the lack of laws about surveillance of the phenomenon.^{22, 23, 24} In the literature has also been described the influence of age and level of education on informal payments in the healthcare sector. It was determined that with higher age the amount paid is lower¹⁴ and with a higher level of education the amount paid is higher.²⁵

In concordance with the above information, in our country, some reasons that encourage informal payments include low salaries of healthcare staff; the belief that good health is worth any price; the desire to receive better quality service; fear of being denied treatment; the tradition of giving a gift to express gratitude.²⁶

The purpose of this study is to determine the frequency of informal out-of-pocket payment in the public sector of healthcare services in Albania, to determine the economic and emotional impact that this type of payment has, and to determine the level of acceptability of this phenomenon based on Albanians' tradition of giving gifts to express gratitude, all seen from patients' perspective.

II. METHODS AND MATERIALS

A cross-sectional study was conducted where 200 users of the public healthcare system were interviewed. 100 receive healthcare services in Tirana, the capital, and 100 in Durrës. The data was collected in May 2024.

Study Design: Cross-sectional study

Study Location: Tirana and Durrës

Study Duration: May 2024

Sample size: 200 interviewees

Sample selection: The sample is a non-probability quota type, where to be part of the study it is enough to meet the criterion of receiving health care services in the public sector in Tirana or Durrës.

Procedure methodology

A self-administered questionnaire was designed based on the review of the literature and the specific information this study aimed to obtain. All the questions are semi-structured, where in addition to the given alternatives, an open alternative with "other" is left to allow free expression of opinion.

The questionnaire is constructed with four different sections. In the first section, there are a total of eight socio-economic questions. These are needed to evaluate any significant difference in the obtained information. This section includes questions about age, gender, education level, income level, employment status, health insurance status, the city where healthcare services are received, and the frequency of use.

In the second section, there are seven questions related to the personal experience of the interviewees regarding informal payments in the public sector. The third section has five questions regarding patient's perceptions and emotional experiences when asked for informal out-of-pocket money to receive healthcare

services. The goal is to determine the level of acceptability of this phenomenon, starting from the culture's influence and determining patients' satisfaction level with public healthcare services and how much they would recommend it. The last section has three questions related to the "financial burden" for the individual and the family from informal payments in the public healthcare sector. At the end of the questionnaire, there is an open-ended question to allow respondents to express their opinions or feelings that have not been asked in previous questions. The questionnaire was completed individually and oral consent was obtained in advance.

Statistical analysis

Data was analyzed using Excel. Descriptive statistics of the frequency analysis of the results were performed.

III. RESULTS AND DISCUSSION

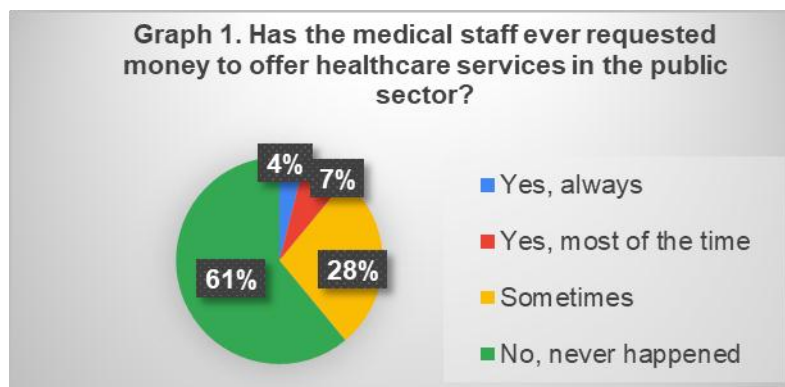
In total, 200 interviewees participated in the study. Of these, 50% receive healthcare services in Tirana, the capital, and 50% in Durrës. Regarding the first section of this questionnaire, the following results were obtained.

The mean age is 38.7 years old, with the lower extreme 19 years old and the upper extreme 72 years old. 84% of the interviewees are employed, 6% students, and 1% retired. All the people falling into these categories are financially covered by the government for public healthcare services as specified in the law on health insurance¹¹. Meanwhile, 8% are self-employed. Based on the law in force, they are in charge of paying for their contributions. If they pay, they can get healthcare services in the public sector covered by the government.

There is an unequal distribution of the interviewees regarding the level of education and the level of income. Thus, only 3% had finished high school and 1% had 8 or 9 years of education, while the rest had all finished university and post-university studies. Meanwhile, 72% have a high income. This makes it impossible to analyze the variables for any significant difference regarding income or education level.

In the next question, it turns out that 5% are uninsured and the rest are insured. Only 7% of the interviewees pay additional private insurance. 11% of the interviewees seek private healthcare services even though they are insured for public healthcare services. This can be related to patient's expectations regarding the quality of service and waiting times in the public sector.

In the second section, it is asked about the personal experience related to medical staff requesting money to offer proper healthcare services. The following results were obtained.

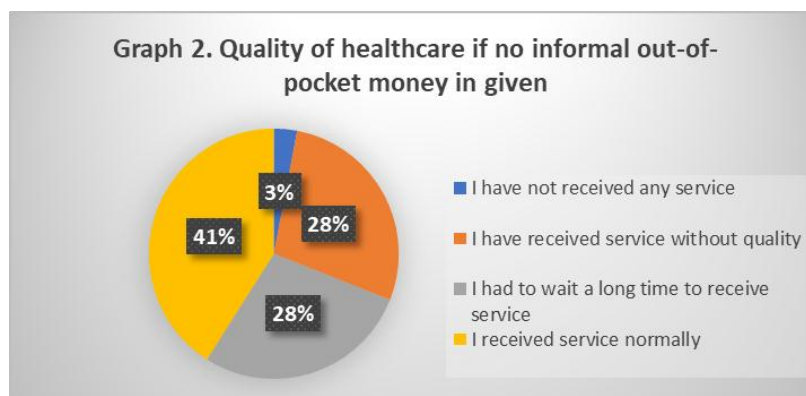


Referring to Graph 1. "Has the medical staff ever requested money to offer healthcare services in the public sector?", only 61% report: "No, never happened". The majority of respondents indeed reported that they did not need to make informal payments for health care services, indicating a level of accessibility within the public system that eases the additional financial burden on patients.

However, it is worrying that a significant proportion of respondents reported making informal payments in various circumstances. More specifically, 4% of respondents reported that they were always required to make such payments, while 7% said it was more often necessary, and 28% reported that it depended on the situation. This distribution indicates that a significant proportion of the population continues to face financial barriers to access healthcare even though based on the law they do not have to pay out-of-pocket money.

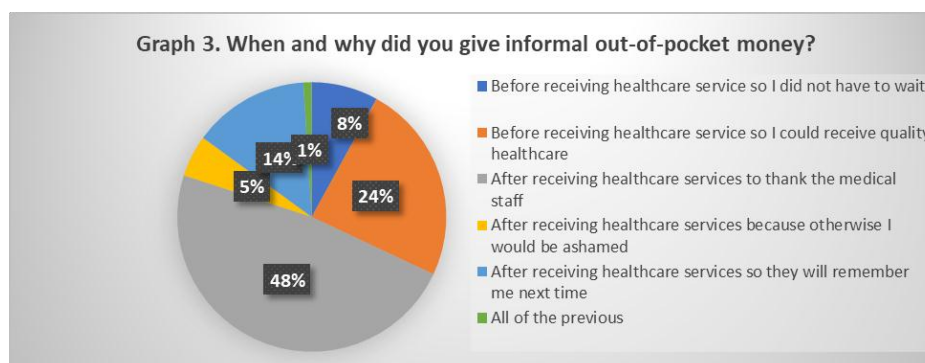
In addition to this question, the interviewees were asked about the quality of the services and the time needed to receive them in case they had not been given any informal out-of-pocket money. (graph 2). Surprisingly, only 41% of the interviewees reported to have received health services without informal payment. This not only contradicts the law on health insurance where it is assumed that the service should be provided free of charge to insured citizens, but also emphasizes the increased financial burden for access to health care. It is concerning that there are patients who did not receive any service at all (3% of them). Also, 28% received

poor quality service and 28% had to wait for a long to receive healthcare services. This suggests a failure of the health care system that considers health a basic human right and access to it should be equal for all.⁴



Based on another study, one of the reasons that informal payments exist is that patients give money off their own free will²⁶. That is why one of the questions included in this study was that even if the medical staff did not request money, did the patients offer to pay informally? 70% of the interviewees declared that they gave money to the doctor or the medical staff of their own accord. This information was further explored with the next question, where the goal was to discover the cause that led them to this action.

As we can see in graph 3, the majority, 48% of those who give money, do it after receiving the service as a token of gratitude, and 5% do it because they feel ashamed not to do so. 14% do it after receiving the service because they want to have guaranteed favors in the future. Meanwhile, some pay before receiving the service: 8% because they do not want to respect the waiting time, 24% because they want a quality service. 1% declare that they give money for all of these listed reasons. These results are consistent with the previous findings of the literature.²⁶

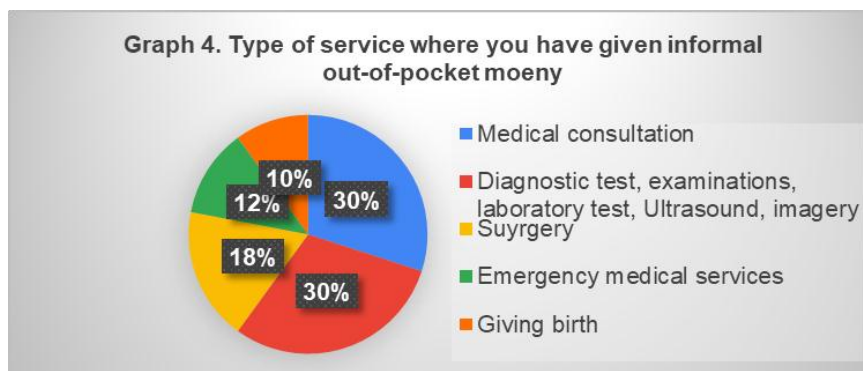


It is not clear if money really must be given for the service to be of high quality, or if it is just an individual perception of the patients. For this reason, the interviewees were asked whether they think that by not offering informal out-of-pocket payment, they don't get quality service or on time. 60% stated that this depends on the doctor or medical staff, and 22% think that informal payment must be given to get quality and timely care. Only 17% believe that the quality of the services and the delivery time do not necessarily depend on out-of-pocket payment. This is also consistent with previous research that points out that the mentality implemented in Albania about quality healthcare services is among the reasons for informal payments.

Since in public healthcare services, the waiting lists are often too long, this study sought to determine if there were cases where the patient offered out-of-pocket money to not wait for a long time on the waiting list. The healthcare system in Albania is organized so that the family doctor refers patients to the hospital to receive specialized healthcare service⁴, on one of the dates available. 30% declared that they went directly to the hospital and gave cash to the medical staff to receive this service without a referral from the family doctor. Only 2% went without a referral and paid the bill at the hospital following the law in force.¹¹ 8% of the interviewees declare to have offered their family doctor out-of-pocket money, thereby securing an earlier referral date. 9% did not wait for the date and got service from private healthcare providers. About half (51%) of the interviewees waited for the referral date of the family doctor.

Another question asked to the interviewees was for which type of services they had to give out-of-pocket money. This is reflected in graph 4. Simple medical consultations and various diagnostic tests, ultrasounds, or imagery are the services that top the list with 30% each. This is followed by surgical

interventions that make up 18% of out-of-pocket payments, 12% for emergency medical services, and 10% for giving birth.

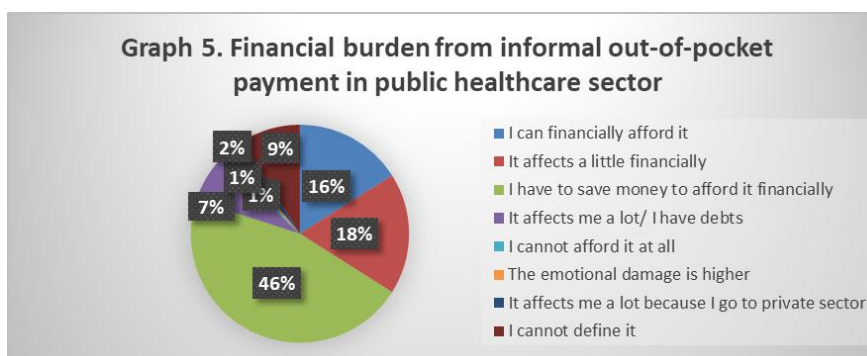


Identifying the main services with informal out-of-pocket payment and reasons for it emphasizes the need to find appropriate health policies for effective intervention in the management and reduction of it in the future.

In the third section of the questionnaire, interviewees were asked about the emotional impact of situations where they had to give out-of-pocket money. 35% felt angry when the medical staff asked for money, 12% felt hopeless and without any other option and 53% felt indifferent. The high proportion of indifferent patients reflects the fact that informality is now so high that it is something expected to happen.

Meanwhile, in the fourth section, they were asked about the financial burden it caused. Based on Graph 5, only 16% do not see the informal out-of-pocket payment as a big financial burden, and only 18% are slightly affected. 46% have to save money to afford it, and for 7% it is such a big financial burden that they may be forced to borrow money. 1% cannot pay at all, 1% estimates that the emotional damage this causes is even greater and 2% think it has a high financial burden, as they feel forced to receive the service in the private sector.

The Albanian Healthcare system has been implemented to provide financial protection for society and health is considered a fundamental right for everyone.^{4, 11} Meanwhile, another question was: "Have you had periods of economic difficulties in your family due to health expenses?" More than half, 52% stated they had periods of economic difficulties.



Regarding the level of patient satisfaction with the public healthcare services in Albania, the interviewees were asked two questions. One is about their perception of how satisfied they feel and the other is on how much they would recommend this service. 10% feel very dissatisfied, 18% are dissatisfied, 49% are neither dissatisfied nor satisfied, 20% are satisfied and 3% very satisfied. Whereas, regarding the recommendation of this service, only 8% would recommend it a lot and 45% only for some aspects. 19% would not recommend it at all and 28% are indifferent. These two results reflect how a good proportion of the population is not satisfied with public healthcare services. Health policymakers should find ways to increase patients' satisfaction to obtain what the law aims for.

At the end of this questionnaire, there is an open-ended question, to give the possibility for all those who want to leave any specific comment that was not considered in the previous questions. 44 comments were collected from 200 forms. The main problems raised by the interviewees were as follows:

- Lack of professionalism of the medical staff regarding communication and patient treatment
- Negligence of the staff which forces you to get proper services in the private sector

- Problems related to the online healthcare system, which can often fail, and the service remains suspended until the system is fixed
- Accepting informal payments as something "normal" or expected, raising doubts about the success of the functioning of the state's financial coverage
- It is often the patient to offer out-of-pocket money without being asked for it, encouraging the continuation of this phenomenon
- Reflections on whether the increase in medical staff salaries would be accompanied by a decrease in informality
- There are services that public healthcare does not include at all or the lack of some medicines and necessary infrastructure in public health care providers.

Study limitations

One of the goals of the study was to compare whether there were significant differences related to education and income level. However, given the data obtained, not having a uniform distribution of these characteristics between the comparison groups, makes it impossible to analyze the results for any statistically significant difference depending on these two variables. No correlation analyses were possible to conduct.

Since the study was carried out in a quota sample, the results obtained from this study will be evaluated and interpreted only for the selected sample and cannot be representative of the entire population. The results of this study should be interpreted with caution as they are based on the self-report of the interviewees and their perceptions. However, the results obtained from this study can be indicative for raising some study questions and hypotheses and encourage the realization of another study where a larger probabilistic sample is included and where it will be possible to evidence the presence or absence of significant correlations.

IV. CONCLUSION

Health systems in which financing is covered by the government, through taxes or health insurance, or both, as in Albania, have as their main goal the achievement of universal health care coverage. This aims to reduce the financial burden for the individual and the family. Health is considered a fundamental human right. However, informal payments in the public healthcare sector may constitute the main obstacle to achieving universal coverage and financial protection, which is the main goal of the system. It is important to implement appropriate interventions to control this phenomenon, considering the main causes that influence its occurrence.

It should not be forgotten that in this study, as in other previous ones, one of the reasons is the fact that it is the patients themselves who offer money without being asked for it. This is due to inherited cultural aspects related to giving "gifts" as a reward for good work, but also as a result of the fear of not receiving good quality services, on-time services, or having favors in the future. All these should be taken into consideration when thinking about which strategy to implement to stop this phenomenon. One of them would be the intensification of their surveillance and reporting measures, but also the review of payment mechanisms and the basic medical package, or the strengthening of laws and regulations.²⁷ Another study suggests that health policymakers should improve the financing of services, increase patient awareness, correct their false beliefs, change their attitudes, and improve social participation in dealing with informal payments.²⁸

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