

Hungary



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Hungary has a land area of 93 030 km² and is divided administratively into 19 counties (megyek) plus the capital, Budapest. The population is relatively homogeneous ethnically; the largest ethnic minority is Roma, with over 500 000 people. The country has seven economic regions, each including 1-3 million inhabitants; six of these regions were considered disadvantaged because gross domestic product (GDP) per capita was below 75% of the European Union (EU) regional average and were therefore eligible to receive aid at the time of Hungary's accession to the EU in 2004. Widespread legislative, social, economic and financial reforms to improve performance of the health system and the health of the population were required to reach EU levels. Hungary's economy grew by 1.3 % in 2007 and due to the financial restraints the annual general government deficit made up only 5.5% of GDP. Unemployment grew from 5.9% in 2002 to 7.4% in 2007 and despite innovative initiatives such as *Smart Hungary*, poverty still affects 15-35% of the population, mostly the long-term unemployed, sufferers of chronic conditions and the Roma population and communities in rural areas.

HEALTH & DEVELOPMENT

Reform measures in Hungary have been directed towards strengthening primary care and rationalization of secondary and tertiary care with recent wide and overall reform of health system. 2006 and 2007 were defined by highly needed and significant health reform steps. The reform process has been carried out in line with the five major health acts (*Pharmaceutical Financing Law, Act of Canceling Obligatory Membership in Chamber, Health Insurance Act, Act on Establishment of Health Insurance Supervisory Authority and the Hospital Development and Restructuring Act*) aiming to respond to the problems of efficiencies of the system and balance the budget by improved revenue collection and i.e. better cost control. Monitoring and evaluating the improvement in equity for care, protection of society from financial risks, realizing transparency and accountability, providing quality of care and efficiency in administration are important goals which guideline the reform process. In the frame of the structural changes different levels of care in line with the size of their catching areas were introduced in order to provide a better organized in- and out-patient health care and positive steps were made towards the reduction of excess hospital capacity mainly by cutting the number of acute beds by 26 % in 2007.

Hungary has achieved almost universal coverage of its population with mandatory social health insurance. Social health insurance is the main source of public funding for the health sector. Participation in the social health insurance scheme is mandatory for everyone who works in Hungary, including the self-employed. One of the aims of the health reform was to affirm the health insurance contribution of each patient utilizing health care, and about 700 000 uncertain cases were unraveled. Universal coverage and the comprehensive benefit package are difficult to sustain, which resulted in continuous budget deficits, but due the above mentioned and the strict regulations on financing the system the Health Insurance Fund was closed with a surplus in 2007. However, increasing unemployment, tax evasion, cost inflation and ageing of the population make the financial sustainability of the health insurance fund even more precarious.

The main achievement in human resource reforms has been the introduction of family medicine as a specialty and increasing the numbers of formally trained family practitioners. While the overall health workforce/population ratio is comparable to the rest of Europe, the geographic and inter-specialty distribution of human resources is unbalanced. Certain geographic areas do not have enough doctors and nurses, and some lucrative specialties attract relatively more staff. The government tries to make significant efforts to increase the attractiveness of family practice as a specialty.

The stewardship role of the Ministry of Health (MoH) is gradually improving. After many years of slow pace of reforms a series of reform measures came under way in order to address the weaknesses of the current system. These measures such as restructuring service delivery capacities and rationalize pharmaceutical expenditures had been long due but there is still an ongoing debate on the optimization of the health insurance system. Establishment of Health Insurance Supervisory Authority is also a step towards strengthening stewardship in the area of health financing.

Noncommunicable diseases are the leading causes of morbidity and mortality. The high mortality rate among men aged 30-65 is of particular concern. Ischemic heart disease and cerebrovascular disease accounted for 37.8% of total deaths in 2005.^b High blood pressure affects more than 50% of those aged 25-64 years and type 2 diabetes affects approximately 10% of the population. Hungarians have the highest death rates for lip, colorectal, larynx, trachea, bronchus and lung cancers in Europe; cancer causes every fourth death in Hungary.^c Cancers of the respiratory tract, attributable to smoking, have increased in women since the 1980's. Suicide rates are among the highest in Europe.

Lifestyle-related risk factors are prevalent, particularly smoking, unhealthy diet and lack of physical activity. Hungarian males have the world's highest lung cancer mortality rate. Excessive alcohol consumption is the main cause of high male mortality from cirrhosis of the liver. Unhealthy diet, high intake of animal fat, cholesterol, salt, a low intake of vegetables, minerals and dietary fibre, compounded with low physical activity (only about 21% of men and 14% of women aged 15-64 exercise regularly) lead to obesity, high blood pressure and nutritional deficiencies. Two thirds of Hungarian men and half of women are overweight or obese.

Unhealthy environments are important contributors to poor health. About 11.5% of the country (inhabited by 48% of the population) can be considered as polluted. Air pollution, mainly from vehicle emissions, is a major causal factor for respiratory disease. Pollution of surface waters from geologically-based arsenic is a health hazard.

Communicable disease incidence is very low. Compulsory vaccination programmes with extremely high coverage and an effective alert and response system for outbreaks have kept most diseases under control. Tuberculosis is recognized as a re-emerging problem, but the number of new cases is decreasing year by year. Estimated HIV/AIDS incidence is low compared with other EU countries and it remains stable.

Total population (2008 Jan) ¹	10 045 000
% under 15 (2007) ¹	15.2
Population distribution % rural (2008 Jan) ¹	33
Life expectancy at birth (2005) ²	72.9
Under-5 mortality rate per 1000 (2005) ²	8
Maternal mortality ratio per 100 000 live births (2005) ²	6
Public health expenditure % of GDP (2004) ²	5.7
General government expenditure on health as % of total government expenditure (2003) ³	12.1
Human Development Index Rank, out of 177 countries (2005) ²	36
GDP per capita in US\$ using PPP (2006) ¹	106 160
Adult (15+) literacy rate (2003) ²	99.4
% population with sustainable access to an improved water source (2004) ²	99
% population with sustainable access to improved sanitation (2004) ²	95

Sources:

¹ Hungarian Central Statistics Office

² Human Development Report of UNDP 2008

³ The World Health Report 2006

^a Hungarian Central Statistics Office, 2005.

^b WHO, The European Health Report 2005. WHO Regional Office for Europe, 2005.

^c WHO, Highlights on Health in Hungary, December 2004, WHO Regional Office for Europe, 2004.

OPPORTUNITIES	CHALLENGES
<ul style="list-style-type: none"> • Joining the EU in 2004 has created new opportunities for strengthening public health services and scaling up investment in the health sector • The Government has highlighted health care, social issues and improving living standards with a focus on vulnerable groups as priority areas for development • The government since 2006 has strongly committed to implement health system reform steps both in service delivery and health care financing • Abundant accessible health information which, if used effectively, can provide valid evidence for policy-making in various areas • Universal health insurance coverage provides the opportunity to deliver cost-effective, evidence-based interventions and address major public health challenges. 	<ul style="list-style-type: none"> • Precarious long-term financial sustainability of the health insurance system is likely to have negative consequences for financial access and equity • Ageing population and related increases in resource needs for the health system • Rapid health care cost inflation and high expenditure on pharmaceuticals though recently this was efficiently addressed by the HS reform • High prevalence of lifestyle-related risk factors, inadequate health promotion and preventive health services • Human resource imbalance and lack of long term investment plan for human resources • Health sector reform bypass public health services and basic public health functions, weak stewardship role of MoH with regard to health promotion and prevention.

PARTNERS

Hungary has extensive cooperation with different countries and international organizations. Integration with the EU provides new opportunities as well as challenges for the health sector.

Multilateral partners include the EU, the World Bank and the European Investment Bank. Bilateral partners such as Canada, Israel, Japan, the United Kingdom of Great Britain and Northern Ireland and the United States of America provide continuous support for training and education initiatives. The Council of Europe provides professional expertise and supports the Healthy Schools initiative, and drug prevention and rehabilitation.

OPPORTUNITIES	CHALLENGES
<ul style="list-style-type: none"> • Integration with the EU • Compliance with the EU health system standards • Potential financial assistance from the EU for structural adjustments in different sectors. 	<ul style="list-style-type: none"> • Moderate coordination and management capacity of the Government

WHO STRATEGIC AGENDA (2004-2010)

WHO in Hungary will work to support the Government and other actors in the health sector towards the major strategic directions of the *Decade for Health* programme and recent Health System reform steps.

- **Creating a health-promoting social environment and reducing risk for human health.** Provide support to strengthening the Government's stewardship role in tobacco control, prevention of alcohol and drug abuse and ensuring healthy nutrition and food safety; strengthening the public health system to ensure epidemiological and environmental safety; support scaling up health promotion and health education among the youth.
- **Scaling up cost-effective interventions against high burden diseases.** Provide technical support to strengthening the capacity of primary health care services to deliver cost-effective preventive and curative interventions against cardiovascular diseases, mental disorders and prevention and early detection of cancer. Advice on policy to improve road traffic safety through cost-effective regulatory measures.
- **Strengthening core health system functions.** Support to strengthening quality of care at primary and secondary levels; improving efficiency of provider payment mechanisms and further controlling inflation of pharmaceutical expenditures; improving vulnerable groups' access to care, strengthening the health intelligence function of the MoH and closely monitor the recent health sector reform process and evaluate health system performance ensuring that access, solidarity and quality of care are not damaged but continuously improving.

ADDITIONAL INFORMATION

WHO country page <http://www.who.int/countries/hun/en/>

EURO country page <http://www.euro.who.int/countryinformation/CtryInfoRes?COUNTRY=HUN&CtryInputSubmit>

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