The problems of health care financing and the financing of family medicine

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Abstract: The aim of my study is to illustrate GP financing through a practical example. My main question is what factors determine how much a district and a doctor are paid, and what factors they have to pay. I have chosen a case study type of thesis. From the results we can see that the community of practice increases the income and the work experience brings also increases it. The financing of GP practices in Hungary is a complex system that depends on a number of factors. Recent legislative changes and changes in the economic environment have a significant impact on the operation of GP practices. In order to ensure sustainability, it is important to continuously improve the system and to increase the attractiveness of general practice.- not motivated to see many patients because they do not receive more money - Lack of doctors - Indicators are independent the work of doctor for example vitamin D - There is no correlation between work and support - For better work (local labor) is not supported - There are hiden costs (papers, cleaning, administration).

Keywords: health care, business case, Óbuda

1 Introduction

Many other countries have health care in Hungary. Primary health care is one of the foundations of Hungary's health care system.To operate, there needs to be revenue, paid for by the state, to cover the costs. How and to what extent it is financed has a major impact on the quality and availability of services. Lower levels of funding also mean lower quality of equipment and services. The aim of this study is to present and analyse the financing of general medical practices, with particular reference to recent legislative changes. I will present and analyse current practice through a case study.

GP practices in Hungary are financed by the health insurance system. Funding is based on the remuneration rules set by the National Health Insurance Fund Management (NEAK), which are determined by taking into account population size, qualification multipliers and other factors. Recent legislative changes, such as the BM Decree 83/2022 (30.12.2002), have had a significant impact on the financing of general practitioners.

2 Health care data

The amount spent on health care in our country has been steadily increasing year on year, as shown in the first graph. This is not the question here, but whether this increase is sufficient to cover the cost of services and materials.

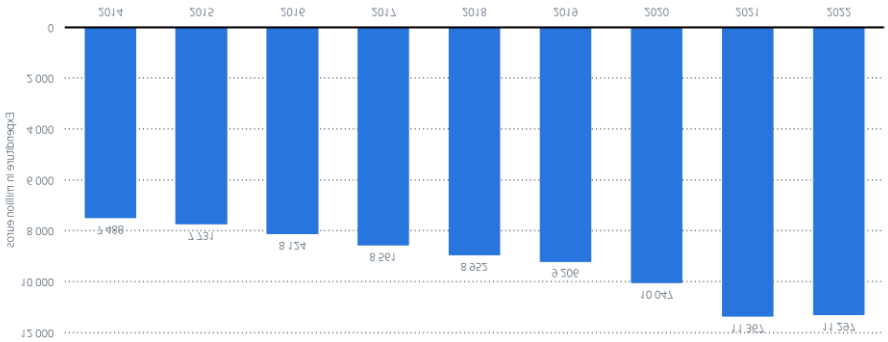

Figure 1
Healthcare in Hungary.
Source: Statista 2024a

With the population shrinking, the number of general practitioners per habitants is steadily increasing, which could be a good sign, but our case study shows that the background is not necessarily stable. Figure 2.

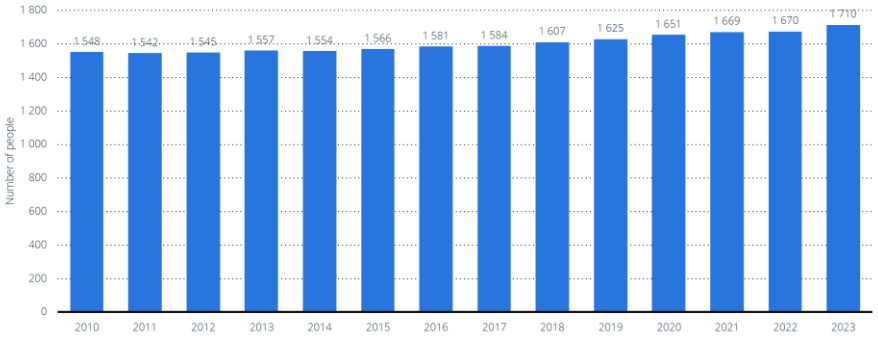

Figure 2
Number of people per general practitioner and family paediatrician in Hungary from 2010 to 2023.
Source: Statista 2024a

In fact, as we can see in Figure 3, the number of GPs per capita is steadily decreasing. The reason for this is that the number of doctors is constantly decreasing.

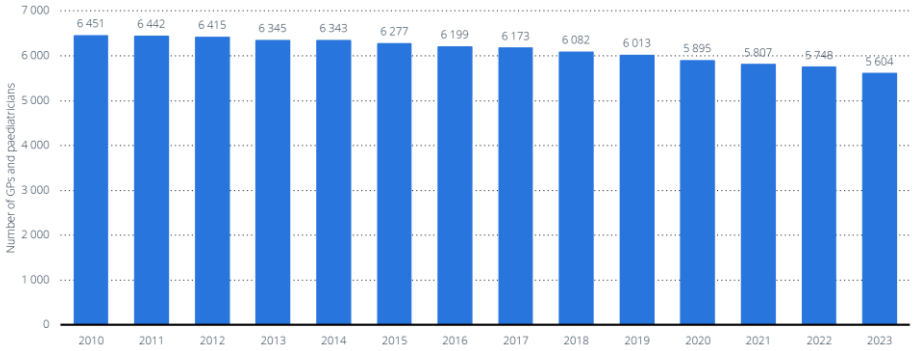

Figure 3

Number of general practitioners and pediatricians in Hungary 2010-2023.

Source Statista 2024a

3 Business case

In Óbuda There are some districts of doctors

Óbudai street 3 districts

Ányos street 5 districts

Viziorgona street 5 districts

Füst Milán street 4 ditricts

Pete Ferenc square 1 district

Vöröskereszt street 2 districts

Vörösvári street 5 districts

Total 25 districts

the habitants number was 122 661 in 2023 and there are 21 doctors for this population (Óbuda Health care, 2025).

The income of GP practices comes from several sources. These include a basic fee based on population, qualification multipliers and case-fees. The qualification multipliers take into account the qualification of the doctor and the length of time

spent in the practice, while the case-fees are based on patients who are not in the practice but are eligible for care.

The main elements and delivery of GP care financing:

Fixed fee (determined by taking into account the population of the district to be served, the number of surgeries or the disadvantaged situation of the municipality),Additional territorial fee (additional fee based on the type of municipality served by the general medical service, taking into account the location of the population in the area of the general medical district, additional fee to cover the costs of the visit of the patient by the doctor), a performance-related fee (calculated by taking into account the number (age) of insured persons registered with the general medical service, the multiplier for the qualifications of the doctor providing the service and the degressivity factor, outpatient fee (fee for the provision of emergency care to insured persons not registered with the service), additional remuneration for specialists (in the case of specialists working at least 20 hours per week, with the proviso that the provider of general practitioners is obliged to use the additional remuneration to supplement the salary and income directly paid to the specialist),equipment and property support fee (overhead allowance for general practitioners operating a general practitioner service with a territorial obligation to provide care), remuneration for results achieved in the indicator system legal relationship monitoring fee (NEAK, 2018).

The economic situation of GP practices has also undergone changes in recent decades. Funding has not followed inflation, as there are some items that have not changed for several years or decades. This has put a significant strain on the economic situation of the practices. In addition, the rise in overheads and changes in professional expectations have contributed to the overall deterioration in the economic situation of GP practices.

To illustrate funding, let's look at an example.

Age		previous month	This month	Point/ age
		persons	persons	
0-4	4,5	394	396	1782
5-14	2,5	335	351	877,5
15-34	1	71	70	70
35-60	1,5	0	0	0
60+	2,5	0	0	0
Total		800	817	2729,5

Figure 4

Support.

Source NEAK, 2018.

As we can see on Figure 4. Age-group aggregate base point ------> 2 729,5 and . Degression-adjusted base point score ------> 2 559,453. We can receive it as 2400*2729 square root = 2559,4.

Next incomes are:

3. Multiplier for qualifications 1.3 if the doctor has 2 degrees

4. Multiplied degressed point /performance point-----> 3 327,289

7. Fee per point (HUF) 209,929 It has not changed for 30 years

10. Performance fee for the current month (HUF) 698 500 = 4*7

Number of ad hoc treatments ---------- : 24

Charged per treatment (Ft/treatment): 600,000

Charged per case (Ft) : 14,400 if somebody cannot go to the own doctor,

Status checks in the month of completion ----------

Eligible checks and their fees (HUF) ---------- : 113; 5 700

Not possible, number of checks required ---------- : 726.

Doctors reveice support based on vaccinations as we can see in Table 1.

	target group	results.	Own values	Best 50%	Best 25%	points	Own value
Gy01 Meningococcal vaccination (2-11 months of age)	86	72	83,7	85,2	92,6	0	2,625
Gy02 Meningococcal vaccination (12-24 months of age)	99	89	89,9	78,78	88,89	3	2,625
Gy03 Administration of colecalciferol preparation	255	76	29,8	32	48,36	0	0
Gy04 Percentage of exclusively breastfed (target group min 7)	20	18	90	86,36	100	1,5	3
Gy05 Screening under 6 years of age 4	444	404	90,99	81,36	90,9	3	3
Gy06 Anaemia screening	96	37	38,5	39,6	48,18	0	0,75
Gy07 Screening tests at age 5	58	48	82,75	70,5	85,18	1,5	2,625
Gy10 Treatment with antibiotics	792	3	0,42	2,39	1,5	3	3
total							18

Table 1

Vaccination support Source NEAK, 2018.

Next unit is overhead support. It is 520 000 HUF per month Further improvements to the financing system are important for the sustainability of GP practices. Reducing inequalities between practices, further supporting community practices and encouraging preventive activities are key. To make general practice a more

attractive career, it is necessary to raise the prestige of the profession and provide attractive career prospects for young doctors. This is shown in the following tables.

Practical time (years)	Amount financed (plus public charges) (HUF/month)	Amount financed (plus public charges) (HUF/month)	Gross guaranteed minimum wage (Ft/month)	Part of the medical income payable as gross salary (HUF/month)
0–2	89 800	*79 469*	296 400	**296 400**
3–5	155 000	*137 168*	296 400	**296 400**
6–10	278 100	*246 106*	296 400	**296 400**
11–15	336 300	297 611		**297 611**
16–20	368 400	326 018		**326 018**
21–25	425 200	376 283		**376 283**
26–30	473 400	418 938		**418 938**
31–35	499 000	441 593		**441 593**
36–40	553 400	489 735		**489 735**
41–	676 200	598 407		**598 407**

Table 2

Outside of community of practice.

Source NEAK, 2018.

Practical time (years)	Amount financed (plus public charges) (HUF/month)	Amount financed (plus public charges) (HUF/month)	Part of the medical income payable as gross salary (HUF/month)
0–2	239 600	*212 035*	**296 400**
3–5	413 300	365 752	**365 752**
6–10	741 600	656 283	**656 283**
11–15	896 900	793 717	**793 717**
16–20	982 300	869 292	**869 292**
21–25	1 133 800	1 003 363	**1 003 363**
26–30	1 262 300	1 117 080	**1 117 080**
31–35	1 330 600	1 177 522	**1 177 522**
36–40	1 475 700	1 305 929	**1 305 929**
41–	1 803 200	1 595 752	**1 595 752**

Table 3

Practice community supports.

Source NEAK, 2018.

Practical time (years)	Amount financed (plus public charges) (HUF/month)	Amount financed (plus public charges) (HUF/month)	Part of the medical income payable as gross salary (HUF/month)
0–2	299 400	*264 956*	**296 400**
3–5	516 700	457 257	**457 257**
6–10	927 000	820 354	**820 354**
11–15	1 121 100	992 124	**992 124**
16–20	1 227 900	1 086 637	**1 086 637**
21–25	1 417 300	1 254 248	**1 254 248**
26–30	1 577 900	1 396 372	**1 396 372**
31–35	1 663 200	1 471 858	**1 471 858**
36–40	1 844 600	1 632 389	**1 632 389**
41–	2 254 000	1 994 690	**1 994 690**

Table 4
Strict practice community supports.
Source NEAK, 2018.

Practical time (year)	Specialist allowance plus social contribution tax (HUF/month)
0-3	138 000
4-6	149 500
7-9	161 000
10-12	172 500
13-15	184 000
16-18	195 500
19-21	207 000
22-24	218 500
25-27	230 000
28-30	241 500
31-33	253 000
34-36	264 500
37-39	276 000
40-42	287 500
43-45	299 000
46-48	310 800
49-	322 800

Table 5
Assistant supports. Source
NEAK, 2018.

Tables 2-4 show how much funding is available for doctors working individually or in private practice. Table 5 shows the funding for assistants. The more medical experience someone has and the more they collaborate, the more money they can receive.

Conclusions

The financing of GP practices in Hungary is a complex system that depends on a number of factors. Recent legislative changes and changes in the economic environment have a significant impact on the operation of GP practices. In order to ensure sustainability, it is important to continuously improve the system and to increase the attractiveness of general practice.

- not motivated to see many patients because they do not receive more money
- Lack of doctors
- Indicators are independent the work of doctor for example vitamin D
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