

THE STATE AND PERSPECTIVES OF MEDICAL SERVICES IN IRAQI KURDISTAN

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1. Introduction

Kurdistan (KRD) is a federal region inside Iraq; it has its own regional government, parliament, and constitution. The budget of KRG consists largely on the Iraq's budget (17%) plus the local government's revenues from taxes, fees of government services, customs duties and donors abroad. The region comprises of three governships (Erbil, Sulaymania, and Duhok) with total population around five million inhabitants.

The health sector in this region has been experiencing strong reforming and transformation since 2003. The best practices of economically developed countries were taken into account in creating a new approach to medical services and new medical system in Iraqi Kurdistan. Despite the fact that not all initiatives were successful, the essential step forward was done during these eleven years. Nowadays the health sector seeks for better economic and managerial organization of hospitals, implementation of insurance in medicine and reasonable organization of payable medical services.

This publication aims to present the path, done by the Kurdistan's health sector in the time of reforming, to describe further problems and perspectives. Because in my humble opinion realities in Ukrainian and Kurdian health sector have certain parallels, and similar solutions can be found for similar challenges.

2. The development of the health sector in Iraqi Kurdistan in 2003–2014

Until the topple down of the former regime in 2003 the region suffered from three decades of wars and its aggressive policy specially toward Kurdistan's people, in this period the economy suffered from harmful and long term recession in both public and private sectors. In that time the health sector was totally managed by the government and was characterized by the following:

1. There was a big shortage of investment fund allocation especially in the health sector, which has led to decreasing the quality and quantity of medical services.
2. The region was affected more than the other parts of Iraq due to international embargo under the United Nation Security council Resolution (UNSR) after invasion of Kuwait by Iraq's government (IG) in 1990, in addition the second embargo was imposed on Kurdistan by Iraq, as well as (IG) withdrew their administration and organization in Kurdistan and as alternative there was a de-facto of government established by the Kurdistan's ruling parties. Generally the local public administration at that time suffered from the lack of experience, finance resources, and qualified human resources in spite of that the region had been isolated internationally till 2003, but after toppling down the former regime in 2003 the new government was elected with new constitution, as a result of the fact that the new era started since this date, and the economy sectors growth started because of the increase of Kurdistan's regions share in Iraqi petroleum revenue which is around 17%, due to its population percentage of the entire Iraqi.

Since 2003 the medical services development started to depend more on quantity indicators more than on the quality, i.e., expanding the services through approaching it to different geographical area (metropolitan cities, districts, sub districts and rural area); in spite of this growth of the sectors (constructing new hospitals, clinics, laboratories accommodated with new equipment and instrument by both public and private sectors), there was much shortage and weakness which can be mentioned as follows:

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1. The geographical distributions of medical services were not appropriately covered for all inhabitants in districts, sub districts and rural area, comparing them with the capital cities of the three governorships in Kurdistan.
2. The same thing can be observed regarding the distribution of doctors and medical staffs in hospitals and clinical centers.
3. In spite of huge increase in establishing private hospitals (Tab.1), they are mainly concentrated in the center of three main cities, because of relatively well developed infrastructure.
4. Due to the poor health services in public hospitals and clinic centers the majority of population prefer to visit private sectors such as:
 - Private hospitals and clinics.
 - Private Diagnosis centers.

Tab. 1. Quantity of medical organizations in governorates of Iraqi Kurdistan in 2012

Type	Erbil	Slemani	Dohuk	Total
Public	22	28	9	59
Private	24	12	4	40
Total	46	40	13	99

Source: <http://www.investingroup.org/publications/kurdistan/overview/health/>

5. Need for medical services can be divided into two groups:
 - Primary health care: patients are seeking to get their services from public hospitals and clinics (especially low income people) and private clinics.
 - Secondary health care: The diseases which required big surgery operation or long term treatment, are carried out mostly (by a specialist physician) in private hospitals at home or abroad, especially for medium and rich classes of population, that is because of low quality and limited capacity in public hospitals which mainly treat low income people.

Despite of obvious advantages of the private health sectors (such as advanced equipment and technology, less bureaucracy comparing with public health sector), there are also essential weaknesses of the private health sector, such as:

- The majority of the private hospitals and clinics are carrying out their services in buildings which are not constructed especially for medical services, for that they are suffering from improper venues according to the minimum standard required.
- The investors in the health sectors sometimes are not people with general medical education, for that their aim is to gain maximum profits with lower costs resulting low quality of services and long term treatments.
- The cost of treatment of private medical services is very high which is not suitable for the majority of people, especially for low income groups (which comprised 30% of total population).
- The lack of appropriate condition in giving license to establishing new health clinics, centers, or hospitals by imposing the requirement needed as pre condition for establishing such as (venue,

equipments, electronic systems, and required medical staffs), as well as weakness of controlling the existing medical department by the responsible authority in the ministry of health.

6. All medicines and vaccines requirements of the region are imported from abroad without appropriate quality control which enhances the importers to import bad quality and sometimes expired medicines but recently because of the danger of these phenomena the ministry of health has tried to pay more attention to this issue by introducing quality control system.
7. The absence of medical insurance for inhabitants facilitates medical treatment for all people without taking their finance or social attitude in the community to consideration, which leads to depriving low income people from good medical services.
8. The region's private sectors in this domain became a good center for treatment of patients from other parts of Iraq (it comprise around 40% of patients treatment in KRG) because of high security of the region comparing with the rest part of Iraq; it attracts also many qualified doctors from all over the Iraq and abroad to immigrate to the region, and reinvest their capital in it. And finally because of these processes the region became the destination of patients for treatment, which has a positive influence on economic activity growth and on flourishing the region in general.
9. In spite of the above medical services in the region still do not fit for the ambitions of its community or taking the world standard into consideration, there is a big drain of patients for treatment abroad, especially to the surrounding countries, in spite of difficulties facing them (language, finance, and visa), it causes a great wasting of foreign currency.

3. Further Challenges in Kurdistan's medical services

The organization of the medical sector which is the responsibility of the ministry of health is facing several challenges:

Administration challenges:

- Incapable administration structure of the ministry of health and their general directorates in the center of governorates (Erbil, Sulaymanya and Duhok) which needed to be revised according to the needs as a result of research.
- Shortage in the laws and rules which are being implemented currently as the legal frame for health services in KRG.
- Adopting classical system of administration far from E-governance, and significant phenomena of miss utilizing of the resources and corruption.
- The lack of following up the system underling the efficiency of administration performance which gives a base for corruption.
- The dispute between the ruling parties leads to try each ruling side to take more advantage of public administration which constitutes a barrier to establish appropriate government strategy policy for good governance.
- Disproportion in distributing medical cadres (specialized doctors, general physicians, and technical cadres) between the big hospitals and clinics in the cities, as well as between metropolitan cites and other smaller administration units all that is because of miss management of human resources by ministry of health and the absence of adequate job description and data base that lead to diffusion of disgust unemployment. Some researchers estimated that as about 40% of total employees. The same problem encompasses the technical medical equipment.

Tab. 2. Dynamic of the health indicators in KRG

Health indicators	2012	2013
Hospitals Per (100,000) of the population	1.2	1.3
Health centers Per (100,000) of the population	18.1	18.2
Family Per (100,000) of the population	130.7	133.9
Physicians Per (10,000) of the population	10.1	17
Dentists Per (10,000) of the population	1.3	2
Pharmacists Per (10,000) of the population	0.9	1.5
Nursing staff Per (10,000) of the population	16.1	24.3
Health Level Per (10,000) of the population	22.5	27.4

Source: Statistic Department of Ministry of health in KRG

4. Financial challenges

The financial system in public sector depends on KRG budget; it is very classic and highly centralized by the ministry of finance from the point of view.

Preparing the budget which does not take into account the allocation the real needs of the health ministry (5% of total budget).



Fig.1. Percentage of health budget to total budget in Kurdistan

Source: Ministry of Finance in KRG

Even the declaration of the yearly budget through a law by the parliament, but during its implementing, the ministry of finance enforces the ministry of health to take its approval for each outlay item included in the budget.

The weakness of planning system in the ministry of health looks like the other ministries of the region, for example, the absence of multi period planning (strategic, medium, and action yearly plans), in addition to the shortage of medical data base, which causes difficulties in assessment of requirement for all needs (venue, cadres, tools, and equipment) and then for financial requirements accordingly.

Preparation of annual budget is not made in accurate way, which currently depends on previous year's budget adding arbitrarily a percentage for covering the rate of growth of population.

The share of ministry of health in the budget does not correspond to the demand for its services, in addition to the lack of research that analyzes the budget of the ministry in order to determine the rationality of allocation and its implementation for each items included in it.

The weakness of internal finance control system in the ministry of health or by ministry of finance and external finance auditory of the regions as well.

The factors causing difficulties in budgets of health ministry are the great conflicts between the central federal government and the region, this conflict especially related to the division of the revenue created by central government and region. The result of which is that the federal government does not fulfill his obligation to send the share of the region in general budget of Iraq according to the Iraqi's constitution.

The above point deteriorated the finance of the ministry and became a big barrier for introducing any reform in the ministry of the health.

The weakness of the budget can be noticed through the shortage in some articles which enforce to transfer from other articles especially from investment side to the operational side which results in impeding the plans for the development the health sector.

Wasting of financial recourses of the ministry through exaggerating expenditures to satisfy the needs of some high position of some administrative people on the account of the fund covering necessary needs of the ministry.

Another reason for exaggerating the ministry budget expenditure is to face any reducing of the budget by ministry of finance.

The low percentage of investment share in the budget of ministry of health can be recognized through:

- As the share from total investment budget of the region.
- As the percentage from the total budget of the ministry i.e. because of high rate of operational budget which comprises around 70% of the total budget, even the share of investment is overtaking through transferring a sum of it to the operational budget.

Disproportion of the division of the budget according to the cities, districts, sub districts and rural area which leads to concentrate health services in the metropolitan cities. Lack of adequate financial controlling system of the Ministry of health although the existence of financial auditing office of the KRG, which leads to more wastes in both expenditure side and revenue from fees of services.

5. Recommendations for development of the health sector in Iraqi Kurdistan

According to research made there are some recommendations for further development of the medical services in the region:

1. Giving priority in investment allocation especially in health sector and health services, in order to ensure the development of the health services in broad meaning of this word.
2. Improving quality of services in the health sector through preparing highly qualified specialized physician.
3. Distributing health services to different geographical areas (districts, sub districts, villages and remote areas) financed from the budget of Ministry of Health.
4. Redistributing of doctors, medical staffs, and cadres in all part of the region fairly.
5. Enhancing the distribution of private clinics and hospitals to locate in districts and sub districts in order to develop medical services in these places.
6. Increasing the efficiency of public clinic and hospitals through:
 - Introducing new sufficient organization, as well as the new structure of management with appropriate authority in decision making.
 - Paying more attention to increase the skills and qualification of all kind of human resources through sufficient training strategic plan.
 - Introducing scientific job description and electing the human resources needs according to that and to eliminate the high rate of disgust unemployment.
 - Changing the system of requirement by introducing the contract system in state of central recruitment system which is adopted now.
 - In order to underlie the needs in qualified cadres in different specializations it is necessary to prepare a strategic plan to fulfill the shortage of different kind of medical cadres needs.
 - Revising the current laws and regulations, and replacing them by the new modern ones.
7. Imposing the requirement needed according to the rules adopted by the ministry of the health as

pre condition for giving the licenses for establishing new private hospitals, medical centers and clinics such as appropriate (venue, equipment, electronic systems, and medical staffs).

8. Strengthening auditing and controlling systems in the ministry of health and external auditing office of the KRG parliament in order to improve the budget from its preparing stages, implementation and following up.
9. Regarding the private health sector (hospitals, clinics and other medical services) it is necessary to organize well the administrative auditing in it in order to guarantee the qualified services provided by them.
10. Establishing a suitable medical insurance system for all Kurdistan inhabitants.
11. Encouraging the local investors for making a joint venture with foreign medical companies.
12. Preparing the ministries' yearly budget according to:
 - Ensuring finance resources to implement the action plan of the ministry – Strengthen the financial controlling system in order to prevent any corruption or miss utilizing of financial resources.
 - Following up the implementation of the yearly budget through preparing the final accounting and analyzing the expenditures of each item in order to be confident that in the end the budget has fulfilled the objectives of the ministry, and to determine any deviation or miss utilization.

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Summary

The health sector in this region has been experiencing strong reforming and transformation since 2003. The best practices of economically developed countries were taken in account by building up a new approach to medical services and new medical system in Iraqi Kurdistan. Despite not all initiatives were successful, the essential step forward was done during these eleven years. Nowadays the health sector seeks for better economic and managerial organization of hospitals, implementation of insurance in medicine and reasonable organization of payable medical services. This publication aims to present the path, done by the Kurdistan's health sector in the time of reforming, to describe its further problems and perspectives. Because in my humble opinion realities in Ukrainian and Kurdian health sector have certain parallels and similar solutions can be found for similar challenges.

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