

In 2016, the Government of Ukraine (GoU) committed to a 4-year reform to fundamentally transform Ukraine's healthcare funding system. On 30 November 2016, Ukraine's CabMin approved the Concept of Health Care Financing Reform. This document established a political commitment to introduce the following changes in the course of 2017-2020:

- **Tax-funded healthcare for all citizens, residents and refugees.** The GoU will continue to fund healthcare via general taxation. This will pay for a basic healthcare benefit package guaranteed to every citizen / permanent resident of Ukraine, as well as refugees. The package will include primary healthcare, emergency care, key types of specialized and hospital care, palliative care, and essential medicines. Guaranteed benefit package will be provided to all eligible patients free of charge and without co-payment. Emergency care will be provided free of charge to citizens, residents and visitors.
- **Single healthcare purchaser instead of fragmented funding via local administrations.** The reform will pool healthcare funds under a national purchaser – a central executive agency called National Health Service (NHS). The NHS will report directly to the Cabinet of Ministers, and purchase services directly from care providers (public and private). All funds will be administered via the State Treasury Service, ensuring accountability and commitment control.
- **New payment methods in healthcare purchasing.** Funds collected via general taxation and allocated to Healthcare will be used to strategically purchase services based on contracts with healthcare providers. Primary health providers will be paid by capitation: based on how many patients choose to enroll with each facility (starting mid-2017). Hospitals will be paid based on their case mix by DRGs: (starting 2018-2019). Out-of-patient medicines from an essential drug list will be covered via reimbursement to pharmacies.
- **Purchaser-provider split.** All publicly funded health services will be purchased by the NHS, acting on behalf of the patients and protected from the influence of facility owners. It will buy services from hospitals owned by communities as well as from other types of providers, including private facilities and non-for-profit organizations. The MinHealth will simplify licensing requirements for doctors willing to open private practices, to ensure wider diversity of providers and stronger competition.
- **Hospital districts: a tool for local administrations to adjust their medical infrastructure.** Transition to new payment methods will be a stress to the ineffective network of hospitals, many of which will find themselves redundant and will have to close or re-profile into social service providers. To avoid hard landing, the GoU offers communities to set up "hospital districts" – coordination platforms uniting several rayons, cities and hromadas – to come up with joint development plans for their hospitals. This is because surviving hospitals will have to serve several rayons, and deciding on their fate should be a joint decision of respective councils. To stimulate this supra-rayon dialogue, the GoU will offer financial incentives: co-payment to develop high-potential hospitals jointly chosen by hospital districts.
- **E-Health.** To enable the reform, the GoU will introduce a new system for processing clinical and financial data in the healthcare system – E-Health. This will help to define and process payments; control for fraud and mistakes; administer prescriptions of reimbursable medicines.

In October 2017, the Parliament has approved a package of laws in support of the above concept.

- **Set up service standards for providers.**

Training of PHC physicians and nurses in neighboring countries.

- **NATIONAL CAMPAIGN "DOCTOR FOR EVERY FAMILY"**

In April 2018 the campaign started, where people can choose a family physician, an internist ("therapist") or pediatrician freely. A patient need to sign a "declaration" with a doctor, the data is filled into national e-registry. In July, the NHSU will pay an age-adjusted capitation per declaration at a rate which is significantly higher than in traditional funding model.

More than 12 000 000 Ukrainians have chosen their primary care doctor in the first months.