

**JÓZSEF HAJDÚ\***

## **Reconstruction of medical doctors’ employment status in Hungary**

### *Introduction*

A crucially necessary reform of the healthcare system has been awaiting Hungary since the transition from the communist era. The state of healthcare facilities and institutions is critical in some places, while public funding of the field and salary of professional medical „workers” falls below the EU average. A unique concept of parasolvency (or a quasi ‘compulsory’ gratitude money) has been deeply present in the collective consciousness of the Hungarian society since communist times, defining the doctor-patient relationship even today and strengthening discord between professional workers as well. Highly skilled (mostly young) doctors are continuously leaving the country, while those medical workers who do stay are increasingly overloaded and unsatisfied. The division between public and private healthcare is further deepening the gap between the poor and rich levels of society.<sup>1</sup> Top of this old problems the Covid-19 pandemic issue came as a new and unavoidable huge burden to mainly in inpatient health care system.

In this environment a new Act C of 2020 on Health Care Service Relationship<sup>2</sup> was enacted in November 2020. Prior to the vote in Parliament, the Hungarian Medical Chamber criticized the new legislation, arguing that it differed in many respects from what was previously agreed upon with them.<sup>3</sup> First of all, they said they worried about the scope of the law, as it does not cover those who work as self-employed doctors, nor those who work for foundations, public limited companies, or private service providers (majority of GPs in Hungary), or dentists. While they recognize that the law should not cover those working in primary care, they believe there is a great need for a promise to provide a similar income to everyone.<sup>4</sup>

This article will introduce the most important issues and circumstances of the new Act.

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<sup>1</sup> <https://www.boell.de/en/2018/05/31/vulnerability-and-chaos-hungarian-healthcare-system> (accessed: 10. 07. 2021).

<sup>2</sup> Despite the very long run problem of health care service providers, the Hungarian Parliament approved very quickly a major change in originally publicly hired medical doctors wage hike, which is carried in several steps starting in 1 March 2021. The last drop was the intensive pressure caused by Covid-19 in 2020.

<sup>3</sup> <https://hungarytoday.hu/hungary-doctors-wages-pay-rise/> (accessed: 19. 07. 2021).

<sup>4</sup> Despite Historic Rise, Bill re: Doctors’ Salaries Consists of ‘Unacceptable’ Points, says Medical Chamber; <https://hungarytoday.hu/doctor-salary-rise-medical-chamber-gratitude-money/> (accessed: 15. 09. 2021).

### *1. The main reasons for rapid enactment of the new legislation*

The Hungarian health care system is highly centralised. The national government is responsible for setting strategic direction, controlling financing and issuing and enforcing regulations, as well as delivering most outpatient specialist and inpatient care. The Ministry of Human Capacities administers the health system through the National Healthcare Service Centre (ÁEEK), whose responsibilities include care coordination, hospital planning and management, and medical licensing. The ÁEEK also serves as the umbrella organisation for regional and local health system agencies. The central government resumed control of local hospitals from county and municipal governments in 2012 (the ÁEEK serves as the managing authority running these state-owned hospitals). This heavily centralised system elucidate the role of the state in this reform. Beyond this administrative operational reason there are some substantial arguments behind the change.

The worldwide healthcare workforce crisis is a permanent problem nowadays. The main factors of this phenomenon in Hungary are the following shortage of healthcare workers (physicians, nurses, etc), mainly due to the following facts: a) migration<sup>5</sup> of physicians, b) aging<sup>6</sup> of physicians,<sup>7</sup> c) a higher demand for chronic care and immediate challenge of COVID-19 pandemic situation.

#### a) Migration of medical professionals

There are several factors behind the migration of Hungarian medical professionals, mainly doctors. The most important factors are the following: 1. Medical universities do not provide enough new doctors, as the number of fresh graduates is more or less equal to the number of doctors leaving the country.<sup>8</sup> As a result, there is no replacement for those who are quitting the system for other reasons (e.g., death or retirement). 2. Significant secession of doctors from the public healthcare system, partially towards working in the private healthcare sector only, but also many doctors are leaving the profession entirely. 3.

<sup>5</sup> The migration of healthcare „workers” is not a new phenomenon, it has also been a highlighted issue in the past four decades. However, one of the latest research papers by Júlia Varga (Közgazdasági- és Regionális Tudományi Kutatóközpont: Munkaerőpiaci Tükör 2019) shows that more than 16 per cent of the medical doctors below 40 left the country between 2009–2017. (Source: VARGA, JÚLIA (2020): *Az orvosok elvándorlása 2009–2017 között*. In: Munkaerőpiaci tükör 2019. Centre for Economic and Regional Studies, Budapest, pp. 147-150.) According to the latest survey of the Hungarian Medical Chamber (2020), 50.5% of Hungarian medical students would want to work abroad due to the uncertainties of livelihood in their fields in Hungary. It means that one in every five medical students is planning on moving and working abroad after graduating from their respective universities, while 29.7% of respondents are contemplating moving abroad for longer-term work. This means that almost every second prospective doctor would leave Hungary. (Source: A magyar orvostanhallgatók fele azt tervezi, hogy külföldre költözik; <https://24.hu/belfold/2020/07/17/magyar-orvostanhallgatok-kulfold-halapenz-egyetem-csaladalapitas/> (accessed: 12. 09. 2021)

<sup>6</sup> Action Plan for the EU Health Workforce. Strasbourg 2012. [https://ec.europa.eu/health/sites/health/files/workforce/docs/staff\\_working\\_doc\\_healthcare\\_workforce\\_en.pdf](https://ec.europa.eu/health/sites/health/files/workforce/docs/staff_working_doc_healthcare_workforce_en.pdf). (accessed: 15. 09. 2021)

<sup>7</sup> GYÖRFFY, ZSUZSA – DWEIK, DIANA & GIRASEK, EDMOND: Willingness to migrate – a potential effect of burnout? A survey of Hungarian physicians, Human Resources for Health, 2018. volume 16, Article number: 36.

<sup>8</sup> Figures from the OECD show that around 1,400 new doctors were licensed in Hungary in 2017, but nearly 1,000 left the country the following year. Many others have left the public system to practice at private clinics due to low public salaries. [https://www.euro.who.int/\\_\\_data/assets/pdf\\_file/0007/419461/Country-Health-Profile-2019-Hungary.pdf](https://www.euro.who.int/__data/assets/pdf_file/0007/419461/Country-Health-Profile-2019-Hungary.pdf) (accessed: 14. 06. 2021.)

The workload of each and every quitting staff member has to be covered by those who are staying due to the lack of replacement resources.<sup>9</sup> 4. The lack of healthcare professionals not only results in inefficient service but also forces doctors to do the work of other professional staff, which in turn reduces their capacity to care for their patients. 5. Dysfunctionality of the physical condition of the Hungarian public inpatient health services (hospitals). 6. The young generation's main reasons for leaving the country are the inevitable involvement in the parasolvency system and the existence of a strong hierarchy in the medical profession — they simply refuse to work and live under these circumstances. Better career prospects and higher salaries elsewhere are also important aspects, as well as the promise of higher prestige for their profession and a better quality of life, better possibilities for professional development, sufficient equipment, a better state of hospitals to treat patients in, and a better work-life balance abroad.<sup>10</sup>

Since the European Union accession in 2004, the migration issue has become more and more important as a consequence of the vanishing borders that have brought the Western European labour market closer to Hungarian healthcare service employees.<sup>11,12</sup>

#### b) Distortion of age cohort for medical professionals

The ageing factor also exacerbates physician shortages. The progressive retirement of a substantial proportion of Hungary's practising doctors will worsen regional disparities<sup>13</sup> and impair access to care unless a sufficiently large number of new doctors replace them. Between 2000 and 2017, the proportion of doctors aged over 55 years increased from around 25 % to 43 %. The ageing of the medical workforce is even more acute among GPs,<sup>14</sup> one-third of whom are already above the retirement age (Ministry of Human Capacities, 2014).<sup>15</sup>

<sup>9</sup> Compared to the EU average, Hungary has fewer doctors (3.3 vs. 3.6 per 1,000 population) and fewer nurses (6.5 vs. 8.5; Figure 9). Workforce shortages have been exacerbated by an ageing health workforce and the emigration of many doctors (particularly specialists), which accelerated after the country's accession to the EU in 2004. Almost 5,500 doctors left the country to work in other EU countries or elsewhere between 2010 and 2016 (OECD, 2019). The emigration of nurses has also been substantial in recent years. [https://www.euro.who.int/\\_\\_data/assets/pdf\\_file/0007/419461/Country-Health-Profile-2019-Hungary.pdf](https://www.euro.who.int/__data/assets/pdf_file/0007/419461/Country-Health-Profile-2019-Hungary.pdf) (accessed: 15. 09. 2021).

<sup>10</sup> LÉNÁRD RITA: *Vulnerability and chaos in the Hungarian healthcare system (2018)*. <https://www.boell.de/en/2018/05/31/vulnerability-and-chaos-hungarian-healthcare-system> (accessed: 15. 07. 2021).

<sup>11</sup> EKE EDIT – GIRASEK, EDMOND – SZÓCSKA MIKLÓS: *From melting pot to laboratory of change in central Europe: Hungary and health workforce migration*. In: Wismar, Mathias – Maier, Claudia – Glinos, Irene – Dussault, Gilles – Figueras Joseph: *Health professional mobility and health systems: Evidence from 17 European countries*. Observatory studies series, 23. Geneva, World Health Organization. 2011.

<sup>12</sup> OGNÝANOVA DIANA – MAIER CLAUDIA B. – WISMAR MATHIAS – GIRASEK EDMOND – BUSSE REINHARD: *Mobility of health professionals pre and post 2004 and 2007 EU enlargements: evidence from the EU project PROMeTHEUS*. *Health Policy*. 108(2–3), 2012. pp. 122–32.

<sup>13</sup> Hungary not only has a lower physician to population ratio than the EU average but the health workforce is also unevenly distributed across the country. The central region has almost twice as many doctors per capita than the north, and shortages in each region are concentrated in rural areas.

<sup>14</sup> LÓRÁNTH IDA: *Few patients, unviable praxis*. [Kevés páciens, életképtelen praxis.]. *Orvosok Lapja*. 2016; (4): pp. 14–6.

<sup>15</sup> Minden tizedik háziorvosi praxis betöltetlen (2021); <https://www.azenzem.hu/cikkek/minden-tizedik-haziorvosi-praxis-betoltetlen/7530/> (accessed: 21. 09. 2021).

According to the Hungarian data, it is the 55–60-year-old age group that is the most populous of all the practicing cohorts of medical doctors, and serious shortage of labour is expected when they retire. For example, the aging of general practitioners and the vacancy of their practice has been one of the main concerns of Hungarian health care for several years. While approximately 200 permanently vacant practices were registered in 2006 and 2007,<sup>16</sup> this figure has become 609 by 2021, which is appr. 10% of the total GP practices.<sup>17</sup>

### c) The impact of pandemia COVID-19

Intensive care units across Europe are struggling to cope with spiking patient loads due to COVID-19. Doctors in Hungary were warning that a lack of medical staff<sup>18</sup> qualified to treat coronavirus patients in intensive care units turned out to soaring deaths and a very difficult period in the country's fragile health care system despite the government's expensive medical equipment purchases. The paradoxical issue was that all the technical equipment needed was available, even the Hungarian Chamber of Doctors has warned that the number of ICU beds and ventilators were overshadowed by a lack of qualified medical doctors and nurses<sup>19</sup> to treat ICU patients. Approximately 5,500 people (appr. 5.0%) refused to sign the new contract and as a result, discontinued their work in healthcare as of 01 March 2021. According to the president of the Chamber of Hungarian Health Professionals (MESZK), most of the medical professionals worked in areas that were exposed to the virus the most: intensive care, emergency departments, and those patients who were rerouted to different hospitals. Their departure also affected those who were staying, since they had a lot more work to do.<sup>20</sup>

## II. The main focus points of the Act

The new Hungarian Health Care Service Act focused on a necessary significant wage increase for doctors working in public sector, which in the eyes of the government it might solve the problem entirely. Naturally it was a long time waited change, but the expectation to salary raise itself will solve every problem is an underestimation of the problem. However, it launched several fundamental changes in the Hungarian public health care service system, e.g. a) significant<sup>21</sup> wage hike to stop migration of medical doctors,<sup>22</sup> b)

<sup>16</sup> LÓRÁNTH IDA (2016) pp. 14-6.

<sup>17</sup> Minden tizedik háziorvosi praxis betöltetlen (2021); <https://www.azenzem.hu/cikkek/minden-tizedik-haziorvosi-praxis-betoltetlen/7530/> (accessed: 21. 09. 2021).

<sup>18</sup> Hungary's shortages of health care workers predates the coronavirus pandemic: doctors have emigrated in large numbers since the country joined the European Union in 2004.

<sup>19</sup> Hungary has 2,000 specialists for ICU wards and a similar number of ICU nurses. But the recent sharp rise in hospitalizations has led to a patient-to-doctor ratio of 20-to-1 in some ICUs

<sup>20</sup> 5500 egészségügyi dolgozó nem írta alá az új szerződését, [https://hvg.hu/itthon/20210302\\_orszagos\\_korhazfoigazgato\\_egeszsseguy\\_szerzodes](https://hvg.hu/itthon/20210302_orszagos_korhazfoigazgato_egeszsseguy_szerzodes) (accessed: 21. 07. 2021).

<sup>21</sup> The new law grants a 120% salary increase to doctors in Hungary in three steps, reaching its maximum in January 2023. The new Act 'unprecedented,' which holds true given that Hungarian medical doctors have not seen a significant increase in their salaries in the past century.

change in employment relationship (e.g. prohibition of parallel work of doctors, transfer from public to private employment, possibility of long term secondment, etc.) c) criminalisation<sup>23</sup> of gratuities money (hálapénz) to doctors.

However, there were some significant pitfalls in the original version of the reform, e.g. 1. the personal scope was rather limited: only medical doctors (more precisely, originally only in public health institutions: clinics, hospitals, outpatient clinics, etc.) were covered and even some categories of medical doctors and related health professionals were excluded (e.g. general practitioners (family doctors), dentists, paramedical staff, nurses, social workers, etc.); 2. compulsory secondment by the employer/state healthcare workers could be ordered to another provider for 1 + 1 years, the fact of which must be announced by the employer only ten days in advance. Additionally, they might be directed to another hospital or even another city twice a year. 3. civil servant employment status changed to „plain” employment relationship,<sup>24</sup> 4. doctors would only be able to work in multiple hospitals if their employer was the same in all places, 5. healthcare professionals will only be able to pursue other professions or have private practices if they got permission from the government's designated body.<sup>25</sup>

### *1. Wage increase for medical doctors*

The new Hungarian Healthcare Service Act focused on a necessary significant wage increase for doctors working in the public sector, which in the eyes of the government might solve the problem entirely. Naturally, it was a long-awaited change, but the expectation that a salary raise itself will solve every problem is an underestimation of the problem.

In fact, the wage of medical doctors in the last seventy years – including the socialist period – was devastatingly low, compared to the responsibility and workload borne by many of them. Due to this fact and the rather low level of infrastructure and equipment and overused wards, overworked paramedical staff in hospitals, in outpatient clinics, etc., with a high number of patients per physician, the insufficient financing by the health insurance fund (continuous deficit in micro budget), EU membership (providing free movement of persons), greying and burnout syndrome,<sup>26</sup> an astonishing number of Hungarian doctors decided to seek a job abroad.

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<sup>22</sup> While this is undoubtedly a significant increase of the low payments in the healthcare sector, it is also clear that the government is imposing very serious conditions for doctors to get it.

<sup>23</sup> The legislation also threatens doctors with a one-year prison sentence for accepting and giving gratitude money for both the doctor and the patient as well.

<sup>24</sup> Doctors who want a wage increase have to sign a new contract with the government. As a result, they will lose their civil service status with the introduction of a new special one called 'health service relations.' Those who do not sign the papers will lose their right to work in public hospitals and specialist clinics and will be fired on 1 January 2021.

<sup>25</sup> With this rule, the aim was to eliminate a common practice of some doctors in Hungary in which they first accept their patients in their private practice just to administer to them in the public hospital, the same patient with the same illness cannot go to the same doctor in private and public care. Also, the managers of Hungary's public hospitals can no longer establish private clinics.

<sup>26</sup> GYÖRFFY, ZSUZSA – DWEIK, DIANA & GIRASEK, EDMOND (2018).

To discourage the migration of graduated students (including medical students as well), a new system was introduced in 2013. The students with state subsidy must sign a contract<sup>27</sup> in which they promise they will work in Hungary for twice<sup>28</sup> the length of their course within 20 years.<sup>29</sup>

Thus, the real question is whether the current legislative changes will be enough to convince healthcare professionals to stay in the country.

In order to get a glimpse of how much the newly announced salaries in Hungary could catch up with those western countries new doctors leave for. There were some amount to compare that can be earned abroad with the expected wages of Hungarian doctors in 2023. (Comparing current salaries with those in the future is somewhat problematic, so the differences should be taken into account.) The most popular destination countries for Hungarian healthcare workers – mainly physicians – include Germany, the UK, Austria, and Sweden.<sup>30</sup>

The new Hungarian Healthcare Service Act (2020) sets the monthly pay for doctors in public practice for a period of up to two years at 481,486 forints (EUR 1,377) from the beginning of 2021. At the top of the pay scale, doctors in practice for 41 years or more will earn 1,666,040 forints (EUR 4,760) a month. From 1 January 2022, it raises the pay scale to a range of 619,053 forints (EUR 1,769) to 2,142,051 forints (EUR 6,120) for doctors with 41 years of practice. The range will increase a third time, from 1 January 2023, to a range of 687,837 forints (EUR 1,965) to 2,380,057 forints (EUR 6,800) for doctors with 41 years of practice.<sup>31</sup>

Just to compare, before the new Act, the average monthly salary of medical doctors in Hungary was about HUF 547,000 (EUR 1,516), according to *fizetesekek.hu*, which is a rough average that includes both career-starter residents<sup>32</sup> and specialists with decades of experience.<sup>33</sup>

At the same time, healthcare trade union (MESZK) said that the wages of nurses and other skilled healthcare employees should be increased by a similar extent as the salary hike for doctors.<sup>34</sup> The trade union's opinion is that health-care staff is overburdened both physically and mentally in general, but especially due to the coronavirus pandemic. The union welcomed the government's plans to increase doctors' pay, but demanded that the sector's other employees should be given a hike of at least 50% in 2021, to be continued

<sup>27</sup> Tying graduates to Hungary obviously violates one of the basic principles of the European Union, namely the free movement of labour.

<sup>28</sup> For example, medical school education lasts 6 years, therefore the graduated Hungarian medical student must stay in Hungary for at least 12 years within 20 years of his/her graduation year.

<sup>29</sup> FUZESSI KÁROLY: *Hungary in chaos over higher education plans* (2013). <https://www.universityworldnews.com/post.php?story=20130220151416428> (accessed: 22. 07. 2021).

<sup>30</sup> CSERESNYÉS, PÉTER: *Hungary's New Pay Scale for Doctors a Step Closer to Western Healthcare Salaries* (2020). <https://hungarytoday.hu/hungarys-new-pay-scale-for-doctors-a-step-closer-to-western-healthcare-salaries/>

<sup>31</sup> <https://hungarytoday.hu/hungary-doctors-wages-pay-rise/> (accessed: 15. 09. 2021).

<sup>32</sup> In fact, a career starting ICU doctor earned roughly as much as a fast-food restaurant employee in Hungary. (HUF 170,000/ EUR 491 per month) before the new law.

<sup>33</sup> CSERESNYÉS, PÉTER (2020).

<sup>34</sup> As matter of fact, while doctors will earn 250–300% more by the end of the three-step augmentation of their salaries between 2021–2023, nurses, technical healthcare workers and other medical staff will only have received a salary increase of 72% within 2018–2022.

in 2022 and 2023 following “the same timing and scale” as in the case of doctors.<sup>35</sup> According to the union, the situation of home-care, rehabilitation and hospice nurses, as well as welfare staff should also be given priority.<sup>36</sup>

## 2. Launching a new employment relationship

### 2. 1. Terminate multiple job assignments for medical doctors

One of the aims of the new Act was to abolish engagement in multiple jobs – simultaneously in the public and the private sector – by many medical doctors. There is, however, another hidden path behind, the so-called “apartment-medical-stations”, where consultations or sometimes simple physical examinations take place in return for parasolvency money. These private medical stations are operated mostly by doctors (in many cases with a very high reputation) who otherwise work in the public healthcare system. As an example, the consultation preceding a planned surgery or birth would take place in this private office, but the surgery or birth itself takes place in a public hospital. Then the check-ups are again taken to the private office, but if there are any complications, the patient goes back to the hospital.

This setup is understandable, since nowadays the one patient – one doctor model no longer applies; there is a medical team and an expensive, complicated technical background for each case. However, it is not ethical, and to include undocumented visits and undocumented payments in this process is not acceptable, as they result in the lack of a guarantee and the lack of a right for the patient to claim redress should something go wrong.

It is revolting that such procedures endangering patients' rights and avoiding professional and tax control can take place uninterrupted. Private healthcare is, of course, necessary, but a transparent, quality-assured, balanced system has to be created in which public and private healthcare can coexist, built on unified professional principles and on guaranteeing safe care for patients with strict, regular controls.<sup>37</sup>

According to the original Act, doctors working at public institutions were completely banned from engaging in any other gainful occupation, contract with private health service providers, or as self-employed issuing invoices to other institutions. They cannot have more than one job, unless their employer is the same. They would be banned from treating the same patient simultaneously in a public institution and in private practice. They would eliminate the possibility of a doctor using public healthcare capacities to provide private

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<sup>35</sup> Despite Historic Rise, Bill re: Doctors' Salaries Consists of 'Unacceptable' Points, says Medical Chamber; <https://hungarytoday.hu/doctor-salary-rise-medical-chamber-gratitude-money/> (accessed: 25. 05. 2021).

<sup>36</sup> Nurses Demand Similar Wage Hike to Doctors'; <https://hungarytoday.hu/hungary-nurses-wage-hike-rise-meszk/> (accessed: 25. 07. 2021).

<sup>37</sup> LÉNÁRD RITA: *Vulnerability and chaos in the Hungarian healthcare system* (2018). <https://www.boell.de/en/2018/05/31/vulnerability-and-chaos-hungarian-healthcare-system> (accessed: 25. 07. 2021).

health services.<sup>38</sup> Since its promulgation, the Act was amended and an agreement has been reached to allow any second job that does not conflict with the full-time job and is permitted by the director of the National Health Service Center (NHSC).

## 2. 2. Changing employment status

Due to the fact of the transfer of legal employment status (they moved from civil servant status to special medical service relationship) there were some problematic employment and labour law related issues to solve. Some of them are set out here:

*a) Transfer of employment contract.* The new Act fundamentally transformed the employment relationships at state-owned healthcare service providers. The new legal status of doctors in the public sector is “egészségügyi szolgálati jogviszony” (medical service relationship). 1 March 2021 was the deadline for doctors and healthcare professionals to sign their new contracts under the health service status.

*b) Duration of secondment.* It was “flawed and extremely fearful” in the law that – in medical service relationship – the duration of the secondment for doctors could be 1 + 1 years, instead of maximizing its duration in 100 working days per calendar year, even in the event of a health crisis. Since its promulgation, the Act has undergone many amendments and finally healthcare workers can be seconded for a maximum of 44 working days within one calendar year – this is equal to regular provision of the Hungarian Labour Code -, instead of the originally planned two years.<sup>39</sup>

*c) Another problem is that the severance payment under the previous Act (Civil Servants Act) and under the new Act (Healthcare Service Relationship Act) differs significantly in basis and in amount as well. (See details in Table 1.) There is an initiative supported by several interest protection bodies to bring this case to the Hungarian Constitutional Court or even to the ECHR.*

Table 1.

*Difference of severance payment for medical doctors*

Duration of legal relationship	Under the previous system (Civil Servants Act)*	Under the new Act
4 years	HUF 400,000	HUF 250,000
19 years	HUF 4,500,000	HUF 500,000

Source: Alkotmányellenes a végkielégítés szabályozása az egészségügyi szolgálati törvényben; <https://moh.hu/hirek/mokhirek/alkotmanyellenes-a-vegkielegites-szabalyozasa-az-egeszsegugyi-szolgalati-torvenyben>

<sup>38</sup> KASZAS FANNI: *Despite Historic Rise, Bill re: Doctors' Salaries Consists of 'Unacceptable' Points, says Medical Chamber* (2020); <https://hungarytoday.hu/doctor-salary-rise-medical-chamber-gratitude-money/> (accessed: 25. 07. 2021).

<sup>39</sup> KASZAS FANNI: *Medical Chamber Recommends Amendments to New Healthcare Law, Medical Orgs Fear of Workers Leaving Sector* (2020) <https://hungarytoday.hu/medical-chamber-healthcare-law-doctors-leaving/> (accessed: 25. 06. 2021).

d) Furthermore, the new Act might influence the shrinkage number of the PhD students at Medical Schools. In fact, PhD students are receiving a state stipendium<sup>40</sup> (quasi salary) during their research semesters (4 academic years). However, this income is very significantly lower compare to the salary of a career starter doctor. Hence, it is predictable that many of the newly graduated medical doctors instead of choosing PhD career they will start their work in the significantly higher remunerated medical practice.

### 3. Criminalisation of gratuity money

Before WW II in Hungary, the expression was used to refer to a petty-cash fund distributed to subordinate doctors and assistants by senior doctors in private practices. With the disappearance of private surgeries during the communist era, *paraszolvenzia*<sup>41</sup> came to refer to gift giving and became associated with *hálapénz*, literally “gratuity money”.<sup>42</sup>

The medical tipping was a vestige of the Soviet rule (when doctors pay was slashed) and was done, to some extent, in all specialties, with an estimated 20 percent of Hungarian physicians pocketing such handouts from patients. Still, it's a fascinating glimpse into the strange personal spending required in a post-Soviet socialized health care system.<sup>43</sup>

In the 1950s and throughout the socialist era, the intelligentsia in Hungary was systematically ripped from leading positions and their cooperation among themselves was also inhibited. However, doctors were not replaceable by party cadres, so the aim instead was to pit them against each other. The profession was grouped into two parts: 1. those who meet the patients face-to-face regularly, and 2. those working in the background, e.g., in the laboratories.

Wages were redistributed based on this division: the latter group, the “background staff”, was eligible for a higher salary. At the same time, doctors working in direct patient care were allowed to accept money from the patients in addition to their base salaries (generally called ‘parasolvency’, or ‘*hálapénz*’ in Hungarian, which translates to ‘gratitude-money’ and could be compared to a tipping system).

*Hálapénz* has become so widespread that certain treatments acquired set tariffs and discussing the amount of *hálapénz* the doctors were expecting to perform an operation has become ordinary among patients and in the media. In the beginning of the 2000s, *halapenz.hu* served as a common online forum for discussion of *hálapénz*. *Hálapénz* is not distributed evenly among the doctors. The press estimates that 2,000 to 3,000 ‘medical barons’, who treat the hospitals as their private practice, take home ‘80 per cent of the *hálapénz* money, while others do not make anything due to their young age’. The ‘medical

<sup>40</sup> The amount is HUF 140 000/month (EUR 400) for the first two academic years and HUF 180 000/month (EUR 514) for the last two academic years.

<sup>41</sup> The word *paraszolvenzia* consists of the prefix *para* meaning beside or beyond, and *szolvenzia* from the Latin verb *solvere*, meaning to loosen, solve or ease something. Thus *paraszolvenzia* refers to actions that solve (a problem or situation) outside of the formal framework.

<sup>42</sup> KORNAI JÁNOS: ‘*Hidden in an Envelope*’ (2000), [kornai-janos.hu. http://www.kornai-janos.hu/Kornai2000-Hidden-in-an-envelope.pdf](http://www.kornai-janos.hu/Kornai2000-Hidden-in-an-envelope.pdf) (accessed: 28. 07. 2021).

<sup>43</sup> Hungarian docs get “gratitude money” in delivery room (2008); <https://www.communitycatalyst.org/blog/hungarian-docs-get-gratitude-money-in-delivery-room#.YA2mHxa6qUk> (accessed: 15. 09. 2021).

barons' may put a small proportion of their *hálapénz* to a petty-cash fund and then distribute it among nurses and paramedics, crucial to their work.<sup>44</sup>

The phenomenon of parasolvency was deeply embedded in Hungarian healthcare. Patients were so distrustful of healthcare and so vulnerable to the lack of transparency in the system that they use parasolvency as an attempt to secure trustworthy service for themselves. This then generates further distortion of the system, creating a vicious circle.

The doctor-patient relationship thus becomes some kind of business transaction that at the same time violates both the real interests of the patient and the system of state incentives. Moreover, parasolvency is also sneaking its way into medical practice training, since instead of the mentor-student relationship, older doctors rather become the rivals of young ones. In order to keep their access to money, some doctors may just as well keep important information to themselves so as to make themselves indispensable in their profession.

Parasolvency anchored bad structures within Hungarian healthcare system, because those in power did not want to release their positions and privileges to others. As a result, a small group of people in the profession has emerged who hold strong lobbying power and for whom the survival of the parasolvency-system is essentially important, so they are determined to protect it.<sup>45</sup>

The Code of Ethics of the Hungarian Medical Chamber (2012) defined the practice, as „...any kind of advantage or allowance that is given to the doctor by the patient or his/her relatives subsequently, without being requested, if they do not influence the quality of the care by any means” and adds that „expressing gratuity money can only be voluntary”. Two features of gratuity stand out: 1. its voluntary nature and 2. timing. Gratuity cannot be requested and it should only be given after treatment. This distinguishes *hálapénz*, assumed to be given out of gratitude, from bribes or kickbacks.

*Hálapénz* had an ambiguous legal status. The patients in question couldn't be prohibited from expressing their gratitude by giving gifts to their physicians or nurses. Like any tip, *hálapénz* was regulated by Hungarian Labour Law and sanctioned according to the Criminal Law, which states that the employees should not be given gifts by a third party (patients), unless the employer permits them. The only other example where the Criminal Law sanctions the practice of giving gratuity is when it is given before the treatment and is therefore a bribe. A medical worker is liable for criminal prosecution if they request gratuity or if they privilege paying patients (i.e. by arranging better rooms, beds, care or advancement on the waiting list) over non-paying ones.<sup>46</sup>

Before the newly introduced regulations in the health sector, gratuity money had a rather ambiguous legal status. Previously there was no means to prohibit patients from expressing their gratitude by giving gifts to their physicians or nurses. The only instance where the Hungarian Criminal Law sanctioned the practice of gratuity money was the time it was given before the treatment and was therefore considered a bribe. A medical

<sup>44</sup> LANTOS, G. (2016): *Az orvosbárókra megy el a pénz*. Index, 18 April, [http://index.hu/gazdasag/penzbeszel/2016/04/18/korhaz\\_orvos\\_egeszsegugy\\_betegseg\\_lantos\\_gabriella\\_elso\\_resz](http://index.hu/gazdasag/penzbeszel/2016/04/18/korhaz_orvos_egeszsegugy_betegseg_lantos_gabriella_elso_resz) (accessed: 28. 06. 2021).

<sup>45</sup> LÉNÁRD RITA: *Vulnerability and chaos in the Hungarian healthcare system* (2018). <https://www.boell.de/en/2018/05/31/vulnerability-and-chaos-hungarian-healthcare-system> (accessed: 15. 09. 2021).

<sup>46</sup> KORNAI JÁNOS: *'Hidden in an Envelope'* (2000). [kornai-janos.hu, http://www.kornai-janos.hu/Kornai2000-Hidden-in-an-envelope.pdf](http://www.kornai-janos.hu/Kornai2000-Hidden-in-an-envelope.pdf) (accessed: 15. 09. 2021).

worker was only liable for criminal prosecution if they requested gratuity or if they gave preferred treatment to paying patients over non-paying ones.

According to the new Act, all participants in the gratuity money transaction will be punished, including those who give money for public health services and those who accept it. Henceforth, it no longer matters whether the patient gives the gratuity payment voluntarily and when they hand it over to their doctor – before or after the treatment – because if they do, and the doctor accepts it, they are both committing a crime. The new regulation clearly punishes healthcare staff who accept gratuity payments more severely than patients who give them. By default, doctors are sentenced to up to three years in prison, which can be increased up to 5-10 years under certain aggravating circumstances.<sup>47</sup>

From March 2021, the National Protective Service (NVSZ),<sup>48</sup> an anti-corruption police agency, will check whether or not doctors accept bribes during their practice. If a doctor becomes a suspect in a bribery case, he/she can no longer practice even before being found guilty. In contrast, a patient who gives gratuity money does not have to fear such serious consequences. Under the current regulation, a maximum of one year of imprisonment can be imposed, which in practice generally means getting away with a fine or a conditional sentence. The government has also created a loophole so patients can legally express their gratitude to the treating doctor – with something worth no more than 5 percent of the current minimum monthly wage (around HUF 8,000; EUR 22 in 2021).

### Conclusion

As it was mentioned in the introduction, the most critical aspects that always pose a danger to the safety of patient care were often visible in Hungary: lack of transparency, frequently low quality of basic (GP), outpatient care and intramural services, overloaded outpatient care, lack of medical professionals (not only doctors) in the whole system, occasionally long waiting lists, and the structural fragmentation of healthcare institutions. The whole system lacks correct professional regulation and protocols, lacks a process for updating the minimal standards for conditions, or for that matter lacks follow-up by monitoring indicators of quality over time and publishing the results. The real question is how many of these problems can be solved by the new Healthcare Service Act.<sup>49</sup>

The usually emphasized sudden salary increase – unbalancedly mainly for medical doctors – introduced by the new Healthcare Service Relationship Act was necessary, but alone would not entirely solve the above-mentioned problems.

Furthermore the minister responsible for the health sector, said the historic pay raise could potentially lure many doctors home who are currently working abroad, but looking

<sup>47</sup> Despite Historic Rise, Bill re: Doctors' Salaries Consists of 'Unacceptable' Points, says Medical Chamber; <https://hungarytoday.hu/doctor-salary-rise-medical-chamber-gratitude-money/> (accessed: 30. 08. 2021).

<sup>48</sup> The National Protective Service is an organisation performing internal crime prevention and detection duties with nationwide competence. <https://nvsz.hu/en/goals-and-tasks-national-protective-service>.

<sup>49</sup> GYÖRFFY, ZSUZSA – DWEIK, DIANA & GIRASEK, EDMOND: *Willingness to migrate – a potential effect of burnout? A survey of Hungarian physicians*. *Human Resources for Health*, 2018, Volume 16, Article number: 36; <https://human-resources-health.biomedcentral.com/articles/10.1186/s12960-018-0303-y> (30. 08. 2021).

at the enormous gap between the salary of those working in western countries and that which Hungarian doctors will earn in 2023, it is unlikely to happen.<sup>50</sup>

There is a need for a complete structural change in order to let the healthcare system become a patient-centered, transparent, clearly-functioning system meeting the requirements of the present day.

Last but not least the transfer of medical employers' and employees' status from civil servant to employee (under labour law) raised several unanswered question and labour law related malpractice (e.g. transfer of undertakings, duration of posting, diminish individual and collective labour rights, etc.) These issues might be a good reason to continue this article.

HAJDÚ JÓZSEF

AZ ÚJ EGÉSZSÉGÜGYI SZOLGÁLATI JOGVISZONY  
MAGYARORSZÁGON

(Összefoglaló)

Magyarországon 2020. november 18-án hatályba lépett az új egészségügyi szolgálati jogviszonyról szóló törvény, amely a jelentős orvosi béremelés mellett alaposan átrendezte az egészségügyi dolgozók munkajogi viszonyait. Az új szabályozás értelmében Magyarországon állami fenntartású egészségügyi szolgáltatóknál főszabály szerint csak egészségügyi szolgálati jogviszony keretében lehet egészségügyi tevékenységet végezni. A törvény egy történelmi jelentőségű orvosi béremelésen túl tartalmazza például azt, hogy egy orvos ugyanazon betegség miatt nem láthatja el ugyanazt a beteget az állami és a magánellátásban, büntethetővé teszi a hálapénz elfogadását és adását is, és szigorúan korlátozza a másodállás vállalását. A cikk a fenti kérdések hátterét és alapkérdéseit mutatja be röviden.

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<sup>50</sup> CSERESNYÉS PÉTER: *Hungary's New Pay Scale for Doctors a Step Closer to Western Healthcare Salaries.*  
<https://hungarytoday.hu/hungarys-new-pay-scale-for-doctors-a-step-closer-to-western-healthcare-salaries/>