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Ukraine: Addressing Needs in the Health Sector

Introduction

1. The war is having a devastating impact on health and human capital in Ukraine and is expected to affect generations to come. The most obvious effects on health are immediate: an estimated 4,339 conflict-related deaths and 5,246 people injured¹. Less visible is the illness caused, and exacerbated, by people not being able to access care for acute and chronic conditions. There will also be long-lasting effects, as the repercussions of injury, foregone healthcare, and mental trauma echo through individual lives and even generations.

2. The invasion precipitated a new crisis for the health care system in Ukraine, at a time when the country was still battling the COVID-19 crisis. The pandemic hit Ukraine hard, with deaths potentially as high as 200,000 by end-2021,² as the country also struggled with high vaccine hesitancy. Still, at the time of the invasion, vaccination was finally on the uptick: by mid-February, 36.5 percent of the population had been fully vaccinated.

3. The twin crises of the war and COVID-19 pandemic are also a setback to reforms, which promised to help Ukraine break free from the inefficiencies of its legacy Soviet health care system. Introduced in 2018, the Program of Medical Guarantees (*PMG*) program aims to ensure that Ukrainian people have access to a defined package of healthcare, purchased strategically from providers by the new National Health Services of Ukraine (*NHSU*). A first successful phase connected people to primary care, provided affordable medicines, and introduced e-Health. A second phase aimed at creating a more efficient hospital network, incentivized through new output-based payment methods, had been advancing when it was interrupted by the COVID-19 pandemic – and is now further set back by the war.

Impact of the War on Health Care Infrastructure & Availability of Care

4. Healthcare infrastructure. As a result of the ongoing war, 705 health facilities (*4.1 percent of the total*) have been damaged, of which 115 are completely destroyed (*according to the Ministry*

¹ Data from the Office of the High Commissioner for Human Rights, United Nations, June 10, 2022.

² The official death toll was 108,449 (official) at the time of the invasion but World Bank estimates of excess mortality, using established methodologies, yield 47,578 additional deaths in 2020 and 150,049 in 2021.

of Health [MOH] estimates as of June 12, 2022). In addition, 435 pharmacies (3.7 percent of the total) are so damaged that they cannot operate. The MOH estimates the damages to health infrastructure to be over \$1 billion, which is more than a fifth of the health budget for 2022.

5. Displacement of health workers and population. More than 14 million people have been forced to flee their homes, of which 6.6 million are refugees abroad and 8 million are internally displaced (as of May 26, 2022).³ Since the invasion, the number of patients seeking care outside their home oblast has almost quadrupled (275 percent higher, per the National Health Service of Ukraine [NHSU] data). Some of the displaced are health workers: MOH data confirm the displacement of 3,073 health workers, including 1,636 doctors, 991 other specialists (nurses, midwives, pharmacists), and 446 technical workers (as of June 13, 2022), but this is likely an undercount. Most displaced workers are not formally providing healthcare services. Together, displacement and damage mean that there is a spatial mismatch between the availability of care and the population needing care.

6. Disruption of service delivery. Childhood immunization in March 2022 was down 66 percent from March 2021 (NHSU data). Monthly, COVID-19 vaccination is a tenth of what it was before the war (NHSU data) but has continued, reaching 37 percent full vaccination in early-June. People living with HIV and tuberculosis (TB) are at risk of not getting essential drugs: among TB patients, only 4 percent have moved to safe territories, and NGOs working with HIV prevention report losing between 15 percent and 70 percent of the patients.⁴ The decline in the provision of other health services (from the management of noncommunicable diseases [NCDs] to acute hospital care) – whether because of supply or demand reasons – is evident in NHSU's e-health data. On average, there are 50 percent fewer electronic health records completed, 45 percent fewer e-referrals, and 33 percent fewer e-prescriptions per month than the monthly average before the war.⁵ This decline is more than three times larger than the number of people who fled abroad.⁶ This not only has short-term implications for acute care needs but will also have long-term consequences for population health.

War-related Policy Adjustments in the Health Sector

³ Situation report from IOM UN Migration, #20, 26 May 2022, https://www.iom.int/sites/g/files/tmzbd1486/files/situation_reports/file/iom-regional-ukraine-response-external-sitrep-26052022-final.pdf

⁴ Situation Report by Alliance for Public Health as of April 28, 2022, on internally displaced people and refugees

⁵ These figures may overstate the extent of service delivery disruption, though, since health workers have been permitted to use paper-based alternatives to e-Health systems during the war.

⁶ Part of the measured decline in health services provided may reflect the smaller number of people now in Ukraine and/or failure by healthcare providers to submit e-claims to the NHSU for services rendered.

7. The Government of Ukraine has introduced the Following Measures for the Duration of Martial Law:

- Payments to health providers have been simplified and are based on estimates. Monthly payments have been set equal 1/12 of the estimated 2022 service delivery for the corresponding package. Adjustments to account for decreases or increases in service delivery needs in different locations are under consideration. Some health packages have been merged or canceled, including the fee-for-service payment for COVID-19 vaccination, which starting from May 2022 is subsumed under the capitation payment to primary care providers
- Salaries of health workers have been temporarily increased. From March 20, salaries were increased to ensure a minimum of UAH 13,500 (\$420) for mid-level health staff and UAH 20,000 (\$625) for doctors.⁷ Wages of medical interns are also now paid centrally through a special allocation within the PMG rather than at the discretion of the facility
- Administrative procedures and reporting have been simplified. For example, health care facilities and pharmacies are not required to use the e-health system and can submit paper-based reports; facility license renewals are not required; import procedures have been simplified, and select medicines, medical devices, and supplies are exempt from import duties; centralized procurement was expanded to include additional medicines to address shortages
- Employment of displaced health workers has been incentivized. The employment of internally displaced health workers in their new locations is incentivized by payments to the employer from the Ministry of Economy of an additional UAH 6,500 (\$215) per month for two months⁸

Health Sector: Current & Future Needs

8. Current and future health sectors needs are immense and will be challenging to meet. While the war still rages, the health system will need to focus on meeting emergency medical needs, while also ensuring continuation of other essential health services, including for chronic conditions, so that population health is not jeopardized. Upon the immediate resumption of peace, nationwide or within previously war-affected areas, reconnecting people to primary care providers should be prioritized and plans will need to be made for reconstruction of the health facility network – a network that is future-orientated, efficient, digitally-enabled, and green. Expansion of services to address the mental health impact of the war will be essential. Once stable peace is achieved, phased and prioritized reconstruction can commence. Rebuilding is also an opportunity to address persistent legacy issues (*excessive reliance on inpatient care*) and facilitate a move towards greater

⁷ <https://zakon.rada.gov.ua/laws/show/1440-2021-%D0%BF#Text>

⁸ Cabmin Resolution #331 of March 20, 2022. This is applicable to all sectors, including health.

system-level efficiency (e.g., optimization of the hospital network and amalgamation of local health centers), as well as enhance environmental sustainability. In all phases, enabling adjustments to health financing arrangements, policies, and procedures will be needed. Some specific activities are listed below, organized using the World Bank's Relief, Recovery, and Resilient Reconstruction framework.⁹

(1) Relief	(2) Recovery	(3) Resilient Reconstruction
<ul style="list-style-type: none"> • Get emergency medical equipment to war-affected territories • Ensure complementary training of health workers • Maintain, to the extent possible, care for acute and chronic conditions • Sustain the supply of essential medicines • Continue COVID-19 vaccination • Roll out comprehensive mental health training for primary care staff 	<ul style="list-style-type: none"> • Reconnect patients, especially children and elderly, to a primary health care provider • Expand provision of services to address mental health impact of the war • Develop and finalize reconstruction plans, around a future model of the health care system 	<ul style="list-style-type: none"> • Rebuild health facilities, in a way that is optimized for a new model of care, and an efficient provider network, • Get back on track with health financing reforms and other long-term sectoral goals

World Bank Support to the Health Sector During the War

9. Working closely with the Ministry of Health and NHSU, the Bank has provided the following financing and technical assistance since the invasion on February 24, 2022:

- **Emergency Medical Equipment:** With re-allocated resources from the Serving People Improving Health (SPIH) project, Bank-Facilitated Procurement was used to secure contracts of \$35 million for emergency medical equipment and supplies, some of which has already delivered with the rest scheduled for late-May and early June.
- **COVID-19 Response:** Within three weeks of the invasion, Additional Financing of \$91 million was added to the Emergency COVID-19 Response and Vaccination project to reimburse vaccine contracts, freeing up budgetary room for other essential health needs. Overall, \$109 million has been disbursed for COVID-19 response since February 24, 2022.
- **Health System Strengthening:** Implementation of planned health system strengthening activities continues under the SPIH project, including \$4 million disbursed since the invasion.

⁹ World Bank. 2022. Relief, Recovery, and Resilient Reconstruction: Supporting Ukraine's immediate and medium-term economic needs. Washington, D.C.: World Bank.

- **Relief for Vulnerable Groups:** NGOs have been contracted, using a Swiss-financed Trust Fund, to assess needs of vulnerable groups, including the elderly and internally displaced, and facilitate their access to care.
- **Technical Assistance to Reconstruction Plans & Health Financing Adjustment:** A multi-sectoral Damage and Needs Assessment is being prepared, which will be followed by the development of a health facility masterplan for future infrastructure investment. Technical assistance to health financing includes modeling of changes to the benefits package and payment mechanisms so that they can be adapted to fast-changing needs.