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August 2022

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Abbreviations

GDP	Gross Domestic Product
MoHSP	Ministry of Health and Social Protection
CHIF	Compulsory Health Insurance Fund
DCM	Decisions of the Council of Ministers
QSUNT	“Mother Theresa” University Hospital
IPH	Institute of Public Health
NMEC	National Medical Emergency Center
NCCWD	The National Center for Child Welfare and Development
LRB	The List of Reimbursable Medications
MFE	Ministry of Finance and Economy
4M I	First Quarter
4M II	Second Quarter
4M III	Third Quarter
WFD	Westminster Foundation for Democracy

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Introduction

This report is a continuation of the reports entitled "Monitoring of Albania's Health Budget, January - April 2021¹ and January - August 2021"², supported by the WFD office in Albania and prepared by the association "Together for Life" in September 2021.

In this report, the data for the full year 2021 are included in the analysis, offering a more complete overview of the relevant developments. The report provides a detailed overview of the expenses of the Ministry of Health for the period January - April 2022.

The report analyzes the official data used by the Ministry of Finance for the actual 2021 budget, the monitoring reports of the Ministry of Health and Social Protection, and other statistics published by INSTAT regarding mortality during the pandemic period. Preliminary data for the first half of 2022 are also included.

The data of the monitoring reports of the Ministry of Health and Social Protection are published on a triannual basis, while other data on the progress of economic indicators and mortality statistics are published by the relevant institutions on a quarterly or monthly basis. For this reason, the data for the monitoring of health expenses will be reported for a triannual and annual period, while other data for the annual or quarterly period.

¹ <https://www.wfd.org/what-we-do/resources/monitoring-state-budget-health-albania>

² <https://www.wfd.org/what-we-do/resources/monitoring-state-budget-health-albania>

Key findings

Spending on the health sector reached a record level in 2021, influenced by the increase in the treatment of hospitalized patients due to the burden created by the COVID-19 pandemic, the process of vaccination against COVID-19, the start of concessionary activity of laboratories, and the World Bank loan issued for coping with the consequences of the pandemic.

For the entire year 2021, the actual total expenditure on health was ALL 78 billion (Euro 642 million), with an increase of 16% on an annual basis compared to the corresponding period of 2020, or ALL 10.8 billion (Euro 88 million) more. Compared to 2019, when the country was in a normal health period, health spending has increased significantly by 28%, influenced by the "Secondary Health Care Services", "Public Health Services" and "Social Services" programs.

In 2021, due to the load that was created in hospitals, especially during the first half of the year, the fund for the "Treatment of Hospitalized Patients" has increased significantly, expanding by 19%, or 3.7 billion ALL (30 million Euro) more, for 2021, compared to 2020.

"Persons vaccinated with the vaccine against COVID-19", is a new item that was implemented for the first time in 2021, within the program for vaccination against COVID-19, with a total fund of ALL 3.5 billion (Euro 28.5 million) for 2021.

In the third 4-month period of 2021, the actual total expenditure on health was ALL 29 billion (Euro 240 million), with an increase of 18.1% on an annual basis, or ALL 4.5 billion (Euro 37 million).

The increase in spending in the last four months of 2021 was led by the start of the World Bank loan project to cope with the consequences of COVID-19 and the start of implementing the laboratory examinations concession contract.

Expenditures for "Treatment of Hospitalized Patients" increased at a slower rate in the third quarter, while "Number of Visits to Primary Health Care" showed a downward trend.

In the first four month period of 2022, total health spending declined for the first time since the start of the pandemic. The total expenses for the period January - April 2021 was 23.4 billion ALL (Euro 192 million), with a decrease of 2.7% compared to the same

period in the previous year. The contraction came mainly from lower spending on "Hospitalized Patients" and slower rates of vaccination.

Excess mortality continued to be high in 2021, influenced by the significant increase in fatalities in the period January - March. For 2021, the country recorded 30,580 deaths, an increase of 10.8% compared to the same period of 2020, when the country faced the first wave of the pandemic. In relation to the 2016-2019 average, the period taken as a reference for comparing the additional mortality caused by the pandemic, the increase reaches 40%.

In the first quarter of 2022, the increase in excess mortality slowed down compared to the previous year, but still remains higher than in the pre-pandemic period, showing not only the direct consequences of COVID-19, but also the implications it brought upon the health of the population, as well as the effects of the lack of treatment and diagnosis of other diseases during the quarantine period.

In the first quarter of 2022, a total of 7,837 deaths were recorded, with a 22% decrease compared to the same period of 2021, but with a 25% increase compared to the corresponding 2016-2019 average.

Despite the acceleration of the process, Albania remains among the last in Europe in terms of vaccination, in relation to the population. By the end of 2021, Albania had carried out 2,396,863 anti-COVID vaccinations. Of the doses of the anti-COVID vaccine carried out in Albania, there were: 1,147,753 first doses, 1,040,493 second doses, and 147,507 third doses administered. About 41% of the population was vaccinated with at least one dose.

Vaccination continued at a slower pace even in the first months of 2022. By the end of April 2022, a total of 2,814,626 vaccinations had been carried out. Only about 46% of the population were vaccinated with at least one dose (1,293,234 first doses) by the end of April 2022.

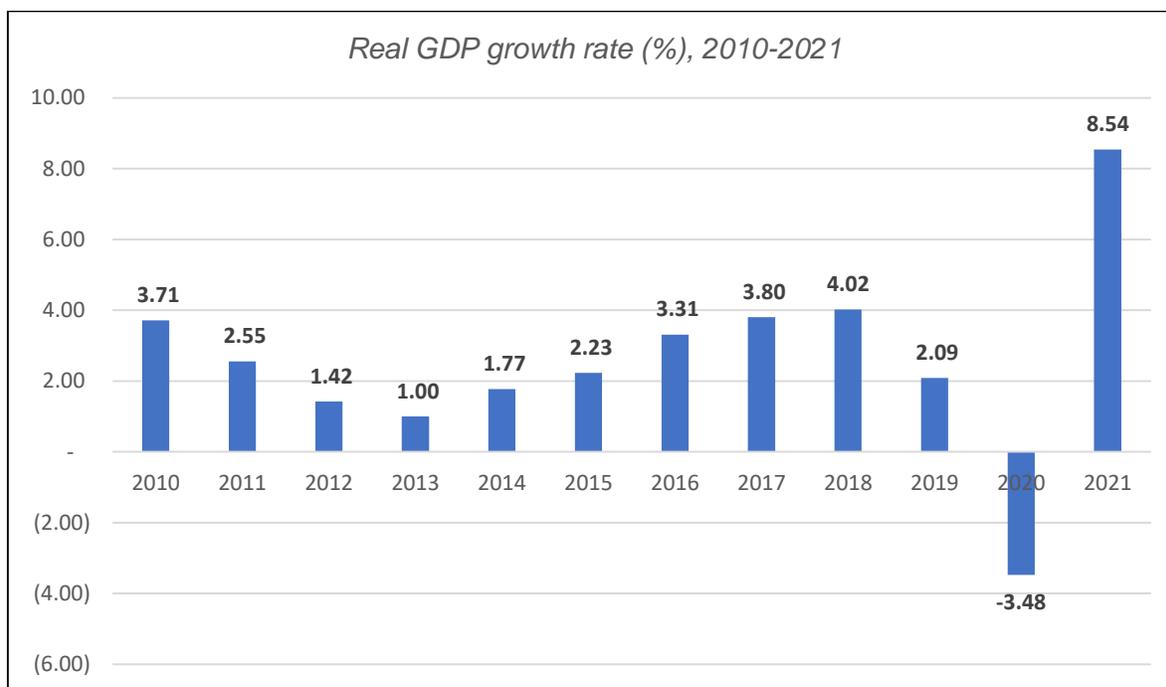
1. Executive summary

In the period 2020-2021, Albania, as across the world, faced the COVID-19 pandemic, which caused serious consequences in the economy and especially in the loss of human lives.

In 2020, the consequences of the pandemic were heavily felt in the economy, marking a 3.5% decline in Gross Domestic Product (GDP), the greatest decline since 1997. In 2021, the economy showed strong signs of recovery, with an increase of 8.54%, influenced by the improvement of activity in all sectors, and especially trade and services, which were hit hardest during the pandemic.

Growth continued in the first 3 months of 2022 with 5.97%, led by trade and services, construction, and real estate.

Figure 1: Real GDP growth rate (%), 2010-2021



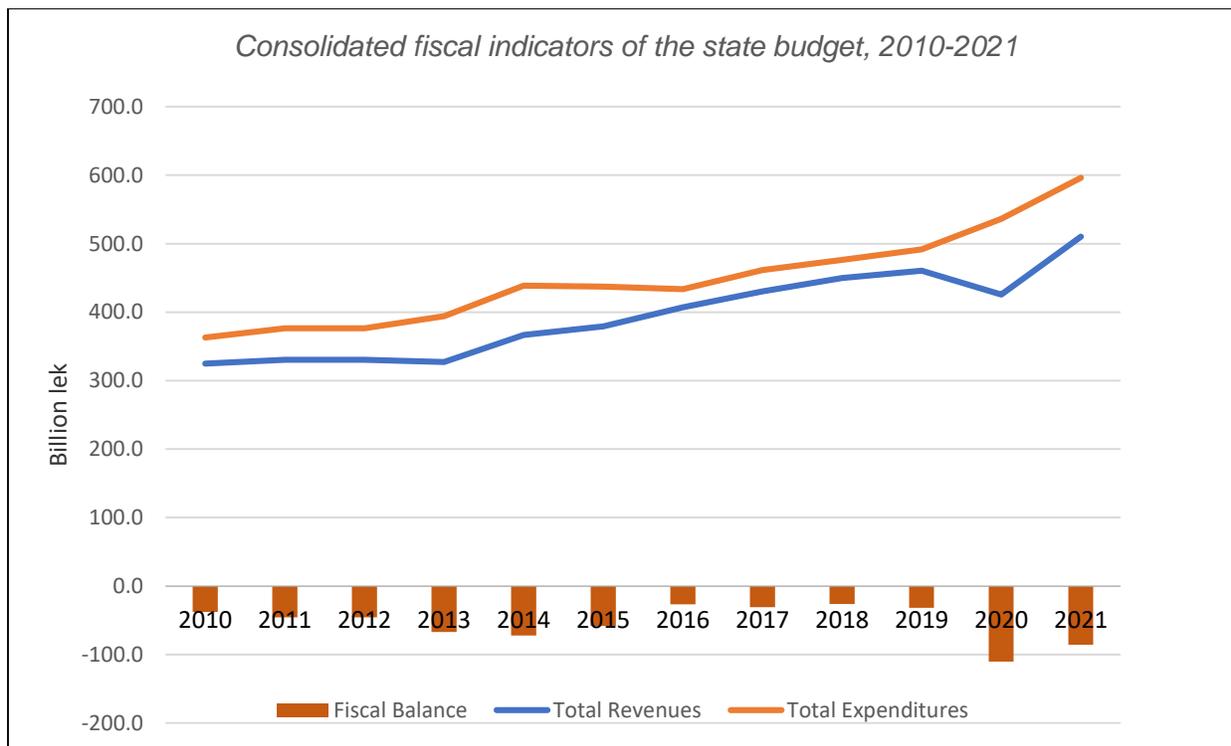
Source: INSTAT

Following the good performance of the economy, budget revenues have also marked a significant increase. For 2021, budget revenues reached ALL 510 billion³ (Euro 4.2

³ <http://financa.gov.al/statistika-fiskale-mujore/>

million)⁴, with an increase of 20% compared to the same period a year ago and 11.8% more than the pre-pandemic period of 2019, a signal that the economy has surpassed pre-crisis levels.

Figure 2: Consolidated fiscal indicators of the state budget, 2020-2021 period

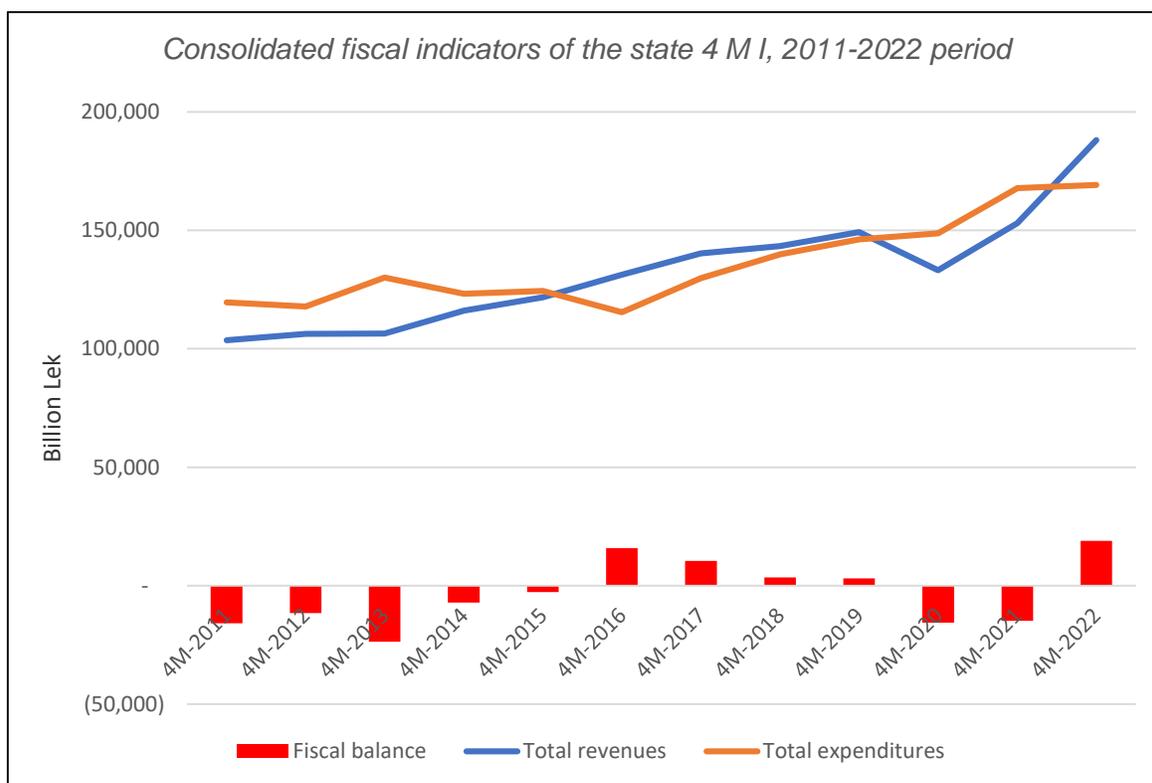


Source: Ministry of Finance and Economy

The positive progress of budget revenues continued in the first 4 months of 2022, supported by the increase in prices that improved the income from the Value Added Tax and the improvement of administration, after the implementation of the new fiscalization system. For the period January - April 2022, the revenues in the budget were ALL 188 billion (Euro 1.5 billion), with an increase of 23% compared to the same period of the previous year. Due to high revenue growth and expenditure restraint, the budget recorded the highest level of surplus ever recorded.

⁴ <http://financa.gov.al/statistika-fiskale-mujore/>

Figure 3: Consolidated fiscal indicators of the state budget, 4 M I, 2011-2022 period



Source: Ministry of Finance and Economy

For the second consecutive year in 2021, the health situation continued to be difficult, with an increase in excess mortality,⁵ especially in the first part of the year. The second wave of the pandemic, which culminated in January - March 2021, marked a high increase of fatalities in the country. In 2021, a total of 30,580 deaths were reported,⁶ an increase of 10.8% compared to the 2016-2019 average for the same period.

Excess mortality was reported in the first quarter, up 65% compared to the same period in 2020 when the pandemic had just begun, slowing to 13.5% in the second quarter and turning negative in the following two quarters, -3.3% and -16.6% respectively, as the pandemic began to ease. However, compared to the 2016-2019 average, the excess mortality by quarter increased, from 21% in the second quarter to

⁵ Excess death/mortality is a term used in epidemiology and public health that refers to the number of deaths from all causes during a crisis period that is above and beyond what would be expected under normal conditions. <https://ourworldindata.org/excess-mortality-COVID>

⁶ <http://instat.gov.al/al/temat/treguesit-demografik%C3%AB-dhe-social%C3%AB/lindjet-vdekjet-dhe-martestat/publikimet/2021/treguesit-demografik%C3%AB-t3-2021/>

62% in the fourth. In the first quarter of 2022, excess mortality fell by 22.3% compared to the same period in 2021, but was 15.7% higher than the 2016-2019 average.

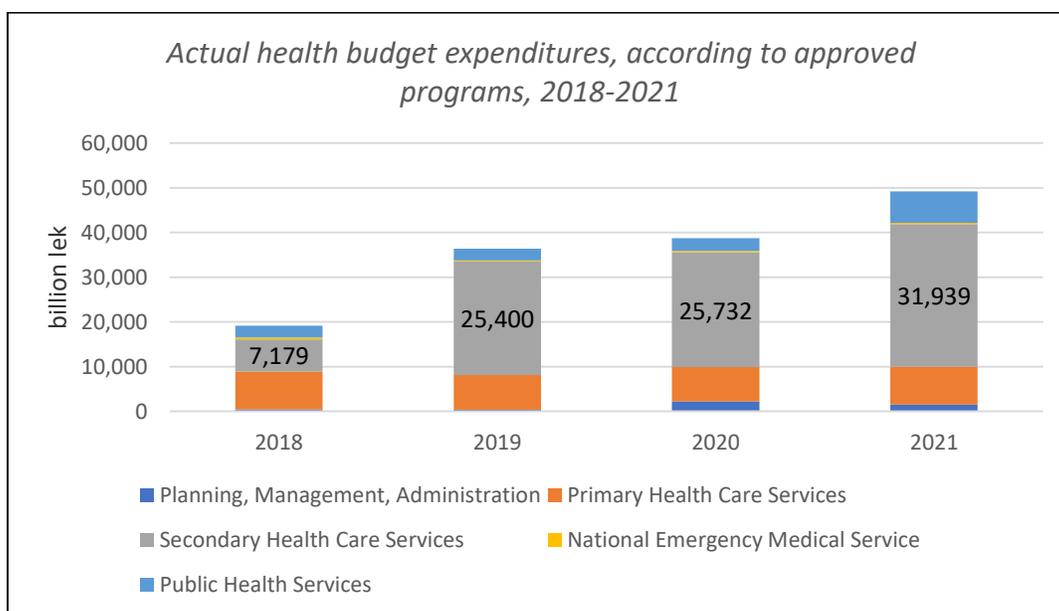
For the period 2020-2021, mortality in the country increased by about 33.2% compared to average corresponding period of 2018-2019. According to Eurostat⁷ data and regional statistics, Albania is the third in Europe for the highest increase in excess mortality, after Kosovo (38.1) and North Macedonia (35.1), much higher than the average in other European countries, ranging between 2-22% for the aforementioned period.

Expenditures for the health sector marked a significant increase in 2021, influenced in the first part of the year by the increase in hospital admissions, as a result of the pandemic, and in the second part by the issuance of the World Bank loan to cope with the pandemic and the beginning of payments for the concession of laboratories.

For the year 2021, the total actual expenditure on health was ALL 78 billion (Euro 642 million), with an increase of 16% on an annual basis compared to the corresponding period of 2020, or ALL 10.8 billion (Euro 88 million) more.

Excluding the "Social Services" and "Rehabilitation of the Politically Persecuted" programs, which are not directly related to health, the expenditures dedicated only to health for 2021 were 48 billion ALL (Euro 393 million), with an increase of 27 % compared to the previous year.

Figure 4: Actual health budget expenditures, according to approved programs, 2018 - 2021

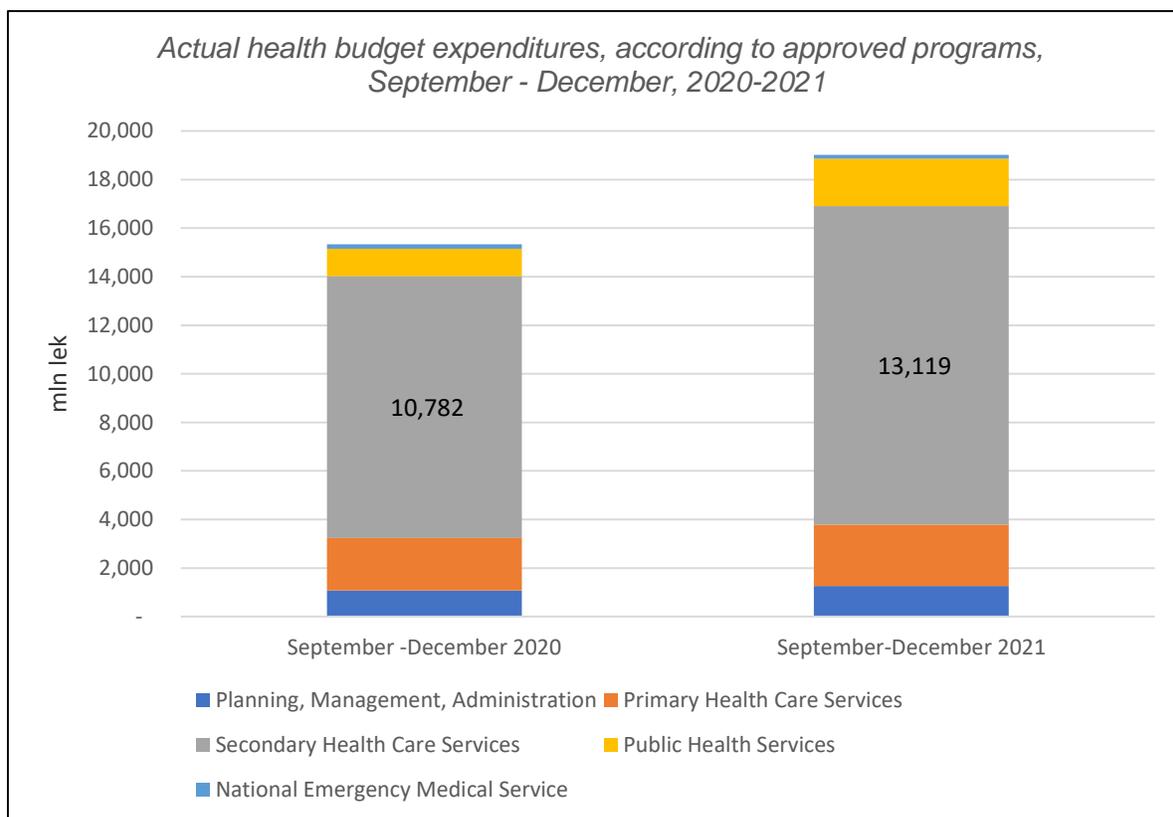


⁷ https://ec.europa.eu/eurostat/databrowser/view/demo_r_mwk_ts/default/table?lang=en

Source: The Ministry of Health and Social Protection

Only in the third 4 month period of 2021, was the actual total expenditure on health 29 billion ALL (240 million Euro), with an increase of 18.1% on an annual basis, or 4.5 billion ALL (37 million Euro) more. Excluding the "Social Services" and "Rehabilitation of the Politically Persecuted" programs, MoHSP spent ALL 19 billion (Euro 155 million) on health alone, with a 24% increase.

Figure 5: Actual health budget expenditures, according to approved programs, September - December, 2020-2021

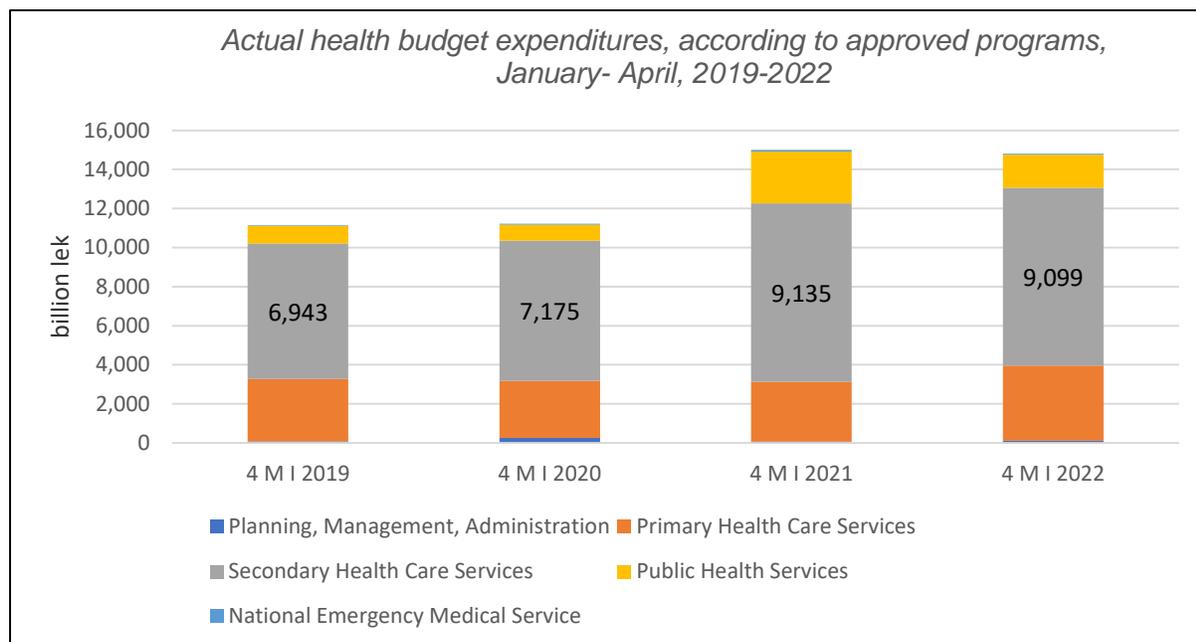


Source: The Ministry of Health and Social Protection

After the easing off of the pandemic in the first four months of 2022, the total spending on health showed a decrease. The total expenditure for the period January-April 2022 was ALL 23.4 billion (Euro 192 million), with a decrease of 2.7% compared to the same period of the previous year.

Excluding the "Social Services" and "Rehabilitation of the Politically Persecuted" programs, the MoHSP spent 14.4 billion ALL (Euro 121 million) on health alone, with a decrease of 1.3%.

Figure 6: Actual health budget expenditures, according to approved programs, January-April, 2019-2022



Source: The Ministry of Health and Social Protection

2. Execution of the total budget and programs of MoHSP for 2021 and 4 M III 2021

The Ministry of Health and Social Protection (MoHSP) administers and manages public funds according to seven approved programs, as follows:

1. Planning, Management, and Administration
2. Primary Health Care Services
3. Secondary Health Care Services
4. Public Health Services
5. National Emergency Medical Service
6. Social Services
7. Rehabilitation of the Politically Persecuted

Year 2021

For the year 2021, the total actual expenditure on health was ALL 78 billion (Euro 642 million), with an increase of 16% on an annual basis compared to the corresponding period of 2020, or 10.8 billion ALL (Euro 88 million) more.

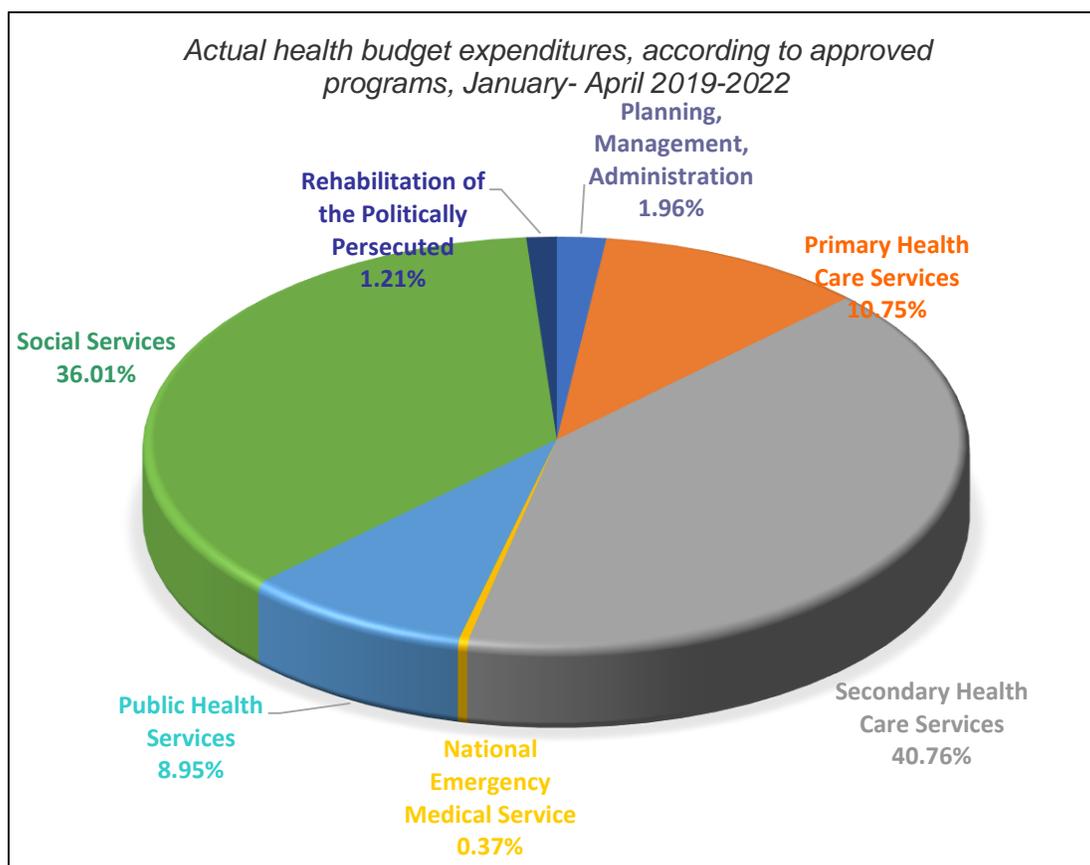
Excluding the "Social Services" and "Rehabilitation of the Politically Persecuted" programs, which are not directly related to health, the expenditures dedicated only to health for 2021 were ALL 48 billion (Euro 393 million), with an increase of 27 % compared to the previous year.

TABLE 1 : Actual health budget expenditures, according to approved programs, 2018-2021 (mln lek)				
	2018	2019	2020	2021
Planning, Management, Administration	450	337	2,188	1,534
Primary Health Care Services	8,500	7,814	7,702	8,422
Secondary Health Care Services	7,179	25,400	25,732	31,939
National Emergency Medical Service	435	180	296	290
Public Health Services	2,635	2,674	2,842	7,016
Health budget expenditures in total	19,199	36,406	38,761	49,200
Social Services	21,893	23,539	27,756	28,216
Rehabilitation of the Politically Persecuted	1,027	1,229	1,033	945
TOTALI	42,119	61,173	67,550	78,361

Source: Ministry of Health and Social Protection

In the total MoHSP budget for 2021, the main weight is carried by the "Primary Health Care Services" Program with 40.7%, followed by "Social Services", with 36% and "Primary Health Care Services", with 10.7 %.

Figure 7: Actual health budget expenditures, according to approved programs, January-April 2019-2022

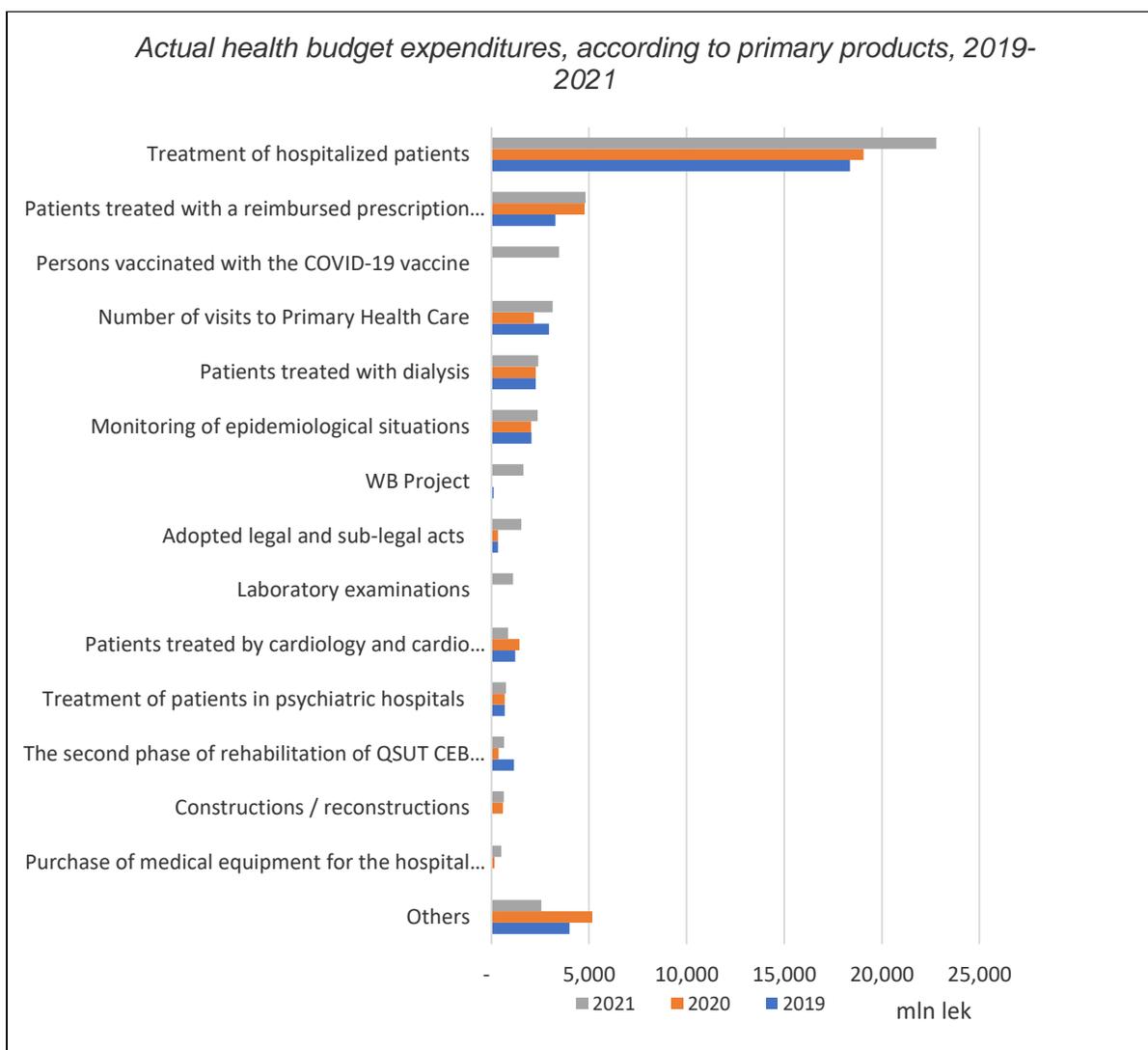


Source: Ministry of Health and Social Protection

According to the main items detailed by the five direct health programs, "Planning, Management, Administration", "Primary Health Care Services", "Secondary Health Care Services", "Public Health Services" and "National Emergency Medical Service" the increase in health expenses for 2021 was influenced by:

- "Treatment of hospitalized patients", the fund for which increased by 19.6%, or ALL 3.7 billion (Euro 30.5 million) more.
- "Persons vaccinated with the anti-COVID vaccine", a new item that was implemented for the first time in 2021, within the program for vaccination against COVID-19, with a total fund for 2021 of ALL 3.5 billion (Euro 28.4 million).
- The start of the "Emergency COVID-19" project, a loan from the World Bank, from which ALL 1.6 billion were disbursed in 2021 (Euro 13.4 million).
- The start of the concessionary contract for the provision of laboratory services with a total disbursement of ALL 1.1 billion (Euro 9 million).

Figure 8: Actual health budget expenditures, according to primary products, 2019-2021



Source: Ministry of Public Health and Social Protection

September - December 2021

In the third 4 months of 2021, the actual total expenditure on health was ALL 29.3 billion (Euro 240 million), with an increase of 18.1% on an annual basis, or ALL 4.5 billion (Euro 37 million) more.

Excluding the "Social Services" and "Rehabilitation of the Politically Persecuted" programs, MOHSP spent ALL 19 billion (Euro 155 million) on health alone, with a 24% increase.

TABLE 2: Actual health budget expenditures, according to approved programs, September-December, 2020-2021 (mln lek)		
	September - December 2020	September - December 2021
Planning, Management, Administration	1,082	1,264
Primary Health Care Services	2,156	2,531
Secondary Health Care Services	10,782	13,119
Public Health Services	1,136	1,953
National Emergency Medical Service	181	148
Total Expenditures directly related to health	15,337	19,015
Social Services	9134.931	9815.858
Rehabilitation of the Politically Persecuted	323.47	457.199
TOTAL	24,796	29,288

Source: Ministry of Health and Social Protection

I. Planning, Management, and Administration

This program mainly includes expenses for approved legal and acts in the bylaws. In the last two years, items for the purchase of protective materials for COVID-19 and bonuses for doctors and nurses coming from abroad, in the context of COVID-19, have been added to this program.

The expenses for this program in the period September - December 2021 were ALL 1.3 billion (Euro 10.3 million), with an increase of 17% compared to the same period a year ago.

II. Primary Health Care Services

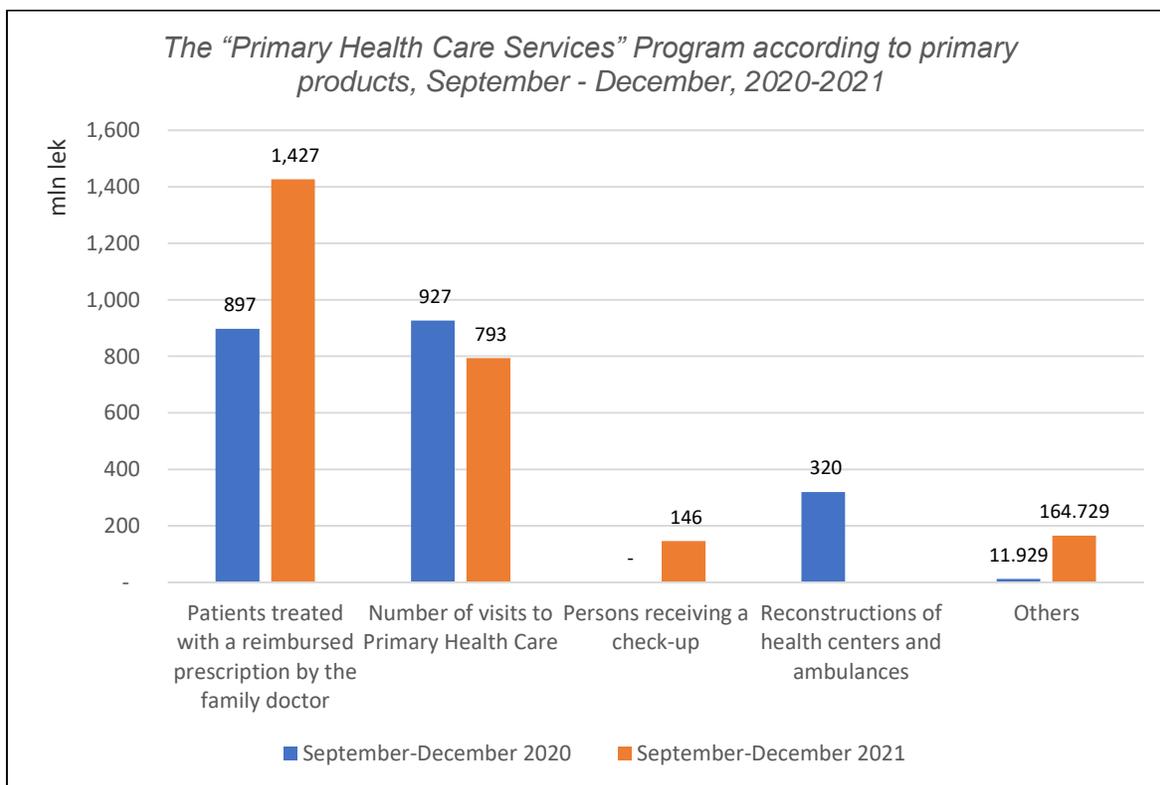
The "Primary Health Care Services" program has as its main objective the improvement of preventive services and early diagnosis of diseases, as well as the completion of health centers to the extent of 80% with the necessary infrastructure for the operation of the information system.

The expenses for this program were ALL 2.5 billion (Euro 20.7 million) for the period September - December 2021, with an increase of 17.4% compared to the same period a year ago.

The increase was influenced by the increase of 60% in the budget for "Patients treated with a prescription with reimbursement from the family doctor".

In contrast, expenditures for the "Number of visits to Primary Health Care" program fell by 14.4%, as a result of the easing off of the pandemic in the final months of 2021, compared to the same period a year ago, when the pandemic was at its peak.

Figure 9: The “Primary Health Care Services” Program according to primary products, September - December, 2020-2021



Source: Ministry of Health and Social Protection

In the final four months of 2021, expenses for people who benefit from the check-up program, which was interrupted during the pandemic, resumed in the second half of March 2020. For the period September - December 2021, ALL146 million (Euro 1.2 million) were spent for the first time since the interruption in the program "Persons who benefit from a check-up".

III. Secondary Health Care Services

The "Secondary Health Care Services" program aims at the comprehensive provision of secondary health care services, the treatment of patients to cope with the situation created by the pandemic, as well as incentivizing health personnel on the front line in the fight against the COVID-19 pandemic.

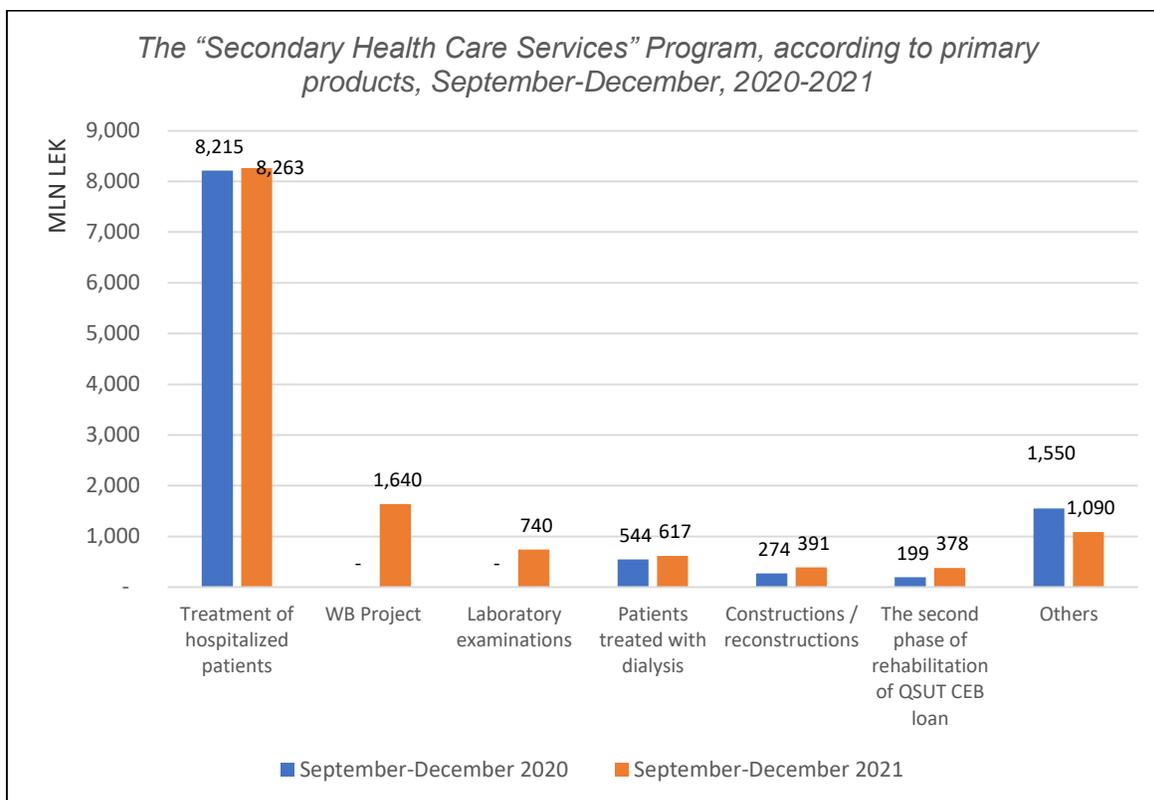
Expenditures for secondary health care services increased by 21.7% on an annual basis in September - December 2021, reaching ALL 13.1 billion (Euro 107 million).

The main impact on this growth was given by two new programs:

- **World Bank Loan for COVID-19.** In 2020, the World Bank approved the project "Albania's response to the COVID-19 emergency", which consisted of Euro 16.8 million . The project has two components, the first one with a value of USD 16.25 million provides support of the health sector immediately and in the medium term, while the second one, USD 0.55 million is dedicated to project management. The project has been extended until the end of 2022, from June 2022, which was the initial deadline. In the last 4 months of 2021, 1.6 billion ALL (13.4 million Euro) were disbursed from the project.

- **Laboratory Examinations.** In 2021, the implementation of the concession "Financing, design, renovation, equipment, reorganization and operation of the Concession/Public Private Partnership for the provision of laboratory services of the university, regional and municipal hospitals of Saranda and Lushnja" began, with a total contract value of 13 billion ALL (105 million Euro), which was won by the company "Laboratory Network". The amount disbursed in the final 4 months of 2021 was ALL 742 million (6.1 million Euro).

Figure 10: The “Secondary Health Care Services” Program, according to primary products, September-December, 2020-2021



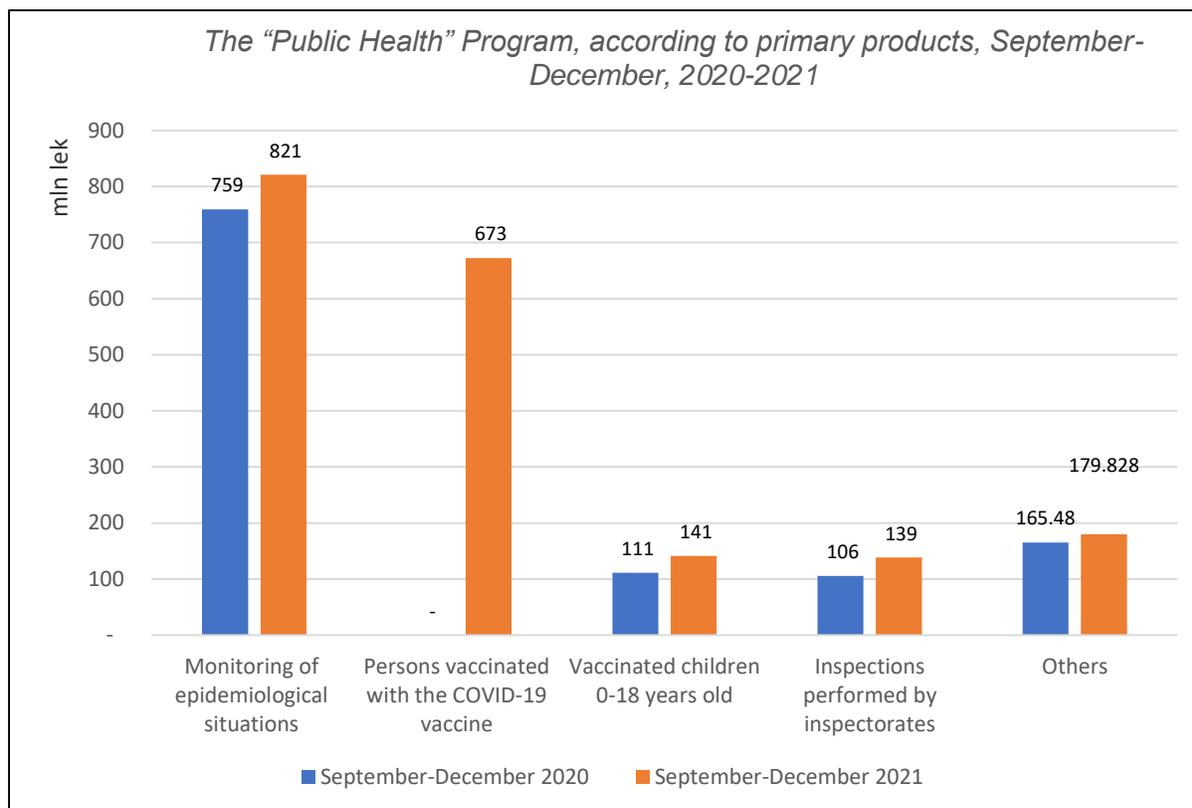
Source: Ministry of Health and Social Protection

IV. Public Health Services

Public health services are provided through national programs for immunization, TB, HIV/AIDS and Sexually Transmitted Infections (STI) prevention, epidemiological surveillance, and follow-up of infectious disease (chronic disease with public health consequences influenced by environmental conditions), as well as food safety, drinking water monitoring, and reproductive health programs.

Actual expenditures for the "Public Health Services" program were 1.9 billion ALL (16 million Euro) for the final 4 months of 2021, an increase of 72% compared to the same period a year ago. This increase has come as a result of the addition to this program of vaccines against COVID-19, which aims to immunize the population. The expenses for persons vaccinated with the anti-COVID vaccine in the period September-December 2021 were ALL 672 million (Euro 5.5 million).

Figure 11: The “Public Health” Program, according to primary products, September-December, 2020-2021



Source: Ministry of Health and Social Protection

V. National Emergency Medical Service

This program aims to develop the emergency medical service as an integral part of the health system, to ensure the provision of timely and quality emergency medical assistance throughout the country, as well as to increase the population's awareness of the advantages of the correct use of the emergency medical service.

The actual expenses for this program were ALL 147 million (Euro 1.2 million), with a decrease of 18.6% for the item "cases treated by emergency medical units".

3. Itemized Implementation of programs for the first quarter of 2022

In the first 4 months of 2022, the total expenditure on health was ALL 23.4 billion (Euro 192 million), with a decrease of 2.7% compared to the same period of the previous year. Total health spending declined for the first time since the start of the pandemic, as a result of the easing of disease and reduced vaccination rates.

Excluding the "Social Care" and "Rehabilitation of the Politically Persecuted" programs, MoHSP spent ALL 14.4 billion (Euro 121 million) on health alone, with a decrease of 1.3%.

TABLE 3: Actual health budget expenditures, according to approved programs, January - April 2019-2022 (mln lek)				
	4 M 2019	4 M 2020	4 M 2021	4 M 2022
Planning, Management, Administration	80	267	67	121
Primary Health Care Services	3,191	2,908.04	3,055	3,844
Secondary Health Care Services	6,943	7,175	9,135	9,099
Public Health Services	891	829	2,670	1,686
National Medical Emergency Service	39	50	81	60
Health budget expenditures in total	11,145	11,229	15,007	14,810
Social Care	7,295	9,541	8,796	8,431
Rehabilitation of the Politically Persecuted	423	432	270	173
TOTAL	18,863	21,202	24,073	23,413

Source: Ministry of Health and Social Protection

- Expenditures for the "**Planning, Management, Administration**" program were ALL 121 million (almost Euro 1 million) for the first 4 months of 2022, almost doubling from the same period a year ago, mainly related to the "Legal Acts" product and approved by-laws.

→ Expenditures for the "**Primary Health Care Services**" program were ALL 3.8 billion (Euro 31.5 million) for the first 4 months of 2022, with an increase of 25.8% on an annual basis.

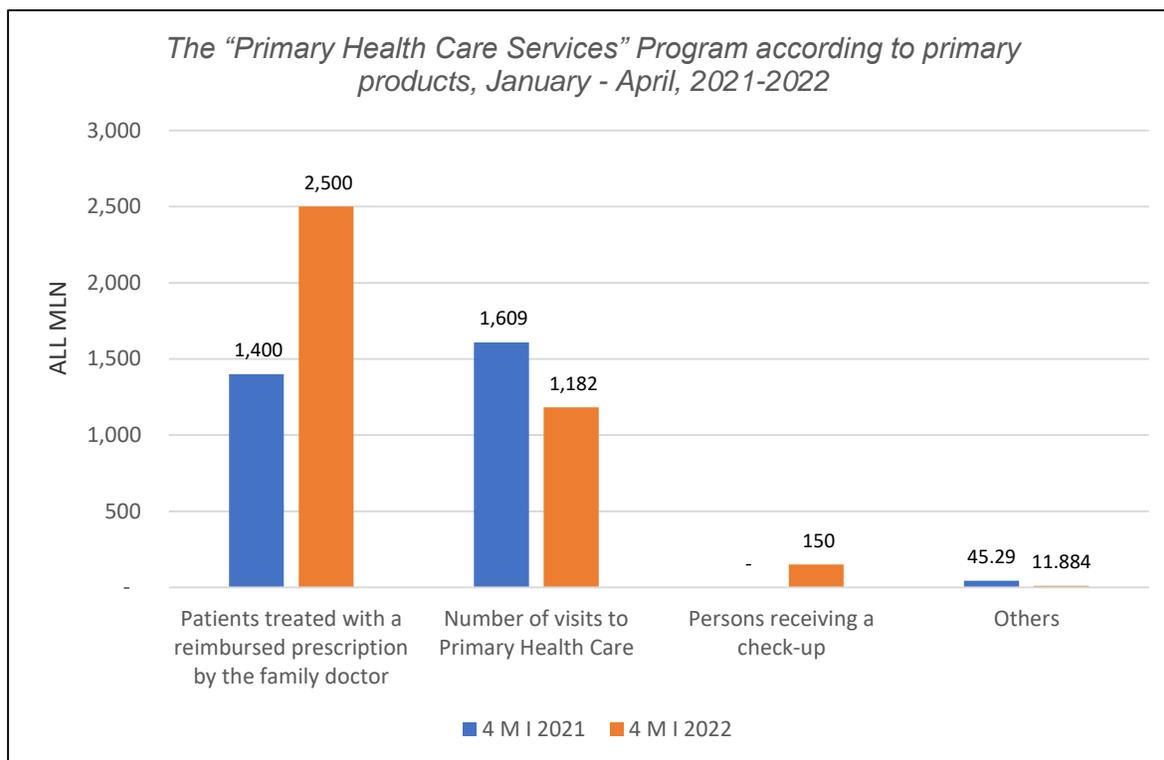
The increase was driven by expenses for "*Patients treated with a prescription with reimbursement from a family doctor*", which were 78% higher than the same period a year ago, mainly related to the payment of arrears.

The monitoring report of the Ministry of Health states, "For the first 4 months of 2022, according to the statistical analysis of the accepted values of drug reimbursement, a list of indicators was received in the amount of ALL 3.9 billion (Euro 31 million), or 4.5% more than the same period last year. During the reporting period, last year's liabilities in the amount of ALL 1 billion (Euro 8.1 million) were paid, of which ALL 433 million (Euro 3.5 million) reimbursement for the month of November 2021 and ALL 597 million (Euro 4.9 million) reimbursement for the month December 2021. The number of patients who have benefited from the list of reimbursed drugs is 341,347 people, or 4,457 patients less than a year ago.

The fund for the product "*Number of visits to Primary Health Care*" fell by 26.3% in the first 4 months, compared to the same period a year ago. According to the monitoring report, "The personnel of the health care centers are maximally committed to providing services to the population even in the difficult conditions caused by the pandemic, through consultations and visits, in the centers and at a distance. During the first 4 months of 2022, 2,463,032 visits were made to primary health care centers financed by the Fund, with an increase of 18,468 visits more than the same period of 2021".

The product "Persons who benefit from check-up" was implemented with ALL 150 million (Euro 1.1 million) for the period January - April 2022. For the 4th month of 2022, the activity related to the financing of the concessionary contract of basic health monitoring for the population from 35 - 70 years had no interruption. This contract had been suspended since September 2020, due to the situation created by the pandemic and has resumed in September of 2021. For the reporting period, 150,784 check-ups were performed.

Figure 13: The “Primary Health Care Services” Program according to primary products, January - April, 2021-2022



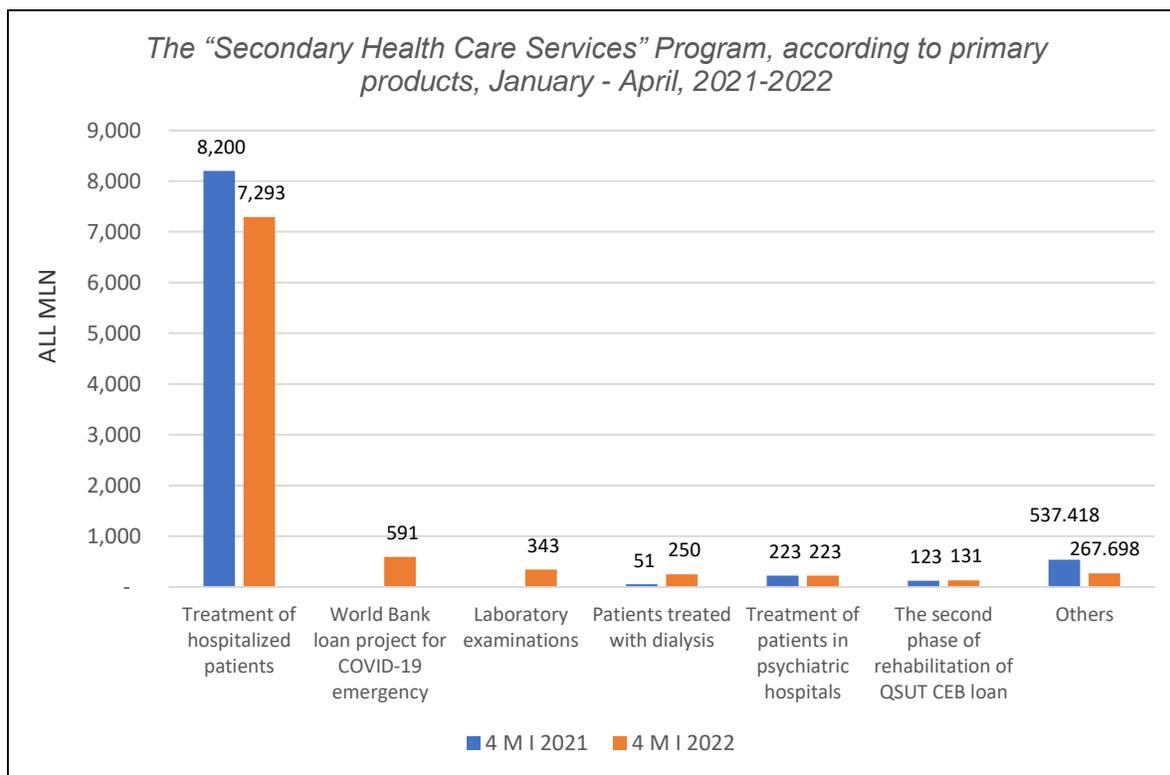
Source: Ministry of Health and Social Protection

→ Expenditures for the "Secondary Health Care Services" program were ALL 9.1 billion (Euro 75 million) for the first 4 months of the year, almost at the same level as the same period a year ago.

The fund for "Treatment of hospitalized patients", which accounts for almost 90% of the total expenses for this program, decreased by 11% on an annual basis for the first 4 months of 2022. According to the monitoring report, "Public hospitals have been financed in total in the amount of ALL 7.7 billion (Euro 63 million), or 32% of the annual funds. The number of people admitted to hospitals financed by the Fund for the four-month period is 86,392 patients, or 12,836 patients more than the same period last year.

For the concessionary contract on the provision of laboratory services, payments were made for the amount of ALL 358 million (Euro 3 million), out of ALL 1.57 billion (Euro 13 million), which is the annual plan.

Figure 14: The “Secondary Health Care Services” Program, according to primary products, January - April, 2021-2022



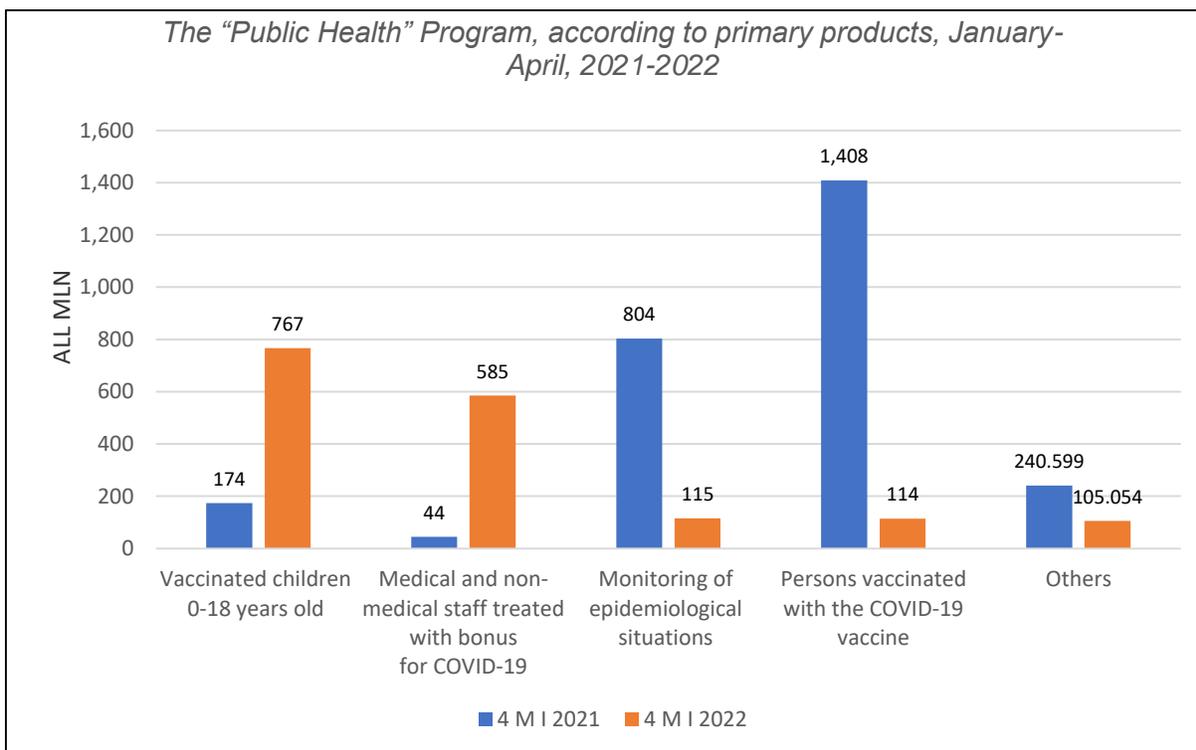
Source: Ministry of Health and Social Protection

→ Expenditures for the "Public Health Services" Program amounted to ALL 1.7 billion for the first 4 months of 2022, with a 37% decrease on an annual basis. The reduction was due to a 91% drop in the fund for "Persons vaccinated with the anti-COVID vaccine" after the easing of the pandemic situation and the vaccination of most of the population in 2021.

According to the report of the Ministry of Health, vaccinated with the anti-COVID vaccine during the period January - April 2022 were as follows:

- With the first doses, 75,290 people
- With second doses 129,614 people
- With third doses 129,276 people

Figure 15: The “Public Health” Program, according to primary products, January-April, 2021-2022



Source: Ministry of Health and Social Protection

4. Excess mortality for 2021 and T I of 2022

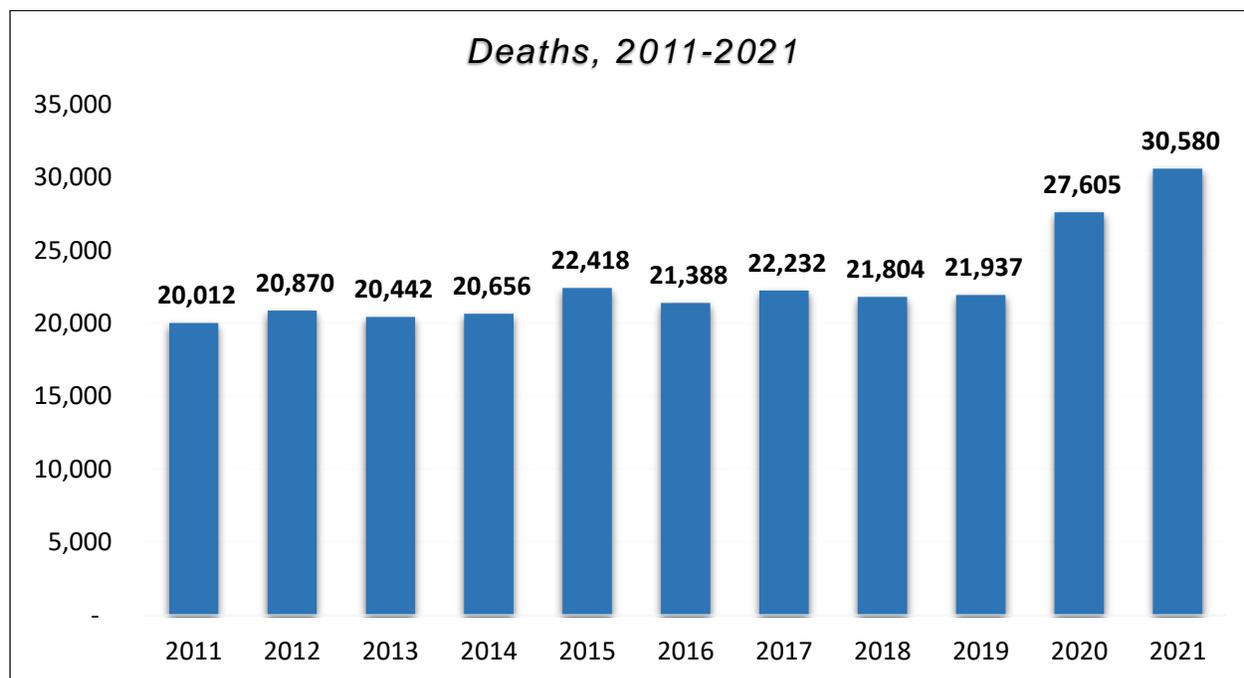
In the second year of the pandemic, additional mortality in the country continued to be high, especially in the first quarter of 2021, which coincides with the second strong wave of the pandemic, after that of October - December 2020.

For 2021, the country recorded 30,580 deaths,⁸ an increase of 10.8% compared to the same period in 2020, when the country faced the first wave of the pandemic.

In relation to the 2016-2019 average, the period taken as a reference for comparing the excess mortality caused by the pandemic, the increase reaches about 40%.

⁸ <http://instat.gov.al/al/temat/treguesit-demografik%C3%AB-dhe-social%C3%AB/lindjet-vdekjet-dhe-martestat/publikimet/2021/treguesit-demografik%C3%AB-t4-2021/>

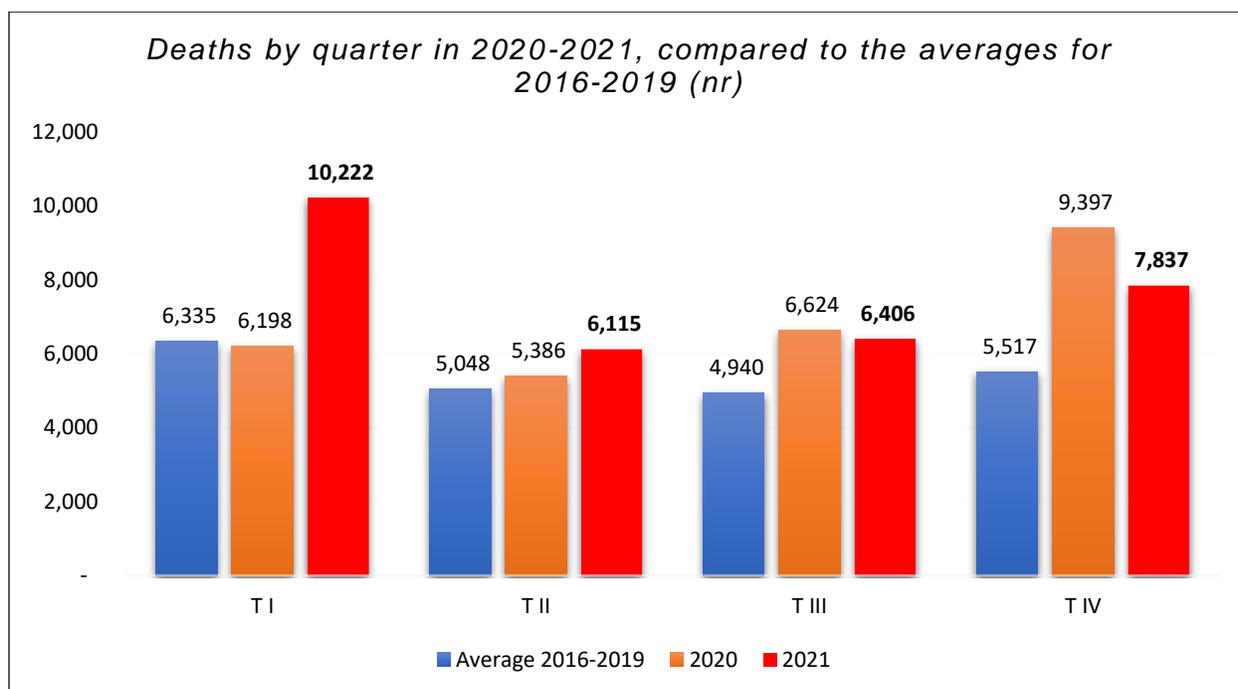
Figure 16: Deaths (no.) 2011-2021 period



Source: INSTAT

By quarter, the increase in excess mortality for 2021 came as a result of the high fatalities recorded in the first quarter of the year, when a total of 10,222 lives were lost, an increase of 61.3% compared to the 2016-2019 average for the same period. In the previous quarter, October - December 2020, which coincides with the first strong wave of the pandemic, a total of 9,397 lives were lost, with a 70% increase compared to the average of the same period 2016-2019. After March 2021, the wave of the pandemic began to ease, but the number of deaths continued to remain higher compared to the pre-pandemic average, namely +21.3% in the second quarter of 2021, +29.6% in the third quarter of 2021 and +42 % in the fourth quarter of 2021 (although compared to the fourth quarter of 2020, additional deaths decreased by 16.6%).

Figure 17: Quarterly Deaths (no.)



Source: INSTAT

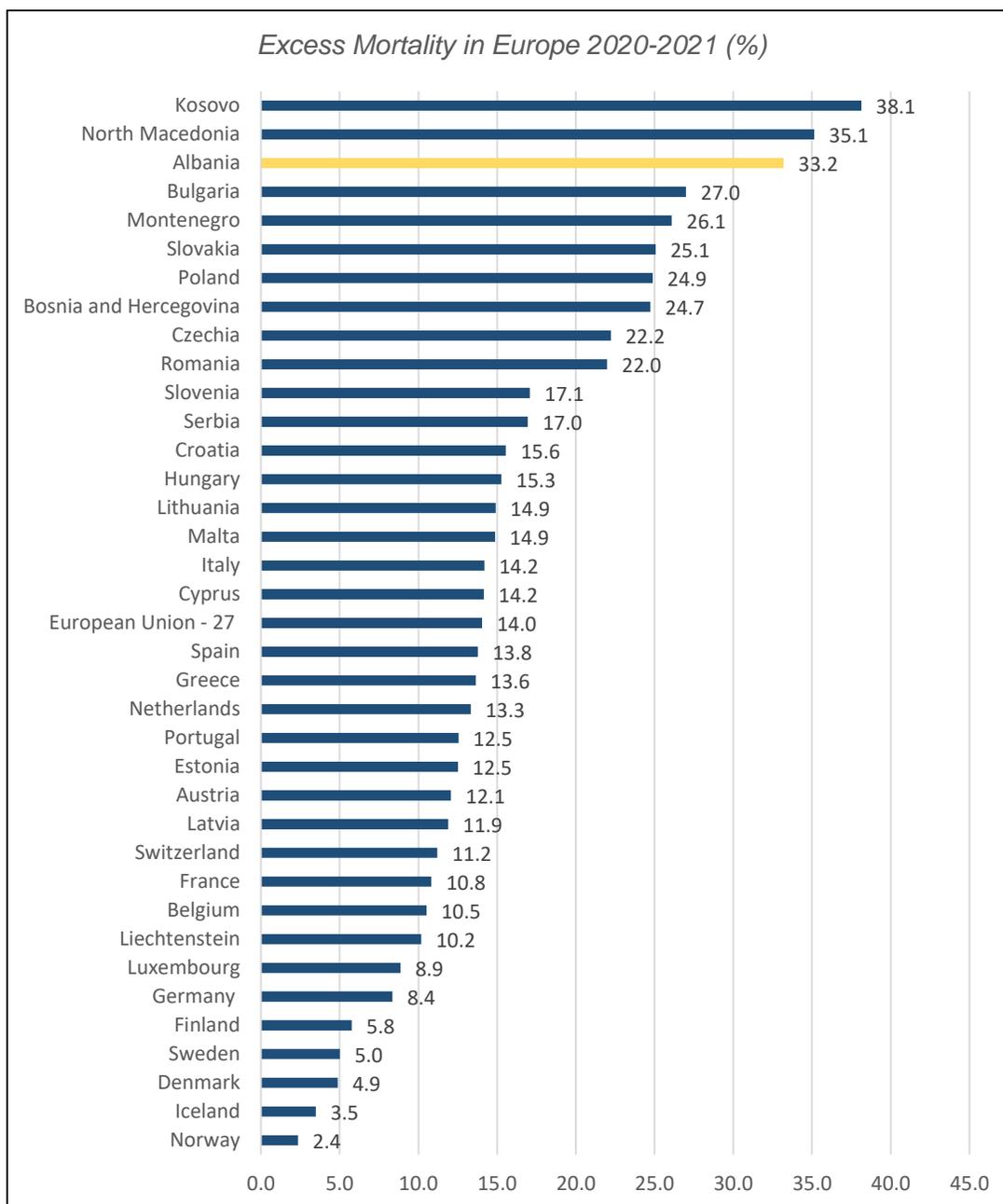
Even throughout 2021, Albania continued to be one of the countries with the highest increase in excess mortality in Europe. In the two years of the pandemic, 2020-2021, Albania had the third highest cumulative increase of deaths in Europe (+33.2), compared to the two-year average of 2016-2019, when the pandemic had not yet started, after Kosovo (+38.1 %) and North Macedonia (55.1%), according to Eurostat⁹ data and statistical reports of North Macedonia¹⁰ and Kosovo.¹¹

⁹ https://ec.europa.eu/eurostat/databrowser/view/demo_r_mwk_ts/default/table?lang=en

¹⁰ <https://www.stat.gov.mk/publikacii/2021/Bilten%2012%20ANG.pdf>

¹¹ <https://ask.rks-gov.net/media/6485/buletini-tremujor-tm3-2021-tetori.pdf>

Figure 18: Rise in Mortality 2020-2021, compared with the average of 2016-2019 (%), Europa



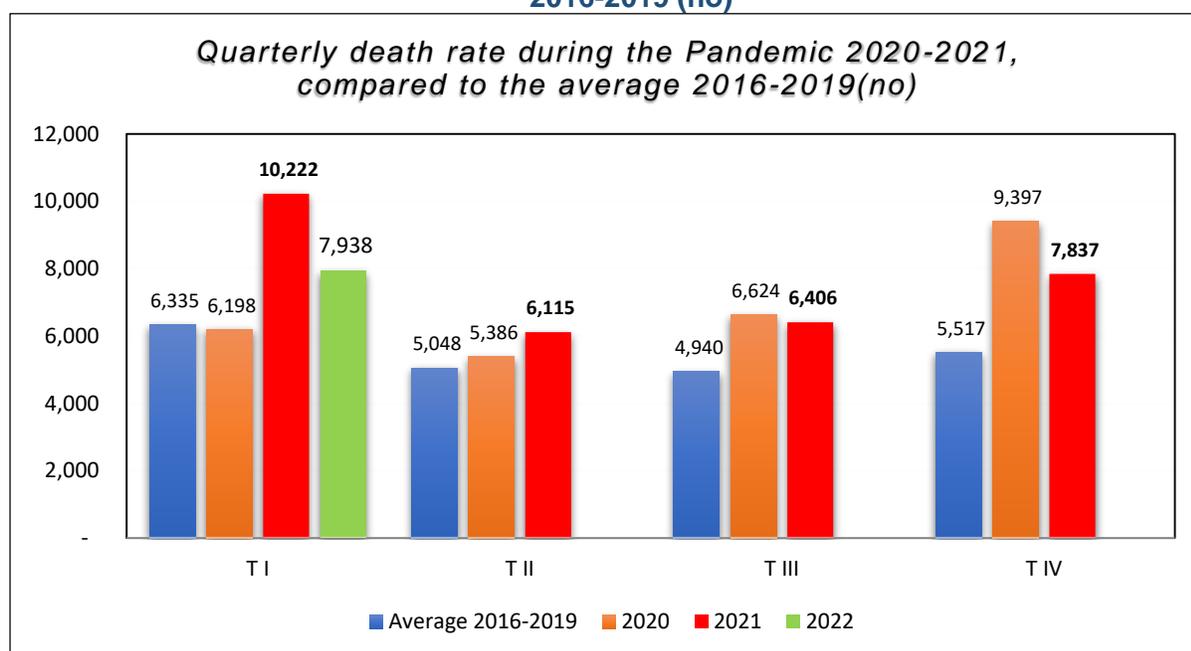
Sources: Eurostat, Statistics Agency of Kosovo, Statistical Office of North Macedonia, edited by the Authors.

In the first quarter of 2022, excess mortality continued to be higher than the pre-pandemic period but declined relatively to the peak waves of the pandemic in the

previous two years. In January - March 2022, a total of 7,938¹² deaths were recorded in the country. Compared to the same period a year ago, when the pandemic peaked and recorded the highest record level of deaths in Albania's history, the number is 22.3% lower.

But, in relation to the 2016-2019 average of January - March, when the country was in a normal period, fatalities have increased by 25.3%, an indicator that the pandemic continues to kill, but also of the consequences it has left on the population that has gone through it. COVID-19, accelerating fatal cases.

Figure 19: Quarterly death rate during the Pandemic 2020-2021, compared to the average 2016-2019 (no)



5. Progress of the Vaccination Program

Vaccination rates accelerated significantly in the second half of 2021, while rates slowed significantly in the first quarter of 2022.

¹² <http://instat.gov.al/al/temat/treguesit-demografik%C3%AB-dhe-social%C3%AB/lindjet-vdekjet-dhe-martesat/publikimet/2022/treguesit-demografik%C3%AB-t1-2022/>

By the end of 2021, Albania had 2,396,863 anti-COVID vaccinations. Of the doses of the anti-COVID vaccine carried out in Albania there were: 1,147,753 first doses, 1,040,493 second doses, and 147,507 third doses. About 41% of the population was vaccinated with at least one dose.

Vaccination continued at a slower pace even in the first months of 2022. By the end of April 2022, a total of 2,814,626 vaccinations had been carried out. Those who were vaccinated with at least one dose were about 46% of the population (1,293,234 first doses) by the end of April 2022.

Albania remains among the last in Europe in terms of vaccination in relation to the population. By 10 July 2022, Albania had fully vaccinated 44% of the population, where 66% was the European average and 61% the global average for the same period.

6. Long-term effects of COVID-19 on the population

Although the COVID-19 pandemic has eased since the end of 2021 and the wave detected so far in 2022 is milder, the long-term consequences of the pandemic continue to be felt and are expected to harm the population in the medium term as well. Many affected people are suffering from "long-term COVID", while they will have to face the possibility of being infected for the second time. They are suffering from the direct and indirect consequences of the disease such as lung damage, chronic fatigue, damage to the nervous system, and mental disorders. Such consequences last 4-5 months, but beyond that, even after the infection has passed, there is what is being described by the health systems as "post-COVID" syndrome, or "prolonged COVID".

In 2021, the period in which the COVID-19 pandemic peaked, the number of patients admitted to public hospitals increased by 17% more than in 2020. Of the 220,325 patients admitted to hospitals in 2020, 257,829 patients were admitted last year according to monitoring indicators of the Ministry of Health.

In 2021, there was an increase in cases treated for heart diseases, 25% more than in 2020. From 6,197 patients treated in 2020, in 2021 their number reached 7,756 patients treated by cardiology and cardiac surgery packages. There was also an increase for patients treated with radiotherapy. In 2021, their number increased by 20% more compared to 2020.

Doctors predict that this year there will be an increase in cases of cardiac diseases, cancer diseases, metabolic diseases, and others, even after the pandemic of COVID-

19. In most individuals who pass the viral infection,¹³ disorders appear in blood coagulation, the endothelium of blood circulation vessels, the metabolism of fats, sugars, etc., which directly or indirectly affect the health of the heart and blood vessels. This results not only in the increase in the number of cardiac patients, but of other specialties as well.

7. Conclusions

Expenditures for health have marked a significant increase in 2021, forced by the emergency situation due to the need to vaccinate the population and meet the expenses for the treatment of those hospitalized.

However, attention to health appears to have fallen in the first months of 2022, as expenditures for this sector decreased, although the state budget collected record revenues because of rising prices.

The direct consequences of the pandemic on the health of people who have passed it, as well as resulting from delays in the treatment and diagnosis of other diseases due to the quarantine, have influenced the increase in the burden of morbidity in the country for 2021.

The health system will suffer the consequences of "prolonged COVID", which will affect the increase in the burden of the chronically ill in the future. This trend is being observed in 2022 and is expected to continue into the medium term.

While the wave of COVID-19 does not appear to have passed and has been reactivated again throughout 2022, Albania remains among the last in Europe in terms of vaccination throughout 2021 and progress in 2022, in relation to the population. As of July 10, only 45% of the population has been fully vaccinated, compared to the global average of 61%.

8. Recommendations

Although the current wave of the pandemic is lighter compared to the period 2020-2021, the Ministry of Health and Social Protection should not redirect its attention and should continue to focus resources and efforts to provide better health care, at ever lower

¹³ Interview with Emergency Physician, Ilir Allkja

average costs, and to be prepared for future waves of COVID-19, or even other possible pandemics.

The pandemic and the increase in the burden of morbidity in the country have increased the need for more spending on health care, and therefore also for a clearer focus of the orientation of public funds.

Health spending in relation to GDP, which has historically fluctuated around 3% of GDP, should gradually increase by at least 2 percentage points, reaching 5% of GDP.

The Ministry of Health and Social Protection and dependent institutions must prepare for a new wave of the pandemic, as well as increase efforts to educate the population during the process of vaccination.

If a stronger wave hits in the autumn and winter period, the implementation of public distancing measures will be almost impossible, so it is essential that health institutions, especially hospitals and health personnel are prepared to withstand a possible wave added in the following months.

In recent months, the government's attention has been focused on coping with the crisis that has been felt in the economy through the strong increase in prices (inflation in June reached 7.8%, the highest level in 20 years). Rising energy prices and a lack of rainfall are expected to increase pressure on public finances in the coming months, taking attention away from the health emergency. In this situation, it is important that the budget does not divert attention away from health and maintains sufficient contingencies to face a possible new pandemic wave in the second half of the year.

PART 2

Reimbursement of the anti-COVID package, 2021, January – April 2022

Main Findings

From November 2020 to April 2022, out of the total fund of ALL 1.2 billion (Euro 9.4 million) available for the anti-COVID-19 reimbursement package at home, patients benefited only about ALL 37.8 million or 3% of the available funds. In total, about 9,000 people or 3.2% of the officially declared infections in our country had benefited from the fund until April 30, 2022.

The decision on the anti-COVID-19 reimbursement package was drawn up by the government, taking into account the treatment needs of around 600 confirmed positive patients per day, or around 36,000 patients over two months, 60% of whom were expected to be treated by the scheme of mild forms and 40% to be treated with the scheme of moderate forms. From November to December 2020, only 1,708 people infected by COVID-19 benefited from reimbursement, with an amount of LEK 6.3 million (Euro 52,000).

From January to December 2021, about 6,534 people benefited from the reimbursement package for patients with COVID-19, with a benefit amount of about 28.1 million ALL (Euro 230,000). Divided into four months, the beneficiaries were concentrated in the first 4 months with 5,475 people, to whom an amount of about 23 million ALL (Euro 188,000) was allocated. In the third 4 months of the year September - December 2021, about 863 people benefited, with an amount of ALL 4.6 million (Euro 37,000).¹⁴

For the first 4 months of 2022, the number of patients who benefited from the list of reimbursed drugs is 341,347 people, while the people who have benefited from the anti-COVID-19 package are 678, or 4,797 fewer patients than the same period of the preceding year. About ALL 3 million (Euro 25,000,)¹⁵ were distributed to 678 people who benefited from the anti-COVID-19 package.

¹⁴ <https://shendetesia.gov.al/tabelat-e-raportimit-per-intervalet-kohore-3-muaj-9-muaj-dhe-vjetore-si-dhe-relacionet-perkatese/>

¹⁵ Monitoring Report, First Quarter 2022, of the Ministry of Health

In total, from November 2020 to April 2022, 8,920 people benefited from the anti-COVID package for a total amount of 37.6 million ALL (Euro 308,000), which is only 3.1% of the amount made available for the anti-Covid-19 reimbursement at home package.

TABLE 4: Reimbursement of patients who benefited from the anti-COVID package, November 2020 - April 2022		
	<i>Number of patients who have received anti-COVID reimbursement</i>	Value (ALL)
November - December 2020	1,708	6,300,000
Year 2021	6,534	28,100,000
January - April 2022	678	3,000,000
TOTAL	8,920	37,400,000

The cost of treatment for a person infected with COVID-19 during the two years of the pandemic was very high in many cases. There are people who have bought medicines that have exceeded the value of Euro 6,000 for treatment at home. In addition to medications, the highest costs were for some contraband drug, such as Remdisivir.

The average expenses for a patient with mild symptoms have reached Euro 1,000, where they have mainly spent them on examinations, blood tests, and a scanner to verify the consequences, vitamin treatments, etc., while for those with moderate symptoms they have spent up to Euro 6,000 for treatment at home. Others who have been treated in private hospitals and in Turkey have spent amounts up to Euro 100,000.¹⁶

In 2020, Albanian families increased their spending on health by 28%, while in the European Union this indicator fell by about 4%. In this way, Albania recorded the Highest household health expenditures in Europe, as measured by the annual change in the final consumption of household economic units (at current prices).

1. Executive Summary

The COVID-19 pandemic, since spring of 2020, initially challenged health systems around the world, simultaneously bringing about a health and economic crisis. During

¹⁶ The results of three focus groups consisting of three pharmacists, three doctors, and three patients

the two years of the pandemic, people everywhere in the world have faced the health consequences of the infection, which often produced high costs of treatment.¹⁷

Infected people faced health consequences even after they recovered from the infection, requiring long-term medication.¹⁸

Studies show that the costs of treating COVID-19 were high around the world, but in developing countries the financial bills faced by sufferers were even higher due to weak public insurance systems.¹⁹

In Albania, the first known case of COVID-19 was on March 9, 2020. From that time until the end of April 2022, about 275,000 people have been infected, according to official figures.²⁰

In November 2020, the government adopted a special decision by reimbursing the expenses of those infected who were treated outside hospitals.

Decision of the Council of Ministers no. 908, dated 18.11.2020, "On the approval of the package of anti-COVID-19 outpatient treatment at home" determined that persons tested positive with Sars Cov-2 benefit from free outpatient treatment at home. The total anticipated fund was ALL 1.2 billion (Euro 9.4 million).²¹

The reimbursement included 2 treatment therapies, that of the mild phase, which is accompanied only by vitamins worth ALL 1700 (Euro 13.8) and that of the middle phase, which includes vitamins and antibiotics in cases where the affected person has pneumonia worth ALL 10,900 (Euro 89).

From November 2020 to April 2022, from the total fund available with the anti-COVID-19 home reimbursement package (about ALL 1.2 billion), patients benefited only about ALL 37.6 million (Euro 308,000) or only 3% of the given fund available. In total, around 9,000 people or 3.2% of the officially declared infections in our country have benefited until April 30, 2022.²²

Citizens' interest in benefiting from the refund package was low, as a series of procedures had to be completed to benefit from even a small amount.²³ On the other hand, the data from pharmacies claimed that home treatments for patients with moderate symptoms have reached Euro 2 to 6,000.²⁴

¹⁷ <https://jamanetwork.com/journals/jamanetworkopen/fullarticle/2785079>

¹⁸ https://www.who.int/publications/i/item/WHO-2019-nCoV-Post_COVID-19_condition-Clinical_case_definition-2021.1

¹⁹ <https://www.nature.com/articles/s41598-021-97259-7>

²⁰ <https://qbz.gov.al/eli/vendim/2020/11/18/908/c555fdc8-bd94-45fa-8739-b975a194d17e>

²¹ <https://panel.klsh.org.al/storage/phpybUmL6.pdf>

²² <https://shendetesia.gov.al/tabelat-e-raportimit-per-intervalet-kohore-3-muaj-9-muaj-dhe-vjetore-si-dhe-relacionet-perkatese/>

²³ Focus group with four specialist doctors of the "Hektor Çoçoli" Specialized Pulmonary Polyclinic in Tirana

²⁴ Focus group with pharmacists (On 5-Maji, Siri Kodra dhe Sulejman Delvina streets)

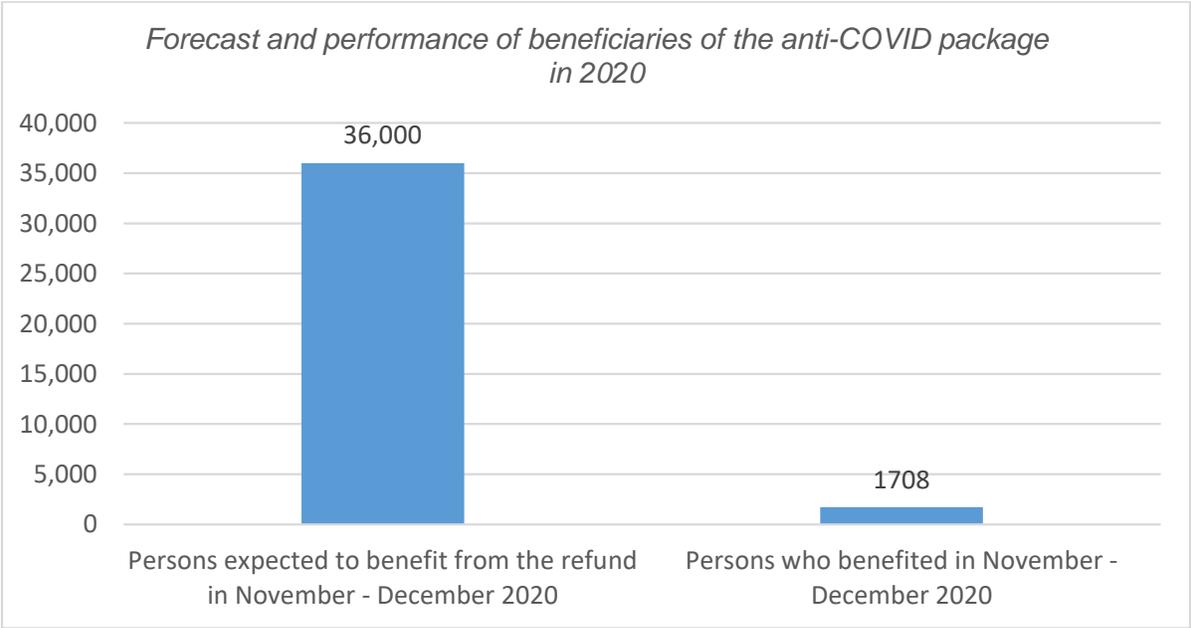
Other patients who have been treated abroad, mainly in Turkish hospitals, have borne out-of-pocket expenses that have reached up to Euro 100,000 per person.²⁵

2. The effectiveness of the financial package for patients with COVID-19 by 2020

The government's decision dated 18.11.2020 "On the approval of the anti-COVID-19 outpatient treatment package in the residence", determined a fund of ALL 1.2 billion, which would be distributed by the end of 2020.

Referring to official data, the decision was drawn up taking into consideration the needs for treatment, calculated for about 600 confirmed positive patients per day or about 36,000 patients for two months, 60% of whom were expected to be treated with the scheme of mild forms and 40% to be treated with the scheme of moderate forms.²⁶ From November to December 2020, only 1,708 people infected by COVID-19 benefited from reimbursement, with an amount of ALL 6.3 million (Euro 52,000).

Figure 20: Forecast and performance of beneficiaries of the anti-COVID package in 2020

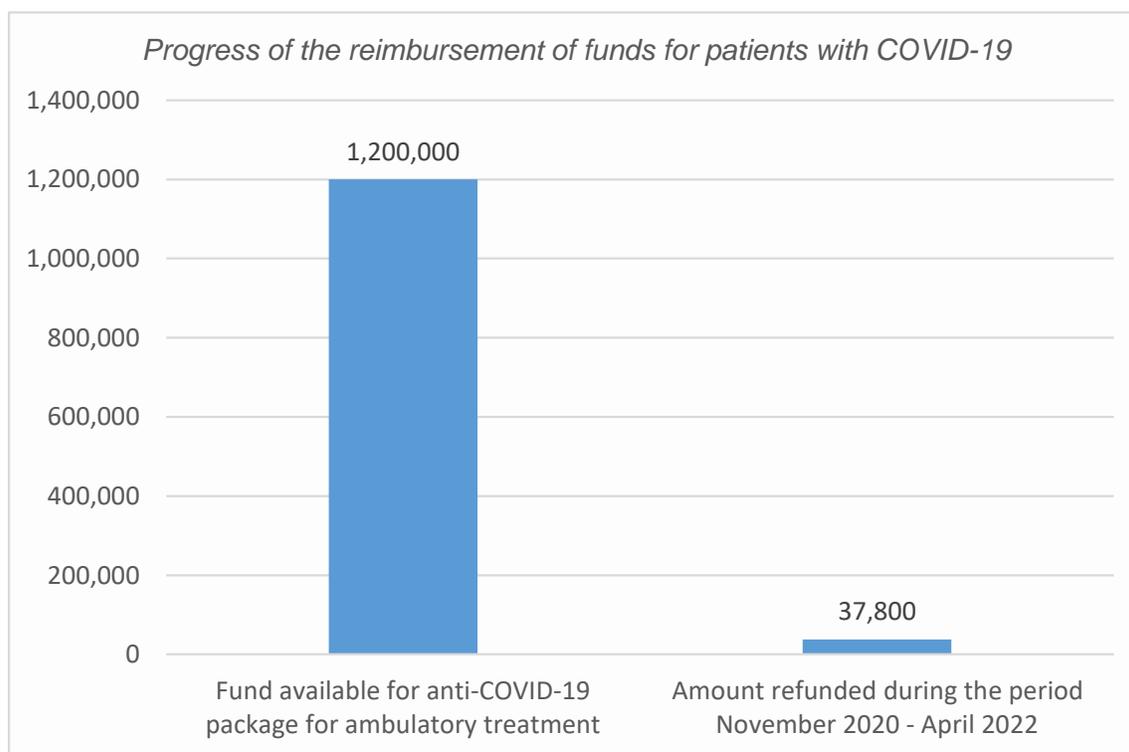


Source: The Ministry of Health, Monitoring Reports, CHIF, and the Supreme State Audit

²⁵ Focus groups with patients who have sought treatment in Egypt.

²⁶ <https://panel.klsh.org.al/storage/phpybUmL6.pdf>

Figure 21: Progress of the reimbursement of funds for patients with COVID-19



Source: The Ministry of Health, Monitoring Reports, CHIF, and the Supreme State Audit

Due to the poor progress of the package dedicated to reimbursement, the package of ALL 1.2 billion was carried over to 2021 and until it is completed.

3. Reimbursement for patients with COVID-19 in 2021

From January to December 2021, about 6,534 people benefited from the reimbursement package for patients with COVID-19, with a benefit amount of about ALL 28.1 million (Euro 230,000). Divided into 4 months, the beneficiaries were concentrated in the first 4 months with 5,475 people, to whom an amount of about ALL 23 million (Euro 188,000) was allocated.

In the third 4 months of the year September - December 2021, about 863 people benefited, with an amount of ALL 4.6 million (Euro 38,000).²⁷

"For the year 2021, according to the statistical analysis, the accepted value of the total reimbursement of drugs was about ALL 11 billion (Euro 90 million), of which ALL 28.1 million (Euro 230,000) belong to the accepted value of the list-indicators of the package anti-COVID-19," according the monitoring report of the Ministry of Health. Of the total value reimbursed for drugs in 2021, only 0.2% went to the package for patients with COVID-19.²⁸

In August 2021, the new List of Reimbursable Medicines entered into force, which contains 1,191 commercial alternatives or 340 active principles. 409,773 people have benefited from the list of reimbursable drugs, meanwhile only 1% for the anti-COVID package (6,534 people).²⁹

4. Reimbursement for patients with COVID-19 for the period January – April, 2022

The beginning of 2022 found our country at the end of the second year of the pandemic. In the months of January - February, a large wave of infections, created by the Omicron variant of COVID-19, spread in the country. Official data show that in January-April 2022, 678 people infected with COVID-19 benefited from reimbursement, with an amount of about ALL 3 million.

From November 2020 to April 2022, about 9,000 people have benefited from reimbursement from the anti-COVID-19 package, with about ALL 37.4 million (Euro 306,000) from about 1.2 billion (9.4 million Euro) that was available in the fund.³⁰

"For the first 4 months of 2022, according to the statistical analysis of the accepted values of drug reimbursement, a total of ALL 3.9 billion were reimbursed, or ALL 183.6 million (4.5%) more than the same period last year. The number of patients who have benefited from the list of reimbursed drugs is 341,347 people, while the number of people who have benefited from the anti-COVID package is 678, or 4797 patients less than the same period last year," the Ministry's monitoring report states.

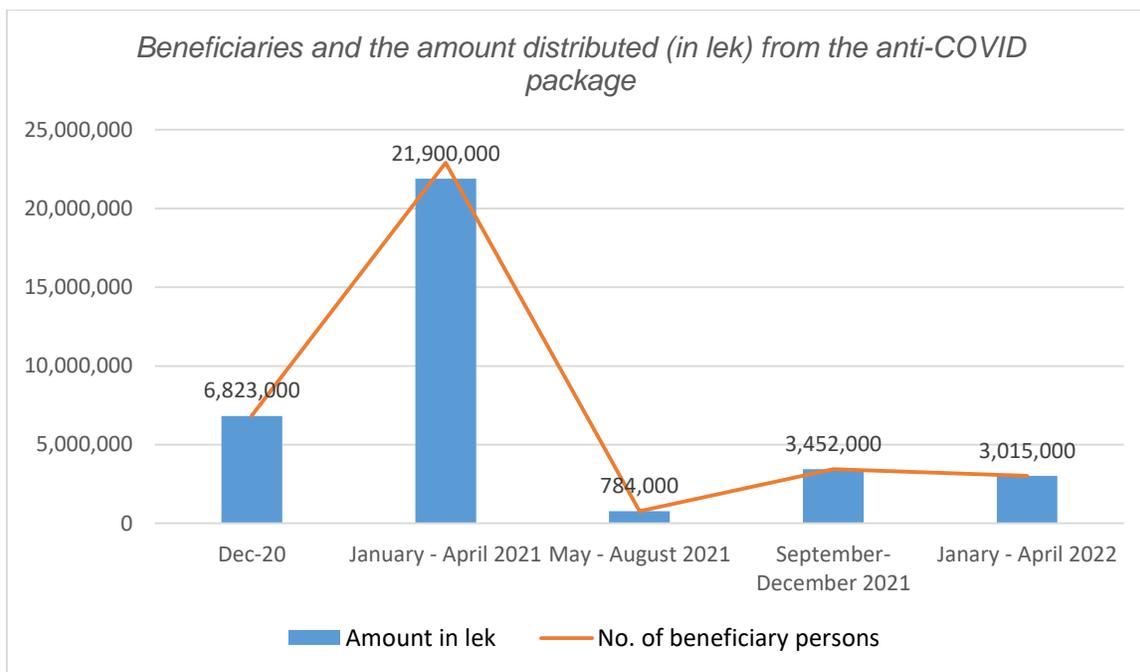
²⁷ <https://shendetesia.gov.al/tabelat-e-raportimit-per-intervalet-kohore-3-muaj-9-muaj-dhe-vjetore-si-dhe-relacionet-perkatese/>

²⁸ <https://shendetesia.gov.al/tabelat-e-raportimit-per-intervalet-kohore-3-muaj-9-muaj-dhe-vjetore-si-dhe-relacionet-perkatese/>, përilogaritje Autori

²⁹ <https://shendetesia.gov.al/tabelat-e-raportimit-per-intervalet-kohore-3-muaj-9-muaj-dhe-vjetore-si-dhe-relacionet-perkatese/>

³⁰ Raportet e Monitorimit 4-mujore të Ministrisë së Shëndetësisë në periudhën 2021-2022

Figure 22: Beneficiaries and the amount distributed (in lek) from the anti-COVID package



4-month monitoring reports of the Ministry of Health in the period 2021-2022

5. Calculation of reimbursement costs in the anti-COVID package

Pursuant to the decision of the Administrative Council of the Compulsory Health Insurance Fund (CHIF) no. 17, dated 30.10.2020, the Technical Commission was established "For the creation of the technical commission for calculating the cost of the anti-COVID-19 outpatient treatment package in the housing."

The technical committee calculated the cost for the outpatient anti-COVID treatment package in the home, drawn up by the technical committee of experts, received in Fund prot no. 7816/5., dated 30.10.2020, and approved by order no. 579, dated 14.10.2020 "For the approval of the guidelines on home follow-up of cases with COVID-19 infection" of the Minister of Health and Social Protection.

The Technical Committee estimated the cost for the anti-COVID treatment package based on approved guidelines for treatment schemes, prices of the Reimbursed Drug List in effect, CIF 2020 prices for drugs outside the reimbursed drug list, and adding profit margins for unspecified open pharmaceutical network in DCM No. 143 dated 18.02.2015.

According to the data, the treatment needs were for about 600 confirmed positive patients per day, or about 36,000 patients for two months, with 60% of them expected to

be treated with the moderate symptoms scheme and 40% to be treated with the moderate forms scheme.³¹

The commission calculated two packages of outpatient anti-COVID treatment:

- 1- Package for the treatment of light forms.
- 2- Package for the treatment of moderate forms.

The following procedure was followed in the calculation of costs:

- The scheme of medical treatment defined in the guidelines.
- The costs of medications that are used as part of the LRM (List of Reimbursable Medications), the price approved by DCM was obtained.
- For drugs outside the LRM, the approved CIF 2020 price was obtained, officially received, adding the profit margins for the open pharmaceutical network defined in DCM No. 143 dated 18.02.2015.

The cost of treating light forms is according to the table below:

No.	Active principle	Dosage form	Unit	Amount	Price/unit	Value	LRM
1	Azithromycine	250 mg	f.e.tabl.	8	38.73	309.84	It's in LRM
2	Levofloxacin	500 mg	f.e.tabl.	7	91.8	642.60	It is not in LRM
3	Paracetamol	500 mg	tablet	16	6.16	98.56	It is not in LRM
4	Vitamin C	100 mg	tablet	140	3.33	466.20	It is not in LRM
5	Vitamin D	10000 u.i	tablet	30	24.43	732.90	It's in LRM
6	Ibuprofen	400 mg	f.e.tabl.	8	5.13	41.04	It's in LRM
Total amount						1,648.54	

³¹ <https://panel.klsh.org.al/storage/phpybUmL6.pdf>

The cost of treating moderate forms is according to the table below:

No.	Active principle	Dosage form	Unit	Amount	Price/unit	Value	LRM
1	Azithromycine	250 mg	f.e.tabl.	8	38.73	309.84	It's in LRM
2	Levofloxacin	500 mg	f.e.tabl.	7	91.8	642.60	It is not in LRM
3	Rivaroxaban	15 mg	f.e.tabl.	30	274.14	8,224.20	It's in LRM
4	Abixaban	5 mg	f.e.tabl.	60	137.35	8,241.00	It's in LRM
5	Dexamethasone mg	0.5 tablet	f.e.tabl.	56	6.56	367.36	It's in LRM
6	Vitamin C	100 mg	tablet	140	3.33	466.20	It is not in LRM
7	Vitamin D	10000 u.i	tablet	30	24.43	732.90	It's in LRM
8	Paracetamol	500 mg	tablet	20	6.16	123.20	It is not in LRM
9	Ibuprofen	400 mg	f.e.tabl.	10	5.13	51.30	It's in LRM
Total amount						10,917.60	

Source: Supreme State Audit

In the analysis of the cost of medicines, according to the instructions of the experts' committee, it has not been determined how much the effect on the budget of the CHIF of medicines outside the LRM list is and who are their importers, or the pharmaceutical warehouses that have these medicines.³²

6. Patients faced high costs of out-of-hospital treatment

The costs of treating COVID-19 outside the hospital have proved catastrophic for those infected in Albania. In 2018, before the pandemic began, Albanians' out-of-pocket payments for the treatment of health issues were as much as 44.6% of the cost of treatment.³³ Albania belongs to the group of countries with very high out-of-pocket payments. Before the pandemic, at least 10% of Albanian families faced catastrophic payments for health, which became the cause of their impoverishment.³⁴

³² <https://panel.klsh.org.al/storage/phpybUmL6.pdf>

³³ <https://data.worldbank.org/indicator/SH.XPD.OOPC.CH.ZS?locations=AL>

³⁴ [file:///C:/Users/User/Downloads/WHO-EURO-2020-1357-41107-55852-eng%20\(1\).pdf](file:///C:/Users/User/Downloads/WHO-EURO-2020-1357-41107-55852-eng%20(1).pdf)

With the advent of the pandemic in 2020, out-of-pocket and catastrophic payments have further increased. So far, there are no studies that show detailed data on the costs of treating COVID-19 outside public hospitals, but data from focus groups with patients, doctors and pharmacists show that they have been very high compared to routine treatments previous to this pandemic. Prescriptions for one person during the two years of the pandemic were very high in many cases.

There are cases where a person has purchased medications that have exceeded the value of Euro 6,000 for home treatment. In addition to medications, the highest costs were for some contraband medications, such as Remdisivir and Favira.

The average expenses for a patient with mild symptoms have reached Euro 1,000, where mainly examinations cost blood tests, a scanner to verify the consequences, vitamin treatments, etc., while patients with moderate symptoms have spent up to 6,000 Euro for treatment at home. Others who have been treated in private hospitals and in Turkey have spent amounts up to Euro 100,000.³⁵

7. Appendix 1 - Cost of treatment outside the hospital

Case 1

H. Ismailukaj, 57 years old: I was infected with COVID-19 in September 2021. Initially, it started as a common virus and the first two weeks I did not get an examination. I then became worse, with a fever, cough and extreme fatigue. On the tenth day of infection I did a scan. The first examinations showed me over 85% lung involvement. I then started treatment based on outpatient visits. I spent about Euro 8,000. The biggest expense was for 5 months of oxygen treatment, as recovery from COVID-19 was very difficult. Actemra and Remdisivir alone cost about Euro 1,000. I used medicines of different generations. After I was infected with COVID-19, I became chronically ill, and now I have to spend about Euro 100 every month on rehabilitation medication.

Case 2

G. Uka, 67 years old: I was infected in June 2021. After being infected with COVID-19, I received intensive treatment at home. My expenses were about Euro 4,000 in total. The tests every three days, scanners, payments for oxygen and antibiotics have cost me the most. Before I got infected I suffered from a number of diseases,

³⁵ Results from a focus group with three pharmacists, three physicians, and three patients.

including diabetes, heart failure, and obesity. Going through COVID-19, meant that my health condition has further deteriorated and I am now facing expenses every month to recover fully. My children are helping me to cover the expenses.

Case 3

A. Toshi, 56 years old: I was infected in February 2021. After I was diagnosed, I started to recover at home. I didn't want to be hospitalized because I had no guarantee if I would make it out alive. In the worst case, I wanted to die near my relatives. I spent a total of about Euro 3,000 during the three-week treatment period. The biggest expenses I made were for Remdesivir (about Euro 1200) and then oxygen and nursing service at home cost me as well. Now I have recovered I feel well, but it took me 6 months to make a full recovery.

8. The anti-COVID package did not attract interest from those infected

The reimbursement package for patients was of little interest, as in many cases those who had symptoms and were cured at home spent much more than the ceilings in the reimbursement package, which were about ALL 1,700 (Euro 14) with mild symptoms and All 11,000 (Euro 90) with heavier ones. The infected received the treatments by consulting outpatient doctors and based on the progress of X-ray examinations and laboratory analyses. Patients were not informed about the benefit procedures and often claimed that they had no knowledge of the information to follow the procedures. The Ministry of Health and the Mandatory Health Care Insurance Fund have not conducted information campaigns on how those interested would benefit from the reimbursement package.³⁶

9. Appendix 2 – Testimony of Physicians and Pharmacists

P. Malaj, pulmonologist: Patients were not informed about the reimbursement package. Often the expenses they incurred for antibiotics, blood thinners, vitamins, etc., were much higher than the reimbursement package for the seriously ill (of ALL 11,000). From the information I have, the lack of information about the reimbursement package and the low value of the packages have been factors influencing the low interest of applications from the infected.

³⁶ <https://fsdksh.gov.al/>, <https://shendetesia.gov.al/>

A. Braho, pulmonologist: I work in the private sector. During the pandemic period, I treated many patients. We had no notification, nor protocol from public entities to inform patients about reimbursement procedures. To my knowledge there was very little information on why it could be taken advantage of. Of the patients I have treated, I am not aware that any of them having benefited from reimbursement. Treatment costs for patients with severe symptoms often cost thousands of Euro.

Irma E., pharmacist in Tirana: During the last year, I had only 30 reimbursements for the anti-COVID-19 package, which was not even 0.5% of the reimbursements we make for medications for other diseases. To my knowledge, they have not benefited because of the criteria. You must have a positive buffer first. Due to the low capacities of testing, many patients have not made the diagnosis by swab, but in the meantime have received the diagnosis with radiology. In addition, to benefit from the package you had to have high a D-dimer in order to benefit Xarelto. Even during 2022 there are requests for reimbursement, but they are very rare.

10. Weak financial capacity to protect the infected financially

Albania has low budget expenditures for health in relation to the size of the economy. In 2021 they were as much as 3.3% of GDP, one of the lowest levels in Europe.³⁷

The low public funding for the health sector in Albania is related to the weak fiscal capacity of the country. Before the pandemic, the budget expenditures in total were as much as 29% of the Gross Domestic Product, the lowest in Europe, creating little space for investments in the health sector.

In addition to the low level of investments in the public sector, Albania has fewer doctors available to its population, with 16 doctors per 10,000 inhabitants, at least twice less than the European average of 47.6 doctors per 10,000 inhabitants.

Public expenditures on health, expressed as a percentage of GDP, have recorded an annual increase of 0.23 percentage points with 2021, while expressed as a percentage of total public expenditures, they have recorded an increase of 1.01 percentage points,

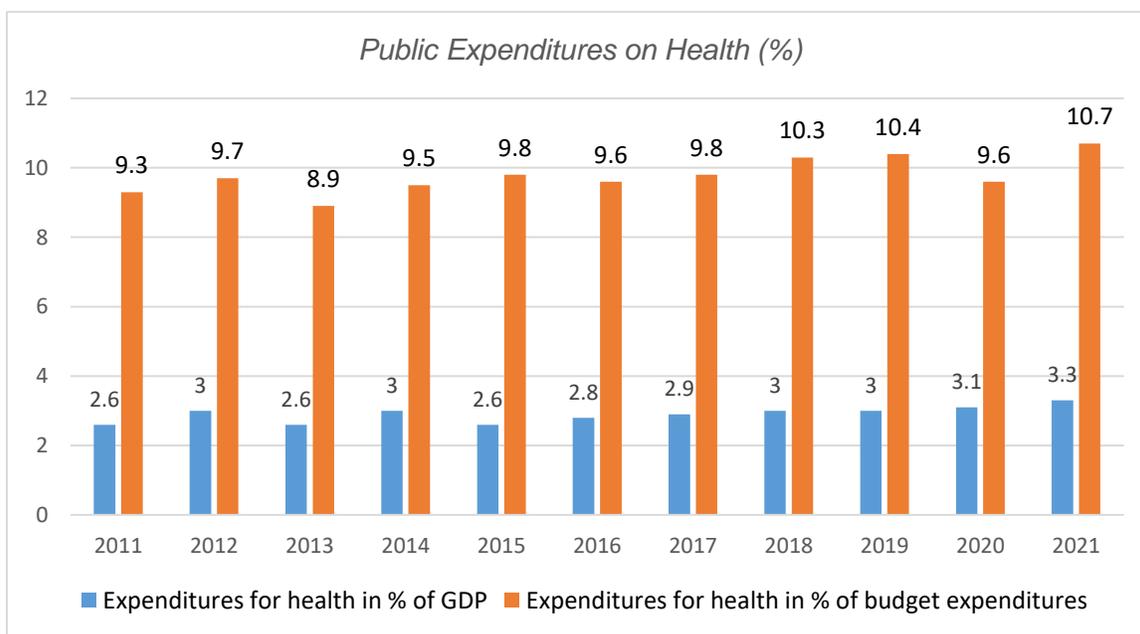
³⁷ <http://www.instat.gov.al/al/publikime/librat/2022/shqip%C3%ABria-n%C3%AB-shifra-2021/>;
<https://ec.europa.eu/eurostat/web/products-eurostat-news/-/ddn-20220311-1>

compared to 2020.³⁸ The number of deaths in 2021 is 30,507, marking an increase of 10.5% compared to the previous year. The data so far show that the consequences of the pandemic in the country have been more severe compared to other countries in Europe and the region, both in the loss of lives and in the increase in out-of-pocket expenses to afford treatment.

In 2020, Albanian families increased their spending on health by 28%, while in the European Union this indicator fell by about 4%. In this way, Albania recorded the highest increase in health expenditure in Europe as measured by the annual change in the final consumption of household economic units (at current prices).

The COVID-19 pandemic has further worsened this trend according to indirect data on the increase in health expenditures in the budget of family units. The situation caused by the pandemic in 2020, accompanied by the overload in hospitals and the lack of confidence in the public health system brought changes in the structure of expenses for the family, being oriented towards health. The share of health spending rose to 5.4% of a household's total budget in 2020, up from 4.3% the previous year according to the Household Budget Survey.³⁹

Figure 23: Public Expenditures on Health (%)



Source: Ministry of Health, Ministry of Finance

³⁸ <http://www.instat.gov.al/media/10320/shqiperia-ne-shifra-2021.pdf>

³⁹ http://databaza.instat.gov.al/pxweb/sq/DST/START__HBS__CE/CE0012/?rxid=b5069c81-9c75-4560-905a-2cb719af3ada

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