NED | NATIONAL ENDOWMENT FOR DEMOCRACY
SUPPORTING FREEDOM AROUND THE WORLD

TFL
TOGETHER FOR LIFE

REPORT

HOSPITAL AUTONOMY MONITORING IN ALBANIA

TABLE OF CONTENTS

INTRODUCTION 5

FINDINGS 8

1.LEGAL AND INSTITUTIONAL FRAMEWORK 9

1.1 The Role and Responsibilities of the Board 10
1.2 Dual Practice 10

2.METHODOLOGY 13

2.1 Data Sources 13
2.2 Monitoring Indicators 14
2.3 Analysis Method 14

3.AUTONOMOUS HOSPITAL INSTITUTIONS – GENERAL INFORMATION 15

3.1 Fier Regional Memorial Hospital 15
3.2 Mother Teresa University Hospital Center 17
3.3 Durrës Regional Hospital 18
3.4 Vlorë Regional Hospital 19
3.5 Shkodër Regional Hospital 20
3.6 Lezhë Regional Hospital 22

4.ANALYSIS OF HOSPITAL PERFORMANCE BY INDICATORS 24

4.1 Fier Regional Memorial Hospital 25
4.2 Mother Teresa University Hospital Center 27
4.3 Durrës Regional Hospital 29
4.4 Vlorë Regional Hospital 30
4.5 Shkodër Regional Hospital 32
4.6 Lezhë Regional Hospital 34

5.COMPARATIVE ANALYSIS OF PERFORMANCE INDICATORS 37

5.1 Admissions 37
5.2 Hospital Bed Utilization 38
5.3 Average Length of Stay 39
5.4 Percentage of Emergency Hospital Admissions 40
5.5 Outpatient Visits 41

6.TRANSPARENCY AND ACCOUNTABILITY 43

6.1 Legal Framework for Transparency and Accountability 43
6.2 Financial Transparency Practices 43
6.3 Accountability and Financial Control 44
6.4 Dual Practice 44
6.5 Transparency as a Prerequisite for Public Trust 45

7. ACCESS TO SERVICES AND QUALITY STANDARDS 46

7.1 Referral System and Reorganization of Access 46
7.2 Clinical Standards and Quality of Care 47
7.3 Quality and Patient-Centered Care 48

RECOMMENDATIONS 50

TABLES AND FIGURES

Table 1 – Performance Indicators for 2024 of Fier Memorial Hospital 26
Table 2 – Performance Indicators for 2024 of the Mother Teresa University Hospital Center (UHCMT) 28
Table 3 – Performance Indicators for 2024 of Durrës Regional Hospital 29
Table 4 – Performance Indicators for 2024 of Vlorë Regional Hospital 32
Table 5 – Performance Indicators for 2024 of Shkodër Regional Hospital 33
Table 6 – Performance Indicators for 2024 of Lezhë Regional Hospital 35

Figure 1 – Number of Hospital Admissions in 2023–2024 38
Figure 2 – Comparison of Bed Utilization Rates, 2023–2024 39
Figure 3 – Comparison of Average Length of Stay 40
Figure 4 – Number of Emergency Admissions, 2023–2024 40
Figure 5 – Number of Outpatient Consultations in 2023–2024 41

INTRODUCTION

The hospital autonomy reform in Albania represents one of the most important interventions in the modernization of the public healthcare system. The primary objective of this reform is to ensure greater managerial and financial independence for public hospitals while simultaneously strengthening transparency, accountability, and efficiency in the use of public funds.

This transformation aims to convert public hospitals from passive budgetary units into institutions operating in accordance with the principles of modern management, with clearly defined autonomy in decision-making, contracting, and strategic planning.
From the patient's perspective, the reform seeks to deliver tangible improvements in access to healthcare services, reduce waiting times, enhance the quality of care, and strengthen public transparency. In this regard, hospital autonomy should not be understood solely as an institutional transformation, but also as a mechanism that must be directly reflected in citizens' actual experiences with the healthcare system.
The law on hospital services defines two fundamental dimensions of hospital autonomy: managerial autonomy and financial autonomy. These two components constitute the foundation upon which a more efficient, flexible, and accountable model of public hospital governance is intended to be built.

Managerial autonomy refers to a hospital's capacity to independently make decisions regarding its internal organization and operations. It encompasses the organization of structures and services, human resource management, the development of internal regulations, as well as the planning of activities and services provided. Through this form of autonomy, hospitals are expected to gain greater flexibility in day-to-day administration and in adapting their organizational structures to the actual needs of patients and the healthcare system.

Financial autonomy, on the other hand, relates to the control and management of a hospital's financial resources. It includes the management of allocated budgets, the use of secondary revenues, opportunities for generating additional income, including through dual practice arrangements, as well as financial planning and investment management. Through this dimension, hospitals are intended to gain greater independence in the utilization of funds and in directing resources toward the institution's specific priorities.

In essence, managerial autonomy determines how a hospital is organized and operates, whereas financial autonomy concerns how financial resources are managed and utilized. In practice, these two dimensions are closely interconnected and cannot function effectively in isolation from one another. Financial autonomy without managerial autonomy, just as managerial autonomy without genuine financial support, remains limited in its impact and cannot guarantee the intended transformation of the hospital system.

The process of obtaining hospital autonomy status is carried out through an institutional procedure established by law. This process includes the approval of autonomous hospital status, the establishment of a Governing Board, the drafting and adoption of internal regulations, the definition of the organizational structure and staffing framework, the establishment of performance indicators, and the implementation of financial mechanisms related to budgeting and the use of secondary revenues.

However, the analysis of practice, as evidenced in this report, indicates that in many cases these processes remain largely formal and are not fully reflected in the actual functioning of hospitals. This suggests that, although the structures and mechanisms envisaged by the reform have been established, their effective implementation continues to face significant challenges.

One of the most important elements of the reform is the establishment of the Governing Board, which is considered the hospital's principal governing body. According to the applicable legislation, the Board is composed of representatives of the Ministry of Health and Social Protection (MHSP), the Mandatory Healthcare Insurance Fund (MHCIF), the Health Care Services Operator (HCSO), the professional healthcare community, as well as patient representatives or representatives of patient associations. The inclusion of patient representatives aims to strengthen accountability and ensure that decision-making is more closely aligned with citizens' needs and the quality of services provided.

From a conceptual perspective, hospital autonomy and its accompanying mechanisms, such as governing boards, financial autonomy, and managerial autonomy, represent a modern model of public hospital governance. Nevertheless, the principal challenge lies not in the legal design of the reform, but in its practical and functional implementation. This requires not only the establishment of formal structures, but also their effective operation, transparency, monitoring, and genuine institutional accountability.

In this context, this monitoring report serves as an analytical and evaluative instrument aimed at assessing the current level of implementation of the legal framework governing hospital autonomy, including the relevant law and its accompanying secondary legislation, such as Council of Ministers' decisions and related ministerial orders.
The report focuses on three main dimensions:

- First, it seeks to assess the level of transparency and accountability in the management of public funds and hospitals' own-source revenues;
- Second, it examines the impact of hospital autonomy on citizens' access to healthcare services and the quality of care delivered in practice;
- Third, it aims to identify positive practices, existing challenges, and gaps that require institutional intervention or a review of current policies.

The report is based on a detailed analysis of official documents, including legal acts, decisions of hospital governing boards, memoranda, and internal institutional documentation. The analysis focuses on the experiences of four public hospitals that have been granted managerial autonomy status, namely Lezhë Regional Hospital, Vlorë Regional Hospital, Shkodër Regional Hospital, and the Mother Teresa University Hospital Centre (QSUNT), as well as on the experience of Fier Regional Memorial Hospital, which remains the only hospital to have been granted financial autonomy status.

Through this monitoring exercise, the report aims to provide a realistic, evidence-based overview of the implementation of the hospital autonomy reform, identifying achievements, challenges, and limitations encountered during its implementation. At the same time, the report seeks to establish a concrete basis for the formulation of policy and administrative recommendations aimed at strengthening transparency, improving the quality of healthcare services, and ensuring a more efficient, sustainable, and accountable use of public funds in the healthcare sector.

KEY FINDINGS

01.

Hospital Autonomy

Hospital autonomy remains largely formal, as governance and accountability structures do not function effectively in practice. Limited transparency, the weak role of governing boards, and the absence of effective control and monitoring mechanisms constrain the achievement of genuine autonomy that is performance-oriented and results-driven.

02.

Governing Boards

The role of governing boards in public hospitals remains largely formal, with limited influence over decision-making, financial oversight, and performance evaluation. The low frequency of board meetings and the absence of effective monitoring mechanisms indicate that hospital autonomy has not yet been fully consolidated in practice.

03.

Performance

Despite the reported increase in hospital activity, the absence of standardized indicators and sustainable monitoring mechanisms makes it impossible to objectively assess the impact of hospital autonomy. There is insufficient evidence to demonstrate measurable improvements in institutional performance as a result of the reform.

04.

Dual Practice

Although dual practice has been formally introduced in several institutions, its implementation remains limited and inconsistent. Non-competitive fees, low patient demand, the absence of financial reporting, and limited evidence regarding the revenues generated through this mechanism suggest that it has not yet produced a significant impact on hospital financing and performance.

05.

Financial Reporting

Hospitals report high budget execution rates, improved financial efficiency, and increased service activity. However, there is a lack of analysis comparing planned and actual budgets, and independent verification mechanisms have yet to be established. Financial reporting remains largely administrative, lacking transparency and public accessibility.

06.

Transparency and Accountability

Autonomous hospitals demonstrate low levels of transparency, characterized by the systematic lack of disclosure of budgets, governing board decisions, performance indicators, and financial reports. As a result, citizens and stakeholders have limited access to information on the use of public funds and institutional performance, weakening mechanisms of public oversight and accountability.

LEGAL AND INSTITUTIONAL FRAMEWORK

The legal framework for the hospital autonomy reform in Albania was established through Law No. 55/2022, dated 19 May 2022, “On Hospital Services in the Republic of Albania”, which fundamentally transformed the organization, governance, and financing of public hospitals. This law marks the transition from a centralized bureaucratic system to a decentralized, performance-based model, under which public hospitals are granted managerial, financial, and administrative autonomy while remaining fully accountable for results and the transparent use of public funds.

Pursuant to this law, public hospitals are categorized according to levels of care (tertiary, regional, municipal, and day hospitals) and operate as autonomous public institutions with legal personality and expanded decision-making authority in the management of human resources, finances, and service delivery. The law clearly defines the roles of the governing bodies:

- **The Governing Board,** as the collegial body responsible for approving policies, strategic plans, budgets, and service tariffs;
- **The General Administrator**, as the executive authority responsible for implementing board decisions and managing day-to-day operations;
- **The Medical Commission**, responsible for ensuring professional standards and clinical ethics.

Following the adoption of the law, a series of secondary legal acts established the regulatory basis for the practical implementation of hospital autonomy. Among the most important are:

-Council of Ministers Decision (VKM) No. 72, dated 8 February 2023, “On the approval of the hospital autonomy regulation”, which defines the criteria, procedures, and documentation required for obtaining an autonomy charter, as well as the procedures for financial reporting and performance evaluation. The decision shows that managerial autonomy may initially be granted for a two-year period and renewed following an assessment of performance results.

-VKM No. 36, dated 27 January 2023, which regulates the establishment and operation of regional, tertiary, and public hospital centres, detailing their organizational structure, the role of governing boards, and coordination with the Ministry of Health and Social Protection (MHSP).

- -VKM No. 23, dated 18 January 2023, which establishes the financing mechanisms

- for public hospitals through the Compulsory Health Care Insurance Fund (CHIF) as the contracting and monitoring authority for the use of public funds. It includes performance-based payment formulas, hospital service packages, and financial indicators.

- VKM No. 395, dated 29 June 2023, which introduces the framework for dual practice by specialist physicians, allowing autonomous hospitals to provide outpatient consultation services outside regular working hours for patients outside the referral system, generating own-source revenues.

- VKM No. 687, dated 26 October 2022, granted Fier Regional Memorial Hospital the first status of managerial autonomy as a pilot project implemented in cooperation with the Government of Türkiye, making it the first practical model for the implementation of the new hospital autonomy legislation.

- Order No. 250, dated 18 April 2023, and Order No. 296, dated 17 May 2023, further regulate the functioning of municipal hospitals, day hospitals, and the patient referral mechanism, establishing aconnection between the different levels of healthcare provision.

This legal framework is institutionally supported by three main pillars:

01

(MHSP)

The Ministry of Health and Social Welfare implements national policies, approves autonomy charters, and oversees healthcare standards.

02

MHCIF

The MandatoryHealth Care Insurance Fund contracts, monitors, and finances public hospitals based on performance indicators and established funding mechanisms.

03

HCSO

The Health Care Services Operator supports the implementation of hospital care policies and provides technical assistance in the management of human resources.

In this way, the legal framework governing hospital autonomy represents not merely an administrative reform, but a systemic restructuring of public hospital management, whereby each institution becomes accountable for economic efficiency, service quality, and public transparency. The reform establishes the foundation for a new model of hospital governance aimed at bringing services closer to citizens, strengthening public trust, and ensuring the fair and measurable use of public resources.

1.1 The role and responsibilities of the Governing Board

The Governing Board represents the highest governing body of the hospital and serves as the principal institutional mechanism responsible for strategic direction, oversight, and ensuring accountability in the operation of hospital institutions.

Within the framework of the hospital autonomy reform, the role of the Board has been conceived as extending beyond traditional administrative functions toward a modern governance model based on strategic decision-making and performance monitoring.From a functional perspective, the Governing Board holds direct responsibility for approving budgets and financial reports, overseeing institutional performance, approving the organizational structure and internal regulations, defining performance indicators, and approving policies related to the management and use of financial resources.

In this context, the Governing Board is expected to function as a strategic and supervisory body ("board governance"), focused not on day-to-day administration, but rather on long-term direction and institutional oversight.

A fundamental element of the hospital autonomy model is the clear division of responsibilities between the Governing Board and the hospital's executive management. The Board exercises strategic and supervisory functions, establishes institutional policies, monitors outcomes, and oversees the overall performance of the institution. In contrast, the hospital director or administrator performs an executive role, being responsible for implementing Board decisions and managing the institution's day-to-day operations.
In practice, the distinction between these two levels of governance can be summarized as follows: the Governing Board determines "what" should be achieved and "why," while executive management determines "how" and "when" these objectives will be accomplished. This division is intended to create a more balanced decision-making system, reducing centralization and enhancing institutional accountability.

However, despite the fact that the legal framework clearly defines the roles and competencies of each actor, the practical implementation of this governance model raises a number of important questions regarding the actual functioning of hospital governance mechanisms. In this regard, key questions remain as to whether governing boards genuinely exercise their oversight function, whether executive management continues to retain centralized control over decision-making, and whether boards operate as active governance bodies or remain primarily formal structures.

These questions are critical for assessing the actual level of implementation of hospital autonomy and the effectiveness of the new institutional mechanisms.

1.2 Dual practice within the framework of hospital autonomy

Dual practice represents one of the key mechanisms envisaged under hospital financial autonomy, creating opportunities for generating additional financial resources within public healthcare institutions. This mechanism allows specialist physicians to provide fee-based services within public hospital facilities, but outside the standard referral system and public financing framework. In practice, the mechanism operates on the principle that patients may choose to receive specialist services outside the traditional referral pathway, without requiring a referral from a family physician or compliance with standard public healthcare procedures. In such cases, services are provided by hospital specialists in exchange for a prescribed fee, with the revenues generated being shared between the healthcare professional and the hospital institution.

The primary objective of dual practice is to generate additional financial resources for hospital institutions, increase the financial motivation of medical personnel, and contribute to reducing pressure on the private healthcare sector. At the same time, this mechanism aims to provide patients with greater flexibility in accessing specialist healthcare services. Patients may benefit from dual practice in several ways, including by seeking direct consultations with specialists without going through the referral system, obtaining diagnostic examinations or specific procedures more rapidly, and avoiding waiting times that often characterize the standard public healthcare system.

In such cases, patients bear the cost of the applicable fee, while the service continues to be delivered within the public hospital infrastructure.

From a conceptual perspective, dual practice is considered a potentially beneficial mechanism for all parties involved. Patients benefit from faster access to healthcare services, healthcare professionals gain opportunities for additional income, and hospitals secure supplementary financial resources that may contribute to improving institutional performance and service delivery.

The fees for these services are approved by the hospital's Governing Board in accordance with the applicable regulatory framework and the guidelines issued by the Ministry of Health and Social Protection. However, the legislation also establishes clear safeguards to maintain a balance between publicly funded services and fee-based activities. Specifically, the monthly income generated through dual practice must not exceed 30 percent of a physician's base salary.

The introduction of this limitation is intended to prevent distortions in the functioning of the public healthcare system and to avoid an excessive shift of healthcare professionals toward fee-based services at the expense of standard publicly funded care. In this regard, the principal challenge lies not only in creating additional financial mechanisms, but also in ensuring that these mechanisms operate in a balanced, transparent, and accountable manner without compromising citizens' equal access to public healthcare services.

2. METHODOLOGY

The monitoring report is based on an analytical, documentary, and comparative approach that combines the review of the legal framework, institutional functioning, and the practical implementation of hospital autonomy in Albania.

The methodology has been designed to enable an integrated assessment of the three main dimensions of the reform:

- *Transparency and financial accountability;*
- *Institutional functioning and hospital governance;*
- *Access to and quality of healthcare services provided to citizens.*

2.1 Data sources

The monitoring exercise relies on a combination of primary and secondary sources of information with the aim of ensuring the most comprehensive and objective assessment possible of the implementation of the hospital autonomy reform.

The documentary analysis was initially based on the review of official documents constituting the legal and regulatory framework governing hospital autonomy, including:

- *Law No. 55/2022 "On Hospital Services in the Republic of Albania";*
- *Secondary legislation adopted by the Council of Ministers, including CMDs No. 23, No. 36, No. 72, No. 395, and No. 687;*
- *Orders of the Minister of Health No. 250 and No. 296/2023;*
- *Annual reports and public documentation of the Mandatory Health Care Insurance Fund (MHIF).*

In addition to the analysis of the legal framework and publicly available documents, the report also relies on institutional information obtained directly from the hospitals included in the monitoring process. Data concerning performance, institutional functioning, board decision-making, operational indicators, and other elements of the analysis were collected through official requests for information submitted by Together for Life (TFL) to the hospital institutions covered by this report.

Furthermore, data and documents published on the official websites of the relevant institutions were reviewed, including the websites of hospitals, healthcare system institutions, and other publicly available online documentation. The combination of direct institutional sources and publicly available information was intended to enhance the reliability, triangulation, and verification of the report's findings.

These sources were analyzed and compared with the actual financial, institutional, and operational management practices of each hospital in order to assess the degree of alignment between the legal framework and the practical implementation of the reform.

2.2 Monitoring Indicators

To ensure a standardized and comparative analysis across the monitored institutions, structured indicators were used across three main categories:

Transparency and financial accountability indicators, including the publication of governing board decisions, financial reporting, availability of public information, and internal and external audit mechanisms.

Institutional governance and management indicators, covering the functioning of governing boards, the division of responsibilities between decision-making and executive structures, as well as institutional relations with the Health Insurance Fund and other system institutions.

Ac**cess, performance, and service quality indicators,** including hospital operational indicators, implementation of dual practice, access to services, diagnostic and surgical capacities, as well as elements related to patient experience and public information.

2.3 Method of analysis

The analysis was based on a combination of horizontal and vertical approaches.

The horizontal approach was used to compare the level of implementation of hospital autonomy across the hospitals included in the monitoring exercise, highlighting differences in performance, institutional organization, and governance mechanisms.

The vertical approach was used to examine the relationship between legal provisions and the actual results of implementation in practice, assessing whether the mechanisms envisaged by the legal framework have been effectively reflected in institutional operations.

The report combines both qualitative and quantitative analysis. Qualitative analysis was employed to interpret legal documents, institutional acts, and management practices, while quantitative analysis was based on the processing and interpretation of performance indicators and operational data reported by hospital institutions.

This methodological approach aims to provide as objective and balanced an assessment as possible of the hospital autonomy reform, identifying achievements, limitations, positive practices, and areas requiring further political and administrative intervention to improve transparency, governance, and the efficient use of public resources within the healthcare sector.

3. AUTONOMOUS HOSPITAL INSTITUTIONS – GENERAL INFORMATION

The implementation of the hospital autonomy reform in Albania represents a gradual and progressive process, which initially began with a selected group of hospitals intended to serve as pilot models for the transformation of the public hospital system. The hospitals included in this phase of the reform represent different levels of institutional development, managerial capacity, and experience in implementing autonomy mechanisms. Within this framework, Fier Regional Memorial Hospital, Durrës Regional Hospital, the Mother Teresa University Hospital Centre (MTUHC), Vlorë Regional Hospital, Shkodër Regional Hospital, and Lezhë Regional Hospital constitute the principal models of the reform and have therefore been selected for analysis in this report. The analysis presented herein provides a detailed assessment of each institution based on the review of legal and institutional documentation, decisions of governing boards, and operational practices identified during the monitoring process.

Meanwhile, during 2025, managerial autonomy was extended to additional hospital institutions, namely Korçë Regional Hospital, Gjirokastër Regional Hospital, Elbasan Regional Hospital, and the "Koço Gliozheni" University Obstetric and Gynecological Hospital. These institutions are currently in the early stages of implementing managerial autonomy and, consequently, the impact of the reform on their operations remains in the process of consolidation and evaluation.

3.1 Fier Regional Memorial Hospital

Fier Regional Memorial Hospital is the first public hospital in Albania to have been granted a Managerial Autonomy Charter through Council of Ministers Decision No. 687, dated 26 October 2022, for a three-year period (2022–2025). The institution was established within the framework of cooperation between the Albanian and Turkish governments and was designed as a new model of hospital organization based on modern clinical standards, enhanced management mechanisms, and more transparent governance. In 2025, Fier Regional Memorial Hospital was also granted financial autonomy, making it the first public institution to operate under both dimensions of autonomy provided for by the hospital legal framework. In this regard, the hospital has become a pilot case for testing new mechanisms of financial management, governing board operations, and performance monitoring and reporting systems.

The hospital's governance structure is based on the functioning of a Governing Board composed of representatives from key institutions of the healthcare system, including the Ministry of Health and Social Protection (MHSP), the Mandatory Health Care Insurance Fund (MHIF), and independent experts, with the aim of creating a more decentralized and balanced decision-making structure.

The analysis of institutional documentation indicates a relatively high level of activity, particularly in the formal governance dimension. During the period 2021–2025, the Governing Board convened at least 19 times and adopted approximately 40 documented decisions, positioning the hospital among the most active institutions in terms of the formal functioning of governance structures.

However, an analysis of the content of these decisions reveals that the majority relate primarily to administrative and financial matters, such as budget approvals, revenue management, financial agreements, and operational management issues. This suggests that the Board's role remains more focused on administrative and approval functions than on exercising a strategic, supervisory, and long-term institutional development role. For example, the hospital's budget for 2026 was approved at the central level without prior discussion and approval by the Governing Board, while the hospital's actual budget execution report for 2025 does not appear to have been approved by this body. These elements indicate the existence of a de facto centralization of financial decision-making and limitations in the effective exercise of institutional autonomy.

From a financial perspective, the hospital operates under a mixed financing model that combines funding from the Mandatory Health Care Insurance Fund (MHIF) for the provision of basic service packages with financial resources generated through secondary revenues and other forms of financial support. Financial reporting is conducted periodically with the objective of strengthening institutional monitoring and oversight of financial resource utilization.

With regard to transparency and public accountability, the analysis identifies several significant gaps. At present, there appears to be no dedicated public mechanism or platform for the systematic publication of budgets, performance indicators, or institutional activity reports. The absence of publicly available performance indicators and regular public reporting significantly limits opportunities for citizen monitoring and objective assessment of the outcomes of hospital autonomy.

An important component of financial autonomy is the implementation of dual practice, for which the hospital has undertaken concrete operational measures. Currently, 19 physicians participate in this scheme, a fixed consultation fee of ALL 3,000 is applied, and revenues are distributed according to a 70/30 formula, with 70% allocated to the healthcare professional and 30% to the institution.However, the analysis highlights that the absence of separate dedicated accounts for these revenues and the lack of publicly available information regarding their use limit financial transparency and weaken accountability mechanisms.

Overall, Fier Regional Memorial Hospital appears to be the most advanced institution in terms of the formal implementation of hospital autonomy and remains the most important case study for assessing the practical impact of the reform.

3.2 The University Hospital Center 'Mother Teresa'

The University Hospital Center 'Mother Teresa' is the largest and most complex institution within Albania's public hospital system, playing a central role in tertiary referrals, the provision of university hospital services, and the treatment of highly complex clinical cases. Due to its high service volume, specialized capacities, and strategic importance within the healthcare system, The University Hospital Center 'Mother Teresa' constitutes a key indicator for assessing the actual implementation of managerial autonomy in Albania.

As the country's leading tertiary healthcare institution, UHCMT is expected to serve as a reference model for the implementation of modern hospital governance practices, financial transparency, and institutional reporting. However, the analysis of available information suggests that significant limitations remain in these areas.

Currently, there is no publicly accessible and standardized format for publishing financial statistics or hospital performance indicators. In particular, systematic publications on service costs, periodic financial reporting, and key clinical and operational performance indicators are lacking.UHCMT should function as one of the leading institutions in adopting advanced standards of transparency, institutional reporting, and public accountability through the implementation of structured reporting mechanisms. These mechanisms should include the publication of service costs and average costs per patient or bed-day, periodic financial and operational reporting to the Mandatory Health Care Insurance Fund (MHIF), publication of fees for services provided outside the referral system and under dual practice arrangements, and systematic reporting of clinical performance indicators, including quality measures, complications, mortality rates, hospital-acquired infections, and clinical outcomes.

Nevertheless, the analysis reveals the absence of such public reporting mechanisms, limiting institutional transparency and reducing opportunities for independent monitoring, public accountability, and objective assessment of institutional performance.From the perspective of institutional governance, UHCMT represents the most complex model of hospital autonomy in the country. The Governing Board is composed of representatives from the key institutions of the healthcare system and is responsible for the strategic oversight of the institution.

However, publicly available information regarding the Board's practical functioning remains limited. There is no evidence of the systematic publication of board meetings, minutes, adopted decisions, mechanisms for monitoring managerial performance, or the results of internal and external audits.At the same time, operational indicators suggest a very high level of institutional activity and sustained pressure on existing capacities. The continuous increase in the number of hospitalized patients, the expansion of outpatient services, and the growing volume of emergency cases confirm UHCMT's dominant role within the Albanian hospital system and its ability to absorb a very high demand for specialized healthcare services.

Overall, UHCMT presents a clear contrast between its strong operational capacities and the limitations observed in the areas of transparency and public accountability.

3.3 Durrës Regional Hospital

Durrës Regional Hospital represents one of the highest-volume healthcare institutions within the Albanian hospital system, due to its strategic location, the high population density of the area it serves, and the significant seasonal influxes associated with the region's economic and tourism development. Given its role as a major regional referral center, the functioning of this institution constitutes an important case for assessing the actual impact of the hospital autonomy reform in terms of governance, financial management, and institutional performance.

From an institutional governance perspective, the Governing Board of Durrës Regional Hospital consists of five members representing the key institutions of the healthcare system. According to the information reported, the Board holds at least four meetings per year and possesses full legal authority to approve the budget, organizational structure, performance indicators, and institutional management policies.

However, the practical functioning of this governance mechanism remains difficult to assess due to the lack of publicly available information regarding its activities. There is no evidence regarding the actual number of decisions adopted, no approved or published annual report, and no information demonstrating the concrete impact of Board decisions on the institution's strategic direction. Under these circumstances, although the Board formally exists and its powers are clearly defined by legislation, the lack of transparency suggests that its role remains largely formal, with insufficient evidence of the effective exercise of its supervisory and strategic functions.

From a financial perspective, Durrës Regional Hospital is financed primarily through the mechanisms established by the Compulsory Health Care Insurance Fund (FSDKSH), while compensation and financial management policies are implemented in accordance with the applicable secondary legislation. Nevertheless, financial transparency remains one of the main weaknesses identified during the analysis.

Currently, no publicly accessible financial reports are available, data on budget implementation are lacking, and there is no public evidence of the Governing Board's approval of financial reports.

In practice, financial management remains largely centralized and inaccessible to the public, suggesting that financial autonomy has not yet been accompanied by consolidated mechanisms of transparency and accountability.
From an operational standpoint, activity indicators suggest a continuous increase in demand for hospital services and a progressive shift of healthcare activities toward hospital-based structures.

The hospital reports improvements in access to consultations and diagnostic examinations, as well as reductions in waiting times, indicating efforts to optimize service delivery. However, these claims remain difficult to verify due to the absence of systematic publication of performance indicators and the lack of comparison with national standards or measurable performance targets.

One of the most significant challenges identified concerns transparency and public access to information. Information on institutional performance, operational indicators, and financial data is not published systematically, while the available information remains largely accessible only to central healthcare institutions, including the Health Care Services Operator (OSHKSH) and the Quality Assurance and Accreditation Agency. The hospital's official website provides limited information and does not offer citizens sufficient access to data concerning institutional performance, operations, and the use of public funds.

Regarding financial autonomy and revenue-generation mechanisms, the reported information does not provide clear evidence on the implementation of dual practice or on the financial impact of this instrument. The absence of data concerning this component suggests either a minimal level of practical implementation or a lack of transparency regarding one of the most important mechanisms of financial autonomy.

Overall, Durrës Regional Hospital presents a significant contrast between its strong operational performance and the relatively low levels of transparency, institutional governance, and effective implementation of autonomy mechanisms. Hospital activity continues to grow and demonstrates substantial operational capacity; however, managerial autonomy remains largely formal, with limited evidence regarding the Board's actual strategic role, financial transparency, and the functioning of public accountability mechanisms. This suggests that consolidating autonomy requires not only formal decision-making structures but also stronger public reporting mechanisms, institutional monitoring, and financial transparency.

3.4 Vlora Regional Hospital

Vlora Regional Hospital represents one of the regional healthcare institutions that has made progress in formally establishing the managerial autonomy mechanisms provided for under the legal framework. The institution operates within a complex environment characterized by high demand for healthcare services, significant seasonal tourism-related inflows, and continuous pressure on hospital and diagnostic capacities.

In this context, the effective functioning of autonomy mechanisms constitutes a key element for assessing the hospital's managerial and institutional capacities.

From an institutional governance perspective, the Governing Board of Vlora Regional Hospital consists of five members and, during the period 2023–2026, held eleven meetings and adopted eleven decisions.

The direct correlation between the number of meetings and the number of decisions suggests relatively limited decision-making activity, with each meeting resulting in only one formal decision. This pattern raises questions regarding the Board's actual level of strategic engagement and its role in guiding institutional policies. Board decisions have focused primarily on administrative and financial matters, including preliminary budget allocations, management of secondary revenues, and certain internal reorganization processes. The analysis suggests that the Board's role remains more oriented toward the formal approval of processes than toward the active exercise of the strategic and supervisory functions envisaged under the hospital autonomy model.

One of the most critical issues identified relates to the division of responsibilities between governance and executive structures. **In practice, monitoring budget implementation and overseeing financial performance are carried out mainly by the hospital administration rather than by the Governing Board, thereby limiting the Board's supervisory role.** Furthermore, there is no evidence of structured mechanisms for evaluating the performance of executive management, creating gaps in accountability and institutional oversight.

In terms of transparency, significant limitations continue to be evident. There is no systematic publication of budgets, performance indicators, or documents related to institutional decision-making. The absence of such mechanisms restricts public access to information and reduces opportunities for independent monitoring of the results achieved through hospital autonomy.

From a financial perspective, the hospital reports improvements in the efficiency of fund utilization and financial resource management. However, the absence of published financial data, budget execution reports, and performance indicators makes it difficult to objectively verify these claims and limits the assessment of the actual impact of autonomy on the institution's financial performance.

Overall, Vlora Regional Hospital represents a model in which managerial autonomy has been formally and organizationally consolidated, while governance, transparency, and institutional oversight mechanisms remain limited. This suggests that, despite progress in establishing autonomy structures, the full consolidation of the reform requires strengthening the Board's strategic role, increasing financial transparency, and developing more effective institutional accountability mechanisms.

3.5 Shkodër Regional Hospital

Shkodër Regional Hospital was granted the Managerial Autonomy Charter on 26 January 2024 for a three-year period, becoming one of the regional institutions included in the expansion phase of the hospital autonomy reform. As one of the main hospitals in northern Albania, the institution plays a significant regional role in the provision of hospital, diagnostic, and surgical services, while the autonomy process represents an opportunity to test new governance and institutional management capacities.

The analysis of the available documentation suggests that Shkodër Regional Hospital is still in the early stages of operationalizing autonomy, although it has taken concrete steps toward establishing the structures and mechanisms envisaged by the legal framework.

From an institutional governance perspective, the Governing Board has been established in accordance with the legal framework and includes representatives of the Ministry of Health and Social Protection, the Mandatory Health Care Insurance Fund (MHCIF), other healthcare institutions, and patient representatives, creating a relatively balanced structure of institutional representation. During the period 2023–2025, the Board held six meetings, with decision-making focused primarily on budget approval, the management of secondary revenues, and the reorganization of internal structures.

Although the Board appears to function relatively regularly, the analysis suggests that its activities remain largely focused on administrative and operational matters, while evidence regarding the exercise of strategic functions, systematic performance monitoring, and financial oversight remains limited.

Nga perspektiva financiare, spitali raporton realizim të buxhetit në nivelin rreth 99%, çka sugjeron kapacitete relativisht të mira në administrimin e burimeve financiare dhe realizimin e fondeve të planifikuara. Megjithatë, këto të dhëna mbeten kryesisht deklarative, pasi raportet financiare, analizat e realizimit të buxhetit dhe dokumentacioni mbështetës nuk publikohen në mënyrë sistematike, duke kufizuar mundësitë për verifikim publik dhe vlerësim të pavarur të performancës financiare. From an operational perspective, the hospital reports an increase in clinical activity and patient flows. These indicators suggest that the institution plays an important regional role and faces significant demand for its services. However, the absence of systematic publication of indicators and comparative analyses makes it difficult to objectively assess the impact of autonomy on institutional performance.

One of the most important components of financial autonomy within this institution concerns the implementation of dual practice. The hospital has taken concrete steps toward operationalizing this mechanism, including the establishment of a working group tasked with drafting the relevant regulation and its approval by the Governing Board on 8 April 2024. Subsequently, individual contracts were signed with specialist physicians willing to provide services outside regular working hours, in accordance with the framework established by Council of Ministers Decision No. 395/2023.

However, the practical implementation of this mechanism has remained limited. According to the information reported, low patient demand for consultations outside the referral system, combined with physicians' dissatisfaction regarding fee levels—which remain similar to those applied within the standard public healthcare system—has constrained the actual use of dual practice. As a result, financial autonomy within the institution remains largely in an experimental phase, and no measurable economic or financial impact has yet been demonstrated.

With regard to reporting and professional standards, the hospital uses the standard reporting formats of the Mandatory Health Care Insurance Fund (MHCIF) and applies clinical protocols approved by the relevant authorities, thereby contributing to the maintenance of basic quality standards and the monitoring of clinical activities. Nevertheless, the consolidation of autonomy at Shkodër Regional Hospital requires further investment in strengthening administrative and financial capacities, developing institutional monitoring mechanisms, and establishing more transparent public reporting systems. The lack of publication of Board decisions, financial reports, and performance indicators continues to represent a significant limitation to the full functioning of autonomy and public accountability mechanisms.

Overall, Shkodër Regional Hospital appears to be an institution that has taken important steps toward operationalizing managerial autonomy but continues to face substantial challenges in transforming formal autonomy mechanisms into effective instruments of governance, transparency, and financial management.

3.6 Lezhë Regional Hospital

Lezhë Regional Hospital was granted the Managerial Autonomy Charter on 26 January 2024, with a validity period of two years until 25 January 2026. The institution's inclusion in the autonomy reform was supported by the approval of the 2023–2026 Strategic Plan and the Hospital Activity Improvement Plan No. 11.1, dated 31 August 2023, approved by the Governing Board. At present, the validity period of the charter has expired, and no public information is available regarding its renewal or reapplication.
From an institutional perspective, Lezhë Regional Hospital represents an intermediate model of hospital autonomy implementation, where the formal governance framework has been established but autonomy mechanisms remain in the process of consolidation. The Governing Board has been established in accordance with the legal framework and includes representatives from the Ministry of Health and Social Protection, the Mandatory Health Care Insurance Fund (M]HCIF), the Health Care Services Operator (HCSO), the professional healthcare community, and patient representatives, reflecting a more inclusive approach to institutional governance.

During the period 2023–2025, the Governing Board held eight meetings, with decision-making focused primarily on the approval of annual budgets, the management of secondary revenues, and the approval of investment expenditures. However, the analysis of the available documentation suggests that the Board's role remains largely formal and oriented toward approving decisions in principle rather than actively exercising the strategic and supervisory functions envisaged by the autonomy framework.

From a financial perspective, the hospital reports high levels of budget execution, declaring an implementation rate of 99.98% for 2025, which suggests relatively strong capacities in financial resource management. Nevertheless, the absence of systematic publication of financial reports and supporting documentation limits the possibility of public verification and reduces institutional transparency.

In terms of service delivery, the hospital reports increased activity levels, indicating strong demand for healthcare services and confirming its important regional role in the provision of healthcare.

Regarding financial autonomy, dual practice has been approved at the regulatory level; however, there is still no evidence of full operational implementation or measurable financial impact. Likewise, the hospital has not yet begun implementing tariffs for services provided outside the referral system, mainly due to the incomplete development of the secondary regulatory framework governing the functioning of this mechanism. From a managerial perspective, Lezhë Regional Hospital has established internal structures for planning, budgeting, and auditing, although these structures continue to face limitations in professional and administrative capacity. Performance reporting is carried out in accordance with the standard formats established by MHCIF and includes indicators related to efficiency, costs, and service quality.

Overall, Lezhë Regional Hospital appears to be an institution that has successfully established the formal foundations of hospital autonomy but continues to face challenges in the effective functioning of transparency mechanisms, governance structures, and the practical implementation of autonomy. Compared to other regional institutions, Lezhë may be considered a transitional model, where the institutional framework is in place, but the full consolidation of autonomy remains a work in progress.

4. ANALYSIS OF HOSPITAL PERFORMANCE INDICATORS

The performance analysis of autonomous hospitals is based on key activity and efficiency indicators, which are directly linked to financing contracts with the Mandatory Health Care Insurance Fund (MHCIF). These indicators constitute the primary tool for assessing whether hospital autonomy has led to tangible improvements in the quality and efficiency of healthcare services.

Public hospitals are financed through annual contracts with the MHCIF, which define:

- the total allocated budget;
- the package of services to be provided;
- the performance indicators to be achieved;
- reporting and monitoring mechanisms.

Although the contractual framework has evolved in recent years, the current financing model remains largely historical in nature, relying primarily on previous budget allocations, while performance-based financing components continue to play a relatively limited role. Financing contracts with hospital healthcare providers, based on Law No. 55/2022 "On Hospital Services in the Republic of Albania" and Council of Ministers Decision No. 118, dated 1 March 2023, "On the Approval of the National Hospital Plan 2023–2030," have introduced significant changes by incorporating managerial concepts such as hospital autonomy, service costing, and the optimization of human and financial resources, with the objective of creating a more efficient hospital care model.
Additional obligations have been introduced for hospitals regarding the measurement, calculation, monitoring, and evaluation of performance indicators in order to achieve the established targets. To properly understand hospital performance, it is important to interpret these indicators analytically rather than merely numerically.

Average Length of Stay (ALOS) indicates the average number of days a patient remains hospitalized.

- An excessively high ALOS may indicate inefficiencies in service delivery or shortcomings in clinical management.
- An excessively low ALOS may suggest premature discharge of patients from inpatient
- care.

The proportion of admissions through emergency departments constitutes an important indicator for assessing the effectiveness of the referral system and the pressure placed on hospital structures.
High levels of emergency admissions may suggest:

- weaknesses in primary healthcare services;
- inefficient use of emergency care services.

In this context, an increase in emergency admissions should not automatically be interpreted as a positive indicator, as it may reflect system overload and structural weaknesses in the organization of healthcare services. The number of admissions through emergency departments provides important insight into the level of pressure placed on the hospital system.

3. Outpatient visits (consultations) indicate the level of access to healthcare services that do not require hospitalization and provide information on the capacity of outpatient clinics to absorb demand for specialist services.

- An increase in outpatient activity may suggest improved access to healthcare services.
- A decline in outpatient activity may reflect a shift of patients toward emergency departments or the private sector, resulting in a transfer of the healthcare burden to hospitals, accompanied by increased costs and reduced efficiency.

4.Bed utilization remains one of the key indicators of hospital capacity use.

- Low utilization rates may indicate underused capacity or suboptimal planning.
- Very high utilization rates may indicate overcrowding, pressure on resources, and a risk of deterioration in service quality.

The analysis of performance indicators suggests that the public hospital system continues to be driven more by service volume than by healthcare outcomes and quality of care. Financing contracts with the Mandatory Health Care Insurance Fund (MHCIF) do not yet provide sufficient incentives to promote genuine performance improvement, while the lack of transparency in financial and operational reporting limits the possibility of conducting comprehensive analyses and objective comparisons.In this context, the available evidence suggests that hospital autonomy has not yet been fully translated into measurable improvements in service quality, transparency, and institutional accountability.

4.1 Memorial Hospital Fier

Memorial Hospital Fier represents one of the most advanced models of public hospital organization and management in Albania, operating through an integrated model of management and service delivery, supported by modern infrastructure, advanced technology, and professional cooperation between Albanian and Turkish healthcare personnel.

Within the context of the hospital autonomy reform, this institution constitutes the most consolidated case of the implementation of managerial and financial autonomy mechanisms. The analysis of performance indicators for 2024 highlights a high level of achievement of operational objectives and a considerable capacity in the provision of both hospital and outpatient services. In terms of hospital admissions, the hospital recorded 6,789 admissions out of the 7,500 planned, achieving 90.5% of its annual target. Although the target was not fully met, the level of achievement is considered high and suggests a stable capacity for the utilization of hospital services.

The bed occupancy rate exceeded the planned target, reaching 71% compared to the target of 60%, indicating a relatively intensive use of hospital capacity and a high level of clinical activity. At the same time, the average length of stay was 4.2 days, very close to the target of 4 days, suggesting a relatively good balance between operational efficiency and patients' clinical needs. With regard to emergency admissions, the hospital achieved a rate of 49.3% against a target of 50%, reflecting almost complete alignment with the planned parameters of emergency activity.

Table 1: *Performance Indicators of Memorial Hospital Fier for 2024,*

Indicator (2024)	Annual Target	Actual Performance	Achievement Rate (%)
Admissions	7,500	6,789	90.50%
Bed occupancy rate	60%	71%	
Average length of stay	4 days	4.2 days	
Emergency admissions (%)	50%	49.30%	
Consultations	21,000	65,297	310.90%
Laboratory examinations	90,000	254,678	283.00%
CT (Computed Tomography)	2,000	8,564	428.20%

The most notable performance is observed in outpatient and diagnostic services. The number of consultations reached 65,297, compared to a target of 21,000, representing more than 310% of the planned target. Similarly, laboratory activity significantly exceeded expectations, with 254,678 laboratory examinations performed against a target of 90,000, corresponding to approximately 283% achievement.

A high level of activity is also evident in advanced diagnostic services. The number of Computed Tomography (CT) examinations reached 8,564, substantially exceeding the initial target of 2,000 examinations. This suggests a significant increase in demand for these services and intensive utilization of the institution's technological capacities.

Overall, the analysis of the indicators suggests that Memorial Hospital Fier demonstrates the highest level of operational performance among regional hospitals, particularly in the areas of outpatient services, diagnostic activity, and the utilization of hospital capacity.

However, the interpretation of these results also requires an analysis of the factors influencing this performance, including infrastructure investments, human resources, the financing model, and the degree of real autonomy in decision-making. In this regard, Memorial Hospital Fier represents an important case study for assessing both the potential and the limitations of the hospital autonomy reform in Albania.

4.2 University Hospital Center "Mother Teresa" (UHCMT)

The University Hospital Center "Mother Teresa" (UHCMT) represents the largest public healthcare institution and the national referral center for the provision of tertiary and university healthcare services in Albania. As the institution with the highest volume of clinical activity in the country, UHCMT plays a central role in the functioning of the public hospital system and constitutes a key element for the practical assessment of the hospital autonomy reform, particularly in dimensions related to operational, financial, and managerial capacities.

The analysis of performance indicators for 2024 highlights a very high level of clinical activity and considerable pressure on the institution's existing capacities.
In terms of hospital admissions, UHCMT recorded 131,163 admissions against a target of 110,000 admissions, achieving 119.2% of its annual target. This indicator confirms UHCMT's dominant role as the country's primary referral institution, while at the same time reflecting the continuous pressure on hospital capacities.

The bed occupancy rate reached 86.59%, slightly below the target of 90%, while the average length of stay was 3.4 days, very close to the target of 3.5 days. These indicators suggest that, despite the high volume of activity, the institution maintains a relatively efficient level of hospital capacity utilization and inpatient management.

Regarding the profile of treated cases, the percentage of emergency admissions was 17.1%, lower than the target of 20%. Nevertheless, considering UHCMT's national role as a referral center for complex pathologies and highly specialized cases, the pressure on emergency services and critical specialties remains significant.

Outpatient activity demonstrated particularly strong performance. The number of consultations reached 562,397, compared to a target of 370,000 consultations, achieving approximately 152% of the planned target. This indicator reflects not only the high demand for tertiary and university healthcare services, but also the significant reliance of the healthcare system on the capacities of UHCMT.

Table 2. Performance indicators of the University Hospital Center "Mother Teresa" (UHCMT) for 2024

Indicator (2024)	Annual target	Actual performance	Achievement rate (%)
Admissions	110,000	131,163	119.20%
Bed occupancy rate	90.00%	86.59%	
Average length of stay	3.5 days	3.4 days	
Emergency admissions (%)	20.00%	17.10%	
Consultations	370,000	562,397	152.00%
Laboratory examinations	2,000,000	1,827,420	91.40%
Radiology examinations	190,000	157,971	83.10%
MRI (Magnetic resonance	9,000	8,999	100.00%
CT (Computed tomography)	30,000	33,555	111.90%

In diagnostic services, performance was more heterogeneous. Laboratory services recorded 1,827,420 examinations, representing 91.4% of the annual target, suggesting a high level of activity but also potential capacity constraints in relation to actual demand. In radiology, 157,971 examinations were performed against a target of 190,000, corresponding to approximately 83.1% achievement. This may reflect infrastructural limitations, issues related to diagnostic equipment, or insufficient operational capacity.
Meanwhile, advanced diagnostic services demonstrated stronger performance. Magnetic Resonance Imaging (MRI) examinations virtually achieved the entire planned target, with 8,999 examinations performed out of 9,000 planned. Computed Tomography (CT) examinations exceeded the target, reaching 33,555 examinations compared to the planned target of 30,000, representing approximately 111.9% achievement.

Overall, the analysis suggests that UHCMT operates under a continuous level of functional overload, maintaining activity volumes that significantly exceed planned capacities in several key areas. Although operational performance remains high and the institution demonstrates considerable capacity to manage demand, the main challenges continue to relate to pressure on clinical services, the concentration of national demand within a single institution, infrastructural limitations, and the relative insufficiency of

human resources in relation to the actual volume of activity. In this context, UHCMT represents an important case for assessing not only the potential of hospital autonomy, but also the structural limitations of Albania's public hospital system.

4.3 Durrës Regional Hospital

The analysis of the operational indicators of Durrës Regional Hospital during the period 2023–2025 highlights a continuous increase in hospital activity and growing pressure on the institution's existing capacities. The observed trends suggest that the hospital is facing a progressive expansion in demand for services, while managerial autonomy is challenged to optimize resources and maintain operational efficiency.

Table 3. *Performance Indicators of Durrës Regional Hospital for 2024*

Indicator		12-Month Data	Achievement Rate (%)
Number of admissions	16,500	13,420	**81.30%**
Bed occupancy rate (%)	60.00%	50.00%	49.98%
Average length of stay	4.5	4.6	4.63%
Emergency admissions (%)	50.00%	87.20%	85.83%
Number of consultations	80,000	70,555	**88.20%**
Monthly projection of	3,800	3,733	**98.20%**
Number of laboratory	170,000	187,948	**110.60%**
Number of radiological and	70,000	66,454	**94.90%**
Number of MRI examinations	5,000	4,984	**99.70%**
Number of CT examinations	12,000	10,425	**86.90%**

The performance indicators suggest that Durrës Regional Hospital operates under considerable operational pressure, with mixed results across inpatient and diagnostic activities. The number of admissions achieved 81.3% of the target, while bed occupancy remained below the planned level, suggesting suboptimal utilization of inpatient capacity.

The average length of stay was slightly above the target, which may be associated with the complexity of cases or the efficiency of clinical processes.

The most concerning indicator remains the very high proportion of emergency admissions (87.2%), reflecting a significant dependence on emergency services as the primary point of entry into the healthcare system and suggesting sustained pressure on emergency care structures. Outpatient consultations remained below target, while surgical activity was relatively stable and close to the planned objective. On the other hand, diagnostic performance was relatively strong, exceeding the target for laboratory examinations and achieving high levels of performance in radiology, MRI, and CT services. These results reflect substantial demand for diagnostic services and considerable diagnostic capacity within the institution. Overall, the indicators point to a hospital with a high level of operational activity that continues to face challenges related to optimizing hospital admissions, managing emergency care, and improving the efficiency of existing capacities.

Overall, the indicators for the period 2023–2025 suggest that Durrës Regional Hospital operates in an environment characterized by increasing demand and significant operational pressure. The growth in hospital admissions, the expansion of emergency activity, and the progressive shift of services toward hospital-based structures indicate that the institution is absorbing an increasingly large volume of activity, thereby reinforcing its role as a major regional center for hospital care.

However, these developments raise questions regarding the long-term sustainability of the current organizational model, the functioning of the referral system, and the capacity of hospital autonomy to transform increased activity into genuine improvements in efficiency, service quality, and more rational use of resources. In this context, the key challenge is not only managing the growth in demand, but also transforming that demand into stronger institutional performance.

4.4 Vlora Regional Hospital

Vlora Regional Hospital represents one of the main hospital institutions in the southern part of the country, playing an important role in providing healthcare services both to the resident population and to the considerable seasonal inflows associated with tourism. As one of the hospitals that has been granted managerial autonomy, its performance provides an important opportunity to assess the impact of the reform on organizational capacities, resource utilization, and service delivery.

The analysis of performance indicators for 2024 highlights relatively good performance in clinical and diagnostic activities, while also identifying several structural challenges related to the utilization of hospital capacities and the management of emergency cases.

In terms of hospital admissions, the hospital recorded 15,137 admissions against a target of 15,500 admissions, achieving 97.7% of the annual target.

This result suggests a high level of achievement of planned activity and confirms the hospital's importance as a regional referral center. However, this level of activity is not reflected to the same extent in the utilization of hospital capacities. The bed occupancy rate was 42.84%, significantly below the target of 60%, suggesting suboptimal utilization of existing inpatient capacity. At the same time, the average length of stay was 3.6 days compared to the target of 4.5 days. This may be interpreted as faster patient turnover and greater operational efficiency, but it may also indicate changes in the profile of treated cases or a stronger orientation toward outpatient care.

One of the key challenges identified relates to the structure of emergency admissions. The proportion of emergency admissions reached 87.4%, significantly exceeding the target of 50%, indicating a considerable dependence of hospital activity on emergency and unplanned patient flows. This high level of emergency admissions may reflect the seasonal pressures associated with tourism, but it also suggests weaknesses in referral mechanisms and coordination with primary healthcare services. As a result, emergency services continue to face sustained operational pressure.

In outpatient and diagnostic services, performance was considerably more positive. The number of consultations reached 58,582 compared to a target of 50,000 consultations, achieving 117.2% of the planned target. This result suggests strong demand for outpatient services and a relatively good institutional capacity to absorb patient flows.
Surgical activity also demonstrated strong performance, with 2,988 surgical procedures performed compared to 2,400 planned, corresponding to approximately 124.5% achievement. This indicator reflects consolidated surgical capacities and the hospital's important role in the provision of regional surgical services.

From a diagnostic perspective, the laboratory performed 187,106 examinations compared to 140,000 planned, representing approximately 133.6% achievement, while radiological activity reached 37,590 examinations against a target of 35,000, corresponding to 107.4% achievement. These results suggest intensive utilization of diagnostic services and growing demand for specialized examinations.

In advanced diagnostics, Computed Tomography (CT) examinations reached 4,758 compared to the target of 3,000 examinations, corresponding to approximately 158.6% achievement. This level of activity indicates a considerable burden on existing imaging capacities and may suggest the need for additional investments in equipment and human resources to meet growing demand.

Table 4. *Performance indicators of Vlora Regional Hospital for 2024*

Indicator (2024)		Actual Performance	Achievement Rate (%)
Admissions	15,500	15,137	97.70%
Bed Occupancy Rate %	60.00%	42.84%	
Average Length of Stay	4.5 ditë	3.6 ditë	
Emergency Admissions (%)	50.00%	87.40%	
Consultations	50,000	58,582	117.20%
Surgery	2,400	2,988	124.50%
Laboratory examinations	140,000	187,106	133.60%
Radiology examinations	35,000	37,590	107.40%
CT (Computed Tomography)	3,000	4,758	158.60%

Overall, the analysis suggests that Vlora Regional Hospital demonstrates good performance in clinical, surgical, and diagnostic activities, achieving or exceeding most of its planned targets. However, the main challenges continue to relate to the suboptimal utilization of inpatient capacities, the very high proportion of emergency admissions, and the increasing pressure on diagnostic and emergency services, particularly during seasonal periods. These findings suggest that managerial autonomy, although it has created opportunities for greater institutional flexibility, still requires more effective planning and operational management mechanisms in order to generate its full impact on hospital performance.

4.5 Shkodër Regional Hospital

Shkodër Regional Hospital represents one of the most important hospital institutions in the northern part of the country and plays a significant regional role in the provision of hospital and diagnostic services. As one of the hospitals that has been granted managerial autonomy, its performance is of particular interest for assessing the impact of the reform on institutional organization, resource utilization, and operational capacities. Traditionally, the hospital has been characterized by relative institutional stability,

managerial experience, and consistent clinical activity. In recent years, it has also begun implementing new organizational mechanisms, including dual practice. The analysis of performance indicators for 2024 reveals a mixed picture, in which several operational and diagnostic indicators demonstrate strong performance, while indicators related to hospital admissions and the utilization of hospital capacity remain significantly below planned targets.

In terms of hospital admissions, the hospital recorded 12,855 admissions against a target of 23,000 admissions, achieving only 55.9% of the annual target. This level of achievement suggests a considerable gap between planned and actual activity, raising questions regarding the appropriateness of the established targets, the organization of hospital services, or changes in the structure of demand for inpatient care.

Table 5. *Performance indicators of Shkodër Regional Hospital for 2024*

Indicator (2024)	Annual Target	Actual Performance	Achievement Rate (%)
Admissions	23,000	12,855	55.90%
Bed Occupancy Rate %	60.00%	30.22%	
Average Length of Stay	4.5 ditë	4.1 ditë	
Emergency Admissions (%)	50.00%	71.40%	
Consultations	80,000	74,544	93.20%
Surgical Procedures	3,700	3,760	101.60%
Laboratory Examinations	185,000	185,317	100.20%
CT (Computed Tomography)	5,500	8,974	163.20%

Similarly, the bed occupancy rate reached only 30.22%, substantially below the target of 60%, reflecting relatively low utilization of inpatient capacity. However, this indicator should be interpreted in the context of changing treatment models, the expansion of outpatient services, and a broader orientation toward reducing hospital stays.

The average length of stay was 4.1 days compared to the target of 4.5 days, suggesting a relatively good level of operational efficiency and faster patient turnover within existing capacities.

The structure of emergency admissions remains a significant challenge. The proportion of emergency admissions reached 71.4%, considerably above the target of 50%, indicating that emergency services continue to represent the dominant entry point into the hospital. This indicator suggests substantial pressure on emergency care structures and may reflect limitations in the referral system or high demand for immediate healthcare services.

In outpatient care, the hospital recorded 74,544 consultations compared to a target of 80,000, achieving 93.2% of the planned target. This result suggests relatively stable outpatient activity and a high level of utilization of specialist services.

Surgical activity demonstrated positive results, with 3,760 surgical procedures performed compared to 3,700 planned, corresponding to approximately 101.6% achievement. This indicator reflects stable surgical capacities and the institution's ability to maintain surgical activity in line with its objectives. From a diagnostic perspective, laboratory services performed very well, with 185,317 examinations conducted compared to 185,000 planned, effectively achieving the entire annual target. This suggests intensive and relatively balanced utilization of laboratory capacities.

One of the most notable performance indicators relates to advanced diagnostics. The number of Computed Tomography (CT) examinations reached 8,974 compared to a target of 5,500 examinations, corresponding to approximately 163.2% achievement. This result suggests a substantial increase in demand for imaging services and growing pressure on existing diagnostic capacities.

Overall, the analysis suggests that Shkodër Regional Hospital demonstrates relatively strong performance in surgical, laboratory, and diagnostic activities, while the main challenges relate to the suboptimal utilization of inpatient capacities and the high pressure on emergency and diagnostic imaging services. Although several operational indicators remain below planned targets, the hospital demonstrates stability in service provision and maintains considerable capacity to respond to regional healthcare needs. This suggests that the effects of managerial autonomy may be more visible in operational organization and diagnostic services than in the full optimization of hospital capacity utilization.

4.6 Lezha Regional Hospital

Lezhë Regional Hospital is one of the hospital institutions that has been granted managerial autonomy and operates in a relatively complex environment characterized by demographic fluctuations, seasonal population flows, and limitations in the availability of certain medical specialties. These factors directly influence the distribution of demand for healthcare services and the institution's operational performance.
The analysis of performance indicators for 2024 reveals a mixed picture, with relatively strong diagnostic and outpatient performance, while indicators related to hospital admissions and the utilization of hospital capacities continue to present significant challenges.

In terms of hospital admissions, the hospital recorded 5,475 admissions against a target of 7,500 admissions, achieving only 73.0% of the annual target. This result suggests a relatively low level of inpatient activity compared to expectations and may reflect limitations in clinical capacities, a greater tendency to refer patients to other hospitals, or changes in the structure of demand for hospitalization. The bed occupancy rate reached 33.7%, significantly below the target of 60%, reflecting suboptimal utilization of inpatient capacity. At the same time, the average length of stay was 3.6 days, lower than the target of 4.5 days. This may be interpreted as faster patient turnover, but it may also indicate a relatively lower volume of complex cases requiring longer hospitalization.

One of the main challenges identified relates to the structure of emergency admissions. The proportion of emergency admissions reached 80.6%, significantly exceeding the target of 50%, suggesting a considerable dependence of hospital activity on emergency and unplanned cases. This indicator may reflect weaknesses in the referral system, limitations in access to primary healthcare services, or pressure on emergency departments as the main entry point into the hospital system.

In outpatient activity, the hospital recorded 43,331 consultations against a target of 42,000 consultations, achieving 103.2% of the target. This result suggests stable demand for specialist services and a relatively good capacity to absorb outpatient patient flows.

Table 6. *Performance indicators of Lezha Regional Hospital for 2024*

Indicators (2024)	Anual Target	Actual Performance	Achievment Rate (%)
Admissions	7,500	5,475	73.00%
Bed Occupancy Rate %	60.00%	33.70%	56.20%
Average Length of Stay	4.5 ditë	3.6 ditë	80.00%
Emergency Admissions (%)	50.00%	80.60%	161.20%
Consultations	42,000	43,331	103.20%
Surgical Procedures	1,300	1,708	131.40%
Laboratory Examinations	160,000	189,317	118.30%
CT (Computed Tomography)	3,500	4,506	128.70%

Surgical performance produced positive results. The number of surgical procedures reached 1,708 compared to the planned target of 1,300, corresponding to approximately 131.4% achievement. This indicator reflects relatively strong operational capacities in relation to planned objectives, although its interpretation should be considered in the context of the overall limitations of hospital activity and the availability of medical specialties.

From a diagnostic perspective, laboratory services demonstrated strong performance, with 189,317 examinations performed compared to 160,000 planned, representing approximately 118.3% achievement. Similarly, advanced diagnostic activity exceeded expectations, with 4,506 CT examinations performed against a target of 3,500 examinations, corresponding to approximately 128.7% achievement. These indicators suggest intensive utilization of diagnostic capacities and an important role for the institution in the provision of imaging and laboratory services at the regional level.
Overall, the analysis suggests that Lezhë Regional Hospital demonstrates relatively good performance in outpatient, surgical, and diagnostic services, while the main challenges relate to the low utilization of inpatient capacities, the high dependence on emergency admissions, and structural constraints affecting hospital activity. These findings suggest that managerial autonomy has created opportunities to optimize certain components of hospital activity, but its impact remains conditioned by broader structural, organizational, and demographic factors.

Within the contracts signed with public hospitals, a set of performance and quality indicators has been monitored and evaluated. These indicators include the number of hospital admissions, bed occupancy rates, average length of stay, bed turnover rates, the percentage of discharged patients who have recovered, and the proportion of emergency admissions. The activities of University, Regional, and Municipal Hospitals, together with the achievement of contractual performance indicators, are presented below.

5. COMPARATIVE ANALYSIS OF PERFORMANCE INDICATORS

Within the framework of financing contracts between the Mandatory Health Care Insurance Fund (MHCIF) and public hospitals, performance monitoring is carried out through a defined set of performance and service quality indicators. In this context, hospitals are required to measure, calculate, monitor, and report these indicators, as well as to work towards achieving the targets established in the respective annexes of the financing contracts. The comparative analysis presented below is based on official data from the Mandatory Health Care Insurance Fund (MHCIF), published in the 2023–2024 annual reports, with the aim of assessing hospital performance and analysing developments observed before and after the implementation of hospital autonomy.

The analysis of performance indicators for the period 2023–2024 highlights considerable differences between university and regional hospitals, as well as uneven developments among the monitored institutions. These findings suggest that the implementation and impact of hospital autonomy have varied depending on institutional capacities, the complexity of services provided, and the level of organizational development of each institution.

5.1 Hospital Admissions

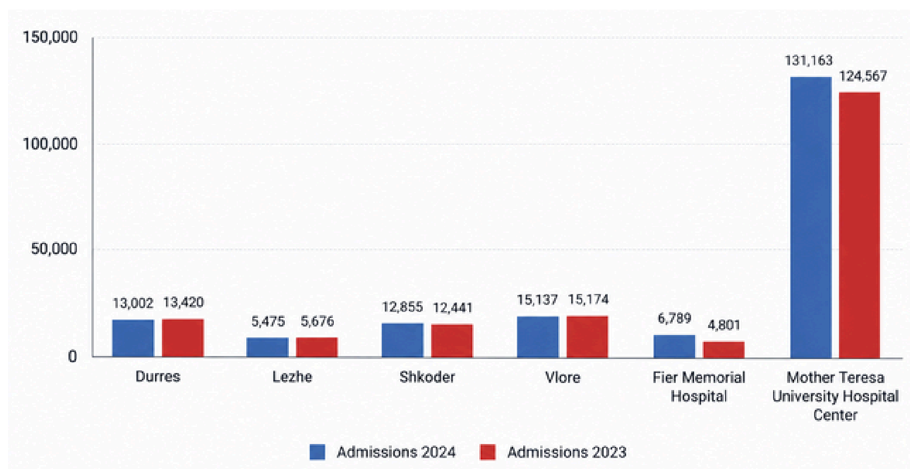
The data reveal considerable differences among hospitals in terms of activity volume and hospitalization trends. UHCMT clearly dominates in the number of admissions, with more than 120,000 hospitalizations annually, reflecting its role as the country's main tertiary institution and national referral center for highly complex cases.

Meanwhile, the Regional Hospitals of Vlora and Shkodër demonstrate a relatively stable level of activity, with only minor changes between the periods analysed. This suggests operational stability but limited expansion of hospital capacities. Lezhë Regional Hospital also shows a modest increase in inpatient activity, without significant structural changes in service volume.

In contrast, Memorial Regional Hospital Fier experienced a significant decline in the number of admissions, decreasing from approximately 6,700 to around 4,800 cases. This trend may suggest changes in service utilization patterns, the organization of hospital activity, or the structure of patient referrals.

Overall, the analysis suggests that regional hospitals do not demonstrate a sustained increase in inpatient capacity or a significant expansion in service volume. This indicates that, at this stage, hospital autonomy does not appear to have translated into a measurable expansion of activity levels or service delivery capacities.

Grafiku 1: *Numri i të shtruarve në vitet 2023-2024*



5.2 Hospital bed occupancy

Bed occupancy is one of the key indicators of hospital operational efficiency, as it reflects the level of utilization of existing capacities and the balance between demand for services and available resources. The analysis of the data reveals considerable differences between university and regional hospitals, highlighting structural disparities in the distribution of patient flows and the utilization of hospital capacities.

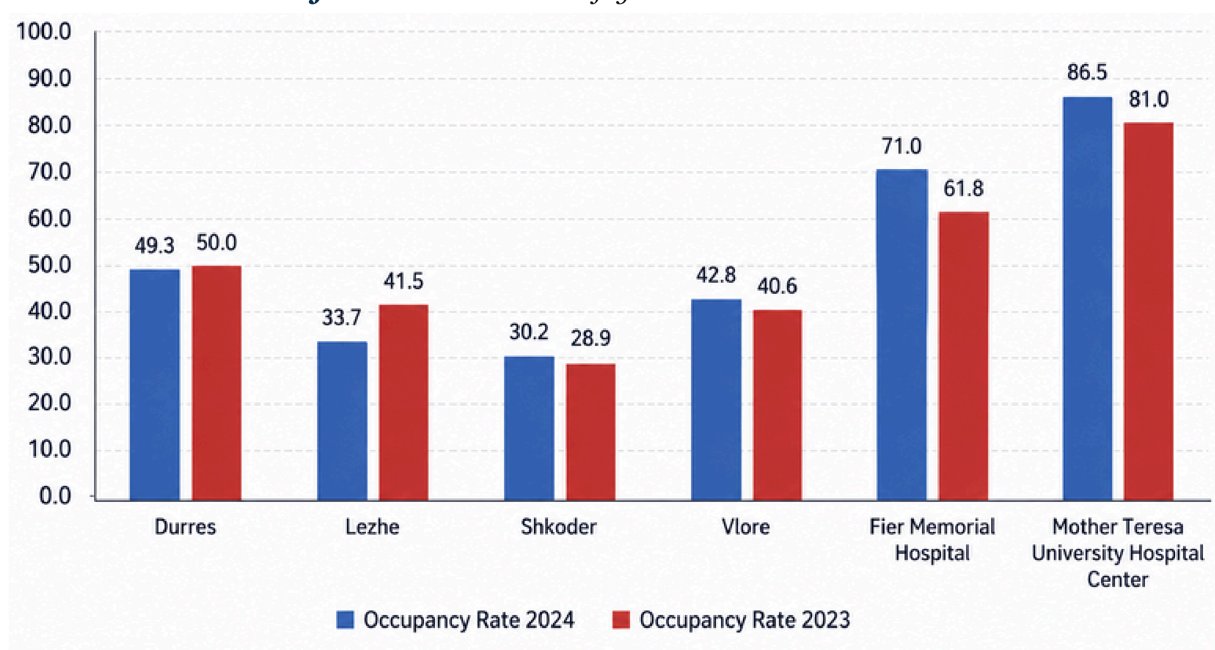
In university hospitals, the average bed occupancy rate stands at approximately 81.68%, whereas in regional hospitals this indicator is significantly lower, with an average of 35.87%. UHCMT continues to exhibit the highest levels of capacity utilization, with occupancy rates ranging from approximately 86.5% to 81%, suggesting operation close to optimal capacity levels while simultaneously reflecting sustained pressure on existing infrastructure and resources.

At the regional level, the situation is more heterogeneous. Memorial Regional Hospital Fier demonstrates a noticeable improvement in capacity utilization, with bed occupancy increasing from approximately 61.8% to over 71%. Meanwhile, Vlora Regional Hospital maintains relatively stable levels, at around 40–42%. In contrast, the Regional Hospitals of Shkodër and Lezhë continue to display relatively low levels of hospital capacity utilization, with occupancy rates ranging between 30% and 41%.

These differences suggest the existence of a pronounced dualism within the Albanian hospital system: on the one hand, UHCMT continues to face structural overcrowding and high demand for services, while on the other hand, a considerable proportion of regional hospital capacities remain underutilized.

In this context, the data suggest that hospital autonomy has not yet effectively addressed the structural challenges of the system, particularly with regard to balancing patient flows between different levels of hospital care and strengthening the role of regional hospitals as functional alternatives to the concentration of services within UHCMT.

Grafiku 2: *Krahasimi i Shfrytëzimit të shtratit 2023-2024*



5.3 Average Length of Stay

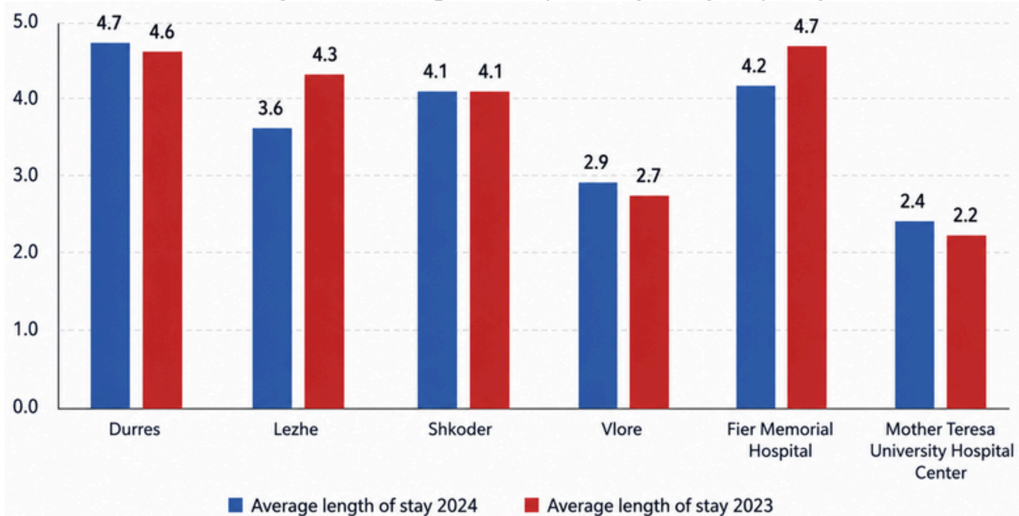
Average Length of Stay (ALOS) is one of the key indicators of hospital efficiency, as it reflects the average duration of hospitalization and the manner in which hospital capacities are utilized. In 2024, the average length of stay across all public hospitals was 3.9 days, revealing considerable differences between the various levels of the hospital system.

Analysis by hospital category shows that university hospitals recorded an average length of stay of 3.7 days, while regional hospitals reported an average of 3.9 days. In municipal hospitals, this indicator was higher, averaging 4.7 days, suggesting differences in case mix, service organization, and operational efficiency.

At the institutional level, UHCMT records relatively low average lengths of stay (approximately 3.2–3.4 days), indicating greater capacity for managing patient flows and more efficient utilization of hospital resources. Vlora Regional Hospital reports the lowest indicator (approximately 2.7–2.9 days), reflecting relatively strong performance in this regard. In contrast, the Regional Hospitals of Shkodër and Lezhë report higher average lengths of stay, reaching approximately 4.1–4.3 days, while Memorial Regional Hospital Fier has historically reported the highest figures, at around 4.7 days.

In interpreting this indicator, a longer average length of stay may suggest less efficient bed utilization, prolonged clinical processes, or challenges in managing hospital patient flows. However, a very short length of stay should not automatically be interpreted as a positive indicator, as it may also be associated with premature patient discharge or changes in clinical practices. The considerable differences observed among hospitals suggest that gaps in the standardization of clinical and organizational practices continue to exist, reflecting varying levels of efficiency and management across institutions.

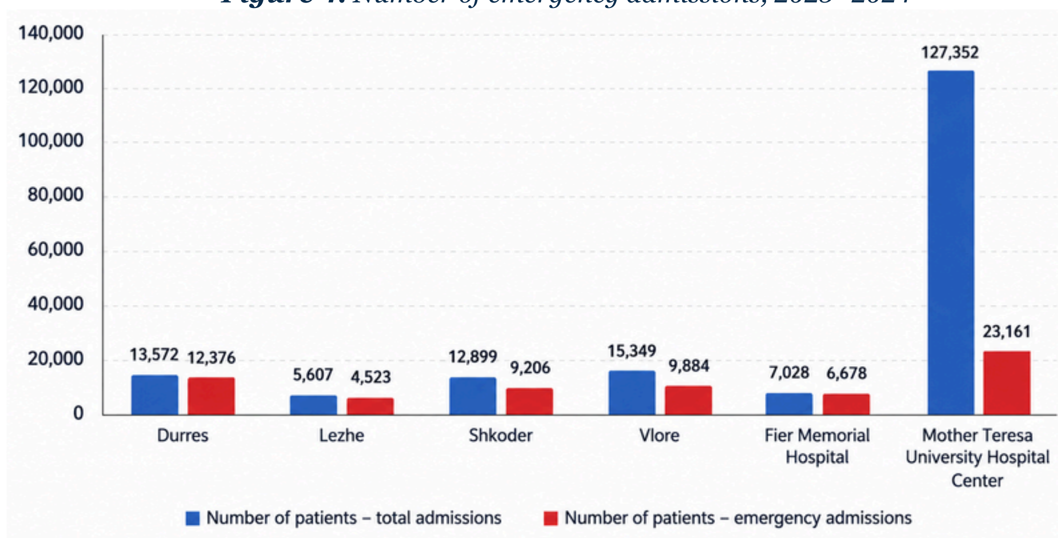
Figure 3. *Comparison of average length of stay*



5.4 Percentage of emergency hospital admissions

The analysis of emergency admission indicators shows that a considerable proportion of hospitalizations within the public hospital system are processed through emergency departments, reflecting sustained pressure on emergency services and challenges in the organization of patient flows. UHCMT continues to handle the highest volume of emergency cases, reflecting its role as the national tertiary care center and the principal referral institution for complex cases. However, regional hospitals also report relatively high levels of emergency admissions, suggesting that the use of emergency departments as the primary point of entry into the healthcare system remains a widespread practice throughout the hospital sector. These findings suggest that the healthcare system continues to operate largely according to a reactive model, focused on the management of emergency cases rather than on prevention, early intervention, and effective referral mechanisms. The high proportion of emergency admissions also points to persistent weaknesses in the functioning of the referral system and coordination between different levels of healthcare provision. In this context, the available evidence suggests that hospital autonomy has not yet produced significant improvements in the management of patient flows, as a substantial proportion of patients continue to access hospital services primarily through emergency departments.

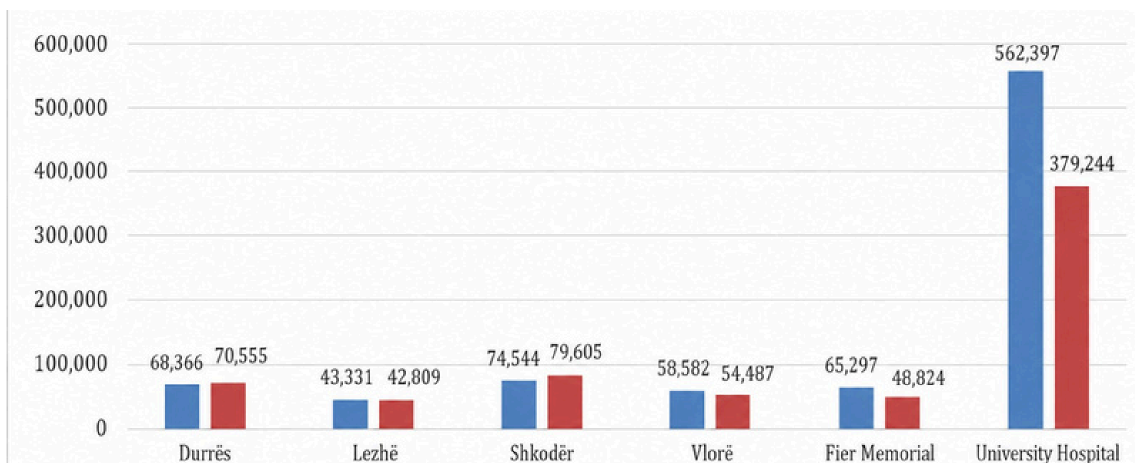
Figure 4. *Number of emergency admissions, 2023–2024*



5.5 Outpatient visits

The analysis of outpatient activity reveals considerable differences between university and regional hospitals, both in terms of service volume and the pace of development. UHCMT demonstrates the largest increase in the number of outpatient consultations, confirming its dominant role as the principal referral center and the leading provider of specialized healthcare services at the national level. At the regional level, the Regional Hospitals of Shkodër, Vlora, and Memorial Fier show a relatively moderate increase in outpatient activity, suggesting positive trends in expanding access to and utilization of specialist services. In contrast, Lezhë Regional Hospital displays more stable indicators, with only minimal changes in consultation volumes, reflecting a relative stagnation in outpatient activity. Overall, the increase in outpatient visits is considered a positive indicator of access to healthcare services and of institutional capacity to absorb demand for specialist care without the need for hospitalization. However, the continued dominance of UHCMT in consultation volumes suggests that the centralization of demand for specialist services remains high, while regional hospitals have not yet fully succeeded in absorbing local demand and reducing patient dependence on tertiary-level institutions.

Figure 5. *Number of outpatient consultations, 2023–2024*



UHCMT demonstrates the strongest overall performance, combining the highest volume of activity with greater efficiency in key indicators such as average length of stay and bed occupancy rates, but also this performance is accompanied by operational pressure and persistent overcrowding. The analysis indicates that hospital autonomy has not resulted in a balanced improvement in performance across the hospital system. Differences between hospitals remain substantial, structural in nature, and have not been altered by the reform. Regional hospitals have not yet succeeded in:

- *improving efficiency;*
- *attracting and retaining patients;*
- *optimizing the use of available resources.*

UHCMT continues to carry the largest share of the burden within the public hospital system. While hospital autonomy has introduced new managerial instruments, it has not

yet generated measurable results in improving performance or in creating a more balanced hospital system in Albania. The analysis of the six hospital institutions clearly demonstrates that hospital autonomy in Albania remains in a transitional phase, where formal structures have been established, but their practical functioning remains limited.

Across all cases, the following issues are consistently observed:

- *a limited strategic role of governing boards;*
- *lack of public transparency;*
- *predominantly declarative reporting practices;*
- *partial implementation of dual practice mechanisms.*

In this context, hospital autonomy remains more a reform on paper than a consolidated mechanism of governance, accountability, and institutional management.

6. TRANSPARENCY AND ACCOUNTABILITY

One of the fundamental pillars of the hospital autonomy reform is the strengthening of financial transparency and institutional accountability in the management of public resources. Law No. 55/2022 defines autonomy not as absolute independence, but rather as a form of enhanced responsibility, whereby each public hospital operates with greater decision-making freedom while remaining subject to clear mechanisms of oversight, reporting, and auditing. This approach seeks to establish a balance between managerial autonomy and public oversight, making transparency an essential instrument for strengthening public trust and ensuring accountability in the use of public funds.

6.1 Legal framework for transparency and accountability

The legal framework governing hospital autonomy in Albania, established by Law No. 55/2022 and the relevant secondary legislation, sets clear standards for transparency and accountability in the management of public funds. At its core, the managerial and financial autonomy granted to public hospitals is intended to be accompanied by an increased level of responsibility towards the public, ensuring the disclosure of financial information, board decisions, and performance indicators.

The law provides that governing boards should play an active role in:

- *approving and monitoring hospital budgets;*
- *overseeing financial performance;*
- *ensuring the efficient and transparent use of public funds.*
-

In addition, the legal framework on the right to information (Law No. 119/2014) and transparency programmes require public institutions to proactively disclose information of public interest. However, the analysis of current practice reveals a significant gap between legal obligations and their actual implementation.

6.2 Financial transparency practices

The analysis of the data reported by hospitals reveals a common problematic pattern:

Lack of budget disclosure: None of the hospitals analysed regularly publish their annual budgets (either planned or actual). In some cases (e.g., Memorial Fier and Vlora), the budget is approved but is not made public. This constitutes a direct violation of the principles of financial transparency and makes public oversight of the use of funds impossible.

Lack of publication of board decisions: Board decisions are not published on the official websites of the hospitals (UHCMT, Vlora, Lezhë, Shkodër, Memorial, and Durrës). The failure to publish board decisions eliminates transparency regarding the decision-making process and turns the board into a structure that is inaccessible to the public.

Lack of publication of performance indicators: Data on admissions, emergency cases, and outpatient visits are not published openly. The information is submitted only to central institutions (FSDKSH and ASCK).
This creates a closed information system in which citizens have no opportunity to assess the quality and performance of hospitals.

6.3 Accountability and financial oversight

One of the most critical findings of the report relates to the weakness of accountability mechanisms.

THE LIMITED ROLE OF BOARDS IN FINANCIAL OVERSIGHT

In some hospitals:

- **the board does not approve financial reports (Memorial Fier);**
- **monitoring is carried out by the administration rather than by the board (Vlora);**
- **decision-making is limited to the formal approval of budgets.**

Critical interpretation: This indicates a distortion of the governance model, whereby the board does not exercise its oversight function and autonomy remains largely formal.

LACK OF PERFORMANCE EVALUATION OF HOSPITAL MANAGERS

In some hospitals:

- **the board does not have the authority to evaluate the hospital director (Memorial Fier).**
- **There are no measurable mechanisms linking performance to accountability.**

Critical interpretation: Without performance evaluation, autonomy loses its key element: accountability for results.

- **Financial reporting remains internal.**
- **Financial reports exist, but they are not publicly disclosed.**
- **There is no publicly accessible audit process.**

Critical interpretation: This model creates "administrative transparency," but not public transparency.

6.4 Dual practice

The analysis of dual practice implementation in hospitals shows that:

- *fees are often uniform and low, without reflecting the actual value of the service provided;*
- *they are not based on cost analysis or market demand assessments;*
- *they are not differentiated according to medical specialties or the complexity of services provided.*

The current pricing model is not economically rational and does not create real incentives for either physicians or institutions.

Based on the data from the hospitals analysed in this report:

- *in some hospitals, implementation is minimal or merely symbolic (e.g., due to a lack of demand);*
- *in some cases, the practice exists, but without clear financial reporting;*
- *there are no published data on the revenues generated;*
- *there is no evidence of its actual impact on hospital finances.*
-

Critical finding: Dual practice, although envisaged as a key instrument of financial autonomy, has failed to function in an effective and measurable manner. To date, there is no evidence of a comprehensive assessment by the Mandatory Health Care Insurance Fund (MHCIF) regarding:

- *the performance of dual practice;*
- *its impact on hospital financing;*
- *its effect on access to and quality of healthcare services.*

In its current form, dual practice:

- *has failed to generate significant revenues;*
- *has not had a measurable impact on hospital performance;*
- *has not created real incentives for physicians;*
- *has not increased transparency within the system.*

Dual practice represents an instrument with considerable potential for strengthening the financial autonomy of public hospitals. However, in the absence of a functional economic design, transparency, and continuous monitoring, this instrument risks remaining merely formal and having no real impact on the healthcare system.

6.5 Transparency as a prerequisite for public trust

Transparency is not merely a legal obligation, but an essential element in building public trust in the healthcare system.

The analysis shows that:

- *citizens do not have access to information on how public funds are used;*
- *they are unable to compare the performance of hospitals;*
- *they lack mechanisms through which to hold institutions accountable.*

General critical interpretation: In the absence of transparency and accountability, hospital autonomy risks producing a system that is less controllable and less accountable to the public.

Rather than enhancing efficiency and public trust, autonomy under these conditions may lead to:

- *hidden centralization of decision-making;*
- *a lack of oversight over public funds;*
- *an increased risk of inefficient use of resources*.

7. ACCESS TO SERVICES AND QUALITY STANDARDS

One of the main objectives of the hospital autonomy reform is to improve citizens' access to hospital services, ensuring that these services are equitable, safe, and patient-centred. In this context, Law No. 55/2022 and the relevant secondary legislation seek to establish a direct link between managerial autonomy and improvements in the quality of and access to healthcare services. Improved access is expected to be achieved through several key elements. First, managerial autonomy provides hospitals with greater flexibility in the organization of services and human resources, enabling the reorganization of structures according to the actual needs of the population and reducing waiting times for consultations and diagnostic examinations. Second, the reform aims to strengthen the referral system by establishing clearer rules for the transfer of patients from primary care to the hospital level, thereby preventing hospitals from being overloaded with cases that could be managed at other levels of the healthcare system.

Another important element is the standardization of care through the implementation of unified clinical protocols and therapeutic guidelines, which are intended to ensure equal treatment for patients regardless of their geographical location. This is also linked to the role of institutions such as the Health and Social Care Quality Assurance Agency (ASCK), which monitors compliance with standards and oversees the hospital accreditation process.

In addition, financial autonomy is expected to contribute to improved access through the more flexible use of financial resources, enabling investments in medical equipment, infrastructure improvements, and the expansion of services. In this context, dual practice is regarded as an instrument that may increase access to services for patients seeking faster treatment, by providing alternatives within the public healthcare system.
At the patient level, the reform seeks to place the individual at the centre of the healthcare system by promoting transparency, information, and respect for patients' rights, as well as by improving the overall patient experience in receiving healthcare services.

However, the analysis of practical implementation presented above shows that many of these elements remain largely conceptual, while actual improvements in access are uneven and often unclear due to the lack of measurable indicators and the absence of public transparency regarding hospital performance.

7.1 Referral system and the reorganization of access

Pursuant to Order No. 493 of the Minister of Health, dated 2 July 2019, as amended by Order No. 59, dated 3 February 2020, the referral system provides that citizens receive hospital services according to the hierarchy of healthcare provision, beginning with the family physician and extending to tertiary hospitals.

The hospital autonomy reform aims to shorten bureaucratic pathways by allowing regional hospitals to provide consultations and interventions directly, without the need for formal referrals, for patients who choose to pay a public fee.
This approach, known as dual practice, has been conceived as a mechanism to increase access to specialists and reduce waiting times. However, its practical implementation has been uneven. At Vlora Regional Hospital, this practice has begun to operate in several specialties (cardiology, orthopaedics, and otorhinolaryngology), providing additional services outside regular working hours for patients who are not part of the referral system. This has eased the burden on emergency services and created a new, more flexible model of hospital care. Meanwhile, at Shkodër Regional Hospital, despite the preparation of regulations and contracts with physicians, the lack of patient demand and the low fees established by ministerial orders have limited the effective implementation of this practice. In the case of Lezhë Regional Hospital, dual practice remains in the preparatory phase, while Memorial Hospital Fier has chosen to focus on tertiary care and high-value clinical specializations, providing direct access for complex cases referred from surrounding regions.

The analysis of transparency and accountability in autonomous hospitals clearly shows that the hospital autonomy reform in Albania has remained largely formal. Although the relevant structures have been established and the legal mechanisms have been defined, the lack of information disclosure, the limited role of governing boards, and the absence of public oversight mechanisms point to a significant deficit in the practical implementation of the principles of good governance.
In this context, autonomy without transparency and accountability does not represent an advancement of the healthcare system but rather poses a risk of weakening oversight over public funds. To be effective, autonomy must be accompanied by mandatory mechanisms for transparency, disclosure, and accountability, without which the reform remains incomplete and unsustainable.

7.2 Clinical Standards and Quality of Care

Hospital autonomy has led to the standardization of clinical protocols, approved by the Health Care Services Agency (ASCK) and the Ministry of Health and Social Protection (MHSP).

All four monitored hospitals report the use of national clinical guidelines, particularly in key specialties such as surgery, cardiology, and infectious diseases.
This standardization has contributed to improving clinical safety, reducing medical errors, and enhancing coordination between different levels of care.
However, one aspect that remains challenging is the inequality in human resources and technical capacities among regional hospitals. Hospitals such as Vlora and Fier have succeeded in attracting specialized physicians and implementing modern diagnostic technologies, whereas Shkodër and Lezhë report shortages in certain specialties, particularly in vascular surgery and advanced imaging.

From the perspective of citizens, improvements in access are perceived differently:

- *in urban areas, autonomy has increased the speed of service delivery and improved consultation schedules;*
- *in rural areas, accessibility remains limited due to distance, transportation constraints, and the lack of public information regarding new hospital services.*

7.3 Quality of care and orientation of patient

Another important dimension of the reform is the orientation of hospital care towards the patient. The Law on Hospital Autonomy requires hospitals to establish mechanisms for handling complaints and assessing patient satisfaction, but their practical implementation remains partial.

Only Memorial Hospital Fier presents a more advanced model in terms of monitoring patient satisfaction, having established a dedicated structure for this purpose. This structure functions as an internal unit with clearly defined responsibilities for collecting, analysing, and reporting patient feedback.

The respective structure at Memorial Hospital Fier prepares regular reports (monthly or quarterly), which are submitted to the hospital management and used as a basis for managerial decision-making. These reports identify key issues, trends in patient satisfaction, and provide concrete recommendations for improvement. In this way, patient feedback is integrated into the service quality improvement cycle.
In contrast, other regional hospitals, including Durrës Regional Hospital, do not have an institutionalized and functional structure for this purpose. Patient satisfaction monitoring, where it exists, remains fragmented and is mainly limited to traditional administrative procedures (complaint books, verbal communication, and sporadic complaints), without a standardized system for data collection and analysis. The lack of digitalization and structured reporting makes it difficult to identify actual problems and to adopt evidence-based measures.

This difference demonstrates that, while the model adopted by Memorial Hospital Fier provides a good practice that could be replicated, in most hospitals hospital autonomy has not yet translated into concrete and functional mechanisms for involving patients in the evaluation of service quality.

In summary, hospital autonomy has brought noticeable improvements in the quality and flexibility of services, but not uniformity in access. While some hospitals have begun to develop more structured and effective models with regard to quality and patient orientation, most regional hospitals remain in an experimental phase in the implementation of these mechanisms. In this regard, Memorial Hospital Fier represents one of the most advanced models, incorporating functional elements such as patient satisfaction monitoring, the use of feedback for service improvement, and a more patient-centred approach to the organization of care.

In contrast, hospitals such as Durrës, Shkodër, Elbasan, and Vlora Regional Hospitals remain at different experimental stages, where initial steps have been taken but without a consolidated and sustainable system.

This situation demonstrates that hospital autonomy has not yet been accompanied by the full development of quality assurance and patient-centred mechanisms in most hospitals. In order to move from the experimental phase to a functional model, it is necessary to standardize processes, establish dedicated quality structures, and systematically use data for decision-making.

To ensure genuine equity in access, the Ministry of Health and the Mandatory Health Care Insurance Fund (MHCIF) should:

- ***strengthen the electronic referral system and public information mechanisms;***
- ***subsidize services for areas with small populations;***
- ***integrate the measurement of patient satisfaction as a mandatory indicator in the evaluation of hospital performance.***

RECOMMENDATIONS

The hospital autonomy reform has opened a new chapter in the way the public healthcare system in Albania is organized, managed, and held accountable to citizens. Through Law No. 55/2022 and the accompanying package of secondary legislation, the foundations have been established for a hospital system that is more decentralized, more efficient, and more transparent. However, the practical implementation of the reform demonstrates that autonomy is not yet fully functional in all its dimensions. Based on the findings of the monitoring process, the following recommendations aim to strengthen the functionality of hospital autonomy, enhance institutional transparency, and improve governance and accountability mechanisms.

Strengthening Transparency and Accountability

Transparency should be treated as an institutional obligation rather than an optional practice. A review of the legal and regulatory framework is needed to establish clear requirements for the periodic disclosure of institutional information, including approved and executed budgets, financial reports, governing board decisions, and key performance indicators. The systematic publication of information should be considered an integral component of the functioning of hospital autonomy.

Enhancing the Role of Governing Boards

The functioning of governing boards requires further review to strengthen their strategic and oversight role. The composition of the boards should be reassessed to ensure broader financial, managerial, and governance expertise, while their responsibilities for financial oversight, performance monitoring, and the disclosure of decisions should be more clearly defined. Governing boards should operate as active governance bodies rather than merely formal approval structures.

Reforming the Dual Practice Model

The current dual practice model requires further review to ensure greater economic and institutional effectiveness. This process should include revising the fee structure, developing more integrated service packages, and establishing clear and transparent mechanisms for revenue sharing between healthcare institutions and health professionals.

Establishment of a Unified National Hospital Reporting System

There is a need to establish a unified national system for the disclosure of hospital information, enabling standardized reporting and public access to key institutional data. Such a platform should include information on finances, performance, hospital activity, and core institutional documentation, while establishing common reporting standards across all hospital institutions.

Strengthening External Audit and Oversight Mechanisms

External audit and oversight mechanisms should be strengthened through the institutionalization of periodic financial, operational, and performance audits. These mechanisms should function not only as instruments of administrative control but also as tools for the objective assessment of the implementation and effectiveness of hospital autonomy.

Reorienting Hospital Autonomy Towards Patients and Citizens

Hospital autonomy should be accompanied by stronger mechanisms for informing and ensuring accountability to citizens. In this regard, hospital institutions should systematically disclose information on waiting times, key service quality indicators, patient complaints, and the measures taken to address them, with the aim of enhancing transparency and improving the system's responsiveness to patients' needs.

Together for Life

Mobile: **+355692066522**

Email: **info@togetherforlife.org.al**

Adress: **Brigada VIII Street, Tirana,**

Website: **www.togetherforlife.org.al**