

# Ukraine's nurses face brutal winter as health austerity collides with war

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## **Key workers told openDemocracy they are being paid months late or not in full due to a controversial healthcare reform**

Ukraine's healthcare workers are going unpaid as the effects of pre-war healthcare reform hit wages and job security in an economy ravaged by Russian invasion.

Medical staff around the country have told openDemocracy that they have not received their wages in recent months - the result of an internal market reform that began in 2018.

In July, Ukraine's Ministry of Health decided that hospitals outside of conflict zones would be paid only for the services they provide to patients - overriding a guarantee given immediately after the Russian invasion that hospitals would receive one twelfth of their annual income every month.

Under Ukraine's new healthcare system, a patient chooses where they want to be treated and the state, through Ukraine's National Health Service, then pays the chosen hospital for the services provided to them.

In other words, Ukrainian hospitals have to earn funds by attracting more patients. The government said the change back to the internal market would mean a "more effective" use of public funds for frontline hospitals affected by the invasion.

But as Russia's war hits Ukrainian state finances, this 'money follows the patient' system has left at least a dozen hospitals and clinics facing budget problems, unable to pay employees' wages, or preparing to have their facilities closed, healthcare workers across Ukraine told openDemocracy.

For the essential workers in Ukraine's hospitals, it means a struggle to make ends meet. Some hospitals have stopped paying wages to nurses and other healthcare staff - which has coincided with higher everyday costs due to currency depreciation and an inflation rate of 30% caused by the Russian invasion.

## **Fighting for wages**

In western Ukraine, medical staff at the Ivano-Frankivsk Regional Infectious Diseases Clinical Hospital have not been being paid their full wages on time since August. On 7 November, some staff had not received wages for three months and almost 80 workers protested outside the hospital, demanding that management pay their salaries.

'Alina', a nurse from the clinic who wished to remain unnamed over fears for her job, told openDemocracy that nurses had received an advance payment of 200 hryvnias (around £4) for November and still haven't been paid the arrears for October. The average salary for nurses in Ukraine is between 10,000-13,000 hryvnias per month (£230-£300).

Expressing her frustration, Alina said nurses at her hospital often had to fight to get their wages paid on time – including during the pandemic, when the hospital was treating a large number of Covid patients and doctors were receiving higher-than-usual salaries. After their protest in November, Alina and her colleagues received their wages for August and September, she says.

The hospital's director, Mykola Stovban, told openDemocracy its monthly employee salary costs are, on average, 3,600,000 (€90,000) hryvnias for 236 members of staff. Stovban said that between August and November the hospital received only between 60 and 70% of this amount through patient services – resulting in a deficit.

So far this year, [36 staff members](#) at the hospital have lost their jobs due to 'optimisation' – staff reductions in order to reduce budget pressure.

"Currently, the hospital is not full of patients, usually the beds here are 50% full," Stovban [told](#) local media. "We need to treat one hundred patients every day [to earn enough via patient services]".

Stovban said the hospital earns income via contracts with Ukraine's National Health Service (NHSU) – and is currently waiting for additional payments for October and November. He added that 10 other specialist hospitals are facing the same problem with a shortfall in wages.

"The problems facing the Ivano-Frankivsk hospital are typical of Ukraine's recent internal market reform"

NHSU denies this, [telling local media it has](#) no outstanding debts to the Ivano-Frankivsk clinic. It says it paid the clinic 1,790,000 hryvnia (€40,000) in October, and 1,960,000 hryvnia (€43,000) in September. The NHSU said the hospital has a contract for seven packages of medical services, including, Stovban said, a package of supplementary financing of 5,000,000 hryvnias (€113,000) for employee salaries for four months.

Unpaid wages are a long-term problem in Ukraine. Between January and October 2022, the total wages owed to workers [reached one billion hryvnia](#) (€22.3m), according to the Federation of Trade Unions of Ukraine – though 402.8m hryvnia (€9m) was eventually paid out.

Ukraine's Ministry of Health told openDemocracy it no longer keeps records of unpaid wages or the number of hospitals threatened with (or in the process of) closure, as it delegated these functions to local authorities under the healthcare reform.

"The hospital director is responsible for the financial situation and payment of wages to health workers," the ministry said.

## **Hospitals under threat**

The problems facing the Ivano-Frankivsk hospital are typical of Ukraine's recent internal market reform.

Under the first stage of Ukraine's healthcare reform in 2018, the ownership of primary healthcare facilities was transferred from central state institutions to local administrations. This was to allow local administrations to sign contracts with the newly established health service and receive direct funding for patient services from the state budget.

At the second stage of the reform, which started in April 2020, just as Covid hit the country, specialist hospitals began operating according to contracts with NHSU. Since then, specialist hospitals have been financed on the basis of patient services – which the state pays.

“The reform comes and says: well, sorry, if the hospital is ineffective, then it has no right to exist. Who should determine this effectiveness?”

The initial aim of the reform, started by former healthcare minister Uliana Suprun, was to shift from financing hospitals to financing the needs of patients.

At the same time, the reform aimed to reduce state expenditure and corruption, and make healthcare more accessible for Ukrainians. Prior to the reform, though healthcare was free in Ukraine, patients were forced to buy medicine and pay for care informally due to poor financing.

But the new system puts specialist hospitals or hospitals in small rural communities at risk of closure. With the number of serious Covid patients decreasing, current healthcare reform practices question the very need for infectious disease clinics such as Ivano-Frankivsk.

Oksana Slobodiana, who heads the Ukrainian [healthcare worker movement ‘Be like Nina’](#), says clinic closures were written into the concept of Ukraine’s healthcare reform.

“This reform, as far as I understand, is very commercialised. I observe that it’s aimed at making healthcare completely private,” Slobodiana told openDemocracy. “[Ukrainian] healthcare has always been financed by the state. In fact for 30 years, [healthcare] was underfinanced and undeveloped.

“And then the reform comes and says: well, sorry, if the hospital is ineffective, then it has no right to exist. Who should determine this effectiveness?” Slobodiana asks.

Though the Covid pandemic and Russian invasion temporarily suspended the process of shutting down Ukrainian hospitals under the healthcare reform, Slobodiana believes hospital closures could pick up pace – despite Ukraine’s cities and infrastructure being targeted relentlessly by Russian air strikes.

“Why don’t we turn [those ineffective hospitals] into centres for rehabilitation, palliative or elder care?” Slobodiana asks. “It’s possible to solve these problems with Ukrainians in mind, rather than business.”

### **Life-threatening consequences**

Hospital and clinic closures could have direct consequences for Ukrainians, particularly as the Russian invasion has put Ukraine’s healthcare system and state finances under massive strain. Since February, the World Health Organisation (WHO) has [counted](#) 703 attacks by Russia on healthcare facilities in Ukraine.

On 22 and 23 November, Russian rockets damaged a maternity ward in the southeastern city of Zaporizhzhia and a local clinic in Kupiansk, in eastern Ukraine. As a result of a mass rocket attack by Russia against Ukraine on the same day, hospitals in major cities were left without electricity.

“Continued attacks on health and energy infrastructure mean hundreds of hospitals and healthcare facilities are no longer fully operational, and lack fuel, water and electricity to meet basic needs,” WHO regional director Dr Hans Kluge [stated](#) during a press conference in Kyiv last week.

Kluge added: “The devastating energy crisis, deepening mental health emergency, constraints on humanitarian access and risk of viral infections will make this winter a formidable test for the Ukrainian health system.

“This winter will be life-threatening for millions of people in Ukraine.”

The Ministry of Health said it had neither the authority to approve the reorganisation or closure of hospitals, nor held information about their possible closure.

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