



PRESS RELEASE

June 27, 2014

HHA (SEK) informs the European Commissioner, Mr. Tajani, about late payments

HHA informed today the Vice-President of the European Commission, Commissioner for Industry and Entrepreneurship, Mr. Antonio Tajani, about the crucial problems of viability that Private Hospitals face in Greece, due to the late payments of the Greek State, via a letter that was handed to him.

The letter that was signed from The European Union of Private Hospitals highlights the unprecedented inconsistency with which the Greek State addresses its obligations toward Private Hospitals.

Specifically, amongst others it is mentioned that:

“The overdue obligations of the State to Private Healthcare Providers was scheduled to be covered from the last economic installment and the estimated amount 1,5 billion Euros, reflect partial settlement of Insurance Funds debt, accrued between 2007 and 2011, whose universal successor is EOPYY...However, even today these debts have not been paid...As a result, the funds that are allocated to the country, instead of being channeled directly to the market as planned by ECB, remain waiting for the cumbersome bureaucratic procedures of the Greek State to conclude”.

In the letter, apart from the old debts, emphasis was given to the crucial issue of the new debts.

“From 2012 until today there are new contracts between EOPYY and Private Hospitals and Clinics for the provision of health care services. According to the terms of these contracts, EOPYY shall pay 90% advance payment within 60 days (maximum) upon receipt of the invoices of the previous months and shall pay the rest 10% after the clearance of the

invoices within a period of 6 months! (and not within 60 days according to the Directive 2011/7)... EOPYY pays the advance payments of 90% with significant delays while the remaining 10% of the invoices has never been paid from 2012 until today... Thus, EOPYY behavior constitutes a clear violation of Directive 2011/7 and therefore we ask for your intervention and guidance”.

It is noted that according to the European Directive 2011/7, also known as the directive for late payments, debtors will be forced to pay interest and reimburse their creditor with all the additional recovery costs if they don't pay on time for goods and services received.

The results of the Greek State's failure to fulfill the agreed terms and its attempt to enforce the Claw back are now obvious. In 2014 numerous Private Hospitals were forced to close, and, if this situation continuous, it is estimated that the whole sector will face serious operational problems.

The letter was handed to Mr. Tajani during the seminar “Late Payment information campaign” that took place at Athens Hilton, under the auspices of the Directorate-General for Industry and Entrepreneurship.

The European Commission, through its competent Commissioner, Mr. Tajani, sounds the alarm about the future of the Greek and European economy, since the pattern of the late payments leads the enterprises to bankruptcy and to loss of jobs.

The Greek Government should respond immediately to its obligations towards our enterprises. This is not just a legal issue, but an issue with social impact as well. One should not disregard the fact that the Private Healthcare Sector employs more than 25,000 workers and maintains more than 30,000 job positions through indirect collaborations, while undertaking at the same time 39% of the country's healthcare services.

SEK (HELLENIC HOSPITAL ASSOCIATION)

The Hellenic Hospital Association represents the largest private clinics which offer high-end healthcare services throughout the country. The members of SEK are among the largest employers in Greece and among the biggest contributors to the Greek economy, and are actively supporting the needs of the state healthcare system.

THE PRIVATE HEALTHCARE SECTOR IN GREECE

The private sector employs more than 25,000 workers, maintains more than 30,000 job positions through indirect collaborations and invests in the viable growth of new infrastructures, new medical protocols and new technologies. Covering 39% of the country's healthcare services, the private healthcare sector is averting the "brain drain" that's been plaguing our country during these times; by keeping valuable scientists here, it contributes significantly to the country's GDP and it is making Greece a destination for medical tourism. It supplements the public healthcare sector, but also performs hi-tech operations and medical procedures that the state is unable to provide, thus fulfilling a pivotal role in ensuring public health in Greece.