



PRESS RELEASE

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HHA: “Health is not a luxury – We say NO to VAT increase”

The Hellenic Hospital Association (**HHA**) sent a letter to the Ministers of Finance, Health and to the Deputy Minister of Tourism, expressing Private Health Care Sector’s concerns about the rumored increase in the VAT rate applied in Medical Services.

The Ministers were informed by the HHA about the financial deadlock that the private hospitals have come to, due to claw back, rebate and late payments.

Characterizing an increase in the VAT rate in Medical Services as “**deathblow**” for the Private Health Care Sector, the HHA highlighted that the implementation of this measure will be socially unfair, since services provided in Private Hospitals will become prohibitive for the non-privileged. “**Health is not a luxury**. *It is a social good and this is fully reflected in our pricing policy that allows wider social strata to have access to quality medical services*” is stated in HHA’s letter.

It is mentioned that the burden in Private Hospitals will have a double impact; on the cost of the service and on the patient. Private Hospitals pay the relevant VAT, but EOPYY includes these amounts to the claw back without returning them. This is an extra cost that can’t be paid by the patients.

Thus, it is obvious that **the measure will inevitably burden Public Health Care Sector**, increasing the number of its patients, depriving some patients of crucial medical services that National Health Care System (ESY) can’t provide, or provides with difficulties.

In the letter it is also noted that the **measure is not aligned with other E.U. countries’ practice**, where medical services are either excluded from VAT or are subject of reduced VAT rates.

The HHA warned the Government that an increased VAT rate **will put at risk thousands of jobs in the Private Health Care Sector**.



At the same time it will signify the **de facto collapse of a notable attempt of growth, Medical Tourism.**

The discourse on the development of a competitive product is meaningless, when in competitive countries VAT in Medical Tourism Services ranges from 0 to 10 percent.

Finally, stating that the measure is **economically-ineffective**, the HHA reminded decision makers that similar measures turned out to be a **disastrous failure**, decreasing demand instead of increasing public revenues.

“...We make the loudest appeal to the Greek Government not to repeat mistakes of the past, mistakes that had a huge social and economic impact. We hope that negotiations will be continued taking account of real growth, protection of public good of Health and the maintenance of the job positions provided by Private Hospitals...”, concluded in its letter.

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.