## **Bachelot law accelerates destruction of the French health system**

Olivier Laurent 30 June 2009

The Sarkozy government's health reform law, voted through by the senate on June 5, could deliver a deathblow to the French health system. It is a health model that for 20 years has seen successive reforms of health insurance, repeated cutbacks in medicine reimbursements and increases in medical deductibles. Its financing is undermined by the exonerations for company contributions to social charges, which stood at  $\notin$ 42 billion euros this year, five times the health insurance deficit.

Known as the Bachelot law after Health Minister Roselyne Bachelot, but officially entitled Hospital, Patients, Health and Regions (HPST), its main aim is to reduce spending and allow development of the private sector. The HPST is a strengthening of the Hospital 2007 law in place since 2002. This increased the powers of hospital managers to the detriment of the boards of governors, and therefore the influence of the government in opposition to representatives of health personnel and patients.

Financing of hospitals based on their capacity to provide services, and maintaining this, whatever the immediate demand, is now being based on a "just-in-time" principle, where no slack is allowed. This involves financing according to medical services performed—a sort of piece-work system known as T2A. It was introduced to account for 10 percent of public hospital budgets in 2004 and to reach 50 percent in 2008. According to the new law, this should reach 100 percent for 2012.

This is a windfall for the private clinics. Not having any obligation to provide a public service, they can specialize in the most profitable areas, siphoning these areas of service from the public hospitals and leaving them to look after the chronically ill or otherwise costly patients. For example, 98 percent of AIDS cases are treated in the public sector.

Since the law was implemented, hospital deficits have soared. In 2007, they reached €660 million and this figure will increase as the law takes full effect. This commercialization of treatment is also affecting health personnel. Bound by the same managerial practices of any big private firm, they face growing pressures to meet profitable targets. Government plans to return to "balanced budgets" will involve the loss of 20,000 jobs in the public hospitals.

The government also wants a greater part of health funding to come from local government, which breaks with the notion of equality of treatment nationally and will render hospitals even more dependent on the uncertainties of the local economy.

The new law threatens hospital closures and services like operating theatres in those facilities that remain open. In compensation, a concentration of certain activities is proposed in the teaching hospitals. But whether in rural or urban areas, patients will suffer a reduction in the quality of care. The government is also encouraging the creation of centres of health cooperation (GCS), presented as contracts of cooperation between public and private establishments. Ultimately, the idea is to allow the CGS to become public health establishments with more freedom to fix their own tariffs whilst directly receiving subsidies. This opens the door to widespread privatisation of health care within what remains of the nominal state sector.

The Inter Associative Collective on Health (CISS) is a grouping of around 30 patient associations (funded by the Pfizer pharmaceutical firm), the Mederic private health insurer (whose general manager Guillaume Sarkozy is President Sarkozy's brother) and the Health Ministry. In a press statement on October 16, 2008, CISS gave its support to Bachelot's parliamentary bill, saying that it "goes in the right direction.... Let's accept therefore a few constraints in order to ensure a better regulation of the system."

The present state welfare system was set up at the end of the Second World War at a time of revolutionary ferment in France and the discrediting of the French bourgeoisie, thanks to its collaboration with Hitlerite fascism. To re-establish order, the program of the National Council of the Resistance—incorporating the extreme-right, Gaullists, employers, monarchists, Stalinists and social democrats—had to introduce important guarantees for the population, which had experienced years of wartime deprivation.

According to the introduction to the government ruling of October 4, 1945, "The social security system is the guarantee given to everyone that in all circumstances, they will have the necessary means to ensure they and their families live in decent conditions.... It meets the concerns of workers about the daily uncertainties which create a feeling of insecurity and brings the threat of poverty at any moment...."

Today, France is still one of the leading European countries in social spending, representing 11 percent of national GDP. State medical insurance covers 77 percent of incurred patient costs, one of the highest rates among industrial countries. This results in an average life expectancy of 80 (77 for men, 84 for women), among the best in the world, along with Sweden and Japan.

But behind these general statistics, disparities have been accumulating over the last 20 years, whatever the government in office. There is, for example, a nine-year difference in life expectancy between a manager and a worker at 35 years of age.

The Bachelot law, on the government's agenda for several months, passed in the National Assembly on March 18, then in the senate in the midst of strong opposition from medical and hospital staff. Emergency doctors had struck on December 6 last, denouncing working conditions "which could lead to deaths through government laxity." Staff shortages are becoming ever more dramatic in emergency services. Paramedics at the Edouard Herriot Hospital in Lyon are on a rolling strike to denounce shortages that lead to a delay of six hours on average in dealing with patients.

Accidents are increasing. In radiotherapy, the Association for Protection against X-rays denounced accidents directly due to inadequate staff training (lack of time), and a "just-intime" work schedule. Between May 2004 and August 2005, 24 people (five of whom died) were overexposed to radiation at the Jean Monet Epinal Hospital. It has since been established that 4,900 patients had been over exposed to radiation between 1989 and 2006. At Toulouse, 6 of 145 patients at the Rangueil hospital undergoing x-rays died of a radiation overdose between April 2006 and April 2007.

On April 28, a joint demonstration of 32,000 hospital and university staff took place in Paris, but the unions for both sectors refused to mobilize this unity for the next demonstration on May 14.

The refusal of the unions to lead a fight against these attacks on the right to decent health service was underscored by their reaction to the law on employment. During a debate in parliament, Xavier Bertrand, the general secretary of the ruling UMP (Union for a Popular Movement) and former minister of health, gave his support to a proposition that would have allowed people on sick leave or women on maternity leave to continue working from home. This provoked opposition inside the UMP, and was quickly abandoned by the government. The trade unions, however, made no connection between this proposal and the assault on health care.

Michel Biaggi of the Force Ouvrière (Workers Power) trade union could only see in this "an irritation destined not to be taken seriously. We know very well that this can't be carried out." Marcel Grignard of the CFDT union (French Democratic Confederation of Workers) declared, "We can't react to someone who every morning hatches a bill of law that is forgotten the next evening."

The role of the so-called extreme left, proposing a purely economist and nationalist program without any political challenge to the government and the capitalist system it serves, is to keep workers under the control of the unions. This is what happened during the great mobilisation of hospital staff in 1988. That year, the Socialist Party government of Michel Rocard had imposed cuts in the health budget through wage cuts. The combativeness of health workers was very strong throughout the 27 days of action, organized in mass meetings and national coordinating committees and with protests of 100,000 people. However, on its own this was not enough to force the government to abandon the reform and the unions were able to exhaust the movement.

To win such a struggle, it is necessary to fight independently of the unions for the unconditional defence of the health service. Independent committees of action must be built, dedicated to unifying all sections of workers in a political struggle against the employers and the government for health care provided based on need, not profit.



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