

Press release

Dentons and Vademecum business magazine hold private meeting of representatives of private healthcare business

September 2019 - Dentons global law firm and Vademecum business magazine held a private meeting of representatives of the private healthcare business on September 9. The meeting addressed financial and spatial planning of health care. Topics discussed at the Vademecum Private Club in Dentons' Moscow office were: regulatory initiatives to introduce “double licensing” of healthcare activity and issues of how non-governmental healthcare organizations get to work in the compulsory health insurance system and provide state-ordered high-tech health care.

Top managers of Russia's largest private clinics participated in the discussion. They included the managers of Medsi State Corporation, EMC, Meditsina JSC, Mat' i ditya (Mother and Child), NMS, Scandinavia, and heads of companies operating on the radiation therapy market: MIBS (the Sergey Berezin Medical Institute), OnkoStop, MedMa, Medskan and others. The discussion was joined by Timofei Nizhegorodtsev, Head of FAS Russia's Department for Control over the Social Sphere and Trade, and Andrei Plutnitsky, Head of the Regional Office of Roszdravnadzor for Moscow and the Moscow Region.

A key agenda item of the meeting was the Russian Ministry of Healthcare's recent proposal to authorize regional agencies to coordinate the actions of market operators who want to open a new site or master an additional area of expertise. Residents and guests of the club agreed that it is possible, in principle, to transition from a notification to an authorization-based procedure for accessing the healthcare services market. However, this should only affect participants in the compulsory health insurance system, no matter the operating company's form of ownership.

However, Vademecum Private Club residents are of the opinion that so-called “double licensing” on the commercial healthcare services market will limit competition, cut investment in the industry and encourage corruption. Meanwhile, the problem of providers gaining equal access to the compulsory health insurance system could get worse.

Meeting participants also discussed the 2020 [debut](#) of private clinics in the high-tech healthcare sector not embedded in the basic compulsory health insurance program. Operators are concerned by the practice of allocating “quotas.” They are also worried about the coming embedding of high-tech health care into the compulsory health insurance system, a system that is currently difficult for private clinics to access.

The event resulted in the club's members drafting a resolution with proposals to optimize financial and spatial planning in healthcare. Residents of Vademecum Private Club invite all market players who identify with the talking points aired at the meeting to join in the resolution that will be sent to regulators.

All respondents to the [survey](#) on double licensing of healthcare activity conducted by Vademecum Analytical Center will also receive the resolution

Elena Brusilova, President of Medsi State Corporation:

“All of us industry representatives need to join together to discuss common problems and take our consolidated opinion to the national level. Today we are on unequal terms, in a noncompetitive environment. State clinics, which have budget funding for construction, renovation and equipment, get

the highest volume in the compulsory health insurance system. Moreover, state clinics often have private divisions where the public is provided with paid services. There is also no competition there.”

“Participants invest large amounts of their own funds in building and equipping clinics. Everything is done according to the law, and both the licensing and inspecting agencies know this. Such healthcare organizations should be entitled to have equal access to operate on the market, including to operate in the compulsory health insurance system, and to provide high-tech health care. There are also issues shared by all healthcare institutions, whether public or private. We could all try to resolve them together. For example, the licensing requirements and sanitary rules and regulations should be replaced with more modern ones.”

Arkady Stolpner, Chairman of the Board of MIBS:

“The state is able to establish its own rules, as it is the main cost administrator in the compulsory health insurance system. These rules should be the same for all participants in the system. And, in this case, it is logical to introduce double licensing. As in Germany, for example, if you want to open a healthcare center there is no way of prohibiting it. However, you may not be allowed to access health insurance funds. If the state needs your skills, then you will be invited and admitted to everything. I have always advocated for such an approach. I regretted to learn that in Russia it had turned into an entirely different story. It seems to me that, in the form proposed, double licensing will seriously hinder the development of our healthcare system. If the introduction of double licensing is an aspect of competition for personnel, then this measure will not help to retain doctors in the state system. What is more, some specialists will simply leave the profession and it will be impossible to get them back.”

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