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TAGS: [ECON](#) [ELAB](#) [HURI](#) [PGOV](#) [VE](#)
SUBJECT: VENEZUELA'S MEDICAL SYSTEM IN DISARRAY AS GBRV SHIFTS
RESOURCES TO BARRIO ADENTRO

REF: CARACAS 1374; CARACAS 1256

CLASSIFIED BY: DUDDY, AMBASSADOR, DOS, AMB; REASON: 1.4(B), (D)

¶1. (C) SUMMARY: Venezuelan doctors have accused the Venezuelan Government (GBRV) of politicizing health care at the expense of the health of Venezuelans. In recent months, protests have paralyzed hospitals across Venezuela as doctors and patients have complained of shortages of medical supplies, delays in hospital renovations and unpaid wages and benefits. Observers describe public hospitals as increasingly dangerous places where underpaid, undersupplied, and understaffed doctors struggle to provide medical services to Venezuela's poor. Critics say that the GBRV has created a parallel medical system-"Barrio Adentro"-that has sucked resources away from the traditional hospital network and reduced the overall quality of medical services. The GBRV has suspended doctors for speaking out about the crisis while giving former military officers and community councils a greater role in hospital administration. On November 29, President Chavez announced plans to eliminate a government health care benefit that pays for public workers to receive health care at private clinics, a move that would place even greater strain on already overburdened public hospitals. END SUMMARY.

HOSPITAL CRISIS SPREADS ACROSS THE COUNTRY

¶2. (SBU) In recent months, newspapers across Venezuela have carried daily reports of a growing crisis in the public hospitals. On November 30, for example, "Notitarde" published reports of a vigil by patients and doctors to protest shortages of medicines and supplies at the Enrique Tejera Hospital; on December 1, Ciudad Guayana's "Correo del Caroni" covered the "technical closure" of the Negra Hipolita Maternity Ward after the breakdown of the air conditioning system raised concerns that the heat would increase bacteria levels in the incubators for newborn babies; and on December 4, the daily "El Universal" reported that doctors in Merida had shut down the University Hospital of Los Andes (HULA) due to medical supply shortages, pronouncing the hospital "dead."

DOCTORS PROTEST DETERIORATION OF PUBLIC HOSPITALS

¶3. (SBU) On November 18, in a development representative of the breakdown of public hospitals across the country, the Jesus Yerena de Lidice Hospital shut down after 140 physicians announced their mass resignation. Lidice is one of the two largest and most important public hospitals in the impoverished Catia municipality of Caracas; it serves a poor and marginalized community that otherwise has little access to health care.

¶4. (SBU) For over three months, Lidice's patients and doctors have protested shortages of medical supplies, delays in the renovation of hospital wards, and unpaid wages and benefits. But the conflict escalated on November 16, when the Health Ministry suspended four of Lidice's doctors after charging them with inciting protests among the patients. Lidice's doctors resigned en masse after the Health Ministry refused to reinstate the four suspended doctors and resume negotiations over salary payments and benefits owed since ¶2007. The resignations paralyzed Lidice, leaving only two doctors-an internal specialist and a surgeon-to care for the remaining patients.

¶5. (SBU) Although Lidice reopened on November 20 after the Health and Labor Ministry agreed to reinstate the four suspended physicians and resume negotiations over other demands, the

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emergency pediatrics unit and maternity ward remain closed for

renovation. The maternity ward of the Lidice hospital-considered the second most important in Caracas for many years-has now been closed for two years, while Catia's other major public hospital, Los Magallanes Jose Gregorio Hernandez, has been partially closed for over a year while awaiting renovation.

PUBLIC HOSPITALS ARE DANGEROUS, UNDERSUPPLIED, AND UNDERSTAFFED

¶6. (C) During a private meeting on November 10, XXXXXXXXXXXXX, a health reporter for the "El Universal" newspaper, described the public hospitals as increasingly dangerous places, where underpaid, undersupplied, and understaffed doctors work in unsanitary conditions to provide medical services to Venezuela's poor. Due to shortages of basic medical supplies, doctors ask patients to purchase their own needles, disinfectants and gauze. XXXXXXXXXXXXX told EmbOfs that doctors sometimes dress wounds with the same dirty bandages. Other patients are told to bring their own X-rays from private clinics. As in many areas of Caracas, public hospitals suffer from water shortages, forcing doctors to postpone important operations. In some of the older public hospitals, the plumbing systems cannot pump water above the first few floors of the building.

¶7. (C) XXXXXXXXXXXXX estimated that medical residents in public hospitals make an average of 2,000 bolivars (BsF) per month (USD 930 at the official rate of 2.15 BsF to the dollar). According to XXXXXXXXXXXXX, over fifty percent of the resident doctors move to the capital from other parts of the country, and their salary is barely enough to cover rent in Caracas, where an austere apartment in a dangerous neighbourhood can easily cost 1,800 bolivars per month. Consequently, many doctors have left the public hospitals in search of other jobs, while some of the most qualified have left the country to earn better salaries abroad. In a December 4 press report, the Venezuelan Medical Federation (FMV) estimated that the public hospitals are understaffed by 43 percent.

¶8. (C) Crime has further contributed to the flight of doctors from the public sector. XXXXXXXXXXXXX said that criminals go to the public hospitals to rob, steal, and even kill patients. The emergency room in Hospital Vargas is only open for twelve hours-between seven in the morning and seven at night-because of security concerns. In October, a shootout in the emergency room of the Los Magallanes de Catia hospital killed two people. Although the Ministry of Health has promised to send more guards to protect the hospitals, in many cases the additional security has not arrived.

SEE NO EVIL, HEAR NO EVIL, SPEAK NO EVIL

¶9. (C) On November 17, XXXXXXXXXXXXX told EconOff that the GBRV has suspended doctors to discourage them from speaking out about the health care crisis. Last year four doctors were suspended when they exposed the accidental death of six babies in a maternity ward. According to XXXXXXXXXXXXX, the GBRV has limited the role of the resident doctors in hospital management and transferred authority to local community councils. XXXXXXXXXXXXX said that community council members meet with hospital directors to discuss renovation proposals. On November 10, the director for the Vargas Hospital of Caracas, Francisco Hernandez, told the press that he had to present the hospital's renovation proposals to the community councils before sending them to the Health Ministry and President Chavez for approval.

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BARRIO ADENTRO DRAINS RESOURCES FROM PUBLIC HOSPITALS

¶10. (C) XXXXXXXXXXXXX told EmbOffs that the quality of health care in the public hospitals has deteriorated as the GBRV has redirected resources to "Barrio Adentro," a program staffed by the Cuban Government that provides free medical services in poor areas (Ref A). Although "Barrio Adentro" has translated into political gains for President Chavez, its medical impact is questionable, despite having received massive government investment (Note: The GBRV spent approximately USD 5.6 billion on Cuban medical assistance, training, medicines, vaccines, and other services in 2008, according to one estimate. See Ref A for further analysis of Barrio Adentro. End Note.). While Chavez has acknowledged a "crisis" in "Barrio Adentro" and announced a sweeping campaign to revitalize the program, neither President Chavez nor his ministers have announced new plans for additional investment in the traditional public hospital system.

¶11. (C) On October 5, the President of the Venezuelan Medical Federation (FMV) XXXXXXXXXXXXX told EmbOffs that the health care problem is primarily political. According to XXXXXXXXXXXXX, the GBRV has focused resources on the development of a parallel medical system-"Barrio Adentro" -that has sucked investment away from the hospitals and the traditional medical infrastructure to the detriment of the health of Venezuelans. At the same time, the GBRV has appointed military professionals with no medical background to important positions in the Ministry of Health. XXXXXXXXXXXXX said that there is "anarchy" in the Ministry of Health, pointing out that the GBRV has released health statistics just four times in the last 14 months. FMV Vice XXXXXXXXXXXXX added that vaccination rates have decreased dramatically over the past several years.

¶12. (C) While the GBRV has prioritized "Barrio Adentro" over the traditional medical system, Venezuelans seem to prefer public hospitals or private clinics. On October 9, XXXXXXXXXXXXX told EmbOffs that the majority of Venezuelans continue to receive medical care in public hospitals or private clinics rather than "Barrio Adentro." XXXXXXXXXXXXX cited a 2006 study by a team of European Union analysts that measured the use of health services by sector (i.e., public hospitals, private clinics, or "Barrio Adentro") and confirmed that poorer Venezuelans were more likely to receive medical care in public hospitals than "Barrio Adentro."

CHAVEZ THREATENS TO ELIMINATE PRIVATE HEALTH INSURANCE BENEFIT

¶13. (SBU) On November 29, in a move that further illustrated GBRV efforts to strengthen "Barrio Adentro" as an alternative to the traditional medical system, Chavez announced his intention to eliminate the hospitalization, surgery, and maternity (HCM) benefit that public sector employees use to pay for health care at private clinics. During a broadcast of the "Hello, President" radio and television program, Chavez said that the HCM benefit supported the "bourgeoisie" owners of private clinics and that public employees should instead use "Barrio Adentro's" network of Integral Diagnostic Centers. In press reports the following day, public employees in the petroleum, iron, steel, and aluminum sectors protested the announcement (Note: According to one press report, sixty percent of the 12 million Venezuelans with health insurance work in the public sector. End Note.). Critics pointed out that the private clinics offer medical services that "Barrio Adentro"

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does not provide, and that the public hospitals do not have the capacity to absorb a massive influx of new patients from the private clinics. On September 23, deputies for the pro-Chavez United Socialist Party of Venezuela (PSUV) told EmbOffs that changes to the medical insurance system would be imposed progressively given the sensitivity of the issue (Ref B).

COMMENT

¶14. (C) The quality of health care in Venezuela has declined as the GBRV has shifted resources from the traditional medical system to "Barrio Adentro." Resource-starved public hospitals are beginning to show the effects of years of neglect. Mismanagement has increased as military officers and community council

members-usually with little previous experience in health care-have assumed a greater role in the administration of public hospitals. At the same time, the hospitals suffer from the same problems that plague the rest of Venezuelan society, including the deterioration of infrastructure, an increase in crime, and the flight of the professional class. Despite these issues, President Chavez and other members of his cabinet have not publicly acknowledged the deterioration of the public hospitals or announced any new plans to revitalize them. To the extent that President Chavez has acknowledged Venezuela's health care crisis, the GBRV has looked to "Barrio Adentro" and Cuba-and not the public hospitals-as the solution.

¶15. (C) Meanwhile, "Barrio Adentro" has not proven to be a viable substitute for the public hospitals despite massive GBRV attention and investment. Indeed, the evidence suggests that all classes of Venezuelans continue to prefer public hospitals to "Barrio Adentro," even as the quality of medical services in the former has deteriorated. The popular preference for public hospitals means that the traditional medical system must treat a growing number of patients with dwindling resources, a problem that will only intensify if the GBRV decides to eliminate the health care benefit for public employees, forcing them out of the private clinics and into the public hospitals. Another possible consequence is the risk that the GBRV will look to expropriate private sector medical facilities.

DUDDY