Medical Xpress

Madrid health center directors quit en masse

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Health workers protest against the austerity measures, outside a hospital in Pamplona, northern Spain, on Tuesday, Jan. 8, 2013. Spain Treasury says it plans to borrow some euro 230 billion ($300 billion) in 2013, down from euro 250 billion last year, and expects a more relaxed year in interest rates compared to 2012 when it came close to seeking a sovereign bailout. (AP Photo/Alvaro Barrientos)

(AP)—More than 300 directors of some 140 health centers in Madrid resigned from their posts Tuesday to protest plans to partly privatize the region's public health service.

The regional government of the Spanish capital plans to outsource the management of six of 20 large public hospitals in its territory and 27 of a total of 270 health centers. It argues it must do so to fix the region's finances and secure health services.

On Monday, thousands of medical workers marched through Madrid to protest the plans and other budget cuts.

Health care and education are currently administered by Spain's 17 semi-autonomous regions rather than the central government. Most of the regions, however, are struggling financially with high debt and an economic recession. Hit badly by a real estate crash in 2008, the national unemployment rate has soared above 26 percent.

Meanwhile, the Spanish Treasury said it planned to borrow €230 billion ($300 billion) in 2013— down from €250 billion last year—and expects to pay lower interest rates than those that battered the country in 2012.

Spain's borrowing costs have dropped sharply from unsustainable highs last year after the European Central Bank pledged to help countries such as Spain by buying up their short-term bonds. The interest rate on Spain's 10-year bond—an indicator of investor appetite—hit a high of 7.54 percent in July but is now trading at 5.05 percent.

The Treasury said net borrowing, after existing loans are refinanced, would be €71 billion. Spain faces its first test of market sentiment of 2013 on Thursday when it seeks to raise up to €5 billion in bonds.