Overview of the Estonian Health Care System

TOWARD INTEGRATED HEALTH CARE – ESTONIA
JULY 13TH, 2015

Tanel Ross
Chairman of the Management Board
Estonian Health Insurance Fund
Background

- Population: 1.31 million
- Re-gained independence: 1991
- Member of EU since 2004
- euro-zone since 2011
- ALE at birth 76 years (2010)
- Health Expenditure (2014)
  - 6.3% of GDP
  - Per person €800
  - Social health insurance coverage 95-96% of population
- Financed: 13% earmarked health insurance tax on salaries paid by employers
Organisation of social protection

The Ministry of Social Affairs is responsible for social security and social welfare. Under the Ministry there is a governmental agency – the Social Insurance Board and two public legal bodies - the Health Insurance Fund and the Unemployment Insurance Fund - which are responsible for the administration of the different branches of social security. Also operating within the area of government of the Ministry of Social Affairs are the Health Board, the State Agency of Medicines and the Labour Inspectorate.

Social assistance cash benefits and social services are provided by local municipalities.

- **The Social Insurance Board** administers the schemes of pension insurance, family benefits, social benefits for disabled persons and funeral grants. It also maintains the register of insured persons and beneficiaries. The Board ensures that pensions and benefits due in line with the national legislation and international agreements are paid on time. Medical examination to assess permanent incapacity for work is executed by a Commission of the Board. The regional bureaus, subordinated to the Social Insurance Board, process applications for the above mentioned benefits and arrange the payment through banks or post offices.

- **The Unemployment Insurance Fund** is in charge of the unemployment insurance scheme, the aim of which is to pay out unemployment insurance benefits, redundancy benefit and benefits following the insolvency of an employer. As of 1 May 2009, it also administers the scheme of unemployment allowances, while the processing of claims and granting and paying of allowances is carried out by the regional employment offices, subordinated to the Fund.

- **The Health Insurance Fund** runs the health insurance scheme, which includes medical services, compensation for pharmaceuticals and cash benefits (sickness, maternity and care). The Fund forms annual contracts with medical services providers, and covers the expenses incurred by them for the medical care of insured persons under these contracts. The Fund also pays sickness, maternity and care benefits directly to insured persons.
Who are entitled to health insurance?

• The following persons have the right to health insurance:
  – permanent residents of Estonia;
  – persons living in Estonia (on the basis of a temporary residence permit or right of residence for whom social tax is paid or who pay social tax on their own behalf);
  – persons considered equal to the above persons on the basis of the Health Insurance Act or a relevant contract.

• The health insurance system is financed from the social tax.

• A **solidary health insurance system** is used in Estonia: all insured persons get the same kind of medical care irrespective of the size of their contribution, personal health risks or age.
Who are entitled to health insurance?

- People are insured on different basis and are divided into five categories:
  - employed insured persons;
  - persons considered equal to insured persons – old-age pensioners, children, students, pregnant women, persons maintained by their spouses;
  - persons insured by the state – unemployed persons, persons on parental leave, carers of disabled persons, conscripts;
  - persons insured under international agreements – pensioners from other European Union Member States who settle in Estonia, employees seconded to Estonia from other EU Member States, Estonian pensioners who settle in another EU Member State, military pensioners of the Russian Federation;
  - persons considered equal to insured persons under voluntary contracts – persons insured with voluntary contracts.

- Statistically, the category of employed insured persons is of primary importance
Breakdown of insured persons by category and social tax contribution 2014

- Employed insured persons
  * share of all insured persons 49%
  * social tax paid per insured person on average: 1426 euros

- Persons considered equal to insured persons
  * share of all insured person 47%
  * social tax paid per insured person: 0 euros

- Other insured persons
  * share of all insured persons 4%
  * social tax paid per insured person on average: 778 euros
Health insurance statistics 2014

• 1.2 million insured (94% population)
• EHIF paid over 900 million euros for health care services
• 800 326 people used specialist care
• 4.7 family doctors appointments per insured person
• Average cost per case in specialist care:
  – 63 euros per outpatient care
  – 481 euros per day care
  – 1289 euros per inpatient care
• Ca 7.9 million drug prescriptions
  – 850 206 users
Estonian Health Insurance Fund (EHIF)

- EHIF is a legal person in public law
- Main functions and purposes of EHIF:
  - to cover the costs of health services provided to insured persons,
  - prevent diseases,
  - health promotion,
  - finance the purchase of medicinal products and medicinal technical aids,
  - provide the benefits for temporary incapacity for work and other benefits.
Supervisory board

- Supreme body of EHIF
- 15 members represent the state, employers and employees proportionally
- The Minister of Social Affairs is the Chairman of the Board by virtue of office
- Main functions are:
  - approve the development plan of the EHIF;
  - on the proposal from the Management Board, approve the structure of the EHIF;
  - designate and remove the Chairman of the Management Board;
  - approve the annual action plan of the Health Insurance Fund.
Management Board

• 3 members, one of whom Chairman of the Management Board
• Runs daily operations
• Main functions are:
  – draw up the development plan and the annual action plan and submit these to the Supervisory Board for approval;
  – prepare the draft budget and the draft of the supplementary budget and submit these to the Supervisory Board for approval;
  – approve the budgets of regional departments on the basis of the budget of the EHIF;
  – approve the plan for entering into contracts with the providers of health services.
EHIF budget is part of the state budget (approved by MoF)

Strategical EHIF 4 years cost plan is approved each year by EHIF board (mln euros)

<table>
<thead>
<tr>
<th>Type of care</th>
<th>2014</th>
<th>2015</th>
<th>2016</th>
<th>2017</th>
</tr>
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<tr>
<td>Prevention</td>
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<td>8,3</td>
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<td><strong>740,5</strong></td>
<td><strong>786,5</strong></td>
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Strategical EHIF 4 years cost plan includes many strategical components

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<th>2016</th>
<th>2017</th>
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<tr>
<td>Additional cost due to increase of CPI</td>
<td>3,4%</td>
<td>1,8%</td>
<td>1,8%</td>
<td>1,7%</td>
</tr>
<tr>
<td>Health care workers salary increase</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Primary care</td>
<td>7,0%</td>
<td>6,2%</td>
<td>6,0%</td>
<td>6,0%</td>
</tr>
<tr>
<td>Specialty care</td>
<td>7,3%</td>
<td>6,2%</td>
<td>6,0%</td>
<td>6,0%</td>
</tr>
<tr>
<td>Nursing care</td>
<td>7,6%</td>
<td>6,2%</td>
<td>6,0%</td>
<td>6,0%</td>
</tr>
<tr>
<td>Access improvement and new services</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Primary care</td>
<td>2,9%</td>
<td>1,0%</td>
<td>2,0%</td>
<td>1,0%</td>
</tr>
<tr>
<td>Specialty care</td>
<td>1,5%</td>
<td>1,0%</td>
<td>1,7%</td>
<td>1,2%</td>
</tr>
<tr>
<td>Nursing care</td>
<td>4,8%</td>
<td>9,9%</td>
<td>1,9%</td>
<td>1,8%</td>
</tr>
<tr>
<td>Change in medical practice</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Primary care</td>
<td>1,0%</td>
<td>1,0%</td>
<td>2,3%</td>
<td>2,0%</td>
</tr>
<tr>
<td>Specialty care</td>
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<td>1,0%</td>
<td>1,3%</td>
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</table>
EHIF revenues, expenditures and reserves

Graph showing the trends in revenues, expenditures, and reserves (cumulative) from 2001 to 2013.
Insurance Benefits

Benefits in Kind

- Medical services
- Pharmaceuticals
- Medical devices

Benefits in Cash

- Benefits in case of temporary incapacity for work
- Compensations for dental care of adult persons
- Supplementary compensation for pharmaceuticals
Benefits in kind

- Medical services
  - Primary care
  - Specialist care (incl. rehabilitation)
  - Nursing care
  - Dental care (for children under the age of 19 and necessary dental care for adults)
  - Cross-border treatment
- Benefits for medical - devices for everyone whose need to use a medical device has been established by a physician on the basis of the terms and conditions of the List of Medical Devices issued by the EHIF
- Person can buy medicinal products (pharmaceuticals) with fixed discount rates. Only medicinal products included in the EHIF’s list of medicinal products and registered in Estonia shall be compensated for
Benefits in cash

• Monetary compensation paid to insured persons on the basis of a certificate of incapacity of work

• Dental care benefit
  – Persons receiving a pension for incapacity for work
  – Old-age pension (over 63 years of age)
  – Pregnant women
  – Mothers of children under one year of age
  – Persons who have an increased need for dental care

• Benefits for temporary incapacity for work
  – Sickness benefit
  – Care allowance
  – Maternity benefit
  – Adoption benefit
Average expenses per insured person

<table>
<thead>
<tr>
<th></th>
<th>2009</th>
<th>2010</th>
<th>2011</th>
<th>2012</th>
<th>2013</th>
<th>2014</th>
</tr>
</thead>
<tbody>
<tr>
<td>Total expenses</td>
<td>479</td>
<td>478</td>
<td>500</td>
<td>542</td>
<td>577</td>
<td>629</td>
</tr>
<tr>
<td>Other healthcare services*</td>
<td>354</td>
<td>351</td>
<td>370</td>
<td>399</td>
<td>431</td>
<td>473</td>
</tr>
<tr>
<td>Pharmaceuticals</td>
<td>73</td>
<td>76</td>
<td>77</td>
<td>86</td>
<td>84</td>
<td>89</td>
</tr>
<tr>
<td>Primary medical care</td>
<td>53</td>
<td>51</td>
<td>53</td>
<td>57</td>
<td>62</td>
<td>67</td>
</tr>
</tbody>
</table>

*Other healthcare expenses include specialised medical care, nursing care, dental care and monetary compensation of dental care.
## EHIF budget in 2014 and 2015

<table>
<thead>
<tr>
<th>(millions EUR)</th>
<th>2014 budget</th>
<th>% of total budget</th>
<th>2015 budget</th>
<th>% of total budget</th>
</tr>
</thead>
<tbody>
<tr>
<td>EHIF’s revenues</td>
<td>903,43</td>
<td>99,70%</td>
<td>952,67</td>
<td>100,00%</td>
</tr>
<tr>
<td>Health care services in total</td>
<td>661,19</td>
<td>72,90%</td>
<td>698,4</td>
<td>73,31%</td>
</tr>
<tr>
<td>Health promotion</td>
<td>1</td>
<td>0,10%</td>
<td>1,1</td>
<td>0,12%</td>
</tr>
<tr>
<td>Pharmaceuticals (out-patient)</td>
<td>110</td>
<td>12,10%</td>
<td>111,6</td>
<td>11,71%</td>
</tr>
<tr>
<td>Temporary sick leave benefits</td>
<td>96,37</td>
<td>10,60%</td>
<td>102,59</td>
<td>10,77%</td>
</tr>
<tr>
<td>Benefits for Medical Devices</td>
<td>9,07</td>
<td>1,00%</td>
<td>9,43</td>
<td>0,99%</td>
</tr>
<tr>
<td>Benefits Arising from EU Legislation</td>
<td>6,9</td>
<td>0,80%</td>
<td>7,21</td>
<td>0,76%</td>
</tr>
<tr>
<td>Benefits for Dental Care Services</td>
<td>9,83</td>
<td>1,10%</td>
<td>9,92</td>
<td>1,04%</td>
</tr>
<tr>
<td>Other expenditure</td>
<td>3,18</td>
<td>0,40%</td>
<td>3,35</td>
<td>0,35%</td>
</tr>
<tr>
<td>Health insurance expenditures in total</td>
<td>897,54</td>
<td>99,00%</td>
<td>943,6</td>
<td>99,05%</td>
</tr>
<tr>
<td>EHIF’s administrative costs</td>
<td>8,9</td>
<td>1,00%</td>
<td>9,07</td>
<td>0,95%</td>
</tr>
<tr>
<td>Expenditures in total</td>
<td>906,43</td>
<td>100,00%</td>
<td>952,67</td>
<td>100,00%</td>
</tr>
<tr>
<td><strong>Earnings of the budget year</strong></td>
<td><strong>-3</strong></td>
<td></td>
<td><strong>0</strong></td>
<td></td>
</tr>
</tbody>
</table>
# Health care services cost in 2014

<table>
<thead>
<tr>
<th></th>
<th>2013 actual</th>
<th>2014 budget</th>
<th>2014 actual</th>
<th>Budget implementation</th>
</tr>
</thead>
<tbody>
<tr>
<td>Disease prevention</td>
<td>7,230</td>
<td>7,648</td>
<td>7,591</td>
<td>99%</td>
</tr>
<tr>
<td>Primary medical care</td>
<td>76,088</td>
<td>85,421</td>
<td>82,248</td>
<td>96%</td>
</tr>
<tr>
<td>Specialised medical care</td>
<td>481,561</td>
<td>522,934</td>
<td>529,044</td>
<td>101%</td>
</tr>
<tr>
<td>Nursing care</td>
<td>20,607</td>
<td>23,937</td>
<td>24,537</td>
<td>103%</td>
</tr>
<tr>
<td>Dental care</td>
<td>19,771</td>
<td>21,247</td>
<td>20,650</td>
<td>97%</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>605,257</strong></td>
<td><strong>661,187</strong></td>
<td><strong>664,070</strong></td>
<td><strong>100%</strong></td>
</tr>
</tbody>
</table>
Providers in Estonian health care system

- Emergency care
- Primary health care (every Estonian has a personal GP)
- Specialized medical care
  - Hospitals
  - Outpatient specialized medical care
  - Dental care
  - Nursing care, midwives
- All health care providers operate under private law
- They may belong to both public or private ownership
Health care market by the type of service provider

2013, www.tai.ee
EHIF - the biggest buyer

2013, www.tai.ee
EHIF as a buyer of health care services

Estonian Health Insurance Fund
public law, public ownership

Health care provider
private law, public or private ownership

Hospitals (acute care, nursing care)
Family physicians (primary health care)
Other providers
Hospital Network – EHIF’s main partners

- 19 facilities across Estonia (Tartu University Hospital, Northern Estonia Regional Hospital etc)
- Ensure specialist care even accessibility across Estonia
- Obligated to provide services
- Capacity to handle a lot of patients
- Capability and obligation to provide emergency services around the clock (24/7)
- Possibility to invest in health technologies and top specialists
- New contracting period from 2014 for 5 years
Selected partners

- Competition in locations and in specialties where need for services is not covered by the Hospital Network
- All service providers have equal opportunities to participate in competition
- All providers are set with same requirements for quality and accessibility
- New contracting period from 2014 for 4 years
Universal contract terms for all partners

- EHIF is not required to enter into a contract with all healthcare providers
  - Similar contract terms for all providers
  - Requirements to ensure access and quality of care
  - Financial part of the contract is negotiated annually

- Cost and volumes by specialties and by care types as outpatient, daycare, inpatient

- Financial part agreed for one year, divided into half years

- Services provided over the contract volume are covered on certain conditions by 70% for outpatient and day care (up to 5% of total contract volume) and 30% for inpatient care

- Comprehensive partner relations management system under development
Principles of reimbursement

Contract between HIF and service provider – main object is **number of minimum treatment cases** and cost of these cases

**Example:**

<table>
<thead>
<tr>
<th>Specialty</th>
<th>Type of care</th>
<th>Number of minimum treatment cases</th>
<th>Cost of these cases (eur)</th>
<th>Average cost per case (eur)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Internal diseases</td>
<td>Ambulatory</td>
<td>10 000</td>
<td>800 000</td>
<td>80</td>
</tr>
<tr>
<td></td>
<td>Day care</td>
<td>2000</td>
<td>300 000</td>
<td>150</td>
</tr>
<tr>
<td></td>
<td>Inpatient care</td>
<td>150</td>
<td>270 000</td>
<td>1800</td>
</tr>
<tr>
<td>General surgeries</td>
<td>Ambulatory</td>
<td>5000</td>
<td>500 000</td>
<td>100</td>
</tr>
<tr>
<td></td>
<td>Day care</td>
<td>1000</td>
<td>200 000</td>
<td>200</td>
</tr>
<tr>
<td></td>
<td>Inpatient care</td>
<td>150</td>
<td>300 000</td>
<td>2000</td>
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Payment in detail in specialty care

- There are 29 contracting specialties in specialty care
- In addition we pay separately for 9 service like delivery, cataract surgery, organ transplantations, hemodialyses, endoprotesis, IVF
- In addition we pay separately preparedness fee for the strategic acute care hospitals
- 30% of the cost of extremely expensive treatment cases in the contract sum, if the extremely expensive treatment case occurs, then we pay in addition 70% of the cost
- 70% of the cost of a inpatient and day-care bill (i.e. treatment case) are payed on the base of DRG
Other conditions in the contract

Main topics that are regulated in the contract in addition to treatment volumes are:

- Required access to services ie minimum waiting standard
- Required ressource (medical personell, facilities etc) and service provision quality
- Service provision documentation and confidential medical data management requirements
- Insurance chek requirements
- Treatment case definitions with specified payment conditions
- Over-work payment conditions
- Payment flexibiliti conditions
- etc
Supervision of service provision

Different aspects of service provision are regularly supervised:

• Average cost and amount of treatment fixed in the contract
• Registrated and actual waiting times for treatment
• Geographical access (in combination with reported waiting times)
• Service provision quality (medical activity feedback report, medical audits against treatment guidelines etc)- mostly for strategic partners
• Service provision efficiency (hospitals cost/benefit benchmarking analyses, hospitals ressource use benchmarking analyses) – for strategic partners
• Patients satisfaction surveys (every year)
• Partners satisfaction surveys (every year)
Primary Health Care payment methods

- Capitation (age adjusted)
- Basic allowance (monthly fixed payment)
- FFS based additional diagnostics fund to cover the agreed list of services
  - 39-42% of FP-s capitation budget
  - Paid according to submitted bills retrospectively
  - Defined list of more than 50 services and 50 tests (analyses)
  - Additional FFS fund (without cap) for surgical and gynecological activities
  - Additional FFS fund for therapeutic activities (psychologists and speech therapists services)
- Additional payment for second nurse
- Some additional payments for FPs in remote areas and to cover cost of out of office hours
- Performance payment (Quality Bonus System)
Budgeting and contracting process

- General budget + longer perspective
- 4 years perspective (financial)
- Demand for health services for next year
- Financed demand for health services next year
- Strategical contracting (set of services/specialties, place of provision, waiting time, information sharing)
HIF budget is part of the state budget (approved by MoF)

Strategical EHIF 4 years cost plan is approved each year by EHIF board (mln euros)

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Budgeting Health Care Services

Demand assessment bases on:

- Health services development review (past and next 4 years)
- Insured people location by counties and historical utilization of services
- Adjustments based on density of population assuming similar utilization by similar counties

Need assessment is an input to the budgeting which also takes into account:

- Criteria for geographical access of medical services
- Changes in health services prices and new services
- Changes in volume inflation
Criteria for Geographical Access

To ensure access to high quality health care services when using available resources efficiently

Outpatient specialist care:

• 1st level: specialty has to be accessible in one location in Estonia, Tallinn or Tartu
• 2nd level: specialty has to be accessible in two locations, Tallinn and Tartu
• 3rd level: specialty has to be accessible in the four biggest counties (> 70 thousand inhabitants)
• 4th level: specialty has to be accessible at county level
Criteria for Geographical Access: INPATIENT Specialist Care

• Assuming optimal use of inpatient resources (patient ward with 20 beds)
• In county level general surgery and internal medicine should be available (in addition flexible follow up care beds)
• In four biggest counties orthopedics, infectious diseases, cardiology, neurology, pediatrics, rehabilitation, psychiatrics, gynecology (incl midwifery)
Criteria for Geographical Access: OUTPATIENT Specialist Care

Level 4
- general surgery;
- internal diseases;
- otorhinolaryngology;
- ophthalmology;
- gynaecology;
- dermatovenerology;
- psychiatry;
- rehabilitation

Level 3
- urology;
- endocrinology;
- gastroenterology;
- cardiology;
- rheumatology;
- neurology;
- orthopaedics;
- pulmonology;
- paediatrics;
- infectious diseases

Level 2
- cardiac surgery;
- paediatric surgery;
- neurosurgery;
- maxillofacial surgery;
- thoracic surgery;
- vascular surgery;
- haematology;
- other nephrology;
- oncology

Level 1
- transplantation
Health Services Benefit Package

• Health services benefit package = Health service list (HSL) = positive list*
• HSL includes services that are reimbursed by EHIF
  • Service name (definition)
  • Price (maximum price)
  • Rules of reimbursement (e.g. for which patient groups EHIF reimbursement is available)
  • Co-payment rate (maximum 50%)
• Sets also framework for payment methods (DRG, FFS, capitation, P4P)

*Services which are not included to HSL cannot be covered by EHIF
Health Service List (HSL)

- HSL covers absolutely all services and medicines of all treatment types
- In the prices of services are calculated using activity based costing (ABC)
- The valid methodology was developed by 2005.
- This methodology is based on a cause-effect relationship between the services, activities and resources
- The prices are based on the actual practice in Estonian treatment institutions (at the minimum with the example of one regional, one central and one general hospital)
- The prices take into account the ‘best’ practice and optimum use of resources
How are new services included to the HSL?

1. Submitting application
2. Registration and preliminary control
   + Application’s check-up
     + Expert opinions: medical specialty, health economist, Ministry of Social Affairs; EHIF
     - Negotiations with applicant
   - Starting/ending procedure
     - Additional data request
     + EHIF’s management board
     - EHIF’s supervisory board
     Ministry of Social Affairs makes proposal to the Government
Waiting Time Guarantees

• Family doctor: up to 5 days, same day for acute disease

• Specialist out-patient visit: up to 6 weeks for elective care

• Elective inpatient and day care: up to 8 months for elective care
Family physicians availability

Family practitioner is a person's first counselor in health matters

- **Available** – appointment normally within 5 working days, in acute cases on the same day
- **Is highly qualified and has general overview** – treats the whole organism, know patients medical history
- **Decisive role of insurance matter** – refers to analyses, consults with specialist, issues a referral
- **Family nurse** – has independent appointments, consults patients, monitors patients with chronic diseases, carries out analyses and procedures
Specialists availability

• A person is entitled to get a fast primary evaluation of health matters’ severity and instructions how to proceed
  - Family physician and family nurse have key role
  - Following waiting time must depend on the severity of the case – help must be provided within reasonable amount of time

• Specialists’ waiting lists’ maximum –
  - Ambulatory intake up to 6 weeks
  - Planned inpatient treatment up to 8 months (except hip prosthesis, in which case up to 1,5 years)

• Patients in need of inevitable care must be accepted outside the waiting list. The necessity of healthcare is decided by the doctor.
Reporting of waiting lists

• Information about waiting lists is submitted to EHIF by all the contract partners

• Frequency of the reports:

Hospital Network hospitals report once a month
  - Information about coming events - waiting times according to the registration information
  - Information about events in the past (previous month) – actual waiting time

Other partners – once a quarter
  - Information about coming events - waiting times according to the registration information
## Actual waiting-time for outpatients specialist care

<table>
<thead>
<tr>
<th></th>
<th>Q4 2013</th>
<th>Q4 2014</th>
<th>Change compared to 2013</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Number of</td>
<td>Within the</td>
<td>Number of</td>
</tr>
<tr>
<td></td>
<td>appointments</td>
<td>maximum permitted</td>
<td>appointments</td>
</tr>
<tr>
<td></td>
<td></td>
<td>waiting time</td>
<td></td>
</tr>
<tr>
<td>Total regional</td>
<td>79,585</td>
<td>65%</td>
<td>82,825</td>
</tr>
<tr>
<td>hospitals</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Total central</td>
<td>118,911</td>
<td>72%</td>
<td>120,889</td>
</tr>
<tr>
<td>hospitals</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Total general</td>
<td>64,797</td>
<td>89%</td>
<td>70,195</td>
</tr>
<tr>
<td>hospitals</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>263,293</strong></td>
<td><strong>74%</strong></td>
<td><strong>273,909</strong></td>
</tr>
</tbody>
</table>
Waiting times in different specialties

- **Total**: 37% (73%)
- **Rehabilitation**: 40% (71%)
- **Obstetrics and gynaecology**: 50% (75%)
- **Internal diseases**: 35% (73%)
- **Psychiatry**: 31% (79%)
- **Paediatrics**: 40% (69%)
- **Oncology**: 20% (74%)
- **Ophthalmology**: 52% (77%)
- **Surgery**: 39% (77%)

*Percentage of appointments within the maximum permitted waiting time – data of actual appointments from Q4 2014*

*Percentage of appointments within the maximum permitted waiting time – the data on the appointments registered in the waiting lists as at 01.01.2015*
Patient cost-sharing: co-payments

• Primary care is without co-payment (except home visit)
• Specialist visit fee up to 5 EUR
• In-patient fee is up to 2.50 EUR per day and for up to 10 days per hospitalisation
• Stated for few services in HSL:
  - In-patient long term care (=nursing care in hospital): 15% of bed-day fee
  - Inpatient non-acute rehabilitation: 20% of bed-day fee
  - Abortion without medical indication: 30-50%
Pharmaceuticals

• Medicinal products are reimbursed
  – Via health services list (hospital care)
  – Prescription pharmacy drugs reimbursed according to specified list validated by ministry

• Different discount rates apply to different diseases and pharmaceuticals

• EHIF compensates directly to hospitals and pharmacies
Pharmaceuticals with same active substance and same route of administration, but with different price – example for drug with 100% reimbursement

Patient pays in total

EHIF benefit - same for all packages

Reference price 18 € (Second from to the cheapest)

Price of drug package in pharmacy

10 € Generic1
18 € Generic2
23 € Generic3
34 € Original

Obligatory self-financing for patients – 1,27 €
Developments in last 10 years – compensation for pharmaceuticals has grown more than 2 times

Amount of reimbursements of pharmaceuticals, thousands of euros

Expenses per person, thousands of euros

<table>
<thead>
<tr>
<th>Year</th>
<th>Amount (thousands of euros)</th>
<th>Expenses (thousands of euros)</th>
</tr>
</thead>
<tbody>
<tr>
<td>2005</td>
<td>55 716</td>
<td>41</td>
</tr>
<tr>
<td>2006</td>
<td>61 790</td>
<td>49</td>
</tr>
<tr>
<td>2007</td>
<td>71 617</td>
<td>56</td>
</tr>
<tr>
<td>2008</td>
<td>81 902</td>
<td>64</td>
</tr>
<tr>
<td>2009</td>
<td>88 411</td>
<td>69</td>
</tr>
<tr>
<td>2010</td>
<td>90 737</td>
<td>72</td>
</tr>
<tr>
<td>2011</td>
<td>91 465</td>
<td>73</td>
</tr>
<tr>
<td>2012</td>
<td>98 967</td>
<td>80</td>
</tr>
<tr>
<td>2013</td>
<td>103 391</td>
<td>84</td>
</tr>
<tr>
<td>2014</td>
<td>109 753</td>
<td>89</td>
</tr>
</tbody>
</table>
Benefits for medical devices

- EHIF compensates medical devices for home use listed in List of Medical Devices
- System similar to pharmaceuticals reimbursement – by prescription from doctor
- Biggest share of medical devices revenue goes for diabetes treatment (over 50%)
<table>
<thead>
<tr>
<th>Medical Devices</th>
<th>Amount (€ '000)</th>
<th>Number of Persons</th>
</tr>
</thead>
<tbody>
<tr>
<td>Primary prostheses and orthoses</td>
<td>2 058</td>
<td>16 179</td>
</tr>
<tr>
<td>Glucometer test strips</td>
<td>3 751</td>
<td>40 998</td>
</tr>
<tr>
<td>Stoma appliances</td>
<td>1 221</td>
<td>1 762</td>
</tr>
<tr>
<td>Insulin pumps</td>
<td>53</td>
<td>55</td>
</tr>
<tr>
<td>Accessories for insulin pumps</td>
<td>441</td>
<td>286</td>
</tr>
<tr>
<td>Wound dressings and patches</td>
<td>49</td>
<td>1 571</td>
</tr>
<tr>
<td>CPAP device</td>
<td>557</td>
<td>1 112</td>
</tr>
<tr>
<td>CPAP device masks</td>
<td>257</td>
<td>1 577</td>
</tr>
<tr>
<td>Other medical devices</td>
<td>41</td>
<td>271</td>
</tr>
<tr>
<td>Disposable needles for insulin injection devices</td>
<td>292</td>
<td>10 600</td>
</tr>
<tr>
<td>Lancets</td>
<td>50</td>
<td>5 505</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>8 770</strong></td>
<td><strong>79 916</strong></td>
</tr>
</tbody>
</table>
Setting a reference price for medical devices – only if there are more than 2 products from different manufacturers

MD group name – „Disposable needles for insulin injection devices (12 mm)“

<table>
<thead>
<tr>
<th>Medical Device</th>
<th>Price</th>
</tr>
</thead>
<tbody>
<tr>
<td>Klinion Soft Fine Plus</td>
<td>12,5 €</td>
</tr>
<tr>
<td>MicroFine</td>
<td><strong>Second from to the cheapest</strong> – Reference price for this MD group 12,87 €</td>
</tr>
<tr>
<td>Unifine Pentips</td>
<td>13,6 €</td>
</tr>
<tr>
<td>Unifine Pentips Plus</td>
<td>14,2 €</td>
</tr>
</tbody>
</table>

MD group name – „Disposable needles for insulin injection devices (4 mm)“ – no reference price for this MD group

<table>
<thead>
<tr>
<th>Medical Device</th>
<th>Price</th>
</tr>
</thead>
<tbody>
<tr>
<td>MicroFine</td>
<td>14,2 €</td>
</tr>
<tr>
<td>Unifine Pentips</td>
<td>13,6 €</td>
</tr>
<tr>
<td>Unifine Pentips Plus</td>
<td>14,2 €</td>
</tr>
</tbody>
</table>
EHIF benefits paid for medical devices (€ ‘000) in 2008-2014

Amount (€ ‘000)

2008: 3414
2009: 3971
2010: 4507
2011: 4886
2012: 7684
2013: 8325
2014: 8770
Monetary Benefits by EHIF

- Benefits for temporary incapacity to work (sickness, pregnancy, care allowance) – benefit is based on employees wage
- Fixed amount dental care compensation for certain population groups (seniors, pregnant, ...)
- Supplementary compensation for pharmaceuticals (for costs over 300 euros per year)
- Preparing for adult dental care compensation
Temporary incapacity for work benefit

On the basis of the certificate of incapacity for work the EHIF pays:

• sickness benefit
• maternity benefit
• adoption allowance
• care allowance

Paid on the basis of the previous year’s average income per one calendar day.
Temporary incapacity for work benefit

• Sickness benefit is paid to insured person
  - from the 4th to 8th day of illness by the employer in the amount of 70% of the employee’s average wages
  - from the 9th day of illness, by the EHIF

• Maternity benefit is paid by the EHIF in the amount of 100% since the first day of exemption from work. Adoption benefit is paid by the Health Insurance Fund in the amount of 100% since the first day of exemption from work

• Adoption benefit is paid by the EHIF in the amount of 100% since the first day of exemption from work

• Care allowance is paid by the EHIF in the amount of 80% since the first day of exemption from work. Adoption benefit is paid by the Health Insurance Fund in the amount of 100% since the first day of exemption from work
10 years of developing e-services in Estonian health insurance system

- E-billing system – 2004 (5 million invoices p.a.)
- Health Insurance Data Exchange – 2005
- Supplementary compensation for pharmaceuticals – 2006
- European Health Insurance Card – 2007
- Other health insurance e-services for citizens in Governmental Citizen Portal (www.eesti.ee) – 2005-2010
- ePrescription – 2010 (10 million prescriptions p.a.)
- eTVL (electronic sickness benefit system) – 2012-2015 (340th claims p.a.)
- **Plus** interoperability (e.g. insurance eligibility, prescriptions) with govt e-health system (e.g. patients’ gateways)
The development of e-services has become an increasingly important factor for ensuring the quality and accessibility of health care services

• E-prescription system development
  – Pharmaceutical interactions to minimize risks for multi-medication
  – Availability of patient data to evaluate and manage active and ongoing treatments to avoid underuse, misuse or overuse of drugs

• Better e-services for hospitals
  – E-invoicing
  – Quality measurement
  – Management of contracts (financial and general part)

• Care integration and accessibility
  – E-consultation – Consultations between doctors throughout different care settings
  – E-referral
  – Digital registration
Planned treatment abroad

Estonian Health Insurance Fund can give a permission (prior authorization is required) for planned treatment abroad according to:

1. **Health Insurance Act § 27¹ section 1** (cannot be provided in Estonia, therapeutically justified, proved medical efficacy, probability of the aim achieved at least 50%)

2. **EC Regulation No 883/2004 article 20** (cannot be provided in medically acceptable time limit)

To apply for the prior authorization:

- person must submit an application to EHIF
- all the criteria are met according to decision of Estonian council of medical specialists (at least 2)
- EHIF issues a letter of guarantee or E112/S2 for financing person’s treatment abroad and all the medical costs of the treatment will be covered
- EHIF cannot cover non-medical costs like transportation, translation, co-payments and other non-medical expenses

It is also possible to apply for reimbursement of health care costs in the EU. In order to get reimbursement on your medical costs, all health care invoices and prescriptions have to be paid
European Health Insurance Card

• The European health insurance card grants the right to receive necessary medical care during your stay in the European Union and in the European Economic Area under the same conditions and at the same cost (free in some countries) as people insured in that country.

• Important – the European Health Insurance Card:
  – is not an alternative to travel insurance. It does not cover any private healthcare or costs such as a return flight to patient home country or lost/stolen property,
  – does not cover patient costs while travelling for the express purpose of obtaining medical treatment,
  – does not guarantee free services. As each country’s healthcare system is different services that cost nothing at home might not be free in another country.
Questions are welcome!
valissuhted@haigekassa.ee
Thank you for your interest!

Tanel Ross
Chairman of the Management Board
13.07.2015