



# ASSESSMENT OF HEALTH CARE SYSTEM

15 April 2019 No. YD-4

## SUMMARY

### The importance, scope and purpose of the assessment

To ensure sustainability of insurance of health care and the quality of health care services it is important to take into account the audit conclusions that have been regularly restated and to properly implement the audit recommendations. In the period between 2010-2018 the supreme audit institution has conducted 21 financial and performance audits, related to the use of resources of Compulsory Health Insurance Fund and assessment of health care. In the process of this assessment we have summarised the findings of the conducted audits, recommendations made, we have analysed the surveys conducted by OECD, European Commission as well as international practices in the related area. The scope of the assessment is described in detail in Annex 2 “The Scope of the Assessment” (p. 22–23).

The purpose of the assessment of the health care system is to present our insights and to call the interested parties to more resultative actions in addressing the most urgent challenges.

### Main insights of the assessment

#### It is not possible to assess whether the state meets its obligations for the budget of Compulsory Health Insurance Fund

The state, according to the current regulation, has undertaken commitments that do not correspond to its financial capacities – to pay from the state budget funds for 19 groups of persons insured by the state, to allocate appropriations for the implementation of 4 state functions which, in the auditors’ opinion, could be reviewed. The state funds should support only such number of vulnerable social groups as the state is capable to support, and finance such number of functions, the funding of which the state is able to ensure. On the other hand, the state provides assets free of charge for some of the health institutions. Therefore, it is not possible to evaluate how much the health care costs (Section 1, p. 8-11).

### Resources of Compulsory Health Insurance Fund are used in the absence of health disorder

Although there is a separate health insurance fund and its purpose is defined by law, services that are not eligible for compulsory health insurance and are not related to an insured event (in the absence of health disorders) are covered from the Compulsory Health Insurance Fund, including immunological prevention and blood donorship (2.1 sub-section, p. 12–13).

### Scope and composition of services are not clearly defined, prices are not based on actual costs

Vulnerable social groups receive larger and more complex services. However, this has signs of social support that is funded from the state budget. Calculations of prices for treatment do not include costs of assets and new technologies. Therefore, 1.2 billion euros were paid for health care services by applying prices that are not based on actual costs (2.2 sub-section, p. 13–15).

### Insufficient development of ambulatory care services that are less costly for Compulsory Health Insurance Fund

Already since 2010, the SAI has indicated the problem of too large-scale hospitalisation that has not been solved yet. The proper provision of ambulatory care, strengthening the institute of family doctors would allow to avoid 20 per cent cases of hospital stay and to direct the saved funds to the improvement of the quality of services (Sub-section 2.3, p. 16–17).

### Lack of pre-conditions for the improvement of quality of services

Payment for services is closely related to the quality of services provided – effectiveness of services and treatment results. However, the health institutions do not have financial incentives for the improvement of the quality of services. Health care system does not provide pre-conditions to ensure proper accessibility of services, required number of specialists, their proper qualification, management of undesirable events, application of new health care technologies, etc. (Sub-section 2.4, p. 17–20).