Estonian Health Insurance Fund's development plan

2016–2019

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Introduction

The Estonian Health Insurance Fund (hereinafter: EHIF or Health Insurance Fund) is a legal person in public law established by law for the organisation of health insurance. The objective for the activities of the Health Insurance Fund is to provide insured persons with health insurance benefits in accordance with the health insurance Act and other legislation within the bounds of the funds allocated under the health insurance budget.

Estonia's health insurance system adheres to the internationally accepted main objectives:

(a) **maximum coverage of the population with the health insurance system;**

(b) **maximum extent of health insurance** that is, the extent of health care services included in the services package covered by insurances;

(c) **depth of health insurance** that is, optimum cost-sharing by the insured person with respect to the necessary cost of treatment.

The mission of the Estonian Health Insurance Fund is to organise health insurance in a manner that ensures the equal treatment of insured persons and the timely availability of quality cost-effective health care services, medical equipment, drugs and cash benefits to meet their needs.

The objective for good health insurance is to protect the population against the risk of poverty in the event of falling ill and by simultaneously empowering insured persons to take care of their health. Identification and prevention of risk factors for disease, early detection of a medical condition, timely evidence-based treatment, and control of chronic disease to avoid complications have to be ensured. It is important to preserve for the patient the best possible quality of life also when the treatment options are primarily palliative. Development of health insurance should mainly focus on the comprehensiveness and availability of the health insurance package (including drugs and medical equipment) and on the quality of health care services. The Health Insurance Fund pays especially close attention to the areas of public health where Estonia lags behind the OECD or European Union averages, significantly reducing life expectancy and years of employment. In this respect, the area of health insurance includes in particular options for the prevention, early detection and effective control of cardiovascular disease and complications thereof as well as malignant tumours.

Development of the Estonian health system has emphasised effectiveness with the aim of improving the health indicators of the population, developing the quality of the health care system and ensuring the optimum utilisation of health insurance funds as the life expectancy of the Estonian population grows robustly. The satisfaction of the insured person and the strong financial position of the Estonian Health Insurance Fund are important.

To achieve its objectives and accomplish its mission, the Estonian Health Insurance Fund prepares a four-year development plan, which is reviewed and supplemented annually. The development plan sets the directions for the development of the Health Insurance Fund for four years, based on international guidance documents (including the AIM1 agreement), the

country's health care policy, legislation, National Health Plan 2009 – 2020 and other strategy and development documents related to health care. The impact of the expansion of options provided under health insurance on the health indicators for the population is also being assessed as part of the progress report for the National Health Plan 2009–2020.

Health Insurance Fund's strategic objectives through 2019

1. Ensuring the availability of health insurance benefits by making expedient use of health insurance funds.
2. Supporting the high quality of health care services provided in the health care system.
3. Shaping people's health awareness and guiding their health behaviour.
4. Development of an organisation that provides first-rate health insurance.

Next four years for the Estonian Health Insurance Fund – insured persons, partners, health care policy and the organisation

This development plan sets out the EHIF's strategic and development objectives through 2019, presented through the following 4 views:

(a) insured persons: solidary health insurance;

(b) Health Insurance Fund's partners: strategic purchasing and contracts;

(c) promotion of the health care system: choices and opportunities2;

(d) development of the organisation to provide insured persons, our partners and also the health care system with health insurance related services in the best manner.

a) Insured persons: solidary health insurance

The Estonian Health Insurance Fund provides all its insured persons with various health insurance benefits solidarily, being the cooperating partner for this for approximately 3000 service providers Estonia-wide. Our attitude towards our obligations is one of a great sense of responsibility, and we wish to ensure that health insurance resources are used in an aware and expedient manner and that the package of benefits and funding principles are based on the needs of our insured persons.

To ensure the reliability of the health insurance system, health care services need to be available to people, high-quality and timely. In improving the availability of health care services, in the coming years we will be paying significant attention to developing family physician care and achieving the optimum use of specialised care services. In this respect, it is important to consistently develop e-services and continue to support the free movement of patients and comprehensive patient management.

In supplementing the package of benefits in kind and in offering cash benefits, our priority is to ensure that all the services, drugs and equipment reimbursed by the Health Insurance Fund on the Health Insurance Fund's list health care services, discounted drugs and medical equipment are medically proven to be effective and cost-effective. In making funding decisions, we are paying attention to the clarity of the principles and to the transparency of the process. Receiving necessary health care services or other benefits plays an important role in people's awareness about the system and its options. Accordingly, we are paying significant attention to consistently raising awareness among insured persons and to involving the parties concerned in decision-making processes. Importance is given to exemplary and professional customer service, which gives all our partners and customers certainty in contacting the Health Insurance Fund.

1) Aware and involved insured person: skilful promoter of one's health

The Health Insurance Fund sees to it that its insured persons make expedient use of the options under the health system in the interest of their health. We advise and notify our insured persons, so that they are up to date on the health insurance benefits provided by the Health Insurance Fund and know how the health system functions. We assume that the higher people's awareness, the higher their sense of security in the Estonian health insurance system and the better they are able to make the right decisions in relation to their health. By providing information, we can protect insured persons against financial risks due to their health status and contribute to an improvement in the health of the population and to an increase in their life expectancy.

Our activities are planned based on the National Health Plan 2009 – 2020, the strategic objectives of the Health Insurance Fund, feedback from insured persons and research. Our activities are mainly focussed both on growth in awareness and involvement and on change in attitudes and behaviour. Health promotion funded by the Health Insurance Fund, development of the services package and communication campaigns and activities directed at insured persons are closely inter-linked.

Health promotion is a process that enables people to increase their control over their health and thereby strengthen their health. It is important to involve various sectors, representatives of and decision-makers in areas, and definitely also members of the target and stakeholder groups. As a partner in health promotion, the Health Insurance Fund mainly supports those activities that increase **awareness among residents** about the functioning of the health care system, and we are working to ensure supported awareness and evidence-based choices in the consumption of health care services to **enable people to take responsibility for their health** and influence it in a favourable direction. Based on the National Health Plan, one of the health promotion and communication objectives for the Health Insurance Fund relates to ensuring healthy and secure development for children. Hence, we will be contributing significantly to promoting the health of children and young people in the area of health promotion in the coming few years; among other things, an important area is also everything related to the prevention of dental problems and to options for children's dental care.

Preventive activities help to detect disease as early as possible on the one hand, thereby preserving a better quality of life for patients, and to reduce the occurrence of costly treatment cases. Prevention of disease includes both guiding the patient's health behaviour through raising their awareness and several health care services in the health insurance package of the Health Insurance Fund.

Raising patient awareness about their health issues is an area where smart contributions will reduce treatment costs going forward. We are ensuring the consistent systematic notification of residents about their rights and options under the health care system as well as about opportunities for promoting their health.

- active involvement of the patient encourages timely contact and increases options for preventing disease and promoting health. We support better coping by chronically ill people, the aged and ill people with multiple problems – we are developing patient guidelines that provide evidence-based advice on how to cope best with a medical condition and constitute an important part in the support of the treatment process for an insured person. To

harmonise their preparation, a uniform methodology is being developed similarly to the clinical guidelines process, so that they become linked, with professional societies, patient associations and other partners alike being involved;

- we are continuously providing information about the primary role and its expanding options, cooperating closely with family physicians in doing so. For the more effective use of health insurance funds, it is important for the insured person to understand that the family physician is their first helper in health issues who will help them to ascertain whether a health problem is actually serious enough to necessitate contacting a specialist physician. This makes it possible to avoid needlessly long waiting times for specialist physician and office hours but also for patients to contact the emergency departments of hospitals with simpler or long-standing chronic health problems;

- communication in cooperation with our partners about the early detection of breast and cervical cancers remains a priority. From 2015, we are informing the population about screening for colon cancer and the options and need for its early detection;

- we notify health-insured persons about options for receiving health care services in the European Union;

- in promoting the health of children and the young in the next few years, we will be laying a significant emphasis on oral health through both a communication campaign and consistent notification, and in close cooperation with the Estonian Dental Association.

In promoting health, preventing disease and communication, we cooperate with our partners, various target groups and stakeholders and use various public information channels.

The most important information channel reflecting the health insurance options and the activities of the Health Insurance Fund is the website of the Health Insurance Fund. In late 2014, we launched a new modern website and have planned to make the website even more interactive in the following years. Updated technical solution and design enable all the interested parties to find the information they need. With the help of an adapted menu, the new website may be used conveniently also on smart devices.

On our website, we publish reports and statements by our spokespersons that provide information about the Health Insurance Fund's activities as well as replies to queries submitted by the media. We are paying more attention than previously to publishing information about the principles of health insurance and the extent of the insurance package on the website of the Health Insurance Fund in English and Russian. We are contributing in every respect to working with journalists and we are following the principles of proactive communication with the media, organising regular meetings with the press. We are increasing the substantive content of our print publications and the range of those receiving them.

To raise awareness and provide information about more key topics, we plan extensive information campaigns. One of the priorities for the Health Insurance Fund is the comprehensive management of the patient's health issues and increasing the role of the primary level, and, as a result, one of the key campaigns over the next few years will concern family physician care. In addition, we intend to continue awareness-raising about sensible drug use that has had a positive effect on the use of drugs and related cost-sharing by insured persons. We continue

to inform residents about risks related to developing tumours and the benefits of undergoing screening. The campaign launched in 2015 for oral health and the prevention of dental problems focuses on the dental care of children, the option of free dental care for children and the young, and the importance of regular preventive checks.

Printed publications distributed at family practices and other health institutions are popular and sought-after among the population. We continue to prepare, systematically commission and distribute these and other information materials through both our partners and other channels.

We plan notification based on feedback from all the parties concerned: questions and suggestions from insured persons and feedback and satisfaction surveys conducted in target groups. We regularly analyse customer communications received via the Health Insurance Fund's helpline and e-mail address. We conduct satisfaction surveys of residents and our partners.

After a communication campaign, we commission visibility and feedback research to provide input for new, improved campaigns. We pro-actively notify the parties concerned about the organisation of health care and any prospective changes therein, the activities of the Health Insurance Fund and other relevant topics. We provide advance notification of major changes through planned communication in national information channels and also forward topical information to local newspapers, allowing for county-specific circumstances and availability to residents. We are cooperating with and notifying patient associations and professional societies. We prepare and distribute printed publications considering the specific circumstances of the target groups.

To achieve this objective, the health information system has to become a comprehensive data collection that enables any resident to review their health data. The plan is to start accumulating in the Health Information System the most important medical information describing the health of a patient. A complete data collection of health indicators for the insured person helps to improve the quality of services and, by analysing data, also to use health care resources more expediently as well as to involve the patient in the treatment process more than previously.

2) First-rate customer service helps the insured person

The Estonian Health Insurance Fund provides all people with speedy, high-quality and professional customer service in communication channels suitable for its customers: face-to-face communication at branches, calling the helpline, writing to the inquiries e-mail address or using the e-services provided in the self-service channels through the website of the Health Insurance Fund or the state portal.

To provide first-rate customer service in 2016, the customer-centred customer service strategy has been updated in order to ensure the satisfaction of insured persons across both all customer service and communication channels and all health insurance benefits.

- we are developing processes related health insurance and benefits from the point of view of the individual across all points of contact and are identifying the necessary areas for improvement;
- we are developing a comprehensive customer management system;

- through customer communication, we raise insured persons' awareness about the availability and quality of treatment;
- we provide the employees of the Health Insurance Fund with training opportunities in case of face-to-face customer service, telephone customer service and all customer contacts by correspondence in order to ensure professional customer service.

We are making the use of health insurance packages and several services more convenient and effective than to date for insured persons and our partners.

- we supplement the procedure for processing benefits, to make the processing of benefits for health care services provided in the European Union and other foreign countries as simple and smooth as possible and conduct a communication campaign to build awareness about treatment options in a foreign country (European Health Insurance Card, scheduled treatment, reimbursement benefits);
- we are improving user convenience in the electronic processing of incapacity for work benefits for the health care service providers, employers and Health Insurance Fund employees alike;
- we notify insured persons about their options with respect to benefits used by them (drugs, medical equipment, dental care services).

For insured persons, our partners and employers, we are creating additional options for faster and more convenient communication with us and for an approach centred around the insured person. We consider it important that in case of all cash benefits applying for them should be as convenient and flexible for the insured person as possible.

- we are analysing options for providing the insured person with preventive personal information via RIA in the form of an e-mail or SMS (for example, concerning the validity of an EU Health Insurance Card);
- to prevent any faults in the use of health insurance benefits, we provide insured persons with prompt information about options for the use of the EU Health Insurance Card;
- we are conducting analyses to ascertain the options for making additional services electronic for citizens. Services would include, in addition to making services electronic, also prospective pilot projects developed on the basis of need and usable through our website.

We are enhancing the system for feedback from the insured person:

- we are developing a comprehensive customer management system and half-yearly conduct an analysis, which is published, of communications and feedback received by the Health Insurance Fund. Based on feedback, we develop further improvement activities;
- we regularly participate in the Estonian Service Index (ETI) survey to be able to compare the level of customer service at the Health Insurance Fund to other organisations and companies in Estonia are committed to continue to rank among organisations providing the best customer service.

3) The extent of health insurance: services package and cash benefits are evidence-based and effective

Solidary health insurance by the Estonian Health Insurance Fund provides insured persons with modern and diverse benefits, creating a sense of security for people in the event of a possible risk of disease. We are paying attention to both assessing health risks and to diagnosing and treating disease.

In supplementing the health insurance package to meet insured persons' needs, the Health Insurance Fund makes informed decisions based on, among other things, proposals by professional societies and the best international high-quality evidence and cost-effectiveness. To this end, we utilise the assessment of health technologies with the aim of considering the potential advantages, risks, alternatives and cost-effectiveness of various interventions used in health care. Assessment principles are the same and apply to decisions made on reimbursement for health care services, drugs and medical equipment alike.

A key priority for the Health Insurance Fund is to support a comprehensive and consistent approach to the insured person's health and the treatment process, that is, to support comprehensive patient management. As a rule, the first contact of the insured person with the health care system begins with the family physician or nurse who is able to address most health issues and can refer the patient to other specialists.

- we are strengthening the key role of the family physician and nurse in the health counselling of insured person (among other things, also by participating in the creation of a system of various counselling interventions with the support of structural instruments) and in the coordination of treatment, and we are supporting the development of primary health care by expanding the package of primary services;

- to monitor the entire treatment process, we attach importance to the availability of the health information of the insured person through the health information system (TIS) to all the parties linked to the system and entitled to do so; we are making our contribution by both implementing e-referrals and making the availability of the existing electronic information more convenient on the computers on physicians' desks;

- we are developing and analysing funding mechanisms that support the comprehensiveness and effectiveness of treatment. We are putting forward proposals to introduce changes based on the analysis prepared by the World Bank;

- we have included in our work schedule in 2015 the preparation of the methodology for the compilation of patient management guidelines. We consider it important for management guidelines to be added to clinical guidelines and these would form a comprehensive system including patient guidelines. Management guidelines contribute significantly to responsibility between various levels of medical care becoming clearer and to the integration of patient treatment.

A comprehensive health insurance package has to include diagnostic methods, health care services, drugs, medical equipment and cash benefits alike in a considered manner. Only with a comprehensive approach can insured persons be provided with better health outcomes, and we are taking this into account when making financial forecasts. **We consider it important to**

promote the trend towards providing care on an out-patient or daytime basis. If possible, in the interests of the patient's convenience and for the purposes of preventing infection risks and saving costs alike, this option should be preferred to hospital treatment. We support the least invasive treatment possible of a patient with modern methods both at the primary level and in specialised care. If possible, we support preference for home treatment with the assistance of independent nursing staff.

The Health Insurance Fund supports the prevention of disease also on a project basis, in addition to developing the package of services in kind. The objective is to fully develop preventive activities and services with the support of targeted project work and to further integrate the package of preventive services into a natural component in the health care system.

The Health Insurance Fund participates in strategic management, methodological development, research and involvement at the primary level for the existing national screening programmes.

- in case of screening for the early detection of breast cancer, it is necessary to analyse health technologies and related materials and plan any resulting developments;
- with respect to screening for the early detection of cervical cancer, the activities over the next few years will concern methodological development.

Colon cancer screening will be launched from 2016, followed by an analysis of the implementation and the planning of any corrective measures.

- to simplify registration for screening, we consider it important to create this option in the existing e-reception facilities of the health care institution;
- we continue to notify family physicians about invitees, so that they may counsel and encourage women to participate in screening;
- and we plan to start activities related to this screening from 2016;
- to improve quality of data on cancer screening and use them for enhancing and assessing the effectiveness of cancer prevention, we actively contribute our knowledge to the development of the cancer screening register and engage in cooperation for a seamless transition to a register-based set-up.

We consider it important to analyse and further implement evidence-based interventions that support the early detection of cancers.

The main objective for the Health Insurance Fund is to ensure the availability of evidence-based and cost-effective health care services, drugs and medical equipment for insured persons. We consider it important for our insured persons to be provided with the best modern treatment at optimum cost. Treatment methods and arrangements used in health care evolve and prices of equipment, instruments drugs and the like and, as a result, resources linked to the provision of health care services are changing as well. For the optimum use of health insurance funds, consideration should be always given to the benefit from new treatment options and to the cost of providing them.

The task of the Health Insurance Fund is to ensure for insured persons the proven maximum availability of **effective and cost-effective drugs**. Rationality is the keyword that we keep in mind when making our decisions and that supports the expansion of options for drugs subject to reimbursement as it helps to save patients' money, raise the consistency of treatment and, thereby, control chronic disease, and raise the quality of life for our insured persons.

The Health Insurance Fund reimburses the insured persons for medical equipment for independent home use that help to control, monitor or alleviate disease. This area shares many similarities with drugs, accordingly we are developing it following the example of the principles and regulations for the compilation of the list of out-patient drugs.

In family physician care, we support and incentivise consolidation into family practices at the primary level with reviewing and differentiation and the expansion of the services package. The input for fine-tuning the directions for the development of the services package of family physician care over the middle and longer terms is the analysis commissioned by the Health Insurance Fund for shaping the framework for commissioned family physician care. We consider it important to review the system of children's health checks and update the code of practice.

Specialised care

- annually, we use proposals from professional societies as input for adding new innovative services to the list of health care services (TTL), involving medical experts in the assessment and considering international information on the grounding of medical interventions in evidence, recommendations in clinical audits and clinical guidelines, and the health insurance options;
- we are considering options for updating the package of services in specialisations not reviewed to date in cooperation with the professional societies over the next five years, after which point we plan to always analyse and, if necessary, update services every five years.

Nursing care

In nursing care, we consider it important for quality nursing care services to be available to our insured persons regardless of their places of residence. If possible, given the health condition of the patient, there should be support for receiving treatment at the person's home and, accordingly, the coming years will see the prioritisation of an improvement in the availability of home nursing services specifically in those areas of Estonia where the current coverage with services has been relatively low. To this end, we are analysing transport costs related to the provision of services and cooperate with the social system at the local level to better meet both the medical and social needs of people.

Dental care

- we develop and propose the supplementation of the adult dental care benefits package;
- in cooperation with the professional societies, we are updating the package of dental care, orthodontics and oral and maxillo-facial surgery;

- we support children undergoing examinations to prevent dental problems by continuing to provide information and enhancing the activity of family and school nurses in guiding children.

Medicines

- we regularly assess the drugs already on the list of drugs and on the list of health care services in order to ensure the relevance of the terms set for their prescription and to identify funds for reimbursing new drugs through an adjustment of prices. During 2015, we are analysing the appropriateness of professional constraints on physicians and, if necessary, are putting forward proposals to change the constraints with the aim of empowering the primary level more;

- we continue to promote the efficient use of drugs in cooperation with the Ministry of Social Affairs, the Agency of Medicines and the Health Board, since the awareness of physicians and pharmacies requires attention in addition to raising awareness among patients. To enable our partners to enhance their supervision, we advise them on how to better use the data of the prescription centre;

- in cooperation with the parties concerned (Ministry of Social Affairs, health care service providers, the Association of Pharmaceutical Manufacturers in Estonia and the Estonian e-Health Foundation), we are considering the application of cost- and risk-sharing principles more broadly than to date, with the aim of improving the cost-effectiveness and availability of new drugs. If necessary, we put forward proposals on supplementing legislation and create an information technology solution supporting implementation to provide the parties concerned with a clear and transparent overview for monitoring the agreed schemes;

- to improve the quality of pharmacotherapy, we will be developing the digital prescription system further. We are creating an option for automatically assessing and avoiding potentially conflicting drug combinations in case of the combined use of multiple drugs. We are analysing options and, in the event of appropriateness and feasibility, will create a solution to provide the physician and pharmacy with a clearer overview of the drugs used by the patient.

In the treatment of rare diseases, we consider it important to preserve rigour with respect to the proven efficacy of essential drugs and services. Although the treatment of rare diseases is significantly costlier than that of so-called regular diseases, we seek a reasonable balance between costs and health benefits.

The Health Insurance Fund ensures the payment of temporary incapacity for work benefits to insured persons. By participating in the incapacity for work reform project led by the Ministry of Social Affairs, the Health Insurance Fund is analysing options for developing a system of temporary incapacity for work insurance.

- we support enabling work part-time or in a less strenuous position (more suitable for the health status) during temporary incapacity for work in order to assist the insured person in avoiding unemployment and permanent incapacity for work;

- to support activities needed for the assessment of capacity for work, we cooperate with the Unemployment Insurance Fund. We are providing developments with changes in legislation related to the implementation of the incapacity for work reform in processing incapacity for work benefits and are introducing inter-organisational data exchange;

- we are making preparations and ensuring the readiness of the Health Insurance Fund for the launch of the second stage of the Work ability reform.

4) Availability of health care services ensures satisfaction

For people, it is important to have the certainty that, when a health problem arises, they will receive expert assistance and necessary services in a timely manner regardless of their financial situation or geographic location.

Insured persons provide a high assessment of the health care system if primary assistance is near their homes and access to a family physician or nurse involves the shortest possible waiting time, with the latter then referring the patient if needed or request advice from a specialist physician if applicable. Therefore, we consider it important to support the development of a strong system centred around the primary level for initial necessary consultation and medical care to be available to all insured persons speedily, without any financial barriers and near their places of residence. Furthermore, a well-functioning primary level creates the conditions for better cooperation between health care and the social system.

In treatment funding contracts that have come into effect since 2014, we have tasked health care service providers with ensuring the provision of services within the stipulated time limits and offering insured persons the option of registering in waiting lists over a term of at least 4 months (3 months in specialisations without referral).

As a rule, the first contact of the insured person with the health care system begins with the family physician or nurse who is able to address most health issues and can refer the patient for the services of the necessary specialist if needed. The Health Insurance Fund considers it important to strengthen and expand family physicians' role as coordinators and health consultants:

- the key role of the family physician is ensured in particular by the services package and the funding model that support the universal availability of services, knowing the persons on one's practice list, monitoring their health status and addressing any health concerns that may arise. An important role is played by preventive activities and the prevention of aggravation or complications in case of patients with chronic disease and by referral to specialist physicians, if necessary;

- the list-based link between the family physician and the patient is a key element in successful primary health care, which ensures transparency in terms of the family physician's responsibility for the comprehensive management of their patients.

We consider it important for the organisation of family practices (that is, health centres at the primary level) to support the consolidation of the provision of services at the primary level in the relevant service area into a single organisational model. This will increase the financial and human resources capability of an interoperable unit and set up the conditions for

the creation of a strong control function (both administrative and clinical) of a health centre. This makes it possible to organise the work of the agency more flexibly (including replacements, quality assurance and supervision) and to involve support staff.

- as part of the creation of health centres, we support the further development of the current funding model in a manner that allows for the expansion of the list of primary health centres' areas of activity (with teams) and the securing of relevant resources. Among other things, we consider it important to take into account options for expanding the services of the investigation, action and therapy funds. An important direction for development going forward is the expansion of the provision of reception outside the working hours of family physicians and nurses;

- we consider it important for family physicians and nurses to support people and coordinate the arrangements for their care, so that disease is diagnosed and treatment is begun as quickly as possible. To further this, we are expanding the funding of family physicians' options for consulting specialist physicians via TIS and supporting in every way its broader utilisation if possible;

- an increased role of family nurses enables patients to receive more advice and support in both changing lifestyles needed for disease prevention and coping with chronic disease. To this end, we are expanding options for funding a second family nurse and are involving nurses' representatives in the preparation of clinical and patient guidelines;

- we are analysing options for using innovative e-services to increase the availability of the family physician system;

- we consider it important to develop the service of the round-the-clock family physicians' advisory helpline 1220, including the broader adoption of the consultation algorithms of the advisory helpline by all family physicians and nurses and the continued notification of insured persons about this option, and we are working with the advisory helpline and the Estonian Family Physicians' Association to create the option of individually customised consultation for the advisory helpline 1220.

For meaningful treatment decisions, it is important for patient management between the various levels of health care to be comprehensive and coordinated and to utilise, as much as possible, the options of the health information system to achieve this. High-quality and available family physician or nurse services are the prerequisite for the optimum utilisation of specialised care. In case of comprehensive cases, preparation of the treatment need and a treatment plan according to a single standard helps to ensure coordinated and comprehensive patient management.

Waiting time is a serious problem for insured persons and may affect treatment outcomes. Although there are waiting lists for specialist physicians in every health care system, waiting is understandably inconvenient, and accordingly the Health Insurance Fund considers it its duty to ensure that the insured person is notified about the reasons for the waiting times and about possible alternative options. To protect the rights of insured persons, we have strengthened in the treatment funding contract the rules on maintaining waiting lists and are regularly monitoring the availability of services from our contractual partners.

As a rule, the reasons for waiting lists are multi-faceted and cannot be resolved by simply increasing funding. Ensuring the timely availability of treatment requires the simultaneous implementation of several measures, such as the development of comprehensive patient management, changes in the work organisation of hospitals, and the priority development of out-patient and daytime care.

We consider it important to identify solutions to shorten waiting times both at health institutions overall and in individual specialisations.

- in cooperation with health institutions and the Estonian e-Health Foundation, we are developing a central Estonia-wide digital reception to provide a transparent overview of available reception times at various health institutions in Estonia;
- on the website of the Health Insurance Fund, we regularly publish summaries of the waiting list reports submitted by our contractual partners in order to provide insured persons with information about the lengths of waiting times;
- we are proposing to the Ministry of Social Affairs to expand the referral requirement in specialised care in order to support the differentiation of patients' waiting times depending on their needs for diagnostics or treatment.
- waiting time information is considered when contractual amounts are planned based on estimated demand, the principles of geographic availability and the service provider's options for the development of its organisation of work;
- we regularly review out-patient specialist physicians' visit fees and, if necessary, proposes adjustments to them;
- we are developing waiting list reporting and making it more convenient for our partners to submit reports.

A role in shortening waiting times for scheduled treatment and in ensuring availability a role is definitely played by the free movement of patients in both Estonia, among our contractual partners, and the European Union.

We consider it important to support people in obtaining necessary information and strengthening the strategic purchasing of services in the interests of our insured persons. To this end, we are analysing in cooperation with the Ministry of Social Affairs and the parties concerned to the health care system various options for the implementation of cash benefits for health care services in a manner that further increases the freedom of choice of the insured person and definitely secures the principles of health insurance whilst preserving solidarity. In March 2016, we will present the Supervisory Board with a summary of the options for the implementation of cash benefits.

The Health Insurance Fund does everything it can to ensure that, in accordance with the principle of solidarity, financial obstacles do not become decisive in the utilisation of necessary health care services by insured persons.

Cost-sharing should help to avoid unreasonable consumption and give health care services value and helps to control costs. That said, it should not be a barrier to receiving necessary care. We consider it necessary to analyse whether the existing central cost-sharing for drugs and dental care should be distributed more proportionately among various services, medical equipment and drugs. We have started work to identify the best solutions for implementing it and, if possible, will utilise the results of the analysis to be completed by the National Institute for Health Development (TAI).

- we consider it important primary care to continue to be free of charge for insured persons to provide everyone with access to the health care system without any financial barriers;
- the availability of specialised care and nursing care should be ensured without placing people at risk for poverty. That said, it is important for the existence of the visit fee to provide an incentive to consider whether a health issue should be addressed by the family physician at the primary level and their team;
- cost-sharing for drugs should not be an obstacle to the use of a necessary drug. We consider it important to continue activities in the area directed at reducing avoidable cost-sharing. To this end, conditions should be created for patients to be able to use attractively priced drugs – writing of prescriptions based on the active substance, availability of options in pharmacies and patients' awareness are areas that the Health Insurance Fund with its partners can and intends to influence also going forward.

Treatment in the Member States of the European Union is an important option for the insured persons of the Estonian Health Insurance Fund to receive quality health care services outside Estonia, with the patients' rights directive significantly expanding options for reimbursement for treatment provided in in the Member States of the European Union. We have already created options for taking over the obligation of paying a fee for treatment based on applications in case of scheduled treatment for those services that are indicated but that cannot be provided in Estonia and, if there is preliminary permission, options for applying for the take-over of the obligation of paying a fee for scheduled treatment in case of scheduled treatment for those services that cannot be provided in Estonia within a medically justified time limit, considering the person's health status and the prospective course of disease.

Insured persons now have access to the option of being financially reimbursed for these services provided in another Member State of the European Union under legislation and a price list established in Estonia. We address these cases based on the health status of the patients concerned. Options for receiving treatment outside Estonia, along with information on the reimbursement of treatment costs, are updated on the website of the Health Insurance Fund continuously. We are informing Estonian health care service providers about the options for the availability of treatment abroad on an ongoing basis. To create faster solutions for the reimbursement of services for insured persons, we are participating in the transition to electronic data exchange for social insurance information in the Member States.

b) Health Insurance Fund's partners: strategic purchasing and contracts

The Health Insurance Fund concludes treatment funding contracts (RRL) subject to updated general terms and conditions for a term of five years with all the family physicians working with practice lists and the hospitals in the Hospital Network Development Plan (HVA). Other contractual partners are selected by the Health Insurance Fund based on the principles laid down in legislation and by applying similar general terms to all its partners when concluding partners. Selection partners' roles is biggest in dental care and nursing care (including home nursing). We consider it important for our contractual partners to be selected on unambiguous terms and for this selection to ensure the availability of quality services for our insured persons.

The amount of other funds intended for health insurance is determined annually by the health insurance component in the social tax received by the Health Insurance Fund. Application of the principles of geographic availability in addition to out-patient specialised care also in other types of treatment and analysis of demand by insured persons in counties contribute to the more uniform and optimum utilisation of health insurance funds.

Analysis and disclosure of data on health care services provided to insured persons increases the transparency of the health care system. Furthermore, feedback provided to our partners enables them to engage in self-analysis and thereby adjust their work organisation and care activities if necessary. As a result, we consider it important to increase the availability of information related to care activities and quality to both the public and our partners whilst ensuring the comparability of data and non-detection of individual treatment cases.

The main issue in the national solidary health insurance provided by the Health Insurance Fund is strengthening the concept of strategic purchasing. Strategic purchasing has to support more patient-centred and comprehensive care arrangements based on the assessment of treatment quality, patients' freedom of choice and effective use of resources as well as support the necessary investments in Estonia's health care system based on independent service providers. In this, greater importance attaches to knowing the international best practice and analysing options for its implementation in Estonia.

1) EHIF's partners provide insured persons with necessary assistance

Through the terms provided for in the treatment funding contract and the amounts of funds agreed, the Health Insurance Fund provides insured persons with the availability of necessary quality health care services in general, specialist and dental care as well as in in-patient nursing care and home nursing. In 2014, a new contract period began for the HVA's hospitals and selection partners in specialised, independent in-patient nursing care and home nursing. In 2015, a new contract period began in general medical care and for dental care selection partners.

To ensure the timely availability of health care services, a well-functioning primary system is critical, and we consider it very important to support its development through the performance of contractual obligations, funding incentives and substantive feedback.

- we are cooperating with the Ministry of Social Affairs, Health Board and other the parties concerned to develop a comprehensive system of primary health centres and, if necessary, review the funding principles;
- we support greater control of family physicians in diagnosing and treating disease by financing for family physicians consultations of specialist physicians on the terms agreed through the health information system (TIS);
- we attach importance to the increasing role of nursing activities and to the review of the division of labour between physicians and nurses in comprehensive patient management;
- at the primary level, we attach importance to a combined funding model, since different payment methods (including capitation fees, payment of basic costs, research and action funds) offset potential risks that an individual payment methodology may create;
- for patients to be examined better already at the primary level, the list of the services of the investigation, therapy and action funds should be expanded, and one prerequisite for which is coming to an agreement on the concept for health centres and allocating the relevant resources.

The plan is to increase that component in the quality system which assesses specifically the quality of treatment, that is, the outcome of work at the primary level (performance indicators). Our objective is to achieve the best possible health outcome with the quality system for the insured person as an individual and, in aggregate, for society overall. The quality system should create the incentive for ensuring the monitoring of chronically ill people specifically at the primary level, so that savings in specialised care are generated by it. Standards have to be set by clinical and operational guidelines prepared with our assistance, the implementation of which can be definitely enhanced by including relevant indicators in the quality system. In the longer term, the quality reward should be linked to the more effective utilisation of the health care services budget.

To ensure the uniform availability of quality health care services for all insured persons, the Health Insurance Fund concludes contracts with hospitals and other health institutions based on defined principles. The Hospital Network Development Plan (HVA) defines in Estonia 19 strategically important hospitals that make up a network covering the entire country. The objective for the HVA is to ensure in particular the uniform availability of urgent and also scheduled medical care. To this end, the Health Insurance Fund is required to conclude framework agreements for funding health services with the hospitals under the Hospital Network Development Plan for 5 years. The framework agreement will be in effect through the end of 2018, whereupon a new framework agreement will need to be concluded. In addition to the hospitals in the Hospital Network Development Plan, the Health Insurance Fund may conclude set-term treatment funding contracts also with other service providers in order to ensure the better availability of health care services to residents, which also strengthens the effectiveness of the health care system and provides the insured person with increased options. To identify additional service providers, competitions for selection are organised and contracts are concluded for 4 years under uniform principles. The same service quality and availability requirements apply to both hospitals and other health care service providers of all our contractual partners covered by the Hospital Network Development Plan.

In cooperation with the Ministry of Social Affairs, **principles will have to be prepared in 2016 for the development of the structure of the Estonian health care services market and the selection of contractual partners for the Health Insurance Fund in the longer term,** and given the expiry of the HVA regulation in 2018, in 2016 the Health Insurance Fund will prepare and submit to the Supervisory Board for its discussion reviewed principles for the process of the selection of contractual partners not in the HVA, including for the equalisation of the duration of contracts, and an updated version of the general terms of the contract for the funding of specialised care and nursing care.

In 2014, the principles of funding children's dental care, nursing care and specialised care were updated and modernised in treatment funding contracts. In 2015, the Health Insurance Fund will continue to develop the principles for nursing care and specialised care:

- analysing and, if necessary, supplementing the principles for funding emergency departments and emergency care;
- analysing and, if necessary, supplementing the principles for DRG-based financing;
- analysing and, if necessary, supplementing the principles of flexibility for the financial monitoring of a contract;
- analysing and, if necessary, supplementing the principles for financing in-patient nursing care based on the patient's needs, with the priority in home nursing being the development of strategic purchasing and the expansion of the provision of home nursing services to the primary level;
- analysing in-depth the various components in the costs of a treatment case across specialisations and treatment types with the aim of harmonising the average cost of a treatment case;
- analysing options for shifting from purchasing on a treatment case basis to purchasing availability and care quality in the longer term;
- by piloting the implementation of cash benefits as an additional option.

Need, resulting from a person's health status, for using health care services with respect to which the Health Insurance Fund takes over the obligation of paying a fee according to the procedure and extent stipulated by law. To ensure the equal availability of services, in planning treatment funding contracts we annually assess demand among insured persons for specialised care services in Estonia's counties. The principles of geographic availability determine in which specialisations services are purchased by us in various locations in Estonia. Over the next few years, the priorities will include:

- development of the analysis methodology concerning demand for health care services in counties as an input for budget planning;
- development of the analysis methodology concerning demand for health care services in counties for general medical care and prevention;

- regular review and development of the principles of geographic availability;
- consideration of the principles of geographic availability and of waiting times information in planning contracts for specialisations and types of treatment and in shaping the purchasing strategy.

2) Development of pricing and payment methods for services

The payment methods and pricing used by the Estonian Health Insurance Fund as the biggest purchaser of health care services should incentivise health care service providers to increase the cost-effectiveness and consistency of the quality of the diagnostic and treatment processes. Various payment methods provide health care service providers with various incentives, and accordingly it makes sense to combine them. We consider it important to continue developing various payment methods allowing for the developments in the health care system and supporting increasing patient-centred care arrangements and using treatment methods that are more economical for the patient.

For in-patient specialised care and day surgery, we utilise case-based payment. For the more effective utilisation of health insurance funds, we consider it important to purposefully support the further development of daytime care that is more economical for the patient. Furthermore, more thorough analysis makes it possible to forecast and plan more accurately and to purchase necessary service more strategically than to date.

As a basis for pricing services, we use the pricing methodology introduced by regulation of the Minister of the Social Affairs establishing the rules on what funds and costs are considered in the standard price and on how reference prices are calculated. The methodology is based on activity-based costing whereby the calculation of the price of every service requires first a description of the activities needed for providing it and then the linking of the activities with the people and resources required by them.

The objective for the methodology is the optimum cost of health care services for the establishment of the prices of health care services. Optimum price, in turn, provides an incentive for providing patients with the right quality services, keeping in mind the reasonable utilisation of health insurance funds. In order to assess the appropriateness of the methodology and the relevance of the objectives, an external expert analysis was commissioned in 2014. The analysis also put forward several suggestions for the development of the existing system.

- as the main purchaser of health care services in Estonia, we are developing the methodology and technical solutions for the calculation of specialised care reference prices for health care services, considering the results of analysis of the services pricing methodology and keeping in mind, among other things, the clarity and simplicity of collecting inputs and the effective use of underlying data for the identification of an optimum price. To this end, we have commissioned a follow-up analysis in 2015 in order to ascertain what comparison methodology to use for selecting the input for calculating prices and whether the input for calculating prices could be changed in a simpler way by utilising components that change automatically. We have started longer-term activities to develop comparison method options for setting optimum cost levels to ensure also the comparative analysis of segments

subject to the action of strong market mechanisms and to consider them, as a result, in pricing and the procurement in a duly argued manner;

- in cooperation with the professional society and service providers, we are updating the prices of out-patient nursing care on the basis of the requirements in specified in legislation and service providers' organisation of work. Furthermore, we consider it a priority to develop a consistent instrument for the assessment of the need for nursing care in cooperation with a professional society and to then differentiate the price of a day in bed under in-patient nursing care based on the need;

- describing services requires specialist knowledge. In addition to close cooperation with representatives of specialisations, we continue to consider it important to involve members of the Estonian Hospitals Association and other service providers in pricing. At least one regional hospital, one central hospital and one general hospital should be represented, and, if possible, one selection partner should be involved;

- when it comes to updating prices for health care services, the key issue is strengthening cooperation among the parties concerned, physicians' knowledge of resources used on the one hand and the Health Insurance Fund's employees' knowledge of methodology and price calculation principles on the other;

- assessment of health technologies provides support for an objective decision to ensure the best treatment options for the insured person. The objective for cooperation and analysis is to provide all the insured persons with modern health care services;

- we support the development of the Estonian centre of excellence for the assessment of health technologies to be able to draw on the independent comparative assessment of the effectiveness and cost-effectiveness of the provision of services when making funding decisions.

As the biggest purchaser of health care services, we consider it important for prices of health care services to be consistent with the optimum cost structure needed for the provision of services to ensure balance among specialisations and incentive mechanisms to support the provision of quality modern health care services for patients. The Health Insurance Fund continues its annual review of service descriptions in cooperation with professional associations and hospitals. Since the development of medicine is rapid, we consider it very important for applications submitted annually for new health care services to be reviewed by professional societies, in addition to the specialisation-based review of the list of health care services, in order to update the range of services reimbursed by the Health Insurance Fund whilst ensuring the optimum use of the health insurance funds.

- we are increasing the transparency, involvement and flexibility of the mechanism ensuring the rule-based and evidence-based modernisation ensuring cost-effectiveness by analysing and updating the existing methodology and its implementation and by publishing on the website of the Health Insurance Fund proposals submitted for changes to health care services and materials related to processing them;

- in cooperation with professional societies, we prepare and update the coding guidelines to support the use of the list of health care services and notify our partners about the changes to be implemented;

- we are analysing broader options for the utilisation of the DRG system to strengthen strategic purchasing and assessing the possibility of implementing episode-based funding; we have commissioned an audit of the methodology of DRG in order to improve our price calculation methodology;

- we are analysing and considering options for increasing the link of the funding principles to the effectiveness and quality of treatment, thereby supporting the comprehensiveness of the treatment process in all types of treatment. In this respect, we consider the establishment of quality indicators and regular measurement a prerequisite.

We are developing pricing and funding principles at the primary level to support care quality in order to support the role of the family physician system and increasing responsibility in the health care system overall and the development of the coordination of cost-effectiveness and treatment. In cooperation with family physicians, we continue to develop the quality premium system to ensure the best health outcomes for insured persons. With the addition of new quality indicators, we are increasing the share of the quality premium in funding.

3) Regular check-ups and feedback

To protect the rights of insured persons, we have strengthened in the treatment funding contract the rules on maintaining waiting lists and are regularly monitoring the availability of services from our contractual partners. A comprehensive update of the supervision of compliance with contractual terms is in progress and will result in information technology developments and updates to the organisation of work.

In terms of the quality of health care services, change in the attitudes of stakeholders and active discussion at both international and Estonian levels have been observable recently. Under the WHO's definition2 of health care services quality, it appears that monitoring, assessing and improving health care services quality presupposes broad cooperation among all the parties concerned in the health system. Quality assurance is an important component in t treatment funding contracts, since that which is funded by health insurance should be high-quality in addition to being available. Similarly, it is important to pay attention to the quality of both the resource and the process.

In terms of meeting financial conditions in recent years, the changes made to the treatment funding contracts have transferred the responsibility for meeting the amounts of funds under a contract more clearly to health care service providers, enabling sufficient flexibility in the provision of services. In 2015 and beyond, the priority for the Health Insurance Fund is to:

- standardise the principles for monitoring compliance with contractual terms to ensure the consistent treatment of all the contractual partners of the Health Insurance Fund;

- implement the principles for monitoring compliance with the terms of the treatment funding contract with respect to all contractual partners;

- develop a comprehensive partner management system with the aim of integrating both compliance with contractual terms and communication with partners into a single portal;

- strengthen checks on the performance of contracts during the contract period, distinguishing more clearly the activities in the supervision of contract performance and the activities supporting contractual partners;

- develop targeted regular communication with partners for the achievement of the strategic objectives under the contract in order to provide insured persons with the availability of quality health care services;

We are developing the system for the feedback provided to our partners. In addition to the regular statistics provided on the updated website of the Health Insurance Fund, it is necessary to consolidate various feedback formats and reports (including the HVA feedback report) into a single whole, so that our partners are able to obtain all the information about their activities (including compared to the average indicators) from a single portal.

Quality health care services – health care services that meets the patient's needs and expectations, the requirements accepted in the profession and the legislative and ethical principles in society and provides the patient with well-being and the best possible outcome within the bounds of the existing resources.

Electronic feedback to our partners is important; however, it does not replace face-to-face meetings, which allow important topics to be discussed in-depth.

- we are developing a common partner management system for consolidating, monitoring and making information available to the parties concerned;

- we continue to publish feedback to health care service providers by means of activity indicators;

- we continue to provide family physicians with feedback both on the utilisation of the investigation, therapy and action funds and on the quality system;

- we provide information about the international best practice for the improvement of health care quality, that is, in terms of the use of indicators;

- we consider it important to develop facilities and provide support for external the parties concerned active in the area of health care for the implementation of e-training sessions.

The Health Insurance Fund has a statutory right and obligation to check the purposefulness of the utilisation of health insurance funds, that is, the quality of the services funded by us and whether they are justified.

The Health Insurance Fund monitors the initial quality of provided information underlying the payment of health insurance benefits and the performance of contracts regularly through electronic standard checks and reports. In addition, we are actively cooperating with the Health Board, which is performing its obligations under legislation and supervision of operating licenses issued.

We carry out quality supervision also through clinical audits commissioned from specialists in their areas and conducted based on the guidelines in the clinical audits manual prepared

in cooperation with the Faculty of Medicine of the University of Tartu. Topics for auditing are selected from treatment variations or results of target choices that have come during the year.

- we are monitoring and analysing structural appreciation in the performance of contracts on an ongoing basis in order to ascertain the causes and control its unwarranted growth;
- we are developing the system for monitoring contracts in a manner that contributes to a consistent understanding, on the part of the contracting parties, of the expedient utilisation of resources.

c) Promotion of the health care system: choices and opportunities

To support the sustainable development of the health insurance system, the Health Insurance Fund is contributing to the development of the Estonian health system and it also supports the shaping of the health care policy through its expert knowledge. To this end, the Health Insurance Fund is participating actively in the creation and updating of the framework and standards for care quality in Estonia, in the development of the health care system infrastructure and in the work of the structures created for shaping the health care policy. We consider it very important to create and implement a comprehensive quality system in Estonian health care, in which all the parties concerned in the health care system participate.

A uniform health insurance system should provide patients with the equivalent availability of health insurance benefits irrespective of one's place or residence. Its main elements are agreed standards and ensuring compliance with them by all health care providers.

Modern and seamlessly functioning information technology infrastructure is the prerequisite for a patient-centred and effective health care system and creates significantly broader options for improving the effectiveness and quality of health insurance. Health care system infrastructure enables the organisation of speedy administration and data exchange with all the participants in the health care system, providing entitlement-based access to health data. Furthermore, it creates technical facilities for the use of e-applications in health care and national health insurance.

We attach importance to a health care system that promotes innovation and the utilisation of the best international practices and technologies whilst ensuring that a solidary health insurance package is grounded in evidence. To this end, the Health Insurance Fund actively participates in the activities of the working groups of the agreement of good will in Estonian health care, the preparation of the National Health Plan, the programme of promoting capability in health sciences, and other health and health care policy endeavours.

1) Quality is the most important priority for assessing services

Development of the quality system is one of the top priorities for the Estonian health care system and health insurance, the implementation of which will benefit patients, health care service providers and society overall. We consider it very important to create and implement a comprehensive quality system in Estonian health care, attaching great importance to both standardising the treatment process and the measurement and comprehensive assessment of treatment (process) outcomes. Since 2014, we have been preparing half-yearly summaries of activities and developments in relation to care quality.

The agreed standards of treatment provide health care professionals with evidence-based guidelines concerning the methods for diagnosing and treating disease and help to make selections from among various intervention methods that affect health, care quality and the utilisation of health care resources. It is important to develop clinical guidelines specific to Estonian, since in addition to data from clinical research, the circumstances and the organisation of health care in the country should be considered. If there are no Estonian clinical guidelines, clinical practice should be based on internationally accepted evidence-based standards of treatment. It is important to utilise for quality assessment also clinical audits conducted by recognised specialists in their areas according to consistent methodology.

Given its obligation to purchase quality health care services, the Health Insurance Fund supports the preparation of clinical guidelines based on common methodology. Topics for clinical guidelines are selected by an inclusive panel under the leadership of the Faculty of Medicine of the University of Tartu, with their potential benefit for the health of residents being the primary consideration. Assessment includes both the number of patients affected by the standardisation of treatment and the number of health care professional to start using the new guidelines. In addition to reaching an agreement on Estonian standards, the process sets specific indicators to be monitored going forward regularly for the assessment of the implementation of the standard of treatment (implementation plan). Detailed information is available on the clinical guidelines website at www.ravijuhend.ee, the development of which we continue to engage in.

In a simultaneous activity, it is important to develop management guidelines to describe the movement of the patient between the various levels of health care.

In cooperation between the Health Insurance Fund and the Faculty of Medicine of the University of Tartu, there has been created a panel on board of clinical indicators care quality indicators whose activities aim to develop principles and methodology for selecting indicators to characterise care quality and provide an approval for evidence-based indicators that allow for the local circumstances. The panel on care quality indicators has proposed to professional associations in surgery, obstetrical care, intensive care, neurology (stroke treatment) and oncology to develop quality indicators for the relevant areas to begin to be used as national metrics for assessing care quality. The metrics will be applied at health institutions where the health care services in the relevant specialisation are being provided. Development of indicators win the following specialisations will be consistent.

Based on an analysis by the World Bank, it is planned to introduce shortly indicators to help to assess patient management between various health care levels and ensure that the patient receives necessary treatment from beginning to end. Furthermore, quality indicators are a component in the funding of the family physician system.

More broadly, the system of indicators characterising health insurance makes it possible to assess transparently and systematically changes in the Estonian health care system and care quality over time and to compared Estonia to other developed countries. An active interest in this is being displayed by representatives of specialisations, and the Health Insurance Fund has to provide examples and support implementation. In identifying solutions, we will publish the macro indicators and international comparisons of the health care system on our website in 2018 at the latest.

- we are participating in the development of electronic solutions to enable the regular monitoring of agreed indicators via TIS and the analysis and publication of information;
- we are developing the usability of the www.ravijuhend.ee page and using e-solutions concerning clinical and patient guidelines;
- we provide information about international experience to build broader awareness about the principles of evidence-based medicine.

The prerequisite for quality treatment is the conformity of health care institutions to the established requirements, so that all the service providers adhere to the same standards. For the Health Insurance Fund, a contractual relationship presupposes the conformity of the health care service provider to the requirements, as confirmed by the institution carrying out supervision. It is also important for health care service providers to have an agency-based quality system.

Furthermore, we consider it important to measure results at an optimum frequency, involving various the parties concerned, and to engage in necessary improvement activities. The regularity of measurement and disclosure of results established under the quality system ensure consistent improvement or the preservation of the desired level. We consider it necessary for the management report in our partner's annual report to address also ensuring care quality and patient safety.

With our partners, we are participating in the **process of developing competence assessment** and have been involved **in the development of a no-fault liability insurance system** with the aim of helping to register and analyse any complications or treatment errors that may appear during treatment, as a precondition for improving activities.

2) IT infrastructure helps to solve many problems

Information technology infrastructure is a component in the health care system the purpose of which it is to ensure the achievement of the objectives for the health care system: modern and seamlessly functioning information technology infrastructure helps to ensure the more effective functioning of the health care system, the quality of the health care system and the better availability of medical care.

The Health Insurance Fund supports the strengthening of the infrastructure of the health care information system and is involved in the new e-health strategy led by the Government Office, the Supervisory Board of the Estonian e-Health Foundation (ETSA), the e-health focus group of the Estonian Development Fund, and other nation-wide working groups, in order to contribute to the sustainable development of the health care infrastructure. In addition, we are ensuring the reliability and further development of the information system of the Health Insurance Fund (including the digital prescription and health insurance data collections).

The Estonian Health Insurance Fund considers it important to develop the entire e-health information system comprehensively, as this enables more optimum results to be achieved through a more efficient utilisation of resources. Reciprocal functioning cooperation among all involved persons responsible for and managers of data collection, so that the most efficient, quality and available health insurance possible may be achieved.

For the Health Insurance Fund, the key projects related to information technology infrastructure are:

- launch of the digital reception: the first stage has to include the completion of the implementation of the functionality of referrals from the digital reception according to the analysis document approved by the DR steering group;
- consistent development of digital prescription information: we will complete the development project concerning non-authorised drugs, significantly supplement the feedback issued from the prescription centre to the parties concerned (including regular customised reports on the indicators of the share of prescriptions based on active substance and of cost-sharing by patients), introduce within 2016 a service for the assessment of the interaction of drugs for the processes of both prescribing and selling drugs, and carry out development to increase availability and reliability;
- improvement of the process for certificates of incapacity for work: we are launching the e-TVL2 project whose first stage will include analysis of changing the process of the issuing of certificates of incapacity for work for the stage-wise submission of certificates.

The Health Insurance Fund is significantly expanding the options for the utilisation of the data accumulated in its data collections by providing insured persons and its partners with the most extensive possible access that is nonetheless justified whilst ensuring the maximum protection of data as stipulated by law.

3) Continued development of the health care policy is important also for the Health Insurance Fund

A consistent health care policy with clear objectives and targets is the prerequisite for the seamless functioning of the health care system. Within its jurisdiction and competencies, the Health Insurance Fund actively participates in shaping the health care policy in order to incentivise the health behaviour of insured persons and support the development of a sustainable health care system that provides high-quality medical care, allows for the insured person's freedom of choice and ensures the comprehensiveness of the treatment process. We consider it important to support a health care system that promotes innovation and the utilisation of the best international practices and technologies on the one hand and that ensures that a solidary health insurance package is grounded in evidence on the other hand. We are cooperating with all the stakeholders and authorities to strengthen various components in the health care system to provide insured persons with better services.

A cooperation agreement of good will consolidates the potential to enhance and improve the Estonian health care system through the objectives set.

The Health Insurance Fund participates in the activities of the sustainability working group at the primary level, where one of the priorities is the funding of health centres at the primary level and the development of a model of effect. In case of health centres at the primary level, we are guided by a view of the services provided, that is, for us the concept of health centres at the primary level means the family physician and their team and the services provided by them. In planning our activities, we consider it important for the insured person to be provided with quality assistance and integrated treatment process.

We are participating in the development of the integrated services provision model for children's mental health and, if necessary, will update the funding principles that support integrated functioning.

The Health Insurance Fund supports the process of networking the HVA, initiated by the Ministry of Social Affairs, to

- strengthen strategic purchasing;
- ensure the provision of services of higher quality;
- make more efficient use of health insurance funds.

The Health Insurance Fund is analysing in 2015 the impact of networking on the HVA, planning HVA contracts based on the networking principles and supporting the preparation of legislation related to networking and awareness-raising among its contractual partners.

The Health Insurance Fund is involved in the preparation of the National Health Plan (RTA) as the framework document for Estonia's health policy and in the implementation of measures thereunder in order to ensure the consistency of the objectives and development plan of the EHIF with the objectives and common framework of the national health care policy. In the light of the above, the Health Insurance Fund contributes to the achievement of the objectives of the RTA in the following areas in particular:

- healthy development of children – providing incentives for behaviour that reduces health risks through services directed at children and the young;
- development of the health care system – through activities to raise patients' awareness, preventive activities and activities to assess health care services and develop their quality.

4) All stand to gain from international cooperation

The Health Insurance Fund attaches importance to cooperation with the Member States of the European Union and international organisations as well as with other countries to share experience in the organisation of health insurance and to thereby strengthen health insurance.

The Health Insurance Fund Closer pursues closer cooperation with the World Health Organization and the World Bank at the international level and partners in the OECD's activities. As a member of the European Association of Mutual Benefit Societies (AIM), we have a say on matters related to health care in Europe. From the EHIF's point of view, it is important to also support an organisation of health insurance in the European Union and internationally that supports the insured person's responsibility for their health, ensures high-quality and available medical care and is financially sustainable in the medium and longer terms..

Bilateral partnership and cooperation with other countries have been the cornerstone for the Health Insurance Fund's external communication for years. We have endeavoured to provide the best know-how with respect to building the health insurance system and ensuring its functioning and have also ourselves been accumulating the best practices to be used.

- the closest cooperation partners of the Health Insurance Fund are the relevant organisations in its neighbouring countries (Finland and the Baltic States). The objective for regular cooperation is information exchange about health insurance and the changes occurring, matters related to the provision of services to insured persons in neighbouring countries (including analysis of options for exchanging health data) and the implementation of the European Union directive on the free movement of patients;

- as part of the general objectives for Estonia's development cooperation, the EHIF has concluded with the Health Insurance Fund of Moldova a memorandum of cooperation for an indefinite period. Under the memorandum of cooperation, the plan is to continue to provide experience and support of the Estonian Health Insurance Fund for the development of Moldova's health care system and health insurance.

d) Sustainable development of the organisation

We consider it important to continuously develop the organisation to ensure the proper functioning of solidary health insurance. In its activities, the Estonian Health Insurance Fund is transparent and open and, through communication, ensures people's awareness and understanding of what it does and why.

We have updated our performance and risk management processes, so that the Health Insurance Fund's development plan is reviewed and updated annually. The development plan is now an important basis for the preparation of the Health Insurance Fund's annual work schedules. All the tasks reflected in the work schedules help to meet the strategic objectives related to the strategic activities of the organisation. In risk management, we have committed to describe annually the risks relevant for all the processes and develop activities for mitigating them.

In developing the organisation, we are guided by the main values of the Health Insurance Fund:

Progress our activities are directed at the continuous and sustainable creation of development opportunities in the health care system, which is possible thanks to competent and loyal employees committed to results.

Consideration we are open and make decisions transparently, considering the various needs of insured persons.

Cooperation we maintain a working environment of trust within the organisation and in our relations with our partners and customers.

Development of the organisation is a systemic whole where attention needs to be paid both to reviewing the structure and improving the organisation of work and to modernising the developments in human resources management.

In providing health insurance, the financial sustainability of the system, business continuity and the security of information systems are critical for the Health Insurance Fund in order to ensure the security of, among other things, data collections and the protection of personal data contained therein.

1) Health Insurance Fund's employees are competent and development-oriented

The principles of human resources management should support the achievement of the objectives under the development plan for the Health Insurance Fund, are oriented towards cooperation and aim at creating and maintaining a working environment that promotes personal development and taking responsibility among employees as well as long-term employment relations build on trust. The basis for well-functioning employment relations includes trust and clarity in mutual expectations and possibilities.

The Health Insurance Fund has introduced requirements with respect to conflicts of interests, laying down the code of conduct for the employees of the Health Insurance Fund, ensuring their awareness with respect to corruption prevention and helping to prevent the employees from performing their duties in the event of a conflict of interest. The above rules have been endorsed also by the Members of the Supervisory Board of the Estonian Health Insurance Fund. The declarations will be kept and the accuracy of the information presented therein will be checked from 2015 to 2017 by the auditing firm /AS PricewaterhouseCoopers Advisors.

In human resources management, we attach importance to flexible employment arrangements to enable employees to combine their working and family lives in the best way possible, providing management and a working atmosphere that are positive, open and based on mutual respect.

The pay system and value package have to be intelligible to the employees, fair internally and competitive externally. A foundation is created for fair and justified pay system by the assessment of positions, ensuring their comparability within the organisation (internal fairness). Assessment is also the basis for carrying out inter-organisational comparisons (external competition level). All positions at the Health Insurance Fund have been assessed, and going forward regular assessment will be conducted every three years. After the implementation of the structural reform, we will conduct an assessment of the new positions.

Developing its employees' skills, competencies, and maintaining them is considered important by the Health Insurance Fund. Our point of departure is the premise that coping with work and job satisfaction are highest when the competencies of an employee match their duties. We have started to develop a new competence assessment model, which will become a component in the management of training activities at the Health Insurance Fund, with pilot assessment to take place during development interviews in the first quarter in 2016.

Development interviews are one element in the management of the Estonian Health Insurance Fund, making it possible to collect and systematise information from its employees about their assessments of / expectations for their work, working environment. Suggestions received from employees during development interviews and important for the development of the organisation are consolidated into a report for the entire organisation, which provides input for further development activities. The identified training requirement is one of the points of departure for the drafting of the training strategy and plan.

The training strategy is a document that directs the development of staff at the Health Insurance Fund

The four-year training strategy is reviewed once a year, analogously to the development plan for the Health Insurance Fund. The training strategy underlies the annual training plan of the Health Insurance Fund, which is implemented ensuring the competence of and appropriate professional training sessions for our employees needed in order to provide the pest health insurance. A functioning development and training system creates opportunities for and supports employees' continuous development in accordance with the development vision for the Health Insurance Fund.

2) Business continuity and compliance assessment help to preserve a sense of security

The organisation of work at the Health Insurance Fund is guided in particular by the need to ensure the effectiveness of health insurance and provide benefits to insured persons. To achieve this objective, the Health Insurance Fund has to, among other things, ensure effective risk analysis and operation of the system also in non-standard situations (risk assessment and business continuity management), regularly assess the conformity of the organisation of work at EHIF to external and internal rules and standards (external and internal audit), and with sufficient regularity conduct more detailed independent analyses of all the main areas of activity. The Health Insurance Fund's services for insured persons and its partners have to be structured on the basis of fault tolerance. The agency is adaptable in a changing environment and supported by its Management Board.

The sustainability and fault tolerance of the main processes of the Estonian Health Insurance Fund are ensured by an up-to-date business continuity plan and the continuous testing of its components. In managing the business continuity process, we implement a comprehensive approach. In planning business continuity, risks jeopardising the stages of the main process of the Health Insurance Fund are considered. Business continuity has to ensure the provision of health insurance benefits also under specific circumstances (in emergencies for the purposes of law). To ensure business continuity, a framework and necessary action plans are being prepared.

- we are ensuring the development of business continuity in both directions (internal business continuity and business continuity in emergencies);
- at least once a year, we review the business continuity plan and supplement its content based on changes that have occurred and on relevant risk analysis;
- we conduct tests of the various sections of the business continuity plan and the examination of emergency situations;

We consider it important to manage risks in the stages of the main process to ensure the ability of the Health Insurance Fund as an organisation to achieve the objectives set.

- once a year, we carry out an risk-assesment Internal and external (insured) customers trust the Health Insurance Fund and know that any data processed are protected to the required level and that, if necessary, it may be promptly found out who has been processing the data. To preserve this:
- we are continuously developing the portal for detecting incidents and monitoring systems, using cost-effective tools and based on the standards and best practices recognised in the country;

- we regularly assess the effectiveness and efficiency of the process of the management of information security, using options for external audits, and consider any suggestions made in planning our activities.

To improve quality in the areas of business continuity and information security, it is very important to plan and combine options for external and internal audits.

- we plan external audits on various topics over a term of three years based on significant risks jeopardising the achievement of the organisation's objectives;
- in changing the processes of the Health Insurance Fund and implementing important projects, we utilise the options of independent auditors and external assessment.

The Management Board of the Health Insurance Fund ensures the linking of the opinion provided on the internal audit action plan to the priorities under the development plan and the achievement of the main objectives of the Health Insurance Fund.

3) The financial strength of the Health Insurance Fund is the prerequisite for the sustainability of health insurance

The Estonian Health Insurance Fund has to be the centre of excellence in the areas of financial planning and analysis for health care in the short, medium and long terms. Our financial strength consists in sufficient reserves, clear funding and competence.

To ensure the sustainability of a solidary health insurance system, the EHIF has to be sufficiently finances in the short, medium and long terms. The objective is to ensure the stable funding of health insurance costs and the steady quality and availability of services also if revenue grows at a rate below expectations (economic downturn or ageing population).

The purpose of the budget strategy covering the four upcoming years is to ensure the achievement of the objectives set out in the development plan by planning the activities needed for it.

The budget strategy links the annual drafting of the Health Insurance Fund's budget to the longer-term targets and also considers the objectives in the Health Insurance Fund's development plan.

- to ensure the sustainability of the health insurance system, the obligations of the EHIF, the health insurance component in the social tax and also other revenue sources have to be assessed; options for increasing the Health Insurance Fund's revenue and for raising additional funds for the health care system have to be analysed; and prospective solutions have to be submitted to the Supervisory Board for discussion in 2016;
- it is necessary to calculate the levels of necessary reserves based on revenue and liabilities. Planning for reserve assets should be based on risk analysis in addition to statutory minimum rates;
- annual assessment of demand in counties given the 4-year forecast for the development of health care services provides insured persons with an equal availability of treatment in accordance with the health insurance Act;

- we are analysing options for the implementation of budgeting for specialised care services based on DRG.

For ensuring financial strength, an important place is given to long-term planning that assesses the trends of revenue and liabilities and allows for various development scenarios in medicine, the economy and the population.

- the model for planning funding for health insurance, we annually assess the impact of various measures and trends on the long-term balance between health insurance revenue and costs;
- the long-term financial strength of the Health Insurance Fund is determined by the increased life expectancy of insured persons, development of health care technology and, in particular, demand for health services, drugs and medical equipment. Accordingly, the main issue in relation to the financial strength of the Health Insurance Fund and the quality of the services provided by is ensuring the quality, effectiveness and availability of services; skilful implementation at the primary level; and also improving cooperation between various levels of medical care.
- we are analysing the options for implementing the best practices for the assessment of future obligations;
- the main objective for the medium-term strategy is to ensure the comprehensive and balanced development of national solidary health insurance, increase the stability of the budget process and ensure the more targeted and efficient utilisation of the funds of the Health Insurance Fund.

4) Organisation of work at the Health Insurance Fund contributes to the streamlining of processes

To meet the organisation's objectives, it is important to streamline the movement of information and the coordination of work. The structure has to be laid out, so that it enables the acceleration of work processes whilst ensuring a quality outcome. The process itself, however, is a set of activities that add value; accordingly, the task of the Health Insurance Fund as an organisation is to create or add value for its customers and partners. Through shaping the organisation, we also wish to influence the effectiveness of the organisation.

The Estonian Health Insurance Fund has created a quality management system that includes the organisation's structures, processes and resources needed for carrying out quality management. For the purposes of a quality system, a single management, control and supervision system has been created to help to avoid excessive costs and save resources. The Health Insurance Fund will continue to apply the ISO 9001:2008 international quality management standard also going forward.

The external outcome of quality assurances is the trust of customers and cooperating partners.

An internal outcome in quality assurance is conviction by the Management Board that the organisation is continuously monitoring customers' needs and that the structure of the organisation is prepared to cover these needs responsibly and at optimum cost.

- in preparing the strategy and setting the objectives for the Health Insurance Fund, we consider it important to take a balanced approach to our customers and partners, the employees of the organisation and the interests of society overall;

- we are guided by value-based thinking supported by a cost-based approach. Our position is that this approach to quality management should provide the best results for all the parties concerned over the longer term.

Effective organisation of work supports the achievement of objectives and affects the success of the functioning of the organisation. In cooperation with AS PricewaterhouseCoopers, we conducted an analysis of the structure in order to ascertain the optimum structure in order to achieve the objectives set for the Health Insurance Fund, accelerate processes and better manage information. The analysis completed by the auditing firm provided an overview of the appropriateness of the structure of the Health Insurance Fund and of the conformity of the employees' duties and formalised documents. Based on the results of the analysis, we are beginning to reform the structure of the Health Insurance Fund.

Responsibility among the departments of the Health Insurance Fund are determined in the course of the mapping of work processes, with the intention of increasing the intelligibility and transparency of activities.

Processes are activities with defined beginnings and ends, inter-linked according to the logic of the activities of the Health Insurance Fund. The rationale of a process also reveals who does what when and how in order to achieve the desired outcome.

- we review and map in the stages of the main processes departments' activities and responsibilities; to ensure seamless work processes covered by responsibility, we clarify lines of authority among departments; if necessary, we consider developing matrix management.

Understanding and managing work processes is an important opportunity for the organisation to continue improving processes, ensuring internal reliability within the organisation and external reliability for customers and other interested parties:

- we are improving work processes to achieve high-level process execution, ensuring that decisions made the organisation are grounded in factual and reliable information related to the achieved and planned outcomes, the capabilities of processes and systems, and the needs and expectations of the parties;

- in relation to the structural reform, we are beginning a review of processes, we are assessing the existing processes and the functioning thereof. We review and update all of the Health Insurance Fund's work processes and simplify their documentation.

Strategy map