



Health and Social Care reform in Finland International expert panel assessment

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on Health Systems and Policies
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- monitoring countries
- assessing and comparing performance
- disseminating evidence
- engaging with policy-makers





International Panel Members

- **Agnes Couffinhal**, Senior Economist, OECD
- **Jonathan Cylus** (Technical lead), Research Fellow, London School of Economics & European Observatory on Health Systems and Policies
- **Riku Elovainio**, Economist, OECD
- **Josep Figueras** (Chair), Director, European Observatory on Health Systems and Policies
- **Patrick Jeurissen**, Professor of Sustainable Health Systems, Radboud University Medical Centre Nijmegen
- **Martin McKee**, Professor of European Public Health, London School of Hygiene and Tropical Medicine & European Observatory on Health Systems and Policies
- **Peter Smith**, Emeritus Professor of Health Policy, Imperial College London
- **Sarah Thomson**, Senior Health Policy Analyst, WHO Europe & London School of Economics
- **Ulrika Winblad**, Associate Professor, Uppsala University

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Outline

- Description of project
- Framework for analysis
- Reform areas / Observations
- Assessment
- Implementation Strategy
- Conclusions

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Objectives

- To review the objectives of the **reform proposals**
- To assess the **expected impact**
- To identify **prerequisites** to enable effective reform **implementation**
- To provide recommendations (if and whenever required)

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Methodological Approach & Limitations

- Evidenced-based expert opinions
 - 2 country visits
 - Interviews with key stakeholders
 - Legislation and selected technical documents
 - International experience
- Some limitations
 - Limited time and scope for analysis
 - Focus on proposals' *expected* impact
 - No detailed assessment but expert opinion
 - Reform proposals still under development (as of October 2016)

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Framework for analysis

Reform areas

- Counties as purchasers and organizers
- Freedom of choice and provider competition
- Integration of health and social care
- Maintain & Strengthen Public health
- Governance and regulation (*horizontal support*)
- Information systems (*horizontal support*)

Health and social care objectives

Equity,
Access,
Effectiveness

Efficiency &
Sustainability

Reform implementation strategy

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County as organizer & purchaser - I

- Centralizing at county level can increase leverage, economies of scale, and reduce variability across the country
 - Potential to increase efficiency and equity
 - Priority and consensus for implementation

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County as organizer & purchaser - II

- Strengthening purchasing and payment systems
 - Sufficient autonomy for public providers
 - Provider payment harmonization
 - Needs assessment
 - Building capacity, skills and information systems
- National level guidance for purchasing needed
- Develop further 'collaborative catchment areas'

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Choice & provider competition - I

- Potential of Competition and Freedom of Choice (FOC) to incentivize providers, decrease waiting times, improve responsiveness; and improve quality.
 - Format of FOC not fully decided in Finland
 - High complexity and context specificity
 - Limited evidence of clear effects at international level

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Choice & provider competition -II

- Significant information needs for purchasers and clients
- Ensuring level playing field between providers
 - Challenging even with public utilities and PPS
 - Possible cream-skimming
 - Incentives to locate to underserved areas
- Ensure FOC does not disrupt service coordination
 - Exclude high cost high need clients in first instance
- Incremental implementation of FOC is key

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Integration of health & social care - I

- Coordination can lead to person-centred services, increase quality and improve efficiency
 - Scope for improvement: 10% clients = 80% expenditure
 - International variability of models

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Integration of health & social care - II

- When establishing 'service' chains i.e. care paths focus on:
 - goals and transparency,
 - formalization of contracts with private providers,
 - clear leadership in decision making,
 - accountability lines,
 - well functioning case management
 - appropriate payment systems

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Integration of health & social care - III

- Build further on existing experience and pilots
- Emphasise development of:
 - Incentives (financial and otherwise) that encourage providers to cooperate
 - Information systems that are useful for providers
- Consider complexities in combining FOC & integration of care

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Maintain & Strengthen Public Health and Wellbeing - I

- Maintaining / strengthening success in Public Health and Wellbeing and Health in All Policies
 - Keeping cross departmental well being at Municipal level
 - Moving public health at county level

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Maintain & Strengthen Public Health and Wellbeing - II

- Address risks of losing current PH&W strengths through organizational change i.e. centralization to county level
- Ensure clear lines of accountability
 - Clear division of responsibility county vs municipality
 - Consider possible weakening of municipality health and wellbeing agenda when moving services to county level
 - Invest on PH&W workforce required at new county level
- Prioritize integrated / comprehensive health and wellbeing information systems at county level

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Governance, regulation & monitoring - I

- Strengthening good governance including regulation, monitoring and evaluation is key to enable effective reform strategies

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Governance, regulation & monitoring - II

- Steering at centralized level is essential even if (and because) counties have significant autonomy
 - Set clear roles for counties, catchment areas and central level
 - Information systems, monitoring and benchmarking
 - Setting out framework contracts
 - Promulgation of best practice and protocols
 - Purchasing of specialised services
 - Regulation of provider competition

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Governance, regulation & monitoring - III

- Set up monitoring and evaluation strategy at the outset
 - Explicit pre-specified goals
 - Development of performance indicators at various levels
 - Monitoring of unintended consequences
- Continue prioritizing reform communication efforts

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Information systems - I

- Strengthening and coordinating information systems is key to ensure effective implementation and impact of the reform program
- Substantial ICT efforts underway

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Information systems - II

- Need for further development to be in-line with all the different reform strategies
- In particular for purchasing, choice, competition and payment:
 - Costs
 - Quality health outcomes
 - Monitoring of provider performance
 - Public reporting
- Interoperability of IT system at the county level will be key
- Attention to data privacy issues

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Efficiency & sustainability

Observations

- Bending the cost curve is possible, but probably later than planned
- Potential to improve service delivery and coordination, particularly by focusing on high need high cost patients
- Consolidation to county level can improve leverage
- Some contestability may incentivize innovation
- Information technology may lead to efficiency gains though may not necessarily reduce expenditure growth

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Equity and access to quality services

Observations

- Purchasing may improve allocation of resources to underserved areas but may need to be more flexible
- Competition may improve access to care if providers are incentivized to locate in underserved areas and accept complex patients
- The goal of equity of access suggests reform of occupational health sector will eventually be necessary

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Implementation Strategy

- In practice
 - Prioritize establishment of counties, build organisational and purchasing capacity, improve information systems
 - Needs assessment
 - Strengthen governance mechanisms between central level and counties
 - Incremental / staged implementation of FOC and competition
- Consider framework legislation

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In Sum... (I)

- Consolidating responsibility for health and social care can increase efficiency and equity
 - Central government will need to play a strong role supporting counties and developing purchasing
- Choice and competition may need to be phased in
 - Ensure level playing field
 - Ensure choice does not disrupt integration
 - Ensure competition does not lead to cherrypicking
- Integration models could effectively build on existing experience and pilots
 - Design appropriate incentives for coordination



In Sum... (II)

- Shifting responsibility for public health and wellbeing to counties can be a positive step
 - Ensure accountability lines are clear and organizational change does not compromise prior successes
- Monitoring & Evaluation strategy is essential at an early stage
- Information systems must be designed with all aspects of the reform in mind
- A more flexible approach to financing needs to be considered