



Ministry of  
Social Affairs and Health

# Opening keynote: Health and social services in Finland

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Finnish Ministry of Social Affairs and Health

19.9.2024

# Finnish health and social care is an OECD miracle



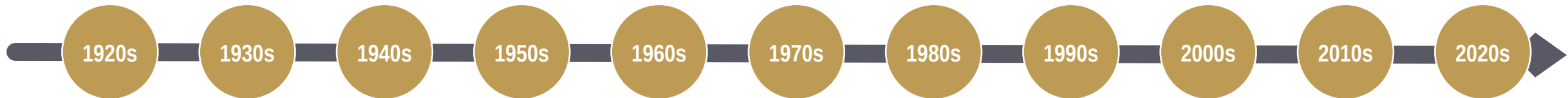
## 1917 Independence

Finland is one of Europe's poorest countries

## 1.1.2023 Reform

Wellbeing services counties responsible for all health, social and rescue services

|  |  |   |   |  |   |  |   |
|--|--|---|---|--|---|--|---|
| <p><b>1918</b> Ministry of Social Affairs<br/> <b>1919</b> Prohibition<br/> <b>1922</b> Better poor relief, better terms of employment</p> | <ul style="list-style-type: none"> <li>•National pension</li> <li>•Social work</li> </ul> <p><b>1936</b> Child Welfare Act<br/> <b>1938</b> First maternity pack</p> | <ul style="list-style-type: none"> <li>•Municipal social welfare services</li> </ul> <p><b>1948-49</b> Maternity packs &amp; child allowance for all<br/> <ul style="list-style-type: none"> <li>•National hospital institution</li> </ul> </p> | <p><b>1956</b> National pension system reform<br/> <b>1957</b> Social allowance<br/> <b>1962</b> Earnings-related pension security for all<br/> <b>1963</b> National Health Insurance Act</p> | <p><b>1972</b> Primary Health Care Act<br/> <ul style="list-style-type: none"> <li>•Health centres</li> <li>•Improved dental care</li> <li>•Child day care</li> <li>•Public health</li> </ul> </p> | <p><b>1982</b> Social Welfare Act<br/> <b>1987</b> Gender Equality Act<br/> <ul style="list-style-type: none"> <li>•Reform of government grants</li> </ul> </p> | <ul style="list-style-type: none"> <li>•Social security cuts &amp; reforms</li> </ul> <p><b>1995 Finland joins EU:</b> national health &amp; social policy consolidation</p> | <p><b>2005–2011</b> Act on restructuring local governance (municipalities) and services<br/> <ul style="list-style-type: none"> <li>•Maximum waiting times introduced</li> </ul> <b>2017</b> Earnings-related pension system adapted to increased life expectancy<br/> <ul style="list-style-type: none"> <li>•Health tech and genome data growth</li> <li>•Social security reform in preparation</li> </ul> </p> |
|--|--|---|---|--|---|--|---|



|  |   |   |   |                             |   |
|--|---|---|---|-----------------------------|---|
| From poor relief to central government | Social insurance system gives security to all | Recovering from War and establishment of welfare services (welfare state) | Growth: expanding municipal social welfare and healthcare | Depression<br>Globalization | Time of demographic change and integration<br><b>2011–2015 &amp; 2015–2019</b> Failed reforms<br><b>2020–2023</b> Successful reform |
|--|---|---|---|-----------------------------|---|



# Our operating environment is changing

## The Finnish welfare model

by international standards an effective and economically sustainable model with well-functioning foundations

### Challenges

Sufficiency and availability of competent personnel

Growing need for healthcare and social welfare services

Sustainability of public finances

Inequalities among the population

# Structural transformation as of 1.1.2023

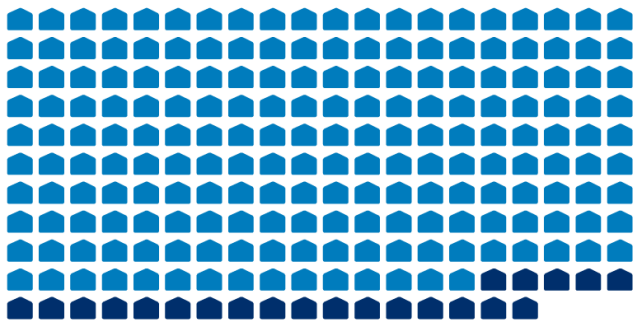


## Old structure

195

22

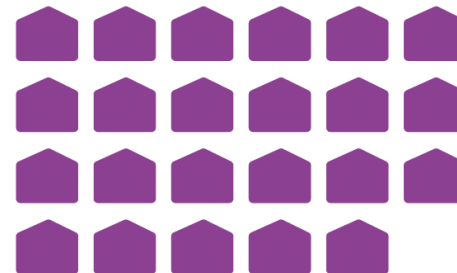
195 health and social services organisations  
+ 22 rescue departments



## Present structure

21+1+1

21 welfare services counties  
and the city of Helsinki

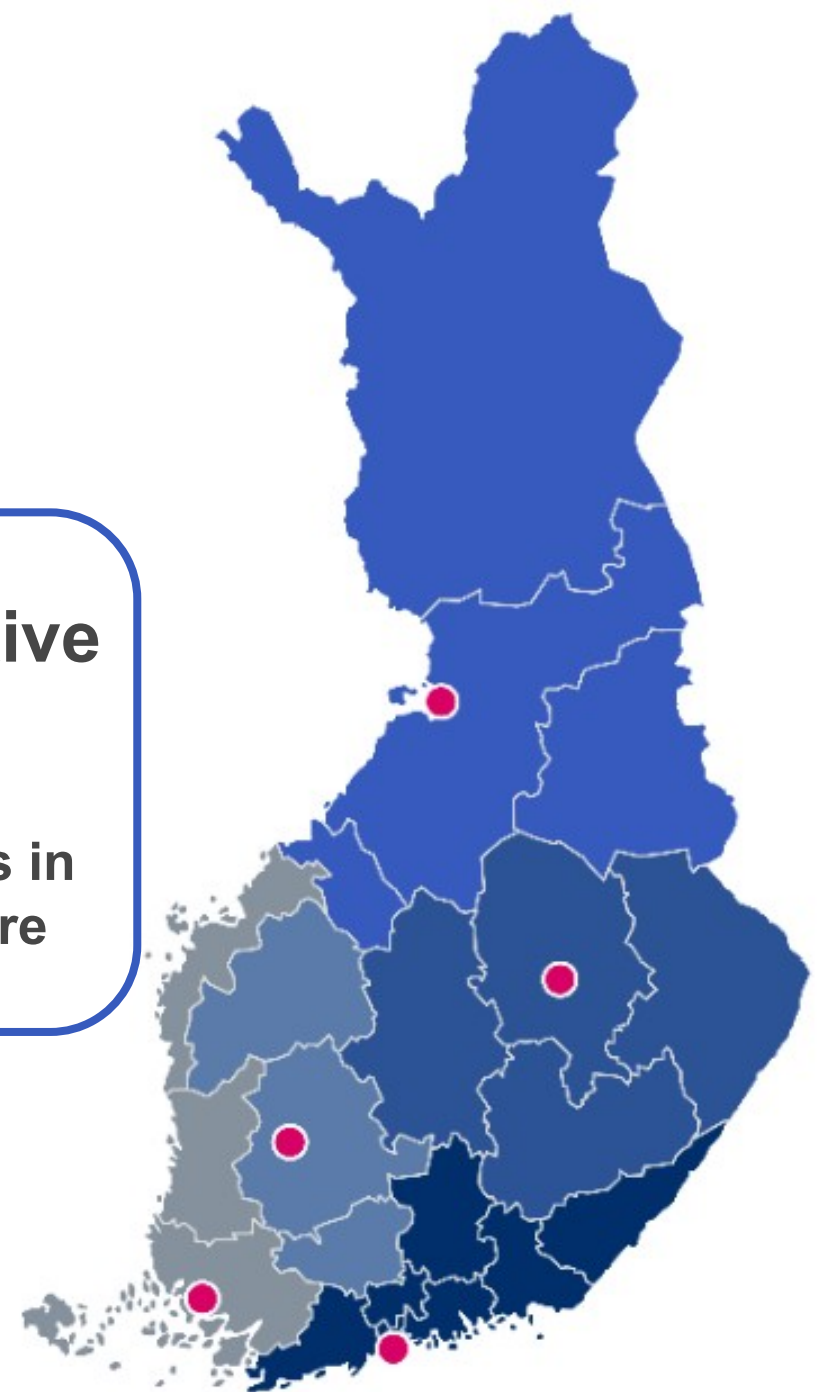


# State guidance is key to achieving reform of the care system and services

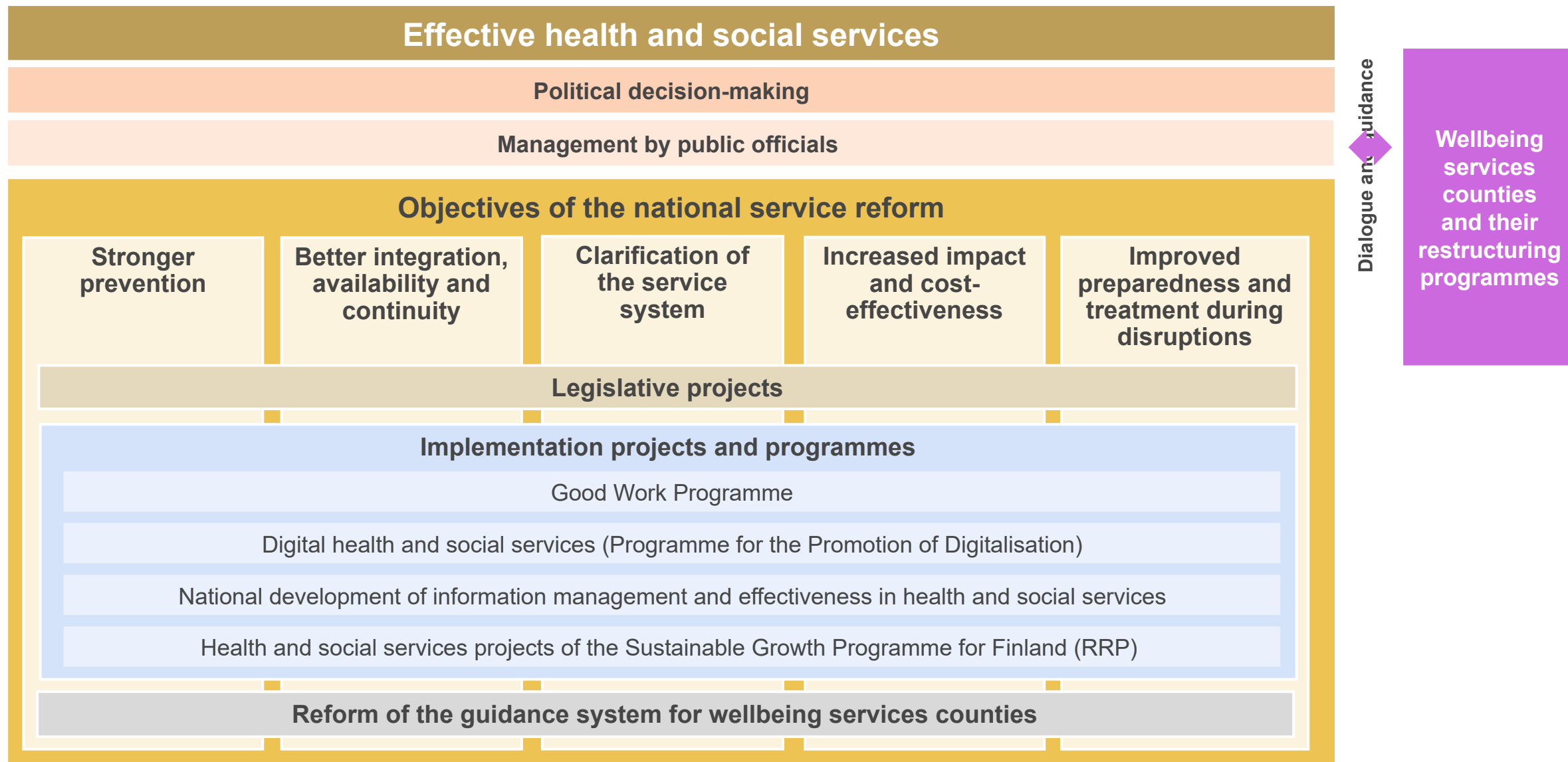
**State  
guidance  
and direction  
funding**

**21+1+1**  
health, social and  
rescue services  
organisations  
+ Hospital District of  
Helsinki and  
Uusimaa

**5 collaborative  
areas**  
division of  
responsibilities in  
specialised care



# Implementation model for the national service reform



Thank you!



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Back-up slides



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# Overview of Finland

- Large area (338 478 km<sup>2</sup>), but most sparsely populated country in the EU (density: 18/km<sup>2</sup>).
- 1,5 million of Finland's 5,6 million inhabitants live in the Greater Helsinki metropolitan area, which produces 1/3 of the GDP.
- Parliamentary republic of 309 municipalities, and one autonomous region, the Åland Islands.

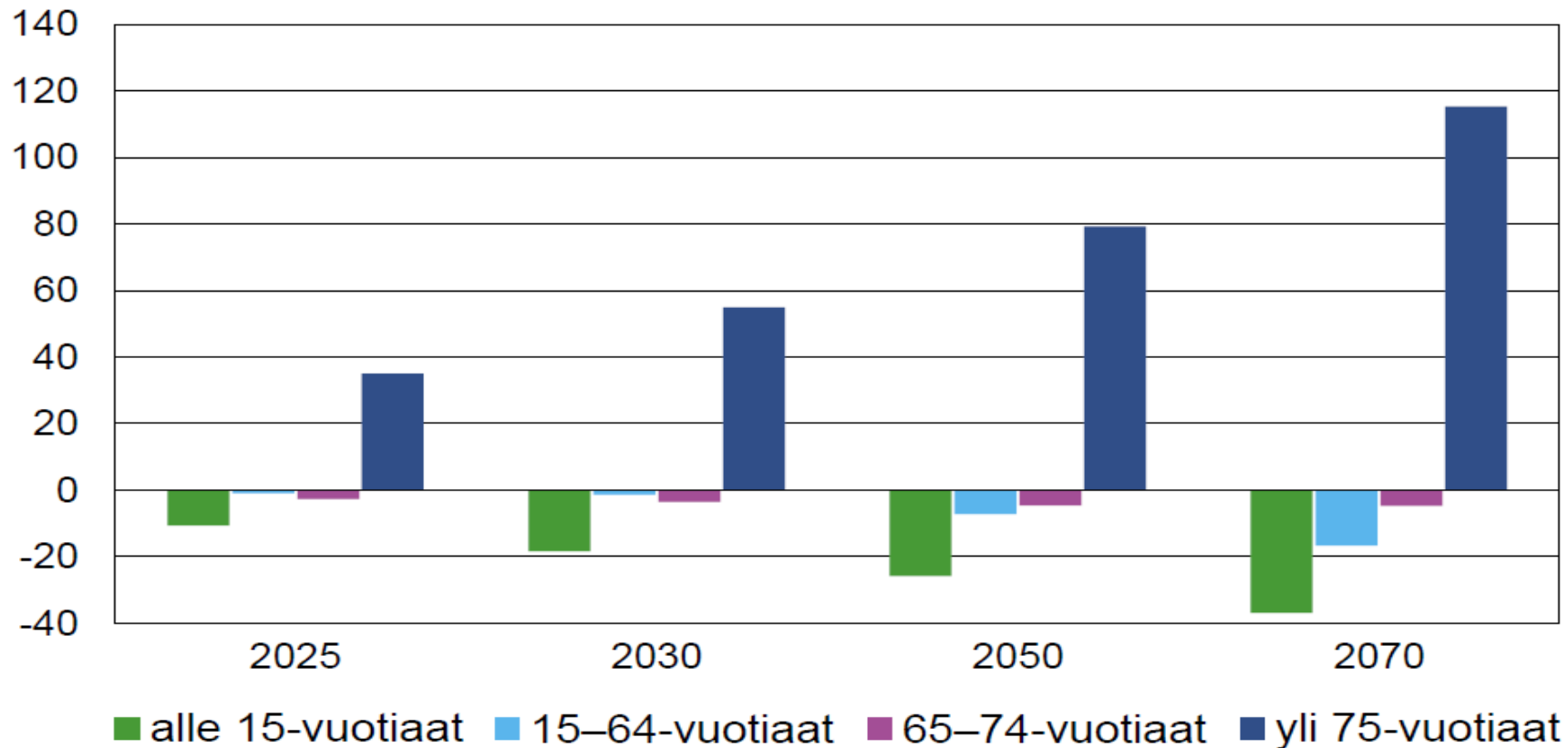


# The aging of the population will put pressure on public finances for decades to come



## Demographic change

Relative to the year 2018, %



- The proportion of those aged 75 and above is increasing.
- Large age groups are now on average around 75 years old.
- The average lifespan of Finns continues to increase steadily.



# The Ministry of Social Affairs and Health is part of the Finnish Government

- There are 12 ministries in Finland
- The Ministry of Social Affairs and Health is responsible for the planning, guidance and implementation of health and social policy in Finland
- The Ministry of Social Affairs and Health safeguards people's functional capacity, livelihoods and services.



**Kaisa Juuso**  
Minister of Social Affairs and Health



**Sanni Grahn-Laasonen**  
Minister of Social Security



**Arto Satonen**  
Minister of Employment

# Areas of expertise of the Ministry of Social Affairs and Health



## **Promotion of wellbeing**

Prevention of health harm and alcohol and drug related harm, inclusion, communicable diseases, environmental health

## **Working life**

Working conditions, wellbeing at work, occupational healthcare

## **Health and social services**

Services, medicines, personnel, status of clients

## **Gender equality**

Gender equality policy, equal pay

## **Livelihood**

Allowances and benefits, pension security

## **EU and international affairs**

EU, Nordic cooperation, WHO, UN, ILO

## **Insurance**

Insurance activities, compulsory and voluntary insurances

## **Funding and grants**

EU funding, appropriations for health promotion

# Most important current programmes of the Ministry of Social Affairs and Health



## Service Transformation

The aim is to update legislation related to social and healthcare services, as well as the associated guidance, to align with current structures in social and healthcare, and national goals in social and healthcare.

## Social security reform

The aim is to create a social security system that stays involved through changes in people's lives and enables the reconciliation of work and social security.

## Sustainable Growth Programme

The aim is to reduce greenhouse gas emissions, increase productivity, ensure quicker access to care and promote regional, social and gender equality.

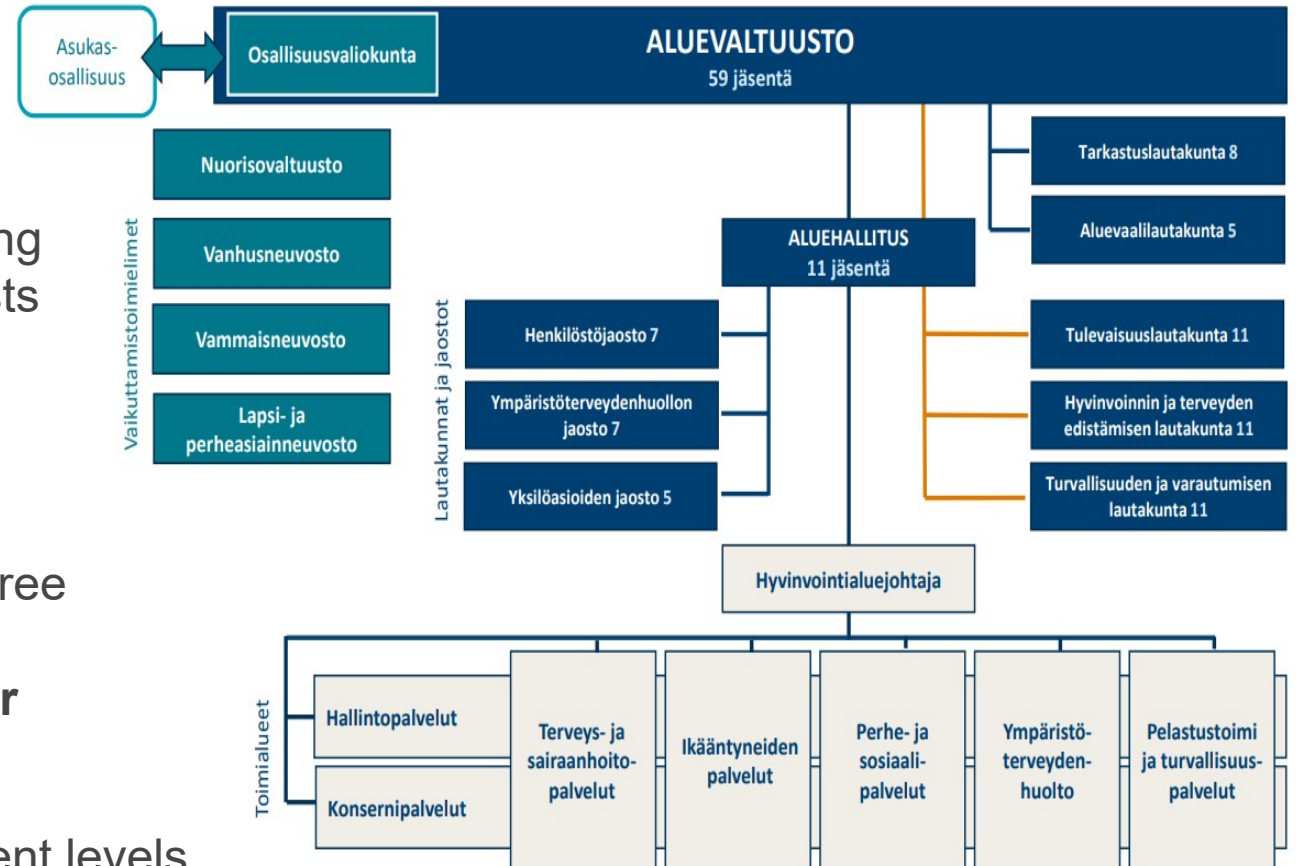
## Good Work Programme

The aim is to ensure the sufficiency and availability of personnel in healthcare, social welfare and rescue services.

# Administration of the wellbeing services counties



- The wellbeing services counties are bodies governed by public law that exercise autonomy within their own areas.
- The highest decision-making body in each wellbeing services county is a **county council**, which consists of 59–89 elected representatives.
  - Other statutory bodies are **the county executive, the audit committee, and the national language board**.
  - Each wellbeing services county has also three bodies through which residents can exert influence: **youth council, council for older people, and disability council**.
- Wellbeing services counties have 4–6 management levels, including the county chief executive.

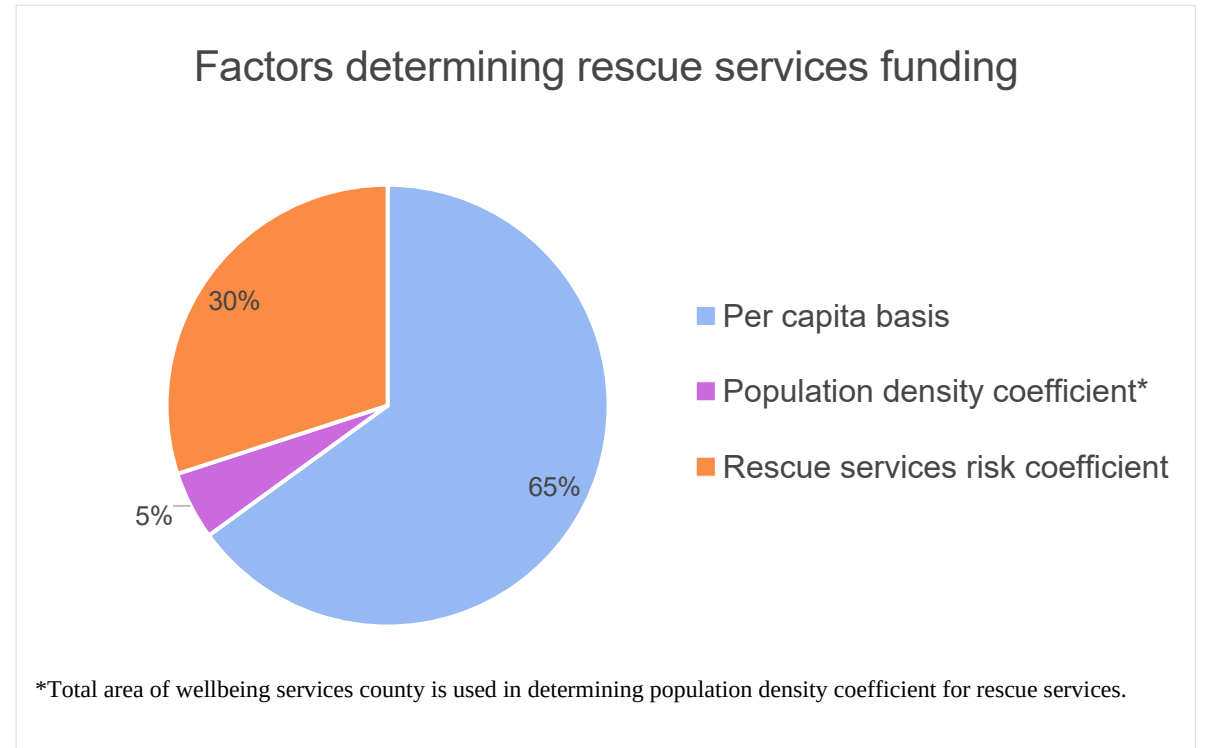
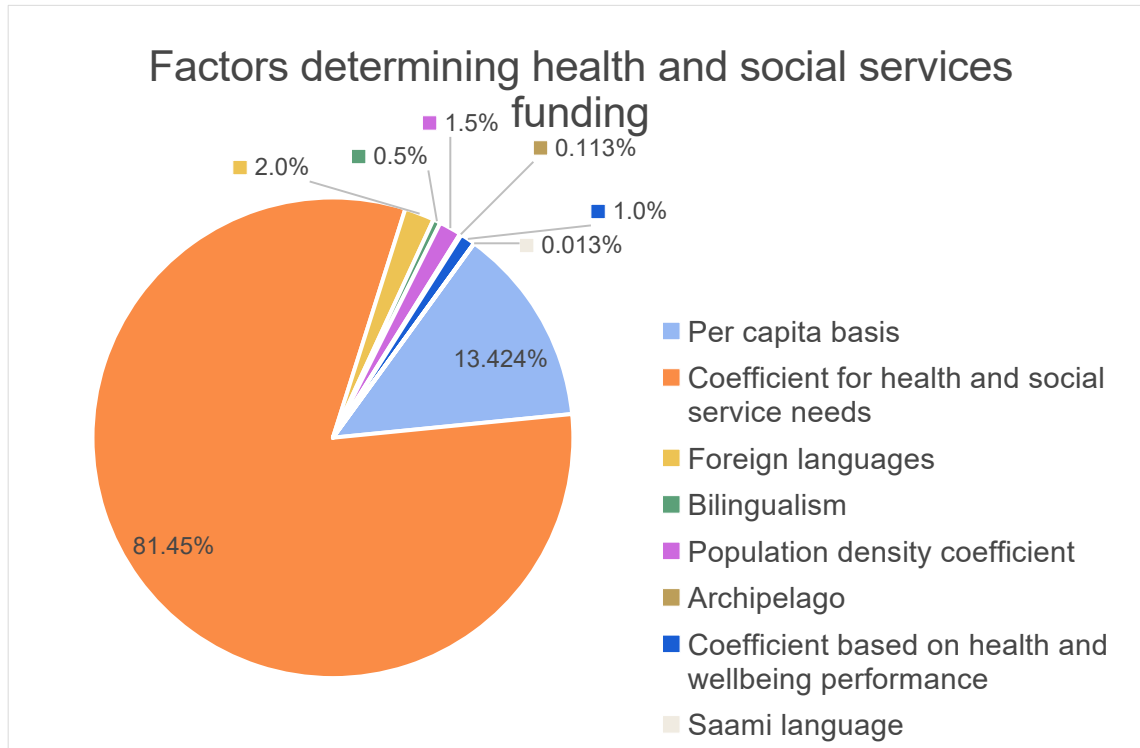
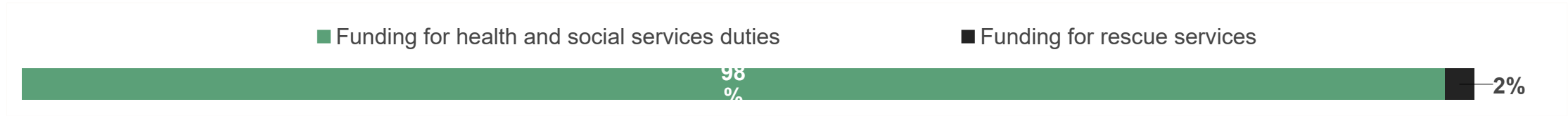




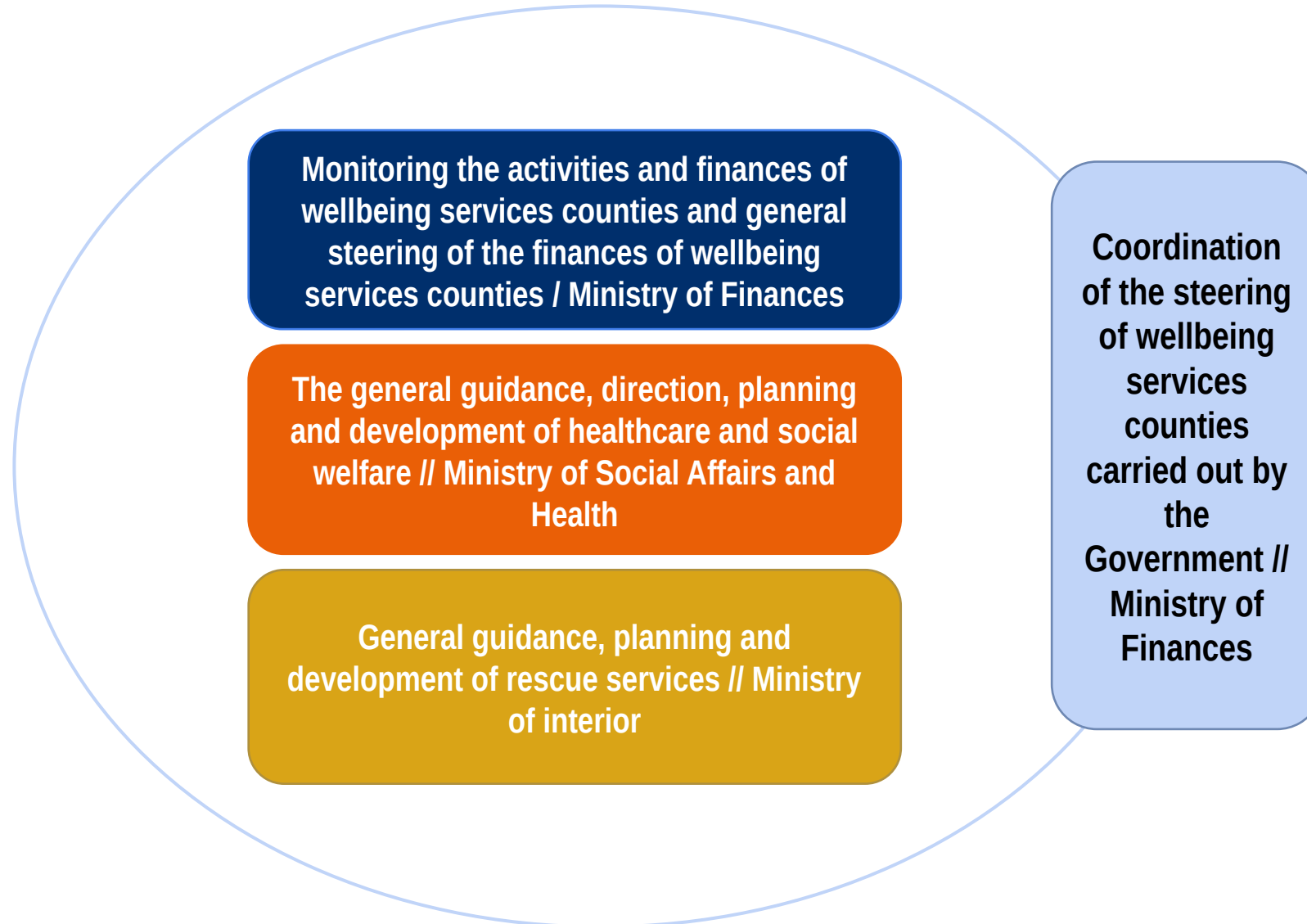
# Finances of the wellbeing services counties



- The funding of the counties must **guarantee the provision of sufficient healthcare and social services in the manner required by the Constitution.**
- Funding from the central government is allocated based on **an imputed universal funding model.**
- Fully merged budgets allow wellbeing services counties to **freely decide how to allocate resources** e.g., between primary and specialised care.



# Ministries' tasks under guidance in 2024





# National objectives provide guidance to counties



National objectives

Local strategies and plans

Coherent, outcomes-based information management at national and local level

**Equality**

1. Clear service system, service network and service guidance increase the availability, continuity and coordination of basic services
2. Preconditions have been created for ensuring the adequacy, availability and permanence of social welfare and health care personnel

**Cost-effectiveness**

3. The activities are economically sustainable and the growth of costs will be slowed down in relation to the increase in service needs
4. Effectiveness is emphasised in the steering and management of activities

**Cooperation**

5. There are well-functioning cooperation structures that emphasise prevention in place between wellbeing services counties, municipalities and other actors.
6. A flexible and crisis-resilient service system safeguards the health, well-being and adequate income of the population throughout the country

**Information**

7. Research and development activities related to the service system and primary health care and social welfare services will be strengthened
8. Information management and digitalisation planned nationally and by cooperation area support the attainment of objectives and resident-oriented renewal of operations

- Strategy for healthcare and social welfare services
- Advisory Board on Healthcare and Social Welfare
- Negotiations with the counties
- Investment plans
- Monitoring and evaluation obligations
- Preparation and monitoring of implementation of cooperation agreements

|   |         |    |     |    |    |    |     |     |
|---|---------|----|-----|----|----|----|-----|-----|
| Etelä-Karjalan hyvinvointialue                        | 125 353 | 9  | 105 | 61 | 28 | 2  | 390 | 718 |
| Etelä-Pohjanmaan hyvinvointialue                      | 190 774 | 18 | 109 | 33 | 24 | 6  | 421 | 862 |
| Etelä-Savon hyvinvointialue                           | 130 451 | 12 | 108 | 48 | 20 | 11 | 418 | 908 |
| Helsingin ja Uudenmaan sairaanhoitopiirin kuntayhtymä |         |    |     |    |    |    | 40  |     |
| Helsingin kaupunki                                    | 664 028 | 1  | 92  | 72 | 14 |    | 270 | 874 |
| Itä-Uudenmaan hyvinvointialue                         | 98 972  | 7  | 91  | 64 | 26 |    | 437 | 602 |
| Kainuun hyvinvointialue                               | 70 521  | 8  | 107 | 24 |    | 41 | 377 | 890 |
| Kanta-Hämeen hyvinvointialue                          | 169 537 | 11 | 96  | 55 | 28 | 43 | 379 | 677 |
| Keski-Pohjanmaan hyvinvointialue                      | 67 805  | 8  | 103 | 42 | 26 | 50 | 498 | 834 |
| Keski-Suomen hyvinvointialue                          | 272 437 | 22 | 104 | 61 | 22 | 41 | 356 | 736 |
| Keski-Uudenmaan hyvinvointialue                       | 203 192 | 6  | 96  | 24 | 44 |    | 784 | 610 |
| Kymenlaakson hyvinvointialue                          | 159 488 | 6  | 104 | 59 | 23 | 21 | 361 | 745 |
| Lapin hyvinvointialue                                 | 175 795 | 21 | 111 | 47 | 24 | 15 | 413 | 844 |
| Länsi-Uudenmaan hyvinvointialue                       | 486 346 | 10 | 87  | 49 | 25 |    | 353 | 576 |
| Pirkanmaan hyvinvointialue                            | 532 671 | 23 | 98  | 49 | 23 | 19 | 366 | 786 |
| Pohjanmaan hyvinvointialue                            | 176 323 | 14 | 85  | 35 | 23 | 20 | 301 | 824 |
| Pohjois-Karjalan hyvinvointialue                      | 162 540 | 13 | 115 | 19 | 29 | 58 | 362 | 750 |
| Pohjois-Pohjanmaan                                    | 416 543 | 30 | 111 | 60 | 24 | 73 | 383 | 817 |
| Pohjois-Savon hyvinvointialue                         | 247 689 | 19 | 121 | 72 | 25 | 74 | 360 | 854 |
| Päijät-Hämeen hyvinvointialue                         | 204 528 | 10 | 104 | 40 | 22 | 48 | 391 | 720 |
| Satakunnan hyvinvointialue                            | 212 556 | 16 | 97  | 31 | 31 | 28 | 425 | 775 |



# Health and social services reform continues – why?

- Health and social services legislation and related guidance are being reformed to correspond to the current structures of health and social services.
- Services must also meet the national objectives for healthcare and social welfare, which are an essential part of the guidance, defining objectives for
  - health and social services and their effectiveness,
  - increased productivity and cost-effectiveness,
  - cooperation between wellbeing services counties, and
  - the implementation of regional and national preparedness and readiness.
- The service reform continues the health and social services reform, which transferred the responsibility for organising services to the wellbeing services counties.

# The national service reform is about cooperation



## Action at national level

- Reform of statutes
  - including the Health Care Act, the Social Welfare Act and the Act on Organising Healthcare and Social Welfare Services
- Good Work Programme and amendments to the acts on healthcare and social welfare professionals
- Digitalisation programme
- Increase of impact and cost-effectiveness, as well as national knowledge management
- Service development through the health and social services project of the Sustainable Growth Programme for Finland (RRP)
- Reform of the guidance of wellbeing services counties

## Actions by the wellbeing services counties

- Development of the service structure
  - including prevention, community-based and home-based services, service guidance and service chains, prioritisation of digital and remote services, dissemination of the best practices
- Improvement of the efficiency of operations and reform of operating methods
  - including investments, procurements, rationalisation of facilities and the service network, reduction of sickness absenteeism
- Increasing cooperation and coordination between regions
  - including combining tasks into larger entities, proactive human resources planning, centralisation of procurement of medicines, equipment and supplies

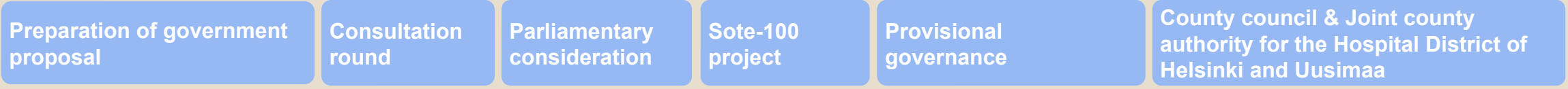


# How will the change be executed?

- The national service reform is part of the Government Programme.
- The Ministry of Social Affairs and Health manages the preparation of the reform, as the ministry is responsible for the preparation of legislation and other national development of the content of health and social services.
- The reform will be implemented through
  - legislative amendments,
    - along with studies to provide a sufficient knowledge base for decisions,
  - programme and project work,
    - including the dissemination of good practices, and
  - reform of the guidance system for healthcare and social welfare.



# Timetable for the health and social services reform Health and social services reform 2020–2023



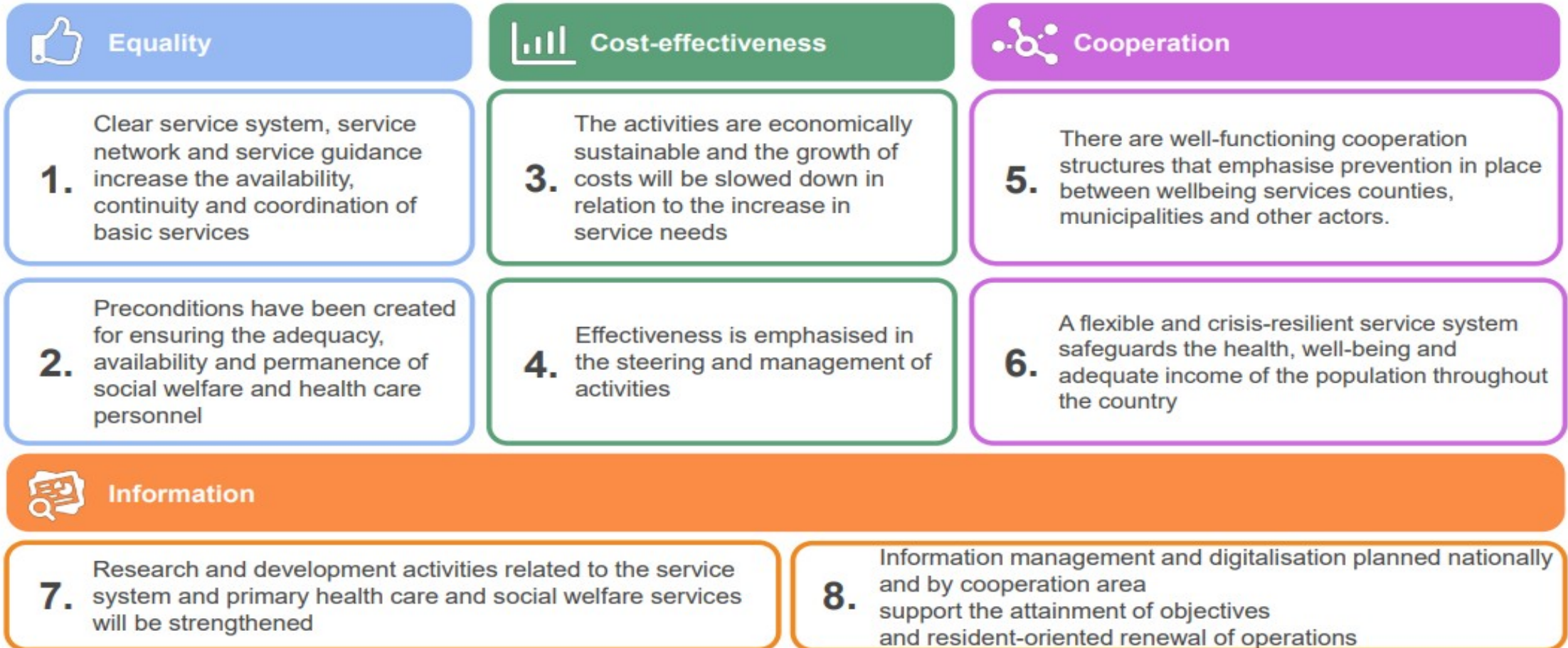
Development of services



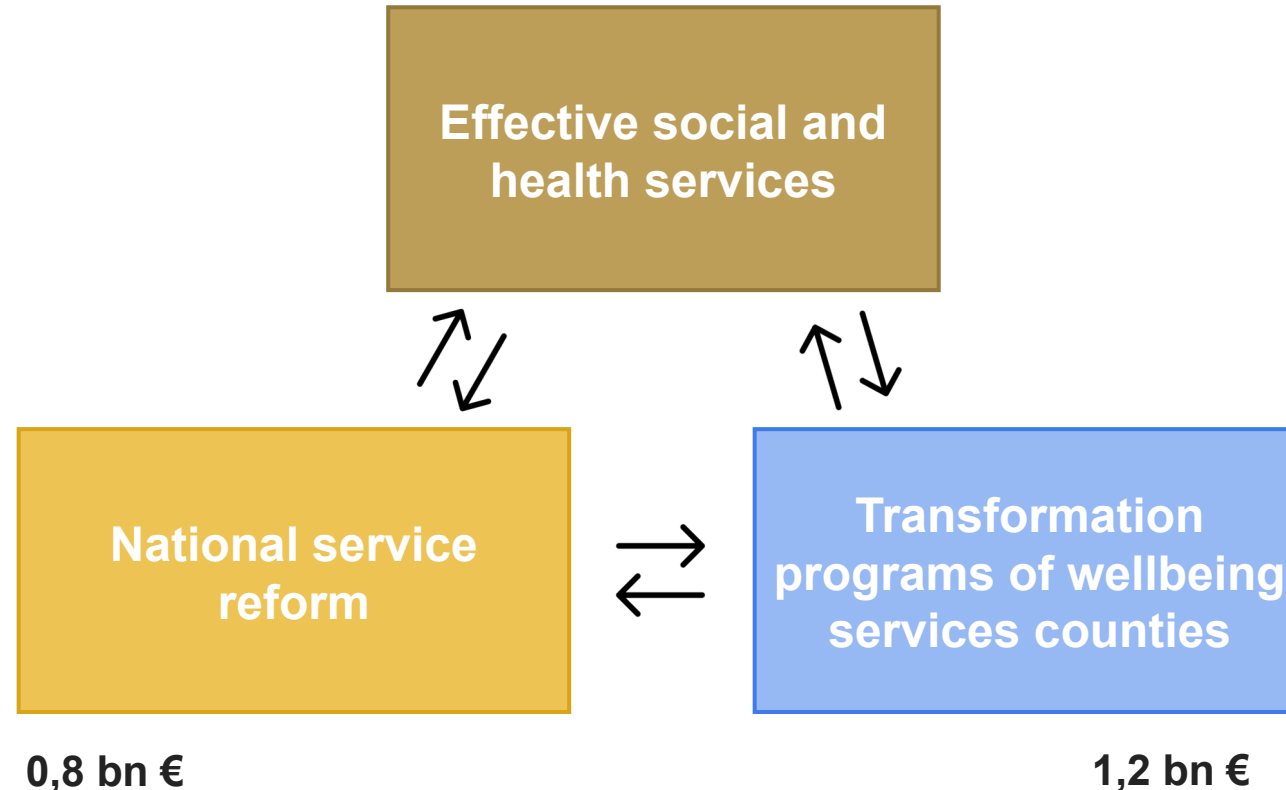
# The national objectives for healthcare and social welfare



- The national objectives for healthcare and social welfare that have been specified based on the objectives of the Government Programme and the National Service Reform will be taken as the basis for planning the activities of the wellbeing services counties.



# The national service reform aims to enhance the effectiveness of social and health services



The fiscal policy objective is to restrain cost growth by at least 2 billion euros by 2031. The aim is to achieve 1.3 billion euros of this by 2027. The change is assessed in relation to the baseline scenario of public finances in 2023..