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### The Slovenian Health and Hospital System

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#### FACTS & FIGURES

Total population:	1,967,000
Life expectancy at birth m/f (years):	74/81
Birth rate:	8,6 per 1,000
Death rate:	9,4 per 1,000
GDP per capita:	12,300 euros
Total healthcare expenditure:	8,2% of GDP
Healthcare expenditure per capita:	1,600 PPP euros
% of healthcare financed by public funds:	87%
Number of beds:	8,300 acute care beds (99,8% public beds)
Number of beds for 1,000 population:	4,1
Length of stay:	6,6 days
Waiting lists:	Significant, up to 18 months for certain treatments
Physicians working in hospitals:	2,500
Total number of doctors:	4,550

Slovenia is a country with 2 million citizens. Since 1991 it has been a democratic republic, with the full name of the Republic of Slovenia. Slovenia covers 20,273 square kilometres, and its capital is Ljubljana. The official language is Slovenian, and Italian and Hungarian in areas populated with minorities. The official currency is the euro. Gross domestic product per capita in 2006 stood at 15,167 euros, and current economic growth is 6.3%. Slovenia has a tradition of social solidarity and equity and this principle has guided health sector development throughout the transition period. The Slovenian Constitution states that rights to healthcare services are the realisation of the constitutional human right to social security, which has to be granted to everyone regardless of their personal circumstances, including their financial status.

Legislation enacted in 1992 was directed at addressing the most significant problems. In particular, it revised the methods of financing by replacing direct funding by the Ministry of Health from general revenue with mainly employment-based financing operated by a new government agency, the Health Insurance Institute of Slovenia (HIIS). The Act defined the roles of both the compulsory and universal insurance schemes, and additional optional insurance. On the supply side, the most important practical change was the privatisation of many parts of the public

health network, and associated changes, such as the introduction of free choice of physicians and some elementary gate-keeping functions in primary healthcare. It also formalized and significantly restructured the processes of care provider contracting.

### **Health Insurance**

Compulsory health insurance administered by the Health Insurance Institute of Slovenia (HIIS) is at the cornerstone of health financing in Slovenia, and is defined by the 1992 Law on Healthcare and Health Insurance. HIIS is the sole provider of compulsory health insurance and is autonomous in its operation, although the government has influence over some elements of the structure of the scheme, such as the contribution rate and scope of benefits. By design, the health insurance scheme covers the entire population, and opting out is not permitted. There are 21 categories of insured people, and there are two main groups. The first group is employees (and their non-earning dependents) who pay contributions based on income, at the rate of 13.5% of gross salaries and wages. Contributions are shared between employers (6.89%) and employees (6.36%). Additional contributions may be required from employers to adjust for claims that are excessive as a result of occupational diseases and injuries. The second group covers unemployed persons, other persons without a fixed income who are not registered as unemployed, pensioners, farmers and the self-employed, who pay a fixed contribution to the national fund. The National Institute for Employment pays fixed amounts for the registered unemployed, and self-governing communities are required to pay for persons without income. Pensioners pay a fixed contribution of 5.65 per cent of their gross pension.

Money is collected in a special fund of HIIS and is divided on the basis of regular annual negotiations between operators, the Ministry of Health and HIIS. The problem is to balance the financial sustainability of the system with the demands of the economy to ensure that the contribution rate does not increase, and in increasing needs due to ageing of the population, expensive medical technology and expensive biological drugs.

Beneficiaries are entitled to a very comprehensive package of primary, secondary and tertiary health services, as well as non-medical entitlements (cash benefits such as salary compensation after absence from work for 30 days). Essential services, which include services for children and adolescents, family planning and obstetric care, preventive care, diagnosis and the treatment of infectious diseases (including HIV), treatment and rehabilitation for a range of diseases including cancer, muscular and nervous diseases, mental diseases and disability, emergency care (including transport), nursing care visits and home care, the donation and transplantation of tissue and organs, long-term nursing care, are covered in full, while "less essential services" are subject to co-payment, ranging from 5 per cent to 50 per cent. Co-payments are paid by the patient, and can also be covered through voluntary health insurance.

### **Supplementary Health Insurance**

Supplementary health insurance also covers numerous healthcare services which are not covered by compulsory health insurance, for example, corrective surgery, services regarded as experimental, routine examinations of employees, preventive medicine for children, adolescents and students, cancer, various disabilities, emergency medical assistance, etc.

The close connection between supplementary health insurance and compulsory health insurance can be seen in the fact that supplementary health insurance in the prescribed share covers only those healthcare services which are rights deriving from compulsory health insurance and not other forms of insurance.

By concluding a supplementary insurance contract, we cover the cost of all services defined in compulsory health insurance to the full extent and we do not have to pay for the share which is not covered by compulsory health insurance. Supplementary health insurance therefore presents an important pillar in the system of social security of the citizens of the Republic of Slovenia and is defined as a public interest which has to be particularly protected. More than 96% of the population have concluded a supplementary insurance contract.

Supplementary health insurance is provided by three insurance companies. The most important provider is Vzajemna, a private insurance company which does not put profit as a priority. All insurance companies which provide supplementary health insurance, regardless of their status, are obliged to earmark half of the potential operating surplus generated by supplementary health insurance services for the implementation and development of supplementary health insurance services.

The legislation determines the equalisation schemes designed to equalise differences under the principle of intergenerational reciprocity by gender and age in the volume of expenses of all three insurance companies. The levelling of differences is performed by the Ministry of Health every three months by issuing adequate provisions on equalisation.

### **Primary and Secondary Care**

Health services are organised on a primary, secondary and tertiary level. Primary health services include basic health and dispensary services.

The secondary level is organised within hospitals and special outpatient clinic activities which are located in hospitals or forwarded from hospitals to individual health institutions. Since 1992, concessions for practice can be acquired in the public sector, while there is little pure private practice (140 dentists).

Health services on a tertiary level include services of clinics, clinical institutes or clinical departments and other authorised health institutions.

Socio-medical, hygiene, epidemiological and health-ecological services are performed as particular specialist services on the secondary and tertiary levels.

For the major part of primary healthcare services provided by chosen personal physicians (general physicians and primary level pediatricians), a combined capitation and fee-for-service system is in place. A part of the programme value in these activities is paid in accordance with the number of declared patients ("capitation fee"), while the other part, in accordance with the volume of services provided.

The volumes of services payable by the Health Insurance Institute of Slovenia (hereafter HIIS) are bounded, and depend on the number of declared patients. Chosen physicians at the primary level have a gate-keeping role. Outpatient specialist services are remunerated by a fee-for-services system according to a special book of services, but again bound within prospective yearly limits. Since 2003, two financial incentives have been introduced to improve the preventive services programme and to reduce referrals to specialist services.

Up to 2000, the planning and valuation of hospital services were based on the hospital care day payment method. For some extra expensive services in heart surgery and transplant surgery, specific intervention prices were agreed upon. In 2000, the "case mix" system was introduced for hospital programmes. Monitoring factors have been related to the patient and to the services actually provided.

The number of doctors per 100,000 citizens in Slovenia is very low, and there is also a shortage of qualified nurses. On average, there are 0.51 doctors per 1,000 adults in Slovenia in the field of general or family medicine, including those who cover nursing homes.

Slovenia has 2 university medical centres, 7 specialised hospitals, 5 psychiatric hospitals, 2 gynaecology hospitals, and 2 private sanatoriums.

#### **EU Presidency of Slovenia**

The European Union and its member states seek to promote the good health and security of EU citizens. Every member state is responsible for the successful functioning of its own healthcare system at a national level; however, certain issues often need to be addressed at the EU level.

Thus, EU healthcare policy is directed towards expanding an open method of healthcare harmonisation by coordinating efforts in the fight against the spread of communicable diseases, as well as towards supporting national measures for raising awareness of healthcare issues.

During its presidency of the Council of the European Union, the Slovenian presidency continues to strive for the implementation of the joint priorities and commitments of the presiding "Troika". These joint commitments, developed within the framework of the 18-month programme of the German-Portuguese-Slovenian presidency, are based on the promotion of health by encouraging a healthy lifestyle, and in particular, healthy nutrition and physical activity, the prevention and control of communicable diseases such as HIV/AIDS and flu pandemics, innovations in healthcare and accessibility of healthcare services.

During its presidency, Slovenia as the presiding country concentrates on reducing the burden of cancerous diseases, which remain one of the more severe public health problems in the EU, despite the numerous activities and endeavours of member states.

It is our goal to promote certain activities further at a political level, and to adopt orientations in support of different measures both at the EU level and in member states, which will – given the existing discrepancies between the member states – contribute to the promotion of healthy lifestyle and the prevention of cancer, as well as to more successful treatment and better survival rates for this disease. Slovenia will strive to address the issue of cancer at a higher political level within the Community framework.

Besides addressing widespread disease such as cancer, during its presidency of the Council of EU, Slovenia will lay stress on the reduction of alcohol use, and the damage associated with alcohol abuse, the latter being the third most important causative factor of disease and premature death in the European Union. Apart from these priorities, we will highlight IT systems development in healthcare, which will facilitate faster intervention and more effective information exchange between health institutions. To this end, the Ministry of Health is to organize an eHealth conference within the framework of the presidency.

Besides the above listed priorities and further implementation of the joint commitments of Germany, Portugal and Slovenia, the dossiers on the agenda inherited from the preceding presidencies will be taken over.

The tentative, more demanding dossiers include: the provision of healthcare services, which would ensure the European citizens high quality and

safe healthcare services and their flow; the European Health Strategy, with its basic objective of defining a balanced and comprehensive approach in the area of public health at the EU level, which will contribute to the better health of European citizens; and management of human organ donations and transplantation.

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