



# Fundamentals of health insurance

---

*"... Health is becoming increasingly valuable factor, and disease control costs more expensive"*

*1969. Copenhagen*

*WHO Workshop*

# ORIGINS OF HEALTH CRISIS IN USSR

- **Remaining health financing principle;**
- **The state monopoly in health care;**
- **The extensive road development of public health;**
- **Lack of economic management in healthcare;**

# The ideology of health systems formation

- health systems models are based on the **source** of funding and the formation of the medical services **market**

# Terminology

- **Market**
- **Marketing - a special approach to the management of production and sale of goods and services in a market economy**
- (To produce what the buyer is required)
- **Medical service is a commodity**

# Health Systems Models

- - Predominantly state (budget) - Britain, Denmark, Italy, Greece, Spain, Portugal;
- - Mixed - budget and insurance system - in most European countries (Germany, France, the Netherlands, Austria), Canada, Japan;
- - Mostly private (commercial) - USA

# Health Systems Models

- Russian Health Care Model: budget and insurance
  - (1991)

# Sources of health care financing in the Russian Federation

## ■ Main:

- The budget;
- **compulsory health insurance funds**

## ■ Additional :

- **paid services;**
- **Economic agreements;**
- **Donations;**



# Sources of health care financing in the Russian Federation

- **Income from securities;**
- **Donate space for rent;**
- **Other sources not prohibited by law**

# Average volumes of health care financing

■ USA	11,2-14%
■ France, Canada	8,6%
■ Germany	8,2%
■ England	6,1%
■ USSR	2-4%
■ Russian Federation	0,39-3,4%

Optimally, 6-8% of Gross domestic product  
(WHO experts estimates)

28 / VI.1991 Law "About health insurance of citizens of the RSFSR"

2 / VI.1993 Law "About introducing amendments and addenda to the law on health insurance of citizens of the

RSFSR"

# Federal Law of the Russian Federation

- The law “About Mandatory Medical Insurance in the Russian Federation» (№ 326-FZ of November 29, 2010, entered into force on January 01, 2011)

## **XVII. Germany - craftsmen**

- **insurance hospital funds (Voluntary medical insurance)**
- **Otto Bismarck**
- **- 15 / VII 1883. "The law on insurance of workers in the event of sickness"**
- **6 / VII 1884. "The law on insurance of workers against accidents"**
- **22 / VI 1889. "Law on invalidity and old age insurance"**

# **Periods of health insurance development in Russia**

- 1. Development of factory insurance (second half of XIX century)**
- 2. The development of the health insurance cashbox of voluntary insurance (since 1859).**
- 3. The introduction of compulsory medical insurance in tsarist Russia ( from 1912)**
- 4. Period of workers health insurance (1917-1919)**
- 5. Revival of health insurance under the New Economic Policy (1921-1929)**
- 6. State social security system without mandatory health insurance (1930 – 1991)**
- 7. Revival of compulsory health insurance system (since 1991).**

## The main concepts

- **Insure - means to protect from something undesirable, to provide security.**

# The main concepts

- **Compulsory health insurance - Social Security views.** It is a system of measures aimed at guaranteeing the free provision of medical care to the insured person. It carried out at the expense of the MLA in the insurance case



# The main concepts

- **The object** of compulsory medical insurance is the insurance risk associated with the occurrence of the insured event
- **Insurance risk** - the expected event, upon the occurrence of which it is necessary to pay expenses of the insured person provided medical care

## The main concepts

- **Insured event** is occurred event (illness, injury, etc.). Upon the occurrence of which the insured person is granted a guarantee for compulsory health insurance

# Subjects of compulsory medical insurance

- 1. **The insured person** - a natural person, which is covered by compulsory health insurance in accordance with this Law;
- 2. **Insurers** - the person (organization) make payments;
- 3. **CHI Federal Fund**

# The participants of the mandatory health insurance

- 1. **Territorial Compulsory Medical Insurance Funds**—non-profit organization created by the RF subjects for the implementation of the state policy in the compulsory health insurance field;
- 2. **Health insurance companies** – insurance companies carrying out certain powers of the insurer;
- 3. **Medical organizations** – organizations of any organizational and legal form and the individual businessmen who are eligible for medical practice

# Characteristic features of the mandatory health insurance

1. **Universal, mass character;**
2. **Guaranteed minimum of free service to insured ;**
3. **State guarantee the rights of the insured;**
4. **Obligation to pay insurance premiums by policyholders;**
5. **Creating the conditions to ensure the availability and quality of care;**
6. **Stability of obligatory medical insurance of the financial system**

# **Health insurance system. The rights of citizens.**

- 1. Free receipt of the entire territory of the Russia health care in medical organizations participating in the CHI system when the insured event;**
- 2. Free choice of health insurance company by submitting an application;**
- 3. Replacing the health insurance company once a year, not later than November 1, or more frequently when changing residence;**
- 4. The choice of medical organization within the territorial CHI program;**

# **Health insurance system. The rights of citizens.**

- 5. Choosing a doctor, by a declaration addressed to the head of the medical organization;**
- 6. Getting away from territorial fund health insurance, health insurance organizations and medical organizations of reliable information on the types, quality and conditions of the provision of medical care;**
- 7. Reimbursement of health insurance organizations and medical organization for damage caused due to non-performance or improper performance of its obligations on the provision of medical care;**
- 8. Protection of personal data in the field of CHI**
- 9. Protecting the rights and legitimate interests in CHI.**

## The insured person is obliged to:

- 1. get medical insurance policy;
- 2. to present the policy of obligatory medical insurance when applying for medical assistance, except in cases of emergency medical care;
- 3. to submit an application for choosing a health insurance organization in person or through a representative;
- 4. to notify the insurance medical organization during the 1st month about changing of the name, place of residence;
- 5. to carry out selection of the health insurance company at the new place of residence during the 1st month;
- 6. После государственной регистрации рождения ребенка и до достижения им совершеннолетия одним из родителей выбрать СМО, получить полис



## The insured person is obliged to:

- 6. After the state registration of the child's birth until the age of majority. One of the parents must choose the medical insurance organization to receive the policy and make it available upon the occurrence of an insured event in a child.

# Programs of compulsory health insurance (CHI)

- **Basic program** - it is an integral part of the program of state guarantees in the matter of providing free medical care to citizens. It defines the types of medical care, the list of insurance cases, tariff structure, payment methods, criteria of accessibility and quality of health care

# Programs of compulsory health insurance (CHI)

- **Basic compulsory health insurance program includes**
  - 1. Primary health care, including prevention;
  - 2. Emergency medical services (with the exception of specialized sanitary-aviation);
  - 3. Specialized medical care (according to the list)

# Programs of compulsory health insurance (CHI)

- **The territorial CHI program** - part of the territorial program of state guarantees in providing free medical care to citizens, includes the types and conditions of care, the list of insurance claims, the value of health care standards and volumes of financial costs per insured person, which may exceed the basic program

# Sources of health care financing in Russian Federation

- **Government programs:**
  - - The priority national project "Health"
  - 209.1 billion rubles (2006-2007 biennium).
  - - Healthcare modernization program
  - 460 billion rubles (2011-2013 biennium).

## The main priorities of the national health project in the 2006 - 2007 years

1. Primary health care development
2. The development of preventive health care
3. Providing the population with high-tech medical care

# Russian Health Improvement Programs (Article 50)

- 2012 - 2011. From the budget of the Federal Fund is funding the modernization of regional programs for the purposes:
  - - Strengthening the material-technical base of medical institutions (completion of building construction, repair, purchase of medical equipment);
  - - The introduction of modern information systems in health care (e-policy, e-cards, document management, telemedicine systems);
  - - implementation of standards of care.
  -