

## Socially Adjusted User Fees

**Country:** Austria

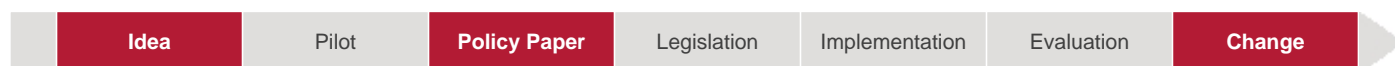
**Partner Institute:** Institute for Advanced Studies (IHS), Vienna

**Survey no:** (1)2003

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**Health Policy Issues:** Funding / Pooling

### Current Process Stages



**Featured in half-yearly report:** Health Policy Developments 1/2003

### 1. Abstract

Authorisation of health insurance funds to collect socially adjusted user fees with simultaneous abolishment of charges for health insurance voucher and outpatient care.

### 2. Purpose of health policy or idea

Authorisation of health insurance funds to collect socially adjusted user fees with simultaneous abolishment of charges for health insurance voucher ("Krankenscheingebühr") and outpatient care ("Ambulanzgebühr").

#### Main objectives

A clear objective has not been stated yet; i.e. re-direction of patient flows.

#### Type of incentives

Financial incentive to control utilization rates to dampen cost increases.

#### Groups affected

80 percent of population (blue and white collar workers and their dependants); corresponding to the insured persons underlying the General Social Security Act (ASVG)

### 3. Characteristics of this policy

<b>Degree of Innovation</b>	traditional	<input type="checkbox"/> <input checked="" type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/>	innovative
<b>Degree of Controversy</b>	consensual	<input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/> <input checked="" type="checkbox"/> <input type="checkbox"/>	highly controversial
<b>Structural or Systemic Impact</b>	marginal	<input type="checkbox"/> <input checked="" type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/>	fundamental

**Public Visibility**

very low  very high

**Transferability**

strongly system-dependent  system-neutral

#### 4. Political and economic background

New government with the same coalition partners; idea is contained in the programme of the new government for the next legislative period; however, the introduction of up to 20% co-payment was already part of the programme of the 1999 coalition, though only one flat fee for visits in hospitals' outpatient departments (Ambulanzgebühr) was introduced during the last legislative period.

Economic background:

Growing deficit of health insurance funds; predicted deficit for 2003 is 350 million Euro, for 2005 is 900 million Euro.

Whereas in the 1999 policy paper one page is dedicated to principal policy goals, the 2003 programme contains one paragraph, which is not fully consistent with the details in the programme. The goals are:

- maintenance and improvement of the health system based on solidarity
- provision of high quality medical care regardless of income
- promotion of the relation between patients and providers via strengthening of patient rights, shared responsibilities, and participation of patients
- implementation of quality assurance on all levels of care
- maintenance of financial sustainability via increased efficiency and economic viability.

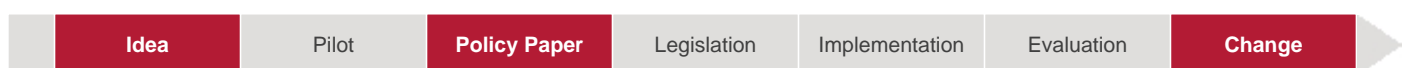
#### Change of government

As opposed to the 1999 election, the People Party achieved the highest number of votes.

#### Change based on an overall national health policy statement

see above

#### 5. Purpose and process analysis



#### Origins of health policy idea

- The introduction of a up to 20 percent co-insurance rate has been part of the programme of the 1999 coalition, though only one flat fee for visits in hospitals' outpatient departments (Ambulanzgebühr) was introduced (introduced 19/04/2001). Also then, co-payments were not new to the Austrian health system: Among a variety of

user charges already in effect, a flat fee for health insurance vouchers was introduced in 1997; civil servants and self-employed have been paying already a 20 percent co-insurance rate

- The Ambulanzgebühr was not very successful, which may explain why the old/new government plans to abolish its own creation: Of approximately 6 million outpatient care patients treated, 48% were not obliged to pay the charge due to exemptions rules in place when the charge was introduced in 2001; 12% exceeded the annual ceiling. After retrospectively effective exemptions were introduced only 3 to 8% of outpatient care cases are estimated to be billed. In particular, a large sickness funds reported even a loss: whereas revenues were in the order of 230 000 Euro, outlays for administration were 5 million Euro (Der Standard, 01/30/03)
- Main actors: Federal Ministry for Health and Women and Federal Ministry for Social Security and Generations (governmental institutions generating the idea); regional health insurance funds (implementation), Federation of Austrian Social Security Institutions.

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### Stakeholder positions

- Leadership in bringing forward this idea is situated in the People's Party.
- Social-democratic party and green party (opposition) vehemently oppose the idea of co-payments for equity concerns.
- Austrian Medical Association calls for a working group including members of social health insurance funds, Austrian Medical Association and hospitals;  
The executive management of the Federation of Austrian Social Security Institutions supports user fees, but some regional health insurance funds are heavily opposing.

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### Influences in policy making and legislation

The ASVG (General Social Security Act) has to be amended in order to enable sickness funds to collect co-payments and to abolish existing co-payments (Krankenscheingebühr, Ambulanzgebühr).

Furthermore and as responsibilities have been shifted within ministries, legislation has to be updated to separate health policy from the responsibility of the Ministry of Social Affairs and Generation and to shift it onto a newly created Ministry of Health and Women's issues.

Legislative outcome

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### Adoption and implementation

Presumably social partners (including sickness funds) will be involved in formulating the necessary amendments in the Act.

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### Monitoring and evaluation

- No reviewing or evaluation process is planned until now.
  - Social adjustment of the co-payment is stated as an objective, but no detailed information is available up to now what the social adjustment of the co-payment will look like.
  - Equity considerations are heavily discussed in public.
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## 6. Expected outcome

The possible new user fees scheme will substitute the health insurance voucher charge (€ 47 million) and the Ambulanzgebühr (€ 29 million).

Already during the last legislative period tendencies could be observed to weaken the position of sickness funds. The current approach, i.e. to enable regional sickness funds to design their own user fee scheme, rather than adopt a universal scheme, seems to further weaken those funds, as user fees are highly unpopular. At the same time, regional sickness funds for the first time receive a means to steer their revenues to some degree, though an unpopular measure was chosen in a time of existing deficits. The weakening of the social health insurance position seems to be accelerated by the fact that administrative costs are frozen on the 1999 level. In addition, affected sickness funds are not yet ready to administer patients billing.

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