Re-Organisation of SHI Management

Country: Austria
Partner Institute: Institute for Advanced Studies (IHS), Vienna
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Health Policy Issues: Funding / Pooling

Current Process Stages

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1. Abstract

Based on a verdict by the Constitutional Court, the Federation of Social Security Institutions (FSSI) needs to be reorganized. The FSSI is a self-governing umbrella body of 25 Austrian social insurance funds. The Court stated that the current structure of the Federation was unconstitutional because it lacked democratic legitimization and its tasks were not clearly defined.

2. Purpose of health policy or idea

1. Observed parallel supply of selected services should be reduced (e.g. accident hospitals), regional health insurance funds should supply services in kind formerly provided by AUVA (general occupational accident insurance fund), cash benefits formerly provided by AUVA are to be provided by pensioners insurance fund
2. Re-organization of the management structure in regional health insurance funds.
3. Creation of a holding competence centre (all insurance funds including pension funds) for health promotion and prevention
4. Private employees’ social health insurance funds (and accident insurance funds?) in each state are to be merged after completion of harmonization of contribution rates, doctors’ fees and benefits.

Groups affected
Federal Ministry for Health and Women’s issues Institutions, Federal Ministry for Social Security and Generations, Regional health insurance funds, AUVA, Federation of Austrian Social Security

3. Characteristics of this policy

Degree of Innovation traditional innovative
Degree of Controversy consensual highly controversial
Structural or Systemic Impact marginal fundamental
4. Political and economic background

Political background:

- New government; idea is part of the programme of the new government for the next legislative period;
- Economic background: not clear as synergies are not (yet?) obvious

Change based on an overall national health policy statement

5. Purpose and process analysis

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Origins of health policy idea

- The idea to merge some social insurance funds has been a topic in the public discussion for several years now and has been persevered by the Freedom Party, mainly under the objective to reduce overhead cost in those funds.
- To re-organize the management structure of the regional sickness funds according to the model as created by the reorganization of the Federation of Social Security in the last legislative period.

Stakeholder positions

Opposition parties are against the merger; main issue seems to be the management structure; whereas currently sickness funds are managed by executive directors and by trade unionists (representing the self-government), a new management structure should be introduced consisting of an executive body and a supervisory board. The parity in the supervisory board has been reassured via the delegation of members from the "social partners". However, this organizational change is likely to diminishing the influence of trade unions and will weaken the self-government tradition.

Influences in policy making and legislation

It will, once the discussions are finished.
Legislative outcome

**Adoption and implementation**

- The government
- Federation of Social Insurance;
- Not many details are visible by now
- Chances of implementation are not so high in the near future

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**6. Expected outcome**

This policy idea will generate a hot debate;

Since administration costs of sickness funds are low anyway we do not assume that increasing efficiency is the main goal.

Once regionally integrated funds exists this may lead to a multiplication of experts necessary to carry out the tasks for administrating accident insurance issues which now is rather centralized; however, with the creation of the holding competence centre this tendency may be lessened.

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**7. References**

Reform formerly reported in

[Adjustment of SHI Contribution Rates](#)

Author/s and/or contributors to this survey

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