Estonia case study: Experiences in measuring care integration and how this information feeds into payment system reforms

The Estonian Health Insurance Fund (EHIF) is the biggest purchaser of health care services forming almost 90% of the specialised medical care and nearly the entire family physicians budget. All health care providers are independent entities operating under private law. Family physicians operate as private entrepreneurs or salaried employees of private companies owned by family doctors or local municipalities, predominantly (70%) as solo practices. Most hospitals act as limited liability companies owned by local governments or foundations established by the state, municipalities or other public agencies. Family physicians are the first contact of care for most of medical conditions and they are expected to coordinate the care across different care settings.

The HIF applies a mix of different payment methods, including fee-for-service, capitation, per diem, pay for performance for the family doctors, and diagnosis-related group (DRG) payments. In addition, some additional allowances and payments for care coordination are used to serve some specific objectives, e.g. to improve quality of cancer care. By blending these different payment methods and complementing these with contracting mechanisms including cost and volume gaps, the EHIF aims to attain optimal mix of incentives to achieve system objectives as access, quality and cost containment.

In 2015, the World Bank in cooperation with the EHIF conducted the study to explore how well today's Estonian health system follows the principles of integrated care of patients with non-communicable diseases. The study aimed to analyse by mostly using EHIF's claims data if (i) services are delivered in the appropriate care setting, and (ii) there is adequate coordination of care within and between care settings. The study found that in spite of the twenty years of efforts to move to the family medicine centric health care model, there are still several challenges. The results showed that a substantial part of acute inpatient care could be avoided and hospital stays could be reduced if care is shifted to more appropriate settings. Also, family doctors better care management could reduce remarkable share of ambulatory specialist visits and gaps exists in pre-and post-acute care coordination.

The study results accelerated already ongoing activities aiming to strengthen primary health care and to achieve better care integration. Among that, pay for performance scheme was revised to incentivize better adherence to the clinical guidelines. Also, performance monitoring and provider feedback systems were reviewed by adding care integration indicators. Also, study results speeded up discussions to introduce new payment models (e.g. global budgets for smaller hospitals, payment model for primary health care centre) as well as new initiatives emerged (e.g. pilot on enhanced care management model).

ADDITIONAL READING

1. The World Bank Group (2015) "The State of Health Care Integration in Estonia: Summary Report".
2. https://www.haigekassa.ee/sites/default/files/Maailmapanga-uuring/summary_report_hk_2015.pdf
3. Estonian Health Insurance Fund (2009) „Overview of Estonian experiences with DRG system", Tallinn. https://www.haigekassa.ee/uploads/userfiles/Implementation_DRG_EST_291209_cover%281%29.pdf
4. The World Bank Group (2017) "Enhanced Care Management: Improving Health for High Need, High Risk Patients in Estonia: Evaluation Report of the 2017 Enhanced Care Management Pilot in Estonia", https://www.haigekassa.ee/sites/default/files/enhanced-care-management.pdf
5. EHIF's Annual Report (2016) https://www.haigekassa.ee/sites/default/files/uuringud_aruanded/haigekassa_eng_loplik.pdf