

THE VIEWPOINT OF THE ASSOCIATION OF FINNISH LOCAL AND REGIONAL AUTHORITIES ON THE EUROPEAN UNION HEALTH POLICY

The Commission arranged a consultation on cross-border health services in January 2007. The Association of Finnish Local and Regional Authorities has responded to the Commission's consultation. The Association of Finnish Local and Regional Authorities regards the discussion on European health services and their future as necessary.

On 2 June 2006, the Employment, Social Policy, Health and Consumer Affairs Council (EPSCO) adopted a conclusion on common values and principles in healthcare. These correspond to Finland's values and principles on healthcare. The values are universality, high-quality care, equity and solidarity. The principles are quality, safety, evidence and ethics based care, patient involvement, redress, and privacy and confidentiality.

The principle linked to health strategy, "Health in all policies" was also the main health theme in Finland's presidency in autumn 2006.

Finnish local government system

In all Member States of the European Union, the local and regional authorities are a fundamental part of the democratic structure. It is at local and regional level that citizens are confronted with the European Union and its legislation. It has been estimated that as much as two thirds of EU legislation and programmes are implemented at the local and regional level.

In Finland as well as in other Nordic countries, local and regional authorities have a key role in providing welfare services and maintaining the technical infrastructure. Nordic local authorities perform a wide range of functions and enjoy a relatively strong autonomy, safeguarded by the Constitution, including the right to levy taxes and make decisions independently. They also have a fairly comprehensive set of statutory duties and major financial responsibility for securing the welfare of citizens and the necessary technical infrastructure. In Finland, local authorities have a particularly strong role and wide range of functions. In the Nordic countries, welfare services are mainly provided through non-commercial activities of state, local and joint authorities as well as non-governmental organisations.

The central objective of the EU is strengthening competitiveness. With regard to competitiveness, the quality and reliability of public institutions have emerged as key factors. European competitiveness surveys indicate that the Nordic countries have successfully managed to carry out structural reforms without having to give up their high-quality welfare services. In addition, OECD studies show that administrative decentralisation makes the implementation of policies more efficient. The Nordic countries feature the most decentralised administrative structures in the whole of Europe.

The responsibility of local authorities for health services

Under Finland's constitution, it is the duty of government to safeguard sufficient health services for each person and to promote the health of the population. This must be safeguarded implementing fundamental and human rights.

In Finland the local authorities are responsible for the organisation of health services. It is the responsibility of local authorities to ensure that the residents receive the necessary health services in primary healthcare and in specialised medical care. In order to fulfil their duty to provide healthcare, the local authorities must belong to a municipal federation hospital district. However, a local authority can fulfil its duty to provide specialised medical care by producing the services itself, together with another local authority, or by buying the services from another municipal federation or from a private service provider (bought-in services). The municipal federation hospital district is responsible for ensuring that the

care-need assessment and both emergency and referral-based care are organised on uniform criteria for access to medical or odontological treatment.

The municipal federation hospital district will ensure the compatibility of specialised medical care services in its area and, in cooperation with the health centres, plan and develop specialised medical care in such a way that primary healthcare and specialised medical care form a functional entity. Furthermore, the municipal federation hospital district will, in the discharge of its duties, enter into such cooperation with the local authorities' social welfare work in its area that is necessary for the proper performance of its duties.

The local authority must allocate funds in its budget for primary healthcare and for both emergency and necessary specialised medical care. The budget must be prepared so that the conditions for discharging the local authority's duties are safeguarded.

Since 2006 Finnish local authorities have had to report on the state of health of the residents. This means that local policy decision-makers are aware of the state of health of the residents, and that in this way the local authority's resources can be also steered appropriately in order to reduce health inequalities.

If the "health service directive" now under preparation would allow EU residents to freely use the health services of different countries without prior authorization, this would mean great difficulties in the planning, implementation and financing of health services. The Association of Finnish Local and Regional Authorities believes that prior authorization is necessary when seeking medical services across borders. Supposing that Finnish citizens would increasingly use cross-border health services and that there was no prior authorization, the payment burden for local authority health services could become unreasonable.

Cross-border healthcare services

There is a clear lack of current and comprehensive information relating to cross-border healthcare. In cross-border situations, patients, healthcare officials and purchasers of services (e.g. local authorities) need information about, for example, producers of foreign health services, waiting times, care practices in other countries, patients' rights, the quality of care, costs that remain to be paid by the patient, costs arising from the care, compensation for patients' injuries, and appeals concerning care or costs. Information shows that there are many differences between people and areas.

The applicable mechanism for cross-border care has various economic impacts in terms of public funds and citizens depending on what the relative cost of the care is in the patients' own country and abroad. This can be of great significance to individuals, too.

The responsibility for clinical supervision should be in that country where the care is given. Continuation of the care should also be safeguarded. Patient care must be safe and of a good standard. Information about care given in another member state should be sent to the doctor or institution providing further care, making sure that there is sufficient privacy protection. Seeking care should be regulated (with prior authorization), so that national health care can be planned systematically.

The Association of Finnish Local and Regional Authorities emphasizes that it is important to agree on the responsibilities of the different parties in cross-border situations. The questions of responsibility should be clear from the standpoint of the patients, as well as from that of the service providers and from those who finance them. It is the opinion of the Association of Finnish Local and Regional Authorities that the responsibility for a patient's care lies with the hospital that provides the care: the continuity of the care must be guaranteed.

The Association of Finnish Local and Regional Authorities supports the Commission's actions to develop centres of expertise, the evaluation of health technology, good practices and guidance, and for the collection of data. There should be better utilisation of cooperation between healthcare systems in order to produce safe, high-quality and efficient health services. From the perspective of the Association of Finnish Local and Regional Authorities, actions at the EU level should

support the availability of safe, high-quality and cost-effective health services as near as possible to the patient.

The Association of Finnish Local and Regional Authorities emphasizes that Member States should be left with clear authority in the determination, organisation and financing of health services. In organising health services, the independent authority of the Member States as well as their national identities and special characteristics must be respected when the services are examined from the perspective of competition regulations and the internal market. In Finland, the public sector's welfare duties include clear obligations for public services to emphasize equality and universality. Community legislation should not be applied in such a way that the fulfilment of the public service obligations of Member States, local authorities and regions would be prevented or made difficult. The Association of Finnish Local and Regional Authorities considers it desirable that the Commission would also raise this viewpoint.

European Court of Justice practice

The EC Court of Justice has made several decisions concerning the right of citizens of Member States to seek care in another Member State. The Court of Justice has viewed that a patient is entitled to obtain health services in another Member State on the grounds of the EU's freedom of movement.

In its communication elsewhere concerning social services of general interest, the Commission admits elements of uncertainty of the Court of Justice practice in the organisation of the public services of Member States. However, the Commission examines legal practice on the basis of competition perspectives, and not on the basis of questions of authority.

It is the view of the Association of Finnish Local and Regional Authorities that the application of the EU's competition and internal market rules to health care services and to the obligations of public services should be restricted in such a way that would prevent conflicts between the right to compete, the authority of the member states and the related public sector duties.

The Association of Finnish Local and Regional Authorities regards it as a central problem that the Court of Justice influences the organisation of health care services through its practice concerning the application of competition and internal market rules. In practice this means that the authority of Member States is restricted.

The future of health services

The scope of the service directive does not include, for example, services of general interest, some social services, and health services. One crucial problem is that the Union, the EU Court of Justice in particular, still steers the organising of health services by means of the competition and internal market rules.

Council Regulation 1408/71 regarding the coordination of social security regulates the social security rights of people exercising their right to freedom of movement, including the right of patients to seek care in another Member State and to receive compensation for this, as well the compensations between countries in these situations. The regulation does not affect interpretation of the Treaty establishing the EU and the right based on legal practice to seek care in another Member State.

What is the relationship between the social security coordination regulation and the forthcoming health service directive? The social security coordination regulation requires prior authorization for obtaining hospital treatment. What if the health service directive does not include prior authorization? Do these factors cause more confusion than clarity? There is conflicting information. And what are the Member States' liabilities for compensation in cases where cross-border health services are used?

Reforms in Finnish healthcare

In 2005 **maximum waiting times for accessing care** came into force. This will safeguard equality in accessing care throughout the whole country.

The local authority and service structure reform aims to safeguard basic services throughout the whole country. The task of primary healthcare and the closely linked social work will be to look after a population base of at least 20,000 residents. Municipal mergers, municipal federations and host authorities are the means for this. There are 415 local authorities in Finland (2008). Merging of local authorities at the beginning of next year will lead to the number of local authorities decreasing by at least 62. There are 237 health centres, and it is estimated that the number of these will decrease to around one hundred. The health centres will be larger and stronger as a result of these reforms.

The purpose of the **new Healthcare Act now in preparation** is to combine the Primary Health Care Act and the Act on Specialized Medical Care into a single entity. The aim is to change ways of action and to eliminate the divisions between primary healthcare and specialized medical care. The availability of services will improve. The citizens' opportunities for choice will also increase.

The **National development programme on social welfare and healthcare** (2008-2011) was ratified by the Government in January 2008. The main aims are to increase participation and reduce social exclusion, increase the welfare and health of the population, and at the same time reduce health inequalities. It also aims to improve the quality, availability and effectiveness of services and reduce regional differences. The programme includes actions relating to personnel, special state subsidies, management, and electronic services. The improvement of primary healthcare is a specific focus of the programme.

The **Policy programme for improving health** is aimed at reducing health inequalities. Although the state of health of the population has improved, differences between social groups of population have increased.

The Finnish local authorities are responding to the challenges of the European Union's health strategy with these reforms and policy programmes. Now is the time for practical implementation. A major mental health project is underway in the Ostrobothnia region, in Turku they are concentrating on reducing health inequalities.

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