

Government's further policy outlines on the healthcare, social welfare and regional government reform package, 5 April 2016



Further policy outlines on the healthcare and social welfare reform

- These outlines steer the preparations for re-organising healthcare and social welfare services and for reforming the freedom of choice and the multisource financing system.
- The content of the reform will be adopted in line with the detailed outlines once the Government agrees to circulate the draft government proposals for comment.
- The Act on Organising Healthcare and Social Welfare Services and the Counties Act and any related acts will be circulated for consultation in early May – a diagram of the schedule.
- The work will continue

Healthcare and social welfare reform – a controlled change

- The main objectives are to bridge the sustainability gap by EUR 3 billion and narrow down differences in health and wellbeing
- The governing principle is to improve cost management
- Calls for skilful and successful leadership in managing the change



Funding solutions

- Legislation on counties and on the organisation of healthcare and social welfare services will be drafted based on the central government funding model and will enter into force on 1 January 2019.
- During this parliamentary term, the Government will not be preparing legislative proposals for introducing county income taxation.
- A feasibility study on the counties' right to levy taxes will be launched during the current parliamentary term.
- The resources for financing healthcare and social welfare services will be covered through central government taxation by adjustments to the central government income tax scale and to some parameters for earned income allowances.
- State funding to counties by means of central government transfers – targeted funding for national special assignments.
- An overall reassessment of legislation on client fees will be started in 2017.



Customer-oriented service integration

- Customer's needs can be assessed holistically.
- The expertise of different healthcare and social welfare professionals and the various healthcare and social welfare services and measures can be combined to meet the customer's needs in a flexible and timely way, and the services form a cost-efficient package.



Integration

- Integration of organisation: One strong organiser will be responsible for the steering and structure of provision, assigned official duties, regional assessment of the efficiency, cost-effectiveness and quality of healthcare and social services, and for supporting service users' freedom of choice .
- Integration of funding: All funding is channelled via the provider, who has an overall picture of the funding system (single budget and financial resource management).
- Integration of information: In the customer-specialist relationship and related analysis, information travels between different service providers through national registers and fully interoperable information systems.
- Integration of service chains: Care and service will be organised in a way that enables smooth transition between different services and service providers. This requires structured referral agreements and integration of individual service providers' measures into integrated entities.
- Integration of production: Services are offered as cost-effective, clear service packages. Integration of production is achieved through a network structure consisting of several service providers. Integration of production will also be carried out within each service unit.



Freedom of choice and its prerequisites

- As the organiser, each county will be responsible for public authority tasks, the functioning of the whole service system and safeguarding peoples' basic rights.
- Each county will provide the necessary healthcare and social services itself or together with other counties, or may use the services of the private sector or the third sector.
- Legislation on freedom of choice will be drawn up: Customers choose between public, private and third sector service providers.
- Counties will assign the organisation and provision of services to separate organisations (legal persons). This can also be done in the form of a company.
- Legislation will include alternative solutions for separating service organisation and provision.



Versatile service provision

- The Government's objective is to diversify the provision of healthcare and social welfare services in cooperation with the counties.
- Freedom of choice gives SMEs opportunities for operating in the market and help create new innovative and digital service models.
- The Government ensures and the counties safeguard the implementation of a versatile production structure.
 - The private and third sector account for a given minimum ratio of service provision.
 - Reforms based on competitive tendering.



Same opportunities for public and private service provision

- Equal operating opportunities for public, private and third sector service providers.
- Each county must ensure access to services and safeguard effective and cost-efficient provision of services.
- Market-based operations in the counties are governed by EU law, which includes an obligation to create corporate entities.



Regional division

- 18 counties (autonomous areas) will be established, and they will be responsible for the organisation and funding of the healthcare and social welfare services.
- Five collaborative catchment areas will be formed based on the current catchment areas.
- Services requiring a broad population base, specialisation, or less common or more expensive services and procedures, will be brought together at either a national or regional level.
- Counties' assessment procedures will safeguard both peoples' fundamental rights and the capacity of the counties to organise healthcare and social welfare services and their financial sustainability.



Personnel and assets

- Personnel transfers executed in line with the principles of transfer of undertakings and good HR policies
- Personnel in a key role for reaching the goals of the reform – employee organisations and personnel will be involved in carrying out the reform
- The status of personnel will be safeguarded during the restructuring processes
- Asset arrangements based on the restricted division principle.

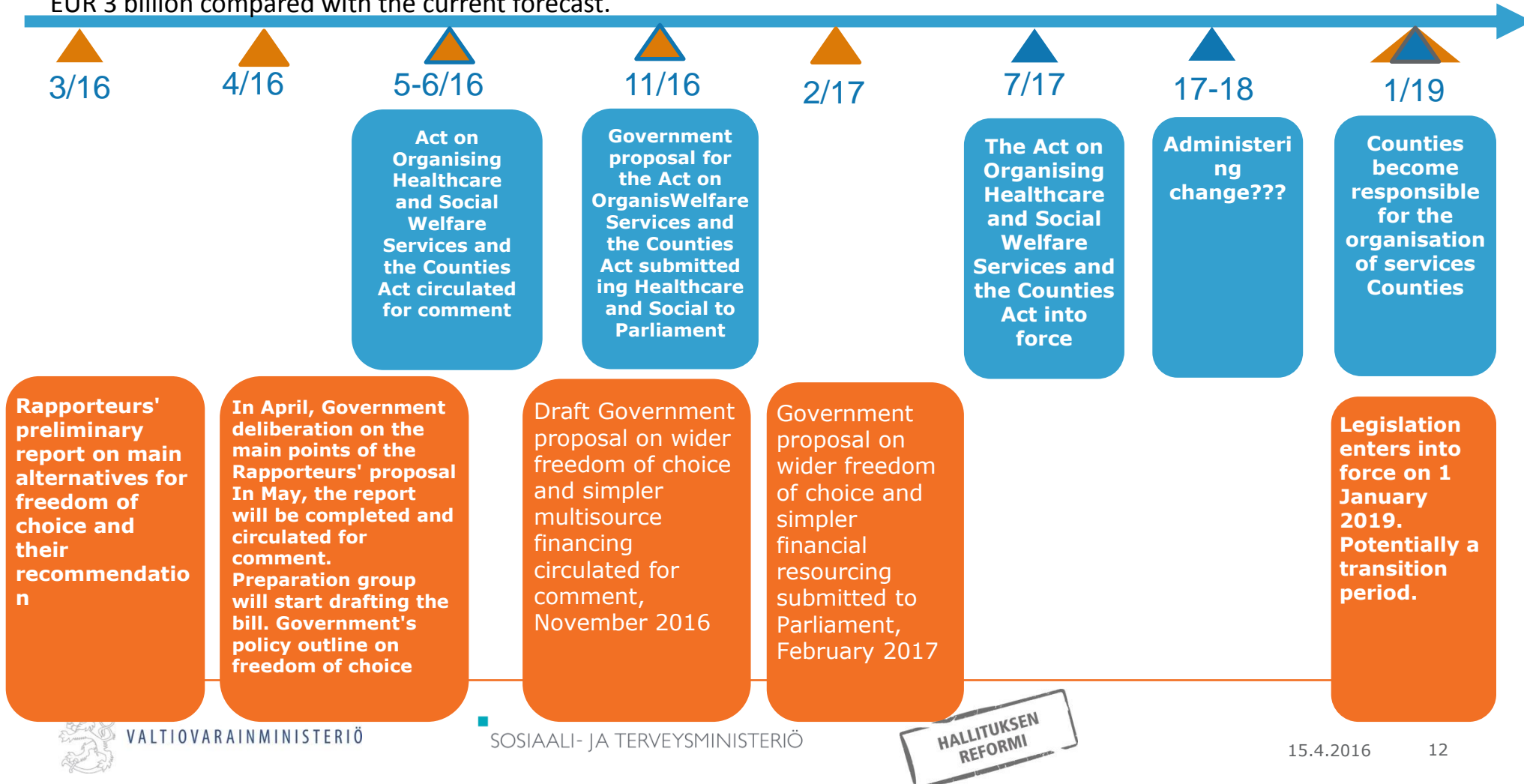


Reform: Reform of healthcare and social welfare

GOAL: Inequalities in wellbeing and health will be reduced and management of costs will improve.

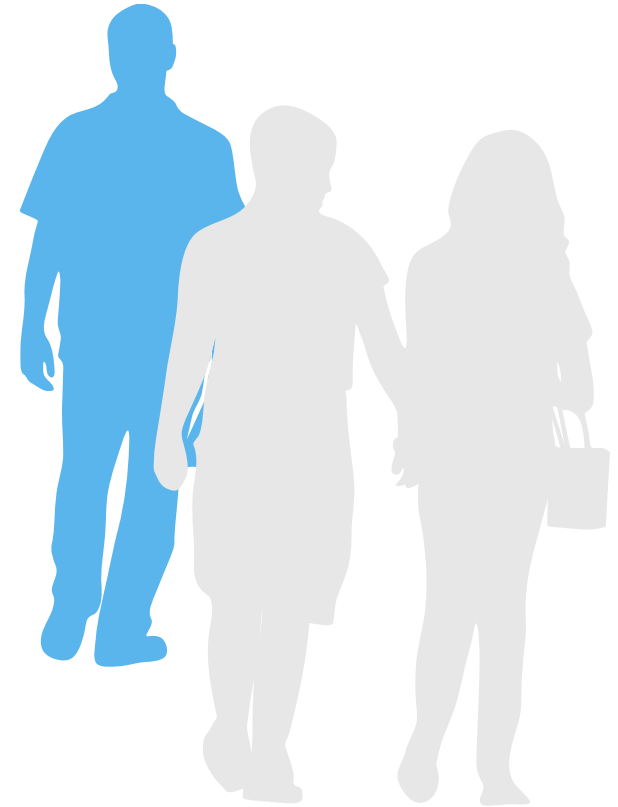
Healthcare and social welfare expenditure will reduce by EUR 3 billion compared with the current forecast.

DESCRIPTION: Healthcare and social welfare duties will be transferred to autonomous regions larger than municipalities. The organiser is responsible for ensuring that healthcare and social services function as a smooth service chain. The current multisource financing system will be made simpler. New legislation on freedom of choice will be enacted. On the basis of the legislation, customers may, in general, choose between public, private and third sector service providers.



Duties of the counties and the development of regional administration

Policy for the coordination of county
government and regional state
administration, 5 April 2016



Future division of responsibilities: municipality – county – state

- The municipalities will continue to exist as communities of local involvement, democracy, culture and vitality and manage the duties related to municipal self-government as decided by the residents (general mandate) and local duties defined by law. In accordance with the principles of current legislation, the municipalities will remain responsible for managing and promoting employment. They will also continue to be responsible for the following: promoting engagement and culture, promoting health and wellbeing, services related to sports, culture and other leisure activities, youth services, local industrial policy, land use, construction and urban planning.
- The counties (regional government) will be responsible for healthcare and social welfare, rescues services, environmental healthcare, regional development duties and tasks related to the promotion of business enterprise, planning and steering of use of regions, promoting the identity and culture of the counties as well as other statutory regional services assigned to the counties.
- The central government will uphold and develop the rule of law, safeguard fundamental rights and evaluate their implementation, and assume responsibility for security. It will also perform international and national tasks as well as supervise equality and public interest. The organisation of central government administrative duties will be based on the principle of national competence, also when the duties require a local or regional presence. principle in central government administrative duties is to follow uniform national practices in operating methods and decisions.



Duties of the counties

- 1) Healthcare and social welfare.
- 2) Preventive services and support for municipalities' expert services in order to promote social wellbeing and health, preventive substance abuse work, health protection and regional alcohol administration and tobacco control.
- 3) Rescue services: The provision of rescue services and pre-hospital emergency care will be the responsibility of five counties that maintain a university hospital based on the counties' collaborative catchment areas. The collaborative catchment areas will be laid down by the Act on Organising Healthcare and Social Welfare Services and the Counties Act. Counties will manage duties associated with rescue services and finance the provision of such services.
- 4) Environmental healthcare and food control, animal health and welfare, including related control. A municipality with adequate resources can, however, agree with the county that the responsibility for organising these tasks is transferred to the municipality (usually a city). The right to transfer tasks would require a provision laid down in a special act and determining the criteria by law.
- 5) Regional development and its funding. Instead of Regional Councils, counties will in the future serve as the general authorities for regional development. The counties will take care of the regional development duties previously assigned to the regional development authority, to Regional Councils and to the Centres for Economic Development, Transport and the Environment, as laid down in the statutes on regional development and the administration of structural funds activities.



Duties of the counties (continued)

- 6) The organisation and development of regional joint services includes not only the joint services enacted by law but also the establishment of a single digital service channel for public services and the organisation and provision of joint services together with the municipalities – in cases where legislation allows counties and municipalities to have joint services. This duty also includes potential agreements on providing regional state authority branches with facilities and support services if they cannot be provided by the regional state authority with nationwide responsibilities.
- 7) Steering of regional land use and construction and nurturing of the regional cultural environment.
- 8) Planning of regional traffic systems.
- 9) Regional planning and organisation of public transport and duties related to discretionary government transfers for public transport as well as duties related to discretionary government transfers for private roads. In this connection, the duties assigned under the Public Transport Act to municipalities and their co-operation bodies will not be reorganised.
- 10) Promoting the identity, dynamism, culture, wellbeing and sports activities of the counties.
- 11) Developing and funding business life, business enterprise and an ambience for innovation, as well as related enterprise and advisory services.

Duties of the counties (continued)

- 12) Rural development, promotion and funding of agriculture, food industry, rural industries, game and fishing industries, and provision of support for farmers, as well as services related to these duties.
- 13) Organisation of farm relief services for farmers and fur producers and farm relief duties of local authorities.
- 14) Control of plant production and plant health.
- 15) Organisation of employment and economic development services and promotion of immigrant integration: Employment and economic development service provision can be enacted – or assigned if statutory criteria are met – to be taken care of by a municipality (city) possessing adequate resources or by private or third sector operators.
- 16) Duties in water supply promotion and planning, use and management of water resources, control of flood risks and duties related to regional natural resources, as well as ensuring the implementation of tasks related to the environment, water supply and water courses and tasks related to water and seawater management.

Duties of the counties (continued)

- 17) Provision and distribution of data on the environment and improvement of environmental awareness.
- 18) Regional preparedness included in the national security strategy and support for it, as well as its coordination with the counties' duties.
- 19) Building supervision in those counties where all municipalities in the county have agreed to transfer such supervision to the county and allocated funding for it.
- 20) Any duties under the mandate of the county and assigned to the county by an agreement between all municipalities in the county, provided the municipalities have allocated funding for those duties.
- 21) Other statutory duties that Regional Councils currently manage. The counties can further develop these duties and related cooperation.
- 22) Managing international matters and connections relating to the duties of the counties.

Regional State Administration

- The current six Regional State Administrative Agencies will be shaped into a single authority with nationwide responsibilities, operating in regional branches and units.
- Overlap with the remit of the Regional State Administrative Agency and central state agencies will be eliminated.
- Personnel will not be placed into one unit only.



Further preparation

- General provisions on the activities, finances and administration of the counties will be included in a Counties Act.
- The objective is that the draft government proposal on carrying out the transfer of duties in special legislation; the funding of the duties assigned to the county government other than those related to healthcare and social welfare; and the proposals on developing the operation of the Regional State Administrative Agency and its nationwide responsibilities as well as the proposals on the organisation of environmental administration tasks would be completed by the end of 2016.





Additional information alueuudistus.fi

