CNAM
COMPANIA NAȚIONALĂ
DE ASIGURĂRI ÎN MEDICINĂ

ACTIVITY REPORT OF THE NATIONAL HEALTH INSURANCE COMPANY FOR THE YEAR 2015

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Contents

Abbreviations

PH	Primary healthcare
HH	Hospital healthcare
SOPH	Specialized Out-Patient Healthcare
EPHC	Emergency Pre-Hospital Healthcare
CHI	Compulsory Health Insurance
TA	Territorial Agency
NHIC	National Health Insurance Company
CIN	Common international names
DRG	Hospital payment system based on case complexity (CASE-MIX)
CHIF	Compulsory Health Insurance Fund
GD	Government Decision
MSFI	Main State Fiscal Inspectorate
MSI	Medico-Sanitary Institution
PMSI	Public Medico-Sanitary Institution
MoH	Ministry of Health
WHO	World Health Organization
RM	Republic of Moldova
CHIS	Compulsory Health Insurance System
IS	Information System
HPMS	High Performance Medical Services
Strategy	NHIC Institutional development strategy for 2015-2019

General context

The current system of compulsory health insurance occupies a central place in the Republic of Moldova's health system. NHIC pays for healthcare services, finances the procurement of medicines and healthcare equipment for everyone holding a CMHI policy. NHIC signs contracts with medical institutions for the delivery of healthcare services in the CHIS. Upon purchasing services and signing contracts, NHIC takes into account the needs of insured persons and the objectives for the use of money by medical institutions. In order to ensure the objectivity of funding, the NHIC is not involved in the management of medical institutions

A solidary system of compulsory health insurance is applied in Moldova: all insured persons enjoy the same healthcare services, regardless of the size of their financial contributions, personal health risks or age.

The CHIS of Moldova is based on internationally approved principles:

- increasing the population coverage by CHI;
- expanding the CMHI package as much as possible, in order for the CHIS to provide the largest, most complex and modern healthcare package;
- the CHIS must be as profound as possible so that the person's own participation in total healthcare spending would be optimal and would not lead to poverty risks.

Ensuring the principle of solidarity and equality, the CHIS has been operational since 2002, when the Law no.1593 „On the size and terms of payment of CHI premiums" was approved.

Role of the NHIC

NHIC objectives are: organizing, developing and directing the CHI process with the application of procedures and mechanisms allowed for the formation of financial funds to cover the costs of treatment and prevention of diseases and conditions included in the CHI Program, the quality control and implementation of provided healthcare and the implementation of the Health Insurance regulatory framework.

NHIC carries out the following activities to achieve these objectives:

- implementing the CHI and other types of healthcare-related insurance;
- carrying out health care quality and volume control, as well as the control of the management of financial means coming from CHIF, within the contracted healthcare services range;
- organizing and financing actions and manifestations to promote a healthy lifestyle and environmental protection;
- organizing seminars, conferences and symposia on various topics in the field of health insurance;
- accomplishing other related tasks promoting basic NHIC objectives and not infringing current laws.

The mission of the NHIC consists in offering the guarantee of financial protection to insured persons upon accessing quality healthcare services.

The vision of the NHIC – the population of the country confident in the quality of public services provided by NHIC employees, who ensure financial protection and guarantee the equal access to quality medical services. The NHIC is a key institution in the promotion and implementation of healthcare sector reforms in the Republic of Moldova. The CHI is the main source of financing for the healthcare system.

NHIC values:

- *professional ethics and integrity* – we are accomplishing our work with responsibility, efficiency, correctness and thoroughness;
- *cooperation* – we are creating an atmosphere of trust in internal teamwork and cooperation with our partners;
- *openness* – we are open and promptly respond to the needs of CHIS beneficiaries;
- *development* – we are creative and oriented towards the continuous development of organizational competences and services provided in order to promote and implement healthcare reforms.

The overall strategic goal of the NHIC is „Increasing the satisfaction of persons insured with CHI", 4 strategic topics being setup in this regard (Figure 1.).

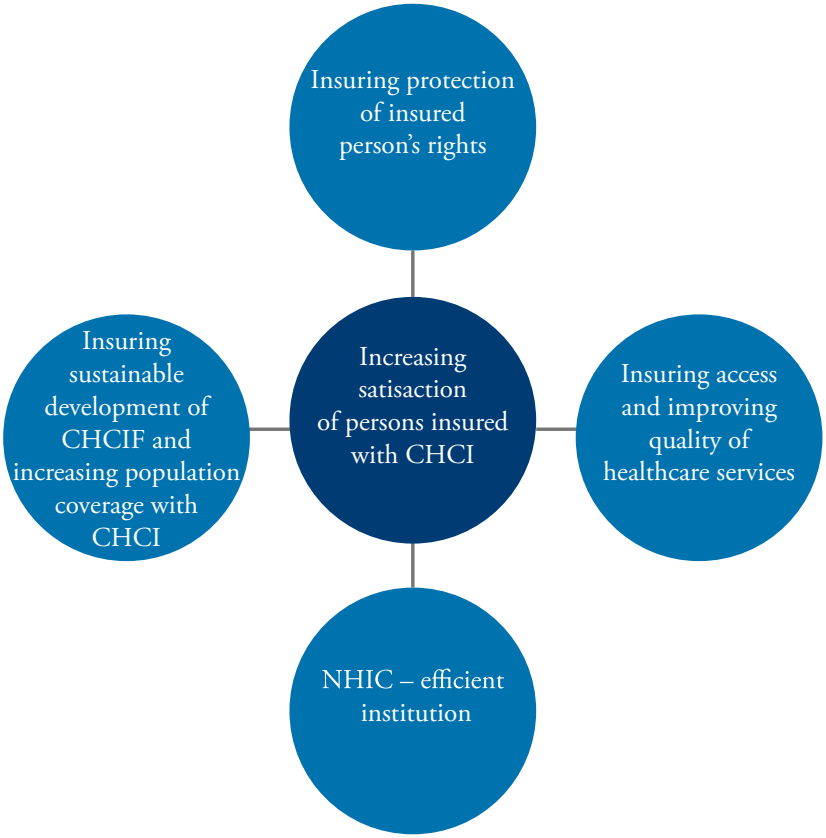


Figure 1. Overall strategic objectives of NHIC and relevant strategic topics

Strategic objectives:

- improvement of NHIC services for beneficiaries;
- diminishing direct payment;
- improving medical services quality control;
- streamlining contracting and payment methods;
- streamlining allowances for subsidized medications;
- increasing the number of people insured per target group in CHIS;
- insuring the CHIF financial sustainability;
- improving the organization of activity, cooperation and communication;
- aligning the NHIC structure to Strategy provisions;
- developing NHIC staff competences;
- improving and creating new IS;
- improving quality of data and analysis, strengthening strategic and operational planning.

NHIC beneficiaries and parteners and their expectations

The NHIC interacts with several partner groups, which have points of convergence and divergence on the institution's activity segments and the CHIS. The relationship between the insured person, the health service provider and the insurer requires the balancing of expectations and needs.

The insured persons require the guarantee of benefiting from the Health Insurance at the time of occurrence of the insurance risk and throughout the period of accessing medical services, guaranteeing the right to fair treatment and service in the healthcare system and the right to free choice of the provider, knowing the CHIS rights and benefits, the volume of compensated services and medicine included in the single program from sources that are safe and adapted to the level of consumer perception.

At the same time, the insured persons have expectations from healthcare service providers with reference to: facilitating the access to high-performance, primary, specialized, out-patient healthcare services and the elimination of bureaucratic barriers as well as informal payment.

Uninsured persons are awaiting more conditions to facilitate entry into the CHIS: the extension of deadlines to pay for the insurance premium, removing fines and penalties for the belated payment of contributions, paying the premium in installments. At the same time, the population approves keeping the discounts applied upon paying CMHI premiums. As for the information, they have the same expectations as the insured persons.

In the CHIS, uninsured persons benefit from a prime importance service package, using the advantage of insured comfort and do not feel the necessity to fully integrate into the system.

The reticent trust towards state institutions also reverberates upon the CHIS and degenerates into mass prejudice according to which, for the access to a quality service, informal payment transactions apply even for CHI policy holders.

Healthcare services providers expect the accomplishment of a sustainable, flexible contracting process and the compensation of provided services stipulated by the contract. Some the providers would accept the challenge of increased competition, while most would avoid it.

The Ministry of Healthcare and the Government are counting on the: efficient management of the CHIS and the increase of the population's trust in the CHIS, abidance to the policies and normative framework of the healthcare system and respectively receiving support in the implementation of healthcare system reforms, the efficient monitoring and control of healthcare assistance and fund use, increasing transparency, including through the rapid and high quality reporting on fund execution.

NHIC history

1998

- Law no.1585-XIII of February 27, 1998 regarding the CHI – first legal act launching the reform of the healthcare financing system.

2001

- Creation of the NHIC;
- Creating the CHI coordination and implementation council.

2002

- Approval of the NHIC statute;
- Creating the Administrative Council – NHIC supreme management body;
- Approval of the Regulation on the creation and administration of the CHIF;
- Approving the model of the CHI policy;
- Creating 11 NHIC territorial agencies;
- Law no.1593-XV of December 26, 2002 on the size, means and terms of CHI premiums payment – second legal act by importance;
- Approving the template of the contract to provide healthcare in the CHI;
- Approving the first CHI Single Program, based on which, healthcare was provided to persons insured as part of the pilot project in the district of Hancesti.

2003

- Abrogation of Law no.267-XIV of February 3rd, 1999 on the minimum of free healthcare guaranteed by the state since, along with the CHIS implementation, the need for this law has expired;
- On July 1st, pilot-project in Hancesti district was launched;
- Creation and implementation of the „CHI" automated IS;
- First sum, amounting to 900,0 thousand lei is transferred from the state budget for current expenses to the single NHIC account;
- Covering the emergency healthcare at the pre-hospital level in case of major medical-surgical emergencies that endanger a person's life and primary healthcare provided with recommendation of investigations and treatment made to uninsured persons was allowed from the CHI reserve funds;
- The legal base to pay PMSI employers from CHIS funds was established;
- Approval of the template statute of the PMSI integrated into the CHIS.

2004

- Implementing CHIS on the entire territory of the RM;
- Including residents of the compulsory post-university education and pregnant women, parturient women and newly in the CHI as persons insured from the state budget;
- Transfer of the NHIC and PMSI from the account plan of the bookmaking register regarding the execution of expense estimations to the bookmaking account plan of the economic-financial activity of companies.

2005

- Establishing the criteria to contract healthcare service providers in the framework of the CMHI;
- Introducing performance indicators in the PH and EPHC;
- Including the notion of partially/integrally compensated medicine from the CHIF into the single CHI Program;
- Out-patient, daytime in-patient and home treatment as part of the PH contracted by the NHIC.

2006

- Altering the means of calculating the sum of the transfer from the state budget into the CHIF to insure vulnerable categories of the population – a percentage quota from the total of basic expenses approved by the state budget no lower than 12,1%;
- Including the people who take care of a disable child with first degree of severity or a person disabled since childhood with a first degree disability aged under 18 and mothers with seven children or more as persons insured from the means of the state budget.

2007

- CHIF Law is created based on programs and subprograms.

2008

- Applying the 50% discount on the size of the CHI premium, established as a fixed sum, for the first time;
- Creating the Bender TA aiming at covering RM citizens living in the districts on the left bank of the Nistru with compulsory healthcare assistance;
- Covering expenses for the treatment of uninsured persons affected by socially conditioned illnesses with a major impact on public healthcare as part of the HH;

- Home medical healthcare contracted by the NHIC;
- Registering persons at the family doctor with possibility of free choice;
- Legally delimited PH at a district level.

2009

- Following the modification of macroeconomic parameters and the effects of the economic and financial crisis on the accumulations in the CHIF, the CHIF law for 2009 was amended, by decreasing the CHI funds, for the first time, by 10,7% compared to the initial ones and approving a deficit of 250.8 thousand lei;
- Modification of the NHIC central apparatus structure through the creation of the Internal audit service, the Public relations service and the Evaluation and control department;
- Including persons from disadvantaged families that benefit from social aid according to the Law no.133-XVI of June 13th, 2008 on Social aid into the CMHI as insured from state budget funds.

2010

- Applying, for the first time, of the 75% discount to the size of the CHI prime established as a fixed sum for owners of land with an agricultural destination;
- Changing methods of contracting the PMA by adjusting „per capita" amounts in the age risk category;
- Uninsured persons receive the full package of emergency and primary healthcare services as well as SOPH in the case of social-conditioned illnesses with a major impact on public health (HIV/AIDS);
- Prescription of partially/fully compensated medicine for all persons (insured and uninsured);
- Healthcare provided in hospice conditions are contracted by NHIC;
- Creating of the fund for the development and modernization of public healthcare providers;
- Changing the focus of priority towards the citizen to motivate the action to re-launch the NHIC corporate identity from September 10th, 2010.

2011

- The pilot project of the hospital payment system based on the complexity of the DRG cases (Case Mix) was carried out in 9 MSI;
- Ensuring access of uninsured persons to SOPH in cases of tuberculosis through the amendments to the CHI Program, thus achieving one of the goals of the healthcare

system, oriented towards the provision of financial protection and access of the population to essential medical services;

- Prescription of partially/fully subsidized medications to uninsured individuals limited to medicine from the psychotropic, anticonvulsant and oral anti-diabetic group (in the second half of 2011);
- NHIC has, in collaboration with the Health Insurance Fund of Estonia, initiated the project „Logistic support for the organization and development of the Republic of Moldova CHIS". The main objective of this project is the logistic support in developing a strategy for the medium and long term development of the CHIS;
- In the context of actions dedicated to a decade since the founding of the NHIC and nearly eight years since the implementation of the CHIS, the „Healthcare financing system in RM" jubilee conference was organized in cooperation with the WHO Office in Moldova.

2012

- The NHIC Institutional Development Strategy for the 2013-2017 period was approved by a NHIC Management Board Decision;
- 9 MSI were part of hospital healthcare based on the new DRG (Case Mix) payment system;
- Changing the structure of the NHIC central apparatus by creating the Strategic development and human resources department;
- The first edition of Health Awards Gala - the most important medical event of the year, was organized on April 10, 2012 in partnership with the WHO to encourage the recognition and appreciation of doctors and other personalities who have achieved outstanding results in the field of healthcare;
- NHIC and the Electronic Governance Center of Moldova have signed a cooperation agreement, with the NHIC E-Services Project as its objective. The e-CNAM electronic service will be available 24 hours a day on the government portal „Government for citizens" – www.servicii.gov.md and the www.cnam.md website. This service will save the time of legal entities and institutions responsible for enabling or disabling the status of their employees and the 14 categories of persons insured by the Government;
- The NHIC and the School of Public Health Management signed an agreement on cooperation in health policy analysis and development, public health interventions and support for the health system strengthening;
- NHIC and Eesti Haigekassa signed a cooperation agreement on the development and strengthening of cooperation in the health financing system;
- NHIC and the Center for Healthcare Policies and Analyses signed a cooperation and

collaboration agreement in the field of public health management, the first agreement of the NHIC with civil society representatives in the health sector.

2013

- The introduction of a free choice of hospitals of the same level in pilot areas;
- Development and introduction of payment for performance in the PH in the amount of 15%;
- The inclusion of 188 new, costly, diagnosis and treatment services;
- Introducing, on the list of subsidized drugs, of new medicine for the treatment of endocrine diseases, asthma, insulin-dependent type I diabetes (insulin), epidermolysis bullosa, autoimmune and system diseases, ophthalmic diseases, myasthenia gravis and cystic fibrosis;
- Regulation of referrals to certain high performance investigations directly from the family doctor;
- The Government introduced the 15th category of insured citizens (foreign nationals, through the duration of their inclusion in an integration program carried out in the Republic of Moldova);
- Expanding the categories of citizens' insured by the government (persons caring for persons with severe disabilities, persons registered with territorial agencies of the National Agency for Employment and all students, residents and doctoral students studying abroad).

2014

- Changing the structure of the central NHIC apparatus and NHIC territorial agencies;
- Launch of the „Green Line" telephone service;
- Development and approval of the Regulation on the control of pharmaceutical and health care providers registered in the CHIS exercised by the NHIC, with subsequent publication in the RM Official Gazette;
- Development and approval of the Methodology for the planning of state control over the business activity based on the analysis of NHIC risk criteria (GD no.380 of May 27th, 2014);
- Implementation of the fine enforcement mechanism for decommissioning CHIF means;
- Developing and implementing results-based performance indicators in the PH;
- Increasing the amount of the CMHI premium as percentage of the wage and other rewards at 8,0%, according to the fiscal policy;
- The introduction of collective and individual performance indicators and evaluating NHIC employee's performance.

2015

- Organization of a sociological study on the level of population satisfaction with the health services in the RM;
- Organization of the first foreign mission for the audit of health services;
- Development and implementation of the methodology for the audit of coding in the DRG system;
- Increasing the amount of the CMHI premium as percentage of the wage and other rewards at 9,0%, according to the fiscal policy;
- Drafting requirements for developing the IS to track advanced health services;
- Developing the concept of e-Prescription;
- Developing the concept of e-prescription;
- Developing the concept of „Screening and performance indicators";
- Updating and approving new system and operational procedures within NHIC;
- Developing and approving the Methodology for assessing collective performance and individual competence of NHIC employees.

Strategic topic: Ensuring the protection of person's rights

Objective no.1: Improvement of NHIC services for beneficiaries

In 2015, the NHIC, conducted a number of strategic and operational actions for information, service and insurance of CHIS beneficiaries.

A number of strategic and operational actions were undertaken in several areas to implement a powerful system for the management of relations with beneficiaries during 2015, namely:

Launch of the „Green Line" telephone service (NHIC Call Centre)

In the second year after the launch of the Green line telephone service, the number of calls received doubled from 9960 calls in 2014 to 21,084 calls in 2015. Out of these, 20,546 calls were informative/advisory compared to 9820 calls in 2014 and 538 complaints, compared to 140 in 2014.

Most demand for the Green Line service was recorded in January - March, i.e. the period for payment of the CHCI premium in the fixed amount and less requested in the warm time of the year. The lowest number of calls was recorded in August - 1305 (Figure 2).

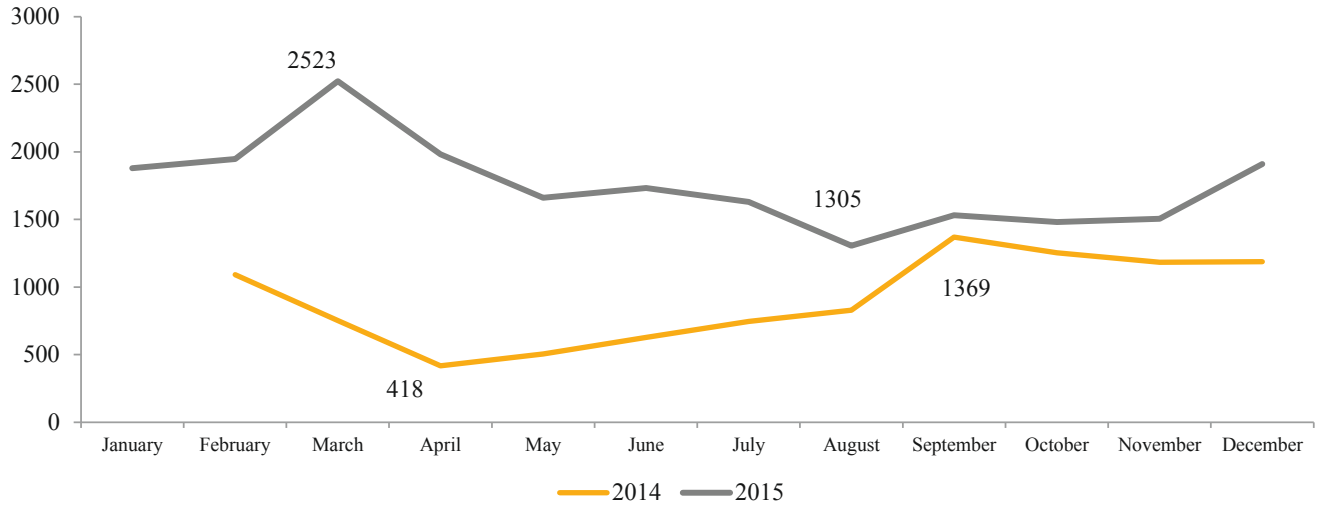


Figure 2. Dynamic of calls received by the Linia Verde (Green Line) telephone service)

From the total number of calls, 69% are calls regarding the person's insurance framework, 19% refer to medical services, and 7% regard the registration with the family doctor, while 5% refer to the prescription of subsidized medications.

Most complaints were regarding the provision of healthcare services under CHIS - 75 per cent, compared to 81 per cent in 2014. Out of the total complaints in 2015 - 17% were calls about access to subsidized drugs, others referred to the insurance and the activity of NHIC representatives in the region and violation of the right to register with a family doctor (Figure 3)

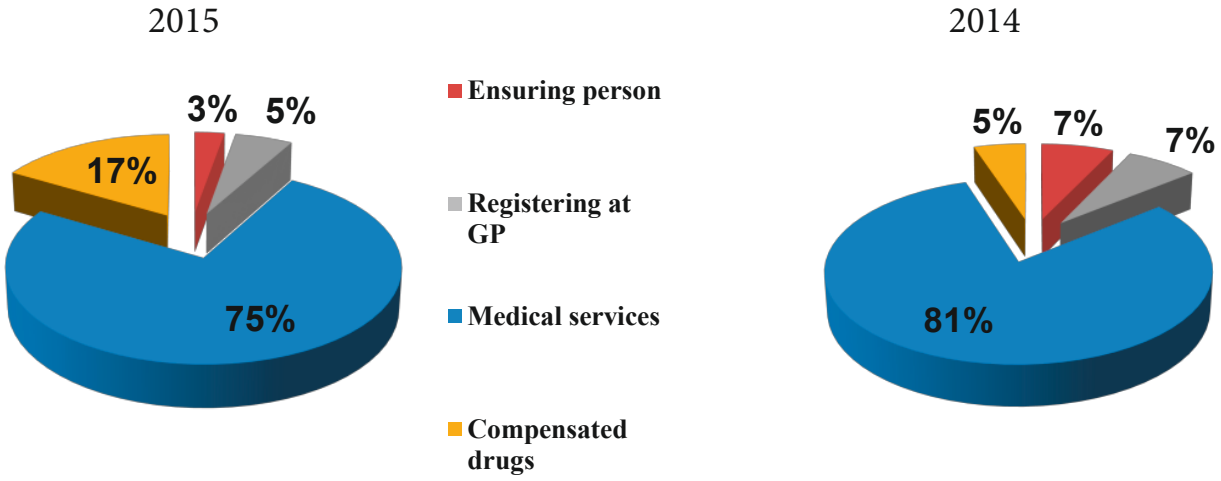


Figure 3. Structure of calls of complaint by categories of claimants (%)

The topic of complaints made on the telephone service mainly tackles the following aspects:

- conditioning the granting of medical services, requesting direct payment (daytime in-patient clinic, physiotherapy office, in-patient clinic, for referrals, etc.);
- lack of referral tickets to investigations, consultations;
- non-performance or late performance of medical aid on various reasons;
- disregard for medical ethics and deontology;
- impossibility to make a doctor's or investigations appointment (lack of transparency);
- presence or lack of a certain medicine in the compensated medicine list.

The online petition service

In 2014, the "Online petitions" service was launched aiming at facilitating the interaction with CHIS beneficiaries, increasing access to information regarding rights, advantages and obligations in the CHIS.

Thus, in 2015, 86 petitions came in through electronic channels, 39 more than in 2014.

Granting and solving petitions made to the NHIC

585 petitions were submitted to the NHIC and its TAs in 2015, including 26 petitions forwarded from hierarchically higher institutions.

Of the total number of petitions, 349 (59,7%) were examined by the central apparatus and 236 petitions (40,3%) by the TAs (168 by TA Centru ((Chisinau municipality, districts of Ialoveni, Hancesti, Dubasari), *7 by TA Nord Vest* (Balti municipality, districts of Briceni, Edinet, Rascani, Glodeni, Sangerei), *4 by TA Nord-Est* (districts of Soroca, Drochia, Floresti, Donduseni, Ocnita), 26 by TA Vest (districts of Ungheni, Nisporeni, Calarasi, Straseni, Falesti), 5 by TA Est (*districts of Orhei, Rezina, Soldanesti, Telenesti, Criuleni*), 21 by TA Sud-Vest (*districts of Cahul, Cantemir, Leova, Taraclia, Gagauzia TAU*), 5 by TA Sud-Est (*districts of Causeni, Anenii Noi, Stefan Voda, Cimislia, Basarabeasca, left bank of the Nistru*).

Issues addressed in the beneficiaries' petitions varied (Figure 4). A third of petitions (167 petitions) concerned the registration or change of the family doctor. There were also 101 requests for information on insurance and registering with CHIS and 17 petitions on services provided based on CHIP.

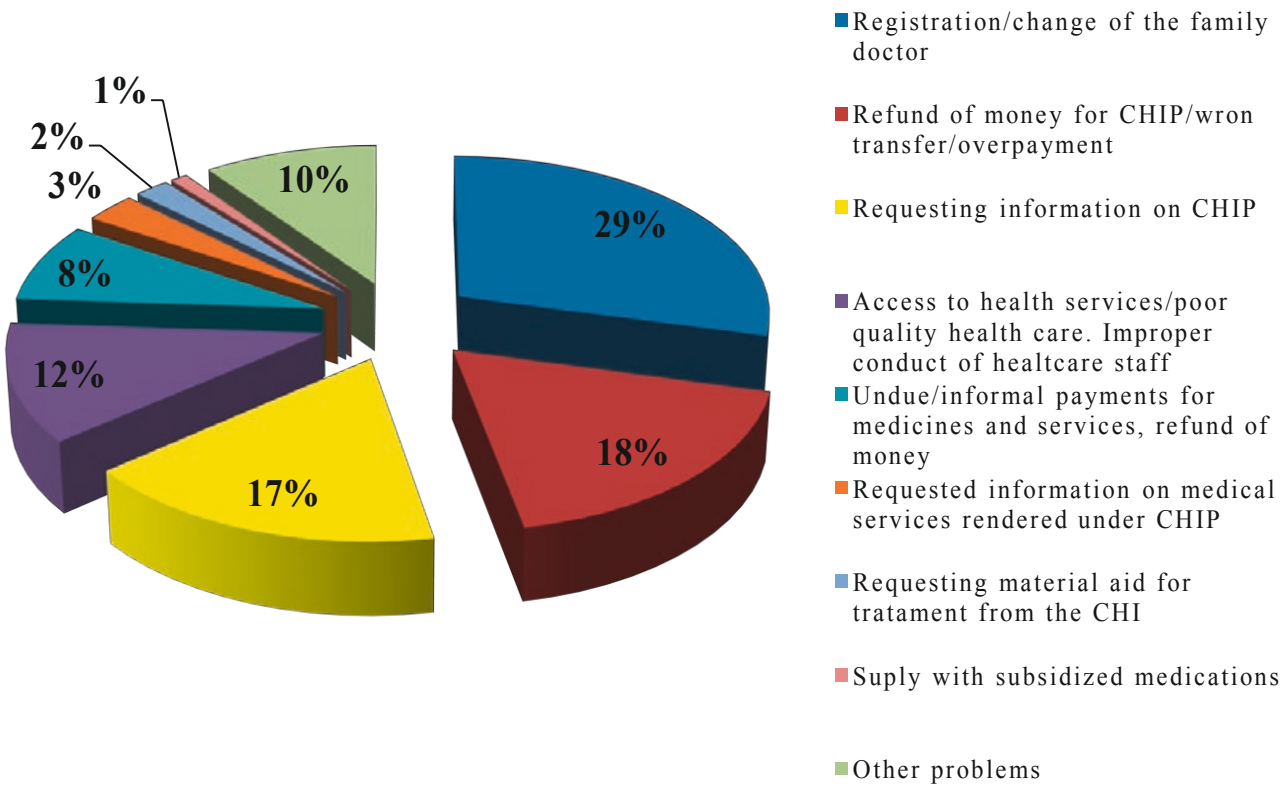


Figure 4. Distribution of petitions by topics (%)

The „other matters" category includes calls on determining the degree of disability, salaries of medical workers, situations of conflict in the collective and the MSI administration – problems that are not directly related to the NHIC jurisdiction.

The petitions relating to complaints about the quality of the healthcare service, access to health services, informal payments related to medicines and medical services etc. were examined on the ground, after having studied the medical documentation and requesting

explanations from the facilities providing the services and the medical staff concerned. In 2015, 122 petitions of this kind were examined (Figure 5).

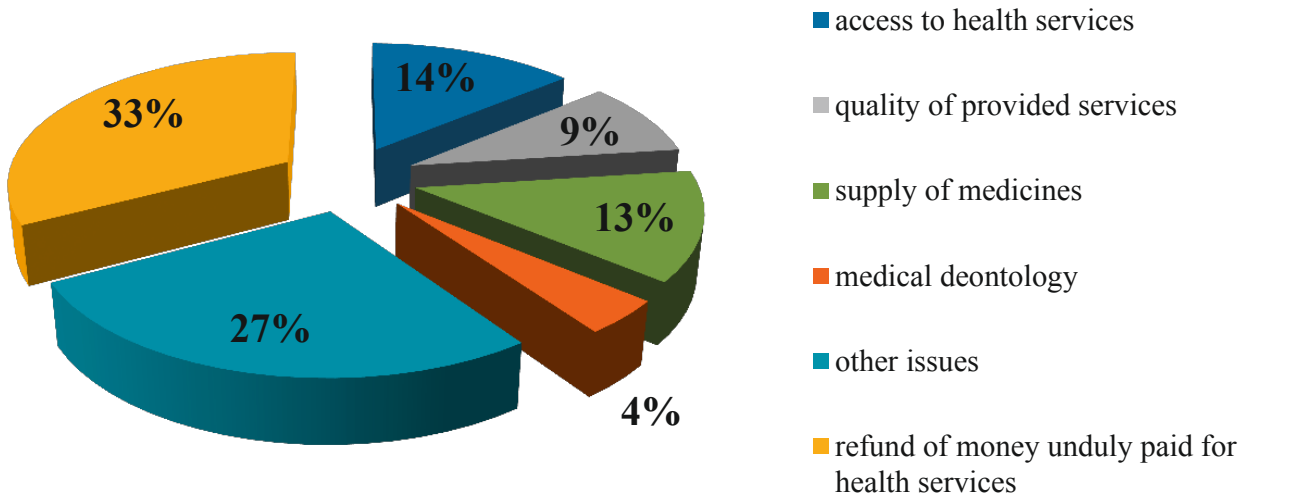


Figure 5. Topic of complaints (%)

In the section on types of medical care, as with the phone calls, more than half the complaints are related to inpatient healthcare services (Table 1).

Table 1. Structure of complaints by types of the healthcare (%)

Types of healthcare	Year 2014	Year 2015
Emergency pre-hospital healthcare (EPHC)	2%	2%
Primary healthcare (PH)	32,7%	21%
Specialized outpatient healthcare (SOPH)	12,2%	15%
Hospital healthcare (HH)	53,1%	63%

After the review of petitions, healthcare and pharmaceutical service providers refunded 188.4 thousand lei, out of which 51.7 thousand lei directly to patients.

The number of petitions solved by NHIC in 2015 compared to 2014 increased by 124 petitions (27%). The average time for resolving complaints received from CHIS beneficiaries was 8 days. This result was largely due to the efforts of NHIC employees and the measures taken to reorganize NHIC activity.

Free choise of family doctor

During September-October 2015, over 85 thousand requests to change the family doctor were received, 30 thousand more compared to the previous year.

Making use of this right is a proof of the fact that people choose better quality services and stimulate competition between institutions providing primary care.

Almost 97% of the population is currently registered in public healthcare institutions, 2,5% are on the lists of family doctors in private institutions, and 2,3% - in the republican and departmental institutions (Figure 6).

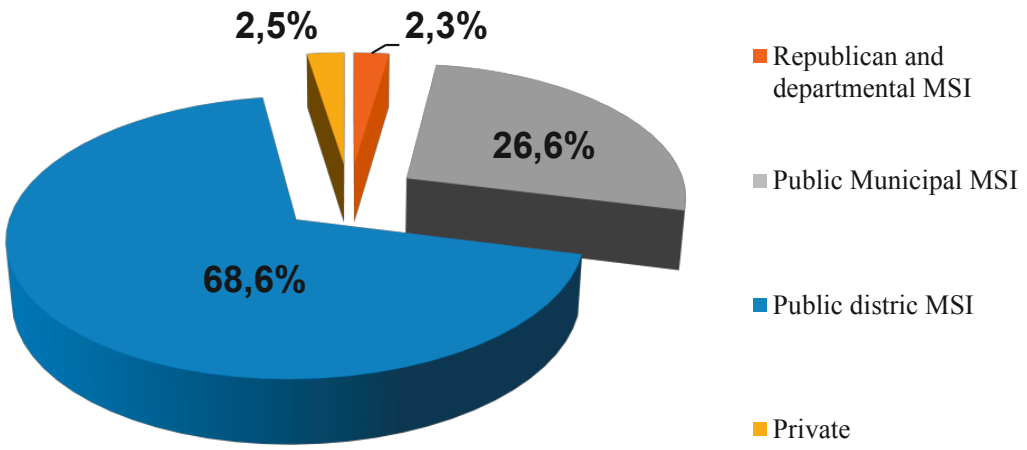


Figure 6. Distribution of population registered with the family doctor by categories of institutions (%)

Services to economic operators and CHIS beneficiaries

There are 3 large categories of insured persons in the CHIS:

- employed insured persons;
- persons insured by the state;
- persons insured individually.

The status of the insured person for employees is assigned based on the information submitted by the employer, in the lists of insured persons (form 2-03/l). For insured persons by state, the status of an insured person is assigned based on the information submitted by the institutions responsible for their records, in the lists of unemployed persons insured by the state (form 2-04/l). For people purchasing insurance on their own, the insurance status is assigned after payment of the CHI premium in the fixed amount for the current year.

At the same time, the NHIC territorial agencies issue the CHI policies to the employer after processing the individual record lists and the lists of persons insured by the state or ensured individually, when they come to the office.

During the year 2015, territorial agencies processed 181 265 individual record lists and issued 119 347 policies (Figure 7).

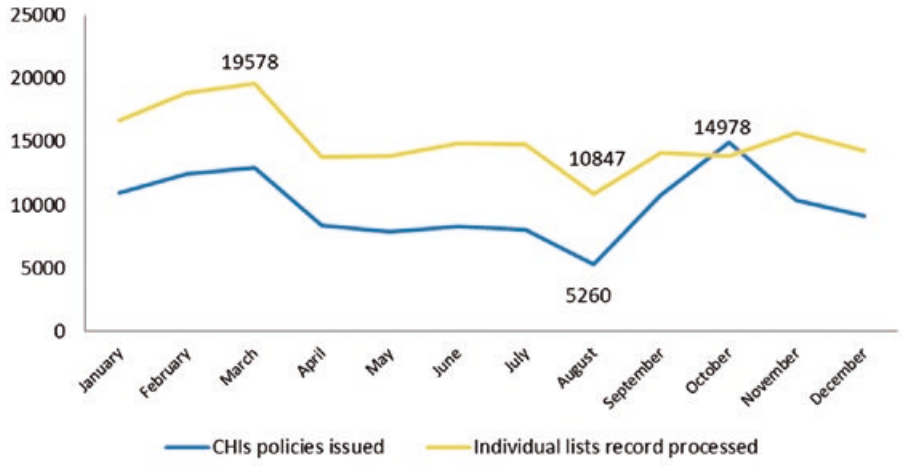


Figure 7. Processing of nominal lists and issuance of CHI policies

During 2015, 11,810 certificates were issued on the status of the person in the CHI system, arrears to funds, etc.

Organization of a sociological study on the level of population satisfaction with the health services in the RM

With WHO support, the NHIC conducted a survey called „The level of population satisfaction with the health services in the RM". Field data collection and processing was carried out by the Independent Sociology and Information Service „OPINIA".

The study was conducted in December 2015 on a sample of 1300 respondents aged over 18 years.

According to the results obtained, about 70-75% of respondents considered themselves somewhat satisfied with the access and the quality of healthcare. It should be noted however that most respondents, 76,6 per cent stated they used healthcare services rarely or very rarely and considered their health satisfactory or good (Figure 8).

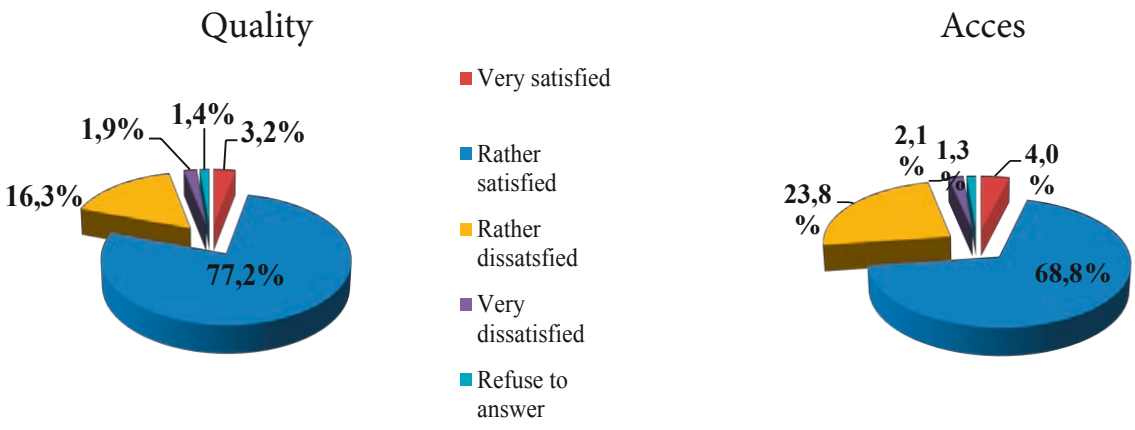


Figure 8. Trends in the structure by categories (%)

The main source of information about rights and benefits of CHIS as mentioned by respondents was the media, accounting for 56,3% of all responses, followed by GP, with 26,8% (Figure 9).

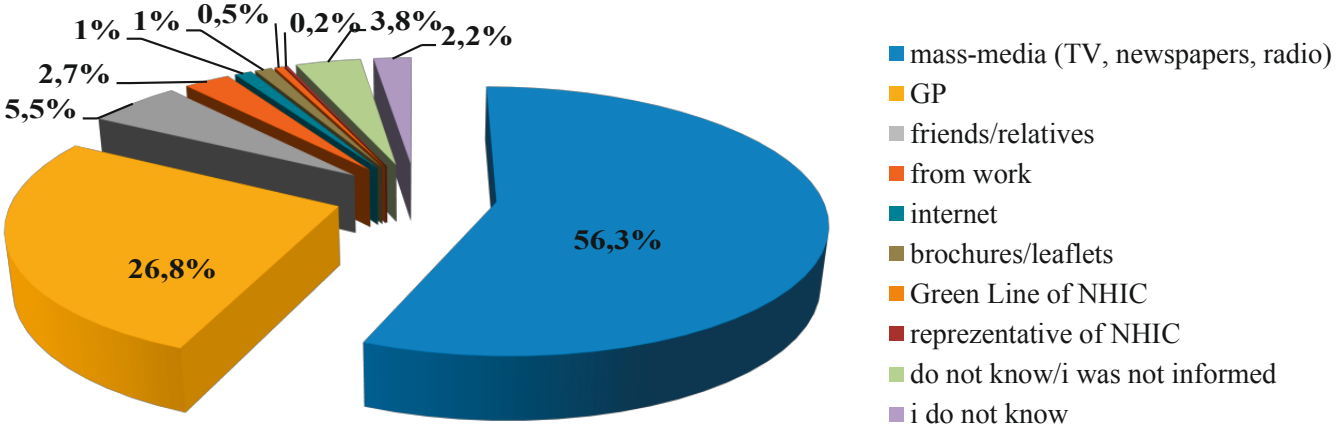


Figure 9. Information sources (%)

Developing relations of cooperation

During 2015 measures were taken to intensify the cooperation with the institutions responsible for presenting the nominal lists of persons belonging to the categories of persons insured by the state.

At the same time, to achieve functional tasks and ensuring accurate data, a number of meetings were held with representatives of the Ministry of Labor and Social Protection, the State Tax Inspectorate.

In 2015 the successful use of the Government Service of Electronic Payments „MPay" continued for people who purchase their policies individually through post offices, which allows online viewing of transactions made and assigns the status of insured person within much smaller timeframe.

In order to diversify the channels of electronic reporting and facilitate the presentation by economic operators of electronic data, during 2015 the contract for execution of services for integrating certain forms in the subsystem „Electronic Statement", for development, administration and maintenance of a web service for data transmission, and integration of reporting forms record lists of insured persons employed and insured by the Government in the subsystem „Electronic Declaration" was signed with the SE „Fiscservinform".

Objective no.2: Diminishing direct payments

In order to inform continiously the population and to popularize the CHIS were organized several communication campaigns about the rights and obligations of beneficiaries under the CHIS and reducing pocket payments.

Awareness campaign about the rights and obligations of beneficiaries in CHIS, aimed to reduce pocket payments

The awareness campaign was launched in October 2015 and lasted until March 2016.

The specific objectives of the campaign were: to inform the beneficiaries about the social concept of the CHIS (solidarity and compulsoriness), about the rights and obligations of insured persons, about how to access health services at all levels of healthcare and compensated medicines, informing categories which purchase the insurance on their own about the discounts applied to CHI premiums within the timeframes provided for by the law, about the consequences of corruption.

The campaign included combined communication actions targeting broad audience (radio, TV, internet, press), as well as meetings with the rural population, economic operators, holders of entrepreneur patents, health care staff, representatives of local public administration and tax inspectorates.

Strategic topic: Ensuring acces and improving the quality of medical services

Objective no.1: Improving medical services quality control

Monitoring the volume, the quality of health care services and management of proceeds from CHIF

In order to monitor the volume and the quality of healthcare services and ensure the management of proceeds from CHIF in 2015, 513 inspections were performed at suppliers of medical and pharmaceutical services, including complex controls and thematic checks, controls on revalidation of cases in the DRG system, review of petitions received and unannounced checks at the request of other bodies. Within the complex checks, the period of the year 2015 was evaluated, except the PHC, where the performance indicators for 2015 have also been assessed. 36 specialists within the NHIC are involved in the control activity.

Thus, during the reporting period, 223 MSI were subject to control, i.e. 51,2 per cent of all contracted MSI. Following the evaluations made, wrongly reported services and medical services provided under the required level of volume and quality were found.

The amount related to healthcare services invalidated in 2015 was 9,110.4 thousand lei, compared to 4,516.8 thousand lei in 2014 (Table 2).

Table 2. Invalidated services by types of healthcare (thousand lei)

Types of medical services	Sums invalidated in 2014	Sums invalidated in 2015
Primary healthcare	1 428,6	906,5
Specialized out-patient healthcare	-	54,8
Hospital healthcare	3 007,3	6 878,4
Community and home based healthcare	43,3	43,2
High performance healthcare services	37,6	1227,5
TOTAL	**4 516,8**	**9 110,4**

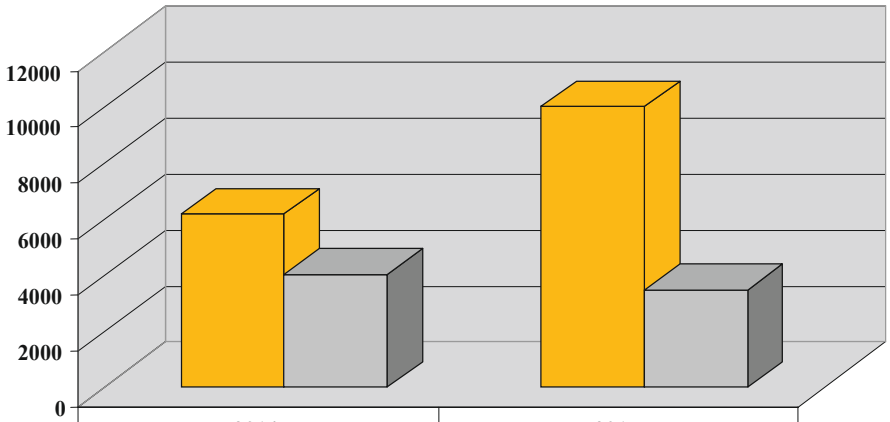
At the same time, in 2015, 186 thematic checks were performed, with assessment of data at the level of patient in IS DRG. The checks were conducted based on requests from providers, for which revalidation was requested in 3 035 cases, followed by revalidation of 1 895 (62,43%) cases and invalidated 1 140 (37,57 per cent) cases.

Implementation of the mechanism of applying penalties for the wrong management of proceeds from CHIF

During the checks on the legality and efficiency of the MSI usage of funds coming from CHIF, financial deviations were detected regarding the use of funds from the CHIF for other purposes than accomplishing the provisions of the Single Program and the bilateral contract concluded with NHIC, as well as the use of CHIF means contrary to the provisions of legislative and normative acts, in the total amount of 7 423,7 thousand lei, to which penalties according to the provisions of art. 14 of the Law no. 1585 of 27.02.1998 ,,On compulsory health insurance" were calculated, in the amount of 1 640,1 thousand lei. At the same time, CHIF decommissioning as a result of groundless prescription of subsidized medications and issue of tickets for scheduled hospitalizations and SIP, totaling 979,3 thousand lei, was found.

The dynamic analysis of the decommissioned sum reveals an upward trend compared to the corresponding period of the previous year.

Thus, the amount of decommissioned funds identified following verifications was of 10 043 thousand lei, i.e. rising by 62,21 per cent compared to the same period of 2014, when the amount of decommissioned means recorded was 61 901 thousand lei (Figure 10).



		2014	2015
Decommissioned amounts,	thousand lei	6 190,1	10 043,1
Returned funds,	thousand lei	4 026,7	3 475,2

Figure 10. The ratio of decommissioned amounts/returned funds (thousand lei)

Through orders issued by inspection teams, legal requests were submitted to MSI obliging them to refund the disaffected sums from other sources of income, both to the institutions' settlement accounts directed to CHI sources for later use in providing services to persons insured by CMHI as well to the NHIC account as a result of the amendments made to Law no.1585 of February 27th, 1998, „On CMHI".

In 2015, 3 475,2 thousand lei in disaffected means were refunded, including means

restored to the MSI settlement accounts in the amount of 749,7 thousand and financial means transferred to the NHIC account in the amount of 2 329,2 thousand lei.

Also following the verifications, as a result of applying article 14 (5) of Law no.1585 „On CMHI" of February 27th, 1998, fines in the amount of 396,3 thousand lei were cashed.

At the same time, 10 protocols were concluded for the decommissioning of CHIF, fines in the total amount of 8,1 thousand lei being applied to the persons responsible.

Amending the regulatory framework governing the liability for decommissioning of CHIF

In 2015, the draft law to amend art. 2661 of the Code of Administrative Offences of the Republic of Moldova was developed and submitted to MoH, in order to:

- enhance the accountability of MSI managers, including pharmacists and healthcare staff in supply of pharmaceutical and para-pharmaceutical products to the patients;
- introduce liability for presentation of incomplete and inaccurate data in the reports and/or invoices submitted for the purpose of obtaining disbursements from CHIF;
- increase the size of the penalty for the use by health facilities or other providers of proceeds from the CHIF contrary to the destination set forth in the contracts and regulations in force, for the refusal to provide records and documents to NHIC and its territorial agencies to check the management of funds from CHIF, for the failure to execute the prescriptions and other legal requirements, for the failure to submit primary or support documents (reports, business plans, invoices etc.) within the time-frames established by the regulatory documents and the contracts.

Objective 2: Enhancing the efficiency of contracting and of the payment methods

In 2015, 437 MSI were contracted for provision of health services under CHI, including: 25 republican facilities, 35 municipal, 10 departmental, 300 district level and 67 private.

During the contracting process the real formed flow of patients insured and the gradual achievement of equity in the distribution of financial resources were taken into account.

To streamline contracting and payment methods, a report on the trends in the main indicators of public health in the area of influence of performance indicators was developed.

Developing the concept of the IT system for tracking the files of health facilities included in the CHIS

To automate the processes occurring in the work of medical institutions, the concept of IS „Register of use of advanced medical services" was developed. The development of this

system was required in order to have an integrated health system, allowing to increase the quality of service delivery at a reasonable cost, thus reaching a high level of the „quality/ price" indicator.

Developing the concept of „Screening and performance indicators"

To ensure tracking, planning, monitoring, evaluation and continuity in the early detection of suspected cases of disease, the concept of „Register of screening and performance indicators programs" has been developed, to be integrated into SI „AMP". Its creation would facilitate optimization of planning services for early detection of diseases, facilitate the reporting and management of data for an unlimited period.

Objective no.3: Streamlining allowances for subsidized medications

In 2015, from CHIF funds, the sum of 279 720,4 thousand lei was allocated for compensated medicines. Compared to spending on subsidized medicines in 2014, the allocations for 2015 increased by 35,8%

The structure of expenditures for compensated medicines is dominated by medicines prescribed for the treatment of cardiovascular diseases – 31,9% and diabetes – 33,5% (Figure 11).

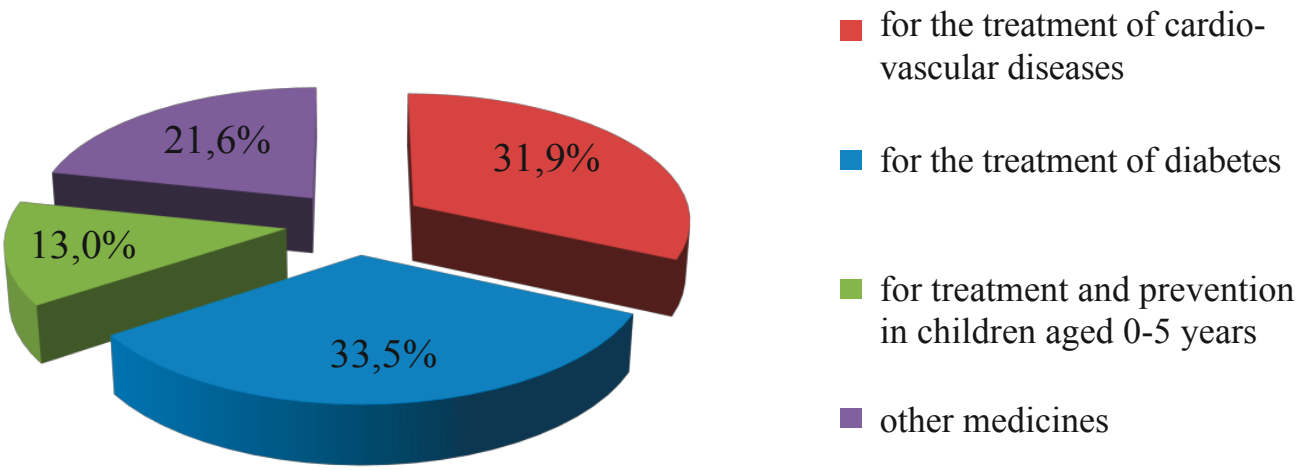


Figure 11. Structure of expenditure on subsidized medications (%)

In 2015, subsidized drugs were prescribed to over 590 thousand people, of which 346 350 people were prescribed medicines to treat cardiovascular diseases, amounting to 92 627,5 thousand lei and 80,640 lei people - medicines taken for diabetes, worth 97 420,6 thousand lei.

In 2015, the average cost of a prescription amounted to 106,43 lei, 28,06 per cent more than in 2014. At the same time, the average compensation share for a prescription increased, amounting to 74,17 per cent in 2015, i.e. an average compensation amount of 78,94 lei per prescription (Figure 12).

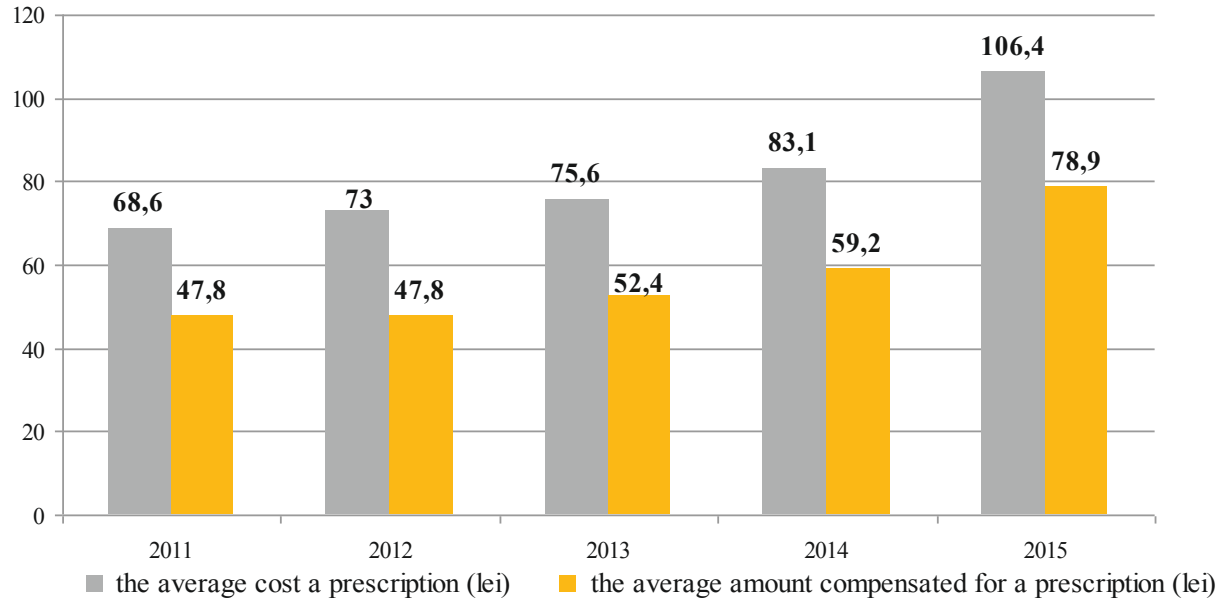


Figure 12. Trends in the average cost of a prescription and the compensated amount for one prescription (years 2011-2015) (lei)

The list of subsidized medications includes 87 common international designations (ICD) in various doses and formulations, including 12 ICD with an average compensation rate of 50%, 16 ICD - an average of 70%, 58 ICD - are fully compensated 100%, 1 ICD with different rate of compensation in line with the group of beneficiaries (70% or 100%).

In 2015, 15 ICD were transferred from the Section „Partially compensated medicines on average by 50%)" to Section 2 „Partially compensated medicines (an average of 70 per cent)".

The share of medicines (100%) fully compensated from the CHIF amounted to about 65,9% of the total amount of expenditure on medicines compensated in 2015. Compared to 2014, there has been an increase in the CHIF spending to cover the full cost of medicines in the amount of 57 322,1 thousand lei, i.e. 42,7 per cent.

In 2015, the IS „Subsidized medications" was implemented, allowing on-line reporting to NHIC of prescriptions for subsidized medications, issued by the contracted pharmacies, and ensuring generation of new reports needed for monitoring prescription of compensated medicines by medical institutions, analyzing the use of funds to cover the cost of subsidized medications.

At the same time, 253 providers of pharmaceutical services ensured issue of compensated medicines from pharmacies and subsidiaries thereof for about 600 thousand people.

In 2015, a new method of allocating funds was applied for prescription of injectable anti-diabetic medications (Insulinum Humanum), for treatment of mental illnesses and epilepsy, by performing the budgeting per each territorial administrative unit (district/ municipality). These amendments were necessary in order to facilitate the procedure of prescribing these medicines, since the medicines are prescribed by the family doctor and the specialized doctor.

Strategic Topic: Ensuring CHIF sustainable development and increasing the population coverage with CHI

Objective no.1: Increasing the number of people insured per target group in the NHIF system

The level of insurance in 2015 increased by 0,6 percentage points and reached 85,0% (Figure 13). Thus, the number of persons insured in CHIS as of the end of 2015 amounted to 2 571 960 people.

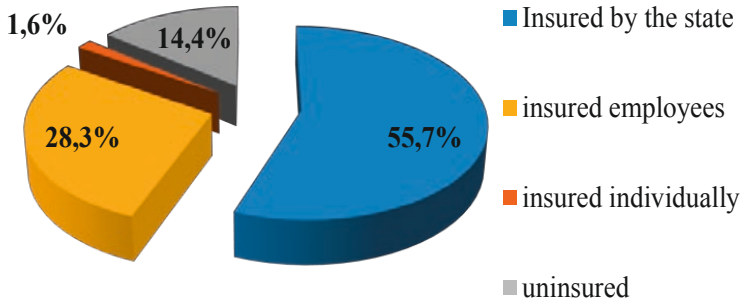


Figure 13. Structure by categories (%)

Compared to 2014, the number of insured people increased by 1,5 percentage points. As for the other three categories, all recorded a decrease, by 0,8 percentage point the employees and by 0,1 percentage points the persons ensured individually (Figure 14). Overall, the share of insured persons decreased by 0.6 percentage points.

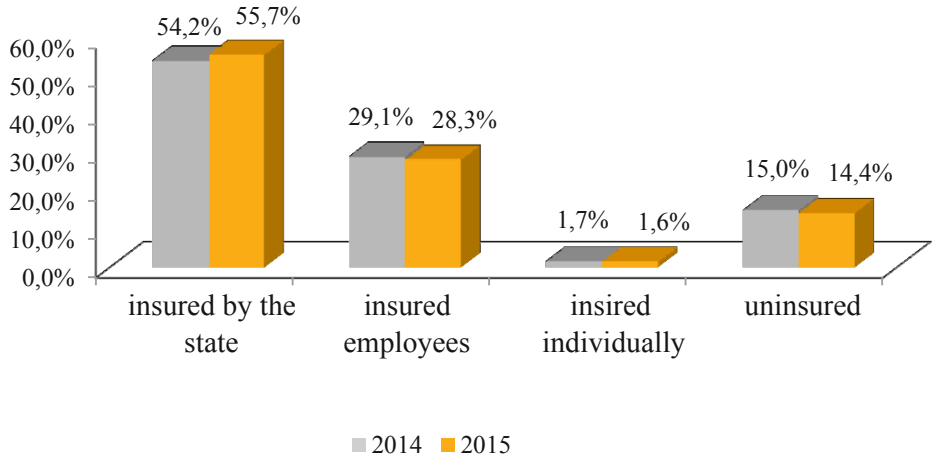


Figure 14. Structure by categories (%)

Annual information campaign to attract persons who buy insurance on their own and population not covered by the NHIS

The campaign was held in the period January 1st to July 28 and was focused on attracting privately insured individuals and population not integrated in CHIS, by providing information about the benefits offered by CHIS, regarding 50% and 75% discounts to the fixed amount of the NHIC premium, about the manner of accessing healthcare services at all levels of healthcare.

Audio and video spots about discounts for the insurance premium were aired free of charge by a number of local media. These spots have also been aired in public spaces, such as markets in districts, bus stations, and health centers. Advertisement about discounts to the fixed amount of the CHI premium was published in 11 local newspapers.

Within the communication campaigns, employees of NHIC territorial agencies organized 444 non-media actions - information meetings, events such as „Insurance Caravan".

At the same time, informational materials such as the booklets „Guide of the beneficiary in the CHI system", „Compensated medicines", „CHIC Green line" were disseminated.

Objective no.2: Ensuring finacial sutainability of CHIF

By the law on mandatory health insurance funds for 2015 no. 12.04.2015, the CHIF funds were approved in the amount of 5 160 098 400 lei, while CHIF expenditures amounted to 5 260 098,4 thousand lei, with a planned deficit of 100 000,0 thousand lei.

As for CHIF execution in 2015, incomes amounted to 5 062 946,5 thousand lei and expenditure – 5 152 470,7 thousand lei, i.e. a deficit of 89 524, 2 thousand lei. Thus, CHIF expenditures exceeded the revenues by 1,8%. This deficit was covered from the cumulative balance at the beginning of the year.

As of 31.12.2015 the CHIF cumulative balance amounted to 153 144,8 thousand lei, decreasing by 89 524,2 thousand lei compared to the beginning of the year. According to the legislation in force, the balance of funds in CHIF bank accounts that were undistributed at the funding of the respective funds deficit, were used during the budget year to cover temporary cash discrepancies.

CHIF income

In 2015, CHIF incomes amounted to 5 062 946,5 thousand lei, i.e. 98,1 per cent of the annual provisions. More than half of CHIF proceeds – 2 865 285,5 lei or 56,6% are own revenues and 2 197 661,0 thousand lei or 43,4% - transfers from the state budget.

The accumulation of CHIF income below the set annual targets is due to the low amount of transfers from the state budget. Thus, the total amount of transfers was 121 860,0 thousand lei or 5,3% lower compared with annual provisions (Table 3).

Compared to 2014, the amount of accumulated income increased by 425 292,6 thousand lei or 9,2%. The increase occurred at the expense of own revenues, which increased by 428 013,5 lei or 17,6%, while income from transfers decreased in the same period by 2 720,9 lei 0,1%.

Table 3. CHIF incomes (thousand lei)

Indicator name	Approved	Forecasted	Executed	Deviations (+,-) executed vs. forecasted	Ratio (in %) executed vs. forecasted
Income, total	**5 160 098,4**	**5 160 098,4**	**5 062 946,5**	**-97 151,9**	**98,1**
including:					
CHMI premiums as percentual contributions to the salary and other rewards	2 730 280,0	2 730 280,0	2 764 258,3	33 978,3	101,2
Fixed sum CHMI premiums paid by individuals with residence in Moldova	103 667,4	103 667,4	90 349,5	-13 317,9	87,2
Other incomes	6 630,0	6 630,0	10 677,7	4 047,7	161,1
including:					
interest	x	x	4 571,6	x	x
other income	x	x	4 375,3	x	x
including other income with special destination	x	x	229,2	x	x
fines and sanctions	x	x	1 730,8	x	x
Transfers from the state budget for the medical insurance of categories of people insured by the Government	2 234 556,6	2 234 556,6	2 125 897,3	-108 659,3	95,1
Transfers from the state budget for the compensation of the missed income according to art.3 of Law no.39-XVI of 02.03.2006	680,7	680,7	590,0	-90,7	86,7
Transfers from the state budget for achieving national healthcare programs	36 033,7	36 033,7	36 033,7	0,0	100%

Transfers from the state budget for the implementation of the Project „Health Transformation"	48 250,0	48 250,0	35 140,0	-13 110,0	72,8
Internal grants	-	-	-	-	-
External grants	-	-	-	-	-

The CHIF incomes consist of CHI premiums paid by the taxpayers, transfers from the state budget and other incomes (fines and sanctions, bank interests etc.) (Figure 15).

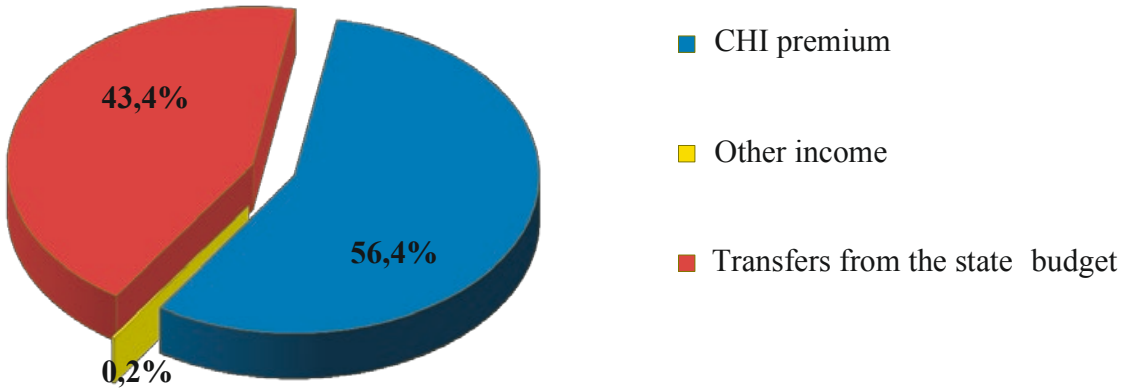


Figure 15. Structure of CHI funds by types of revenue (per cent)

CHMI premiums as percentage contribution to the wage and other benefit

The size of the CMHI premium in percentage in relation to the salary and other rewards, in accordance with the budgetary and fiscal policy, was approved by the CHIF Law of 2015 as amounting to 9 per cent.

The percentage of the CHMI premium for the 2009-2013 period was maintained at a level of 7,0% and gradually increased by 1 per cent in 2014 and 2015. The need for a gradual increase in the percentage share is related to the need to cover the increase in consumer prices and the need to increase the volume and quality of medical services provided to the population, including through PMSI capacity building, using contemporary medical equipment and technologies.

These insurance premiums were collected in a sum of 2 764 258,3 thousand lei, which is 33 978,3 thousand lei or 101,2 per cent less than the annual forecasts. As a share, this income type ranks first and accounts for 54,6% of total accumulations in the NHIF in 2015.

Compared to the previous year, the earnings from CHI premium as a percentage increased by 444 456,7 lei or 19,2% due to the increase in the percentage share of CHI pre-

mium by 1,0% (from 8,0% in 2014 to 9,0% in 2015) and the increase of labor remuneration fund at the country level.

Fixed amount CHI premiums paid by individuals residing in the Republic of Moldova

The size of the CHI premium in fixed amount is calculated by applying the percentage size of the insurance premium to the average annual salary for that year based on forecasted macroeconomic indicators.

For 2015, according to the Law on CHIF, the size of CHI premium was calculated as a fixed amount of 4 056,0 lei.

In 2015, discounts of 50% and 75% were applied just like in the previous years.

The discounts to the insurance premium in the fixed amount was applied since the beginning of the management year, according to the provisional CHIF for 2015 and up to 28.07.2015, corresponding to the 3 months period from the date of publication of the Law on CHIF for 2015 no.74 of 12.04.2015 in the Official Gazette of RM.

The practice of applying these incentives over the course of several years has proven successful by increasing coverage of population with CMHI and contributing to the financial protection of low-income population groups.

In the year of reference, accumulations of CHI premiums in fixed amount constituted to 90 349,5 thousand lei, i.e. 13 317,9 thousand lei or 12,8 per cent less than the annual provisions. This decrease was due to the growth of the timeframe for applying the 50% and 75% discounts to people who purchase the insurance on their own, following the entry into force of the CHIF law for the year 2015 and decrease in the number of people who are required to purchase the insurance individually.

Compared to 2014, the number of people insured individually decreased by 618 people or 1,3 per cent. One of the reasons for such decrease is the legal provision according to which people who are not in the country for more than 183 days during the calendar year are not required to pay a fixed sum for the compulsory medical insurance premium.

At the same time, the number of people who have paid insurance premium discount of 50% has increased (by 1 489 persons), while the number of people who have paid the premium in full decreased (by 1192 persons) and those who paid the discounted amount by 75% also decreased (915 people).

Another reason for reducing the accumulations from the payment of the fixed amount CHI premium is exemption of certain categories of the population from paying financial obligations to the CHIF for the period preceding 2015, according to the Law No. 38 of 19.03.2015 „On the exemption of certain categories of the population from payment of financial obligations to compulsory health funds for the period preceding the year". Thus, 26 498 people were exempted, the total exemptions amounting to 311 359,5 thousand lei.

Out of the total amount of exemptions, 62 per cent was the CHI premium for the previous period and 38% was the amount of penalty for the failure to pay the premium (Figure 16).

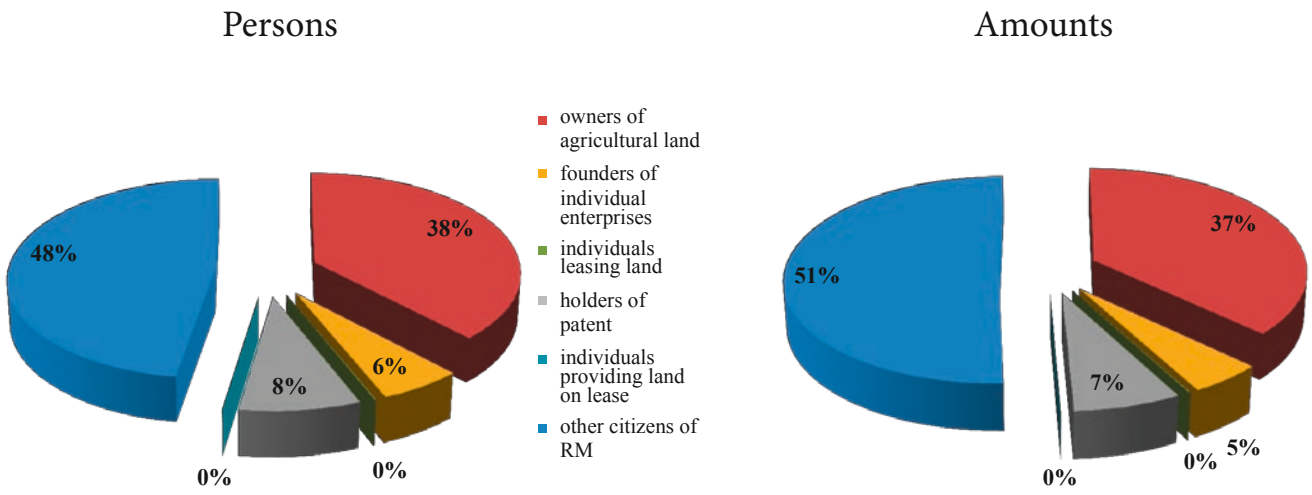


Figure 16. Structure of exemption beneficiaries (%)

Around 68% of accumulations have been made by TA and 32% by post offices.

In 2015, the territorial agencies issued 3 250 protocols on administrative offences, compared with 3 517 in 2014. The decrease in the offences has obviously influenced the amounts received from 671 090 thousand lei in 2014 to 532 110 thousand lei in 2015.

Other incomes

In total, 10,677.7 thousand lei were accumulated, which is 4,047.7 thousand or 61.1 per cent more than the annual forecast.

Compared with 2014, a decrease was recorded for „Other incomes" of 12 148,6 thousand lei or 53,2%. This is explained primarily by the considerable decrease in the amount of interest earned on cash deposit accounts of NHIF, due to the fact that since 2015, the NHIC has no funds placed on the deposit. At the same time, the revenue from fines and penalties imposed by the State Tax Service and the NHIC's evaluation and control department has decreased.

The detailed description of this category of revenue is presented below:

- fines applied by the tax authorities – 1 059,0 thousand lei;
- administrative fines applied by NHIC – 671,8 thousand lei;
- interest on CHIF on deposit accounts – 1 612,1 thousand lei (for December 2014);
- interest on CHIF balance on bank accounts – 2 959,5 thousand lei;
- other revenues – 4 375,3 thousand lei.

Transfers from the state budget

15 categories of people, including children under 18, pensioners, people with severe, accentuated and medium disabilities, unemployed people registered with territorial agencies for employment, persons receiving social assistance, etc. are insured by the government.

During 2015, 2 125 897,3 thousand lei were transferred from the state budget for the health insurance of the categories of persons insured by the Government, which is 108 659,3 thousand lei or 4,9 per cent less than the annual forecast. Compared with 2014, a 2,3 per cent (49 583,9 thousand lei) decrease was recorded for these transfers compared to 2014.

As one of the largest sources of income from the accumulation of CHI premium by percentage share, this type of income accounts for 42 per cent of all CHIF accumulations.

Transfers from the state budget aimed at compensating for lost revenues, according to article 3 of the Law No. 39 of 02.03.2006 „On the introduction of additional measures to support entrepreneurial activity carried out in settlements in Dubasari districts located on the left bank of the Dnester river" for compensation by the Government of CHI premiums for landowners located along the road Ribnita-Dubasari amounted to 590,0 thousand lei, i.e. 90,7 thousand lei or 13,3 per cent less than the annual provisions. Compared to the transfers made in 2014, a 13,3 per cent (90,7 thousand lei) decrease has been recorded.

Transfers from the state budget aimed at implementation of national health care programs, intended for the purchase of anti-diabetic injectable drug (insulin) amounted to 36 033,7 thousand lei, i.e. the same as the approved level.

The transfers to the state budget for the implementation of „Health Transformation" project amounted to 35 140,0 thousand lei, i.e. 13 110,0 thousand lei or 27,2 per cent less than the annual provisions.

Expenditure from CHIF

Irrespective of the source of payment, the funds are accumulated in the single NHIC account and later distributed according to legal requirements to the following funds (according to Annex 1 to the 2015 CHIF Law):

- fund for payment of current health services (basic fund);
- fund for preventive measures (to prevent health risks);
- CMHI reserve fund;
- fund for the development and modernization of public healthcare providers;
- CHIS administration fund.

The CHIF are structured by programs and subprograms, according to Annex no. 2 to the CHIF law for the year 2015.

The „Public Health and Health Services" program includes the following subprograms:

- CHIF Management;
- Emergency Pre-Hospital Healthcare;

- Primary Healthcare, including subsidized medications;
- Specialized Out-Patient Healthcare;
- Hospital Healthcare;
- Advanced Medical Services;
- Community and Home Healthcare;
- National and special health protection programs;
- Management of CHI reserve fund;
- Development and modernization of healthcare facilities.

The overall expenditures from the CHIF on all subprograms amounted to 5 152 470,7 thousand lei, 107 627,7 thousand lei less or with a level of execution of 98,0% of annual provisions, which is 472 954,3 thousand lei or 10,1% more than in 2014 (Table 4).

Table 4. Use of CHIF proceeds (thousand lei)

Name of indicator	Approved	Forecasted	Executed	Deviations (+,-) executed versus forecasted	Ratio (%) executed versus forecasted
Expenses, total	**5 260 098,4**	**5 260 098,4**	**5 152 470,7**	**-107 627,7**	**98,0**
including:					
Fund for payment of current medical services (basic fund)	4 899 578,0	4 899 578,0	4 899 578,0	0,0	100,0
Preventive measures fund (to prevent health risks)	75 758,1	75 758,1	14 939,8	-60 818,3	19,7
CHMI reserve fund	50 758,1	50 758,1	12 917,8	-37 840,3	25,4
Fund for development and modernization of public healthcare service providers	161 166,3	161 166,3	154 319,2	-6 847,1	95,8
CHIS administration fund	72 837,9	72 837,9	70 715,9	-2 122,0	97,1

Expenditure from the fund for paymentof current health services (basic fund)

According to pt. 9 GD No.594 of 14.05.2002 „On approval of the Regulation on setting up and administration of compulsory health insurance funds", not less than 94% of CHIF revenues shall be allocated for the payment of current health services. The funds accumulated in the basic fund are used for payment of expenditure required for the management of the single CHI program.

In 2015, 4 899 578,0 thousand lei were disbursed for payment of current health services from the basic CHI fund, which corresponds to the approved amount. Compared with 2014, expenditure from the basic fund increased by 499 739,5 thousand lei or by 11,4%, with total use of these proceeds (Table 5).

Table 5. Structure of expenditure from the fund for payment of current health services (basic fund) (thousand lei)

Name of the subprogram	Approved	Forecasted	Executed	Deviations (+,-) executed versus forecasted	Ratio (%) executed versus forecasted
Emergency pre-hospital healthcare	404 500,0	428 150,0	428 150,0	0,0	100,0
Primary healthcare	1 580 000,0	1 525 153,2	1 525 153,2	0,0	100,0
including: subsidized medications	335 000,0	279 720,4	279 720,4	0,0	100,0
Specialized outpatient healthcare	360 000,0	360 296,5	360 296,5	0,0	100,0
Hospital healthcare	2 387 078,0	2 401 196,6	2 401 196,6	0,0	100,0
Advanced health services	160 000,0	176 878,8	176 878,8	0,0	100,0
Community and home based health services	8 000,0	7 902,9	7 902,9	0,0	100,0
Other types of health services	-	-	-	-	-
TOTAL	**4 899 578,0**	**4 899 578,0**	**4 899 578,0**	**0,0**	**100,0**

EPHC

Pre-hospital EPHC ensured the provision of the respective healthcare assistance to the population, regardless of the presence of a CMHI policy, throughout the territory of service, with non-stop service and organizing, when necessity, the departure of the team outside the territory of service.

Upon contracting medical services, a number of persons were taken into account which was identical to those registered in the MSI providing PHC services located on the territory of service of MSI providing EPHC.

The following methods of payment were used in EPHC:

- payment „per capita" (94%);
- bonuses for performance indicators (6%).

The following performance indicators were established for the payment of bonuses:

1) lack of differences between the EPHC service diagnosis and the established clinical diagnosis;

2) providing the regional station with doctors.

For EPHC provision, NHIC has contracted 4 regional stations, the EPHC service of the Chisinau municipality, as well as one departmental and one private MSI.

In 2015 the EPHC service has handled 1 098 144 requests, compared to 901 894 requests in 2014, i.e. an increase by 196 250 requests (Figure 17).

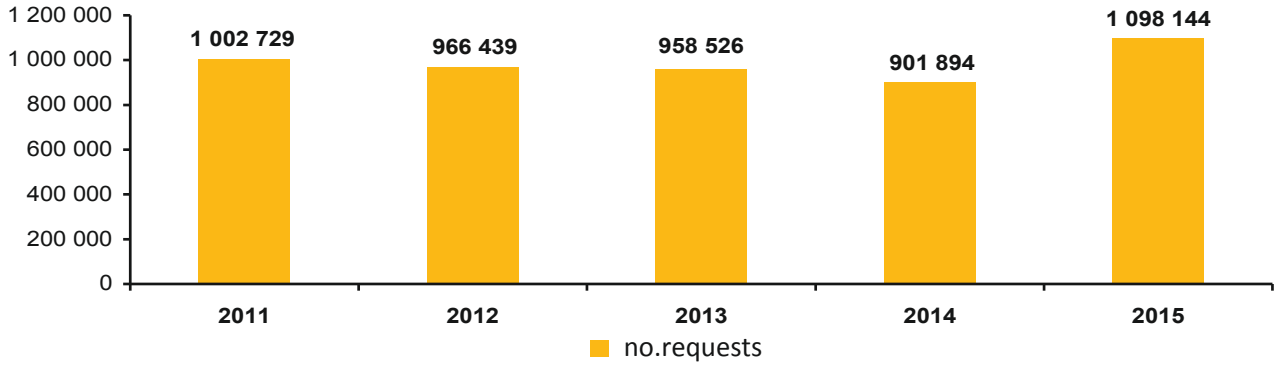


Figure 17. Number of requests handled by EPHC (n.a.)

The EPHC service activity covered population needs, while the quality of services provided was at a satisfactory level, as confirmed by the increasing accessibility of the population to emergency services, but also the decrease in the margin of error between the EPHC service diagnosis and the diagnosis established in the hospital's hospitalization ward.

PHC

PHC was provided by family doctors for diseases and conditions provided in the CHI single Program.

The following methods of payment were used in PHC:

- payment „per capita" (85%);
- bonuses for performance indicators (15%);
- payment via global budget for youth-friendly health centers;
- payment via global budget for community mental health centers.

When planning the volume of health services for contracting in the PH in 2015, the total number of persons (insured and uninsured) recorded in the „Register of persons on record in SMIs that provide PH in CHIS" was taken into consideration. PHC facilities were contracted based on the „per capita" principle, with differentiation of the tariff by three age groups:

a) age 0 to 4, 11 months, 29 days,

b) age 5 to 49, 11 months 29 days,

c) age 50 and over.

For the provision of PHC, the NHIC contracted 277 SMIs, including 2 republican, 20 municipal, 238 district, 5 departmental and 12 private.

The NHIC monitored the activity of PHC providers and found that the insured persons made 9,5 mln. visits to family doctors.

Also, family doctors made 592,5 thousand visits to uninsured persons (Figure 18).

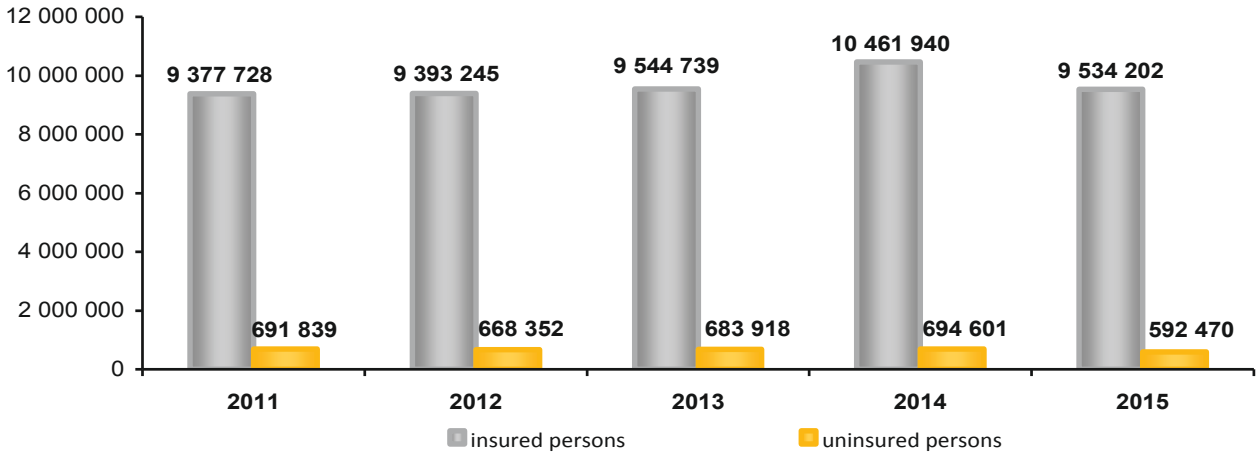


Figure 18. Number of visits to the family doctor

At the same time, in 2015, 37 Youth Friendly Centers and 35 Community Mental Health Centers were contracted for PHC. The contracting of these centers is thus carried out according to the „global budget" principles, which are subdivisions of Family Doctor's Centers. Contracting these centers contributes essentially to reducing the incidence of STIs/HIV, unwanted pregnancy and abortion levels, drug use, alcohol abuse, psycho-emotional disorders among youth.

During 2015, the NHIC monitored the number of visits provided at these centers and found that the insured persons made 92 212 visits to Youth Friendly Centers and 19 152 to Community Mental Health Centers.

SOPH

SOPH was provided for the purpose of diagnosis and treatment tactics upon referral by the family doctor, other medical specialists, at the direct address by the „insured illnesses, after confirmation of which as a new case, allow for the direct visit to the profile specialist working in outpatient healthcare".

For the provision of SOPH in 2015, NHIC contracted 116 MSI, including 17 republican institutions, 21 municipal institutions, 62 district institutions, 5 departmental and 11 private institutions.

During 2015, the NHIC monitored the number of visits made by specialized doctors and found that during the insured persons have been provided with medical services in the course of 6 804 833 consultative visits, including 705 190 visits in dental healthcare (Table 6).

Table 6. Number of provided consultative visits

Years	2011	2012	2013	2014	2015
Total visits	6 578 959	6 994 135	7 109 483	7 112 634	6 804 833
Including dental care visits	661 911	678 578	662 334	707 812	705 190

Since 2011, NHIC has also been covering expenses for food, public transport to/from home for uninsured people sick with tuberculosis without elimination of M. Tuberculosis.

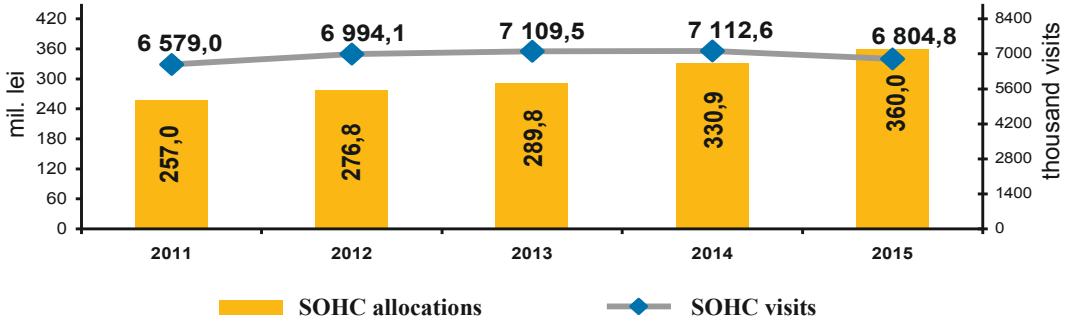


Figure 19. Dynamics of allocations for SOPH and number of provided visits

HH

To streamline the contracting and payment methods in hospital care in 2015, once the CHIF law for 2015 entered into force, treated chronic cases have been delimitated. Acute treated cases are of short duration and are provided under programs such as:

- General program;
- Special program „Surgery treatment for cataract";
- Special program „Hip and knee prosthetics";
- Special program „Interventional cardiology";
- Special program „Vascular prosthetics";
- Special program „Endovascular surgery";
- Special program „Heart surgery";
- Special program „Neurosurgery of spine fractures".

The treated chronic cases are the cases by profiles: geriatrics, rehabilitation and palliative care. Cases rendered in the category of rehabilitation are provided in republican medical institutions and are classified as follows:

- pediatric care;
- neurological care;
- cardiologic care;
- orthopedics care.

In this context, the basic fare for acute cases, used to fund hospitals based on DRG (CASE-MIX) was unified by hospital levels (republican/ municipal/district). At the same time, the funding of expensive consumables used in the treatment of acute cases rendered under special programs, e.g. „Surgery treatment of cataract", „Hip and Knee Prosthesis", „Neurosurgery in spine fractures" etc. were paid separately by the method of payment „retrospective per service within the contracted budget" (Table 7).

Table 7. Number of treated cases rendered under special programs, paid by NHIC

	2015
Special program „Surgery treatment for cataract"	1 797
Special program „Hip and knee prosthetics"	803
Special program „Interventional cardiology"	1 138
Special program „Vascular prosthetics"	125
Special program „Endovascular surgery"	202
Special program „Heart surgery"	1 011
Special program „Neurosurgery of spine fractures"	5

Since 2014, according to Single Program provisions, NHIC has been covering expenses related to treatment by transplant of organs, tissues and cells. Other activities in the pre-transplant and post-transplant treatment are covered by the national transplant program for 2012-2016.

In 2015, 4 liver transplants and 13 kidney transplants were performed totaling 3 900,0 thousand lei.

For the provision of HHC, 74 hospital type institutions were contracted, including 15 republican, 10 municipal, 35 district, 7 departmental and 7 private.

HPMS

Advanced medical services are contracted based on „per service" principle.

For the provision of these services, 48 MSI (8 republican, 5 municipal, 1 district, 1 departmental and 34 private) were contracted.

By monitoring the activity of contracted HPMS providers, a continuous growth may be observed, both in the number of high performance investigations provided as well as in their spectrum. Thus, in 2015 the number of investigations provided was of 568 287 (Figure 20).

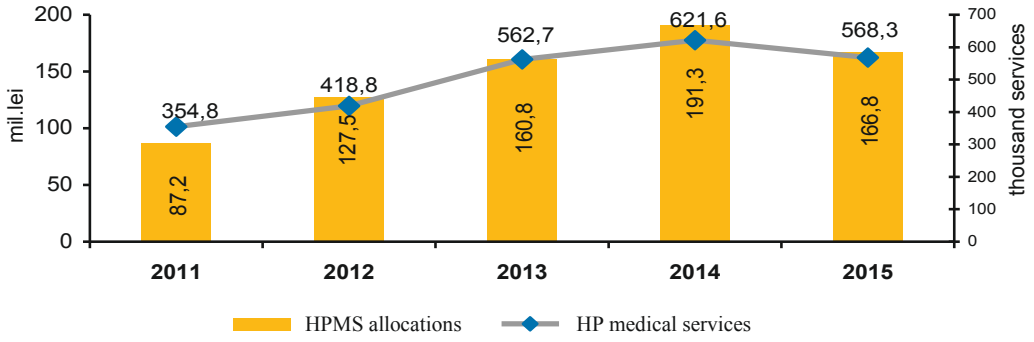


Figure 20. Dynamic of HPMS allocations and number of services provided (thousand lei)

Table 8. Number of high performance services (n.a.)

Name of services	2010	2011	2012	2013	2014
Nuclear magnetic resonance	5 261	9 866	16 596	19 566	19 346
Computed Tomography	40 393	37 751	43 710	44 559	37 045
Scyntigraphies	11 894	8 217	8 035	8 083	7 139
Angiographies	3 023	2 961	3 587	4 591	3 402
Genetic Investigations (determination of RNA, DNA of pathogenic agents in biological material)	26 851	37 978	46 802	49 682	48 500
Aortography	381	304	400	868	975
Coronary angiography	1 446	1 739	142	265	360

Community, palliative and home healthcare services

Home healthcare services, to which the insured persons are entitled, are provided by authorized providers, contracted by NHIC.

For patients the following medical procedures in the field of home healthcare may be carried out:

- monitoring temperature, blood pressure, respiration, pulse, urine and fecal output – in patients with cerebrovascular accidents, chronic cardio-circulatory failure and digestive tract, liver and pancreas pathology in the uncompensated period;

- care of wounds, bedsores, trophic ulcers, etc.;
- care of stomas and care of patients with cases of unnaturally placed anuses;
- washes: ocular, auricular, vaginal and gastric;
- enemas with an evacuative and therapeutic purpose;
- handling of gastric probe with evacuative purpose and for the purpose of feeding the patient;
- palliative care in home conditions;
- symptom control (care in case of vomiting, nausea, constipation, diarrhea and others) and pain (pain level assessment, and tracking the effect of pain relief medication).

The provider gives care to insured persons with advanced chronic diseases (consequences of cerebral stroke, terminal diseases, fractures of the femoral neck, etc.) and/or following major surgery, as recommended by the family doctor and profile specialist doctor from hospital and outpatient departments.

In 2015, 215 providers were contracted (including in hospice conditions) for this kind of healthcare compared with 8 suppliers in the previous year, which allowed for an increased access for the elderly, lonely and disabled persons to such medico-social assistance recommended by the WHO.

Contracting medical care at home was made by the „per visit" principle. Thus, in 2015, 83 869 visits were provided under medical care at home, compared to 80 030 such visits in 2014. Contracting of health care providers in hospice palliative care was performed according to the „per bed-day" principle. In 2015, 36 578 bed-days were conducted compared with 25 365 bed-days in 2014, i.e. 1 213 bed-days more.

Compared to 2014, an increase in the number of bed-days of palliative care in hospice conditions may be observed (1,04 fold growth), showing an increase in accessibility to healthcare care of insured persons with palliative care in hospice conditions.

Expenditure from the fund of preventive measures (top revent the risks of getting the disease)

In 2015, from the preventive measures fund, expenses of 12 917,8 thousand lei or 25,4% of the total were incurred, or 37 840,4 thousand lei less than the annual forecasts. Compared with 2014, a decrease by 14 634,2 thousand lei or 46,9 per cent was recorded

Measures aimed at reducing health risks, including by immunization and other primary and secondary prevention methods

In the process of implementing measures to reduce the risk of disease, funds amounting to 2 852,8 thousand lei were used, of which:

- procurement of hepatitis B vaccine for adults – 784,0 thousand lei;
- procurement of rabies vaccine - 1 827,0 thousand lei;

- procurement of anti rabies immunoglobulin – 138,4 thousand lei;
- procurement of self-locking syringes – 60,3 thousand lei;
- procurement of tests to measure glucose in the blood – 43,1 thousand lei.

Preventive examinations (screening for early detection of diseases)

In order to reduce the drawbacks in reflection of ophthalmic diseases by screening using the proceeds of the preventive measures fund, 557,7 thousand lei were allocated for ophthalmologic screening aimed at diagnosing vision problems in children in residential institutions, boarding schools, special schools for children with physical and sensory disabilities, boarding schools for orphans and children deprived of parental care, sanatorium boarding schools, orphanages.

Overall, 2 860 children in 34 specialized state institutions have been subjected to ophthalmological, out of which 1 338 (46,8%) of children were diagnosed with ocular pathology.

Organizing activities to promote a healthy lifestyle

In 2015, 7 579,5 thousand lei were allocated from the fund, for measures to promote a healthy lifestyle, including:

- information and education media campaign – 1 699,6 thousand lei;
- public events promoting the elements of a healthy lifestyle – 4 148,4 thousand lei;
- developing, design, printing, placement of promotion and information materials – 1 112,3 thousand lei;
- training medical and non-medical staff on maintaining and promoting a healthy lifestyle, including by developing and printing teaching materials – 619,2 thousand lei.

Between September and December 2015, the NHIC developed and implemented the fifth edition of the national awareness and communication campaign „Promoting healthy lifestyles entitled „Say YES to YOUR HEALTH", covering a number of localities in the country, namely: Chisinau, Ungheni, Soroca, Balti, Rezina, Cimislia, Costesti v-ge, Ialoveni r-n, Cioresc u v-ge, Chisinau municipality.

The objective of the campaign was to inform, motivate, mobilize and educate different categories of people, including the elderly, on the adoption of a lifestyle based on proper and balanced nutrition, giving up vices and practicing sport.

This Campaign was focused on the following topics (messages):

- Breastfeeding from birth!
- Proper diet for perfect health!

- Walk through Moldova and you will be healthy!
- You lose control when you use alcohol!
- Clean lungs, no smoking!

The Campaign **„Say YES to YOUR HEALTH"** comprised:

- organizing the event **„Biofest -2015"**;
- organizing 6 flash mobs to support campaign messages;
- organizing sport competitions such as: chess, football, athletics, archery, weight lifting;
- installation of the healthy corner (participation of medical personnel in medical-sanitary institutions: medical consultations, measuring glycemic level, etc.);
- promoting healthy exercise at the workplace;
- shooting, mounting and broadcasting of „Learn to be healthy".

To promote healthy lifestyle components, in 2015 the NHIC organized a number of public events:

- cycling race, in order to adopt an active lifestyle;
- „Biofest-2015", within which honey, dried fruit, products of folk medicine, almonds, organic fruit and vegetables, herbal teas, yeast-free bread, grains, natural oils could be purchased;
- World Day of diabetes prevention;
- the flash mob „Breastfeeding from birth" with the participation of mothers with babies;
- 8 health actions „Replace the cigarette with an apple or a bottle of water";
- 8 master classes „Cooking healthy food with bio products", a training with participation of a chef in the mobile kitchen;
- 8 outdoors master classes with a team of fitness instructors;
- running race „Chişinău-Viena", where the participants run a total of 1 239 km;
- the tombola „Cook Healthy", in eight localities of the country.

In 2015, in order to maintain and promote healthy lifestyles, 45 trainings were organized and conducted for medical and non-medical personnel, attended by 1047 people and 42 trainings with participation of 1241 students from 50 high schools.

Expenditure from the CHI reserve fund

In 2015, the subprogram „Management of CHI reserve fund" was executed in the amount of 14 939,8 thousand lei or 19,7% of annual provisions (Table 9). These funds were used to compensate the difference between actual expenditure relating to payment of current health services and contributions accumulated in the basic fund, of which 10 731,0 thousand were directed to employ resident doctors for provision of health care to the population.

Table 9. Structure of expenses from the CHI reserve fund (thousand lei)

Indicator name	Approved	Forecasted	Executed	Deviations (+,-) executed versus forecasted	Ratio (%) executed versus forecasted
Expenses, total	75 758,1	75 758,1	14 939,8	-60 818,3	19,7%
including:					
Emergency pre-hospital healthcare			296,0		
Primary healthcare			229,4		
Specialized out-patient healthcare			40,4		
Hospital healthcare			14 265,6		
High performance medical services			108,4		

Compared with 2014, expenditures made from the reserve fund increased by 11 671,5 thousand lei.

The low level of capitalization of the proceeds from the CHI reserve fund are explained by the fact that they are used strictly according to the destinations stipulated in the Regulation on the setting up and administration of compulsory health insurance funds, approved by Government Decision No.594 of 14.05.2002 upon occurrence of corresponding events.

Expenses from the fund to develop and modernize public healthcare providers activity

According to the Regulation on setting up and administrating compulsory health insurance funds (GD no.594 of 14.05.2002, with further amendments), the funds accumulated in the fund to develop and modernize public healthcare providers activity are destined for the increase in the quality of care, efficiency and effectiveness of institutions, being mainly used to cover expenses related to:

- purchase of health care equipment and means of transport;

- implementation of new heating technologies, medical waste processing and water supply;
- modernization and optimization of buildings and infrastructure;
- implementation of information systems and technologies.

According to the CHIF law for 2015, funds amounting to 161 166,3 thousand lei were approved from the fund aimed at development and modernization of public healthcare providers.

Expenditures in the amount of 154 319,2 thousand lei, were made from the development fund, 6 847,1 thousand less or 95,8% compared to provisions, with all proceeds directed to pay for the funding contracts concluded in previous years.

Compared with 2014, a decrease by 35 035,0 thousand lei or 18,5 per cent (Table 10) was recorded in the development fund.

Table 10. Summary of expenditure made from the development fund (thousand lei)

Years	2011	2012	2013	2014	2015
Fund for development and modernization of public of medical services	35 007,3	111 248,1	138 186,6	189 354,2	154 319,2

The proceeds from the development fund were directed according to the purposes of use as follows: for the purchase of fixed assets - 48 315 900 lei (23 investment projects); for modernization and streamlining of infrastructure - 90 587 800 lei (85 investment projects) and for capital construction of public IMS - 15 415 500 lei (15 investment projects).

Expenditure from the CHIS administration fund

The allocation of up to 2,0% of the income cashed to the NHIC single fund is stipulated for spending of the CMHI system administrative fund expenses.

However, during the last years, the share of these expenditure is maintained below 1,4% (Figure 21).

In 2015, the expenses from the administration fund of the CMHI system were carried out in the amount of 70 715,9 thousand lei or at a level of 97,1%, which is 2 122,0 thousand lei less than the annual forecasts. Compared to 2014, expenditures increased by 11 212,5 thousand lei or 18,8%.

At the same time, 222,3 thousand lei (0,3%) of expenditure from the administration fund were special purpose proceeds for the projects „Sociological study on population satisfaction with the health services in Moldova" and „Capacity building in cervical cancer screen-

ing", and the amount of 6,9 thousand lei was the amount unused under the project „Capacity building in cervical cancer screening", which were returned to the United Nations Population Fund Moldova, according to contractual terms.

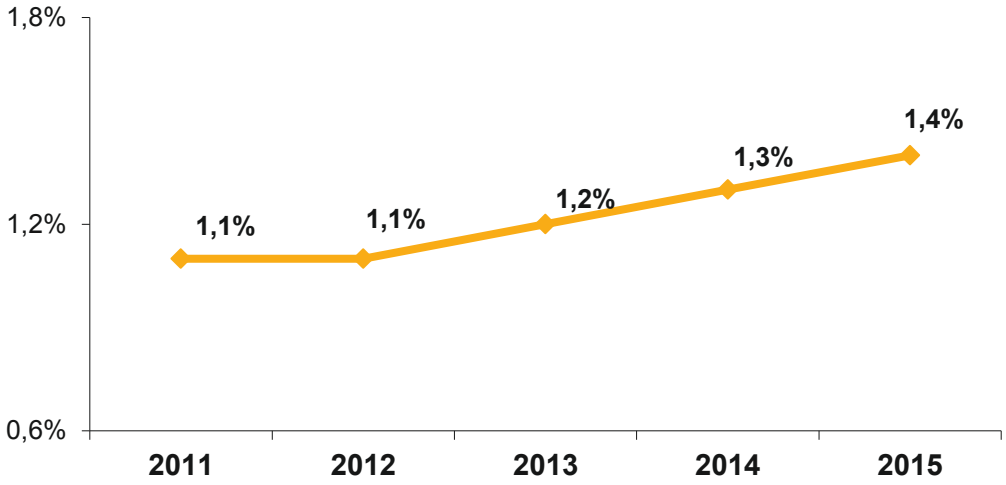


Figure 21. Share of expenditure from the CHIS administration fund in total CHIF expenditure (%)

Strategic topic: NHIC – an efficient institution

Objective no.1: Improving the organization of activity, cooperation and communication

During 2015, NHIC had great opportunities to take over the best international practices in the CHI by participating in various international conferences and seminars.

At the same time, in order to strengthen NHIC international relations in the field of CHI, a number of international projects were implemented, such as:

Logistical support for the development of CHIS in the RM

NHIC has established relationships with Health Insurance Fund of Estonia since 2011 and has since applied a number Estonian practices in this project.

Also during 2015 there were 2 visits by an Estonian team of experts on the following topics: active procurement of healthcare services, including the principles of building the prices for health care services, the system of contracting health service providers, short- and long term financial planning, rational use of medications and refund of the costs thereof, practices to implement various price building systems (DRG), organizational development (performance management, process management, job analysis), communication plan (communication with the media, campaigning), IT solutions to support the operation of organizational performances, legislative principles governing health insurance in the European Union.

During 2015, the NHIC has benefited from a study trip to Norway to learn the best practices in the areas of primary care, hospital and palliative care, and studied the information system and its role in health.

The international network „Joint Learning Network for Universal Health Coverage" (JLN) and „Pharmaceutical Pricing and Reimbursement Policies" (PPRI)

In 2015, the NHIC participated in the „Joint Learning Network for Universal Health Coverage" (JLN) and „Pharmaceutical Pricing and Reimbursement Policies" (PPRI) International network" for the purpose of taking over the best international practices.

As a result, the NHIC has intensified exchange of information on medicines and liaising with network managers overseas. Also, NHIC employees attended the meeting of the member and associated countries of JLN in Manila, Philippines, on exchange of experience in the analysis of data available to monitor payment mechanisms and develop indicators for funding health, followed by a visit to India, within which a workshop was held and

the Costing Manual introduced. Also, the NHIC employees participated in the Prague Conference on „Pricing and refund of medication costs".

Logistic support in implementing the development of the 2015-2019 NHIC Strategy

One of NCHI development partners is the World Health Organization, which provided support in implementing the Strategy. At the same time, together with the international expert of the WHO (Mr. Andres Rannamae), the Institutional Development Strategy for the years 2016-2020 was developed for the CHIC, focusing on national health policies and strategies.

Developing the financial and control management system within NHIC

In order to implement appropriate internal controls, in 2015, the NHIC continued to strengthen financial management and control system initiated in 2010. A number of measures were taken to this end, such as:

1. establishing the Working Group responsible for strengthening the financial management and control system within the NHIC;

2. on a quarterly basis, each structural division of the NHIC, based on quarterly activity plans, has identified activity risks by strategic and operational objectives.

Following the generalization of information submitted by all structural subdivisions of the NHIC, the following documents were approved:

1) Register of NHIC risks for the first quarter of 2015 - approved by NHIC Order no. 19-A of 31.01.2015;

2) Register of NHIC risks for the second quarter of 2015 - approved by NHIC Order no. 121-A of 10.04.2015;

3) Register of NHIC risks for the third quarter of 2015 - approved by NHIC Order no. 285-A of 14.07.2015;

4) Register of NHIC risks for the fourth quarter of 2015 - approved by NHIC Order no. 469-A of 13.10.2015.

At the same time, in the context of the provisions of para. (1) Article 16 of the Law on Public Internal Financial Control no.229 of 23.09.2010, on 12 February 2016 the NHIC approved the Declaration on Good Governance for 2015.

DECLARAȚIA PRIVIND BUNA GUVERNARE

În temeiul prevederilor art.16, alin.(1) din Legea nr.229 din 23.09.2010 privind controlul financiar public intern, subsemnatul, Vasile Pascal, în calitate de

vicedirector general, declar că Compania Națională de Asigurări în Medicină

dispune de un sistem de management financiar și control a cărui organizare și funcționare permite furnizarea unei asigurări rezonabile precum că

fondurile publice alocate în scopul atingerii obiectivelor strategice și operaționale au fost utilizate în condiții de transparență, economicitate, eficiență, eficacitate, legalitate, etică și integritate.

Sistemul de management financiar și control cuprinde

mecanisme de autocontrol, iar măsurile privind creșterea eficacității acestuia au la

bază evaluarea riscurilor.

Pe baza rezultatelor autoevaluării, apreciez că la data de 31 decembrie 2015, sistemul de management financiar și control al Companiei Naționale de Asigurări în Medicină

este conform cu Standardele naționale de control intern în sectorul public.

Această declarație se întemeiază pe o apreciere realistă, corectă și completă a sistemului de management financiar și control al entității și este emisă prin asumarea răspunderii manageriale și are drept temei date, informații și constatări consemnate în documentele aferente autoevaluării, precum și în rapoartele de audit intern și extern.

12 februarie 2016 Semnătura

Objective no.2: Aligning the structure of NHIC to Strategy provisions

Assessing the functions of NHIC structural divisions and strengthening the NHIC structure

During 2015, in order to optimize the organizational structure of the NHIC, the functions of the structural divisions of the central apparatus of NHIC were analyzed.

In this context, all Regulations of structural divisions of the NHIC and Job descriptions (about 150 items) were examined and new opportunities for the organization were identified.

As a result, an information note was submitted to the management of the NHIC with proposals to amend the existing structure of the NHIC central office.

Review of operational and system procedures

Operational and system procedures in the NHIC (a number of 20 documents) were identified, updated and approved. At the same time, each employee was familiarized with the system procedure and monitored in strictly respecting the work process.

Objective no.3: Developing NHIC staff competences

Strengthening the skills management system (for individual and collective skills)

At the beginning of 2015, the Methodology on evaluation of collective performance and individual competence of NHIC employees was developed and approved by Order No. 23-A of 02.02.2015 „On approval of the Methodology regarding the evaluation of collective and individual performance of NHIC employees, standardized forms".

Developing executive staff competence mangement system: description and evaluation of the skills of specialists in relations with beneficiaries

The NHIC order no. 175-A of 29.04.2015 „On establishment of the working group for the development of NHIC execution staff professional competence" was developed and approved.

Improving the Human Resources management system

During 2015 the practice started last year on conducting the evaluation of professional skills of the heads of NHIC internal divisions was continued.

The organization of professional skills assessment procedure mainly aimed at determining the level of professional skills and conduct by the heads of NHIC internal subdivisions

In order to facilitate the evaluation procedure, informational and methodological sup-

port was provided to all stakeholders in the evaluation process, contributing to the proper and objective assessment procedure, providing solutions in problems encountered along the way.

As a result, 27 heads of structural divisions of the NHIC were subjected professional competence assessment procedure.

Thus, following a review of self-assessment forms and evaluation sheets based on the interview, the Report on results of the assessment of the heads of NHIC internal divisions was submitted.

According to the data, most of the interviewed managers (11) showed a „satisfactory" level of professional skills and the achievement of the objectives, 11 managers shown „good/ very good", and 5 people - „excellent" results. None of the managers was ranked „unsatisfactory" (Figure 22).

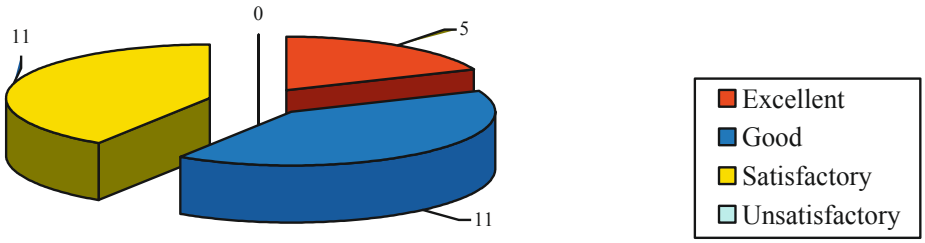


Figure 22. Graphical presentation of the skills level

Given the analyzed professional needs, the professional development plan for the heads of NHIC internal divisions was developed.

The Regulation on the conduct of the mentoring process for new employees in the NHIC was developed and approved by Order No. 18-A of 27.02.2015 „On approval of the regulation on the conduct of the mentoring process for new employees of the NHIC".

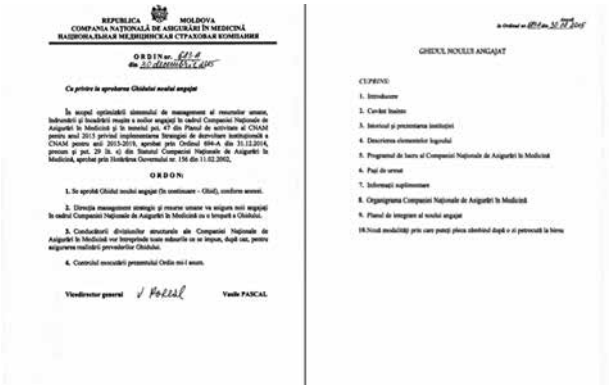
This Regulation provides the procedure for organizing and coordinating the socio-professional integration of new employees.

It is used for all new employees for which the probation period was applied under art.60-61 of the Labor Code of the Republic of Moldova.

The Regulation also sets out the manner of organization and conduct of the probationary period for juniors, the procedure for assessing the activity of the beginners, the duties of stakeholders in the organization and conduct of the probationary period.

At the same time, to guide the steps of the beginner in the NHIC and to facilitate the

process of finding answers to a number of key questions, so as to familiarize the beginner with the particularities of the institution in the shortest time, with the responsibilities and duties, the work environment and the group he/she will be part of, the New Employee Guide was developed and approved by NHIC Order no.683-a of 30.12.2015.



During 2015, NHIC employees were methodologically guided in various areas related to labor law (right to work, right to rest, labor relations, preparation of applications, filling in timesheets, presentation of generalized forms on the increase for individual competence etc.).

Also, jointly with the NHIC trade union, the employment relationships of employees and management were analyzed, and proposals for improvement submitted to the management, as appropriate.

Thus, at the end of 2015, a number of recommendations were submitted to NHIC management to amend and complete the collective employment agreement at NHIC level.

Professional training of NHIC employees

The continuous training of personnel is in the focus of attention. To develop and maintain high professional standards of NHIC employees by improving and updating knowledge, developing professional performance and to improve their professional development process, the on-the job training of NHIC employees has started.

On-the job trainings had the following objectives:

- NHIC institutional development, improvement of structures;
- adapting the knowledge and skills of employees to legal, organizational, technological, functional changes and other kinds of changes;
- improving the quality of services provided by the NHIC to the citizens;
- the achievement by the structural divisions of the NHIC central apparatus of the attributed functional duties of methodological coordination of territorial agencies;
- transmission of knowledge acquired during the training seminars, external training courses, study tours, conferences, etc.

In this context, in 2015, 12 thematic seminars were organized, during which 317 employees received professional training (Figure 23).

Figure 23. Structure of NHIC employees trained in 2015 (%)

During the reference period, 28 NHIC employees made study visits and exchanged experiences abroad the RM. The visited countries were: Czech Republic, Italy, Spain, Estonia, Poland, Ukraine, Norway, Bosnia and Herzegovina, Slovenia, the Netherlands, Kyrgyzstan, Armenia, Turkey, the Philippines, India, Denmark, Romania, Georgia, Austria, Russian Federation. After return, the employees present information on the knowledge and experience accumulated during the visit at the thematic training workshops.

In 2015, measures were taken for the continuous professional and management training of the staff in the system. To this end, 8 specialists attended training courses on: „Strategic Management" and „Current problems of public health" at the Department of Continuing Education in Medicine and Pharmacy of the State University of Medicine and Pharmacy „Nicolae Testemitanu".

As of December 31, 2015, an employee was doing his masters studies in the School of Public Health Management under the State University of Medicine and Pharmacy „Nicolae Testemitanu", following which he will complement his professional knowledge in the management of public health; 3 employees - Master studies at the Academy of Public Administration. The scientific title of „Doctor of Science" is held by 2 employees and 1e employee - the scientific title of „PhD".

By the Decree of the President of the RM no.1374 of 12.11.2014 and no.1386-VII of 27.11.2014, 2 employees of the NHIC were awarded the „Nicolae Testemitanu" Medal and 1 employee the „Labor Glory" order. The state awards were handed out at the beginning of 2015 in a solemn ceremony at the State Residence of RM.

Objective no.4: Improving and creating new IT

During 2015, a number of steps further were taken towards the development of the NHIC IS.

The M-Cloud Government Platform

A strategic direction for the development of information and communication technology in Moldova, in which the NHIC is actively involved, is the migration of state or departmental importance IS' to the M-Cloud Platform.

In 2015, the process of NHIC information systems to the government platform M-Cloud continued. For this purpose the Agreement between the NHIC and the e-Government Center on provision of services on the common government platform (M-Cloud) has been reviewed and signed, by which the NHIC has obtained additional resources on the platform. This allowed migration to the M-Cloud platform of the IS „Reporting and tracking of health services in the DRG system (case-mix)" and of the information application for checking the status of an insured person the compulsory health insurance system.

The migration of these systems to M-Cloud has increased their accessibility to 99.99%, which allowed a more rhythmic and secure servicing for their users and patients by medical institutions.

IS „Help desk"

In 2015, the IS „Help desk" was developed, allowing for the recording and automated management of requests for technical assistance from users on problems in the functioning of information infrastructure, including information networks, computers and peripheral systems and operational applications software. Being based on web technology, the system allows any user to submit a support request from any computer connected to the network.

IS „Devolopment fund records"

During 2015, the IS „Development fund record" was developed, that allows automation of accounting and reporting related to the management and development fund, such as:

- record of HMI funding contracts;
- record of additional agreements to HMI funding contracts;
- records of HMI contracts with contractors;
- records of invoices and works performed;
- the evidence of the performed expenditures by the beneficiaries of the Development Fund.

IS „Register of reports on execution of estimates of incomes and expenditure (business-plan) of the MSI from CHIF"

It was modernized and implemented in all MSI that provide healthcare under CHIS of the IS „Register of reports on execution of estimates of revenue and expenditure (business plan) of SMI in CHIF proceeds". Thus, the system automates the process of reporting the

record of revenue and expenditure estimates and reports on their execution, submitted by MSI, providing the following features:

- record of repeated collection of the same information in MSI and NHIC;
- prevention of human errors when recording data by applying algorithms of automated control;
- extensive aggregation and analysis on budget planning and execution by medical institutions in various aspects and levels of detail.

At the same time, during 2015, about 500 people were trained on the use of various IS.

Objective no.5: Improving the quality of data and analysis, strengthening the strategic and operational planning

Improving the system for reporting, analysis and monitoring the implementation of the operational plan and the Strategy

During 2015, on a quarterly basis, each structural division of the NHIC developed its quarterly business plans, a document presenting the indicators, strategic and operational actions planned for implementation over the next quarter. Thus, the quarterly reports were approved by the NHIC management as follows:

1) NHIC order no.04-A of 12.01.2015 „Approving the activity plans of NHIC subdivisions for the first quarter of 2015";

2) NHIC order no.117-A of 07.04.2015 „Approving the activity plans of NHIC subdivisions for the second quarter of 2015";

3) NHIC order no.284-A of 14.07.2015 „Approving the activity plans of NHIC subdivisions for the third quarter of 2015";

4) NHIC order no.468-A of 13.10.2015 „Approving the activity plans of NHIC subdivisions for the fourth quarter of 2015".

At the same time, at the end of the quarter, each structural division of the NHIC developed and submitted its report on implementation of the activity plan. As a result, the consolidated report was prepared on the degree of execution of Activity plans for the relevant quarter on structural divisions of the NHIC, submit to the Commission for determining bonuses and prizes.

At the same time, during 2015, a number of working sessions were held: meetings to summarize the activity of the NHIC territorial agencies for 2014 (20-31 March 2015) meeting to report the results of the execution of NHIC activity plan on the implementation of the Strategy in the first 9 months of 2015 (October 21, 2015), working meeting to revise the Strategy (October 22, 2015).

The monitoring of the reporting, analysis and monitoring of the execution of the operational plan and Strategy is carried out during the whole year, with quarterly reports being made and presented to the NHIC management:

1) by letter no. 03/26-88 of 15.04.2015, the Report on results of execution of the NHIC Activity Plan for 2015 on the implementation of NHIC institutional development strategy for the years 2015-2019, for quarter I, 2015, was submitted to NHIC management;

2) by letter no. 03/25-144 of 17.06.2015, the Report on results of execution of the NHIC Activity Plan for 2015 on the implementation of NHIC institutional development strategy for the years 2015-2019, for quarter I, 2015, was submitted to NHIC management;

3) by letter no. 03/26-200 of 19.10.2015, the Report on results of execution of the NHIC Activity Plan for 2015 on the implementation of NHIC institutional development strategy for the years 2015-2019, for the first nine months of, 2015, was submitted to NHIC management;

4) by letter no. 03/26-30 of 01.02.2016, the Report on results of execution of the NHIC Activity Plan for 2015 on the implementation of NHIC institutional development strategy for the years 2015-2019, for the period 01.01.2015-31.12.2015 was submitted to NHIC management.

Ensuring the conduct of the audit activity

In 2015 according to the annual activity plan, the internal audit department conducted 5 audit missions of operational processes and missions to assess certain components of financial management and control. The audit missions carried out during 2015 are:

- assessing the compliance and review the processes within the NHIC, part I;
- assessing IT infrastructure (hardware and software);
- assessing the compliance and review the processes within the NHIC, part II;
- assessing the process of management of funds accumulated in the und for the development and modernization of public healthcare providers;
- assessing the process for contracting health care providers in the CHI, including negotiation and conclusion of contracts for provision of health care under hospital care.

An important activity carried out by the internal audit is to monitor the implementation of recommendations according to quarterly action plans for the implementation of recommendations made on the basis of internal audit reports.

Thus, in 2015, 81 recommendations for audit were submitted for implementation. Of all the recommendations submitted, 49 were fully implemented, 25 partially implemented and 7 not being implemented.

It should also be noted that the relatively large number of partially implemented and

unimplemented recommendations was caused by such factors as: existence of several recommendations providing for one and the same action, interdependence on some internal and external factors, reflection of timeframes without preliminary estimate of resource needs, etc.

In 2015, during the mission audits, a complete analysis of the system and operational procedures approved by NHIC Order No. 193-A of 30.04.2014 was carried out.

The system and operational procedures were assessed in terms of compliance, knowledge of their existence, need to review and availability of control levers.

Thus, drawbacks have been found for virtually all 40 system and operational procedures assessed in the process of targeting, identification of control activities and the need to update them was found.

Priorities and objectives for 2016

For the next year, the NHIC has set the following priorities:

- enhancing the quality of services provided to beneficiaries in territorial agencies by developing and implementing quality standards;
- developing and implementing an IS for the management of CHIS beneficiaries, with the use of data exchange on the interoperability platform, integration with the government IS for electronic payments (MPay), developing electronic channels for provision of services to CHIS beneficiaries;
- improving and implementing the process of registration with the family doctor;
- revising the performance based incentive program in PHC;
- introducing performance based incentives in order to enhance the efficiency and the quality in HC;
- improving the mechanism for contracting providers of specialized outpatient healthcare;
- revising the method of calculating the amount of transfers from the state budget for the categories of people insured by the Government;
- developing outcome and post-screening indicators;
- developing and implementing the automated information system for tracking human resources in the NHIC;
- stepping up the collaboration with the state institution and international cooperation in the CHI, in order to provide NHIC with the information required for a successful execution of its duties.

Logo of the National Health Insurance Company

The description of the Logo elements is as follows:

The leaf hands represent the power and will of the National Health Insurance Company to protect its beneficiary by insuring access to quality healthcare services.

The stem – The National Health Insurance Company insures connections, relations of equitable support and distribution of financial resources to maintain the balance and safety in the healthcare system.

The dandelion represents the healthcare of the entire society protected with care and loyalty by the National Health Insurance Company.

The pedestal – The National Health Insurance Company is based on safe policies and efficient strategies of the healthcare system.

NATIONAL HEALTH
INSURANCE COMPANY