

**ACTIVITY REPORT
OF THE NATIONAL HEALTH
INSURANCE COMPANY
FOR 2017**





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INSURANCE FUND FOR
THE YEAR 2017**

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Abbreviations

PHC	Primary healthcare
HHC	Hospital healthcare
SOPH	Specialized Out-patient Healthcare
EPHC	Emergency Pre-Hospital Healthcare
CHI	Compulsory Healthcare Insurance
TA	Territorial agency
NHIF	National Healthcare Insurance Company
NSIF	National Social Insurance Company
DRG	Hospital payment system based on case complexity (CASE-MIX)
CHIF	Compulsory Healthcare Insurance Fund
GD	Government Decision
MSI	Medico-Sanitary Institution
PMSI	Public Medico-Sanitary Institution
MHLSP	Ministry of Health, Labor and Social Protection
WHO	World Health Organization
CHIS	Compulsory Healthcare Insurance System
SFS	State Fiscal Service
IS	Information system
HPMS	High Performance (advanced) Medical Services
Strategy	NHIC Institutional development strategy for 2016-2020

General context

The current system of compulsory health insurance holds a central place in the Republic of Moldova's health system. The NHIF pays for healthcare services, financing medicine and healthcare equipment purchases for every person holding a CHI policy. NHIF signs contracts with medical institutions for the delivery of healthcare services in the CHIS. Upon purchasing services and signing contracts, NHIF 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 NHIF is not involved in the management of medical institutions.

A solid 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 implemented based on internationally approved principles:

- increasing the population coverage with CHI;
- the CHI package should be as comprehensive as possible, in order for the CHI system to jointly provide the largest, most comprehensive and modern healthcare package;

- increasing the CHI package so that it provides complex and modern medical services.

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

The role of the NHIF

NHIF objectives are: organizing, developing and directing the CHI process by applying procedures and mechanisms that allow building funds to cover the costs of treatment and prevention of diseases and conditions included in the CHI Program, assessing the quality and implementation of provided healthcare and the implementation of the healthcare insurance regulatory framework.

NHIF carries out the following activities to achieve these objectives:

- implementing the CHI and other types of healthcare-related insurance;
- carrying out healthcare quality and volume control (expertise), as well as monitoring the management of funds 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 healthcare insurance;
- accomplishing other related tasks promoting basic NHIF objectives and not infringing current laws.

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

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

NHIF 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 react 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 general strategic purpose of the NHIF is „increasing the satisfaction of persons insured within the CHI”. There are 4 strategic topics setup in this regard (Figure 1.).

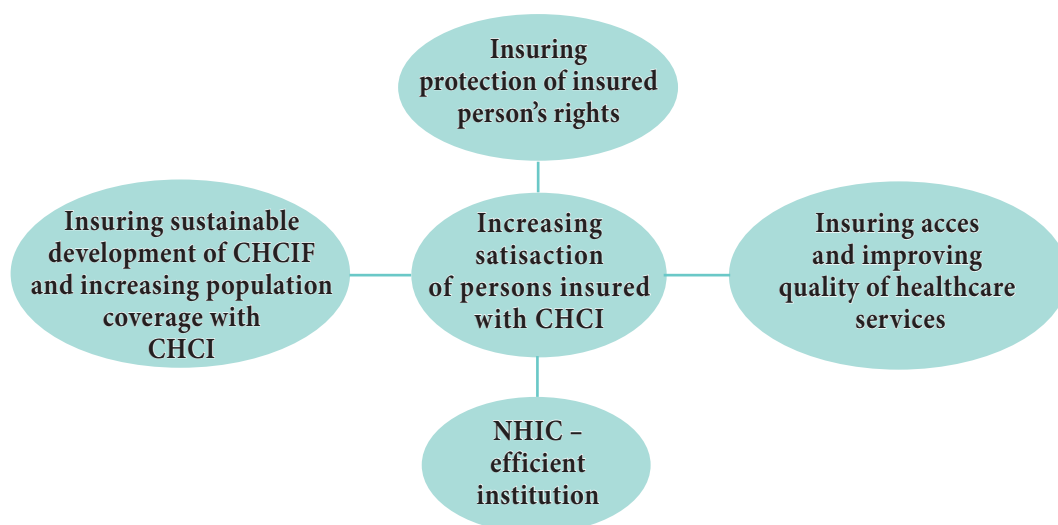


Figure 1. General strategic objectives of NHIF and relevant strategic topic

Strategic objectives:

- improving NHIF services for beneficiaries;
- decreasing direct payments;
- improving the assessment of health services' quality;
- streamlining contracting and payment methods;
- streamlining allowances for compensated medication;
- 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 NHIF structure to Strategy provisions;
- developing NHIF staff competences;
- improving and creating new IS;
- improving quality of data and analysis, strengthening strategic and operational planning.

NHIF Beneficiaries and partners

NHIF interacts with several partner groups, which have points of convergence and divergence on the institution's business 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 the benefit from healthcare insurance at the moment of the insurance risk is produced and throughout the period of accessing medical services, guaranteeing the right to correct

treatment and service in the healthcare system and the right to free choice of 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 related 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 expecting 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 persons/population approve the discounts applied upon paying CHI premiums. In terms of awareness, 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 reluctance towards state institutions influences upon the CHIS and degenerates into mass preconception according to which, for the access to a quality service, informal payment transactions apply even for CHI policy holders.

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

The Ministry of Health, Labor and Social Protection and the Government are counting on the: efficient manage-

ment 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.

History of the CHIS in figures

1998

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

2001

- Establishment of the NHIF;
- Establishment of the Coordination Council for the implementation of CHI.

2002

- Approval of the NHIF statute;
- Setup of the Administration Board - NHIF supreme management body;
- Approval of the Regulation on the creation and administration of the CHIF;
- Approving the model of the CHI policy;
- Creating 11 NHIF territorial agencies;
- Approving the Law no.1593-XV of December 26, 2002 on the size, means and terms of CHI primes 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 assistance was provided to insured persons as part of the pilot project in the rayon of Hancesti.

2003

- Abrogation of the Law no.267-XIV of February 3, 1999 on the minimum free healthcare guaranteed by the state, along with the CHIS implementation, the necessity for this law has expired;
- On July 1st, pilot-project in Hancesti rayon was launched;
- Creation and implementation of the „CHI” automated IS;
- First sum, amounting to 9 000 thousand lei is transferred from the state budget for current expenses to the single NHIF account;
- Covering the emergency healthcare assistance at the pre-hospital level in case of major medical-surgical emergencies that endanger a person's life and primary healthcare assistance 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, parturients and

newly in the CHI as persons insured from the state budget;

- Transfer of the NHIF 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 CHI;
- Introducing performance indicators in the PHC and EPHC;
- Including the term 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 PHC contracted by the NHIF.

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 percentual 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 drawn up 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 rayons 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 HHC;
- Home medical healthcare contracted by the NHIF;
- Registering persons at the family doctor with possibility of free choice;
- Legally delimited PHC at a rayon level.

2009

- Following the modification of macroeconomic parameters and the effects of the economical and financial crisis on the accumulations in the CHIF, modifications were brought to the CHIF law for 2009, through which, the CHI funds were, for the first time, lowered by 10.7% compared to the initial ones and a deficit of 250.8 thousand lei was approved;
- Modification of the NHIF 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 Law no.133-XVI of June 13th, 2008 on Social aid into the CHI 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 the owners of land with an agricultural destination;
- Changing methods of contracting the PHC 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 NHIF;
- 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 relaunch the NHIF 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 compensated medication to uninsured individuals limited to medicine from the psychotropic, anticonvulsant and oral antidiabetic group (in the second half of 2011);
- NHIF 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 for the development of the CHIS;
- In the context of actions dedicated to a decade since the founding of the NHIF 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 NHIF Institutional Development Strategy for the 2013-2017 period was approved by a NHIF Management Board Decision;
- 9 MSI were part of hospital healthcare based on the new DRG (Case-Mix) payment system;

- Changing the structure of the NHIF 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;
- NHIF and the Electronic Governance Center of Moldova have signed a cooperation agreement, with the NHIF 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 NHIF 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;
- NHIF and Eesti Haigekassa signed a cooperation agreement on the development and strengthening of cooperation in the health financing system;
- NHIF 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 NHIF 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 PHC 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 NHIF apparatus and NHIF 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 NHIF, 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 NHIF 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 PHC;
- Increasing the amount of the CHI 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 NHIF 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 CHI premium as percentage of the wage and other rewards at 9.0%, according to the fiscal policy;
- Updating and approving new system and operational procedures within NHIF;
- Developing and approving the Methodology for assessing collective performance and individual competence of NHIF employees.

2016

- Inclusion in the CHI Single Program of new services by covering the costs for: mammography exoprostheses and implants, individual prostheses and supplies required for surgical and prosthetic rehabilitation of patients with malignant tumors of the head, neck and locomotor apparatus; prenatal screening tests of pregnant women in the risk group for the detection of congenital malformations; early intervention services for children from birth up to 3 years with special needs/developmental disorders and those at increased risk;
- Modification and expansion of the list of compensated medicines up to 134 common international names;
- Introduction of treatment with compensated medication in daycare, procedure facilities and at home;
- Launch of the information campaign on the active substance in medicines „The same active substance! Why pay more?”;

- Development and approval of regulations related to the free choice of the family doctor at any time during the year.

2017

- Changing the structure of the central NHIF apparatus and the list of NHIF territorial agencies;
- Performing 30 minimally-invasive surgeries from CHIF in children with congenital heart malformations within the Pediatric Interventional Cardiology Program;
- Treating 112 cases from CHIF sources within the new „Electrophysiology and Ablation Study” program, through which an innovative method has been applied in the diagnosis and treatment of cardiac rhythm disturbances;
- Financing of 3 private MSI for provision of 30 in vitro fertilization procedures.

Strategic topic: Ensuring the protection of insured person's rights

Objective 1: Improving NHIF services for beneficiaries

In 2017, the NHIF conducted a number of strategic and operational actions for information, service and insurance of CHIS beneficiaries.

„Green Line” telephone service (NHIF Call Centre)

In 2017, the number of calls made to the Info-CNAM hotline increased by 2 366 calls, amounting to 22 919 calls. Out of these, 22 698 calls were informative/advisory and 221 complaints.

Most demand for the Hotline was recorded in January - March, i.e. the period for payment of the CHI premium in the fixed amount and less requested

in the warm time of the year. The lowest number of calls was recorded in August 1 386 (Figure 2).

Of the total number of calls, 80% are calls regarding the person's insurance framework, 10% refer to medical services and 5% regard the registration with the family doctor, while 5% refer to the prescription of compensated medication.

Most complaints were regarding the provision of healthcare services under CHIS - 82%. Out of the total complaints in 2017 - 6% were calls about access to subsidized drugs, others referred to the insurance and the activity of NHIF representatives in the region and violation of the right to register with a family doctor (Figure 3).

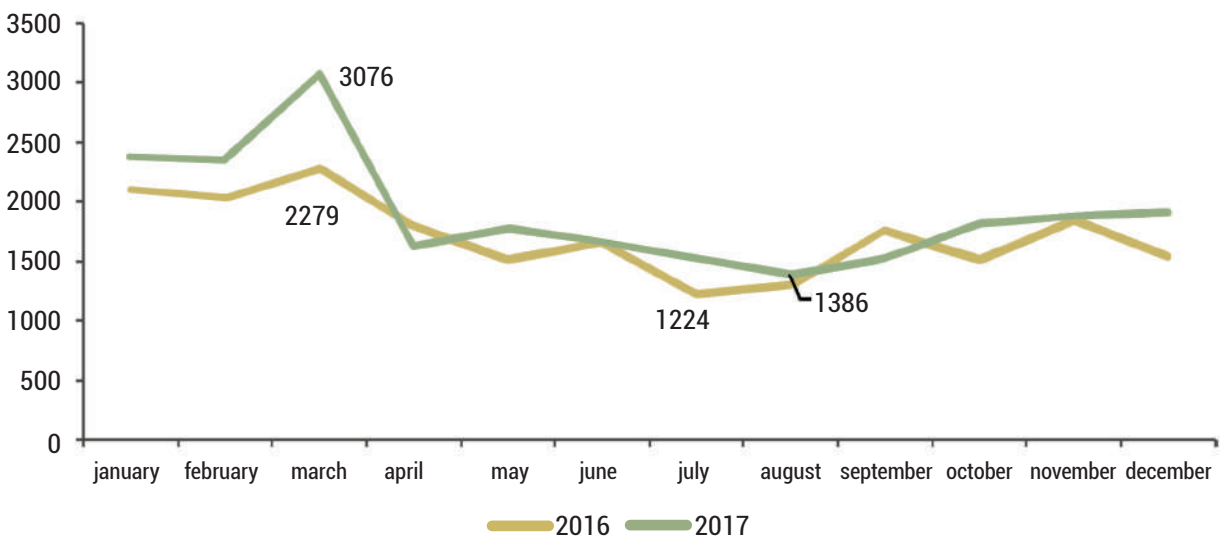


Figure 2. Dynamic of calls received by the „Info-NHIF”

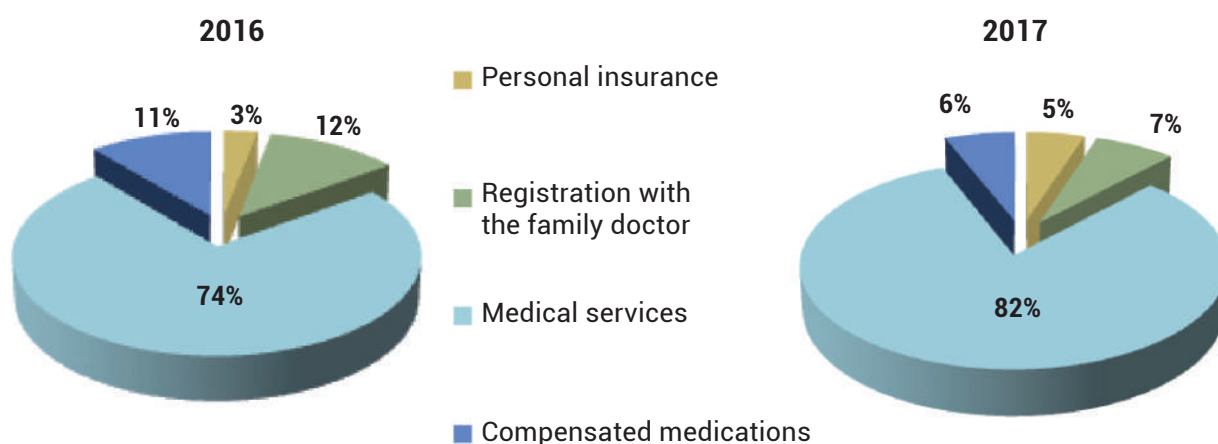


Figure 3. Distribution of incoming petitions by topic (per cent)

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;
- failure to perform or late performance of healthcare services for 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.

In the section by types of healthcare, 34% of the complaints concern outpatient care, 32% - primary care, 24% - hospital care, 7% - high-performance services and 3% - emergency healthcare.

Review and settlement of petitions filed with the NHIF

In 2017, there were 348 petitions filed with the NHIF and the TA.

Out of the total number of petitions, 210 were examined by the central apparatus (60.34%) and 138 - by the TAs (39.66%): Center TA - (municipalities Chisinau, Straseni, Orhei, rayons Ialoveni, Criuleni, Rezina, Soldanesti, Rabnita, Camenca, Grigoriopol, Dubasari) - 89, TA North - (municipalities Balti, Soroca, Edinet, the rayons Glodeni, Drochia, Floresti, Rascani, Briceni, Donduseni, Ocnita) - 12, TA South - (municipality Cahul, rayons of Cantemir, Leova, Taraclia, representation ATU Gagauzia (municipalities Comrat, Ceadar-Lunga, district of Vulcanesti)) - 14, TA East - (municipalities Tiraspol, Bender, rayons Causeni, Stefan-Voda, Anenii Noi, Cimislia, Slobozia, Basarabeasca) - 11, TA West - (municipalities Ungheni, Hancesti, rayons Falesti, Sangerei, Telenesti, Calarasi, Nisporeni) - 12.

In 2017, there were 177 petitions filed by CHIS beneficiaries, referring to various issues (Figure 4). Most petitions referred to the specifics of granting or terminating the status of insured person, the size and manner of payment of CHI premiums, including requests for information regarding the insurance and registration in CHIS - 103 petitions. There were 12 petitions filed concerning the registration or change of the family doctor, with a considerable decrease compared to 2016, as the procedure of changing the family phy-

sician and the sanitary institution was changed. Approximately 35 petitions in 2017 concerned access to inadequate/low quality medical services/health care and inadequate medical treatment, 13 petitions concerned material aid for expensive treatment, 9 - unjustified/informal payments for medicines and medical services, and in 5 of them other problems were addressed, such as disability, salary of medical workers, collective conflict situations and SMI management - issues that are not directly related to NHIF competence.

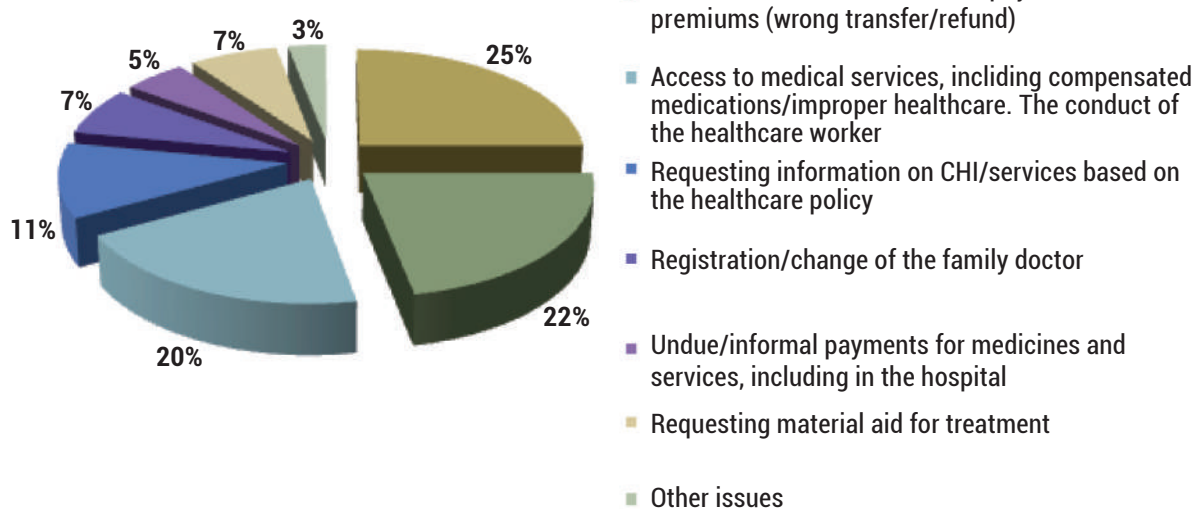


Figure 4. Breakdown of petitions by subjects (%)

In 2017, 80 petitions were registered through the „Online petitions” application, accounting for 23% of



the total number of petitions received by the NHIF.

The number of petitions settled by NHIF in 2017 compared to 2016 increased by 91 petitions. The average time for resolving complaints received from CHIS beneficiaries was 8 days.

By Order no.493-A and no.494-A of 20 October 2017, the Regulation on the application of the mechanism for

the recovery of the expenses incurred by the NHIF for the provision of medical assistance in cases of damage to the health of the insured person and the Regulation on the application of the mechanism protecting the interests of persons insured by the NHIF.

Free choice of family doctor

On January 27, 2017, the new Regulation on registration with a family doctor at MSI providing primary care within the CHIS entered into force, providing for the mechanism for the application of the right to free choice of the primary care provider and the doctor, according to the Law no.1585 of 27.02.1998 „Regarding the compulsory health insurance”.

The new regulation provides the possibility of changing the family doctor and the MSI throughout the year, but not earlier than 6 months after the last change/primary registration, except when the person has changed his/her place of residence to another locality/raion.

For the cases when the person requests change of the family doctor and the MSI providing PHC without

changing the place of residence, the request filled in by the person and accepted by the family doctor shall be submitted by the applicant in person to the NHIF department responsible for relations with the beneficiaries. The person may benefit of services provided by the new family doctor and the MSI after the changes have been made with the IS of the NHIF.

In the case of primary registration or change of a family doctor within the same institution, the person submits the application to the chosen doctor and benefits from his/her services from the date of acceptance of the application by the doctor.

In 2017, over 56 thousand requests to change the family doctor were received. According to data from the Register of the persons registered with the PMSI, 50% of the over 56 thousand requests were made by the inhabitants of Chisinau municipality.

The vast majority of the population - 96% are registered with PMSI and 4% of the population are on the lists of family doctors in private institutions (Figure 5).

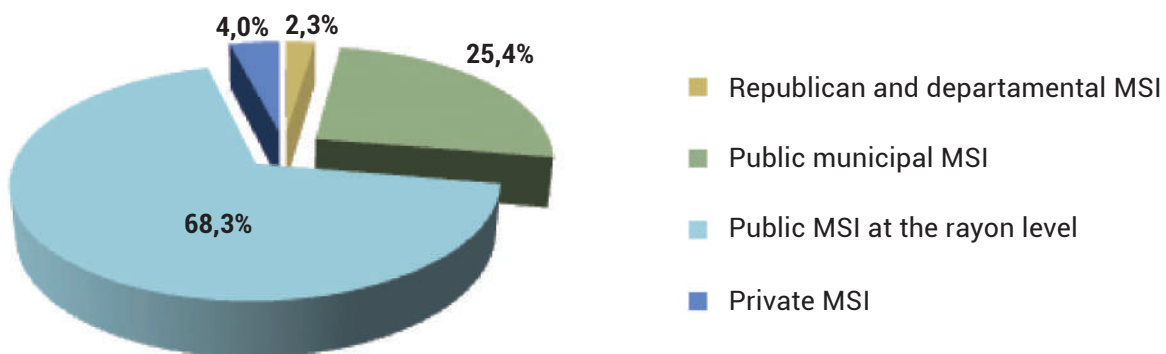


Figure 5. Distribution of population registered with the family doctor by categories of institutions (%)

This shows that more and more CHIS beneficiaries are aware of and use their right to free choice of family physician and primary MSI.

Services for economic operators and beneficiaries of CHIS

The CHIS covers 3 large categories of insured persons:

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

The status of insured person in the case of employees is attributed on the basis of the information submitted by the employer on the insured persons' list of insured persons (form 2-03/l), until the 7th of the month following the one in which the changes occurred. For persons insured 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.

Following the processing of the information submitted by the employers and the institutions responsible under the IS „CHI”, persons are assigned or suspended the status of insured person in the CHIS.

At the same time, the NHIF territorial agencies issue the CHI policies to the employer after processing the individual record lists and the lists of per-

sons insured by the state or ensured individually, when they come to the office.

In 2017, territorial agencies and the central office of the NHIF processed 166.6 thousand nominal lists and issued 121.6 thousand policies.

Through the electronic channels („e-CNAM” and „Electronic Declaration”), approx. 69 thousand nominal lists were submitted, which represents 41.4% of the total of the processed lists.

During 2017, 13 573 certificates were issued on the status of the person in the CHI system, approx. 2 000 more than in 2016.

Development of cooperation relations with state institutions with regard to health insurance of the persons and their record in the CHIS

During 2017 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 MHLSP, SFS, National Social Insurance Fund and the Public Services Agency.

In 2017 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 simplify the reporting procedure to all institutions, NHIF, NSIF, SFS, the National Bureau of Statistics and intensify the actions of using the electronic reporting channels, NHIF participated in the elaboration of the IPC 18 standard form, which allows reporting to a single institution and taking over of information required for the granting/termination of the status of insured person.

In this context, by Order of the Ministry of Finance no.126, dated 04.10.2017, the standard form - IPC Form 18 was approved. Thus, as of January 1, 2018, the Report on the calculation and transfer of compulsory health insurance premiums (MED 08 form) and the nominal records of insured employed persons (form 2-03/1) will be included in the Report on the deduction of income tax, compulsory health insurance premiums and compulsorily calculated state social insurance contributions (IPC Form 18).

In order to promote the use of electronic reporting channels and to facilitate electronic submission of data in electronic format, during 2017, the functionality of electronic reporting system „Electronic Statement” of State Enterprise „Fisc-servinform” and „e-CNAM” in the www.rapoarte.md portal was ensured.

In order to support the reintegration of nationals of the Republic of Moldova returned from abroad, in 2017 the NHIF organized different measures to inform them about how they can be included in the CHIS.

In order to carry out the activities related to the access of refugees and humanitarian aid beneficiaries to the

local integration programs, during 2017 the NHIF granted the status of insured person to 8 persons from the category „foreign beneficiaries of a form of protection included in an integration program”.

Objective no. 2: Diminishing direct payments

In order to continuously inform the population and popularize the CHIS several activities were organized regarding the rights and obligations of beneficiaries as part of the CHIS and reducing pocket payments.

Between November 2016 and March 2017, a communication campaign was carried out, focusing in particular on informing citizens and healthcare workers about the possibility of choosing at the pharmacy a medication at a convenient price in the range of drugs that have the same active substance.

The NHIF has developed and placed on the company's web page two press releases and a banner on the information campaign on the active substance in medicines. Also, audio and video spots were broadcast, distributed free of charge as social advertising, for radio and TV stations. The spots were also played on the monitors in the hall of the public sanitary institutions, in the territorial offices of NHIF. During the campaign, 130 000 leaflets entitled „The same active substance! Why pay more?” were distributed.

During the same period, the NHIF developed and placed on the website 25 press releases on subjects related to rights and obligations in the CHIS: how the family doctor can be changed, how

can the compensated drugs and other types of medical services be received, paying the CHI premium before the deadline provided for by the legislation and the discounts applied, etc.

On the monitors in the hall of the public medical and sanitary institutions and in the TA of the NHIF, information spots regarding the period of discounts for the payment of the CHI premium were broadcast, and 46 such announcements were published in the press.

The employees of TA organized 333 meetings with the rural population, with representatives of territorial tax inspectorates and territorial social insurance companies, trade union leaders, representatives of city halls and rayon councils, economic agents, owners of entrepreneur authorizations, founders of individual enterprises (a total of 15 400 beneficiaries). During the informal meetings, the employees of territorial agencies of the NHIF informed citizens and medical workers about other rights, obligations in the CHIS, such as the extension of the list of compensated medicines, the new Regulation on family doctor registration, the discounts in the payment of the insurance premium within the deadline set forth in laws and regulations etc.

7. Farmaciului îi va restitui un exemplar de rețetă.
8. Rețeta pentru medicamente compensate este valabilă în toate farmaciile contractuale de CHI și pe teritoriul țării.

Medicini acru pe rețetă din categoria comună internapitală, atât subțeranță activă – principală, cât și medicamente care tratată boala. Medicamentele din farmacia au denumire comercială, care poate fi aceeași cu denumirea comună internațională a preparatului sau poate avea alt denumire (variantă de producție). Selecția farmaceutică și prezenta țării țara de medicamente cu aceeași substanță activă, pentru a putea obține medicamentele la preț convenabil.

Pe o rețetă medicamentelor compensate este permis pentru:

- oel mult ori luni, la tratamentul de durată în condiții de ambulatoriu;
- oel mult o lună, la tratamentul acordat în sala de tratament / salon de el, cabinet de proceduri și la domiciliu.

Lista medicamentelor compensate poate fi găsită:

- la sediul de familie;
- în farmacia;
- pe site-ul comun al rubricii Medicamente compensate.

Informații despre medicamente compensate pot obține și la numărul de telefon al CNAM - 0 90 99999

Also, 60 000 „Beneficiary’s Guide” booklets and 100 000 flyers „Compensated medications” were developed, printed and disseminated. The materials were distributed to the population by TA of the NHIF through medical facilities, post offices, mayoralties, in public spaces.

In quarter IV 2017, the NHIF jointly with the Ministry of Health, Labor and

Ghidul beneficiarului
 în sistemul de asigurare obligatorie de asistență medicală

Întâi cum te înregistrezi la medicul de familie

Social Protection launched the following edition of the communication campaign about the rights and the obligations of NHIF beneficiaries, focused on the topic of registration/change of the family doctor and the primary medical institution.

Forma nr. 1 de înregistrare medicală

Forma nr. 1 de înregistrare medicală

Forma nr. 1 de înregistrare medicală

Tipul medicului	Tipul medicului	Tipul medicului	Tipul medicului	Tipul medicului
1	2	3	4	5
6	7	8	9	10
11	12	13	14	15
16	17	18	19	20
21	22	23	24	25
26	27	28	29	30
31	32	33	34	35
36	37	38	39	40
41	42	43	44	45
46	47	48	49	50
51	52	53	54	55
56	57	58	59	60
61	62	63	64	65
66	67	68	69	70
71	72	73	74	75
76	77	78	79	80
81	82	83	84	85
86	87	88	89	90
91	92	93	94	95
96	97	98	99	100

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

Objective 1: Improving the assessment of health services' quality

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 2017, 353 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 by the NHIF and at the request of other bodies.

In 2017, the period of the year 2016 was assessed, except for primary health care services, where performance indicators were assessed, the quality of

medical services in terms of access for all persons eligible for compensated medicines, including the process of organizing episodic treatment, according to the treatment plans, the provision of medicines and consumables for the year 2016 and partly for the year 2017. The assessment covered 267 MSIs, i.e. 61.4% of the total number of institutions contracted by the NHIF.

Following the assessments, the unjustifiably reported services and medical services provided below the required volume and quality level, totaling 12 755.6 thousand lei were found (Table 1). The services in question were invalidated and their value was deducted from funding. Compared with 2016, the value of invalidated services increased by MDL 3 797.2 thousand.

Types of medical services subject to assessment	Amount of non-validated services in 2016	Amount of non-validated services in 2017
Primary Healthcare	1 157,0	4 391,0
Specialized Out-patient Healthcare	22,8	1 858,8
Hospital Healthcare	6 928,3	5 753,9
High Performance Medical Services	809,7	751,9
Community and Home Healthcare	40,6	0,0
TOTAL	8 958,4	12 755,6

Table 1. Amounts of non-validated services by type of assistance (thousand MDL)

In 2017, the reasons for the non-validation of medical services in primary care are: ungrounded prescription of compensated drugs; unjustified referrals to advanced services; misreporting of performance indicators; limited access to paraclinical services and compensated medicines, and in hospital care: unresolved cases; unjustified hospitalizations; partial or full payment of medical services by insured patients.

Besides, with the implementation of the DRG (Case-Mix) payment mechanism in inpatient facilities, the NHIF's evaluation activities are also directed at MSI compliance with coding rules to prevent overcoding, which generates unjustified expenditures for the NHIF and may involve additional financial risks.

Thus, during the year 2017, evaluations of the clinical coding process were carried out through the codification audit at 19 MSI hospitals with which the NHIF concluded contracts, including: 1 republican, 1 department, 4 municipal and 13 rayon level.

In total, 950 medical records of stationary patients were audited. As a result, the main diagnosis was correctly coded in 768 or 80.8% of cases and incorrectly - in 182 or 19.2% of cases. The summary financial impact caused by clinical coding of diseases and medical procedures with non-observance of the Coding Standards and Rules on 19 audited MSI amounted to MDL 1 048.7 thousand.

Implementation of the fine enforcement mechanism for decommissioning CHIF proceeds

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 NHIF, as well as the use and use of CHIF means contrary to the provisions of legislative and normative acts, in total amount of 7 218.5 thousand lei, for which penalties were calculated in accordance with Article 14 of the Law no.1585 of 27.02.1998 „On compulsory health insurance” in the amount of 1 738.7 thousand lei. At the same time, CHIF decommissioning as a result of groundless prescription of compensated medications, totaling 40.4 thousand lei, was found.

Through orders issued by inspection teams, legal requests were submitted to MSI obliging them to refund the disaffected sums from other sources of income, as a result of the amendments made to Law no.1585 of February 27th, 1998, „On compulsory health insurance”.

In 2017, 6 001.8 thousand lei in disaffected means were refunded, and penalties amounting to 864.7 thousand lei transferred.

Objective no. 2: Enhancing the efficiency of contracting and payment methods

In 2017, 435 healthcare service providers were contracted under CHI, including: 22 republican facilities, 10 departmental, 302 rayon 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.

In order to increase the access of the population to quality medical services, in 2017, 30 minimally invasive surgeries were performed from CHIF sources in children with congenital heart malformations within the program „Pediatric interventional cardiology”, performed for the first time in the Republic of Moldova, and 112 cases were treated within the new program „Electrophysiology Study and Ablation”, through which an innovative method has been applied in the diagnosis and treatment of cardiac rhythm disorders.

Since 2017, in order to provide access to the population for medically assisted reproduction services, in vitro fertilization procedures were financed from the CHIF. For this purpose, contracts with 3 private MSI were concluded for the provision of 30 in vitro fertilization procedures amounting to 951.9 thousand lei.

Objective 3: Streamlining allowances for compensated medication

In 2017, from CHIF funds, the sum of 523 859.3 thousand lei was allocated for compensated medicines, increasing by 23.3% (98 906.8 thousand lei) as compared to the previous year.

The increase in the volume of CHIF allowances for compensated medicines in 2017 is explained by the increase in the number of recipients of compensated medicines and by the fact that access to episodic treatment with compensated drugs was granted in the treatment rooms, day treatment facilities of the primary MSI and/or at home.

The release of compensated medicines in 2017 was made by 263 pharmaceutical service providers contracted by the NHIF.

Pharmacies contracted by the NHIF released compensated medicines based on 5 506.6 thousand prescriptions, with 913.1 thousand prescriptions more than in 2016.

At the same time, there was an increase in the average retail price for reimbursed prescription drugs and the average net reimbursement for a prescription compared to 2016 data. Thus, the retail price for reimbursed medicines increased to 119.1 lei compared to 113.7 lei in the previous year, and the average compensation amount for a prescription constituted 95.1 lei, while in 2016 it constituted 90.8 lei (Figure 6).

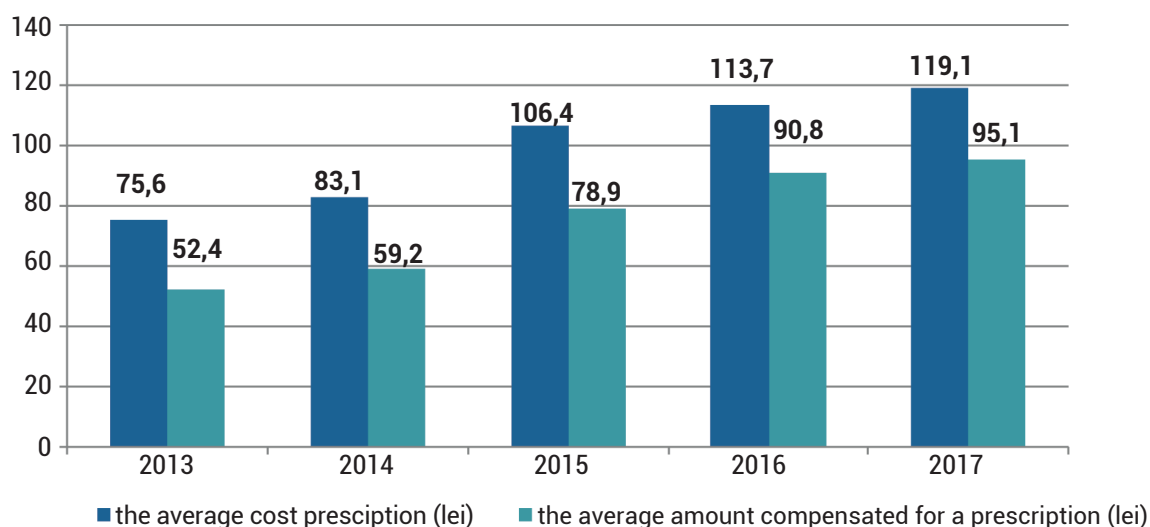


Figure 6. Trends in the average cost of a prescription and the compensated amount (years 2013-2017) (lei)

The structure of expenditures for compensated medicines is dominated by medicines prescribed for the treatment of chronic diseases - 75.4%. The share of expenditures for cardiovascular preparations in the total volume of compensations for compensated medicines constituted 34.3%, preparations for diabetes treatment - 23.8%, the other medicines accounting for 17.3%.

In 2017, compensated medicines covered by the CHIF were provided to more than 844 thousand people, with 136 thousand more than in 2016.

In 2017, 19 255 persons received injecting antidiabetic preparations (Insulinum Humanum), totaling 57 460.9 thousand lei. The financing of these preparations is made on account of transfers from the state budget for the implementation of the na-

tional health programs.

Medicines used for the treatment of patients in the day care center account for 24.6% of the annual volume of medication allocations, of which: 18.9% - medicines for the treatment of insured persons (adults) and 5.7% - medicines used for the treatment children aged 0-18.

In 2017, the share of fully compensated medicines (100%) from the CHIF accounted for around 58% of the total expenditure on compensated medicines. It should be noted that under the existing compensation mechanism, in the case of fully compensated medicinal products, the NHIF provides financial coverage for any price of the medication chosen by the patient in the pharmacy based on the prescribed active substance.

Strategic topic: Ensuring sustainable development of the CHIF and increasing population coverage by CHI

Objective 1: Increasing the number of people insured per target group in CHIS

The insurance degree in 2017 increased by 1.1 percentage points and reached 86.9% (Figure 7). Thus, the number of persons insured in the CHIS as at the end of 2017 amounted to 2 609 thousand persons.

Compared to the previous year, the number of state insured persons and

persons insured individually increased by 0.4 percentage points, the employed insured persons by 0.3 percentage points and the uninsured persons registered a decrease by 1.1 percentage points. Thus, the number of persons insured individually in 2017 amounts to 53 684 persons, 13 571 more compared to 2016 (Figure 8).

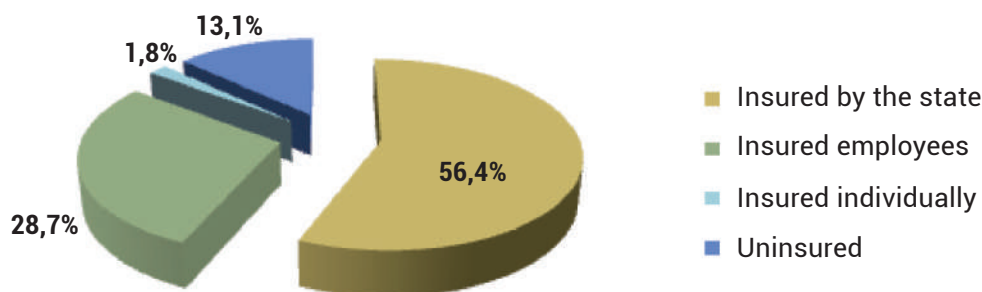


Figure 7. Population structure by categories (%)

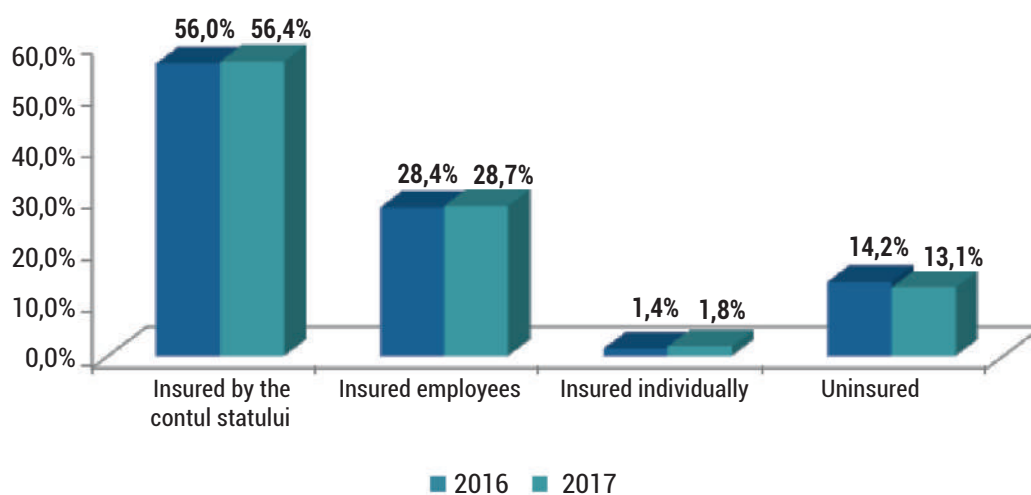


Figure 8. Trends in the structure by categories (%)

Objective no. 2: Ensuring financial sustainability of CHIF

By the Law on CHIF for the year 2017 no.285 of 16.12.2016, CHIF revenues amounting to 6 141 657.4 thousand lei and the expenses in the amount of 6 234 451.3 thousand lei were approved, with a deficit of 92 793.9 thousand lei. Subsequently, based on the corrections made by the Law no.219 of October 20, 2017, the amount of CHIF revenues and expenditures was modified and approved in the amount of MDL 6 228 657.4 thousand and MDL 6 321 451.3 thousand respectively, with a deficit of MDL 92 793.9 thousand.

The execution of CHIF in 2017 constituted MDL 6 256 635.3 thousand at the revenue category and MDL 6 260 822.4 thousand for expenditure and ended with a deficit of MDL 4 187.1 thousand. The deficit recorded at the end of 2017 is MDL 88 606.8 thousand lower than planned, due to accumulations above the expected level of revenues and execution below the planned expenditure level. That deficit was covered by the cumulative balance existing at the beginning of the year. Thus, compared to the beginning of the year, the cumulative balance of funds in CHIF accounts diminished and as at 31 December 2017 amounted to 239 669.8 thousand lei.

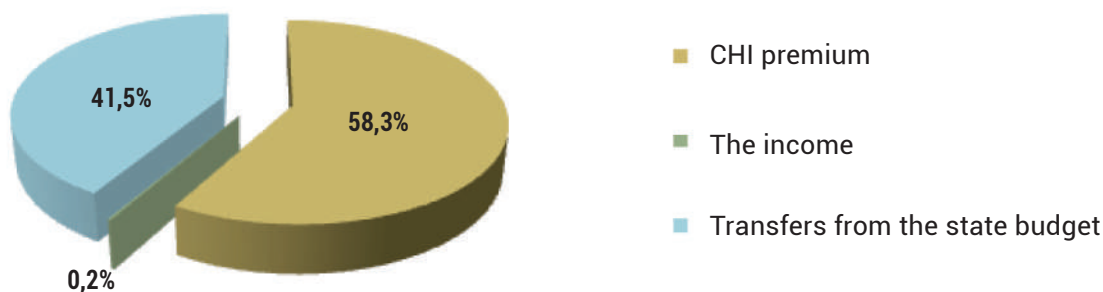


Figure 9. Structure of CHI fund revenues by the type of revenue (%)

CHIF income

CHIF income is derived from CHI premiums paid by taxpayers, transfers from the state budget and other income (pecuniary fines and penalties, bank interest, etc.) (Figure 9). The CHI premium is a fixed amount or a percentage contribution to salary and other rewards, which the taxpayer is obliged to pay to the CHIF for taking over the risk of illness.

In 2017, CHIF revenues in the amount of 6 256 635.3 thousand lei were accumulated, which is 100.4% compared to the annual provisions. More than half of CHIF accumulations - MDL 3 663 607.9 thousand or 58.5% constituted own receipts and other revenues, and MDL 2 593 027.4 thousand or 41.5% - transfers from the state budget (Table 2).

Table 2. CHIF revenues in 2017 (thousand lei)

Name	Cod Eco	Plan		Executed	Executed versus projected	
		Approved for the year	Projected for the year		deviations (+/-)	in %
Y	1	2	3	4	5=4-3	6=4/3
Revenue, total	1	6 141 657,4	6 228 657,4	6 256 635,3	27 977,9	100,4%
Contributions and compulsory insurance premiums	12	3 542 000,0	3 624 000,0	3 648 425,5	24 425,5	100,7%
Compulsory Healthcare Insurance premiums	122	3 542 000,0	3 624 000,0	3 648 425,5	24 425,5	100,7%
Compulsory health insurance premiums in the form of a percentage contribution from the salary and other rewards paid by each category of payer	1221	3 448 712,0	3 520 712,0	3 541 776,6	21 064,6	100,6%
Compulsory health insurance premiums for fixed amount health insurance, paid by individuals with residence or domicile in the Republic of Moldova	1222	93 288,0	103 288,0	106 648,9	3 360,9	103,3%
Other revenues	14	6 630,0	11 630,0	15 182,4	3 552,4	130,5%
Transfers received in the national public budget	19	2 593 027,4	2 593 027,4	2 593 027,4	0,0	100,0%
Transfers received in the central consolidated budget	192	2 593 027,4	2 593 027,4	2 593 027,4	0,0	100,0%
Transfers between the state budget and the compulsory health insurance funds	1922	2 593 027,4	2 593 027,4	2 593 027,4	0,0	100,0%
Special destination current transfers between the state budget and the compulsory health insurance funds	19221	66 659,8	66 659,8	66 659,8	0,0	100,0%
General destination current transfers between the state budget and the compulsory health insurance funds	19223	2 526 367,6	2 526 367,6	2 526 367,6	0,0	100,0%

Compared to 2016, revenues to the CHIF increased by 492 477.0 thousand lei or 8.5%.

Over the last years, there has been a steady increase in the share of CHI premiums (as a percentage and as a fixed amount) in CHI income and at the same time a decrease in the share of general destination current transfers received with from the state budget (transfers for health insurance of the categories of persons insured by the

Government and transfers for compensation of CHI premiums for agricultural landowners located along the Ribnita-Tiraspol route). Thus, while in 2013 the share of CHI premiums in the CHIF income was 47.3% and general destination current transfers from the state budget - 51.3%, in 2017, the income from CHI premiums already amounts to - 58.3% of the income, while the transfers from the state budget - only 40.4%.

Compulsory health insurance premiums as percentage contribution from the wage and other benefit

The size of the CHI 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 2017 as amounting to 9 %.

The percentage of the CHI premium for the 2009-2013 period was maintained at a level of 7.0% and gradually increased by 1.0 % in 2014 and 2015 and kept at 9.0% in 2016-2017. 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 3 541 776.6 thousand lei, which is 21 064.6 thousand lei or 100.6 % less than the annual forecasts. As a share, this income type ranks first and accounts for 56.6% of total accumulations in the NHIF in 2017.

Compared to the previous year, the earnings from CHI premium as a percentage increased by 388 781.2 thousand lei or 12.3% due to the increase in the wage levels at the national 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 2017, according to the Law on CHIF for 2017, by derogation from the abovementioned provisions, the CHI premium calculated as a fixed amount in absolute value was set at MDL 4 056, at the level of 2014.

In 2017, discounts of 50% and 75% were applied just like in the previous years. Thus, the individuals purchasing the insurance on their own have benefited from a 50% discount (32 662 persons), and agricultural landowners, regardless of whether or not they have leased land under contracts, benefited from a 75% discount (16 206 persons). The number of persons who paid the full insurance premium amounted to 4 436 people.

The practice of applying these incentives over the course of several years has proven successful by supporting and integrating low-income population groups in the CHIS, as these groups are thus financially protected in the event of disease risk.

In 2017, accumulations of CHI premiums in fixed amount amounted to 106 648.9 thousand lei, i.e. 3 360.9 thousand lei or 3.3 % less than the an-

nual provision and 19 465.2 thousand lei or 22.3% more than in 2016.

Compared to 2016, the number of people insured individually decreased by 13 571 people and amounts to 53 684 people.

The share of the CHI premiums in fixed amount in the total revenues accrued to CHIF constituted 1.7%, increasing by 0.2 % points compared to 2016.

Other incomes

In total, 15 182.4 thousand lei were accumulated, which is 3 552.4 thousand or 30.5 % more than the annual forecast.

The structure of this category of revenues includes:

- interest on CHIF balance on bank accounts - 4 143.6 thousand lei;
- fines and sanctions for contravention transferred to the CHIF - 1 554.1 thousand lei;
- fines imposed according to the Fiscal Code collected in the CHIF budget - 1 667.6 thousand lei. At the same time, according to SFS data, the calculated fines amount to - MDL 4 212.5 thousand, and the CHIF arrears, as at 31.12.2017, amount to - 3 352.8 thousand lei;
- other CHIF revenues - 7 817.1 thousand lei (Figure 10).

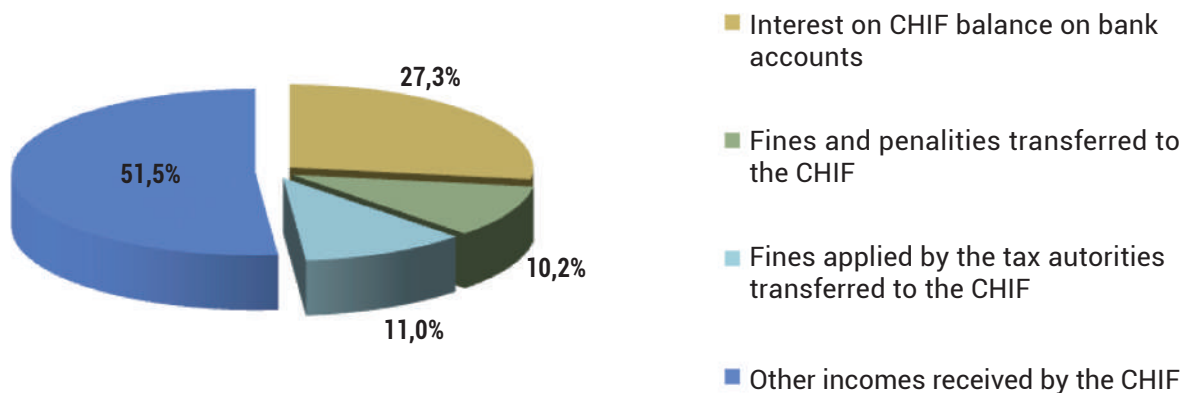


Figure 10. The structure of „Other revenues” accumulated in the CHIF by sources, year 2017 (%)

An exceeding of the annual provisions at the „Other incomes” category occurred in all component categories. Thus, the fines and penalties exceeded the forecasts by 61.1% (1 221.7 thousand lei), the interest - by 57.6% (1 513.6 thousand lei), other revenues - 11.7% (817.1 thousand lei).

Compared to 2016, the „Other Income” item recorded an increase of MDL 3 915.5 thousand or 34.8%.

Transfers from the state budget

The Government insures the non-employed persons residing in the Republic of Moldova and registered

with authorized institutions, except for the persons obliged by law to purchase insurance on an individual basis (Article 4 paragraph (4) of the Law on the compulsory health insurance no. 1585 -XIII of 27.02.1998). There are 16 categories of people, including children up to 18 years of age, pensioners, accentuated and medium disabilities, unemployed people registered with territorial agencies for employment, persons receiving social assistance, etc., as well as living organ donors, a category introduced in 2017 by Law no.101 of 09.06.2017, that are insured by the government.

During 2017, 2 525 629.1 thousand lei were transferred from the state budget for the health insurance of the categories of persons insured by the Government, which is 156 444.1 thousand lei or 6.6 % more than in 2016.

As one of the largest sources of income from the accumulation of CHI premium by percentage share, this type of income accounts for 40.4% of all CHIF accumulations and ranks second, after CHI premium accumulations in terms of percentage shares.

Transfers from the state budget aimed at compensating for lost revenues, according to article 3 of the Law no.39 of 02.03.2006 for compensation by the Government of CHI premiums for landowners located along the road Ribnita-Dubasari amounted to 738.5 thousand lei and are similar to the previous year level.

Transfers from the state budget aimed at implementation of national health care programs, intended for the purchase of anti-diabetic injecting drug (insulin) amounted to 62 033.7 thousand lei, i.e. increasing by 9 217.3 thousand lei or 17.5% compared to the previous year.

The transfers from the state budget for the implementation of „Health Transformation” project amounted to 4 626.1 thousand lei. At the same time, compared to 2016, the transfers in question decreased by MDL 85 346.3 thousand and account for only 5.1% of the amount of the respective transfers carried out in the previous year.

Expenditure from CHIF

Irrespective of the source of payment, the funds are accumulated in the single NHIF account and later distributed according to legal requirements to the following funds (according to Annex 1 .2 to the 2017 CHIF Law):

- fund for payment of current health services (basic fund);
- CHI reserve fund;
- Preventive measures fund (to prevent disease risks);
- 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. 1.2 to the CHIF law for the year 2017.

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

- CHIF Management;
- Primary Healthcare, including subsidized medications;
- Specialized Out-Patient Healthcare;
- Community and Home Healthcare;
- Emergency Pre-hospital Healthcare;
- Hospital Healthcare;
- Advanced Medical Services;

- Management of CHI reserve fund;
- National and special health protection programs;
- Development and modernization of healthcare facilities.

The overall expenditures from the CHIF on all subprograms amounted to 6 260 822.4 thousand lei, 60 628.9 thousand lei less or with a level of execution of 99.0% of annual provisions, which is 587 376.2 thousand lei or 10.4% more than in 2016 (Table 3).

Table 3. Use of CHIF proceeds (thousand lei), 2017

Name	Planned		Executed	Executed vs. forecasted	
	Approved for the year	Forecasted for the year		deviations (+/-)	in %
Y	1	2	3	4=3-2	5=3/2
Expenses, total	6 234 451,3	6 321 451,3	6 260 822,4	- 60 628,9	99,0%
<i>including:</i>					
1. Fund for payment of current medical services (basic fund)	6 054 911,5	6 170 311,5	6 162 918,7	- 7 392,8	99,9%
2. CHI reserve fund	50 701,9	45 701,9	0,0	- 45 701,9	0,0%
3. Preventive measures fund (to prevent health risks)	25 000,0	6 000,0	6 000,0	0,0	100,0%
4. Fund for development and modernization of public healthcare service providers	25 000,0	24 600,0	18 584,7	- 6 015,3	75,5%
5. CHIS administration fund	78 837,9	74 837,9	73 319,0	- 1 518,9	98,0%

Expenditure from the fund for payment of 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.

Individuals in CHIS benefit from the full range of medical services included in the CHI’s Single Program. At the same time, pre-hospital and primary care are also provided to uninsured persons, and in the case of socially-conditioned diseases, such as tuberculosis, oncological diseases, psychiatric diseases, HIV/ AIDS, infectious diseases, the uninsured also benefit from

specialized outpatient and hospital medical care.

Of the CHIF’s total expenditures in 2017, the fund for the payment of current medical services (basic fund) accounted for 98.4% of the expenditures.

In order to pay the current medical services, in 2017, from the CHI’s basic

fund, funds amounting to 6 162 918.7 lei were directed, which constituted 99.9% of the annual provisions or by 7 392.8 thousand lei less (Table 4).

Detailed information on the expenditure from the basic fund by expenditure subprograms is presented in Table 4.

Table 4. 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 vs. forecasted	Ration (%) executed vs forecasted
Emergency Pre-Hospital Healthcare	524 381,5	544 096,7	544 064,1	-32,6	100,0
Primary healthcare	1 882 576,6	1 882 576,6	1 876 706,5	-5 870,1	99,7
<i>including: compensated medications</i>	<i>522 431,3</i>	<i>523 859,3</i>	<i>523 859,3</i>	<i>0,0</i>	<i>100,0</i>
Specialized Out-patient Healthcare	427 190,5	424 796,5	423 569,2	-1 227,3	99,7
Hospital Healthcare	3 027 433,6	3 118 118,4	3 118 110,8	-7,6	100,0
High Performance Medical Services	184 108,7	191 502,7	191 264,8	-237,9	99,9
Community and home healthcare	9 220,6	9 220,6	9 203,3	-17,3	99,8
Other types of healthcare	-	-	-	-	-
TOTAL	6 054 911,5	6 170 311,5	6 162 918,7	-7 392,8	99,9

The execution of the basic fund below the planned level (0.1% less than the annual forecast) is explained, on the one hand, by the failure of MSI to meet the volume of medical services provided in the contracts concluded with NHIF and, on the other, by invalidation of medical services, as well as by the lack of a contract between the NHIF with the Youth Friendly Health Center of Buiucani TA and the Mental Health Community Centers in CS Fal-esti and CS Stefan Voda, as the opening of these centers did not occur in 2017 as originally planned.

The analysis of the structure of expenditures on sub-programs financed from the basic fund in 2017 shows that more than half of the funds destined for the payment of current medical services or 50.6% were allocated for the implementation of the subprogram „Hospital Medical Assistance” and 30.5% for the subprogram „Primary Medical Assistance”, including compensated medicines (Figure 11).

The other 18.9% of the basic fund were used to cover the costs of services provided within the subprograms „Pre-hospital emergency healthcare”

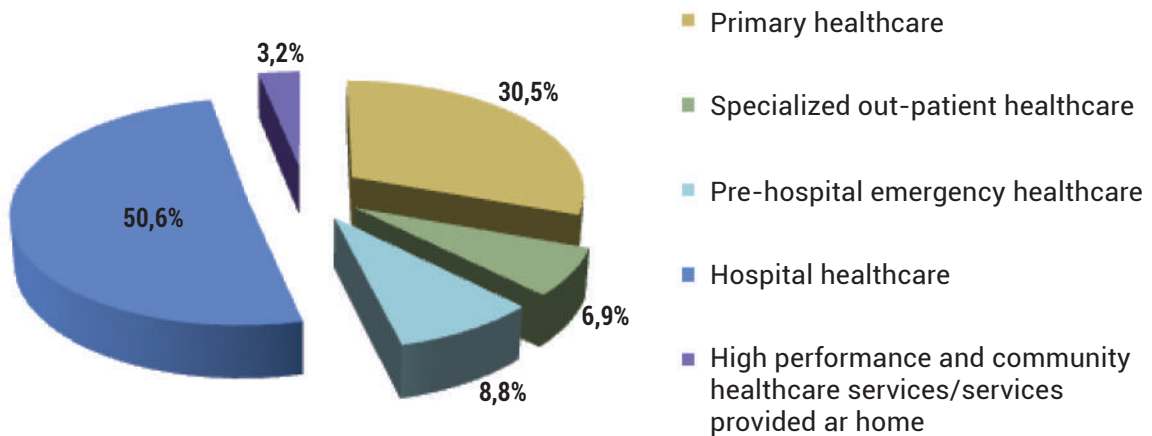


Figure 11. Structure of expenditure by sub-programs financed from the basic fund, 2017 (%)

(8.8%), „Specialized outpatient care” (6.9%), „Advanced medical services” (3.1%) and „Community and home care” (0.1%).

In the basic fund expenditures, carried out in 2017, the highest increase compared to the previous year was recorded by the cost of advanced healthcare services - 20.4%, followed by emergency pre-hospital healthcare - by 19.2%.

EPHC

Pre-hospital EPHC ensured the provision of the respective healthcare assistance to the population, regard-

less of the presence of a CHI policy, throughout the territory of service, with non-stop service and organizing, when necessity, the departure of the team outside the territory of service.

Within the framework of the sub-program „Pre-hospital emergency healthcare”, funds in the amount of 544 064.1 thousand lei were used, or 100.0%. These expenditures exceeded by 87 450.3 thousand lei or by 19.2% the same expenditures incurred in the previous year.

In 2017, the EPHC service has handled 877 568 requests (Figure 12).

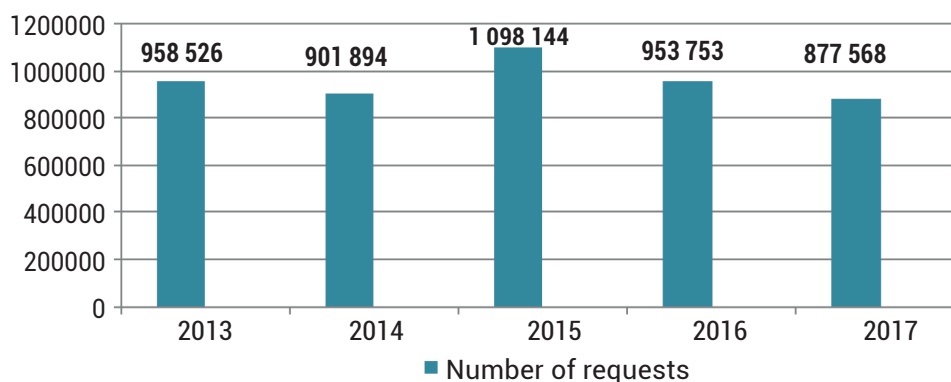


Figure 12. Number of requests handled by EPHC (a.n.)

PHC

In the implementation of the sub-program „Primary Health Care” funds were allocated in the amount of MDL 1 882 576.6 thousand, i.e. 99.7% (MDL 1 876 706.5 thousand) or MDL 5 870.1 thousand less than forecasted. At the same time, the expenditures exceeded by 147 507.4 thousand lei or by 8.5% the expenditures made in the previous year.

For the provision of PHC, the NHIF contracted 281 SMIs, including 2 re-

publican, 20 municipal, 238 rayon, 5 departmental and 16 private.

Throughout 2017 NHIF monitored the activity of PHC providers and found that the insured persons made 9 897 834 visits to family doctors, 540 476 such visits were made by uninsured persons. Thus, the total number of visits made in 2017 is 10 438 310 and exceeds by 167 524 the number of visits registered in the previous year (Figure 13).

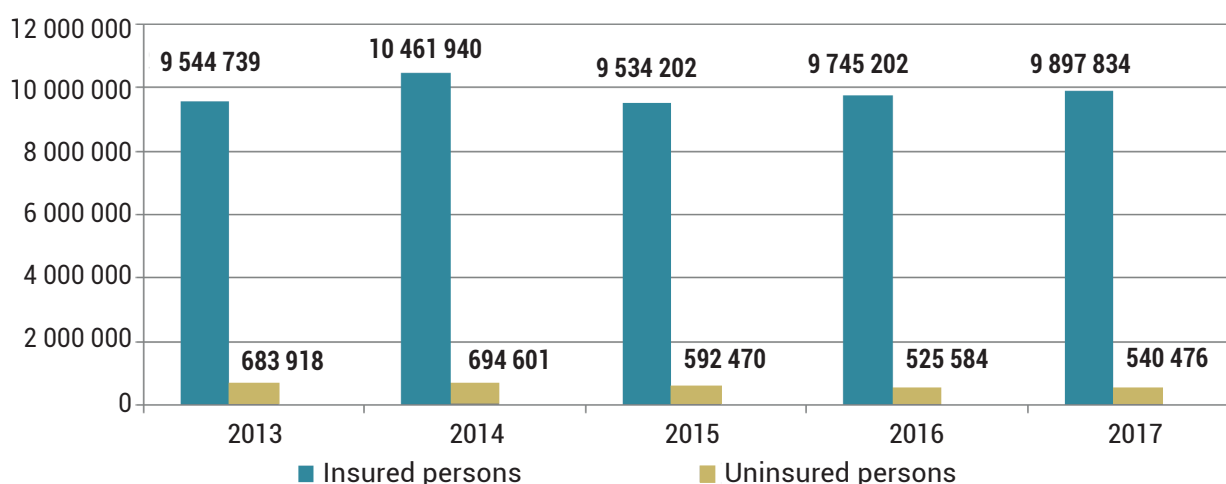


Figure 13. Number of visits to the family doctor

At the same time, in 2017, 40 Youth Friendly Centers and 39 Community Mental Health Centers were contracted for PHC. Contracting these centers contributes essentially to reducing the incidence of STIs/HIV, unwanted pregnancy and abortion levels, drug use, alcohol abuse, and psycho-emotional disorders among youth.

For the provision of community mental health services funds were allocated in the amount of 22 370.4 thousand lei and for the services pro-

vided by the Youth Friendly Centers - funds amounting to 20 512.3 thousand lei.

During 2017, NHIF monitored the number of visits provided at these centers and found that the insured persons made 261 015 visits to Community Mental Health Centers and 102 042 to Youth Friendly Centers. As compared to the previous year, the number of visits made in 2017 increased by 6 404 and 21 514 visits respectively (Table 5).

Tabelul 5. Numărul de vizite prestate pe parcursul anilor 2013-2017 (n.a.)

Years	2013	2014	2015	2016	2017
Youth Friendly Centers	62 781	100 670	92 212	95 642	102 046
Community Mental Health Centers	19 301	39 482	129 152	239 501	261 015

SOPH

The subprogram „Specialized outpatient care” was achieved at 99.7%, with 423 569.2 thousand lei used or by 1 227.3 thousand lei less compared to the annual provisions. At the same time, the expenditures for specialized outpatient care increased by 34 352.0 thousand lei or by 8.8% compared to the previous year.

For the provision of SOPH in 2017, NHIF contracted 121 MSI, including

17 republican institutions, 21 municipal institutions, 64 rayon level institutions, 5 departmental and 14 private institutions.

During 2016, NHIF monitored the number of visits made by specialized doctors and found that the insured persons have been provided with medical services in the course of 6 648 981 consultative visits, including 684 857 visits in dental healthcare (Table 6).

Tabelul 6. Numărul de vizite consultative prestate pe parcursul anilor 2013-2017 (n.a.)

Years	2013	2014	2015	2016	2017
Total visits	7 026 399	6 971 337	6 584 084	6 565 622	6 648 981
Including dental care visits	662 309	716 784	705 190	699 292	684 857

In addition, funds amounting to MDL 13 228.6 thousand were allocated to cover the expenses for food and public transport from/to the home of the persons suffering from tuberculosis. This amount is 1 505.1 thousand lei higher than the one allocated for the same purpose in 2016.

In 2017, for the purpose of provision of early intervention services for children (from birth up to 3 years) with special needs/developmental disorders and those at increased risk, contracts

were concluded with 2 MSI, with the amount of 775.0 thousand lei. During the reporting year, 4.6 thousand early intervention visits were provided.

HHC

For the implementation of the subprogram „Hospital Healthcare”, funds amounting to 3 118 118.4 thousand MDL were allocated and were fully used (executed - 3 118 110.8 thousand lei). These expenditures exceeded by 290 451.3 thousand lei or by 10.3% the expenditures made in the previous year.

For the provision of hospital care services in 2017, contracts were concluded with 79 MSI, including 15 republican, 10 municipal, 35 rayon, 7 departmental and 12 private.

The increased financial allocations and increased efficiency of payment

methods in hospital care resulted in an increase in the number of cases treated under special programs. Thus, while in 2015 the number of cases treated under special programs was 5 081, in 2017 it reached 11 680, increasing more than twice.

Table 7. Number of treated cases provided within special programs and the amounts paid by the NHIF in 2015 – 2017

Name of the program	2015	2016	2017
Y	1	2	3
Special program „Surgery treatment for cataract”	1 797	3 177	3 707
Special program „Hip and knee prosthetics”	803	867	1 021
Special program „Interventional cardiology”	1 138	2 289	4 405
Special program „Vascular prosthetics”	125	346	395
Special program „Vascular prosthetics”	202	301	550
Special program „Heart Surgery”	1 011	1 367	1 211
Special program „Neurosurgery of spine fractures”	5	178	249
Special program „Pediatric Heart Surgery”	-	-	30
Special Program „Electrophysiology Study and Ablation”	-	-	112
TOTAL	5 081	8 525	11 680

In 2017, there were 5 646 heart surgeries performed from the NHIF, an increase by 1 990 surgeries compared to the previous year. Out of the total number, 4 405 are minimal-invasive surgeries in adults in the case of myocardial infarction within the special program „Interventional Heart Surgery” (2016 - 2 289 surgeries), 1 211 - surgeries under the „Heart Surgery” program (2016 - 1 367 surgeries), and 30 - minimally-invasive surgeries in children with congenital heart malformations in the „Pediatric Interventional Cardiology” program for the first time in the Republic of Moldova.

For the aforementioned interventions, in the contracts for the provision of healthcare services, funds were provided in the amount of 142 183.3 thousand lei, 28 761.7 thousand lei more compared to 2016, and in addition to the „case-based” payment, expenditures for expensive consumables in the amount of MDL 20 197.1 thousand were covered.

Also, there were 112 cases treated under the „Electrophysiology and Ablation Study” program, using the funds amounting to 592.0 thousand lei from the CHIF, through which an innovative method was applied to the diagnosis and treatment of heart rhythm disorders, applied since 2017.

In 2017 the number of surgeries in the hip and knee prosthesis program increased, reaching 1 021 treated cases (2016 - 867 cases), the value of which amounted to 15 618.0 thousand lei. In addition to the „treated case” payment, the expenses for consumables costing 27 067.3 thousand lei were also covered.

The number of cataract surgeries financed by the CHIF also increased, amounting to 3 707 cases (2016 - 3 177 cases) worth 36 362.0 thousand lei.

Sources from the CHIF also covered the cost of providing expensive surgeries under other special programs contracted by NHIF. Thus, in 2017, a total of 1 194 interventions were carried out under the programs „Vascular prostheses”, „Endovascular surgery” and „Neurosurgery of spine fractures”, an increase by 369 cases compared to 2016, when 825 surgeries were performed.

The funds allocated for the purchase of expensive supplies, used in the process of special program surgeries, paid separately from the CHIF also increased compared to 2016 and reached the figure of 66 586.9 thousand lei. These expenditures exceeded those recorded in the previous year (2016 – 53 842.0 thousand lei) by 12 744.9 thousand lei or by 19.1%.

In 2017, 92 transplant surgeries were funded from the CHIF, including: 12 - liver transplant, 18 - kidney transplant, and 62 corneal transplants. Compared to 2016, the number of contracted

transplants increased by 14 (2016 - 9 liver transplants, 22 kidney transplants and 47 corneal transplants). The cost of such surgeries is: 789 605 lei - liver transplant, 180 360 lei - kidney transplant, 27 894 lei - corneal transplant.

For these interventions from the CHIF, 14 451.2 thousand lei were allocated, 5 069.5 thousand lei more than in 2016.

In addition, 125 410.5 thousand lei were allocated from the CHIF to cover the costs of providing dialysis services, which is 28 705.0 thousand lei more than in 2016 (96 705.5 thousand lei). The provision of dialysis services within MSI was monitored by the NHIF throughout the year, with 74 177 hemodialysis sessions recorded, an increase by 14 767 compared to 2016.

HPMS

The sub-program „Advanced Healthcare Services” in 2017 was achieved at 99.9% compared to the annual provisions, with 191 264.8 thousand lei being used. At the same time, these expenditures exceed by 32 409.8 thousand lei or by 20.4% those made in the previous year.

For the provision of advanced healthcare services 46 MSI have been contracted, including: 8 republican, 5 municipal, 2 departmental, and 31 private.

In order to ensure the access of the insured persons to the advanced healthcare services, five medical insti-

tutions were contracted for the implementation of the Program for the initiation of the antiviral treatment of the chronic hepatitis viruses and hepatic cirrhosis B, C, D: North (1), Center (3) and South (1). In order to achieve the CHIF reference program, the amount

of MDL 18 200.9 thousand was allocated for the provision of 22.1 thousand services, all paid in full.

The number of advanced investigations performed during 2017 was 599 058, an increase by 83 178 compared to the previous year (Figure 14).

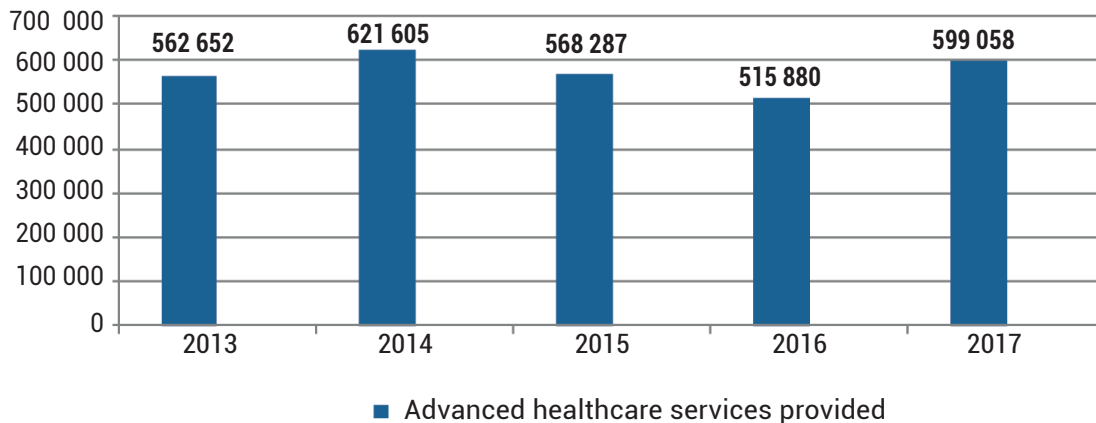


Figure 14. Number of advanced healthcare services provided in 2013-2017 (a.n.)

Community, palliative and home healthcare services

Within the framework of the sub-program „Community healthcare and home care services” funds were used in the amount of 9 203.3 thousand lei, which is 99.8% of the annual provisions, or 17.3 thousand lei less. At the same time, compared to the previous year, the expenditures in question increased by 506.1 thousand lei or by 5.8%.

Home healthcare services are provided to insured persons by authorized institutions based on an agreement with NHIF in case of 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. The financial coverage of these services has helped to increase the access of elderly, vulnerable and disabled people to such kind of social-medical assistance recommended by the WHO.

In 2017, for the provision of community and home healthcare services to people with a certain level of dependence and limited capacity to travel to MSI, contracts with 143 MSI were signed within the CHIS, out of which 131 are public and 12 private.

During the reporting year, community and home health care providers made 53.9 thousand visits, including 15.7 thousand home visits by the mobile team.

Expenditure from the fund of preventive measures (to prevent the risks of getting the disease)

In 2017, from the preventive measures fund, expenses in the amount of 6 000.0 thousand lei were incurred, which is in line with the annual provisions. Compared to 2016, the expenditures in this fund recorded an increase by 3 489.9 thousand lei, thus exceeding more than twice the funds used in the previous year (2 510.1 thousand lei).

In 2017, the following activities were performed from the prevention fund:

- *Measures aimed at reducing the risk of disease, including through immunization and other primary and secondary prevention measures, with a share of 69.9 %, within which vaccines worth a total amount of 4 189 thousand lei were purchased, including:*
 - vaccine against viral hepatitis A amounting to 2 347.2 thousand lei;
 - anti-rabies vaccine in the amount of 1 727.9 thousand lei;
 - rabies immunoglobulin in the amount of 114.7 thousand lei.

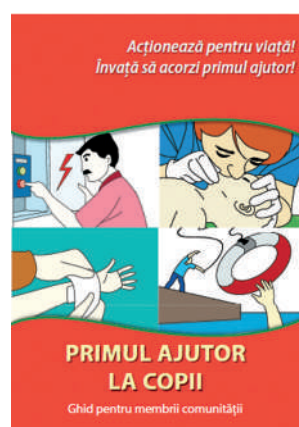
- *Financing of events and activities with a view to promoting a healthy lifestyle.* For this activity funds were used in amount of 960.9 thousand lei, which corresponds to the weight of 16.0%, for the payment of information materials printing services in the field of maintaining and promoting healthy lifestyle;

- In this respect, the following information materials were printed:

- Healthy Family Guide (250 000 pcs);
- Guide to a safe journey through adolescence (65 000 pcs);
- Parent’s Guide to Preventing domestic accidents among children (130 000 pcs);
- Guide for community members - first aid to children (4 000 pieces).

Also, posters displaying the following messages were published:

- Medicines are the main cause of poisoning in young children! (1 000 pieces);
- Hot liquids are the most common cause of scalding in young children! (1 000 pieces);
- Burns in children can be prevented! (1 000 pieces).





- Purchase of medical devices, equipment, medicines and consumables for the implementation of measures to reduce the risk of illness and treatment in case of public health emergencies, based on the government decision. Based on GD no.889 of 23.10.2014, pediatric beds were purchased in the amount of 115.5 thousand lei, representing 1.9% of the expenses of the prophylactic fund.
- Other preventive and disease prevention activities, accepted for project funding, according to the regulations approved by the MHLSP and the

NHIF - funds amounting to MDL 733.8 thousand, which corresponds to the weight of 12.2% of the Fund's expenditures, with two projects being funded:

- the project „Prevention of HIV and Sexually Transmitted Infections among Injecting Drug Users from the City of Balti under the Harm Reduction Strategy”, amounting to 548.9 thousand lei;
- the project „Accessibility and Transparency Harm Reduction Services”, amounting to 184.9 thousand lei.

The action of the aforementioned projects was not completed in 2017 and the financing will continue in 2018.

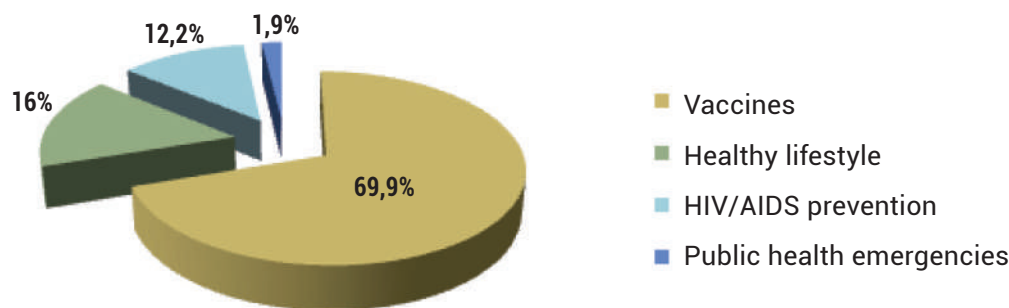


Figure 15. The structure of expenditures from the preventive measures fund incurred in 2017 (%)

Expenditure from the CHI reserve fund

The funding resources accumulated in the CHI reserve fund, intended for the realization of the „CHI reserve fund management” Sub-program are used for the following purposes:

- Covering additional costs related to diseases and urgent interventions whose annual rate exceeds the average taken on the basis of the calculation of the Single Program in that year;
- Compensation for the difference between the actual expenses related to the payment of current medical services and the accumulated contributions (the expected revenues) to the basic fund.

In 2017, there were 45 701.9 thousand lei allocated from the CHIF reserve fund, but due to the fact that during the reporting year, no situations requiring financing from the reserve fund of the CHIF occurred, the funds have not been used.

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 (hereinafter- development fund) 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 modern health care equipment and 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.

Allocation of funding resources from the respective fund is made after organizing competitions for the selection of investment projects submitted by the public medical-sanitary institutions. Criteria for the selection of investment projects of the PMSI are determined by their correspondence with the purposes of using the funding resources accumulated in the development fund.

Based on the selection criteria, in 2017 the NHIF concluded financing contracts for 24 investment projects of public MSI, of which: 10 projects involving MSI repair works, 7 projects related to provision of medical devices, 1 project focused on the development of the unified dispatch system for the implementation of the interdepartmental program to ensure the interaction between the Single National Service for Emergency Calls 112 and EHC specialized services, 1 project related to autonomous electricity supply in emergency

situations and 5 projects involving completion of construction works initiated on the basis of projects funded by the NHIF in the previous years.

From the development fund expenditures were made in the amount of 18 584.7 thousand lei, with 6 015.3 thousand lei less or 75.5% compared to the annual provisions, all the funds being directed for endowment of public MSI with equipment and medical devices. Compared to 2016, expenditures increased by MDL 5 784.4 thousand or by 45.2%.

The financial resources of the development fund were directed according

to the purposes of use in the following way: for the purchase of fixed assets – 12 271.1 thousand lei (supply of equipment for the development of the unified dispatch system of the EHC service, supply of medical devices etc.); for the modernization and optimization of the infrastructure – 4 589.2 thousand lei (building repair works); for construction works – 1 724.4 thousand lei (completion of works started based on projects financed by the NHIF in previous years).

The share of expenses from the development fund by areas of use is shown in Figure 16.

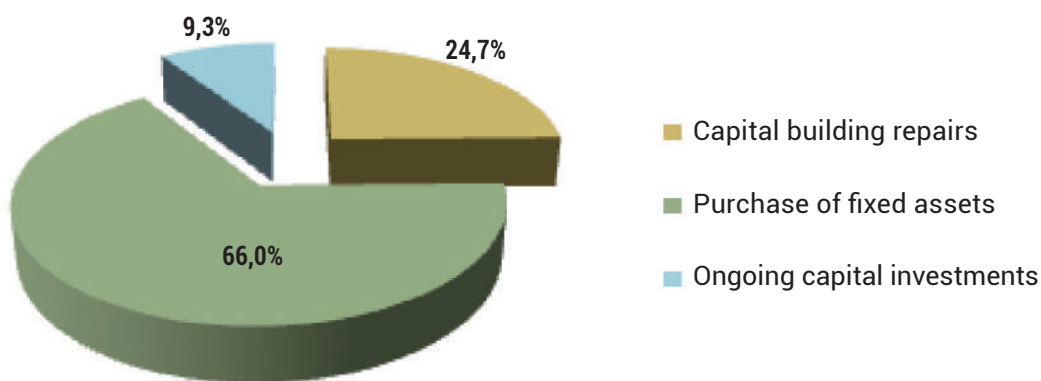


Figure 16. Structure of expenses from the development fund, 2017 (%)

Expenditure from the CHIS administration fund

According to the legislation in force, the funds accumulated in the CHIS administration fund, meant to achieve the subprogram „Management of the compulsory health insurance funds”, are used for:

- printing prescriptions for compensated medicines and policies;
- maintenance and development of the information system and organizational infrastructure;
- conducting public awareness campaigns on CHIS;
- performing quality control of medical services and relevant expertise;
- remuneration of the staff of NHIF and territorial agencies;
- operational expenses;
- household and office expenses;
- procurement of the fixed assets, of the necessary equipment with performing damping breaks;
- coverage of travel expenses;
- staff training;

➤ other activities related to the NHIF management.

For the expenses of the CHIS administration fund, according to the norms established by legislation, the distribution of up to 2.0% of the revenues collected in the NHIF’s single account is foreseen. At the same time, over several years, including the last five years, the share of these expenditures did not exceed 1.4% (2015) of accumulated revenues.

In 2017, the administration fund’s expenditures accounted for 1.17% of

the amount of revenue received by the CHIF, thus reducing the level by 0.09 percentage points compared to the level recorded in 2015 (1.40%) (Figure 17).

In 2017, the CHIS’s expenses from management fund were incurred in the amount of 73 319.0 thousand lei or 98.0%, which is 1 518.9 thousand lei less than the annual provisions. Compared to the previous year, the expenditures from the administration fund increased by 564.7 thousand lei or by 0.8%.

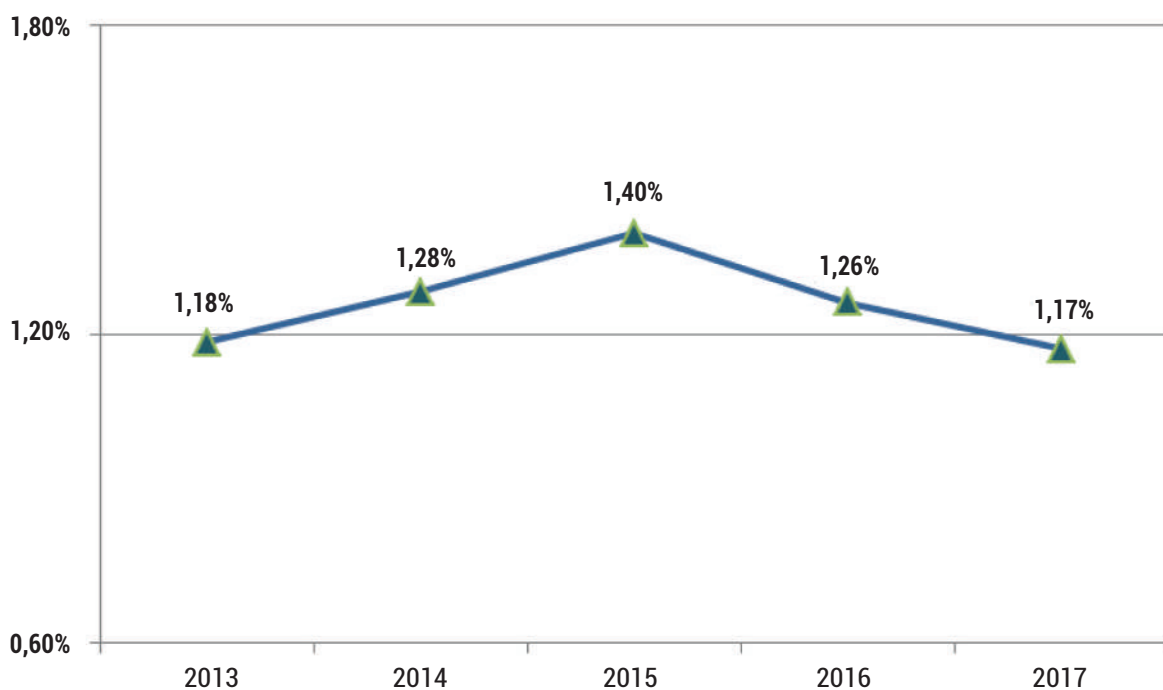


Figure 17. Share of expenditure from the CHIS administration fund in total CHIF expenditures in 2013-2017 (%)

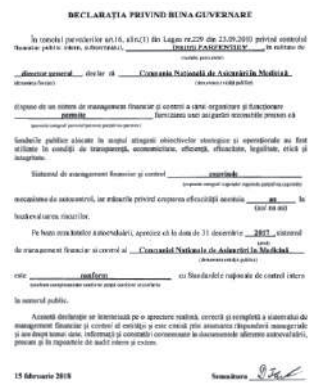
Strategic topic: NHIF – An Efficient Institution

Objective 1: Improving the organization of activity, cooperation and communication

Improving external communication channels, including the webpage of the NHIF



1. establishing the Working Group responsible for strengthening the financial management and control system within NHIF;
2. review and approval of the new systemic and operational procedures within NHIF;
3. filling in the Risk Register for 2017 on strategic and operational objectives by the structural divisions of NHIF, according to the activity schedules of the NHIF structural divisions for 2017.



Activity report of the NHIF the year 2017

In 2017, 92 press releases and 14 announcements were prepared and placed on the NHIF website. At the same time, 70 posts have been made on the Facebook page of the NHIF, and the number of likes of the page has increased by more than 170 and by the end of 2017 it reached 2 213.

Developing the financial and control management system within NHIF

In order to implement an appropriate internal control, in 2017, NHIF continued to strengthen financial management and control system initiated in 2010. A number of measures were taken to this end, such as:

At the same time, in the context of the provisions of par.(1) Article 16 of the Law on Public Internal Financial Control no. 229 of 23.09.2010, on 15 February 2017 the NHIF approved the Declaration on Good Governance for 2017.

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

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

By GD no. 669 of 23.08.2017 „To amend and complete Government De-

cision no. 1432 of November 7, 2002”, a new structure of the NHIF, consisting of 13 divisions of the Central Office and 5 territorial agencies, was approved. At the same time, the maximum number of staff was approved in a total number of 295 units.

LISTA
agențiilor teritoriale ale Companiei Naționale de Asigurări în Medicină

1. Agenția teritorială Centru (cu sediul în mun. Chișinău)
2. Agenția teritorială Nord (cu sediul în mun. Bălți)
3. Agenția teritorială Sud (cu sediul în mun. Cahul)
4. Agenția teritorială Est (cu sediul în or. Căușeni)
5. Agenția teritorială Vest (cu sediul în mun. Ungheni)

STRUCTURA
aparaturii centrale al Companiei Naționale de Asigurări în Medicină

Conducerea
Direcția juridică
Direcția economie și finanțe
Direcția contractare
Direcția evaluare și monitorizare
Direcția relații cu beneficiarii
Direcția administrare, logistică și securitate internă
Secția management strategic
Secția tehnologii informaționale
Serviciul colaborare internațională
Serviciul resurse umane
Serviciul audit intern
Serviciul de informare și comunicare cu mass-media

As a result of the NHIF reorganization, the regulations of the structural divisions and job descriptions of NHIF employees were approved in a total of 144 documents (NHIF Order no. 490-A of 18.10.2017).

As of 31 December 2017, 295 employees were employed, of which 140 were in the Central Office and 155 in the Territorial Agencies (Figure 18).

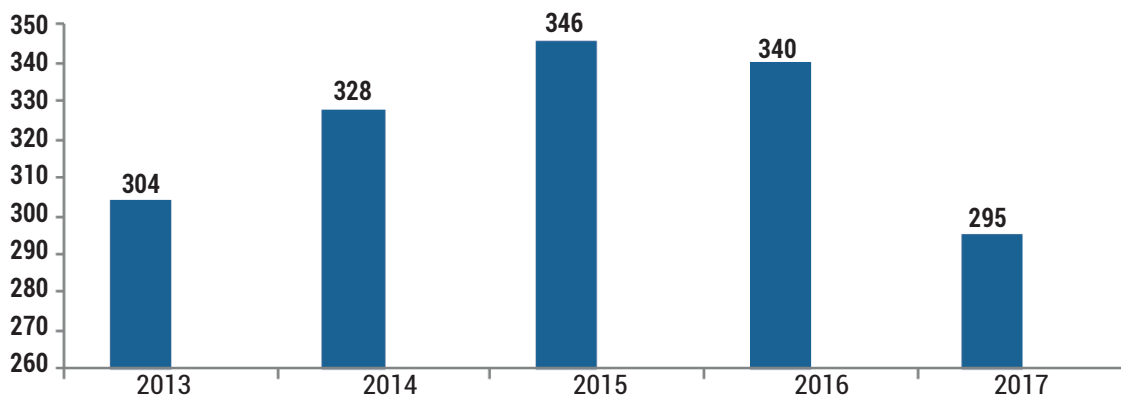


Figure 18. Number of employees in 2013-2017 (n.a.)

Review of operational and system procedures

During the reference period the system and operational procedures within NHIF were identified, updated and approved in a total of 10 documents. In order to comply with them, all new approved procedures have been brought to the attention of all NHIF employees.

Objective 3: Developing NHIF staff competences

Optimizing the human resources management system

Human resources management is a factor that determines the efficiency and effectiveness of NHIF activities and has the mission to contribute to the achievement of strategic objectives by promoting and implementing effective human resource management.

In order to achieve and maintain a high level of performance of NHIF employees, during 2017, measures were taken to increase the staffing potential. In this respect, 9 internal training seminars were organized, attended by more than 200 NHIF employees, and 27 employees participated in 31 external seminars organized in the country and abroad.

In the reference year, 21 NHIF employees carried out working visits abroad (Estonia, Spain, Sweden, Belgium, Kyrgyzstan, Vietnam, Portugal, etc.) on the following themes:

- support in the development and consolidation of the CHIS in the Republic of Moldova;
- Financing and coverage of universal healthcare services;
- price formation and reimbursement of medicines;
- financing of primary health care;
- provision of primary health care services.

During the reference period, the NHIC developed:

- 636 orders regarding the employment, resignation, transfer, granting of the material assistance, modification of the individual labor contract;
- 917 orders regarding the granting of leave;
- 22 orders for traveling in the interests of the service;
- 23 individual employment contracts;
- 344 additional agreements to individual employment contracts.

Strengthening the collaboration of NHIF with international institutions specialized in health and alignment of CHIS to good international practices in the field of CHI

As part of the implementation of the project „Modernization of the health sector in the Republic of Moldova”, the performance-based incentive scheme in PHC was revised and implemented. For the practical application of this, the performance bonus was formed following the fulfillment of the performance indicators within the PHC. The Regulation on Performance Criteria and validation of performance Indicators in Primary Care, the Performance Indicator Payment Scheme and the Regulation on How to Calculate and Pay the Salary Supplement for the Performance Indicators (Joint Order of the MHLSP and NHIF no.247 / 125-A of 28.03.2017 were approved).

Also, within this project, a performance-based incentive scheme for HHC has been developed, piloted and is to be implemented. To implement this activity, the MHLSP and the NHIF contracted the company that developed the performance indicator incentive scheme for HHC.

In 2017, the NHIF employees made two study visits to the Estonian Health Insurance Fund (Eesti Haigekassa), where the following topics were addressed: the list of medical services and pricing (including screening and other prevention actions), primary



care services and their funding, the list of pharmaceutical products and their compensation rate, clinical protocols and the quality of medical services, the quality system for primary care in Estonia, clinical indicators, results management mechanism and the role of the Health Insurance Fund in drafting manuals and protocols, prophylaxis in primary health care and funding methods.

The promotion of the CHIS across the country could be achieved by joining the Joining Learning Network (JLN) network. Within this network, in 2017, the presentation and promotion of the PHC financing system of the Republic of Moldova to the Asian countries was performed through participation in the Collaborative in Vietnam, Hanoi and presenting the method of funding the services provided in the primary care, which served as a model for countries participating in the event.

Objective no.4: Improving and developing new IS

SI „Compensated medicines”

In 2017, the following sections of the IS „Compensated medicines” were updated:

- Registry of doctors entitled to prescribe compensated drugs;
- Register of pharmaceutical service providers;
- Registry of International Common Denominations.

At the same time, changes have been made within this IS, i.e. the existing filters have been updated, which would ensure the exclusion of errors when data is input into the IS.

Objective 5: Improving the quality of data and analysis, strengthening the strategic and operational planning

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

By NHIF Order no. 34-A of 02.02.2017 the NHIF Activity Plan for 2017 regarding the implementation of the NHIF institutional development strategy for the 2016-2020 was approved.

At the same time, during March 22 - April 5, 2017, meetings were organized for totalizing the activity of the territorial agencies of NHIF for the year 2016.

Monitoring of the process of reporting, analyzing and monitoring the execution of the operational plan and of the Strategy is carried out throughout the year, and reports to the NHIF management are prepared and presented to the NHIF management:

1) by letter no. 03/23-138 of 24.07.2017 - Report on the results of the execution of the NHIF Activity Plan for the year 2017 regarding the implementation of the Institutional Development Strategy of NHIF for the years 2016-2020, in the first semester of 2017;

2) by letter no. 08/10-19 of 31.01.2018 - Report on the results of the execution of the NHIF Activity Plan for the year 2017 regarding the implementation of the NHIF Institutional Development Strategy for 2016-2020 in 2017.

Ensuring the conduct of the audit activity

In 2017 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, aimed at assessing the effectiveness of financial management and control system of CHI. The audit missions carried out during 2017 are the following:

- assessment of the procedures by which the NHIF ensures the quality of assessment of health services providers;
- assessment of the current information and communication systems within the NHIF and TAs;

- assessment of the process of registration and record keeping of CHI premium payers within TAs;
- evaluation of the mechanisms set up within the NHIF in order to ensure the professional integrity of the employees, to prevent fraud and to fight against corruption;
- evaluation of financial management and control within the NHIF and the TAs.

As a result of the audit missions, strong and sensitive issues have been identified, affecting more or less the effectiveness of the audited processes, and based on them recommendations were made, the implementation of which would result in improvement of the existing situation.

Thus, in 2017, 66 audit recommendations were to be implemented. Out of the total recommendations submitted, 22 recommendations were fully implemented, 20 partially implemented, 15 not implemented and 9 excluded due to legal and regulatory amendments.

At the same time, it should be noted that the partial implementation or the failure to implement the recommendations was also caused by: modification of the organizational structure of the NHIF, modification of operational priorities, dependence on some external factors, reflection of the time-frame for implementation without preliminary estimation of the resource needs, outdated actions and irrelevant in terms of legislative and normative amendments.

Objective 6: Optimizing the development of the regulatory framework

Strengthening the process of drafting and endorsing draft regulatory acts

In order to strengthen the process of development and approval of draft regulatory acts, a methodological workshop was organized for the NHIF employees on strengthening the process of drafting and approving regulatory acts.

During 2017, 32 draft regulatory acts were reviewed and approved and 6 additional regulatory acts were developed, including:

- draft law amending article 16 of the Law no.1585-XIII of 27.02.1998 „On compulsory health insurance”, developed for the purpose of improving the use of funds of compulsory health insurance by changing the way the funds of the balance are distributed and adjusting the legal framework in order to ensure compliance of the provisions of the Law no.1593-XV of 26.12.2002;
- draft law abolishing article 13 para. (1) and (2) of Article 15 of the Law no.1593-XV of 26.12.2002 on the size, manner and terms of payment of compulsory health insurance premiums, to ensure adjustment of the legal framework in order to ensure compliance of the provisions of the Law no.1593-XV of 26.12.2002;
- draft GD on the transmission of immovable assets, according to which a number of immovable assets un-

der administration of the NHIF and administration by the Ministry of Health, Labor and Social Protection shall be transferred under administration of:

- National Council for Determination of Disability and Labor Capacity - the building located in Orhei mun., Vasile Lupu Street;
 - The National Center for Pre-hospital Emergency Medical Assistance (CNAMUP) - the buildings located in Ocnita, Mihai Viteazul Street;
 - in the public property of the town of Cahul - the building located in Cahul, Ștefan cel Mare Street.
 - draft GD to amend the annexes no.1 and no.4 to the GD no.1432 of 07.11.2002, the purpose of the document being to optimize the management costs of NHIF and efficient management of the patrimony under its management;
 - draft GD to amend and complete GD no.1372 of 23.12.2005, adjusting the provisions of the contract template, regarding the release by the family doctor of the compensated drugs from the CHIF according to current requirements;
 - draft GD approving the concept of the Integrated Information System „Compulsory Health Insurance”.
- In order to ensure enforcement of the Law no.230 of 23.09.2016 amending and completing some legislative acts (reform in the field of state control) and Law no.123 of 07.07.2017

amending and completing some legislative acts (the regulation of the unified report), several draft normative acts amending and supplementing the normative framework regulating the CHIS were developed and submitted for approval.

The concepts of the developed draft normative acts were approved by the general director of the NHIF and submitted for approval in the manner established by the law. The following draft normative acts were drafted and submitted for promotion and approval:

- draft law amending and completing some legislative acts, by which it is proposed to have the paper policy excluded and the concept of the Insured Person status regulated;
- draft GD to amend and complete some normative acts, proposing approval of the Regulation on the record keeping of insured/uninsured persons in the CHIS;
- draft GD to amend and complete the sample contract for the provision of medical assistance (provision of medical services) within the framework of compulsory health insurance.

Priorities and Objectives for 2018

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

- enhancing the quality of services provided to beneficiaries in territorial agencies;
- continuing the development and implementation of electronic channels for provision of services to CHIS beneficiaries;
- developing and implementing an IS for the management of relations with the CHIS beneficiaries, using data exchange on the interoperability platform, integration with the governmental IS for electronic payments (MPay), developing electronic channels in order to provide services to the CHIS beneficiaries;
- intensifying collaboration with state institutions in order to provide NHIF with the information required for a successful execution of its duties;
- organizing communication campaigns on beneficiaries' rights and obligations within CHIS and diminishing pocket payments;
- Strategic planning and ensuring a financial balance between revenues and expenditures;
- modifying the regulatory framework governing the obligations and responsibilities of medical service providers that are part of the CHIS;
- strengthening MSI control with an emphasis on scheduled hospitalizations and the process of prescribing compensated drugs;
- improving human resources management;
- enhancing cooperation with international institutions specialized in health and aligning the CHIS to the best CHI practices.



