

The Health Care System in the Republic of Slovenia and the Responsibility of the State

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SUMMARY

The health care system in the Republic of Slovenia must be improved and its shortcomings eliminated by deliberate steps in order not to repeat the mistakes of other countries and reject good solutions that are already part of our health care system. The financing of health care in the Republic of Slovenia largely depends on social contributions and labour market changes, which means that the health care system depends on the level of employment. When employment is lower, fewer contributions from salaries are collected. Another problem is the rapid ageing of the population and the lower proportion of the active population. More diversified financing sources that will be sustainable and stable are needed in the form of additional general taxes. Contribution rates for pensioners paid by the pension fund are very low and could be complemented by financing from general tax revenue, which would help to stabilise financing. This is the most plausible option for improving the health care financing system in Slovenia.

Keywords: Health Care; Health Care System; Health Insurance; Medicaid; Health Insurance Institute of Republic of Slovenia

Health Care Systems in the U.S., Slovenia and Eu Countries Treat State Competence, Health Insurance and Individual Freedom of Choice Differently

In the US, there is an emphasis on a commitment to much broader coverage of insurance, slowing the growth of health expenditure and tighter regulation of private insurers; creating a competitive public insurance option is also mentioned. One of the main questions left unanswered by their political agenda is how the health care employees, which many observers believe are already in short supply in some areas and for some specialities, are to provide health care to additional health insurance beneficiaries. The aim of health care and health insurance is to protect and preserve health, which is people's greatest asset. Throughout the world, health is

becoming more than simply the well-being of the individual. People are becoming increasingly aware of their options to be and stay healthy and of their rights to the best possible health. The health care system is one of the most important parts of a population's overall social security. Health care is a complex social system that is interwoven into the social, economic, and political systems of a country. The health care system is one of the key pillars of the social state and reflects the maturity of the state.

The Patient Protection and Affordable Care Act (PPACA) (health insurance) [1] is a federal statute that entered into force on 23 March 2010, when it was signed into law by President Barack Obama. Together with the Health Care and Education Reconciliation Act of 2010 (signed into law on 30 March 2010), the PPACA is a product

of the health care reform agenda of the 111th Congress, in which the Democrats held the majority, and of the Obama administration [2]. The PPACA has been in place for twelve years, so it is hard to say how it will help the US health care system in the long term in terms of cost, quality, and accessibility of health care. While many in the US view a state-regulated health care system as “evil”, it has been shown in other developed and industrialised countries that a system in which everyone, or almost everyone, has health insurance and access to quality health care contributes a great deal to the health and well-being of citizens [3]. In my opinion, the best results in the EU come from the Swedish health care system, which is also the most similar to what the US is trying to achieve. Part of this is in line with the changes introduced by the PPACA, for example, the requirement to buy health insurance; otherwise, there is a penalty for being uninsured, and private insurers compete for every insured person (on the state and federal level exchanges), and insurers cannot refuse applicants for health insurance on the basis of their health status and/or pre-existing conditions. Similar to the subsidies provided to low-income individuals and families in Sweden, the subsidies provided through the health plan exchanges and the insurance coverage provided through Medicaid cover the same economic level of individuals in the US.

Moreover, the two systems are similar due to the fact that most Swedes get their health insurance plans through their employers, while more than half of the US population is covered by employer-based health insurance [4]. While most health insurers in Sweden are not-profit, the US could still have a profit health insurance system, but should aim at better limiting above-market pricing and co-payment costs (limiting the level of deductibles, capping premiums, and reforming cost-sharing/co-payments for health services). In addition, Sweden has insurers that operate from regional to international levels, with different insurers accepting in different regions, which is also similar to the system in the US, where in some regions certain insurers have more business with health care providers than others [5]. One aspect of the US system that will not be easy to regulate is, for example, the cost of pharmaceuticals. In most Western European countries, government systems are the only large purchasers of medicines, which gives them significant bargaining power. The US market, however, is highly fragmented, with billpayers ranging from employers to insurance companies to the federal and state governments. In addition, Americans finance most of the earnings of the global drug industry and its efforts to discover and register new active pharmaceutical ingredients. One of the biggest differences between the US and European countries is population and geographic size. While a more decentralised health care system may work well in EU countries, the US, because of its huge territory and large population, need a strong, centralised state system; fifty different health care systems, different in each federal

state, would likely lead to chaos, as Americans are constantly travelling and moving between many different states. A strong centralised system would help ensure that US citizens who have health insurance where they currently live would also enjoy this coverage in other areas of the country [6].

Reform of the Health Care System in Slovenia is Urgently Needed

The reform of the health care system in Slovenia, as well as at the level of the entire EU, is urgently needed, which is reflected in the reduced role of the state in the field of health care. The health care system in the Republic of Slovenia certainly has several positive qualities and can be compared with other European systems according to its development achievements. In recent years, the whole system has not been adjusted to the changed circumstances; therefore, it has come into a degraded position from which there are several exits. I have analysed the objectives that have provided the most comprehensive health care for the population. I have focused on the following issues: obsolete health legislation, accessibility and quality of health care programmes and services, public health care service network, responsibility for the management and administration of public health care institutions, division of work between different levels of the health care services, effective control of current and investment spending and quality of implemented services, and the demarcation between public and private in the health care system. Undoubtedly, changes in the institutional field are necessary, which would allow a different framework for the functioning of health care.

Regarding the rights that will remain in the social health insurance, I believe that it is necessary to continue to maintain universal access and also to differentiate the degree of solidarity. The highest level of solidarity among all insured persons will have to be sustained by those categories of insured persons who should not be impeded in accessing health care services due to their material position and medical and social indications. For those rights under the current social security system, to which it is necessary to ensure non-discriminatory access for all and everyone, a combination of payments from public funds and individual co-payments, against which an individual can be insured, is an already established and well-functioning arrangement in Slovenia. For those rights from the compulsory programme, which are increasingly differentiated according to the standard of treatment, the most suitable form of financing is a combination of co-payments and extra payments. In complementary health insurance, which is so widespread in Slovenia that it is almost universal, it is necessary to increase the equality of treatment for all insured persons. The access of the insured persons to this insurance must remain non-discriminatory in the future. A premium within one insurance company must

remain the same for all insured persons, and the inclusion into the insurance must not be in any way affected by the medical condition. The complementary insurance should be paid from public funds for those insured persons who have concluded compulsory social insurance but have not concluded the complementary insurance due to their material position. Complementary and compulsory health insurance should jointly hold effective control over the implementation of an insured person's rights and obligations under the health insurance. Complementary health insurance increases access to health care for those who are able to pay the corresponding premium, while it is very likely to disable access to health insurance, especially for the elderly, people with poor health and those with low incomes. Due to the latter, many countries have been increasing their role in the direction of greater regulation of private insurance, easing the burden of paying for voluntary health insurance against co-payments for socially most vulnerable groups or in the form of restrictions on the amount of medical expenses for which a reimbursement is granted to an individual by the state.

Public health care is not a commercial activity and is not subject to supply and demand or market prices for health care services. I believe that market competition between private and public health care must not be allowed and that they must be strictly separated. This is the only way to organise public health care as an efficient and effective system based on the principle of solidarity, which guarantees equal rights to health care for all citizens, which is the goal that is precisely defined in the constitution of the Republic of Slovenia. A legal demarcation of the public and market health care is necessary. Additional money to reduce queues in the private sector only increases the cost of public health care. This means that additional funds without systemic organisational measures adversely affect the performance of public health care. Changes for increasing business efficiency and competitiveness of public health care and changes in the financing of public health services are also necessary. All these changes could significantly improve the Slovenian health care system. It is more important to get the correct answer to the question "what" than to the question "when". If the current initiative for health care reform is limited only to the issue of insurance coverage without paying serious attention to cost control and coordination of health care, the "crisis" in health care will also affect us in the coming years.

From the comparative analyses between the countries under consideration, I can make the following statements, which should also be taken into account by the Slovenian Ministry of Health when reforming the health system:

1. Prerequisites for successful reform are knowledge (technical capacity), strength (institutional capacity), and political will (political capacity).

2. There is a negative correlation between public financing and total expenditure for health care.
 3. Compared to other systems of social policy, health care is under the strong influence of service providers. High-cost health care system means higher incomes for the private sector.
 4. Limitation of costs is easier when the state is the owner of medical facilities and service providers are rewarded in the form of salaries.
 5. Where the provision of services is predominantly private, the state plays the key role in designing the standards of health care and regulating the reward system.
 6. States that leave the decision on the financing of health care to individuals are not in a better position regarding the control of the health care costs than states that directly intervene in health policy.
 7. Neoliberal reforms fail when there is no appropriate administrative capacity to control the market.
 8. The prospect of greater effectiveness on the basis of the reforms based on the market has never been realised.
 9. Innovation at the micro level (e.g., efficient hospital sector) does not constitute a reliable basis to achieve greater efficiency and a better-quality health care system in general.
5. Reform of the Health Care System in Slovenia will Help to Improve the Efficiency of Health Care

The reform of the health care system in the Republic of Slovenia will contribute to the improved efficiency of health care and also to the better use of resources in health care, improved quality of health care services, and easier access to health care services for the entire population. It is necessary to introduce a system that will facilitate access to health services, especially from the perspective of citizens, shorten queues, as well as enable greater efficiency and innovation and good practice. This can be achieved by a smaller role of the state and its organs upon the simultaneous enlargement of the scope of regulation. Based on the analysis, I have established that a more precise demarcation between the public and the private system is required in Slovenia. The public system must allow the private health system to provide health care services, provided that it does not interfere with the reduction in business volume of the public health care. Both systems must cooperate since the competitiveness of health care services, and their quality will thus increase. To achieve the financial stability of the system, it is necessary to transform the rights under compulsory health insurance. The Health Insurance Institute of the Republic of Slovenia has no funds remaining from previous years that would cover the

budget deficit; therefore, austerity measures are needed, which are based on the concern of the population for their own health. The possibility of reaching the set goals in Slovenian health care mainly depends on the growth of the gross domestic product, which is lower in Slovenia than the average of the EU Member States. A redefinition of the health benefits package that should fully cover all key health services is also required. When the health care system is adapted to the changes of the population, social development and development of technology in medicine, better performance of health care services, better use of resources in the health care, improved quality of health care services, and easier access to health care services for the entire population can be expected [7].

Conclusion

Regulations to end discrimination based on coverage and prices must be introduced, which are based on health risks or existing health problems. Moreover, the plans of the insurance companies are required to measure and report on the state of health of the insured persons. Such reporting will help consumers choose health plans based on reports and prevent the insurers from reducing access to costly services, such as preventive examinations. Health insurance companies that compete in this way will add value to the system much more effectively than could be done by health insurance companies that have a state monopoly. It is true that insurers are not responsible for health, but they provide financial security to policyholders. The triangle of equity, efficiency, and

costs has been a subject of discussions and analyses by health economists and political analysts for decades. Equity, efficiency, and costs trigger constant tensions that attack the balance of this triangle of health policy in any system at any time. I am convinced that the problems of health care, patients and policyholders will not be solved by the privatisation of public health care. Such a solution is not recommended by domestic or foreign experts and has not been implemented anywhere in the EU. Health is a value that cannot be left to the mere functioning of the market. In any case, action is needed to improve the efficiency of the healthcare system in Slovenia and the EU.

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