NATIONAL HEALTHCARE INSURANCE COMPANY

ACTIVITY REPORT FOR THE YEAR 2014

The description of the Logo elements is as follows:

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

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

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

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

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Abbreviations

CHI	Compulsory Healthcare Insurance
CHIF	Compulsory Healthcare Insurance Fund
CHIS	Compulsory Healthcare Insurance System
DRG	Hospital payment system based on case complexity (CASE-MIX)
EPHH	Emergency Pre-Hospital Healthcare
HG	Government Decision
HH	Hospital healthcare
HPMS	High Performance Medical Services
IS	Informational System
MF	Ministry of Finance
MoH	Ministry of Healthcare
MSFI	Main State Fiscal Inspectorate
MSI	Medico-Sanitary Institution
NHIC	National Healthcare Insurance Company
NSIH	National Social Insurance House
PH	Primary healthcare
PMSI	Public Medico-Sanitary Institution
RM	Republic of Moldova
SOPH	Specialized Out-patient Healthcare
Strategy	NHIC Institutional development strategy for 2014-2018
TA	Territorial Agency
WB	World Bank
WHO	World Health Organization

Message from the NHIC General Director

We know that the prosperity and development of a company relies heavily on the confidence it inspires in its social environment and, in particular, on the confidence it inspires to its employees, clients, partners etc.

Therefore, as a member of a global community which is in a state of rapid change, we are constantly trying to adapt to the needs of the society which is also evolving and to help improve the health of the population in our country.

We analyze and continuously improve our efforts to apply responsible management practices and maintain highest ethical standards in everything we do.

At the same time, we are developing partnerships in communities around the world to strengthen the healthcare system, increase access to compensated medicine and find viable solutions to the healthcare challenges of today and tomorrow.

NHIC has completed a year of intense activity on all the levels of legal attributions. The material herein is intended as a simple and clear presentation of the results of a complex activity made by the NHIC in 2014.

NHIC's Activity Report for 2014 reflects its achievements in the following areas:

- organization of the institutional and human resources management process;
- organizing and conducting the CMHI process and MHIF enforcement;
- carrying out the control of quality and volume of healthcare provided as well as the control on the management of funds from the MHIF;
- prevention activity: organization and funding of actions and manifestations promoting healthy lifestyles and environment protection;
- activity in the field of international relations;
- communication activity.

Finally, I am recommending the current Report for study and criticism to identify solutions on improving the NHIC activity.

Mircea BUGA
NHIC General Director

General context

The current system of mandatory health insurance occupies a central place in the Republic of Moldova's health system. NHIC pays for healthcare services, finances medicine and healthcare equipment purchases for everyone benefitting from a CMHI policy. NHIC signs contracts with medical institutions for the delivery of healthcare services in the CHIS.

Upon purchasing services and signing contracts, NHIC takes into account the needs of insured persons and the objectives for the use of money by medical institutions. In order to ensure the objectivity of funding, the NHIC is not involved in the management of medical institutions.

A solidary system of mandatory health insurance is applied in Moldova: all insured persons enjoy the same healthcare services. Regardless, of the size of their financial contributions, personal health risks or age. The CHIS of Moldova is based on internationally approved principles:

- increasing the population coverage of CMHI;
- the size of the CMHI package should be as big as possible, in order for the CHMI system to jointly provide the largest, most complex and modern healthcare package;
- CHIS must be as profound as possible so that the person's own participation in total healthcare spending would be optimal and would not lead to poverty risks.

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

Role of the NHIC

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

NHIC carries out the following activities to achieve these objectives:

- implementing the CMHI and other types of healthcare-related insurance;
- carrying out healthcare assistance quality and volume control, as well as the control of the management of financial means coming from MHIF, 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 NHIC objectives and not infringing current laws.

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

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

NHIC Values:

- *professional ethics and integrity* – we are accomplishing our work with responsibility, efficiency, correctness and thoroughness;
- *cooperation* – we are creating an atmosphere of trust in internal teamwork and cooperation with our partners;
- *openness* – we are open and promptly 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.

General strategic purpose of the NHIC is „Increasing the satisfaction of persons insured with CMHI", 4 strategic topics being setup in this regard (Figure 1.).

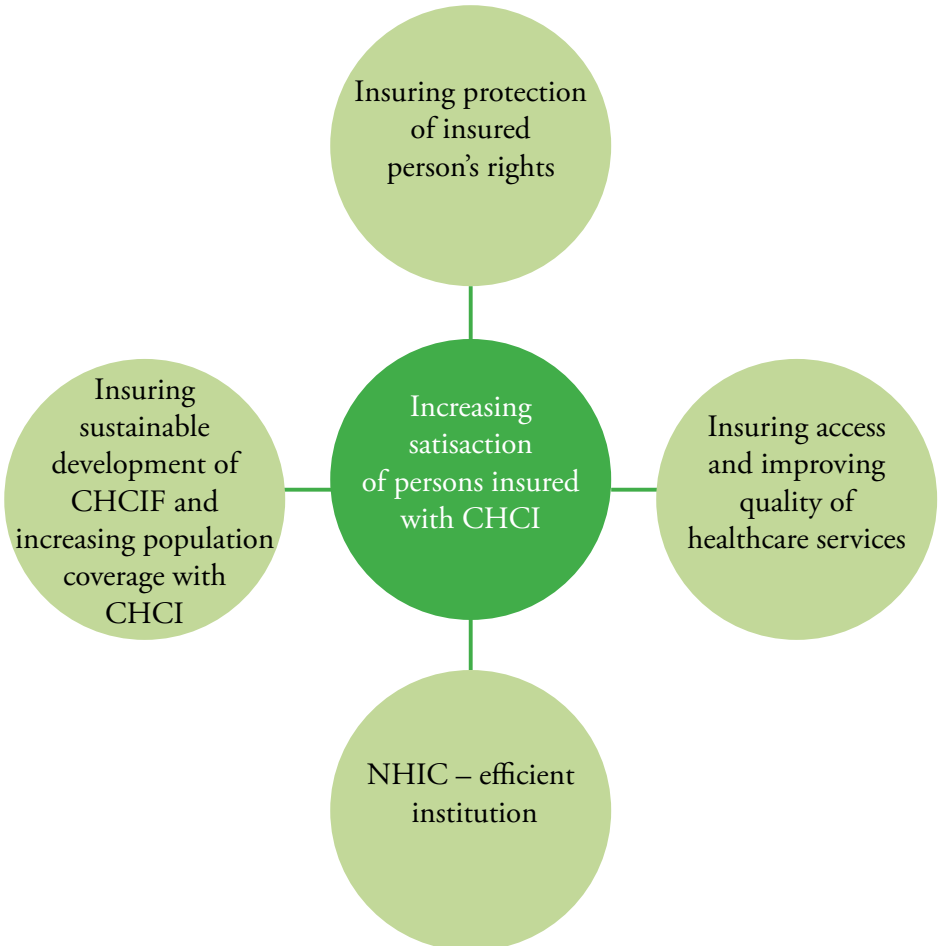


Figure 1. General strategic objectives of NHIC and relevant strategic topics

Strategic objectives:

- Improvement of NHIC services for beneficiaries;
- Diminishing direct payment;
- Improving medical services quality control;
- Streamlining contracting and payment methods;
- Streamlining allowances for compensated medication;
- Increasing the number of people insured per target group in CHIS;
- Insuring the MHIF financial sustainability;
- Improving the organization of activity, cooperation and communication;
- Aligning the NHIC structure to Strategy provisions;
- Developing NHIC staff competences;
- Improving and creating new IS;
- Improving quality of data and analysis, strengthening strategic and operational planning.

NHIC Beneficiaries and partners and their expectations

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

The persons insured require the guarantee of the benefit from healthcare insurance at the moment 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 persons insured have expectations from healthcare service providers with reference to: facilitating the access to high-performance, primary, specialized, out-patient healthcare services and the elimination of bureaucratic barriers as well as informal payment.

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

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

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

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

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

CHIS history

1998

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

2001

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

2002

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

2003

- Abrogation of Law no.267-XIV of February 3rd, 1999 on the minimum of free healthcare assistance guaranteed by the state since, along with the CHIS implementation, the necessity for this law has expired;
- On June 1st, pilot-project in Hancesti district was launched;
- Creation and implementation of the „CHMI" automated IS;
- First sum, amounting to 900,0 thousand lei is transferred from the state budget for current expenses to the single NHIC account;
- Covering the emergency healthcare 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 CHMI 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 CHMI as persons insured from the state budget;
- Transfer of the NHIC and PMSI from the account plan of the bookmaking register regarding the execution of expense estimations to the bookmaking account plan of the economic-financial activity of companies.

2005

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

2006

- Altering the means of calculating the sum of the transfer from the state budget into the MHIF 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

- MHIF Law is created based on programs and subprograms.

2008

- Applying the 50% discount on the size of the CHMI premium, established as a fixed sum, for the first time;
- Creating the Bender TA aiming at covering RM citizens living in the districts on the left bank of the Nistru with compulsory healthcare assistance;
- Covering expenses for the treatment of uninsured persons affected by socially-conditioned illnesses with a major impact on public healthcare as part of the HH;
- Home medical healthcare contracted by the NHIC;
- Registering persons at the family doctor with possibility of free choice;
- Legally delimited PMA at a district level.

2009

- Following the modification of macroeconomic parameters and the effects of the economical and financial crisis on the accumulations in the MHIF, modifications were brought to the MHIF law for 2009, through which, the CHMI 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 NHIC central apparatus structure through the creation of the Internal audit service, the Public relations service and the Evaluation and control department;
- Including persons from disadvantaged families that benefit from social aid according to Law no.133-XVI of June 13th, 2008 on Social aid into the CMHI as insured from state budget funds.

2010

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

2011

- The pilot project of the hospital payment system based on the complexity of the DRG cases (Case Mix) was carried out in 9 MSI;
- Ensuring access of uninsured persons to SOPH in cases of tuberculosis through the amendments to the CHMI 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);

- NHIC has, in collaboration with the Health Insurance Fund of Estonia, initiated the project „Logistic support for the organization and development of the Republic of Moldova CHIS". The main objective of this project is the logistic support in developing a strategy for the medium and long term development of the CHIS;
- In the context of actions dedicated to a decade since the founding of the NHIC and nearly eight years since the implementation of the CHIS, the „Healthcare financing system in RM" jubilee conference was organized in cooperation with the WHO Office in Moldova.

2012

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

2013

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

2014

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

Key indicators (2010 – 2014 period)

	2010	2011	2012	2013	2014
Share of insured persons of total population (%)	80,8	80,6	82,1	83,2	85,0
Number of people with individual insurance	33 548	52 699	51 780	59 183	48 925
MHIF income (mln. lei)	3 424,4	3 636,6	3 870,0	4 161,0	4 637,7
Share of transfers from state budget to MHIF incomes (%)	56,3	54,5	52,8	51,9	46,9
MHIF expenses (mln.lei)	3 367,7	3 615,7	3 951,2	4 226,1	4 679,5
MHIF expense share in GDP (%)	4,7	4,4	4,5	4,3	4,2
MHIF expenditure share in public healthcare budget (%)	84,3	84,9	83,2	81,5	79,4
Size of CMHI premium in percentual quota (%)	7	7	7	7	8
Size of CHMI premium in fixed sum (lei)	2 478,0	2 772,0	2 982,0	3 318,0	4 056,0
Labor remuneration fund from which the percentage quota of the CMHI premium is calculated (bln.lei)	20,7	22,5	24,6	26,8	29,0
Number of contracted medical and pharmaceutical institutions	384	428	517	590	673
Number of primary healthcare institutions contracted directly by the NHIC	95	111	145	210	267
Number of compensation prescriptions paid	2 744 381	3 212 714	3 481 225	3 120 779	3 476 901
Expenses for subsidized medicine(mln.lei)	116,8	153,5	166,2	163,5	205,9
Medium prescription cost (lei)	71,5	68,6	73,0	75,6	83,1
Medium compensated sum for prescription (lei)	42,6	47,8	47,8	52,4	59,2
Average monthly salary per unit in medico-sanitary institutions (lei)	2 436	2 573	2 796	3 021	3 413

01 Strategic topic: Insuring the protection of person's rights

Objective 1: Improvement of NHIC services for beneficiaries

In 2014 within the NHIC, the subdivisions of relations with beneficiaries were created, with the objective to develop public relations with CHIS beneficiaries and providing informational support regarding the respect of their rights and obligations.

A number of strategic and operational actions were undertaken in several areas to implement a powerful system for the management of relations with beneficiaries during 2014, namely:

✷ Launch of the Green Line Telephone Service (NHIC Call Centre)

Considered the most essential achievement in the field of informing beneficiaries, the opening of the center (as of February 14, 2014) was conducted within the project „Improving access to telephone consultations in the field of healthcare in Moldova. Step II".

The Ministry of Foreign Affairs of the Republic of Estonia, in partnership with the National Health Insurance House of Estonia (Eesti Haigekassa) and the Estonian Advice Centre (EAC) NGO funded the project.

The „Linia Verde" (Green Line) telephone service is a call center to provide information and counseling the population in the field of CMHI. Through this service beneficiaries are informed from the first source on what to do in case of ill health, what level of healthcare to address to, what are their rights in CHIS, in which pharmacy and with what percentage of compensation to get which medicine, at what healthcare facility and with which family doctor they are registered, what is the status of the person in the CHIS, how to properly access health services included in the CMHI Program, where and with what discounts may they obtain the CMHI policy, they can also submit suggestions and complaints addressed to healthcare and pharmaceutical service providers engaged in CHIS.

The Call Center IS represents a platform developed based on the „Asterisk" telephone system which provides the automation of the Linia Verde (Green Line) service. The main functionalities of „Call Center" IS are as follows:

→ 2 language telephone machine (in Romanian and Russian);
→ automatic callback of users who called „Linia Verde" (Green Line) from a cellphone;
→ automatic recording of calls;
→ redirection of calls;
→ generating reports related to the activity of the „Linia Verde" (Green Line) service.

Throughout its activity, 9 960 calls were made to the Call center, of which 9 820 of an informative character and 140 complaints.

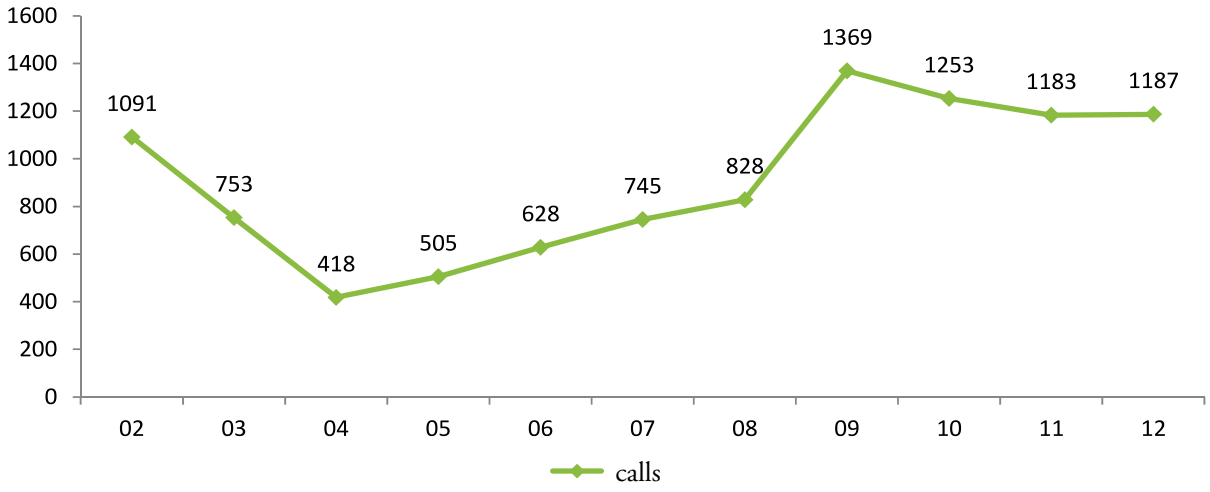


Figure 1. Dynamic of calls taken by the Linia Verde (Green Line) telephone service, by months, 2014

Of the total number of calls, 58% are calls regarding the person's insurance framework, 29% refer to medical services, and 7% regard the registration with the family doctor, while 5% refer to the prescription of compensated medication.

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

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

✷ Launching the online petition service

The service was launched on July 18, 2014, aiming at facilitating the interaction with CHIS beneficiaries, increasing access to information regarding rights, advantages and obligations in the CHIS.

The new application comes to help CHIS beneficiaries in sending petitions and receiving answers to them in a fast and comfortable way, without the need to go to the NHIC office or post office and allows the attachment of attesting documents necessary for the application.

The „Petitions on-line" application makes an essential contribution to the optimization of the petition management process. Thus, in 2014, 47 petitions came in through electronic channels.

✷ Granting and solving petitions made to the NHIC

461 petitions were submitted to the NHIC and its TAs, including 16 petitions forwarded from hierarchically higher institutions.

Of the total number of petitions, 191 (41%) were examined by the central apparatus and 270 petitions (59%) by the TAs (179 by TA Centru (Chisinau municipality, districts of Ialoveni, Hancesti, Dubasari), 17 by TA Nord Vest (Balti municipality, districts of Briceni, Edinet, Rascani, Glodeni, Sangerei), 4 by TA Nord-Est (districts of Soroca, Drochia, Floresti, Donduseni, Ocnita), 30 by TA Vest (districts of Ungheni, Nisporeni, Calarasi, Straseni, Falesti), 11 by TA Est (districts of Orhei, Rezina, Soldanesti, Telenesti, Criuleni), 18 by TA Sud-Vest (districts of Cahul, Cantemir, Leova, Taraclia, Gagauzia TAU), 11 by TA Sud-Est (districts of Causeni, Anenii Noi, Stefan Voda, Cimislia, Basarabeasca, left bank of the Nistru).

Issues addressed in the beneficiaries' petitions varied (Figure 2). A third of petitions (169 petitions) concerned the registration or change of the family doctor. There were also 107 requests for information on insurance and registering with CHIS.

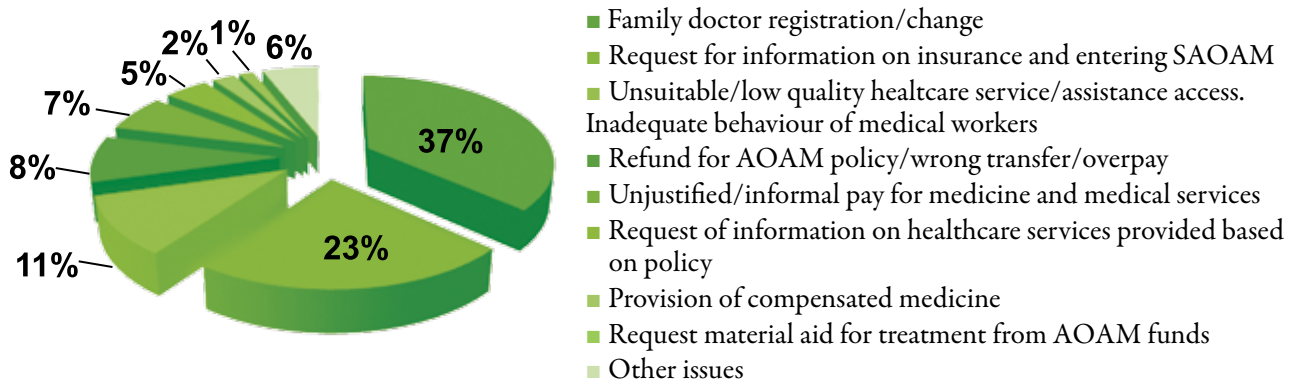


Figure 2. Distribution of incoming petitions by topic

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

After examining the petitions, the following were identified: cases of undue payment for medical services and medicine, violation of patients' rights to complete and quality healthcare. All cases were brought to the attention of medical workers teams and the guilty persons were sanctioned.

The number of petitions solved by NHIC in 2014 compared to 2013 increased by 131 petitions (40%). The average time for resolving complaints received from CHIS beneficiaries was 8 days. This result was largely due to the efforts of NHIC employees and the measures taken to reorganize NHIC activity.

✷ Granting methodological support to CHIS beneficiaries

In order to increase quality of service to the CHIS beneficiary, standard application form, certificate, records and reports templates related to the activity of insuring persons were created

and a series of seminars were organized to increase the capacities of TA specialists and the uniform implementation of normative provisions.

✷ Organizing a sociological study regarding the level of satisfaction of the CHIS beneficiaries with services provided by NHIC

In order to assess the level of satisfaction of the CHIS beneficiaries with NHIC services, the following were approved:

→ questionnaire on assessing the level of the CHIS beneficiary's satisfaction with the services provided by NHIC, which was coordinated with the National Bureau of Statistics and contains 46 questions;

→ Instruction on the filling out and transmission of questionnaires for the evaluation of the CHIS beneficiaries' level of satisfaction with the services provided by NHIC.

The filling out of questionnaires was planned for 2015, according to the method of interviewing, while the data collection has been put in charge of the NHIC TA.

✷ Developing relations of cooperation

During 2014 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.

However, to achieve functional tasks and ensuring accurate data, they have held a series of meetings with representatives of the National Health Insurance Company, the Ministry of Labour and Social Protection, the Ministry of Justice, the State Tax Inspectorate.

In this context, NHIC has been included by the Government in the list of public institutions for piloting platform interoperability.

Objective 2: Diminishing direct payment

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

✷ The „Your medical insurance is protecting you. Don't bribe!" campaign

A campaign was launched jointly with the MoH, on July 11, 2014, for the first time in CHIS.

NHIC supported the production of adhesive posters and an audio message on fighting direct payments in medical institutions. The distribution of posters in the PMSI and broadcasts on national and local level radio stations were provided by the MoH.

Actions concentrated on information about rights and obligations in CHIS started in October 2014 and were carried out until the end. Thus, during October 1st to December 31, 2014 period the following were made:

- 13 televised sections (65 min), during the Accente Economice broadcast on TRM TV and 6 radio sections of the NHIC guide for health (30 min) on Radio Moldova;
- 14 original reports and 14 report reruns during the „A Step Toward Health" broadcast on TRM TV jointly with the MoH.

Sections responded to the specific objectives of informing the public on the services covered by the CMHI policy, the volume and complexity of all types of medical care, the list of subsidized drugs, the use of the medical policy, how to change the MSI and/or family doctor. The protagonists included NHIC staff, representatives of MSI integrated into CHIS.

The campaign was supplemented with social-media activities on the Facebook page of NHIC network, TV and radio broadcasts in the national and local press and online media resources.

At the same time, NHIC TA employees held 79 sessions and informative meetings aimed at different target groups: rural population, employers and employees, patients, students, NGOs, local government, tax, medical workers. The population level of coverage through direct communication amounted to about 2 786 people.

Another instrument of the campaign regards the distribution of printed materials during these activities. The PMSI printed and distributed to the general population about 245 000 informational materials: sets of informative leaflets for groups of population benefitting from prescription for compensated medication; sets of leaflets presenting the means to use the CHMI policy and the rules of behavior in 5 types of healthcare assistance; the „Guide of the CHIS beneficiary" brochure.

02 Strategic topic: Insuring access and improving medical services

Objective 1: Improving quality control of medical services

✷ **Development of the Regulation on the Control of pharmaceutical and healthcare service providers incorporated in the CHIS, carried out by NHIC, with subsequent publication in the Official Gazette of RM and the Methodology of Planning the state control of business activity on the basis of NHIC risk analysis criteria (GD no.380 of May 27, 2014)**

500 checks were carried out with medical and pharmaceutical service providers in order to monitor the volume and quality of medical services and the management of proceeds from MHIF, during 2014, including complex and thematic controls, controls of the revalidation of cases in the DRG, examining petitions received and also sudden checks at the request of other state agencies. During the complex controls the activity for 2013 was evaluated, except for the PMA, where the performance indicators for 2014 were also verified. The control activity involved 36 specialists from the NHIC.

Thus, during the reported period, 50,9% of the MSI or 215 MSI of the total 422 contracted were verified. As a result of the evaluations services which were reported without motive and healthcare services provided under the required level of volume and quality were identified.

The sum of medical services invalidated during 2014 (Table 1) amounted to 4 516,8 thousand lei, including, by types of healthcare assistance:

- Hospital care – 3 007,3 thousand lei;
- PHC – 1 428,6 thousand lei;
- High performance services – 37 600 lei;
- Medical care at home – 43,3 thousand lei.

Table 1. Sums of invalidated services by type of assistance (thousands lei)

Types of medical services	Sums invalidated in 2013	Sums invalidated in 2014
Primary healthcare	1 648,9	1 428,6
Specialized out-patient healthcare	2,1	-
Hospital healthcare	8 210,9	3 007,3
Community and home based healthcare	41,7	43,3
High performance healthcare services	569,1	37,6
Emergency pre-hospital healthcare	-	-
TOTAL	**10 472,7**	**4 516,8**

During 2014, the amount of invalidated services decreased by 56,9% or 5 956,0 thousand lei compared to 2013, due to the increased quality of services and the accuracy of data reporting by providers (Figure 1.2).

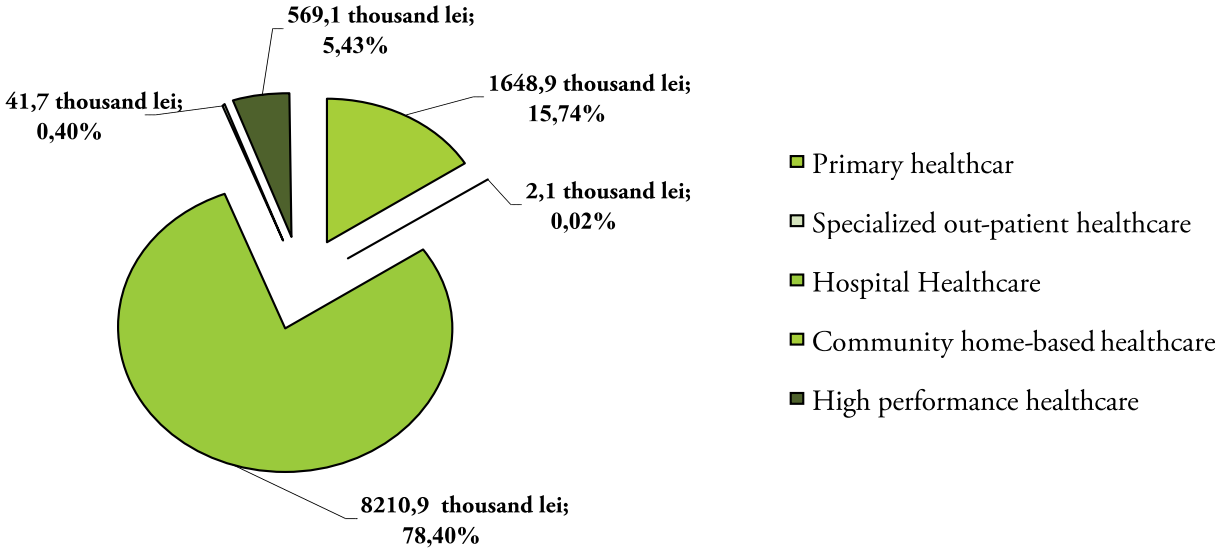


Figure 1. Sums of services invalidated in 2013 (thousands lei)

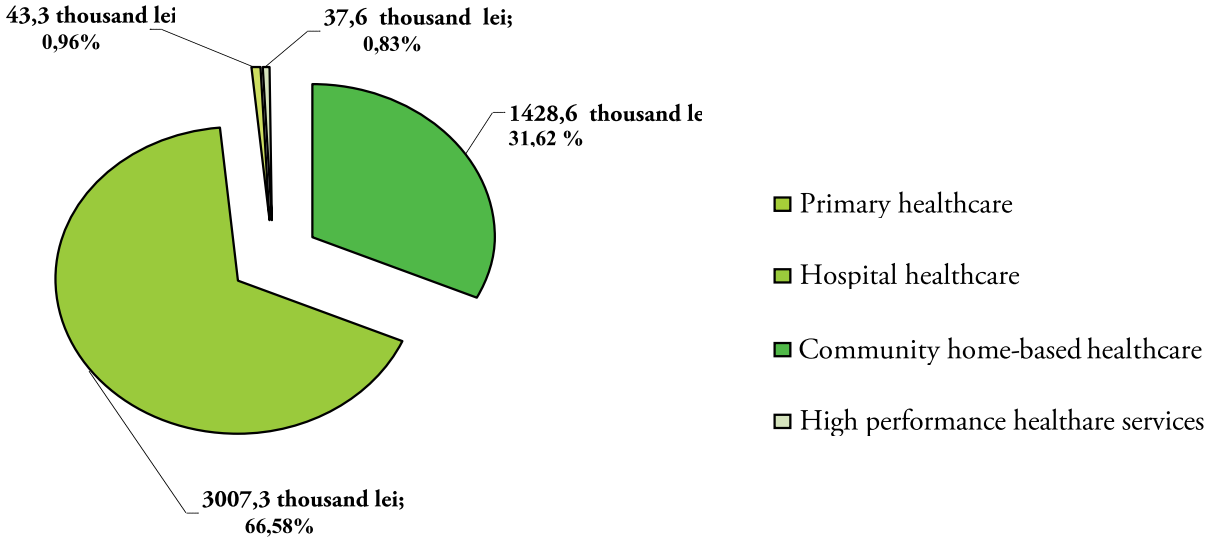


Figure 2. Sums of services invalidated in 2014 (thousands of lei)

In the structure of invalidated cases treated in hospital conditions, the majority are cases of unjustified hospitalization, unresolved cases of unjustified discharge or transfer.

Simultaneously, during 2014, 188 thematic checks were conducted with the evaluation of data at the patient-level in the DRG IS. Checks were carried based on of requests from providers, for which the revalidation of 3 088 cases was requested, of which 2 518 (81,9%) were revalidated and 570 (18,1%) were invalidated, including cases based on the violated rule:

Violated rule	Evaluated	Validated	Share (%)	Invalidated	Share (%)
C01	29	28	96,55	1	3,45
C02	1157	859	74,24	298	25,76
C03	508	362	71,26	146	28,74
C04	49	15	30,61	34	69,39
C05	461	429	93,06	32	6,94
C06	380	358	94,21	22	5,79
C07	157	146	92,99	11	7,01
C08	332	321	96,69	11	3,31
Not presented				15	
Total	**3074**	**2518**	**81,91**	**570**	**18,09**

After evaluating the volume and quality of medical services provided in the contracted MSI it was determined that some deficiencies persist from year to year, namely:

■ *managerial shortcomings:*

→ insufficient familiarity of the medical staff with normative legislative acts concerning activity within the CHIS;
→ irregular calculation and payment of salary increases;
→ awards and material aid granting without the consent of superior bodies;
→ use of MHIF means contrary to the approved estimates of income and expenditure for other purposes not related to the realization of the Single program;
→ failure to respect the proportionality of expense attribution per sub-items calculated from the income received or services provided under the auspices of CMHI and other sources;
→ failure to respect the norms on stocks of material stipulated in the regulations currently in force;
→ limiting access to medical services included in the single program by the not concluding contracts with other MSI or in case of the lack of own services and sometimes by the forced provision of respective services in exchange for pay;
→ insufficient development of the methodical-organizer and education support provided by specialized doctors.

■ *deficiencies in the PMA, SOPH and HH:*

→ insufficiency or unavailability of healthcare professionals;
→ insufficient organizational-methodical work, including family healthcare;
→ failure to provide a complete annual prophylactic medical check-up of adults for the prevention of diseases with major consequences;
→ groundless selection for hospital treatment of patients that could be treated on an outpatient basis. Failure criteria for hospitalization;
→ failure to ensure continuity of supervision and treatment after hospitalization;
→ failure to conduct paraclinic investigations stipulated in Annex 4 of the Single Program;
→ failure to provide necessary medicine and conditioning the payment (partial purchase by the patient) of healthcare services;
→ prescription of compensated medication with deviations from the regulations in force: prescriptions for categories not included in regulations, filling prescriptions with deviations

from the regulation stipulations, unmotivated or excessive prescription, failure to register the data in the patient's medical record;

→ errors in reporting performance indicators, noncompliance with the rules of indicator assessments;

→ reduced use of the opportunities for HPMS referral, thus limiting persons' access to quality services and in full volume, and the unargumented release of referral tickets for hospitalization and HPMS.

✷ Implementing the mechanism to enforce the application of fines for decommissioning MHIF means

During the checks on the legality and efficiency of the MSI usage of funds coming from MHIF, financial deviations were uncovered regarding the use of funds from the MHIF for purposes other than accomplishing the provisions of the Single Program and the bilateral contract concluded with NHIC, as well as the use and use of MHIF means contrary to the provisions of legislative and normative acts.

As a result 5 583,1 thousand lei worth of MHIF means were decommissioned, for which, in accordance with article 14 of Law no.1585 of February 27, 1998 „On CMHI", 607,0 thousand lei in penalties were calculated.

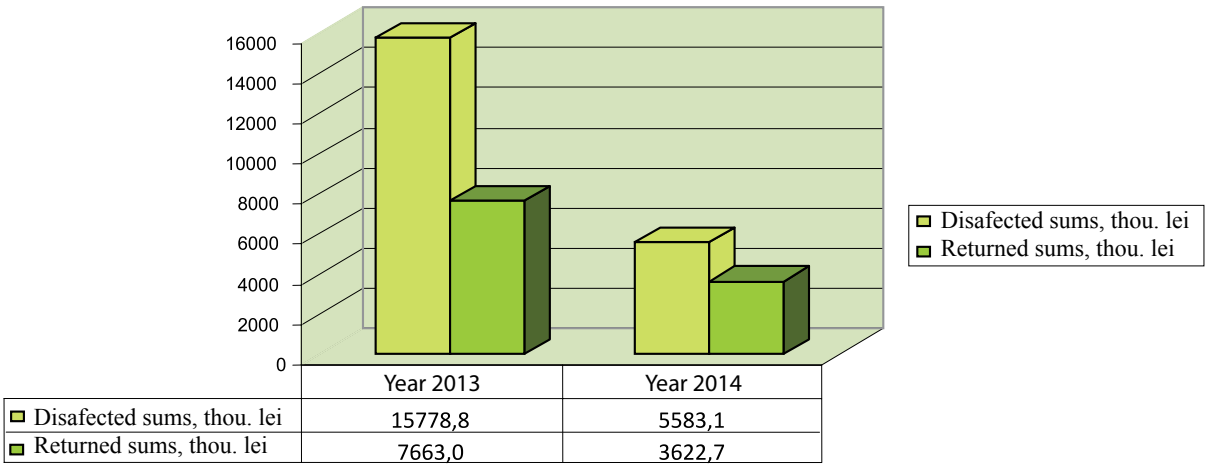
The dynamic analysis of the decommissioned sum reveals a downward trend compared to the corresponding period of the previous year.

Thus, in 2014, the amount of decommissioned funds identified following verifications was of 6 190,1 thousand lei (including penalties) of which 4 033,4 thousand lei were transferred/returned to the NHIC account. The sum of decommissioned means in 2014 has decreased by 60,7 percent compared to the same period of 2013, when the amount of decommissioned means recorded was 15 778,8 thousand lei.

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

In 2014, 3 622,7 thousand lei in disaffected means were refunded, including means restored to the MSI settlement accounts in the amount of 1 045,3 thousand and financial means transferred to the NHIC account in the amount of 1 577,4 thousand lei. Also following the verifications, as a result of applying article 14 (5) of Law no.1585 „On CMHI" of February 27th, 1998, fines in the amount of 403,7 thousand lei were cashed.

Simultaneously, 7 protocols were concluded for the decommissioning of MHIF, fines in the total amount of 14 000 lei being applied to the persons responsible.



	Year 2013	Year 2014
Disafected sums, thou. lei	15778,8	5583,1
Returned sums, thou. lei	7663,0	3622,7

Figure 3. Ratio of sums disaffected to sums refunded

Thus, results of verifications show that with each year the certainty of the provider connected to the conformity with legal provisions is greater. The decline of infringements identified following controls indicates the tendency of the MSI to abide the law which would diminish the risks of disaffecting MHIF means and would respectively increase the quality of healthcare.

✷ Participation in the organization of the mission to audit the correctness of coding in the DRG

To implement the Project on improving coding audit quality in the DRG system of the NHIC, 5 working sessions with the participation of an international expert and 8 specialists. Six trainers specialized in coding audit were appointed and consequently involved in NHIC employee training.

A workshop was organized during which the coding audit methodology and audit program use was discussed with the participation of international experts and 25 specialists from the NHIC.

The coding audit of diagnoses and audit procedures of the DRG (CASE-MIX) system was piloted based on 3 PMSI. Potential issues in using the audit program were identified during the practical testing and use of the audit program.

Following the study of the audit report, the plan of action to implement recommendations regarding the coding audit in DRG was developed and approved.

✷ Developing activity control indicators based on which MSI will be evaluated

Two types of healthcare for the development of indicators were selected as priorities: dental and pharmaceutical care. As a result, quality indicators for SMIs that provides dental and pharmaceuticals care were developed and approved.

Objective 2: Streamlining contracting and payment methods

In 2014, funds amounting to 4 399 838,5 thousand lei, which is 121 362,4 thousand lei or 97,3% less than annual provisions, were allocated from the base fund for payment of current health services. Compared to 2013, expenses increased by 443 838,6 thousand lei or 11,2%. This fund holds the largest share in MHIF expenditure, with 94,0% of funds allocated to it.

In accordance with the legislation in force, 422 SMIs were contracted for healthcare provision in the CHIS, of which 24 republican, 34 municipal, 10 departmental, 291 districtual and 63 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.

The limits of expenditure of the basic fund (for the payment of medical services) were established by the MHIF law for 2014.

About half of the Fund's financial base means – 49,9% were allocated for the implementation of the „Hospital care" program and 30,5% – for the „Primary care", program including compensated medicine. The total expenditure for primary care, partially/fully compensated medicine amounted to 15,3%.

To streamline contracting and payment methods, a report on the advantages and disadvantages of payment methods used in contracting healthcare services was written in October 2014.

Also, a study was made for the estimation of lines for orthopedic prosthesis, for the family doctor, for the cardiologist and for a cataract operation. The result of the study found that the queue for the family doctor is 0-3 days, while the one for the cardiologist does not exceed 10 days; in both types of care received emergency patients are received on the same day. Based on the results received it was decided that waiting lines examined are normal and there is no necessity of developing a new concept of waiting lists for these types of care. Waiting lists are to be monitored annually through the NHIC TA.

✷ Developing and implementing result-based performance indicators in the PMA

For the streamlining of contracting and payment methods, the incentive program based on performance in PMA was revised. Proposals have been made to amend the regulation regarding the means to calculate and make incentive payments for the fulfillment of performance indicators of the MSI staff providing PMA services in the CMHI. Consequently, performance indicators were developed based on PMA results.

✷ Economic argumentation of the cost of new medical services included in the Single Program

According to Law no.88 of May 29, 2014, the calculus regarding the financial coverage of dental care for children up to 12 years of age was made.

Objective 3: Streamlining allowances for compensated medication

In 2014, from MHIF funds, the sum of 216 033,2 thousand lei was allocated for compensated medicine, representing 15,86% of the total amount intended for primary healthcare. Compared to spending on subsidized medicine in 2013, the allocations for 2014 increased by 32,15%.

According to accounting data, the sum of 205 948 026,6 lei for 3 476 901 prescriptions was allocated.

Meanwhile, in 2014, 251 pharmaceutical institutions (and subsidiaries) were contracted by the NHIC.

In 2014, in order to broaden the range of compensated medicine, the list of partially/fully compensated medicine was revised and amended, some medicine being substituted with new-generation medicine which is more effective and of a higher quality. Simultaneously, the list of partially/fully compensated medicine, which featured 88 International Nonproprietary Names (INN), 9 INN were added and 2 INN excluded, compared to 2013 where there were 81 INN.

Since 2014 injectable antidiabetic substances-insulin included in the list of compensated drugs were prescribed by family doctors and only released by pharmacies based on compensated recipes. Since it is a costly substance, fully compensated by the MHIF, injectable antidiabetic medicine determined, according to their weighting, an increase of the average cost of a prescription.

Thus the average cost of a prescription in 2014 is 83,11 lei. Compared with data for 2013, the average cost of a prescription for compensated medicine increased by 10%. The increase of this indicator leads to the increase of the average compensation for a recipe, which amounted to 59,2 lei in 2014.

Beginning with 2010 there is a also tendency of increase in the average compensation quota of MHIF medicine, which increased from 59,6% in 2010 to 71,3% in 2014.

For a better record-keeping of prescriptions and preventing their counterfeiting, the substitution of the CHMI policy number with the patient's IDNP number (13 digits). For people that don't have an IDNP, the number of a legally valid ID number is indicated in that section.

03 Strategic topic: Insuring MHIF sustainable development and increasing the coverage of the population with CMHI

Objective 1: Increasing the number of people insured by target group in the MHIF system

✷ Achieving indicators on December 31st, 2014

Indicators	2014	
	Planned	Carried out
Degree of CMHI coverage	83,5%	85%
Number of persons insured individually	59 000	48 925

The level of insurance in 2014 increased by 1,8 percentage points and reached 85,0%. The number of insured persons in CHIS at the end 2014 is 2 475 659 people, of the total population of 2 913 281 present in the country.

✷ Including law enforcement employees in the CHIS

In order to increase the number of people insured by the MHIF system a draft law developed and sent to MoH stipulating the inclusion of special population categories (employees of law enforcement) in the list of CMHI premium payers as a percentage contribution from their salaries.

✷ Introducing legal means to establish the obligation to have an insurance policy, establishing the term of 14 days to activate the policy since its activation

A draft law was finalized, providing for the activation of the insurance premium within 14 days from the date of payment of a fixed amount for the CHMI premium with the infringement of the term of three months from the date of entry into force of the MHIF law for the respective year.

✷ Accomplishing the campaign for annual information regarding the attraction to CHIS of privately insured persons and the uninsured population

The campaign was organized in the January 1 to March 17, 2014 period and focused on attracting privately insured individuals and population not integrated in CHIS, by providing information about the benefits offered by CHIS regarding 50% and 75% discounts to the fixed amount CMHI premium, on how to access medical services on all levels of healthcare.

The campaign included combined communication actions addressing large audiences (radio, TV, internet, printed media) and non-media promotion.

It started with communication activities in the electronic media. In the period January 1st to March 30, 2014, period „Teleradio-Moldova" aired TV and radio commercials, in the amount of 90,67 minutes each.

Audio and video clips were aired for about 4 400 times the local electronic media of different districts. Advertisement about discounts to the fixed amount of the CMHI premium was published in 19 local newspapers.

At the same time, over 300 non-media actions – informative meetings attended by about 11 780 persons (companies, LPA representatives, SFI, patent holders, medical workers, rural population) and „Caravan of insurance" events were held during the campaign.

The new elements of this campaign were the sending of SMS' to mobile telephones and placement of video clips in the trolleys of the Chisinau municipality.

Leaflets on the 50% and 75% discounts to the fixed amount CMHI premium, „CHIS beneficiary's guide" and Healthcare policy User Guide for 5 levels of healthcare and subsidized drugs, leaflets on the NHIC Green Line were distributed in SMIs, pharmacies, post offices and town halls, during informative meetings.

✷ **Cooperation with other institutions, which would condition the compulsory character of the policy, including proposals to modify the legislation and revising sanctions for the failure to respects commitments towards the CHIS**

As of January 1, 2014 amendments to Law no.93 of 15.07.1998 „On entrepreneurial patent" came into force expanding the necessity to present documents confirming the status of a person insured in CHIS not only upon patent issue but also upon patent extension. Also, discussions were initiated with the State Tax Service (IFPS) in the context of IFPS and NHIC data necessities.

Meetings were held with NSIH and an amendment to the REV5 Form „Declaration of the insured person" has been proposed with the introduction of a new column at no.12 – CMHI Premium calculated by the employer and employee. At the same time, the agreement regarding the visualization of available information the NSIH „Insured Person's personal account".

Objective 2: Insuring the MHIF financial sustainability

Running MHIF in 2014 amounted to incomes of 4 637 653,9 lei income and 4 679 516,4 in expenses with a deficit of 41 862,5 thousand lei. Thus, MHIF expenditures exceeded revenues by 0,9%. The respective deficit was covered from the cumulative balance established at the beginning of the year. As of 31.12.2014 MHIF cumulative balance amounted to 242 669,0 thousand lei, decreasing by 41 862,5 thousand lei compared to the beginning of the year. According to the legislation in force, the balance of funds in MHIF bank accounts that were undistributed at the funding of the respective funds deficit, were used during the budget year to cover temporary cash discrepancies.

MHIF income

In 2014, MHIF incomes accumulated in the sum of 4 637 653,9 thousand lei, or at a level of 99,6%. Compared to 2013, the amount of accumulated income increased by 476 452,6 thousand lei or 11,4%.

The accumulation of MHIF income below the set annual targets is due to revenue collection from compulsory insurance premiums in fix and percentual form by 15 017,0 thousand lei (13,7%) and respectively 12 655,2 thousand lei (0,5%) less than the amounts forecasted. Simultaneously, the transfers from the state budget were transferred to the level of annual forecasts (Table 1).

Table 1. MHIF incomes (thousand lei)

Indicator name	Approved	Forecasted	Executed	Deviations (+,-) executed versus forecasted	Ratio (%) executed versus forecasted
Income, total	**4 723 575,2**	**4 654 499,8**	**4 637 653,9**	**- 16 845,9**	**99,6**
including:					
CHMI premiums as percentual contributions to the salary and other rewards	2 332 456,8	2 332 456,8	2 319 801,6	- 12 655,2	99,5
Fixed sum CHMI premiums paid by individuals with residence in Moldova	109 661,1	109 661,1	94 644,1	- 15 017,0	86,3
Other incomes	12 000,0	12 000,0	22 826,3	+ 10 826,3	190,2
including:					
interest	*10 280,0*	*10 280,0*	*18 106,4*	*+ 7 826,4*	*176,1*
other income	*120,0*	*120,0*	*2 523,0*	*+ 2 403,0*	*2 102,5*
fines and sanctions	*1 600,0*	*1 600,0*	*2 196,9*	*+ 596,9*	*137,3*
Transfers from the state budget for the medical insurance of categories of people insured by the Government	2 234 556,6	2 175 481,2	2 175 481,2	0,0	100,0
Transfers from the state budget for the compensation of the missed income according to art.3 of Law no.39-XVI of 02.03.2006	680,7	680,7	680,7	0,0	100,0
Transfers from the state budget for	34 220,0	24 220,0	24 220,0	0,0	100,0
achieving national healthcare programs	34 220,0	24 220,0	24 220,0	0,0	100,0
Internal grants	-	-	-	-	-
External grants	-	-	-	-	-

CHMI Premiums as percentual contribution from the salary and other rewards

The size of the CMHI premium in percentage in relation to the salary and other rewards, in accordance with the budgetary and fiscal policy, was approved through the MHIF Law of 2014 amounting to 8,0%. It should be mentioned that the percentage of the CHMI premium for the 2009-2013 period was maintained at a level of 7,0% and increased to 8,0% in 2014.

NHIC and MoH argued for a gradual increase in the percentage share with the need to cover the increase in consumer prices and the need to increase the volume and quality of medical services provided to the population, including through PMSI capacity building, using contemporary medical equipment and technologies.

These insurance premiums were collected in a sum of 2 319 801,6 thousand lei which is 12 655, 2 thousand lei less than the annual forecasts amount to 99,5% of these forecasts. As a share, this income ranks first and constitutes 50% of the total MHIF accumulations for 2014.

Fixed sum CMHI primes, paid by individuals residing in the republic of Moldova

The size of the CMHI 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 2014 an average annual salary of 50 700 lei was forecasted (or 4225 lei x 12 months). By applying the percentage of 8,0%, the CHMI premium was calculated as a fixed amount of 4 056,0 lei.

The 22,2% increase of the CHMI fixed amount premium 2013 (3 318,0 thousand lei) is due to the increase in the percentage share of the CMHI premium and the average annual wage growth forecasted for the respective year based on macroeconomic indicators (from 47 400 lei in 2013 to 50 700 lei in 2014).

In 2014, a discount of 50% was applied according to the MHIF Law, just like in the previous years, for persons who paid the insurance premium in a fixed amount, excluding notary publics, bailiffs and lawyers, regardless of legal form of activity organization a 75% discount for owners of agricultural land, regardless of whether or not these lands were given on lease or contracted use, paid within three months from the entry into force of the annual MHIF law.

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

Accumulations of fixed amount CMHI were of 94 644,1 thousand lei or at a level of 86,3%. Compared to the previous year, revenues increased by 2 258,8 or 2,4%, thanks to the increase of the percentage share of the CMHI premium. The share of such income constitutes 2,0% of the total revenue.

Around 68% of accumulations have been made by TA and 32% by Post offices. As for the size of discounts made for CMHI policies in the TAs, the class of recipients with a 75% discount prevails.

The number of individuals insured individually in 2014 was 48 925 people or 10 267 people less than in 2013, reaching 80% of the plan. This is explained by the fact that under the

amendments to the legislation, the number of persons insured by the state and also the people who are in the country for more than 183 days during the calendar year are not required to pay a fixed sum for the compulsory medical insurance premium.

Other incomes

In total, 22 826,3 thousand lei were accumulated at this chapter, which is 10 826,3 thousand lei more or 90,2% of the annual forecast. Overcoming those revenues to increase the amount of provisions may be explained by the increase of the interest sum for the deposits of MHIF money to depository account and through the transfer by the SMIs of disaffected means to the single account of the NHIC, following the amendments brought to the legislation.

However, compared to 2013, a decrease of 30,7% (10 126,2 thousand lei) may be registered. This occurred due to the decrease of the interest sum from depositing the MHIF financial means into depository accounts. The largest share (68,3%) of these collections is held by interest for the deposit of MHIF funds to depository accounts.

Transfers from the state budget

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

During 2014, 2 175 481,2 thousand lei were transferred from the state budget for the health insurance of the categories of persons insured by the Government, the annual forecasts being met fully. Simultaneously, an increase by 1,9% (39 922,5 thousand lei) was registered compared to state budget transfers made in 2013. As a share, this income type constitutes 46,9% of total MHIF accumulations for 2014, being one of the largest after the incomes obtained from the accumulations of CMHI premiums in percentual quotas.

✷ MHIF expenses

The funds, regardless of payment source, are accumulated in the single NHIC being later distributed according to legal requirements to the following funds (according to Annex 1 to the 2014 MHIF Law):

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

Table 2. Use of MHIF means (thousands of lei)

Name of indicator	Approved	Forecasted	Executed	Deviations (+,-) executed versus forecasted	Ratio (%) executed versus forecasted
Expenses, total	**4 823 575,2**	**4 904 499,8**	**4 679 516,4**	**- 224 983,4**	**95,4**
including:					
Fund for payment of current medical services (basic fund)	4 493 700,9	4 521 200,9	4 399 838,5	- 121 362,4	97,3
Preventive measures fund (to prevent health risks)	46 893,6	36 893,6	27 552,0	- 9 341,6	74,7
CHMI reserve fund	71 893,6	60 318,2	3 268,3	- 57 049,9	5,4
Fund for development and modernization of public healthcare service providers	143 787,1	218 787,1	189 354,2	- 29 432,9	86,5
CHIS administration fund	67 300,0	67 300,0	59 503,4	- 7 796,6	88,4

⇨ Expenses from the fund for the payment of current medical services (basic fund)

EPHH

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

EPHH was given for surgical emergencies and was assured continuously, from the place of accident or illness and during the transportation to the moment of the patient's transfer to the MSI.

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

The following methods of payment were used in EPHH:

→ payment „per capita" (94%);

→ bonuses for performance indicators (6%).

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

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

2) providing the regional station with doctors.

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

In 2014 the EPHH service has handled 901 894 requests (compared to 816 323 requests in 2013, which constitutes an increase of more than 85 571 requests).

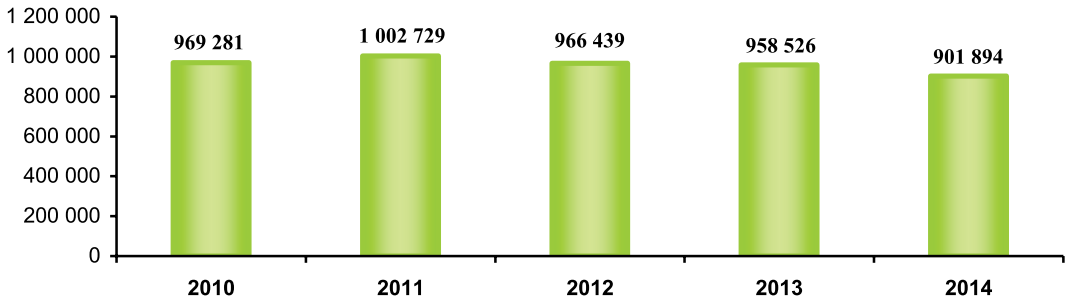


Figure 1. Number of requests handled by EPHH

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

PMA

PMA was provided by family doctors for diseases and conditions provided in the CHMI single Program.

The following methods of payment were used in the PMA:

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

When planning the volume of health services for contracting in the PMA in 2014, the total number of persons (insured and uninsured) recorded in the „Register of persons on record in SMIs that provide PMA in CHIS" was taken into consideration. Contracting PMA was performed according to the „per capita" principle, the tariff being differentiated by three age groups:

a) age 0 to 4, 11 months, 29 days;
b) age 5 to 49, 11 months 29 days;
c) age 50 and over.

For the provision of PMA, NHIC contracted 267 SMIs, including 2 republican, 20 municipal, 229 districtual, 5 departmental and 11 private.

For the execution of the action included in the „European Integration: Freedom, Democracy, Welfare" Government program for 2011-2014 referring to the institutional autonomy of primary health care in 2014, NHIC contracted, the frames of Primary Medical Assistance, 216 Autonomous healthcare centers, which is 57 more than in 2013 (Table 3).

Table 3. Number of contracted autonomous healthcare centers

	2010	2011	2012	2013	2014
Contracted autonomous healthcare centers	47	60	94	159	216

The Health Centers' Institutional Autonomy Statute gives them access to their own financial means, their management based on necessities and stimulates the improvement of the institution's management capacity. The impact of implementing this measure on persons included in CHIS is to enhance accessibility for people in rural areas to medical services provided by the family doctor.

During 2014, the NHIC monitored the activity of PMA providers and found that the insured persons made 10,4 mln. visits to family doctors (compared to 9,5 mln. visits in 2013 or 0,9 mln. more visits).

Also, in 2014, family doctors made 694,6 thousand visits to uninsured persons, compared to 683,9 thousand visits in 2013 (Figure 2).

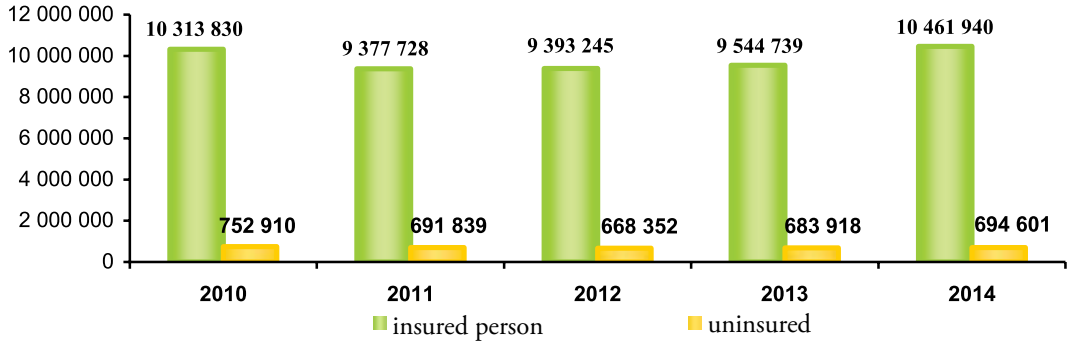


Figure 2. Number of visits to the family doctor

At the same time, in 2014, 37 Youth Friendly Centers and 25 Community Mental Health Centers were contracted in the frames of the PMA. The contracting of these centers shall thus be carried out according to the „global budget" principles, which are subdivisions of Family Doctor's Centers. Contracting these centers contributes essentially to reducing the incidence of STIs/HIV, unwanted pregnancy and abortion levels, drug use, alcohol abuse, psycho-emotional disorders among youth.

During 2014, the NHIC has monitored the number of visits provided at these centers and found that the insured persons made 100 670 visits to Youth Friendly Centers and 39 482 to Community Mental Health Centers.

SOPH

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

For the provision of SOPH in 2014, NHIC contracted 114 SMIs, including 17 republican institutions, 21 municipal institutions, 62 district institutions, 5 departmental and 9 private institutions.

During 2014, the NHIC has monitored the number of visits given by specialized doctors and found that during the insured persons have been provided with medical services in the course of 7 112 634 consultative visits (compared to 7 109 483 in 2013), including 707 812 visits in dental healthcare, compared to 662 334 visits in 2013 (Table 4).

Table 4. Number of provided consultative visits

Years	2010	2011	2012	2013	2014
Total visits	**6 094 119**	**6 578 959**	**6 994 135**	**7 109 483**	**7 112 634**
including: visits in dental healthcare	619 183	661 911	678 578	662 334	707 812

Compared to 2013, we observe an increasing number of consultative visits to specialized doctors, which shows an increase of the insured persons' accessibility to specialized medical services. Since 2011, NHIC also covers expenses for food, public transport to/from home for uninsured persons, tuberculosis patients without M. Tuberculosis secretions.

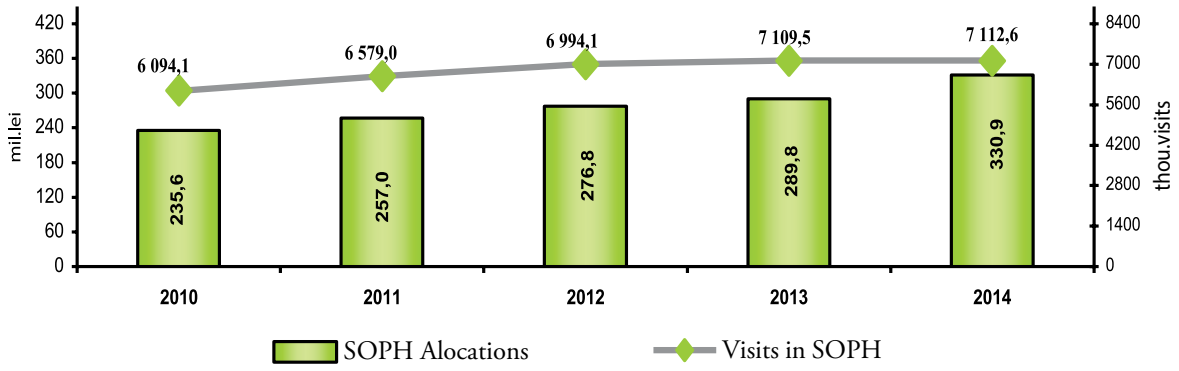


Figure 3. Dynamic of SOPH allocations and number of provided visits

HH

According to provisions of the CHMI Single Program, HH is granted to insured persons in cases when delivering health care can not be performed in outpatient conditions or the patient's health requires hospital surveillance. Emergency hospitalizations are a priority. At the same time, hospitals SMIs have the option of a programmed internation of patients based on the referral ticket issued by the Family Doctor or Specialist Doctor.

74 SMIs were contracted for the provision of hospital care, including 15 republican, 10 municipal, 35 district, 7 departmental and 7 private ones.

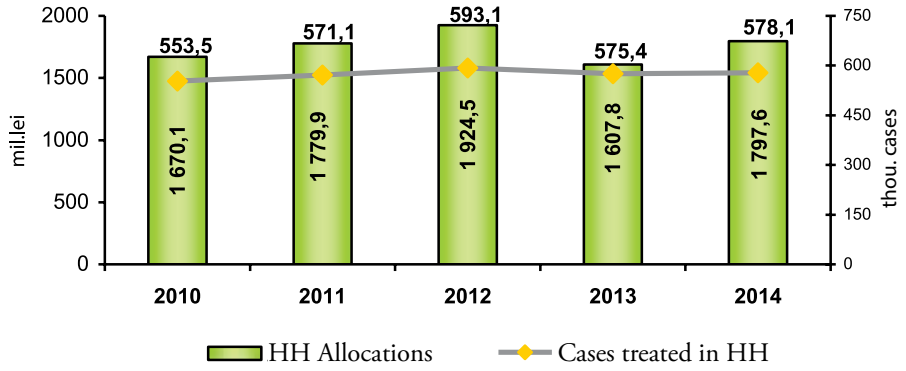


Figure 4. Dynamic of allocations for HH and number of treated cases

During 2014 there has been an increase of 0,8% in the number of validated cases treated, while the complexity index of cases increased by 4,1%.

Since 2014, according to Single Program provisions, NHIC covers expenses related to treatment through the transplantation of organs, tissues and cells. Other activities in the pre-transplant and post transplant treatment were covered by the national transplant program for 2012-2016. In 2014 10 liver transplants and 9 kidney transplants were performed totaling 7 400,0 thousand lei.

At the same time, NHIC paid for hip/joint arthroplasties as well as for the treatment of cases in interventional cardiology and cardiosurgery.

Table 5. Number of hip/joint arthroplasties as well as cases in interventional cardiology/ cardiosurgery paid by NHIC

Years	2010	2011	2012	2013	2014
Hip/joint arthroplasties	686	995	898	1 103	1 168
Interventional cardiology/ cardiosurgery	822	774	1 105	2 161	3 153

HPMS

Contracting advanced medical services was made based on „the per service" principle.

For the provision of these services, 48 MSI (8 republican, 5 municipal, 1 district, 1 departmental and 33 private) were contracted.

Table 6. Number of high performance services provided

Name of service	2010	2011	2012	2013	2014
Nuclear magnetic resonance	4 518	5 261	9 866	16 596	19 566
Computed Tomography	32 152	40 393	37 751	43 710	44 559
Scintigraphies	11 432	11 894	8 217	8 035	8 083
Angiographies	2 748	3 023	2 961	3 587	4 591
Genetic Investigations (determination of RNA, DNA of pathogenic agents in biological material)	16 487	26 851	37 978	46 802	49 682
Aortography	388	381	304	400	868
Coronary angiography	1 421	1 446	1 739	142	265

By monitoring the activity of contracted HPMS providers, a growth may be observed, both in the number of high performance investigations provided as well as in their spectrum. Thus, in 2014 the number of investigations provided was of 621 605 compared to 562 652 in 2013, or with 58 953 more services (Figure 4).

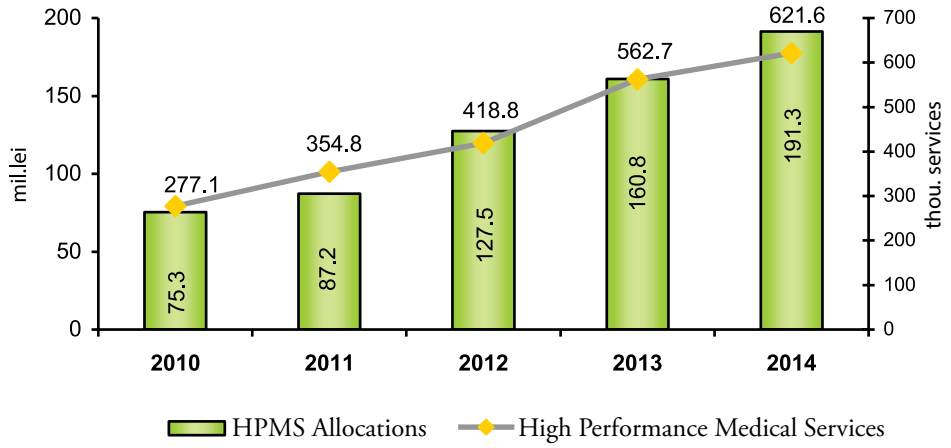


Figure 5. Dynamic of HPMS allocations and number of services provided

Community, palliative and home healthcare services

Home healthcare services, to which the persons insured have the right, are offered by authorized providers and contracted by NHIC.

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

→ monitoring temperature, blood pressure, respiration, pulse, urine and fecal output – in patients with cerebrovascular accidents, chronic cardio-circulatory failure and digestive tract, liver and pancreas pathology in the uncompensated period;
→ care of wounds, bedsores, trophic ulcers, etc.;
→ care of stomas and care of patients with cases of unnaturally placed anuses;
→ washes: ocular, auricular, vaginal and gastric;
→ enemas with an evacuative and therapeutic purpose;
→ gastric survey with evacuative purpose and purpose to feed the patient;
→ palliative care in home conditions;
→ symptom control (care in case of vomiting, nausea, constipation, diarrhea and others) and pain (pain level assessment, and tracking the effect of pain relief medication).

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

In 2014, 207 providers were contracted (including in hospice conditions) for this kind of healthcare compared with 147 suppliers in the previous year, which allowed for an increased access for the elderly, lonely and disabled persons to such medico-social assistance recommended by the WHO.

Contracting medical care at home was made by the „per visit" principle. Thus, in 2014, 80 030 visits were provided under medical care at home, compared to 123 541 such visits in 2013. And health care contracting in hospice palliative care was performed according to the „per bed-day" principle. In 2014, 35 365 bed-days were conducted compared with 12 376 bed-days in 2013.

Compared to 2013, an increase in the number of bed-days of palliative care in hospice conditions may be observed (2,9 fold growth), showing an increase in accessibility to healthcare care of insured persons with palliative care in hospice conditions.

⇨ Expenses from the fund of preventive measures (to prevent health risks)

In 2014, from the preventive measures fund, expenses of over were incurred expenses amounting to 27 552,0 thousand lei or 74,7% of the total were made, or 9 341,6 thousand less than the annual forecasts. Compared to 2013, expenses from this fund fell by 2 310,4 thousand lei or by 7,7%. However, preventive measures fund expenses increased 4 times in 2014 times compared with 2010, with an increase from 6 312,2 thousand lei to 27 552 thousand lei (Figure 6).

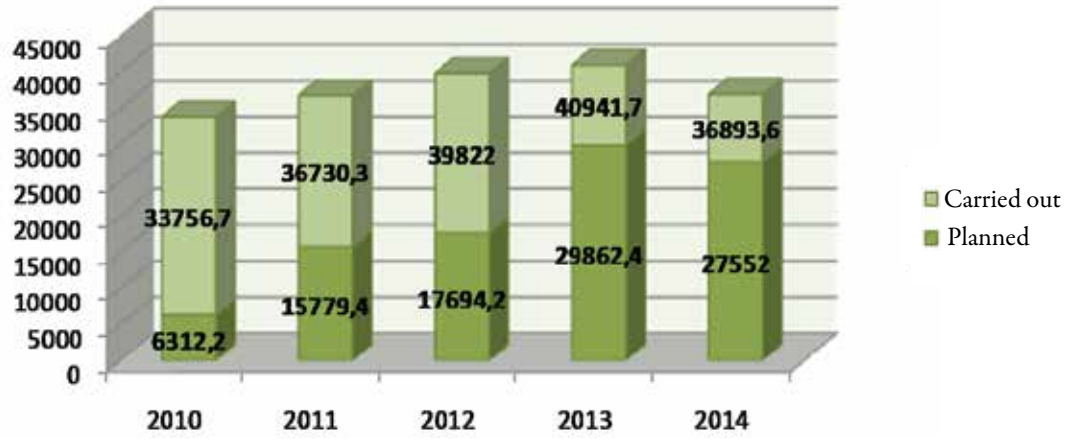


Figure 6. Size of the preventive measures fund

Of the total expenditures made, the major share of 47,8% (13 166,2 thousand lei) was spent for the procurement of vaccines, 17,7% (4 878,0 thousand lei) – for the purchase of medicine reducing the risk of disease, 13,0 % (3 581,4 thousand lei) – for making a screening regarding diseases with significant social impact, 4,4% (1 215,0 thousand lei) – for the purchase of protective equipment to prevent Ebola hemorrhagic fever and 17,1 % (4 711,4 thousand lei) in expenses for carrying out measures to promote healthy lifestyles.

Transfers from the state budget for the implementation of national healthcare programs, predestined for the purchase of injectable antidiabetic drugs (insulin) amounted to 24 220,0 thousand lei.

Regarding the screening compartment on some diseases with significant social impact, NHIC has financed projects in the amount of 3 581,4 thousand lei.

In the compartment „Taking measures to reduce health risks", NHIC purchased:

→ Hepatitis B vaccines – 2 186,0 thousand lei;
→ vaccines against rabies – 1 533,7 thousand lei;
→ vaccines Hepatitis A – 3 115,0 thousand lei;
→ influenza vaccines – 6 331,5 thousand lei;
→ zoledronic acid, medicine for prevention of osteoporosis – 4 841,8 thousand lei;
→ antirabic immunoglobulin – 36,2 thousand lei;
→ protective equipment to prevent Ebola hemorrhagic fever – 1 215,0 thousand lei.

To promote a healthy lifestyle during 2014, NHIC has carried out several national awareness-raising and communication campaigns, namely:

„Promoting healthy lifestyles. 2014 Edition"

To accomplish this campaign, agreements were signed in the amount of 6 533 2 thousand lei, while the amount paid for the Campaign from the Fund for preventive measures amounted to 4 711,4 thousand lei.

This Campaign directly focused on addressing the following topics:

1. healthy nutrition and food safety;
2. promoting regular physical activity, sport and adopting a healthy lifestyle;
3. behavioral education through the abandonment of harmful habits (harmful use of alcohol, tobacco and drugs);
4. non-transmissible disease prevention conditioned by an unhealthy way of life;
5. strengthening the capacity of the family doctor to promote healthy lifestyles, primary and secondary prevention, including immunizations;
6. personal hygiene and environmental sanitation. Community and individual safety.

The instruments used to promote the campaign were as follows:

1. developing a popular-scientific periodical promoting healthy lifestyles;
2. on-line media campaign and SMS sending;
3. campaign in national printed media;
4. broadcasting of campaign clips on radio and TV, including of the „Also say Yes to your health during the holidays";

5. placing a total of 26 street billboards, of which 12 – in the Chisinau municipality and 14 in the districts of the country (territorial agency headquarters);
6. interior paneling in the Chisinau International Airport, south, center and north bus stations, including rural ones, post offices and cinema theatres;
7. advertising on LED-VIDEO street panels: 3 panels in Chisinau, 1 in Ungheni and one in Cahul;
8. indoor advertising in public buses: 60 lines from the Chisinau Municipality and its suburbs;
9. outdoor advertising on public buses: 33 intercity routes between the Chisinau Municipality and District centers and 60 routes in the Chisinau municipality;
10. advertising in minibus taxi routes 20 lines by 3 cars in the Chisinau municipality.

„Say 'YES' to your health"

In this campaign, three districts of the RM were selected (Edinet, Cahul, and the Chisinau Municipality), while the event consisted of the following:

1. the BioFest Healthy Foods Fair, field equipped with pavilions for the exhibition and sale of organic products;
2. flash mobs with campaign messages;
3. concert with the participation of local celebrities;
4. sports competitions (mini-football, wrestling, archery, chess, checkers, short distance running);
5. field for children's recreational activities and games, field for „asphalt drawing";
6. round-trip cycling race Edinet- Zabriceni Monastery, Cahul-Oancea Border passing and 2 round-trip cycling races taking place in the Chisinau municipality for amateurs and professionals, Stefan cel Mare Public Garden - City Gates building complex and Stefan cel Mare Public Garden - Hancesti. Upon returning, the cyclists participated in a raffle with numerous prizes;
7. promotional, informative and illustrative materials (shirts, hats, pens, folders, posters, cardboard folders, book notes, flags) were designed, printed and distributed;
8. the event was attended by several doctors who offered free medical consultations and advice on healthy lifestyles;
9. during the months of November-December 21 trainings on the above mentioned topics (message) were organized and conducted for healthcare and non-medical professionals in the municipalities of Chisinau, Edinet, Leova and Ungheni, attended by 388 people. There were also 135 trainings organized with the participation of 3221 students from 18 high schools and abovementioned school districts. Materials (informative brochures) were developed during the project materials.

World diabetes day – 2014

To mark this day, the NHIC, in partnership with the TAs and the Chisinau Public Health Centre, has conducted a public information and awareness campaign whose topic was „Education in Diabetes" and the slogan „Diabetes – prevention is the key!". Over 8 200 test for the determination of glucose levels were purchased and distributed according to TA requests.

Actions taken by the South-East, North-East, South-West, Central and North-East TAs in partnership with medical institutions were as follows:

1. Systems to verify the level of glucose in the blood, Bionime tests for the measurement of glycaemia in the blood and Bionime lancets were distributed.
2. An „Open Doors Day" was carried out, during which free measurements of glycaemia levels in the blood and blood pressure measurements were taken from all the persons that wanted such tests.
3. TA employees travelled to local entities with information materials (books, pens, posters, maps, flags, other information gathered from official sources, printed on paper on „Preventing diabetes") aiming to promote a healthy lifestyle based on proper diet, exercise, which would bring added value even in diabetes management.
4. Organization of round tables entitled „Together we reach further".

In the Chisinau Municipality, the Chisinau Public Health Center in cooperation with the NHIC carried out blood sugar tests among employees of the „Franzeluța" JSC, the „Efes Vitanta Brewery Moldova" JSC, „Bucuria" JSC factories and the „Nr. 1" Supermarket. Blood pressure measurements for the determination of glucose levels were carried out in 3970 people.

„Also say „Yes" to your health during the holidays"

The event took place on December 20, 2014 in the Marii Adunari Nationale Square and was comprised of the following activities:

- artistic program and physical activities plateau;
- skating;
- hockey competitions;
- throwing snowballs;
- pulling the rope;
- mandarin estafeta;
- a raffle where two bicycles were put into play.

An advertising video clip was released promoting healthy food and was placed on the television stations with national coverage.

Screening for some diseases with significant social impact

In this section the NHIC has undertaken the following activities:

→ carrying out a complex clinic-instrumental screening to detect precancerous processes and breast cancer – 5 560 people examined, 2 174,8 thousand lei;

→ carrying out a complex clinic-instrumental screening to detect complex processes causing cardiovascular disease – 5 173 people examined, 498,0 thousand lei;

→ carrying out a complex clinic-instrumental screening to detect precancerous processes and cervical cancer – 3 816 people examined, 747,4 thousand lei.

Carrying out a complex clinic-instrumental screening to detecting prostate cancer – 275 people examined, 122,7 thousand lei.

The purpose of the screening project was to help improve the long-term indicators of health status and lower mortality rates from cervical cancer, breast cancer, prostate cancer and cardiovascular diseases.

The expected results of the program are to increase knowledge on prevention of these diseases, information on risk factors that can trigger a malignancy in the body, realizing the importance of developing and implementing prevention activities against cancer and cardiovascular disease.

⇨ Expenses from the CMHI reserve fund

The sum of 3 268,3 thousand lei was paid from the reserve fund to compensate the difference between actual expenditure for the payment of medical services provided in the HH and contributions accumulated in the basic fund.

Table 7. Structure of expense from the CMHI reserve fund (thousands lei)

Indicator name	Approved	Projected	Executed	Deviations (+,-) executed versus projected	Share (%) executed versus projected
Expenses, total	**71 893,6**	**60 318,2**	**3 268,3**	**- 57 049,9**	**5,4**
including:					
Hospital healthcare	-	-	3 268,3	-	-

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

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

→ purchase of health care equipment and means of transport;
→ implementation of new heating technologies, medical waste processing and water supply;
→ modernization and optimization of buildings and infrastructure;
→ implementation of information systems and technologies.

In order to ensure regular use, MoH and NHIC approved the Regulation on the criteria and methods of selection and ongoing investment projects financed by the development and modernization of public healthcare providers, which sets rules for the launch, design, delivery, evaluation, selection and monitoring of investment projects financed from the Development Fund.

The functions for the organization of competitions to select investment projects are carried out by the Joint Committee, comprising six MoH representatives, 5 NHIC representatives, 2 civil society representatives.

Under the MHIF Law of 2014, with further amendments, for the financing of investment projects of development and modernization financial means in the amount of 218 787,1 thousand lei were approved from the fund to develop and modernize public healthcare providers activity.

Expenditures in the amount of 189 354,2 thousand lei, 29 432,9 thousand lei less or 86,5% of the forecasted sum were paid from the development fund, which is 51 167,6 thousand lei or 37,0% more compared to 2013. As a proportion of total spending this fund holds the second position with 4,0%.

The summary of expenses made from the development fund for the 2010-2014 period are presented in the table below:

Thousand lei

Years	2010	2011	2012	2013	2014
Fund to develop and modernize public healthcare providers activity	14 054,6	35 007,3	111 248,1	138 186,6	189 354,2

The figures above show a substantial increase in the amount of funds allocated from the development fund, of about 13 times in 2014 compared to 2010.

Of the total funds recovered during 2014 – 152 505,0 thousand or 80,5% were used for the execution of contracts concluded in previous years.

During 2014, 111 investment projects were successful in obtaining finance from the development fund, of which 32 projects submitted by public urban/district MSI and 79 projects were submitted by rural public SMIs, which shows a prevailing tendency of public funds being allocated to predominantly rural sector public SMIs.

The financial means of the development fund were directed for its intended purpose of use, as follows: for the purchase of fixed assets – 25 787,6 thousand lei (24 contracts); for modernizing and streamlining the infrastructure – 84 842,5 thousand lei (76 contracts) for the complete construction of public MSI – 17 694,4 thousand lei (11 contracts).

⇨ Expenses from the CHIS administration fund

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

However, during the last years, the share of these expenditure is maintained below 1,3%.

In 2014 the expenses from the administration fund of the CMHI system were carried out in the amount of 59 503,4 thousand lei or at a level of 88,4%, which is 7 796,6 thousand lei less than the annual forecasts. Compared to 2013, expenditures increased by 10 125,3 lei or 20,5%.

The preponderant part of management fund expenditure is represented by current expenditures, totaling 48 652,3 thousand lei or 81,8%, capital expenditures with 10 851,1 thousand lei represent a share of 18,2%.

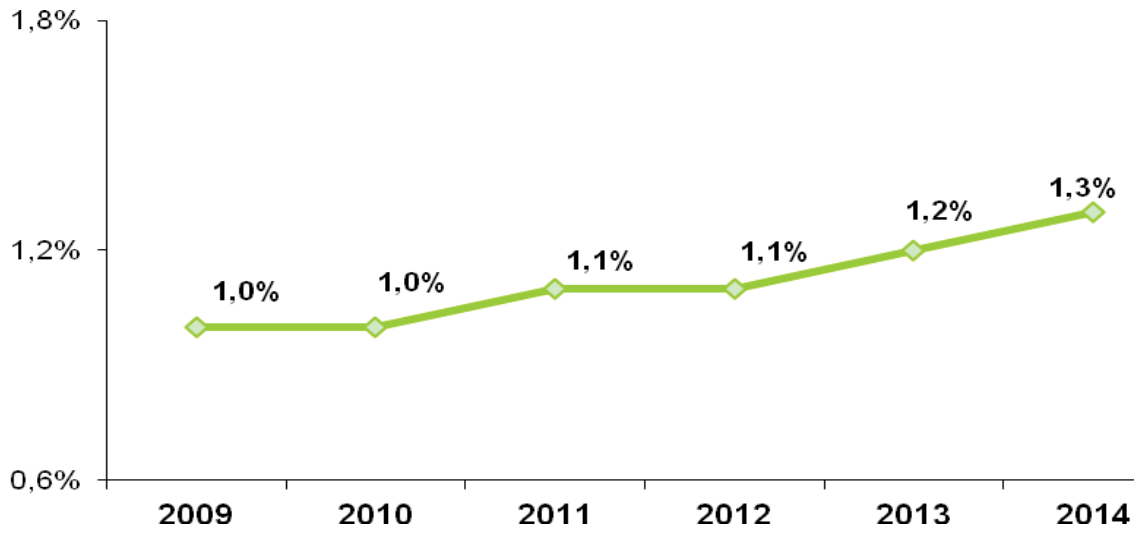


Figure 7. Share of CHIS administration fund expenses of the total MHIF incomes

04 Strategic topic: NHIC - an efficient institution

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

During 2014, the NHIC had the great opportunity to adhere to international best practices in the field of CMHI by participating in various international conferences and seminars in the following countries: Estonia, Spain, Georgia, Azerbaijan, Turkey, Ireland, Holland, Italy, Germany, Kazakhstan and Russia.

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

✷ NHIC Capacity building in the field of auditing the coding of the DRG system

The objective of this project was the development of clinical coding audit methodology and the creation of a software program for carrying out a coding audit in medical institutions in order to train future auditors.

During the project NHIC developed the audit software program which was then tested in 3 pilot hospitals to achieve the process of piloting the data coding audit process in the DRG system.

Thus, after the pilot stage of the DRG coding audit, needs have been assessed to improve the procedure and software program in order to expand this activity for all SMIs in the country.

Similarly, to improve the organizational capacities of NHIC, due to good cooperation with its counterpart institution in Estonia, in October 2014, a new cooperation agreement for an indefinite term was signed, providing development and strengthening cooperation in the health funding system and CMHI. Thus, cooperation is intensifying on priority fields such as the performance management system, financial forecast, active purchase of health services and their pricing, application of information technologies to solve various problems.

✷ Logistical support for the development of CHIS in the RM

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

Also during 2014 there were 2 visits by an Estonian team of experts on the following topics: implementation practices of different pricing systems (DRG system), methods to calculate cost and DRG relative value in the RM, contractual components concluded with hospitals, criteria for the selection of healthcare services providers, methodology to train/create/establish the list of subsidized drugs, developing the digital recipe principle.

Additionally, NHIC specialists had 2 study visits to the Health Insurance Fund of Estonia, where the following topics were discussed: risk management and development strategies, campaign organization, communication management, Principles of amending the healthcare benefits package, specialized healthcare price formation, evaluation of activities, training system, rational use of medicines.

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

During 2014, the NHIC has initiated, negotiated and adhered to these two international networks.

Consequently, because of membership in the „Joint Learning Network for Universal Health Coverage" (JLN) international network, NHIC will benefit from experience sharing with the network's member countries.

At the same time, NHIC will share information with countries within this network on its activity in CMHI, application procedures and financial mechanisms eligible for creating financial funds to cover the costs of treatment and prevention of diseases and conditions, quality control of granted healthcare and of the CMHI regulatory framework.

The universal objective of the respective universal international network is to exchange information and news regarding the universal coverage of health services for the entire population.

A second international network that NHIC joined, „Pharmaceutical Pricing and Reimbursement Policies" (PPRI) has accessing and promoting the exchange of information and experience on pharmaceutical policies among network members as its main objective. Thus, following the accession, NHIC benefits from an exchange of experience in pharmaceutical policy.

✷ Logistic support in implementing the development of the 2014-2018 NHIC Strategy

In this project, in collaboration with an international expert, 4 missions took place where target groups were formed with its responsibilities. A number of activities took place during the missions, such as making presentations to all heads of NHIC structural divisions, including TA, quarterly reporting on accomplishing the NHIC Institutional development strategy for the 2014-2018 period by all leaders of NHIC structural divisions; review of Strategy, developing individual and collective performance indicators; skills development for top managers.

Objective 2: Aligning the NHIC structure to Strategy provisions

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

During 2014, in order to adjust functional attributions to the new NHIC structure, all the regulations on the organization and operation of internal divisions as well as job descriptions (about 150 documents) have been developed, coordinated and approved.

✷ Review of operational and systemic procedures

Operational and system procedures in the NHIC (a number of 41 documents) were identified, updated and approved. At the same time, each employee was familiarized with the system procedure and monitored in strictly respecting the work process.

✷ Carrying out a survey regarding employee satisfaction and the activity of NHIC and TA internal divisions

In order to assess the degree of employee satisfaction and to measure strengths and weaknesses, perceived by employees as well as to investigate on the extent of actors' impact contributing to employee motivation in the workplace, an interview was carried out with 212 employees from a total of 300 employees, which is 70,6%, in the June 18-24, 2014 period.

After processing the results, it was discovered that most respondents, about 74,5%, were satisfied with working in the NHIC, 24,5% of respondents said they are very satisfied, while 0,9% indicated that they are unhappy with working in the NHIC.

Objective 3: Developing NHIC staff competences

✷ Implementation of the administration system of management staff skills

At the beginning of 2014, the Instruction on the evaluation of NHIC internal divisions' management professional skills was drafted and approved.

The assessment procedure has been implemented in practice through the organization, in the March 1 to March 30, 2014 period of a procedure for the self-assessment of professional skills of NHIC management, to which 72 leaders were subject.

During the April 1 to 18, 2014 period, an interview-based evaluation procedure was conducted.

On April 29, 2014, the Report on the results of the assessment of NHIC internal division leaders was presented.

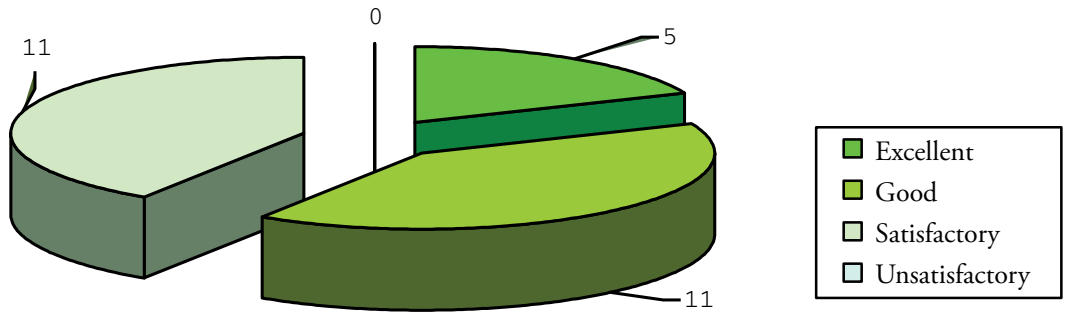


Figure 1. Graphical presentation of the competence manifestation levels

According to data in Figure 1, the majority of leaders evaluated (11) showed an „adequate" level of professional skills and objective achievement degree, 11 leaders have shown „good/ very good" results, 5 persons have shown – „excellent" results. No leader has received an „unsatisfactory" mark.

Given the analyzed professional needs, the Professional development plan for NHIC internal division leaders was developed.

✷ Professional training of NHIC employees

To develop and maintain the high professional standards of NHIC employees, by deepening and updating knowledge, develop professional performance and improve their professional development process, the process of internal thematic training of NHIC employees was launched.

The following objectives were pursued during the ongoing internal training:

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

During the months of September to December 2014, six thematic seminars were organized. Of the 333 NHIC employees, 131 received training, which amounts to 39,33% (Figure 2).

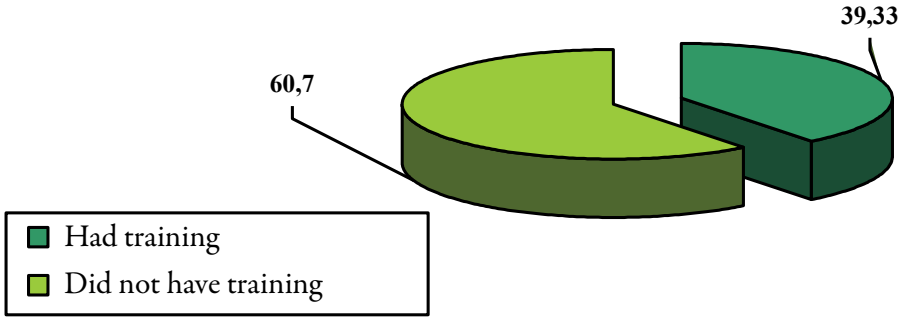
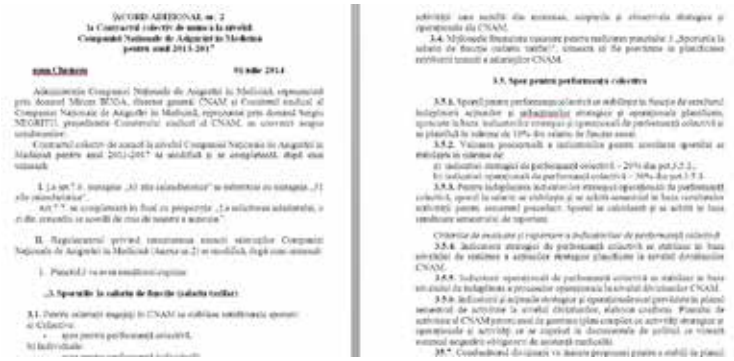


Figure 2. Structure of NHIC employees trained in the September-December 2014 period

Also in the reference period, several NHIC employees have made study visits and exchanged experiences abroad the RM. As a result they shared the information and knowledge obtained during these visits in the course of thematic internal training seminars.

✷ The introduction of collective and individual performance indicators and performance measurement



Amendments to the Regulation on the remuneration of NHIC employees were developed and approved. Through these changes, the increases for individual and collective performance and criteria of evaluation and reporting were identified.

The methodology to calculate premiums and labor remuneration based on collective performance indicators has been developed and introduced in the Collective labor agreement at the NHIC level through Additional Agreement no.2 of September 1, 2014.

Objective 4: Improving and creating new IS

During 2014, a number of steps further were taken towards the development of the NHIC SI.

✷ The M-Cloud Government Platform

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

The successes achieved in this direction are as follows: the identification and testing of a technical solution to migration large

data to/ from M-Cloud, the „CHMI" AIS was installed and configured in the M-Cloud, the configuration of the interaction of the „CMHI" AIS with other IS in the NHIC was carried out.

This allowed for the transition from the distributed architecture of the „CMHI" database to the single central database, which brought a number of benefits in using the automated „CMHI" IS:

1. the necessity to carry out data exchanges between the servers of the automated „CHMI" IS, which required significant hardware and human resources, has disappeared;
2. the access of the automated „CHMI" IS users to data registered in the system by the NHIC divisions in other localities was accelerated. At the moment, the access to such data is made instantly as soon as they have been recorded, while previously, such data was only accessible as the result of data exchanges between the servers of the automated „CHIS" IS which occurred 1-2 times per day.

✷ The „Register of healthcare insurance policies issued by the „Posta Moldovei" State Enterprise" IS

Together with partners Electronic Governance Center and the „Posta Moldovei" SE, in 2014 the MPay Government Electronic Payment Service was implemented for persons who are insuring themselves privately through post offices.

This system provides online exchange between the NHIC and „Posta Moldovei" ES of the data on issued policies, including the policy serial number and the amount paid for it.

Thus, a new technological process has been applied to the service of individually insured persons through Post offices, allowing for the online viewing of operations carried out and granting the insured persons status in much faster terms. In this context, in order to insure the functionality of the process, an Agreement was concluded with the Electronic Governance Center on the provision of electronic payment services.

The implementation of the „Register of Healthcare insurance policies issued by the „Post Moldovei" ES" allowed for the following:

1. ensure accuracy and consistency of data - up to its implementation there were frequent human errors in filling out common policies, which caused many problems appeared in the service of patients by MSI;
2. persons who have purchased medical insurance, obtain the Insured person in the NHIC IS in a quasi on-line mode (maximum 15 minutes after payment);
3. issuance, by post offices of a new type of policy to insured persons, policies valid not just for one year, but for life.

At the same time, the „Register of Healthcare insurance policies issued by the „Post Moldovei" ES" IS was migrated to MCloud, allowing rapid exchange of data between the automated „CMHI" IS, the „Register of Healthcare insurance policies issued by the „Post Moldovei" ES" IS and the „Online verification of the insured person status in CHMI" IS.

✷ „DRG system coding audit" IS

The system was developed in order to facilitate the implementation, in the NHIC, of the project regarding NHIC staff training to carry out missions of auditing the medical services provided by SMIs providing hospital healthcare.

The main functions of the system are:

1. automation of the MSI medical records audit;

2. compared audit of results obtained upon the audit of medical records;

3. applying the DRG system grouping procedure to results obtained from the comparative audit and comparing them to the result of grouping initial data from the MSI.

The „DRG system coding audit" IS contains a reporting module that allows to evaluate the effectiveness of the audit process, as well as to estimate the accuracy of the DRG system coding performed by the MSI.

In the coming years special attention will be given to the development of new information systems in the context of implementing the National Strategy for eHealth and the Strategic Program for Technological Modernization of Governance (e-Transformation).

✷ „Development fund registry" IS

The launch of this system will allow for the automation of the recording and reporting processes related to the development fund management.

✷ The „Register of reports on the development of the MSI income and expense business-plan from MHIF means" IS

The modernization of the „Register of reports on the development of the MSI income and expense business-plan from MHIF means" IS has been launched.

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

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

Throughout 2014, there were quarterly reporting meetings on the results of executing the NHIC activity plan regarding the implementation of the Strategy. The monitoring of the reporting, analysis and monitoring of the execution of the operational plan and Strategy is carried out during the whole year, with quarterly reports being made and presented to the NHIC management.

✷ Enhancing the capacities of financial planning and execution with a priority on accomplishing strategic and operational objectives

NHIC structural divisions were consulted for proposals on priority needs to be covered from MHIF. The draft MHIF Law for 2015 was developed based on the need to ensure the funding of priority actions determined and assessed based on proposals by NHIC structural divisions in the limits of available funds.

✷ Consolidating the financial management and control system

In order to implement appropriate internal controls in 2014, NHIC continued strengthening the financial management and control system initiated in 2010. A number of measures have been taken for this purpose, such as:

1. the Working Group responsible for strengthening the financial management and control system in the NHIC was established;
2. new NHIC system and operational procedures were reviewed and approved;
3. NHIC organized a training seminar on the „Implementation of financial management and control" for 96 of its employees;

DECLARAȚIA PRIVIND BUNA GUVERNARE

În temeiul prevederilor art.16, alin.(1) din Legea nr.229 din 23.09.2010 privind controlul financiar public intern, subsemnatul, Diana Grosu-Axenti (numele, prenumele)

În calitate de vicedirector general (denumirea funcției) declar că Compania Națională de Asigurări în Medicină (denumirea entității publice),

dispune de un sistem de management financiar și control a cărui organizare și funcționare permite furnizarea unei asigurări rezonabile (permite integral/ permite parțial/ nu permite)

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

Sistemul de management financiar și control cuprinde (cuprinde integral/ cuprinde/ cuprinde parțial nu cuprinde)

mecanisme de autocontrol, iar măsurile privind creșterea eficacității acestuia au/ nu (au/ nu au) la bază evaluarea riscurilor.

Pe baza rezultatelor autoevaluării, apreciez că la data de 31 decembrie 2014 (anul) sistemul de management financiar și control al Companiei Naționale de Asigurări în Medicină (denumirea entității publice), este conform (conform complet/ conform/ parțial conform/ neconform) cu Standardele naționale de control intern în sectorul public.

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

Data 20 februarie Semnătura

4. NHIC structural divisions have completed the Risk register for the fourth quarter of 2014, by strategic and operational objectives, according to the Plans of Activity of the NHIC structural divisions for the fourth quarter of 2014.

Simultaneously, in the context of provisions of Paragraph (1) Article 16 of the Law no.229 on Public Internal Financial Control of September 23rd, 2010, on February 20, 2015, the NHIC endorsed the Declaration on good governance for 2014.

✷ Ensuring the conduct of the audit activity

In 2014 according to the annual work plan, the internal audit department conducted three audit missions of operational processes and one audit mission to assess certain components of financial management and control. Audit missions carried out during 2014 are:

1. assessing the effectiveness of the procurement process;
2. evaluation of the control environment within the NHIC and TA;
3. Assessment of human resource management;
4. evaluation of the secretariat process, including monitoring and control - a joint mission carried out with the involvement of internal auditors in four public institutions and with the support of a foreign expert.

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

Thus, in 2014, 11 recommendations for audit were submitted for implementation. Of all the recommendations submitted, nine were fully implemented, with 1 being partially implemented and 1 not being implemented because of amendments and completions to the Strategy, which stipulates the implementation of the recommendation in 2016.

Also, in order to deepen knowledge in the field of financial management, control and internal audit, NHIC employees have, during 2014, participated in seven meetings/seminars/trainings/ conferences on the following topics: sampling instruments, NSIH's shared experience in strategic planning, the Internal Audit regulatory framework, carrying out an internal audit mission, the responsibility of management for good governance, aligning public Internal Financial Control to EU requirements, IT audit, performance audit.

Priorities and objectives for the year 2015

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

- further development of the beneficiary relations function and improving the quality of beneficiary service in the TA;
- continuing the activity to develop and implement electronic channels to serve CHIS beneficiaries;
- diversification of contracting mechanisms and payment methods for the later concrete evaluation of correctly provided services and the supervision of the correct use of intended financial sources;
- reviewing the stimulation program based on PMA performance;
- introducing performance-based stimulants in improving the efficiency and quality of HH;
- changing the agreements for the provision of healthcare with the inclusion of responsibilities on all levels in case of agreement clauses violation and infringements of normative acts in force;
- improving the mechanism for SOPH provider contracting;
- developing requirements on the development of the HMPS register IS;
- intensifying activities to strengthen the financial and control mechanism;
- the taking of responsibility by all NHIC employees in the process of implementing/strengthening the financial management and control system;
- intensifying cooperation with state institutions as well as international cooperation in the field of CHMI regarding the provision of the NHIC with the information necessary for the successful accomplishment of professional duties.

Annex

NHIC Organizational structure