

QUESTIONS AND ANSWERS ON THE GOVERNMENT'S POLICY APPROACH TO REGIONS

What does the Government's policy approach to regions mean in terms of the healthcare and social welfare reform?

On 9 November, the Government published more information about its policies on the reform package on healthcare, social welfare and autonomous regions. There will be 18 autonomous regions in the country, of which 15 will organise healthcare and social welfare services in their area themselves. The remaining three autonomous regions will provide services with the support of one of the other autonomous regions. Besides healthcare and social welfare services, other duties will also be brought together under the autonomous regions. The reform is intended to come into force on 1 January 2019.

The existing division into regions will be used as a basis for dividing the country into autonomous regions. The aim is that responsibility for the organisation of healthcare and social welfare services will be transferred from joint municipal authorities and local authorities to the autonomous regions on 1 January 2019. Where an autonomous region deems its resource capacity insufficient for organising healthcare and social welfare services, it is possible to seek government approval to arrange the services in cooperation with another autonomous region. The Government may also initiate this procedure or a crisis procedure relating to an autonomous region in the event of statutory criteria being fulfilled. The resource capacity of the autonomous regions will be assessed at least every five years, when the Government decides on the organisation of healthcare and social welfare. This will ensure that the autonomous regions are able to organise uniform healthcare and social welfare services while at the same time maintaining a good basis for the sustainability of public finances.

Each autonomous region will provide the necessary services itself or together with other autonomous regions, or may use the services of the private sector or the third sector.

What is the aim of the reform now being prepared?

The aim of the reform is to ensure equitable healthcare and social welfare services and to bridge the sustainability gap by EUR 3 million. To achieve this, the population base of the authorities responsible for organising services will be expanded and operating practices and service structures revamped. At the same time, the goal is to safeguard local services as well as grassroots decision-making in the regions.

How will the customer's freedom of choice be increased?

As part of the reform, legislation on freedom of choice will be enacted, enabling customers to choose between public, private or third sector service providers. Freedom of choice will be the main principle at the basic service level. Where appropriate, the same principle will also be applied in specialised healthcare and social welfare services. Government proposals will be submitted to Parliament as soon as possible following the act on organising healthcare and social welfare services. The aim is that legislation simplifying multisource financing and increasing freedom of choice will enter into force on 1 January 2019. Freedom of choice serves to create more robust services, especially at the core level, and safeguard swifter access to care. Freedom of choice will be ensured for individuals by introducing uniform quality criteria and through public information that helps people make their choices about services.

How will 24-hour services be organised, and what will be the role of hospitals?

There will be 12 units (hospitals and associated 24-hour intensive social welfare services points) operating on a broad basis around the clock. All the other existing central hospitals will continue as units providing a more limited range of 24-hour services, supported by the network of 12 hospital units offering broad-based

24-hours A&E services and the emergency care system. This way, there will be 24-hour A&E services and other specialised services available in different parts of the country, taking distances and other regional special characteristics into account. Finland's five university central hospitals (Helsinki, Tampere, Turku, Oulu and Kuopio) will continue as now.

Will the autonomous regions be responsible for duties other than those related to the organisation of healthcare and social welfare?

Yes. The autonomous regions will be multiplex. They will be responsible for the following functions: rescue services, the duties of the regional councils, the duties of the Centres for Economic Development, Transport and the Environment within the scope of regional development and business finance, and possibly also environmental healthcare. The content of the duties to be transferred and how the transfers should be carried out will be assessed during the preparation. In January 2016, on the basis of reports, the Government will decide on the preparation of the regional government reform package and on other duties that may be transferred to the autonomous regions.

The mode of 18 autonomous regions means that existing cooperation structures in the regions can be put into effective use. The management of change will be less of a challenge than in the case of a smaller number of regions. The autonomous regions will be authorities responsible for duties other than just healthcare and social welfare services. This is a good model for making democracy, language rights and citizens' right to participate work well.

Will the number of government levels increase?

The number of government levels and government organisations will be reduced compared with the present situation. Public administration in Finland will be organised on a three-tier level as follows: central government, autonomous regions, local government. The model will significantly reduce the number of public administration organisations and bodies and will deliver savings in administrative expenditure when dozens of joint municipal authorities and various cooperation organisations can be dissolved.

How will the administration model outlined by the Government help bridge the sustainability gap?

When the number of organising authorities is reduced from the present nearly 150 designated municipalities or to less than 20, it will be possible to manage resources much more effectively than at present. This will require basic health care and specialised medical care to be integrated in such a way that basic health care and social welfare services operate seamlessly, thereby ensuring, for example, a sufficient supply of doctors, people's access to care and more efficient procurement throughout Finland. Institutional care can be reduced, preventive efforts enhanced and older people's need for services deferred. Broader shoulders will facilitate better division of responsibilities and more efficient use of new forms of service.

The introduction of new digital service solutions and interoperable ICT systems will also play a significant role in generating savings. Sufficiently strong central government steering will be required to disseminate best practices and implement resource and content management.

How will central government steering be strengthened?

During the reform process, the Government will decide on, among other things, the organisation of the autonomous regions' healthcare and social welfare services and on a public service pledge. In addition, the Government will decide on the duties and division of responsibilities of national specialised units, and will steer any large investments, ensuring equal access to services and the execution of freedom of choice.

How will the quality and cost-effectiveness of public and private healthcare and social services be ensured?

In the new model, quality and cost data on public services and those purchased from private service providers must be publicly comparable. The autonomous regions must evaluate the expediency of providing services themselves in relation to the service provision of the private sector and the third sector

as well as those provided in collaboration with other regions. The autonomous regions' own provision of services will be led by professional managers separately from decision-making relating to the organisation of healthcare and social welfare services. Quality and cost data on public healthcare and social services and those that are obtained from private providers with public funding will be publicly available so that they can be openly compared.

How will opportunities for small businesses to provide their healthcare and social welfare services in the regions be ensured?

Effective competition and diverse provision of healthcare and social welfare services will be ensured in the drafting of legislation and in the regional implementation of the healthcare and social welfare reform package. Procedures will be prepared to make sure that new service providers and small and medium-sized enterprises will be able to provide the services.

How will healthcare and social welfare services be financed in the future?

In the future, local authorities will no longer finance healthcare and social welfare services. The funding of the future autonomous areas will be prepared primarily on the basis of the central government's responsibility for funding. There will also be further investigation of a model that would be partly based on the autonomous areas' own right to levy taxes. The effects of these alternative solutions will be assessed and compared. More detailed funding policy outlines will be included in a draft Government proposal to be circulated for comment in April 2016.

How will the transfer of property and personnel to the autonomous regions take place?

In the healthcare and social welfare reform project, consideration is currently being given to how transfers of healthcare and social welfare property and personnel from joint municipal authorities and local authorities to the autonomous regions could best be implemented. This will be decided separately on the basis of alternative solutions studied during the preparation. It is particularly important that the status of personnel during the change is taken into account. Changes in the status of personnel will be implemented as economically as possible and adhering to good human resources policy.

How significant is digitalisation in the reform?

Digitalisation will play a major role in the reform. According to productivity studies, around half of the operational efficiency and productivity gains derive from the use of ICT and digitalisation. Through digitalisation, it will also be possible to encourage people to assume more responsibility for their own well-being and health. In addition, digitalisation will facilitate new kinds of business related to wellness technology and gene technology.