

General Administrative and Economical Aspects

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INTRODUCTION

Because my field of knowledge, at least to some extent, is in administration, my intention is to give an overlook of the health care system in Finland. I am doing this, as I hope, to describe a system, that in my opinion gives fairly good preconditions to arrive at a good standard of services in laboratory medicine as well. In this short presentation focus is put upon comments on general organization, on the planning process and allocating of resources, on general expenditure and last but not least important, on late tendencies in development of health care administration. The approach I have described, although done on a very general level, is essential also to understand the role and position of every part of health care services, as laboratory medicine, in the health care system as a national entity and in the overall producing of high standard and optimal services.

ORGANIZATION/ADMINISTRATION

The health care system in my country has since the seventies gone through considerable change in many ways. The main target has been focused on developing primary health care (PHC) as a system of good standard and availability of services. Local authorities (460 in 1989) are mainly responsible for producing health care services. PHC-services are handled by about 215 health centers (partly as local authorities joint functions)¹ and hospital services (purely as joint functions; from 1991 on,

¹Public Health Act, 1972

on an uniform base) by 21 hospital care districts² (in contrary to about 100 hospital districts today). This gives excellent possibilities to achieve good regional cooperation, which, according to legislation, is also compulsory between different levels of service. This also includes the obligation for the hospital district to direct the development and ensure the standard of, for instance, laboratory medicine services in all hospitals and health centers in the (central) hospital district region.

PLANNING SYSTEM AND ALLOCATION OF RESOURCES

The cabinet approves every year, covering the next five years, when presenting state budget proposal to parliament, the national plan for producing social welfare and health care services. The provincial authorities (12) approves (and also allocate resources for instance laboratory staff) regional (hospital care) and local (PHC, environmental health) plans, designed according to general goals and priorities given in the national plan, within limits of those resources allocated by Ministry of Social Affairs and Health to the province in question. Local authorities implement the approved plan. The planning process does not include the private sector, though.

EXPENDITURE

Health care share on GNP has during many years been very steady at a level of 6-7 percentage (%). The increase of the amount of elderly, technological and methodological development, increasing demands, decentralization etc. may result in an increase in the health care share of GNP to about 10% in the year 2030.

The local authorities get state subsidies (reimbursement) and the amount is based on the approved plan and solvency class of the local area (in general 48-50% of all expencies reimbursed on national level).

²Special Hospital Care Act, 1990

TENDENCIES IN DEVELOPING ADMINISTRATION

In the seventies and partly in the eighties central state control has been very rigid and planning very prescriptive. There has since a number of years been a strong tendency to increase independence of local authorities. State authorities are not any more to any substantial degree allowed to give instructions or directives to local authorities in other sense than almost pure informative. There is also strong evidence, that local authorities very soon can have their state subsidies without any preconditions or "earmarking" and also without close supervision.

The outcome of this development is an open question. There is much good to say about it. There may on the other hand, for instance, be increasing differences in the level of services between local areas and between hospital districts. The subunits are responsible for developing services and there might be vigorous competition of resources even inside health centres and inside hospital districts. The role of state provincial authorities in securing even overall optimal development will diminish. This may indicate, that conditions for developing laboratory medicine services as well, are increasingly depending on abilities of the laboratory itself and on able leadership. As an administrator and looking on the health care system as a whole, you may notice the "seed of unhealthy inclination" in the overall development due to too much authority (and ability) on the part of individual experts and their ability to influence the political decision makers. The question of assuring minimum amount of all kinds of health care services for the population in all parts of the country is an important one, especially in times of lack of staff.

OPTIMAL USE OF RESOURCES

At least in theory and on a national level it may be increasingly difficult to achieve optimal use of resources due to increased independence of local authorities. Thinking for instance of laboratory medicine, there are some questions in the mind of an administrator, which have partial relevans also to what has been said above. These are of course well known aspect

and have also been discussed very much in the context of actual NORDKEM projects. The following comments have their relevans specially in primary care:

Right diagnosis with a minimum of tests! All new inventions must not necessarily and straigth away be adopted and used! Test but dont't harm! The customer (patient in PHC) in focus. Individual variations means lack of exact knowledge (continuity in care will help, though). There is little need of a very sophisticated and scientific level of laboratory services in everyday production of primary care services. Secure enough but not unnessessary high quality.

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