TRANSFER OF RISK FROM THE
INSURED TO INSURER

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INSURANCE

- Transfer of risk from the insured to insurer
- Reducing financial losses
MANDATORY AND VOLUNTARY INSURANCE

- Mandatory health insurance - conducted by CHIF
- Voluntary health insurance - conducted by CHIF/insurer
VOLUNTARY HEALTH INSURANCE

- Supplementary (difference up to the full cost of health care)
- Additional (higher standard)
- Private (persons who do not have mandatory health insurance in Croatia)
SUPPLEMENTAL HEALTH INSURANCE

Participation (cost-sharing)

• Present in almost all EU countries
• Basic model to reduce unnecessary use of public health services

Supplemental health insurance

• Mode to reduce the negative impact of participation (social aspect)
• In Croatia since 2002 (since 2009 liberalized)

Insured may choose:

- To bear the risk alone
- Voluntarily disperse the risk through insurance policy
Scope of health insurance

• Health care is completely covered by CHIF
• 20% of the full cost of health care
• Amount of the cost of health care determined by the percentage of the budgetary base (0.30%, 0.75%, 1.50%, 3.01%, 30.07%, 15.03%)
• Maximum amount per invoice- 2,000.00 kn
Health care is completely covered by CHIF

- entire health care of children until they acquire 18 years of age,
- preventive and specific health care of school children and students,
- preventive health care of women,
- health care of women in relation to the monitoring of pregnancy and childbirth,
- health care in relation to medically assisted reproduction,
Health care is completely covered by CHIF

- preventive health care of persons over 65 years of age,
- preventive health care of disabled persons form the register of persons with disabilities established by special regulations,
- overall health care in relation to HIV infections and other contagious disease for which the law stipulates the implementation of measures to prevent their spreading,
Health care is completely covered by CHIF

- compulsory vaccination, immunoprophylaxis and chemoprophylaxis,
- complete medical treatment of chronic psychiatric diseases,
- complete medical treatment of malignant diseases,
- complete medical treatment which is the consequence of recognized injury at work, respectively occupational diseases,
Health care is completely covered by CHIF

- hemodialysis and peritoneal dialysis,
- health care in relation to taking and transplanting the parts of human body for therapeutic purposes,
- outpatient emergency medical care in the area of emergency medicine which includes emergency transportation (by land, water or air),
- home visits and treatment provided at home,
Health care is completely covered by CHIF

- community nursing health care (patronage)
- medical transport for special categories of patients according to the Regulation of the minister responsible for health,
- drugs from the basic list of drugs of the CHIF prescribed on prescription,
- health care in the home of the insured person,
- laboratory diagnostics at the PHC level
What is „covered by“ DZO

• difference up to the full cost of health care from mandatory health insurance
<table>
<thead>
<tr>
<th>Health care</th>
<th>Budgetary base</th>
<th>Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td>Specialist and consultative health care, including day hospital, and surgical procedure in day hospital (on an outpatient basis), except outpatient physical medicine and rehabilitation</td>
<td>0,75% from budgetary base</td>
<td>25,00 kuna</td>
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<tr>
<td>Specialty diagnostics which is not at the level of PHC</td>
<td>1,50% from budgetary base</td>
<td>50,00 kuna</td>
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<tr>
<td>Orthopaedic and other aids determined by the general act of the CHIF</td>
<td>1,50% from budgetary base</td>
<td>50,00 kuna</td>
</tr>
<tr>
<td>Specialist and consultative health care in outpatient physical medicine and rehabilitation and in physical medicine and rehabilitation at home</td>
<td>0,75% from budgetary base per day</td>
<td>25,00 kuna po danu</td>
</tr>
<tr>
<td>Hospital health care</td>
<td>3,01% from budgetary base per day</td>
<td>100,00 kuna po danu</td>
</tr>
<tr>
<td>Dental health care in mobile and fixed prosthetics of adults from 18 to 65 years of age</td>
<td>30,07% from budgetary base</td>
<td>1,000,00 kuna</td>
</tr>
<tr>
<td>Dental health care in mobile and fixed prosthetics of adults older than 65 years of age</td>
<td>15,03% from budgetary base</td>
<td>500,00 kuna</td>
</tr>
<tr>
<td>Maximum amount of participation in the costs</td>
<td>60,13% from budgetary base</td>
<td>2,000,00 kuna</td>
</tr>
</tbody>
</table>
Budgetary base for 2015

- 3.326,00 kn
Now...

- CHIF DZO does not make barriers for ensuring elderly, sick and socially vulnerable people
- Equal opportunity for all citizens
- Health services must be accessible to all under equal conditions throughout the country

**CHIF**
- Leader in DZO
- Ø = 55.5 years
- 70 kn /mj

**Other insurers**
- 0.12 million insured
- 0.26 mlrd kn premiums
- Ø = 43.7 years

**from 46 kn/month**
Analysis of the situation

Commercial insurer

• Provide insurance for people with low risk (lower premium)

DZO sector

• Provide insurance for people with highest risk

• Equal opportunity to all
Protected public interest (Solidarity)

Financial stability of health

Equal market competition

Preservation of valuable state assets

Preserving the access to DZO model

Popularization of DZO (market growth)

Improving the system of participation (new product)
Non-economic activities with the use of market mechanisms results in:

- rational behaviour of DZO company (business efficiency, competitiveness, innovations)
- corporate social responsibility of commercial insurers (acceptance of all groups of insurers)
Instead of conclusion

- there are room for improvement of DZO,
- significant role of CHIF (corrective)
- aim is to increase public awareness about the necessity of taking care of their own health
- in future it should be considered whether to incorporate in premium the behavioral risks
- it is necessary to take educative and preventive actions,