EU experience with cross-border care coordination framework

Reinhard Busse, Prof. Dr. med. MPH
Department of Health Care Management
Berlin University of Technology
(WHO Collaborating Centre for Health Systems Research and Management)
&
European Observatory on Health Systems and Policies
• Problem of **migration** –
  person moves job and/ or residence from country A to B:  
  *insurance in which country?*

• Problem of **cross-border care** –
  person is insured in country A but needs/ receives services in B:  
  *which determines benefits, fee schedule, accessibility, quality?*  
  *and which one reimbursement of the patient?*

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**Country A**

- Benefit Package A using Service Taxonomy A and Fee Schedule A  
  - Accessibility $A_x$  
  - Quality of service $A_x$

**Country B**

- Benefit Package B using Service Taxonomy B and Fee Schedule B  
  - Accessibility $B_x$  
  - Quality of service $B_x$
The EU, social protection and cross-border care

- a very short introduction

• Treaty of Rome (1957) created European Economic Community (EEC) by 6 countries (Belgium, France, Germany, Italy, Luxembourg, Netherlands) as foundation for economic cooperation → common market with 4 freedoms for persons, goods, services and capital

• Freedom of “persons” therefore seen economically; necessary: clarity about social security (e.g. to guarantee accumulation of pension entitlements when changing jobs across borders) → regulated in 1958 and 1971 (EEC still 6 members)

• Regulation that country of work is responsible for social security (and not country of residence), including dependents → relevant also for health insurance, which continued to be regulated nationally with different contributions, benefits ...
The EU, social protection and cross-border care – responsibility for health insurance

Regarding cross-border care, the regulation (1408/71) determined for the entire EEC:

• Responsibility for frontier workers (working in country A, living in B) – insured in A, but access to services in A and B (proven by form E106, today S1); paid by insurer in A

• Access to services while on work- and leisure-related travel outside country A (= insurance, proven by E111, today EHIC): entitlement to services of country B (as insured in that country) but only if “immediately necessary”; provider in B is paid at B fee level by insurer in A

• Access to services which are in benefit package of country A but not available within country (e.g. transplantation in LUX): patient receives E112 to get treatment in other country B; provider in B is paid at B fee level by insurer in A
Arrangements for short-term stay (EHIC)

Country A

Insurer A

Contributions

Insured person A

Insurer B

Reimbursement according to fee schedule B

Provider B

Benefit package B if “necessary"

Patient A

Falls ill while in country B

As tourist, on business etc.

Insured person A

Country B

If no waiver agreement: Invoice

Beijing, 25 Aug 2017

EU experience with cross-border care coordination
The EU, social protection and cross-border care – developments since 1990s

Two drivers of change from social protection to patient rights:

• Persons (especially pensioners) want to stay longer in other countries (e.g. for the winter) and not return to country of insurance if chronically ill → expansion of “immediately necessary” to “necessary for time of intended stay”; provider in B is paid at B fee level; insurer A pays fixed amount to country B and gives patient E121 form

• Patients needing care want to choose providers and services in other countries → issue became known through Kohll and Decker cases (next slide) → first political denial, then >10 years political debate until 2011

→ Patients self-initiating care in other countries are now entitled to reimbursement at fee level of country A (always for ambulatory care; for inpatient care prior authorization may be required)
Arrangements for long-term stay (E121)

Country A

Insurer A

Fixed amount/month

E121

Contributions

Insured person A

Country B

Insurer B

Reimbursement according to fee schedule B

Provider B

Benefit package B if “necessary”

Access acc. rules B; presents E121

Patient A

Insured person A (registered in B)

To stay longer/permanently

Beijing, 25 Aug 2017

EU experience with cross-border care coordination
A new dimension: the European Court of Justice cases Kohll and Decker (1998)

Probably the first article about the cases (in Eurohealth, 1998)
## Willingness to travel to another EU country to receive medical treatment

<table>
<thead>
<tr>
<th>Push factors (why people go)</th>
<th>Pull factors (why people don’t go)</th>
</tr>
</thead>
<tbody>
<tr>
<td>- Availability of treatment</td>
<td>- Satisfied with care at home</td>
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<tr>
<td>- Quality and safety</td>
<td>- Treatment near home</td>
</tr>
<tr>
<td>- Provider’s reputation</td>
<td>- Language barriers</td>
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<tr>
<td>- Timeliness (waiting lists)</td>
<td>- Legal uncertainty</td>
</tr>
<tr>
<td>- Affordability</td>
<td>- Lack of information about availability and quality</td>
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<tr>
<td>- Responsiveness</td>
<td>- Financial cost</td>
</tr>
<tr>
<td>- Information</td>
<td>- Administrative complexity</td>
</tr>
<tr>
<td>- Increased mobility</td>
<td></td>
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</tbody>
</table>
### Milestones 1998-2011 → Directive on the application of patients’ rights in cross-border healthcare

<table>
<thead>
<tr>
<th>Year</th>
<th>Event</th>
</tr>
</thead>
<tbody>
<tr>
<td>1998</td>
<td>First rulings Kohll &amp; Decker</td>
</tr>
<tr>
<td>2001</td>
<td>Smits-Peerbooms rulings</td>
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<tr>
<td>2002</td>
<td>Revision of the sickness benefits chapter of Reg. 1408/71 on social security coordination</td>
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<tr>
<td>2003</td>
<td>Müller-Fauré/van Riet ruling</td>
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<td></td>
<td>Report on the application of internal market rules to health services</td>
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<tr>
<td></td>
<td>High level reflection process on patient mobility and healthcare developments in the EU</td>
</tr>
<tr>
<td>2004</td>
<td>Adoption of Reg. 883/04 on social security coordination</td>
</tr>
<tr>
<td></td>
<td>Introduction of the European Health Insurance Card</td>
</tr>
<tr>
<td></td>
<td>Commission proposal on services in the internal market</td>
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<tr>
<td></td>
<td>Creation of the high level group on health services and medical care</td>
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<tr>
<td>2006</td>
<td>Commission draft Regulation implementing Reg. 883/04</td>
</tr>
<tr>
<td>2006</td>
<td>Watts ruling Exclusion of health services from the Services Directive</td>
</tr>
<tr>
<td></td>
<td>Council Statement on common values and principles in EU health systems</td>
</tr>
<tr>
<td>2007</td>
<td>EP report on the impact of the exclusion of health services from the Services Directive</td>
</tr>
<tr>
<td></td>
<td>Consultation process on Community action on health services</td>
</tr>
<tr>
<td>2008</td>
<td>Adoption of the new proposal by the College of Commissioners</td>
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<tr>
<td>2009</td>
<td>Adoption of implementing Reg. 987/09 on social security coordination</td>
</tr>
<tr>
<td></td>
<td>First reading in EP</td>
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<tr>
<td>2010</td>
<td>Commission/France ruling Monti Report on Single Market</td>
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<td></td>
<td>Council adopts common position</td>
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<td>Second reading in EP</td>
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<td>2011</td>
<td>Adoption of the Patients’ rights Directive</td>
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Modernised social security coordination
(Regulations 883/04 and 987/09)

• Previously: Regulation 3/58 and 1408/71

• Basic principles of social security coordination
  – Statutory cover for healthcare outside the state of affiliation (insurance) under certain conditions according to the legislation of the state of stay (treatment) «as if the person was insured there» at the expense of the former
  – Refund by the competent state on the basis of actual cost, except if agreed otherwise (waiver, claim compensation, etc.) or on the basis of fixed amounts (for pensioners and family members residing outside the competent state)

• Key elements of modernisation
  – Temporary stay: «immediate» → «necessary» care
  – Extended rights for pensioners and frontier workers
  – Prior authorisation: undue delay (medically justifiable time limits)
  – Electronic exchange of social security information (EESSI)
  – Reinforced duty of information to citizens about rights
The 3 aims of this Directive

1. Help patients to exercise their rights to reimbursement for healthcare received in another EU country.

2. Provide assurance about safety and quality of cross-border healthcare.

3. Establish formal cooperation between health systems.
1. Helping patients

- **Information to patients**
  
  *Patients will have access to all relevant information via National Contact Points.*

- **Rules of reimbursement**
  
  *Clarification of rules - patients will know:*
  
  1. need for prior authorisation; 2. reasons for refusal; 3. level of reimbursement, and 4. need for up-front payment

- **Procedural guarantees**
  
  *Patients will benefit from:*
  
  1. clarification of responsibilities; 2. clear rules if something goes wrong; 3. right to review of administrative decisions; and 4. right to judicial proceedings
« Old » and « new » patient rights in cross-border healthcare

Social protection (MS of affiliation)
• Right to reimbursement of (planned) treatment abroad
  – *As if treatment was received at home (country of affiliation)*

• Making the social security coordination Regulations 883/04 and 987/09 more concrete
  – Right to E112 if conditions are met
    • Care is part of the benefit package
    • Care cannot be delivered within medically justifiable time-limits (undue delay)

Consumer protection (MS of treatment)
• Common operating principles (and structures to support them) that citizens would expect to find in any health system in the EU
  – Quality and safety standards
  – Informed (consumer) choice
  – Redress mechanisms and complaint procedures
  – Liability insurance or similar
  – Privacy and data confidentiality
  – Access to personal medical record
  – Non-discrimination

Beijing, 25 Aug 2017
Self-initiated cross-border care (without E112)
## In summary: Population coverage in EU

<table>
<thead>
<tr>
<th>Contents</th>
<th>Details in EU</th>
</tr>
</thead>
</table>
| 1 MANDATORY: Defining which entity is responsible for coverage especially whether place of residence or place or work; may go into more details e.g. regarding dependents or pensioners or about waiting periods | • Country of work (also for dependents)  
• Students where inscribed  
• Pensioners in country of residence if they get a pension there, otherwise in country where they were insured longest |
| 2 ADVISABLE: Requiring UHC for all entities |  |
| 3 OPTIMUM: Creating one scheme (i.e. turning framework regulation into actual regulation) depends on political strength of central vs. regional governments, and solidarity between rich and poor regions |  |
## In summary: Cost coverage

<table>
<thead>
<tr>
<th>Fee level</th>
<th>Benefit package of B (“treatment”)</th>
<th>Benefit package of A (“insurance”)</th>
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<tbody>
<tr>
<td></td>
<td>Benefit B = A</td>
<td>Benefit in B, but not in A</td>
</tr>
<tr>
<td>B &gt; A</td>
<td>Additional costs for payer A</td>
<td>Full extra costs for payer A</td>
</tr>
<tr>
<td></td>
<td>+/− for payer A</td>
<td>+/- for payer A; patient has to pay difference</td>
</tr>
<tr>
<td>B = A</td>
<td>+/− for payer A</td>
<td>+/- for payer A</td>
</tr>
<tr>
<td>B &lt; A</td>
<td>Savings for payer A</td>
<td>Full extra costs for payer A</td>
</tr>
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<td></td>
<td></td>
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Additional costs for payer A: Full extra costs for payer A

Patient has to pay full costs.
### In summary: Cost coverage

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<td>Short-term stay (EHIC) &amp; Pensioners etc. (E121) → necessary care Frontier workers (E106/S1)</td>
<td>Planned care with prior authorization (E112/S2)</td>
<td>DIRECTIVE: Self-initiated care (at least ambulatory)</td>
</tr>
</tbody>
</table>

#### EU cross-border care coordination framework

(= Regulation 883/2004 + Patients’ rights Directive of 2011)

are a compromise between different policy objectives:

- life-long social security,
- patient access, patient rights &
- predictable costs for insurers (especially in poorer countries)

<table>
<thead>
<tr>
<th>B &lt; A</th>
<th>Savings for payer A</th>
<th>costs for payer A</th>
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<th>costs</th>
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<td>Patient has to pay full costs</td>
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SOME ADDITIONAL DATA
Cost differences (examples)

Source: HealthBASKET country reports (2007); *Data for stroke vignette in Hungary, Italy and Poland not available at the time of writing.

Figure 4.1: Differences in reimbursement level (price) for selected case vignettes

Beijing, 25 Aug 2017
EU experience with cross-border care coordination
How many persons do receive cross-border care? (2013)

QD6. Have you received any medical treatment in another EU country in the last 12 months? (MULTIPLE ANSWERS POSSIBLE)

4% in 2006
(Eurobarometer 210, 2007)

Source: Eurobarometer 425 (2014)
Willingness to travel to another EU country to receive medical treatment (2014)

Malta, Netherlands & Cyprus: >66% YES
Finland: 70% NO

53% in 2007
Source: Eurobarometer 425 (2014)
Knowledge about reimbursement option (2014)

You have the right to receive medical treatment in another EU country and be reimbursed for that treatment by your national health authority or healthcare insurer.

Source: Eurobarometer 425 (2014)