NORWEGIAN MINISTRY
OF HEALTH AND CARE SERVICES

Summary in English: Report No. 47 (2008–2009) to the Storting

The Coordination Reform

Proper treatment – at the right place and right time

Preface

In public health spending per capita, Norway ranks among the highest of all OECD nations – but we have not achieved a correspondingly high level of health in return. More people are falling ill, our population is ageing, more people need help for longer periods, more diseases are treatable with new technology, and the queues are lengthening for specialist health care services. These developments are simply not sustainable, and we must deal with them. If we are to succeed in changing this direction, we must act now!

There is a great deal that is going very well, but many people still do not receive the help they need, when they need it. Insufficient coordination is the main reason that our ill elderly as well as people with chronic diseases, substance abuse problems and mental health disorders too easily lose out in Norway's current health care system.

We must be better at managing the new funds being invested in the health services. It is my assertion that much money is spent erroneously. We cannot face the challenges of the future by spending even more money incorrectly. The specialist health care services will continue to receive much and even more funding. Hospitals will be a cornerstone of the health services. But we must dare to think creatively, which means investing in prevention ahead of rehabilitation, and ensuring financial incentives that put the municipalities in a position to offer the health services their residents need.

The increased resources must to a greater extent go towards developing services in the municipalities. The municipalities should be rewarded for investing in prevention in order to reduce the need for specialist health care services. And there should be incentives for hospitals and municipalities to team up. The hospitals should provide specialist care so that the patient can quickly return to his/her home municipality after completing treatment. With smart solutions, patients will receive proper treatment at the right place and right time. We will achieve this through the Coordination Reform.

Bjarne Håkon Hanssen
Minister of Health and Care Services

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1 The Coordination Reform

Coordination has been recognised for many years as a problem within the health and care services, and many good development activities are underway. The services are of high quality and most patients are well taken care of. Users, patients, relatives and the services themselves nevertheless report that coordination remains a major problem. So better coordination should be one of the health and care sector's most important areas to develop ahead. The strong initiative for better coordination will run parallel to development activities and efforts to improve quality at the individual service sites.

The Coordination Reform points out three primary challenges in the Norwegian health services and recommends five primary steps to face them. The goal is for the patient to receive the proper treatment – at the right place and right time. The three major challenges are:

- Patients' needs for coordinated services are not being sufficiently met.
- In the services there is too little initiative aimed at limiting and preventing disease.
- Population development and the changing range of illnesses among the population.

1.1 Challenges and recommended measures

1.1.1 Challenge 1: Patients' needs for coordinated services are not being sufficiently met.

There are few systems oriented towards cohesion in those services that should meet patients' needs for coordinated services. But we have many systems involving the various partial services, for example division into organisational units and separate systems for rights, financing and ICT. There are also differing perceptions as to the goal of health services: the specialist health care services are largely concerned with the goal of medical healing, while the municipal health services are far more focused on patient functioning and coping. Differing perceptions of goals affect which issues to emphasise, which can lead to coordination problems.

Much has improved, yet feedback from patients and users indicates that coordination is often poor. This is perhaps the greatest challenge facing our health and care services. Poorly coordinated services indicate an inefficient use of resources.

1.1.2 Challenge 2: In the services there is too little initiative aimed at limiting and preventing disease.

The health services place greater emphasis on treating illnesses than on services aimed at coping with and reducing the development of chronic diseases. Prevention and early intervention efforts often lose out in the battle for resources, where the more specialised services tend to prevail. We need better systems for analysing and determining where and how our resources should be invested in the chain of prevention, diagnostic work, treatment and rehabilitation.

1.1.3 Challenge 3: Population development and the changing range of illnesses among the population

As in other Western European countries, the demographic and epidemiological patterns in Norway are undergoing great change. There are more and more elderly and increasing

numbers of people with chronic and complex illnesses. Chronic obstructive pulmonary disease, diabetes, dementia, cancer and mental disorders are all increasing sharply. These are large patient groups with a growing need for coordination. These challenges will call for more efficient management of services, and politicians will face some hard decisions on setting priorities.

The changes will create major challenges in terms of maintaining and refining Norway's central welfare schemes, so in addition to the Coordination Reform, the Government is carrying out both pension reform and the reform of the Norwegian Labour and Welfare Organisation (NAV). These three reforms are necessary for ensuring the sustainability of the Norwegian welfare system and the Norwegian National Insurance Scheme for future generations.

The challenges must be approached with the willingness and ability to work out new solutions. If not, the choice will be between the lesser of two evils: we would either see development that threatens society's sustainability, or it would become necessary over time to take prioritising decisions that conflict with the basic values of the Norwegian welfare model.

1.2 Key steps for proper treatment – at the right place and right time

The Coordination Reform recommends five key steps for dealing with the three major challenges. Equal access to good, equitable and balanced health and care services, regardless of personal finances and place of residence, will continue to be the most important underpinning of Norway's welfare model. The measures in the Coordination Reform are in part structural and in part related to framework conditions; the organisational development of services needs to undergo change, and framework conditions must be established that encourage the profession to cooperate better and provide services in accordance with political objectives. The Government returns to the Storting with its final proposal once the report to the Storting has been discussed.

The key steps are:

- A clearer role for the patient
- A new municipal role emphasising prevention, early intervention efforts, low-threshold initiatives and interdisciplinary measures
- Changing the funding system so that municipal co-funding of the specialist health care services is a vital element
- Developing the specialist health care services to enable them to apply their specialised competence to a greater extent
- Facilitating better-defined priorities
- Additionally: ICT, R&D, competent health care professionals

1.2.1 Key step 1: A clearer role for the patient

The services lack cohesion, so the patient's opportunity to participate is mostly limited to individual services. More involvement from patients and their organisations should be encouraged in efforts to implement structures and systems for more cohesive patient pathways. Good, cohesive patient pathways should increasingly become a common frame of reference for all stakeholders within the health and care services. The pathway approach will help to orient all systems and services toward assisting the individual with coping with life or restoring functioning. The Government recommends that patients with

needs for coordinated services should be assigned one person as a contact point for all the services. This is to be a mandatory scheme for the municipalities. Creating a framework in which the public must take responsibility for its own health will become a more prominent component of health policy.

The recommendations of the Coordination Reform:

1.2.1.1 Patient pathways

- Patient participation should be maintained and further developed.
- Involvement from patients and their organisations should be encouraged in efforts toward more cohesive patient pathways; they should also influence how this is to be accomplished.
- More systematic efforts in analysing and describing good patient pathways, which can promote measures for improved coordination.

1.2.1.2 Contact point for the patient

- The municipalities should be required to ensure that patients with needs for coordinated services are assigned one person as a contact point for all the services.

1.2.1.3 Review of the statutory framework

- Review the statutory framework to determine how patients and their organisations should assume a clearer role in patient pathways.

1.2.2 Key step 2: New role for municipalities in future

Changing the municipalities' role in the coordinated health and care policy should be considered so that they can fulfil the aims of prevention and early intervention while addressing the needs of patients with chronic diseases. The Coordination Reform presumes that the municipalities will play the largest part in meeting the growth in demand for health services. The municipalities should ensure that the patient receives the best effective health care service through cohesive patient pathways. The municipalities must view the health and care sector in context with other areas of society – and coordinate services that take into account the distinctive features and characteristics of various personnel groups. Patients' needs should be identified as early as possible so that services can be called in. This also applies to measures for people who have lost or are at risk of losing contact with the workforce due to health problems. The report to the Storting discusses, at an overall level, tasks for which the municipalities can take responsibility. The Government will detail the extent to which these duties can most effectively be carried out by the municipalities. Once the Storting has processed the report, the Government will take a position concerning tasking and implementation times.

Plans call for a system of binding agreements between municipalities and regional health authorities regarding distribution of duties and cooperation.

The recommendations of the Coordination Reform:

1.2.2.1 Future municipal tasks

- To a greater degree, the municipalities should fulfil the objectives of prevention and early intervention in the course of a disease.

- Submit recommendations for a new joint health and social services act. Municipal tasks and resource needs should be clarified relating to current tasking, new service provisions and reassignment of tasks from the specialist health care services.
- Emphasis should be placed on the extent to which the relevant tasks can be carried out most effectively in the municipalities.
- Further review is needed regarding how large a population base is necessary to ensure that transferring tasks to the municipalities results in health-related and socio-economic improvements.

1.2.2.2 Binding system of agreements between municipalities and health authorities

- A system of agreements on distribution of tasks and cooperation between municipalities/cooperating municipalities and health authorities should be legally established.
- The agreements should govern how the specialist health care services are to decentralise outpatient clinics, assist with expertise and knowledge transfer, internships, use of general practitioners, etc.
- The ministry is to provide guidelines and assistance.
- Systems for user involvement should be developed.
- Examine more closely how the system of agreements can bring civil society and non-governmental organisations into the processes.
- Examine more closely how the authorities should follow up the system of agreements.

1.2.2.3 Reinforcing preventative health work

- Measures should reduce and minimise the risk of illness and loss of function.
- Municipal plans should be made for prevention efforts.
- The municipalities should receive more information and guidance as to cost-effective measures that have socio-economic impact.
- Consider establishing a programme for evaluating preventative measures.
- The ministry will develop an information system for the use of specialist health care services at the municipal level.
- In the national budget for 2010, NOK 230 million is proposed for the municipalities' unrestricted income for preventative health services.

1.2.2.4 Better medical services in the municipalities

- The growth in medical resources should primarily be in the municipalities. Increase the investment in prioritised groups and general practitioners' public duties.
- Consider increasing the number of hours the municipalities can require medical practitioners to dedicate to public medical work.
- The ministry will assess the need for medical resources in the municipal health care services and in the specialist health care services.
- There is a need for research into general practice.
- Establish stronger and clearer management of medical practitioners in the following areas:
    - general practitioners' public duties that can be required of medical practitioners
    - curative work – to ensure that the practices of regular general practitioners (RGP) are in accordance with health policy priorities

    - follow up as to whether the medical practice is in accordance with national requirements and expectations for good medical practice
- Regulations and central agreements should be reviewed in the following areas:
    - function and quality requirements for regular general practitioner activities
    - legal provisions which strengthen the position of the municipalities to direct and prioritise medical resources, and which ensure that regular general practitioners coordinate with others
    - legal provisions regarding list size
    - financing system for regular general practitioners' activities and public medical work should be reviewed
- Cooperation across ministries in the following areas:
    - review of pricing system for regular general practitioners, aimed at supporting politically prioritised tasks and avoiding unintended incentives
    - a working group will review recruitment challenges and financial and administrative consequences
- Dialogue with relevant organisations regarding the development of coordination between administrative and agreement measures

1.2.3 Key step 3: Financial incentives

The most important financial instruments are municipal co-financing of the specialist health care services and municipal financial responsibility for patients ready for discharge. The intent is for the financial schemes to encourage the municipalities to assess whether positive impacts on health can be achieved by using resources differently, for example through more appropriate use of the hospitals.

Municipal co-financing of the specialist health care services will entail changing the financial parameters for the specialist health care services. The recommended financing system for the specialist health care services must support the objectives of the Coordination Reform. Activity-based financing should continue to be an important element of financing. The rate would be reduced from 40 to 30 per cent, given the heavier emphasis on prevention and early intervention efforts.

The recommendations of the Coordination Reform:

1.2.3.1 Municipal co-financing

- The ministry will continue to work on municipal co-financing, including issues such as: the size of co-financing share, risk-reducing measures, and the model for processing the flow of funds between municipalities and regional health authorities in order to calculate the following year's transfers to the municipalities.
- Following processing by the Storting, the Government will assess the model's focus and how it should be implemented.
- There will be consultation with relevant authorities before deciding upon a solution for the future financing system.
- Systems must be established which ensure that the municipalities have access to relevant administrative information.
- The scheme is expected to be implemented from 2012.
- It is presumed that solutions exist for limiting the risk to small municipalities.

1.2.3.2 Municipal responsibility for patients ready for discharge

- The scheme is to be implemented from 2012.
- Its scope and costs are to be documented and quality-assured. This applies to both somatic and mental health, as well as substance abuse.
- Rules of payment must be amended.

1.2.3.3 Increased financial framework of the specialist health care services

- Reduce the share of effort-based financing from 40 to 30 per cent from 2012.

1.2.4 Key step 4: Enabling the specialist health care services to apply their specialised competence more

A more correct distribution of tasks between the municipalities and the specialist health care services would pave the way for the specialist health care services to concentrate more on specialised health services. Greater attention to cohesive patient pathways can help patients in need of specialised services more easily find their way to the service providers with the appropriate expertise.

The recommendations of the Coordination Reform:

1.2.4.1 Administrative systems

- Administrative systems must be established that provide better security for controlling the rising costs within the specialist health care services.
- Continue and further develop the administrative system between the ministry and the regional health authorities and furthermore between the regional health authorities and the individual health authorities.

1.2.4.2 Competence

- Ensure that the specialist health care services contribute with the exchange and build-up of expertise in a reinforced municipal health care service.

1.2.4.3 Pilot hospitals

- Follow up the pilot hospital project.

1.2.5 Key step 5: Facilitating better-defined priorities

Due to inadequate cohesion, the authorities do not have a sufficiently coordinated decision-making system for the health and care services. Efforts must be made to focus more prioritising decisions on cohesion in the patient pathways, rather than partial services. The Norwegian Council for Quality Improvement and Priority Setting in Health Care (2007) plays an important role in developing more cohesive priorities. The National Health Plan should be further developed into a more operative tool for setting priorities in the coordinated health and care services.

The recommendations of the Coordination Reform:

1.2.5.1 National Health Plan

- Further develop the National Health Plan and make it a more operative tool for setting priorities.
- Submit the 2011-2014 National Health Plan in 2010.

1.2.6 Other measures

Implement ICT systems throughout the health services, and prepare a policy for research and education and a personnel policy that support the objectives of the Coordination Reform.

The recommendations of the Coordination Reform:

1.2.6.1 Development of ICT systems

- New national unit for developing and operating ICT infrastructure for the health and care sector. (The Norwegian Health Network was established 1 July 2009.)
- Consider setting deadlines for reaching certain development goals for electronic coordination within the sector.
- The ministry will discuss developing a national core journal and bring the issue back to the Storting.

1.2.6.2 Research and education, competent personnel

- Establish strategic parameters for the sphere of personnel and education.
- Review the education and research system, with the aim of providing more support to the municipal tasks.
- Framework conditions must be designed so that health care personnel are channelled into the municipal health and care services to a greater extent.
- Assess measures to develop flexibility in using the workforce.
- Assess the authorities' cooperation on dimensioning of health care personnel, focusing on how processes can be improved.
- Assess how to develop the medical practitioner distribution system in order to strengthen the legitimacy of and loyalty to the system.
- Assess whether there is a need for stricter controls and sanctioning power in cases of insufficient compliance to the system.
- The municipalities must be given contractual opportunity to safeguard their needs vis-à-vis educational institutions.
- Development and change should occur in dialogue with patient and employee organisations.
- The work will take place in dialogue with the Ministry of Education and Research.

2. The path ahead – dialogue with the stakeholders

The ministry will attach importance to dialogue with all relevant stakeholders in order to reach a mutual understanding of the challenges we face in implementing the Coordination Reform. Relevant stakeholders are patient and user organisations, volunteer organisations, private players, ethnic-minority communities, and the Sámi Parliament.

For certain areas, the Coordination Reform recommends measures that are to be introduced or it discusses main guidelines for further development activities. For other areas, outlines for solutions are discussed without specifically choosing particular solutions.

The report is based on the fact that a larger portion of the increase in the health and care sector's overall budget comes in the form of unrestricted income to the municipalities.

Measures that entail budgetary consequences will be re-examined by the Government in connection with the annual budget proposals.

Report No. 47 to the Storting (2008-2009) *The Coordination Reform, Proper treatment – at the right place and right time* was submitted to the Storting on 19 June 2009. The outcome of the Storting's treatment of the report will determine how the Coordination reform is followed up.

Download the complete text of Report no. 47 to the Storting (available in Norwegian only): www.regjeringen.no/pages/2206374/PDFS/STM200820090047000DDDPDFS.pdf

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