

Country	Estonia
Purchaser	Estonia Health Insurance Fund
Provider	The Medical Institution
Type of Service	
Government administration	
Physical plant development and capital investment	
Hospital (general and specialized)	Provide planned specialized outpatient care, planned inpatient treatment and emergency care
Basic primary care and preventive services	
Diagnostic services	Included in specialized outpatient, inpatient services and emergency care
Extended care	
Ambulance and transportation services	
Pharmaceuticals, medical supplies and equipment	
Human resources, education and training	Train specialists to implement DRGs and prepare IT software
Knowledge management	
Purchasing options	
Public-public partnership	
<i>Government service delivery</i>	
<i>Project agreements</i>	
<i>Direct subventions</i>	
<i>Autonomization</i>	
<i>Corporatization</i>	All medical care providers are incorporated under private law, most of them owned by central and local governments
Public – private partnership	
<i>Service contract</i>	
<i>Contract in</i>	
<i>Contract out</i>	Government pays private entities to provide a whole range of health services, the medical institutions are responsible for managing employment and procurement of medications and other supplies.
<i>Leasing</i>	
<i>Concession</i>	
<i>Social Franchising</i>	
<i>Divestiture</i>	
Basic Content of Contract	
Preamble	Yes
Total amount of payment	To be determined (See Annex 1 for cost of contract and Annex 2 for detailed form costing different types of health services)
Authorized persons and signature	Yes
Contract period	1 year
Summary content	Yes
Levels of services	Separate annexes depending on health institution: general acute out and inpatient care differentiated to 19 specialties (annex 2); prevention activities; dental treatment; outpatient and inpatient nursing care; See Annex 3 for service description, Annex 8-13 for the scope of services and prices
Targeted population	Insured person registered with the Health Insurance Fund
Quality standards to be achieved	Follow medical or other recognized criteria approved by the Health Insurance Fund, maintain medical records, submit quality assurance reports (Annex 4); TISS (Therapeutic Intervention Scoring System) Implementation guidelines for intensive care (Annex 13); Quality of dental treatment services (Annex 14)
Payment mechanisms	
<i>Capitation</i>	
<i>Fee-for-service</i>	Hospitals paid according to fee-for-service fee schedule
<i>Block contracts</i>	
<i>Labor and materials</i>	
<i>Cost-and-volume contracts</i>	Contracts organized using average cost per case and number of cases – Annex 2
<i>Set price</i>	
<i>Prepayment</i>	
<i>Indemnification</i>	The Health Insurance Fund pay to the Health Care Institution against a consolidated invoice; There is an absolute financial limit of the contract. See V. Cost and payment procedure, VI. Refusal of payment, VII. Inspection and payment of damages; Renegotiation procedures defined in Annex 3. The contract may be amended, suspended and terminated by an unattested written agreement of the parties.
Variations to the agreement	
Best endeavours	Dispute shall be resolved by negotiations with 30 calendar days
Arbitration	A three member arbitral tribunal shall be designated. (See Annex 16 for “Arbitration Rules”)
Statutory regulations	Health Care Services Administration Act, Estonia Health Insurance Fund Act, Republic of Estonia Health Insurance Act and other legislations
Confidentiality	Ensure the safety, privacy, confidentiality of the personal data of insured person
Information requirements and reporting formats	Not available
What do contracts manage?	Input (Type of services) Output (Volume, quality, price, timing) See Annex 3
Does the provider have discretion	
<i>To hire and fire staff?</i>	Yes.
<i>To set wages?</i>	Yes.
<i>To decide services provided within the contract?</i>	No. The Health Insurance Fund sets the types and quantities/scope of the health services. The price lists should be accessible by and visible to patients. (Annex 7: Negotiated prices and price limits)
<i>To decide services provided outside the contract?</i>	Yes, but should pursuant to the Estonia Health Insurance Fund Act, Health Care Services Administration Act and other regulations.
<i>To set prices of services covered by the contract?</i>	No. The Health Insurance Fund determines the prices of health services.
<i>To set other prices?</i>	Yes. Health Care Institution may provide insured persons with health services for a charge in case that an insured person requests the reception of a specialist without a referral letter or speedier servicing. The fee for services should be reasonable.
Is this a performance-based contract?	Maybe a part of performance pay if applicable (3.6)
Performance goals and indicators	N/A
Evaluation of Project	N/A
Links to contract	Copy of contract
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