Voluntary Health Insurance: International Experience, Evidence and Prospects for the Russia Federation

Moscow June 28, 2011

The workshop will take place in Moscow on the 28 of June 2011, as part of the World Bank Technical Assistance project “Health Financing and Organizational Reforms in the Russia Federation”.

The objective of the workshop is to discuss the potential role of Voluntary Health Insurance (VHI) in the Russia Federation.

The workshop will take place at the World Bank office in Moscow with the participations of representatives of the Federal Ministry of Health, the Federal Compulsory Health Insurance Funds and the Expert Group on “Health and the Human Environment”.

Background information

In the majority of OECD countries citizens obtain basic health coverage through the public or mandatory health insurance (MHI) system where premiums are not allowed to depend on the health status. Further medical services can be obtained through VHI. VHI can be classified according to its role in relation to the MHI. **Substitutive (or alternative) VHI** address deficiencies in the breadth of public system coverage, by providing financial protection to groups of people who are excluded from or allowed to opt out from the public system. For example, in Germany insured with an income above the eligibility ceiling can opt out from the Mandatory Health Insurance system (MHI) to seek insurance in the private market.\(^1\) With the exception of Georgia, substitutive VHI plays essentially no role in the countries that were formerly part of the Soviet Union. **Complementary VHI** cover health services excluded from the public system’s package of benefits. For example complementary VHI is purchased by more than 90% of the population in the Netherlands to cover for dental, vision and alternative medical care not included in the public mandatory package. In other countries, like Belgium and France a large portion of insured population takes out complementary insurance to cover the financial risks of co-payments. **Supplementary VHI**, on the other hand, does not exceed the health package covered by the public MHI, but provides policy-holders with faster access to health care, a higher level of inpatient amenities and greater choice of provider, in comparison with those using publicly financed services. Supplementary VHI are widespread in OECD countries. For example about 80% of the Swiss population subscribes a supplementary VHI. A significant portion of other European countries (e.g. Germany, Italy and the Netherlands) are covered by supplementary insurance.

The Russia Federation is currently considering and the possibility of introducing VHI to complement the existing MHI system. International experts and World Bank staff will present international experiences surrounding the introduction of VHI in various European countries, and engaged Russian policy makers in open discussions regarding future direction of VHI in the Russia Federation in the context of the new Mandatory Health Insurance law approved in November 2010.

---

\(^1\) The option was available in the Netherlands until the reform of 2004.
# Workshop Agenda

**June 28, 2011**

<table>
<thead>
<tr>
<th>Time</th>
<th>Session</th>
</tr>
</thead>
</table>
| 9:30 am to 10:00 am | Welcome  
Mr. Pedro Alba, Country Director, Russian Federation  
Prof. Lev Yakobson, Chairman of the Government Expert Group on Health and Human Environment  
Mr. Andrei Yurin, Chairman, Federal Compulsory Health Insurance Fund |
| 10:00 am to 10:45 am | What role for voluntary health insurance  
Sarah Thomson, Senior Research Fellow at the European Observatory on Health Systems and Policies and a Deputy Director of LSE Health  
Questions and Answers |
| 10:45 am to 11:30 pm | Recommendations of Expert Group on VHI  
Sergey Shishkin, Vice-Rector, Higher School of Economics, Moscow and co-Chairman of the Government Expert Group on Health and Human Environment  
Questions and Answers |
| 11:30 am to 11:45 am | Coffee Break |
| 11:45 am to 12:30 pm | Private Health Insurance in Germany  
Stefan Greß, Professor of Health Services Research and Health Economics, University of Applied Sciences Fulda, Germany  
Questions and Answers |
| 12:30 pm to 13:15 pm | The Dutch Health Insurance Reform (TBC)  
Wynand P.M.M. van de Ven, Professor of Health Economics, Erasmus University Rotterdam or,  
Hans Maarse, Professor Health Organization, Policy and Economics, Maastricht University, the Netherlands  
Questions and Answers |
| 13:15 pm to 14:00 pm | Lunch |
| 14:00 pm to 14:45 pm | Social Health Insurance and Competition: Switzerland  
Stefan Schuetz, MECONEX Foundation, Switzerland  
Questions and Answers |
| 14:45 pm to 15:30 pm | Introduction of VHI as a Regional health policy tool  
Representative of the Government of Perm |

**Moderator**  
*Antonio Giuffrida, Senior Health Economist, The World Bank*  
*Sevil Salakhutdinova, Health Specialist, The World Bank*
<table>
<thead>
<tr>
<th>Time</th>
<th>Event</th>
</tr>
</thead>
<tbody>
<tr>
<td>15:30 pm to 15:45 pm</td>
<td><strong>Questions and Answers</strong></td>
</tr>
</tbody>
</table>
| 15:45 pm to 16:45 pm | **Panel Discussion: VHI in the Russia Federation - Goals, Options and Consequences**  
                      | Moderators: Jack Langenbrunner, Lead Health Economist, and Antonio Giuffrida, Senior Health Economist, the World Bank |
| 16:45 pm to 17:00 pm | **Closing Remarks**                                                   |
Antonio Giuffrida, Senior Health Economist, the World Bank

Antonio Giuffrida is a Senior Health Economist with the World Bank Antonio, where he works on health financing and health system delivery reforms in the Russian Federation and Central Asia. Antonio worked as health economist in different settings. First, as a Researcher Fellow at the Centre for Health Economics of the University of York (UK) where he focused on the measurement of efficiency in the provision of primary care services and on the impact of financial incentives on physicians and patients behavior. Later, as Health Economist at the Organization of Economic Cooperation and Development (OECD), where he was responsible for the OECD Cross-National Study on Human Resources for Health Care. Before he joined the World Bank, Antonio worked for eight year at the Inter-American Development Bank (IDB) both at its headquarters in Washington, DC and at the Brasilia office. He also holds a M.Sc. and a Ph.D. in Economics from the University of York, UK.

Stefan Greß, Professor of Health Services Research and Health Economics, University of Applied Sciences Fulda, Germany

Stefan Greß, PhD, is associate professor for health services research and health economics in the department of health sciences at the University of Applied Sciences Fulda in Germany. He was formerly a researcher at the Center of Social Policy at Bremen University and assistant professor at the University of Greifswald and at the University of Duisburg-Essen. His main areas of research are health policy and health insurance. He has published articles in international peer-reviewed journals on topics such as competition and consumer mobility in social health insurance, regulation of pharmaceutical markets, the definition of benefits packages and the relationship between health insurance and professional autonomy of health care providers.
Jack Langenbrunner, Lead Health Economist, the World Bank

John (“Jack”) Langenbrunner is a Lead Health Economist with The World Bank with both research and operations experience. He has worked on health financing issues and health insurance design and development in issues in China and Vietnam, as well as Eastern Europe in the EU New Member States and in other countries such as Russia, Croatia, Azerbaijan, Kyrgyzstan, and Kazakhstan. Jack has recently co-authored 2 books on Resource Allocation and Strategic Purchasing by insurers and other public and private organizations, and has authored or co-authored a number of papers related to this initiative. He also led the Bank’s work on a manual for National Health Accounts for low and middle income countries. This so-called NHA “Producers Guide” was published in 2003. Previous to his work at the Bank, Jack was with the US Health Care Financing Administration, a public health insurance program for over 80 million Americans. He later went in the early 1990s to the US Office of Management and Budget where he served on the Clinton Health Care Reform Task Force for the US White House. Jack holds Masters and Doctorate degrees in Economics and Public Health from the University of Michigan, United States. He is an occasional lecturer on health financing topics at Peking University, and at both the Johns Hopkins University and the George Washington University in the United States.

Sevil Salakhutdinova, Health Specialist, the World Bank

Sevil Salakhutdinova is a Health Specialist at the World Bank Office in the Russian Federation. Her responsibilities include supporting for policy dialogue between the Bank and the Government of Russian Federation on health sector-related policy issues, identification and preparation of investment projects and technical assistance operations at federal and regional levels. She supported the Russia Health Reform Implementation Project and TB/AIDS Control Project. She holds a Ph.D. in Economics from Moscow State University with a thesis devoted to the comparative analysis of health system financing in Russia and other OECD countries. Before joining the World Bank, Sevil worked at the WHO Office in Russian Federation as technical expert on Health Care Policy and Stewardship. She was the Russian Director of the EU Tacis North-West Health Replication Project between 2001 and 2003 and long-term expert of the EU Tacis Health Care Management Project between 1998 and 2001. From 1993 to 1995 she was a principal analyst of the Analytical Center on Social-Economic Policy of the Administration of the President of the Russian Federation. Sevil served as member of a various Government working groups on health care and health insurance reforms.
Stefan Schuetz, MECONEX Foundation, Switzerland

Stefan Schuetz is an economist and managing director of the Swiss foundation MECONEX, which operates managed care-systems such as HMOs. He has long-term health insurance experience in the fields of provider contracting, claims management and product development. During the Swiss Health Insurance Reform he was a member of the Commission “Managed Care” reporting to the Swiss Federal Council. Further he has research experience (e.g. evaluation of the impact of new health insurance models in Switzerland). He holds a Master Degree in Economics (University of Basel) and a Master in Health Administration (University of Berne).

Sergey Shishkin, Vice-Rector, Higher School of Economics, Moscow

Sergey Shishkin is Vice-Rector at the State University - High school of economics in Moscow. Prof. Shishkin works in the area of health economics, health finance and health service organization. He has been involved in several federal and regional projects of health finance and service delivery innovations in Russia and contributed to the drafting of legislation and regulations in this area. He is currently co-chairing the working group on “Health and Human Environment” advising the Federal Government on national development plan for the 2012-2020 period. Prof. Shishkin edited several books and journal articles on health policy and health economics published both in national and international journals.

Sarah Thomson, Senior Research Fellow at the European Observatory on Health Systems and Policies and a Deputy Director of LSE Health

Sarah Thomson is a Senior Research Fellow at the European Observatory on Health Systems and Policies and a Deputy Director of LSE Health. Her research focuses on health systems and health care reform, with particular emphasis on health financing in high- and middle-income countries. For the last three years she has worked on projects funded by the New York-based Commonwealth Fund to provide a US policy audience with comparative analysis of health systems in OECD countries. Recent work has also been funded by the European Parliament and the European Commission. From 2005 to 2008 Sarah was part of the UK Department of Health's 'International Healthcare Comparisons' team responsible for analysing health care reform in 13 countries and based at the London School of Hygiene and Tropical Medicine (LSHTM). In addition to research, Sarah teaches in the Department of Social Policy at the LSE and is an Associate Editor of Health Economics, Policy and Law. Sarah has an MSc in Health Policy, Planning and Financing from the LSE and LSHTM. Before joining LSE Health she worked in the non-governmental sector in India and England.