

The healthcare system in Estonia



Tiia Vals

The Estonian Republic is located in Eastern Europe, bordering the Baltic Sea and Gulf of Finland, between Latvia and Russia, area 45,226 sq km; population estimated at 1.35 million. Estonia has been a member of NATO and the EU since 2004. Estonia is administratively divided into 15 counties. Each county is run by a governor and county government. Healthcare expenditure has not exceeded 6% of GDP in recent years.

The Ministry of Social Affairs is responsible for the healthcare system, which includes providing medical care and pharmaceuticals, health promotion, prophylaxis of diseases, health protection and other activities in the field of health care. Pharmacy falls under the State Agency of Medicines. Estonian health insurance is a social security scheme based on the principle of solidarity. Employers pay health insurance as a flat 13% surcharge on salaries paid to employees. The Estonian Health Insurance Fund (EHIF) administers health insurance, and thus the payment for medical services. Ninety four percent of the population is covered by health insurance.

Everyone insured with the EHIF has a family practitioner. A referral is needed from the family practitioner to visit a medical specialist. No referral is needed to visit a psychiatrist, gynaecologist, dermatovenerologist, ophthalmologist or dentist. Dental care is not free for adults in Estonia.

Life expectancy is males 67.3 years and females 78.1 years (2005). Cardiovascular disease is the main cause of death in Estonia, accounting for 47.1% of all causes of death among men and 54.9% among women (2005). The next largest

cause of death is cancer (20.9% for men and 19.9% for women).

Hospitals

All hospitals operate as private joint-stock companies, which are limited liability, non-profit-making foundations and must be licensed by the Health Care Board. Licenses are valid for five years on the basis that hospitals meet minimum standards. Most hospitals are owned by municipalities, although regional hospitals were founded by the state. Private hospitals exist but only provide specific services (gynaecology, etc). There are currently 69 hospitals in Estonia. Three regional hospitals provide acute care, secondary and tertiary care; four central hospitals acute and mainly secondary care. General and local hospitals (depending on the local population) are in almost every other remaining county.

Hospital pharmacy

A hospital pharmacy is a structured unit of the hospital that supplies such hospitals and, based on an agreement, also supplies hospitals belonging to the other operators, social welfare institutions or holders of a licence to provide emergency medical care with medicinal products and other products for medicinal purposes (Medical Act 2005, Estonia). Hospital pharmacies only provide drugs to hospitals and are not allowed to sell drugs to the public.

At the start of 2009 there were 23 hospital pharmacies with five structural units operating in Estonia. The gross turnover in hospital pharmacies in 2008 was Euros 60 million, which included a medicines turnover of Euros 40 million. The four biggest hospital pharmacies are responsible for 76% of hospital pharmacies' total turnover; there are also seven medium hospital pharmacies and 12 small hospital pharmacies.

In hospital pharmacies, pharmacists form the majority of the staff. In 2008, there were 74 registered pharmacists, 24 registered assistant pharmacists and 36 other employees working in hospital pharmacies. Small hospital pharmacies usually employ one pharmacist and one assistant pharmacist, and/or one other employee.

Reimbursement

The reimbursement system in Estonia is disease specific (based on the diagnosis). There are two groups of diagnoses, classified according to the severity of the illness. Only medicinal products included in the EHIF's list of medicinal products and registered in Estonia can be reimbursed. They are reimbursed according to the reference price or price agreements if they exist; in other cases the refund will be based on the product's retail price. Discount rates for medicinal products may be either 100%, 90% or 75%, in which case the patient's contribution is EEK 20 (\approx Euro 1.3). If the discount is 50%, the patient's contribution is EEK 50 (\approx Euro 3.2) and the EHIF pays 50% of the amount exceeding EEK 50, but no more than EEK 200 (\approx Euro 12.8). All EHIF medicinal products are free to children under four years of age.

All prescription and OTC medicines are subject to VAT. The tax rate for all medicines is 9%. The prices of drugs supplied to pharmacies are controlled by the government by means of maximum markups for wholesalers and retail pharmacies.

Author

Tiia Vals, Senior Pharmacist
North Estonia Medical Centre
19 Sytiste
EE-13419 Tallinn, Estonia
tiia.vals@regionaalhaigla.ee