

**Visit by Derek Wanless and a member of Health Trends Team to Stockholm, 23
January 2002**

This note records the key points which came out of our visit to discuss the Swedish health care system.

Summary

Overall the visit was extremely valuable and informative. Despite the decentralised nature of the system and divided responsibilities (eg county councils responsible for primary and secondary care, local authorities responsible for social care), the system appears to work well in most cases. In particular, the interface between health and social care does not seem to be the problem that it is in the UK. Both the Federation of County Councils and the Ministry of Finance have done useful work on projecting long-term resource requirements which is highly relevant to our Review. The National Board of Health and Welfare have produced a series of Guidelines which sound similar to our NSFs and warrant following up (the CHD Guideline has been costed). One area where they seem to be struggling a bit is on the mechanism for assessing new drugs and treatments and they are very interested in how NICE is working out.

The Swedish system

The attached fact sheet – while slightly out of date – gives a general overview of the organisation and financing of the Swedish health and social care system.

Federation of County Councils

The Federation represents the 20 county councils (and one local authority) responsible for providing health (but not social care) services.

- County councils fund health services (and the transport services which are their other main area of responsibility) mainly from local income tax. Local authorities fund social care mainly from local income tax too. These are deducted as one lump sum from pay and the average worker would not be aware of the split between the amount going to the county council and the amount going to the local authority;
- The county councils are free to set local income taxes. While there is the possibility of a temporary cap imposed by central government, this is against the constitution. The law requires county councils to balance their budgets, but Stockholm has been running a deficit. The problem is that there is no effective sanction which can be imposed.
- In some cases, it does not make sense for all county councils to provide a particular service and there are bilateral agreements to buy services from other county councils.
- There is no Electronic Patient Record yet. The Federation has been building up a database of inpatient care since 1994 covering age, diagnosis, costs, etc. Projects are underway to build similar databases in other areas, notably primary care.
- The Federation produced a report in 2000 estimating health care resources which will be required in 2020 (This has been translated into English). A new report is planned for next year which will look ahead to 2030.
- In terms of demographics, the 2000 report uses the methodologies followed by the Ministry of Finance (see below). Pharmaceutical spending is projected to grow by 5½% a year in real terms, and technology (excluding pharmaceuticals) by 1½% a year in the central case.

- In 1999 the Stockholm county council began an ‘experiment’ in which a private company has been awarded a 7-year contract to provide hospital services. The private company employs the medical staff. While it is regarded as early days, expectations of lower costs seem not to have been fulfilled thus far. If anything, the Federation thought costs were now higher.
- Health promotion and disease prevention activities are undertaken at all levels of government. At central government level, the focus is mainly on research and analysis of what is likely to be effective. Health promotion campaigns are typically run at local level, and are increasingly seen as an important activity for GPs to be involved in. There were stories of GPs writing prescriptions for physical exercise.
- Currently patients are able to go straight to specialists, or get referrals to specialists through A&E. The authorities are keen to encourage more people to go through their GPs.
- Sweden does not have a significant bed-blocking problem despite the split in services between health care at the county council level and social care at the local authority level (see later).

Ministry of Finance

The Ministry of Finance is involved in producing various long-term projections – for their own long-term surveys of the Swedish economy every four years, as part of EC EPC work and OECD work, etc.

- In producing long-term projections, they have looked not just at health, but also long-term care and pensions expenditure.

- They have done a lot of work on demographic impacts. They gave us a copy of their publication “Will there be a helping hand?”, produced in 2000.
- Data from one region of the country, accounting for around a ninth of the total population has allowed them to look not just at costs in the last year of life, but costs in each of the last six years’ of life.
- Statistics Sweden has a similarly poor record to the UK’s Government Actuary’s Department in systematically underestimating the number of elderly people in the population.
- The Ministry of Finance believe that available evidence (discussed in the publication) points more to a postponement of morbidity rather than a compression of morbidity, ie life expectancy increases, and this is largely matched by an increase in years of good health.
- The law prohibits age discrimination in the Swedish health service and they believe that in practice such discrimination does not exist. It is quite common for 85 year olds to have knee and hip operations.

Association of Local Authorities

The Association represents the municipalities or local authorities which are responsible – among other things, including education – for care of the elderly.

- Sweden does not have a bed-blocking problem. A reform introduced in 1992 means that within 5 days of a doctor informing the local authority that there is no medical reason for an elderly person to remain in hospital, the local authority incurs a daily charge of around £150 if that person continues to occupy the bed.

- Once the doctor has informed the local authority to this effect, a social worker from the local authority will assess the situation in consultation with family and identify the best option – care in the person’s home, short-term rehabilitation care (a big growth area) or long-term care in a residential home.
- 10 years’ after the reform, there are around 60-70% fewer geriatric wards in Sweden.
- Residential care homes may be owned by the local authority, owned by the private sector or rented by the local authority. Nurses will usually be based in the homes (administering sometimes sophisticated care, including pain relief), while GPs will come in as necessary. The homes are usually run by the local authorities, although around 10% are privately run. Responsibility for deciding whether someone requires a residential place rests with the local authority.
- Residents pay rent for their room/flat and pay for their food. Direct payment for care amounts to 5% of total spending on care, and many pay nothing for their care because they have low incomes. Residents are guaranteed a minimum income after any charges and would not generally be required to sell their home if they owned it (a much smaller proportion of the population are homeowners than in the UK).
- There is no spare capacity in the system. People sometimes have to wait in their own homes for a place to become available in a residential home.
- There is a growing trend towards caring for the elderly within their own homes. The local authority is responsible for making the necessary adaptations to the home – there is no cost limit and no means testing.

Transport facilities are provided to those who cannot use public transport and there are arrangements for periods of short-term residential care to give family or others looking after the elderly person a break.

- They are looking at how new technology can help to keep elderly people in their own homes. We were told about a trial involving care nurses who have to visit elderly people on the islands off Gothenburg by boat. They were equipped with laptops and digital cameras, enabling them to immediately e-mail information and pictures back to a doctor on the mainland who could advise on treatment. It proved very successful, although there were significant training implications.
- An umbrella organisation – Carelink – was set up about one year ago to look at a wide range of technology issues related to care in the home: www.carelink.se.
- A future breakthrough in slowing down the onset of dementia would have a significant impact on the social care sector.

National Board of Health and Welfare (NBHW)

The NBHW is responsible for the supervision, evaluation and follow up of health, medical and social services in Sweden. It is one of several boards under the Ministry of Health and Social Affairs.

- The Board has published a series of National Guidelines – 5 or 6 in total – covering the main chronic disease areas, including heart disease and diabetes. The CHD Guideline has been costed, but the others have not.
- 3 versions of each guideline are produced: one for the medical profession, one for patients, and one for the politicians. The Guidelines for the

profession cover areas such as disease definition, prevalence, prevention, diagnosis, treatment and service organisation. The Guidelines for patients emphasise both prevention aspects and what patients should expect in terms of treatment.

- The Guidelines are reviewed every 5-6 years. The average Swedish citizen is unlikely to know they exist.
- There seems to be a certain amount of confusion surrounding how the system deals with the evaluation of drugs and other technologies. At present, the Swedish Council for Technology Assessment (SBU) decides what new (and existing) technologies to look at. The SBU will produce what is pretty much a literature review of the technology and come to some view on how effective it might be. The decision on whether to fund the technology rests with the National Insurance Board, but with responsibility for pharmaceutical funding in future passing to the county councils, it will be for them to decide individually whether to fund a new drug. There seems to be quite a lot of interest in our NICE model of a possible future way forward in Sweden.
- Website address for NBHW: www.sos.se. In particular we need to have a look at the Swedish Guidelines

Visit to residential home for the elderly

Finally, we visited what we were told was a typical residential home for the elderly, run for the local authority by a private company.