

Follow-up audit on disability insurance medical measures and assistive device cost control

Federal Social Insurance Office

Key facts

The Swiss Federal Audit Office (SFAO) examined the follow-up to the recommendations of two reports on disability insurance (IV) produced in 2012 and 2013. Medical measures are benefits aimed at treating congenital disorders and rehabilitation measures for young people up to 20 years of age. Expenditure on medical measures amounted to CHF 828 million in 2016, up by 1% on 2015 and 6.3% relative to 2014. This trend is in line with the increase in healthcare costs.

In the second report, the SFAO examined assistive device cost control, with the exception of hearing aids. The IV grants wheelchairs, orthopaedic shoes, prostheses or devices to equip vehicles and workplaces, for instance, as assistive devices. In 2016, the IV spent CHF 204 million on assistive devices. This figure has remained stable over the past three years.

Regarding this follow-up, the SFAO is not proposing any new recommendations.

Long process to amend the law and uncertain realisation for medical measures

From 2013, the Federal Social Insurance Office (FSIO) set up a working group. Its brief is to propose ways to optimise medical measures. The IV offices are involved in the work. At the end of 2014, this optimisation project was integrated into the more general package of measures on the ongoing development of the IV. The SFAO has noted a slowdown in the FSIO's work on this issue of medical measures since then. This period coincides with the departure of the FSIO sector head, who was responsible for the optimisation project. This was followed by a lean period due to the difficulty of finding a replacement for this position.

In February 2017, the Federal Council submitted the dispatch on the development of the IV to Parliament. It proposes the introduction of criteria to define congenital disorders in the Invalidity Insurance Act (InvIA). It provides for a link between health insurance rules and the IV for medical services, as well as for the application of effectiveness, adequacy and economic efficiency criteria. The Federal Council must be able to determine the tariff structure for IV measures if negotiations fail. This measure applies to both medical measures and assistive devices.

Satisfactory implementation for assistive devices...

The SFAO considers that the recommendations concerning assistive devices have been implemented. Aside from the planned legislative changes, the SFAO found that management of this sector by the FSIO had improved. The FSIO introduced monitoring of tariff agreements by setting priorities. It developed guidelines with calculation models for negotiations. It established a permanent working group with the IV offices and revised three tariff agreements. Negotiations to revise three other agreements are expected to be completed by the end of 2018.

The FSIO used its right to access data in the event of a monopoly situation in 2014, which resulted in the non-renewal of the tariff agreement. The SFAO encourages the FSIO to use this instrument systematically, as well as to use the opinions of the Price Supervisor. Competition for assistive devices is not optimal and the SFAO did not find many cases where the FSIO consulted the Price Supervisor. Finally, the SFAO did not see any move towards the use of calls for tenders. Parliament rejected the Federal Council's proposal to open up this area to more competition during the discussions on the 6th revision of disability insurance.

...but very limited for medical measures

The SFAO believes that very little progress has been made in the steering and execution of medical measures. The FSIO has developed a strategy and proposed legislative amendments, but it does not plan to review improvements in terms of steering, execution and supervision until after the revision of the law has been approved. Consequently, the FSIO envisages implementation in 2020 at the earliest.

The Federal Council intends to update the list of congenital disorders following the principle of cost neutrality. The FSIO has estimated potential savings of CHF 160 million thanks to the removal of diseases from the current list and better steering. It has begun its work, but there are uncertainties about the financial consequences of treating new disorders and treatment costs, particularly medication.

Unlike with assistive devices, there is no joint group with the IV offices that discusses execution problems, examines developments based on key figures and exchanges good practices. The FSIO believes that data quality has to be improved first. Questions remain about prior clarification of the IV's information system needs. The SFAO's two recommendations on setting quality indicators and objectives and strengthening steering with better data use have not been implemented.

The SFAO saw no progress in terms of creating regional centres of expertise and examining complex and costly cases. The two recommendations have not been implemented. The project on the modernisation of supervision in the first pillar is blocking discussions in this area. The IV offices consider it necessary to have a clear separation between supervisory and executive tasks. In their view, the implementation of the SFAO's two recommendations does not lie within the responsibility of the FSIO. The SFAO believes that the FSIO can set priorities and provide general guidance on expected results.

According to the SFAO, this general situation reflects a climate of uncertainty. Five years after the publication of its report, the SFAO found that the implementation of its recommendations is insufficient. It considers it essential for the FSIO to find solutions within a reasonable timeframe or to propose alternatives depending on the outcome of the parliamentary deliberations.

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