

COVID-19: Audit of the settlement procedure for testing costs

Federal Office of Public Health

Key facts

In 2020 and 2021, the Confederation provided CHF 2.7 billion in funding for COVID-19 testing costs, double the amount it spent on vaccines. The testing costs assumed by the Confederation require a settlement procedure for compensating service providers such as doctors, pharmacies, laboratories and test centres efficiently and correctly. By the time of the audit by the Swiss Federal Audit Office (SFAO), over 21 million tests had been carried out.

In order to manage the sheer numbers involved, the Federal Office of Public Health (FOPH) persuaded the insurers (health insurance funds) to process the settlement of testing costs via the existing structures provided for in the Health Insurance Act (HIA). In exceptional circumstances, settlement was done via the cantons. The SFAO acknowledges the FOPH's success in introducing, within a short time, a functioning procedure for checking the settlement of testing costs.

Efforts in combating abuses to date should be stepped up rapidly and substantially

During the pandemic, the FOPH prioritised the securing of testing capacity, and did not start to combat abuse until the situation had calmed down. In the SFAO's view, the Office should step up its efforts to detect and prevent unwarranted payments. In particular, there is neither a comprehensive abuse concept nor any overarching assessment of the service providers. To date, the FOPH has relied on external reports on potential abuses and has performed too few analyses of its own.

Not all insurers send/sent a settlement statement to tested persons. As a result, tested persons are unable to identify and report false or unwarranted statements. Moreover, service providers are able to use the paying agent registration number (settlement number) throughout Switzerland, even though this is normally issued by the canton in which the services are provided. This leads to a lack of transparency about the location of service provision.

The auditors inspect the insurers' quarterly statements to the FOPH and confirm the existence of appropriate checks. Since these checks do not permit any conclusion to be drawn on effectiveness, and since the FOPH is already able to identify deficiencies by inspecting the auditors' comprehensive reports, these confirmations do not achieve the desired purpose.

Statement checking is not a core activity of the cantons and they have few effective tools in this regard. The SFAO finds it unsatisfactory that the FOPH has not regulated the oversight of statement checking in the cantons.

Large laboratory service providers reap the benefits, and margin accumulation with regard to self-tests is opaque

Pricing in the pandemic tariff is designed to ensure high testing capacity. Even providers with less efficient structures should be able to operate at cost. The standardised pricing allows fully automated laboratories to achieve excess profits that could run into millions of francs. As part of the accompanying price observation, the FOPH reacted and tried to correct these undesirable effects, but was not entirely successful. The SFAO suggests that the tariffs be based on efficient providers and that supplements be paid only when absolutely necessary to guarantee testing capacity.

Self-tests were issued by the Confederation via pharmacies. The FOPH set compensation in the form of an 80% supplement on the factory gate price, and also set a maximum price. As pharmacies obtained the self-tests from wholesalers and did not know the factory gate price, they based their own pricing on the cost price. Ultimately, this situation led to an accumulation of interim profits that exceeded the proposed 80% supplement on the factory gate price.

Original text in German