



RIKSREVISIONEN

Summary:

A changed process for sickness cases

RiR 2010:9

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To ensure that people absent from work because of sickness will return to work in as many cases as possible, the Swedish Government has made a number of reforms to national health insurance in the past few years. In July 2008, the ‘rehabilitation chain’ was introduced, specifying times at which various assessments of capacity for work are to be carried out. At the same time, the duration of the entitlement to sickness benefit was limited to one year. Changes were also made to the rules on eligibility for sickness compensation (formerly known as sickness pension).

Aim and methodology of the audit

The aim of the present audit by *Riksrevisionen* (the Swedish National Audit Office, SNAO) was to examine whether the rehabilitation chain, the one-year limit and the changes to the rules on sickness compensation have worked as intended. There are two aspects to this: how well the rules have been implemented; and whether the objective – set by the Riksdag (parliament) – of a more active process for sickness cases has been achieved.

The SNAO’s observations, conclusions and recommendations build mainly on interviews and statistics. A total of 38 interviews were carried out with case officers at seven local offices of the Social Insurance Agency. Interviews were also conducted with representatives of the head offices of the Social Insurance Agency and the Public Employment Service, and with representatives of the Ministry of Health and Social Affairs, the National Board of Health and Welfare, the Confederation of Swedish Enterprise, the Swedish Association of Local Authorities and Regions and the Swedish Medical Association.

The SNAO’s conclusions

On the basis of the observations made in its audit, the SNAO draws the following main conclusions.

The Government did not ensure adequate conditions for the Social Insurance Agency

The Government did not ensure that the Social Insurance Agency had adequate conditions in which to implement the rehabilitation chain in an effective manner. The SNAO finds that the inadequate conditions had a negative impact on the Agency's application of the rules in the first few months after their implementation in July 2008.

Since there was only a short time between the Riksdag's decision to change the law and the entry into force of the new rules, the Agency carried out most of its preparations before the Riksdag's decision. However, the Riksdag decided on a change compared with the Government Bill, which forced the Agency to provide its case officers with new, modified information. This modified information contributed to creating uncertainty among case officers even though the change was not particularly significant in and of itself. Further, the SNAO's audit shows that half of the case officers interviewed felt that, at the time of implementation, they did not possess sufficient knowledge to apply the new rules or to inform external stakeholders about them.

A number of new concepts were introduced in conjunction with the rule changes. It emerged in the audit that several of them are unclear and hard to interpret.

What is more, the Agency did not have enough time to develop appropriate IT support to calculate the time frame for sickness benefit¹; according to the case officers interviewed, this was therefore done manually in the first few months.

Lack of time for preparation has also characterised the rule changes made after the introduction of the rehabilitation chain. Moreover, it has been to some extent unclear how those rule changes are to be interpreted.

Against this background, the SNAO considers that the Government has not provided the Agency with adequate conditions to ensure that the rules are applied in a correct and uniform manner. The SNAO finds that, given the circumstances, the Agency has done a reasonable job as regards the interpretation of the rules and other preparatory work.

The predictability of health insurance has increased

One aim of the rehabilitation chain was to increase the predictability of health insurance. The SNAO finds that the time limits of the rehabilitation chain and the one-year limit increase predictability for individuals who represent new sickness cases, even though there

¹ Except in the case of serious illness, an insured person can obtain sickness benefit for at most 364 days during a moving 450-day period, which is called the 'time frame'.

were circumstances in 2008 and 2009 that had a negative impact on predictability.

Provided that no new rule changes undermining predictability are made, the SNAO considers that predictability will improve further in future.

Certain shortcomings in the application of the rehabilitation chain

The Social Insurance Agency is at present unable to comply with the time limits of the rehabilitation chain. For example, the Agency had assessed capacity for work in the regular labour market – or found that there were grounds for postponing such assessment – in 77 per cent of the sickness cases that had passed Day 180 in February 2010. According to the rules, it should have done so in 100 per cent of the cases. At the same time, the SNAO notes that the trend is positive: the corresponding number in January 2009 was 31 per cent.

In most sickness cases, the time frame for sickness benefit is automatically calculated by the IT system, meaning that there is no need for case officers to carry out manual calculations. Where automatic calculations cannot be performed, however, there is a lack of reliable and uniform IT support to calculate time frames. There is also a need to develop the existing IT support when it comes to calculating on what day of the rehabilitation chain an insured person finds him- or herself. The SNAO finds that the inadequacy of the IT support may lead to incorrect calculations and cause a lack of uniformity in case-handling.

The process for sickness cases has become more active

What characterises a more active process for sickness cases is that an increased number of activities are carried out during the sickness period and that those activities take place at an earlier stage of that period. The aim of a more active process is to shorten the periods during which people are unable to work owing to illness.

The audit has found indications that the process has become more active compared with the step-by-step model that preceded the rehabilitation chain:

- The proportion of sickness cases where the Social Insurance Agency completes its assessments of capacity for work and entitlement to sickness benefit within the statutory periods is increasing;
- The case officers interviewed all consider that the process for sickness cases has become more active;
- Plans for return to work are drawn up more often;

- Stakeholder meetings (bringing together all those involved in a case) are held at an ever-earlier stage of sickness cases, and the same is true of the drawing-up of plans for return to work;
- Employers are more aware of the rules and take action sooner.

The audit has also found indications that individuals often push for their sickness case to be dealt with faster, as a result of the time limits laid down in the rules.

One circumstance that does *not* support the hypothesis of a more active process is a fall in the proportion of cases where a stakeholder meeting has been held.

Taken together, the SNAO considers that the process for sickness cases has become more active and that action is taken earlier now than before the rehabilitation chain and the other rule changes were implemented.

In order for the rehabilitation chain and the process for sickness cases to work well, the health-care services need to make an adequate contribution. The SNAO has noted that waiting times in the health-care system can affect the possibility of complying with the time limits of the rehabilitation chain.

The SNAO's recommendations

Based on the observations made and conclusions drawn in its audit, the SNAO recommends that the Government should:

- ensure, whenever major changes are made to rules, that the government agency in charge of implementing those changes is given enough time after the Riksdag's decision to carry out its preparatory work in an integrated manner;
- define as clearly as possible any concepts of key importance in case-handling, to facilitate the correct and uniform application of those concepts.

The SNAO recommends that the Social Insurance Agency should:

- continue its efforts to comply with the time limits of the rehabilitation chain;
- continue its work to clarify and bring about uniform application of the various concepts in the rules;
- ensure that its case officers have access to common, high-quality IT support to calculate the time frame for sickness benefit and the days of the rehabilitation chain.