

Brief analytical comments

*In Q2 2010 there is a total of **nine health insurance companies** in the CR, which is **two health insurance companies less** compared to the corresponding period of 2009. In Q2 2010 health insurance companies employed in total 7086 persons (FTE), which was 0.4% less than in Q2 2009 (7117 persons).*

*The **average monthly wage** (calculated from wages excluding other personnel expenses and from the above number of employed persons) increased from CZK 32 914 in Q2 2009 to CZK 33 517 in Q2 2010 (1.8% year-on-year). **Wage compensations provided by the employer** for the first 14 days of temporary incapacity for work in Q2 2010 accounted for CZK 1 494 000. These wage compensations (for the first 14 days of temporary incapacity for work) are paid out by the employer in compliance with Act No. 262/2006 Sb., Labour Code and Act No. 187/2006 Sb. regulating the Sickness Insurance, which became effective on 1 January 2009.*

***Premiums written** (excl. those paid by the state) make up a substantial part of total revenues of health insurance companies. In the reported period they amounted to CZK 40.3 bn, i.e. by 3.3% down compared to the corresponding period of 2009. In Q2 the amount of premiums written was contributed to mainly by an increasing number of persons registered by employment offices, decreasing income of the insured persons and related health insurance payment. The amount of premiums is regulated by the General Health Insurance Premiums Act No. 592/1992 Sb., amendment of which referring, among other things, also to the assessment base determination, has been applicable already since 2008. Premiums written measured on accrual basis are not, however, actual revenues of health insurance companies. Actual revenues unlike premiums written are reduced by premiums not paid.*

*According to data of the **Ministry of Health of the Czech Republic**, the **actual revenues** of health insurance companies – collection of premiums incl. those for persons paid by the state (payment by the state increased from CZK 677 to CZK 723 per person and month, year-on-year), reached the total of CZK 104.7 billion in the first half of 2010, which was fulfilment for 100.25% compared with the corresponding period in 2009 when the revenues accounted for CZK 104.4 billion (data of the Ministry of Health on results of the 1st to 6th relocation of revenues of health insurance companies - collected premiums in 2009 and 2010).*

*Of the **total costs** of health insurance companies in **Q2 2010** (costs and expenses established by expenditure approach from respective funds of health insurance companies), **health care costs** paid from the basic health insurance fund and the prevention fund or possibly from the preventive care fund made up 94.3%, which was a 1.4% increase compared with the corresponding period of 2009 (see Table 3). Costs of in-patient services make up a key proportion of health care costs (50.8%); they grew by 2.6% compared to the corresponding period of 2009.*

*In Q2 2010, the health insurance companies **acquired** intangible and tangible **fixed assets** (incl. land) worth CZK 120 million and CZK 338 million, respectively. The **balance sum** of the health insurance companies (the total of assets or liabilities) reached CZK 93 billion at the end of Q2 2010 and, compared to the end of Q1 2010, it decreased by CZK 1.2 billion. The acquisition **value of intangible and tangible fixed assets (depreciated) – net** in assets of the health insurance companies was CZK 96.3 million up compared with the previous quarter.*