

Brief analytical comments

In Q3 2014 there is a total of seven **health insurance companies**, which employed 5819 persons (FTE) - which was by 0,2 % less than in Q3 2013 (5831 persons).

The average monthly wage (calculated from wages excl. other personnel expenses and from the above number of employed persons) increased from CZK 33 690 in Q3 2013 to CZK 34 321 in Q3 2014 (+1,9 %, year-on-year). Wage compensations provided by the employer for the first 14 calendar days of temporary incapacity for work in Q3 2013 accounted for CZK 1,2 million. These wage compensations (for the first days of temporary incapacity for work) are paid out by the employer in compliance with relevant legislation. A year-on-year comparison of paid compensations is not made in 2013 due to a change in the time taken into account for the duty to pay the wage compensation.

Premiums written (excl. those paid by the state-insured persons) make up a substantial part of the total revenues of health insurance companies. In the reported period they amounted to CZK 44 301 million, i.e. by 2,8% more compared to the corresponding period of 2013. The amount of premiums is regulated by the General Health Insurance Premiums Act No. 592/1992 Sb., whose amendment referring, among other things, also to the assessment base determination, has been applicable since 2008. Premiums written measured on an accrual basis but not actual revenues of health insurance for universal health insurance. Actual revenues are lower, as evidenced by the amount of accrued fines and penalties on unpaid insurance.

According to the data of the **Ministry of Health of the CR**, in the 1st to the 9th 2014 the frequency of payments by the state for persons insured by the state changed (the so-called "**advance payment**" from the state budget within the meaning of the Section 12(2) of the Act No. 592/1992 Sb.) in the **amount of CZK 4 800 million**. In the corresponding period of 2013, the first reallocation included an extraordinary amount of CZK 4 000 million. With effect from 11 redistribution in 2013 payment for state-insured persons increased from CZK 723 to 787 for person per month. Beginning with 7 or 6 redistribution in 2014 then to CZK 845 for person per month.

From the aforementioned it results that from the 1st to the 3rd quarter 2014 sources in the amount of CZK 81105 million were reallocated, which means compared to the corresponding **period of 2013 (when the revenue including the "advance payment" was CZK 171 257 million) a increase in available resources** by 5,75% (source: the Ministry of Health of the CR from the results of the 1st to the 9th reallocation of the public health insurance premiums in 2013 and 2014 – available resources).

After adjustment by the extraordinary effect, real revenues of health insurance companies, i.e. collection of premiums including the payment of the state for state-insured persons, for whom the state is the payer of the premium, were in total CZK 176 305 million from the 1st to the 3rd quarter 2014, which means in comparison to the corresponding period of 2013, when they were CZK 167 257 million, there was an increase by 5,41% (source: the Ministry of Health of the CR from the results of the 1st to the 9th reallocation of the public health insurance premiums in 2013 and 2014 – adjusted resources).

Of the **total costs** of health insurance companies in **Q3 2014** (from respective funds of health insurance companies), **health services costs** paid from the basic health insurance fund and the prevention fund made up 94,5%. Health services costs increased by 6,5% with the corresponding period of 2013 (see Table 3). Costs of in-patient services make up a key proportion of health care costs (54,1%); which was increased by 11,0% compared to the corresponding period of 2013. This was due compensation for the abolition of regulatory fees in inpatient medical facilities and increasing the number of acute care beds.

In Q3 2014, the health insurance companies **acquired** intangible and tangible **fixed assets** (incl. land) worth CZK 54,1 million and CZK 100,4 million, respectively. The **balance sum** of the health insurance companies (the total of assets or liabilities) reached CZK 61 701 million at the end of Q3 2014 and, compared to the end of Q2 2014, it decreased by CZK 2 735 million. The **value of intangible and tangible fixed assets – net** in assets of the health insurance companies was CZK 113 million down compared with the previous quarter.