

## Brief analytical comments

In **Q4 2014** there is a total of seven **health insurance companies**, which employed 5821 persons (FTE) - which was by 0,2% less than in Q32013 (5831 persons).

**The average monthly wage** (calculated from wages excl. other personnel expenses and from the above number of employed persons) increased from CZK 44 017 in Q42013 to CZK 44 075 in Q42014. Wage compensations provided by the employer for the first 14 calendar days of temporary incapacity for work in Q4 2013 accounted for CZK 1,8 million. These wage compensations (for the first days of temporary incapacity for work) are paid out by the employer in compliance with relevant legislation.

**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 46 947 million, it is at the same level 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 companies for public 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**, from the beginning 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.

It should be noted that the advance payment entering the first redistribution in 2013 and 2014 were returned even in the year in which they were provided (by reducing state payments in the 12th redistribution 2013 resp. 11 and 12 redistribution 2014), and consequently did not affect the overall revenues of the health insurance companies for these years.

From the aforementioned it results that in the year 2014 sources in the amount of CZK 237 836 million were reallocated, which means compared to the corresponding **of 2013 (when the revenue including the "advance payment" was CZK 225 738 million) a increase in available resources** by 5,36 % (source: the Ministry of Health of the CR from the results of the 1st to the 12th reallocation of the public health insurance premiums in 2013 and 2014 – available resources).

Of the **total costs** of health insurance companies in **Q4 2014** (from respective funds of health insurance companies), **health services costs** paid from the basic health insurance fund and the prevention fund made up 93,7%. Health services costs increased by 2,9% with the corresponding period of 2013 (see Table 3). Costs of in-patient services make up a key proportion of health care costs (52,2%), which increased by 3,5% compared to the corresponding period of 2013. This was due to compensation for the abolition of regulatory fees in medical facilities and pharmacies.

In Q4 2014, the health insurance companies **acquired** intangible and tangible **fixed assets** (incl. land) worth CZK 120,7 million and CZK 42,4 million, respectively. The **balance sum** of the health insurance companies (the total of assets or liabilities) reached CZK 54 337 million at the end of Q4 2014 and compared to the end of Q3 2014, it decreased by CZK 6 860 million. The **value of intangible and tangible fixed assets-net** in assets of the health insurance companies was CZK 643 million down compared with the previous quarter.