



Republika e Kosoves/ Republika Kosova / Republic of Kosovo  
Fondi i Sigurimit Shendetesor/Fond za Zdravstveno Osiguranje/ Health Insurance Fund

QUARTERLY WORK REPORT FOR THE PERIOD  
APRIL-JUNE 2019

Prishtina, July 2019

**Table of contents**

Opening Speech of the Director of the Fund ..... 3

1 Introduction ..... 5

2 Budget execution for the quarterly period Q2 / 2019.....6

3 Medical treatment program outside PHI's.....10

4 Objectives and their implementation for Q2 / 2019.....14

5 Annex 1. Sub-activities planned and implemented in Q2.....22

6 Annex II. Sub-activities planned in Q1 and implemented by the end of Q2.....26

## Opening Speech of the Director of the Fund

Dear Chairman, Honourable members of the Governing Board,

I am pleased to present to you the Health Insurance Fund Work Report for the quarter April - June 2019 (hereinafter Q2).

This report provides information on the activities carried out by our institution, how the trusted resources were utilized for this period.

The 2019 Work Plan foresees 14 strategic objectives, 51 activities and 170 sub-activities. Of these, in the Q2 of this year, 77<sup>1</sup> sub-activities, or about 45% of the annual plan, are foreseen, although in the second half of the year there are some specific objectives that take longer to realize.

Despite the challenges encountered, I am pleased to report a good percentage of the achievement of objectives (sub-activities), including those in process within Q2 of this year, at 71.42%.

In addition to the objectives of the Q2 implemented (sub-activities), some sub-activities of the Q1 were also implemented within this period, ie an increase of implementation from 82% in Q1 to 93% at the end of Q2, (Ref: Appendix II) .

Given the importance of implementing this plan, we have created an outcome-oriented culture within the institution. Further, we have installed a mechanism that monitors and closely monitors its implementation, and for each quarter we will report to you to present the successes achieved within the reporting period, current setbacks, and the challenges that may lie ahead. in the near future.

During the reporting period we have ensured effective governance, transparency and accountability in all processes. We have also accomplished a considerable part of the objectives related to identifying the needs for amending / amending the legal and sub-legal acts and we have implemented all the sub-activities defined for the development and implementation of the Fund's Information System.

Through external consultants we have provided a draft analysis of the financing of the health sector which presents an analysis of the Fund's revenues and expenditures over a three-year period, including a methodology for operating revenue collection and coverage expenditure processes, document submitted to the Kosovo Health Project at the end of June.

Also during this period we have significantly improved the processes of medical treatment outside the Public Health Institutions, increased cooperation with local institutions and international partners and taken all planned actions to secure the location for the construction of the Health Insurance Fund facility.

With all the achievements outlined above we have had some challenges in meeting the objectives including meeting the prerequisites for contracting services as well as starting to collect premiums, preparing and finalizing the list of out-of-hospital medicines (with prices) which will be paid for by the Fund, as well as through public outreach or other information campaigns to increase public confidence.

However, during the second half of 2019, we will commit ourselves to implementing the remaining sub-activities of Q1 and Q2 in addition to the sub-activities foreseen for this period.

---

<sup>1</sup> We cannot make an accurate cut between quarters because some sub-activities under the annual plan are included in two (2) or more quarters.

QUARTERLY REPORT – Q2/2019

The following is a report with more detailed information on the results achieved in Q2 of this year in relation to the objectives, activities and sub-activities set out in the 2019 Annual Work Plan.

Sincerely, Fatmir Plakiqi [Signed]

Director of Health Insurance Fund

Pristina, July 2019

## 1 Introduction

The Governing Board of the Health Insurance Fund (hereinafter referred to as the Fund) has adopted the Work Plan for 2019 dated 13 February 2019, which in a structured way sets out all the objectives and activities set out to meet all the prerequisites for the functionalization of the Health Insurance Fund. of the Fund as defined by Law 04L / 249 on Health Insurance.

Activity planning is here taking into account all the resources available to the Health Insurance Fund, including human and financial resources.

However, some of the planned activities have been delayed due to delays in determining the legal basis (amending / amending the Law on Health Insurance), or due to lack of staff.

Implementation of this plan will contribute to the realization of the main purpose of the Fund's function, "Ensuring universal access of citizens and residents of the Republic of Kosovo to quality basic health care services, with the aim of improving health indicators and providing financial protection. from poverty because of high health care costs through the establishment and regulation of the public health insurance system. "

Given the importance of realizing this plan, the Director of the Fund has installed a mechanism that monitors and closely monitors its implementation and implementation, and reports quarterly to the Governing Board to present successes in realizing the plan, current delays, such as and the challenges that can await us in the near future.

The 2019 Work Plan foresees 14 strategic objectives, 51 activities and 170 sub-activities. Of these, 77 activities are planned for Q2 2019.

The approved budget for Q2 / 2019 was € 2,187,934, of which € 1,981,864 or 91% were executed.

## 2 Budget Execution for the Q2 / 2019 Quarterly Period

### 2.1. Budget

Based on Law no. 06 / L -133 on appropriations for the Budget of the Republic of Kosovo for 2019, € 8,697,583 has been allocated to the Fund.

QUARTERLY REPORT – Q2/2019

Table 1. Budget allocated to the Fund for 2019

Expenses / Departments	Administration	Treatment Outside Public Health Institutions	Total budget for 2019
Wages and Salaries	641,286		641,286
Goods and Services	1,060,137		1,060,137
Utilities	66,160		66,160
Subsidies and Transfers		6,000,000	6,000,000
Capital expenditure	930,000		930,000
<b>Total budget for 2019</b>	<b>2,697,583</b>	<b>6,000,000</b>	<b>8,697,583</b>

From table no.1 we can see that out of the total budget allocated for 2019 to 8,697,583c, the value of € 6,000,000 or 69% of the total budget is allocated for subsidies and transfers (program - medical treatment outside Public Health Institutions), while the rest for the Fund's administrative services.

The budget allocated for 2019 medical treatments outside the Public Health Institutions at € 6 mil does not cover the remaining liabilities at the end of 2018 for this program, which were € 7,170,229.

This poses a challenge for the Fund as around 1,500 patients apply for out-of-state treatments each calendar year and the average annual expenditure is approximately € 12 million. Therefore the remaining liabilities are increasing year by year.

## 2.2. Expenses

Table 2. Q2 2019 Quarterly Expenditure in Relation to Budget Allocated for this Period

Program code	Programs	Budget by law	Budget allocated for Q2 / 2019	Expenses for Q2 2019	Expenditure in relation to the budget allocated in %
11324	Salary and salary	641,286	62,069	62,069	100 %
	Goods and services	1,060,137	309,365	63,874	21%
	Utilities	66,160	16,500	5,359	32%
	Capital expenditure	930,000	200,000	29,800	15%
71600	Subsidies and Transfers	6,000,000	1,600,000	1,820,762 <sup>2</sup>	114 %
<b>Total</b>		<b>8,697,583</b>	<b>2,187,934</b>	<b>1,981,864</b>	<b>91%</b>

<sup>2</sup> Expenditures in Q2 are higher than allocations for this quarter because a portion of Q1 allocations are utilized.

## QUARTERLY REPORT – Q2/2019

From the table above we can see that from the total budget allocated in Q2 for 2019 € 2,187,934 were spent € 1,981,864 or 91%. In the following we have provided disclosures for each expenditure category, such as:

- **Wages and Salaries** - Wages and Salaries Expenditure for the three-month period Q2 / 2019 was 62,069c, or 100% of the budget allocated. However, this amount does not include June salaries in the amount of € 30,973 which are recorded in the Treasury books on July 1, 2019, and therefore appear as a July expense;
- **Goods and services** - The low budget execution for goods and services comes as a result of delays in staff recruitment and the failure to establish regional offices;
- **Utility Expenditures** - The low budget execution for utilities results from the lack of regional offices;
- **Capital Expenditures** - The capital investment budget includes the Fund's facility of 500,000C, equipment of T1 € 400,000 as well as vehicles of € 30,000. In Q2, the car was purchased for € 29,800, while the budget for T1 equipment and facility will be realized in the second half of the year (T1 equipment in Q3, while according to the Fund's annual plan, budget for construction of the facility will be made in Q4); and
- **Subsidies and transfers** - Subsidies and transfers for Q2 / 2019 were 1,820,762c, or over 30% of the budget. These expenses are incurred in accordance with the cash flow plan.

The following figure shows the expenditures for Q2 / 2019 in relation to the initial budget for 2019.

*Figure 1. Expenditures for Q2 / 2019 in relation to the budget allocated for this period*



### 2.3. Obligations

The Fund has established a good payment system in full compliance with Treasury rules, ranging from contracting to their execution. Each invoice received is initially protocolled and paid according to the applicable regulation. A separate record is kept for all unpaid bills that are regularly reported to the Treasury (Ministry of Finance).

Despite this regular payment process, in the absence of the budget a considerable amount of liabilities has remained unpaid. They mainly relate to the category of Subsidies and Transfers, namely the program of Medical Treatments outside the Public Health Institutions. At 30 June 2019 they were worth € 11,075,724, or 1,659,202€ higher than at 31 March 2019, where the value of the liabilities was 9,416,522 €).

*Table 3. Obligations on June 30, 2019*

<b>Economic Category</b>	<b>Obligations on 31 march 2019</b>	<b>Obligations on 30 june 2019</b>
Goods and Services	669	984
Utilities Expenses		–
Subsidies and Transfers	9,415,853	11,074,7403 <sup>3</sup>
Capital Investments		–
<b>Total</b>	<b>9,416,522</b>	<b>11,075,724</b>

In addition to the liabilities that are reported to the Treasury (Ministry of Finance), the Fund also has some contingent liabilities.

During Q2 / 2019, there were 20 complaints against the Fund. Of the total complaints reviewed, nine (9) were approved, 11 rejected, and one (1) response is being processed by the Basic Court in Prishtina, Department of Administrative Affairs. Following this process some of them have been sued by the Fund and these cases are expected to be dealt with in the future.

In addition to the contingent liabilities of 2018 as well as Q1 / 2019, during Q2 / 2019 two (2) new lawsuits in the amount of € 40,600 were filed, which are disclosed in the table below.

---

<sup>3</sup> Of the liabilities in the category of Subsidies and Transfers at the end of June, liabilities for 378 patients amount to 4,494,648 € in the period 2018, while liabilities for 541 patients in the amount of 6,580,092 € belong to the six-month period of 2019.

QUARTERLY REPORT – Q2/2019

Table 4. Contingent liabilities at June 30, 2019

Plaintiff	Period	Description	Value
R.B.K	2018	Compensation for treatment abroad	10,000 €
B.S.	2018	Compensation for treatment abroad	2,500 €
R.I.	2018	Compensation for treatment abroad	3,878 €
H.R.	2018	Compensation for treatment abroad	11,000 €
A.L.	2018	Execution procedure	8,000 €
R.B.	2018	Compensation for treatment abroad	900 €
U.C. Shpk	2018	Execution procedure	36,798 €
R.H.M	2018	Execution procedure	6,380 €
M.D.	2018	Execution procedure	7,890 €
M.D.	2018	Execution procedure	2,180 €
E.H.	2018	Compensation for treatment abroad	6,000 €
Sh.T.	2018	Compensation for treatment abroad	4,000 €
Xh.H.	2018	Compensation for treatment abroad	3,000 €
I.I.	2018	Compensation for treatment abroad	8,000 €
A.Q.	2018	Procedure permbarimore	4,800 €
B. A.	2018	Compensation for treatment abroad	8,500 €
"MT"	2018	Execution procedure	36,913 €
D.M.	2018	Execution procedure	2,615 €
"A. SHPK"	2018	Execution procedure	139 €
"A. SHPK"	2018	Execution procedure	598 €
D.M.	Q-1 2019	Compensation for treatment abroad	8,400 €
S.M.	Q-1 2019	Compensation for treatment abroad	1,400 €
A.O.	Q-1 2019	Compensation for treatment abroad	13,560 €
HO.	Q-1 2019	Compensation for treatment abroad	9,492 €
P.D.	Q-2 2019	Compensation for treatment abroad	9,500 €
N.SH.	Q-2 2019	Compensation for treatment abroad	31,100 €
Total			237,543 €

## 2.4. Assets

At the end of 2018, an asset inventory commission was created which after the process of physical identification / enumeration of the asset has compiled a report that has been compared to asset reports to identify and eliminate differences.

Subsequently, following the approval of the budget law where the Fund is allocated as a separate budget organization, a commission for the transfer of assets from the Ministry of Health to the Health Insurance Fund has been established, a process that ended in Q1 / 2019 this year. .

*Table 5. Assets at June 30, 2019*

Description	Assets on 31 march 2019	Assets on 30 june 2019	
Equipment and inventory	89,847	149,627	
Total	89,847	149,627	

Under Q1, the Ministry of Health transferred 89,847 € to the Fund, while in Q2 / 2019 the Fund increased its assets by 59,780 €. Of these 29,800 €<sup>4</sup>for the purchase of a vehicle by government grant, while € 29,980 are from borrowing (payments were made by the Ministry of Health while the property was transferred to the Fund).

## 3 Outpatient medical treatment program

### 3.1. Medical treatments outside PHI

Medical Treatment Program outside PHI (MTPOPFI) is a program established to provide health services in conditions where Public Health Institutions cannot provide such services. These services are provided in private health facilities at home or abroad. The operation of this program is regulated by an administrative instruction which provides for the procedures for benefiting from this program as well as the program administration bodies.

During Q2 / 2019 371<sup>5</sup> patients applied for MTPOPFI, while the number of approvals reaches 438, as some requests from Q1 have been approved within this period.

However, if we look at the total applications in relation to the approvals, we see that there are still 63 unapproved cases, either due to administrative procedures or due to requests for completing the documentation.

<sup>4</sup> PC, laptop, other electronic equipment

<sup>5</sup> The total applications include 60 cases sent for free medical treatment under the agreement with Turkey

QUARTERLY REPORT – Q2/2019

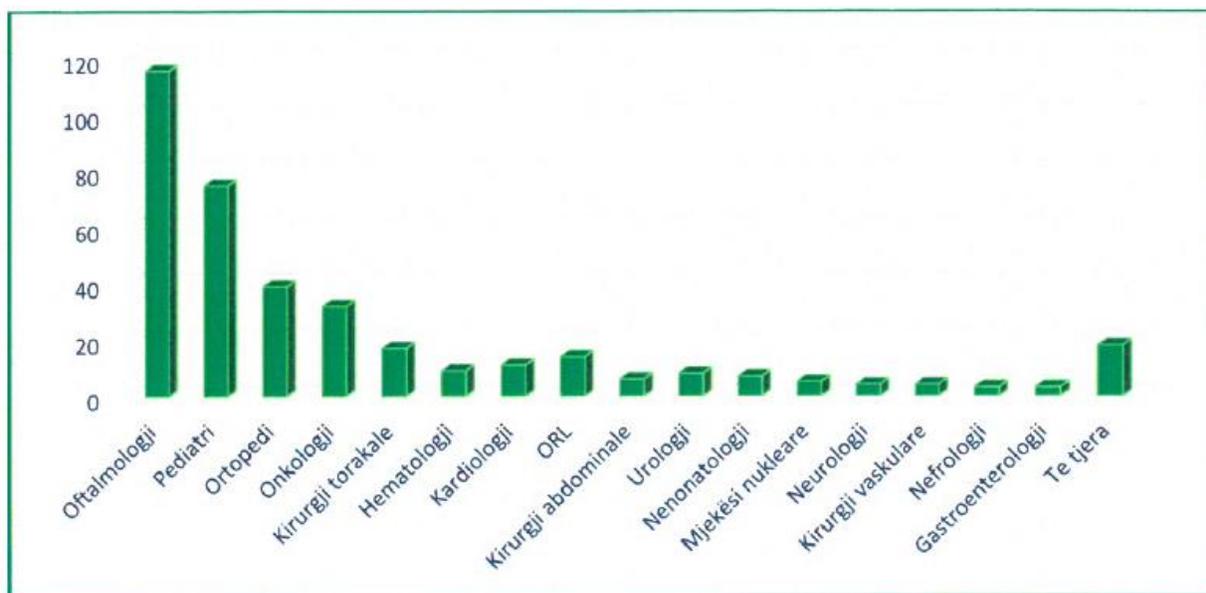
Table 6. Approved requirements and subjects for Q2 / 2019 period

No.	Description	Q1/2019	Q2/2019	Total applications Q1-Q2
1	Applications	344	371	715
2	Urgent cases	147	175	322
3	Regular cases	197	196	393
4	Approvals	214	438	652

Table 7. Number of applications for referral medical treatments by clinics for Q2 / 2019

No.	Clinic	No. of applications Q1/2019	No of applications Q 2 2019	Total applications T Q 1-Q 2
1	Ophthalmology	110	116	226
2	Pediatrics	47	75	122
3	Orthopedics	32	39	71
4	Oncology	18	32	50
5	Hematology	14	17	31
6	Cardiology	17	9	26
7	Thoracic surgery	15	11	26
8	ORL	12	14	26
9	Abdominal surgery	10	6	16
10	Nuclear medicine	7	8	15
11	Neurology	7	7	14
12	Nephrology	9	5	14
13	Vascular surgery	8	4	12
14	Gastroenterology	8	4	12
15	Neonatology	8	3	11
16	Urology	8	3	11
17	Other	14	18	32
Total		344	371	715

QUARTERLY REPORT – Q2/2019



Ophthalmology
Pediatrics
Orthopedics
Oncology
Hematology
Cardiology
Thoracic surgery
ORL
Abdominal surgery
Nuclear medicine
Neurology
Nephrology
Vascular surgery
Gastroenterology
Neonatology
Urology
Other

### 3.2. Payments for medical treatment outside PHI

Payments for medical treatment outside PHI for Q2 / 2019 were 1,820,763c, or over 30% of this category's budget. In the following table we have disclosed the payments according to the countries where they were made.

Table 8. Payments for jaslite medical treatments to Public Health Institutions for Q2 / 2019

No.	Country	Number of payments Q1	Number of payments Q2	Total number of payments Q1-Q2	Value of payments Q-1	Value of payments Q-2	Value of payments Q 1-TM2
1	Turkey	37	76	113	950,771	1,081,579	2,032,350
2	Kosovo	48	71	119	169,131	294,266	463,397
3	Macedonia	19	61	80	76,840	150,634	227,474
4	Germany	8	9	17	81,737	123,700	205,437
5	Albania	11	27	38	73,986	83,876	157,862
6	Italy	5	5	10	81,567	38,494	120,061

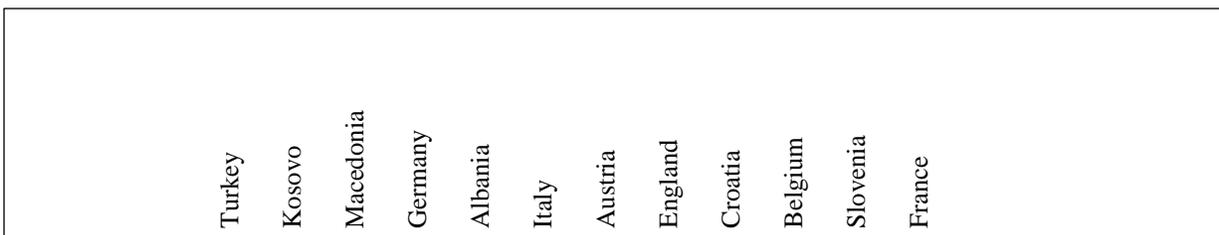
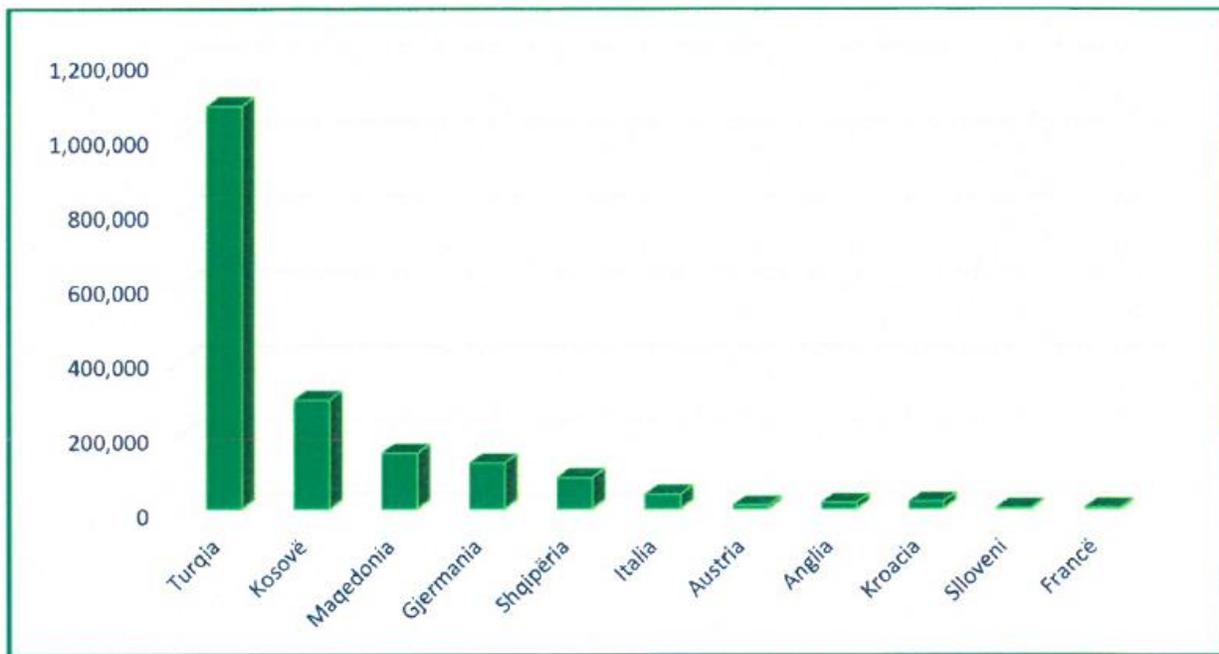
QUARTERLY REPORT – Q2/2019

7	Austria	3	3	6	44,145	8,579	52,724
8	England	1	1	2	12,097	16,035	28,132
9	Croatia	1	6	7	2,240	18,507	20,747
10	Belgium	1	-	1	14,015	-	14,015
11	Slovenia	1	1	2	3,500	2,000	5,500
12	France	-	1	1	-	3,093	3,093
Total		135	261	396	1,510,029	1,820,763	3,330,792

From the table above we can see that payments for 261 patients were made during this year's TM2 period. Most of the payments were made to cover liabilities from 2018 with the exception of some cases of 2019 which were urgent, or in other cases where patients have worsened their health.

The following is a graph of payments for medical treatment for Q2 / 2019.

Figure 3. Payments for outpatient treatment outside Public Health Institutions for Q2 / 2019



### **3.2. Reconciliation process with private hospitals**

By decision dated February 23, 2019, the Director of the Fund has established a Committee on Financial Reconciliation between the Fund and Private Health Institutions at home and abroad.

So far, five (5) hospitals have been equated (only the signature process remains), while four (4) are in the process of being completed.

However, the hospitals with which reconciliations are made and those that are in process have the largest volume of transactions. Out of a total of 5,864 transactions, 2115 transactions have been reconciled or are in the process of reconciliation, ie about 36% of all transactions

### **4 Objectives and their implementation for Q2 / 2019**

The 2019 Work Plan foresees 14 strategic objectives, 51 activities and 170 sub-activities. Of these, 77 sub-activities are planned in Q2 this year. Of these, 55 sub-activities were implemented, or 71.42% of the plan for this quarter. However, some sub-activities of Q1 were also implemented during this quarter, from 82% to 93%. In the following we present in detail the results achieved in relation to the objectives set.

#### **Objective 1 - Ensure effective governance, transparency and accountability in the Fund**

Within this objective, a number of activities are envisaged that aim to lead the Fund on the basis of efficient, transparent and accountable governance.

Within this objective, many activities aimed at institutional efficiency are foreseen, including the identification of risks as one of the preconditions for a sustainable institutional functioning, followed by regular internal audit reports, regular monthly reports on the financial situation as well as annual financial reports. Fund that will reflect all activities ensuring full transparency. These activities are:

- 1.1 Prepare a register of potential risks and manage them effectively;
- 1.2 Effective budget management in line with appropriations for 2019;
- 1.3 Audits and implementation of recommendations given by internal and external audit;
- 1.4 Effective management and fair and accurate reporting of outstanding liabilities;
- 1.5 Effective management and fair and accurate reporting of non-financial assets;
- 1.6 Drafting of Annual Financial Statements; and
- 1.7 Annual Report for 2018.

For the period Q2 / 2019 this objective had a total of eight (8) sub-activities, out of which six (6) were implemented, while two (2) are in the process of continuous implementation.

However, some of the activities have to do with regular annual reporting and those activities will continue in other periods.

#### **Objective 2 - Preparation of five (5) strategic plan and annual work plan for 2020**

One of the most important objectives is the Strategic Planning which is a very important segment because it ensures that the institution has its vision and orientations towards measurable goals. As such, strategic planning is a useful tool that serves as a guide for day-to-day decision-making and also for evaluating progress.

Within this objective within Q2 two (2) related activities are foreseen, such as:

2.1 Prepare a strategic five (5) strategic plan including vision, mission, values and strategic goals; and 2.2 Preparation of the annual work plan for 2020.

This objective in Q2 / 2019 had a total of two (2) sub-activities, which have not been realized. However, they are expected to be implemented within Q3.

**Objective 3 - Identify the needs for amending / amending the legal and sub-legal acts as well as the internal administrative procedures and initiating them to complete the legislation**

Within this objective there are a total of four (4) activities as follows:

- 3.1 Contribution to amendment of existing Legislation;
- 3.2 Issuance of new regulations necessary for the completion of the secondary legislation of the Fund;
- 3.3 Establish internal administrative procedures, including manuals for guiding employees to work; and
- 3.4 Preparations for bilateral agreements with other countries.

This objective in Q2 / 2019 had a total of six (6) sub-activities, of which one (1) has been implemented, two (2) are in the process of being implemented, while three (3) have remained unfinished.

**Objective 4 - Development and implementation of systems**

Within this objective there are four (4) activities as follows:

- 4.1 Interconnection of HIS systems - Fund Information System;
- 4.2 Installation and configuration of hardware;
- 4.3 Manage, update, maintain and migrate servers and other equipment; and
- 4.4 Planning, development and maintenance of the Fund's internal systems.

This objective in Q2 / 2019 had a total of ten (10) sub-activities, of which four (4) have been fully completed, while six (6) are in the process of being completed.

**Objective 5 - Implementation of the Fund Information System**

Within this objective there are a total of seven (7) activities as follows:

- 5.1 Contracting of the Fund Information System;
- 5.2 E-recipe implementation;
- 5.3 E-recipe user manual and training of E-recipe users;
- 5.4 Implementation of SIF (Liaison Module with Civil Registration Agency (ARC), Central Bank of Kosovo (CBK), Tax Administration of Kosovo (TAK), and other relevant institutions;
- 5.5 Implementation of the SIF (Finance Management and Accounting Module) 5.6 SIF Implementation (Reporting Module); and
- 5.7 SIF User Manual and Training of SIF Users.

This objective in Q2 / 2019 had ten (10) sub-activities, two (2) of which have been completed, while eight (8) are in the process of being completed.

**Objective 6 - Collaboration with the University Clinical Hospital Service of Kosovo (HUCSK) and other health care institutions. Prepare for contracting health services**

Within this objective, there is only one (1) activity related to the finalization of contracting procedures and the definition of a contract model for health services.

Within Q2 / 2019 this objective had two (2) sub-activities, of which one (1) has been completed while the other is in the process of being implemented.

**Objective 8 - Effective management of medical treatment outside the Public Health Institutions**

Within this objective there are a total of two (2) activities as follows:

- 6.1 Analysis of processes of medical treatment outside the Public Health Institutions; and
- 6.2 Reconciliation with private health institutions.

Within Q2 / 2019 this objective had four (4) sub-activities, of which two (2) have been implemented and two (2) are in the process of being implemented.

**Objective 9 - Establishment of cooperation with other local institutions as well as with international partners**

Within this objective there are a total of five (5) activities as follows:

- 7.1 Agreement of Understanding with TAK, CRA and CBK;
- 7.2 Collaboration with Chambers of Health Professionals;
- 7.3 Concluding agreements of understanding with the same Institutions of the countries of the region for the exchange of experience;
- 7.4 Partnership with one of the EU Member State Funds; and
- 7.5 Donor Cooperation (Donations to provide assistance whether through financial means, activity coverage or training organization.

In the context of Q 2 / 2019 this objective had 11 sub-activities, of which two (2) have been implemented, five (5) are in the process of being implemented, while the other four (4) have not been implemented. Unimplemented sub-activities are related to partnerships with other countries.

**Objective 10 - Capacity building of human resources and continuing professional education**

Within this objective there are a total of three (3) activities as follows:

- 8.1 Regional Offices;
- 8.2 Recruitment of staff (48 positions) to fill the vacancies necessary for the functioning of the Institution; and
- 8.3 Provision of training for new staff and professional status.

Within Q2 / 2U19 this objective had five (5) sub-activities, of which three (3) are in the process of being implemented, while two (2) others have not been completed.

**Objective 11 - Completion of prerequisites for contracting services and start of collection of premiums according to law no. 04 / L-239 on Health Insurance**

Within this objective there are a total of five (5) activities as follows:

- 9.1 Create a list of basic health care services along with the relevant financial statement for the fiscal year;
- 9.2 Creating a list of services guaranteed by Article 7 of the Law on Health Insurance;
- 9.3 Determination of prices for each health care service for the fiscal year;
- 9.4 Determination of co-payments and other levels of co-financing for exempt categories; and
- 9.5 Provision of insurance cards, or other means of identification for the insured, including at least 75% of public and private sector employees, as well as 75% of individuals of the exempt categories.

As of Q2 / 2019 this objective had ten (10) sub-activities, of which four (4) are in the process of being implemented, while the other six (6) have not been implemented.

**Objective 12 - Preparation and finalization of the list of out-of-hospital medicines (with prices) to be paid by the Fund**

Within this objective there are a total of four (4) activities as follows:

- 10.1 Initiate the procedure for establishing a legal basis for the contracting of pharmacies;
- 10.2 Finalize the list of out-of-hospital drugs at prices to be paid by the Fund;
- 10.3 Concluding MoUs with municipalities on the use of E-prescriptions by MFMCs; and
- 10.4 Contracts with pharmacies for medicines to be paid by the Fund.

In Q2 / 2019 this objective had no sub-activities, their planning was delayed due to legal obstacles encountered in contracting pharmacies and implementation was delayed until the legal basis was clarified.

**Objective 13 - Informing the public through information campaigns and increasing public confidence**

Within this objective there are a total of three (3) activities as follows:

- 11.1 Analysis of information needs, including target groups, methodology used, etc .;
- 11.2 Preparation of necessary materials (brochures, seminars, spots, web site announcements, etc.); and
- 11.3 Organizing information campaigns.

As of Q2 / 2019 this target had seven (7) sub-activities. Their implementation has been delayed due to the lack of professional staff within the Fund which would oversee the realization of this objective. We have requested support from the Kosovo Health Project but this process has been delayed due to delays in approving the Budget for this project.

**Objective 14 - Securing the location / start of construction of the Health Insurance Fund facility**

Within this objective there are a total of three (3) activities as follows:

QUARTERLY REPORT – Q2/2019

12.1 Designation of the parcel, preparation of the conceptual design as well as obtaining the construction permit;

12.2 Bidding procedures and contract award; and

12.3 Start of construction of the facility.

Within Q2 / 2019 this objective had two (2) sub-activities, of which one (1) was implemented, while one (1) is in the process of being completed.

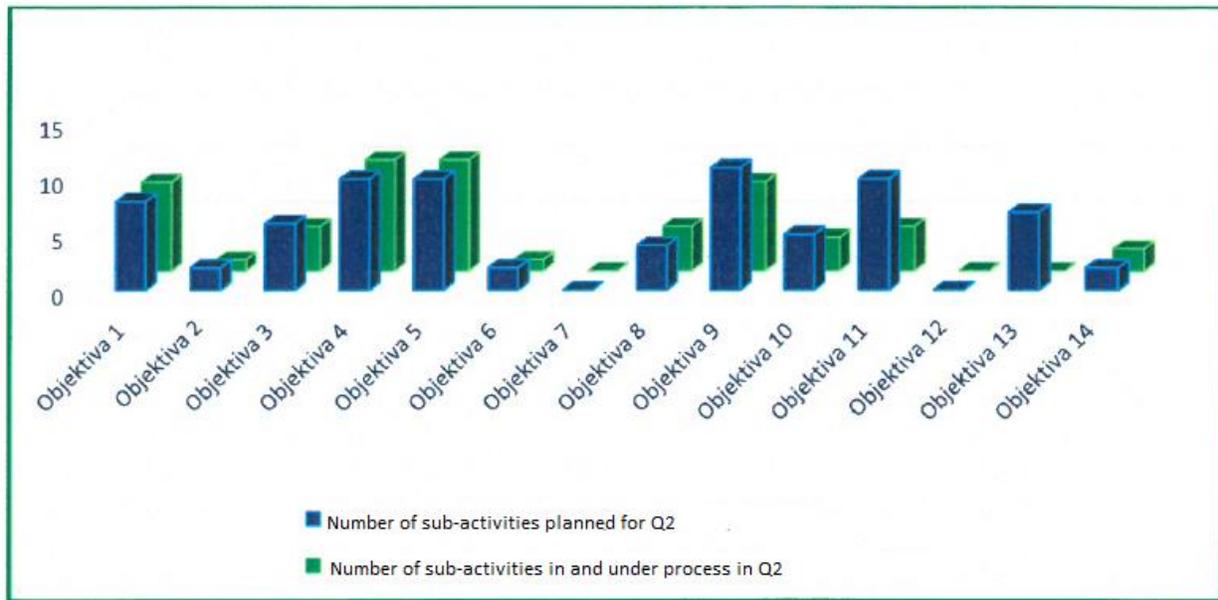
Table no. 9. The results achieved in Q2 report with the objectives set

Objectives	Number of sub-activities scheduled for 2019	Number of sub-activities planned for Q2	Number of sub-activities carried out and in process in Q2	Number of sub-activities not implemented in Q2	Level of realization of the 2019 work plan in Q2
Objective 1 - Ensure effective governance, transparency and accountability in the HIF.	26	8	8	0	100%
Objective 2 - Prepare a five (5) year strategic plan and an annual work plan for 2020.	5	2	1	1	50%
Objective 3 - Identify the needs for amending / amending the laws and bylaws as well as internal administrative procedures and initiating them to complete the legislation.	19	6	4	2	67%
Objective 4 - Development and implementation of systems.	19	10	10	0	100%
Objective 5 - Implementation of the FIS.	24	10	10	0	100%
Objective 6 - Collaboration with University Clinical Hospital Service of Kosovo (HUCSK) and other health care institutions. Prepare for contracting health services.	5	2	1	1	50%
Objective 7 - Proposal of the Health Sector Financing Scheme.	7	0	0	0	0%
Objective 8 - Effective management of medical treatment outside the Public Health Institutions.	4	4	4	0	100%
Objective 9 - Establishment of cooperation with other local institutions as well as with international partners.	13	11	8	3	73%
Objective 10 - Capacity building of human resources and continuing professional education.	6	5	3	2	60%
Objective 11 - Fulfillment of prerequisites for contracting services and start of collection of premiums according to law no. 04 / L-239 on Health Insurance.	21	10	4	6	40%
Objective 12 - Preparation and finalization of the list of outpatient medicines (at prices) to be paid by the HIF.	6	0	0	0	0%
Objective 13 - Informing the public through information campaigns and increasing public confidence.	9	7	0	7	0%

QUARTERLY REPORT – Q2/2019

Objective 14 - Securing the location / start of construction of the Health Insurance Fund facility.	6	2	2	0	100%
Total	170	77	55	22	71.42%

Figure no. 4. Results achieved in Q 2 report and objectives (sub-activities)



From the figure above we see that most of the objectives (sub-activities for Q2 of 2019) have been met. In total, the achievement of the objectives, including those in process, reaches 71.42%. The lowest realization was the following objectives:

1. Objective 11 - Completion of prerequisites for contracting services and start of collection of premiums according to law no. 04 / L-239 on Health Insurance;
2. Objective 12 - Preparation and finalization of the list of out-of-hospital medicines (prices) to be paid by the Fund; and
3. Objective 13 - Informing the public through information campaigns and increasing public confidence.

The reasons for not fulfilling the above objectives are related to several factors, such as:

1. Delays in approving the annual work plan for 2019;
2. Delays in completing / amending health insurance legislation; and
3. Failure to fill the position of Communications Officer (Objective 13 in which none of the specified sub-activities have been fulfilled).

QUARTERLY REPORT – Q2/2019

However, taking into account all factors such as the implementation of the Q2 plan at 71.42%, as well as the increase in the implementation of the Q1 plan from 82% to 93%, shows satisfactory performance for this period.

**5 Annex I. Sub-activities planned and implemented in Q2**

Objectives	Activities Q 2	Sub-activity Q 2	Sub-activities completed	Sub-activities in process	No incomplete sub-activities	
Objective 1 - Ensure effective governance, transparency and accountability in the Fund	1.1. Prepare a record of possible risks and manage them effectively.	1.1.4. Regular monitoring of the risk register.	X			
	1.3. Audits and implementation of recommendations given by internal and external audit.	1.2. Efficient budget management in line with the 2019 appropriations.	1.2.4. Regular monthly reporting on expenses in accordance with the cash flow plan.	X		
		1.3.1. Acceptance of external audit report for financial statements.	X			
		1.3.2. Planning and completion of internal audits (four audits) based on identified areas of risk.		X		
	1.4. Effective management and fair and accurate reporting of outstanding liabilities.	1.3.6. Follow up on the implementation of internal audit recommendations.			X	
		1.4.1. Regular monthly reporting on outstanding liabilities.	1.4.1. Regular monthly reporting on outstanding liabilities.	X		
	1.5. Effective management and fair and accurate reporting of non-financial assets.	1.4.2. Keeping a record of contingent liabilities.	1.4.2. Keeping a record of contingent liabilities.	X		
		1.5.5. Regular registration of new property (accepted / purchased).	1.5.5. Regular registration of new property (accepted / purchased).	X		
Objective 2 - Prepare the plan of three (3) year Institutional Development and Annual Work Plan for 2020	2.1. Prepare a three (3) year Institutional Development plan including vision, mission, values and strategic goals.	2.1.3. Twinning for strategy			X	
		2.1.4. Draft the first draft of the strategic plan.		X		
Objective 3 - Identify needs for supplementing / amending the laws and bylaws as well as internal administrative procedures and initiating them to complete the legislation	3.2. Issue new regulations that are necessary to supplement the secondary legislation of the Health Insurance Fund (HIF).	3.1. Providing input to supplement / amend existing Legislation.	3.1.3. Initiation to supplement / amend the Administrative Instruction for Medical Treatment Abroad.	X		
		3.2.6. Initiate the promulgation of a Regulation on Contractual Relations with Primary Health Care through Municipal Directorates.		X		
		3.2.7. List of Primary Health Care Services.			X	
		3.2.8. Initiation to promulgate bylaws Collection of Compulsory Health Insurance Premiums.				X
		3.2.10. Issuance of the normative act on the procedures of evidence of the insured in the Fund.				X

QUARTERLY REPORT – Q2/2019

		3.2.11. Other internal acts to ensure the efficient operation of the HIF (archiving, security, public communication, finance and budget, personnel, etc.).		X	
--	--	--	--	---	--

Objective 4 - Development and implementation of systems	4.1. Interface of HIS systems - Fund Information System.	4.1.1. Linking the Memorandum of Understanding between the Fund and the MoH on the exchange of information HIS - Fund Information System.		x	
	4.3. Manage, update, maintain and migrate servers and other equipment.	4.3.1. Continuous server management, maintenance and migration (current + new)		x	
		4.3.2. Installing, configuring, and logging into computers	X		
		4.3.3. Providing remote access for related parties using the government network		X	
	4.4. Planning, development and maintenance of HIF's internal systems that.	4.4.1. Establish procedures for user accounts, security policies and other standard operating procedures for the use, maintenance and monitoring of hardware and software.		X	
		4.4.5. Planning of human resources and payroll management system.		X	
		4.4.6. Implementation of the help desk system.	X		
		4.4.7. Implementation of the internal asset management system.	x		
		4.4.8. Analysis, planning and sketching of the HIF intranet construction.		X	
		4.4.9. Preparation of financial plan, human resources, training and technology in MSI department.	x		
Objective 5 - Implementation of Fund Information System		5.2. Implementation of the E-prescription.	5.2.1. Preparation / Signing of detailed project plan.	x	
	5.2.2. Acceptance of hardware (servers + other devices) as per FIS implementation tender.		X		
	5.2.3. Preparing and configuring the TEST environment for installation of the e-recipe.			X	
	5.2.4. Preparing and configuring the LIVE environment and installing the recipe.			X	
	5.3. E-recipe user manual and training of E-recipe users.	5.3.1. Preparation of e-prescription training plan.		X	
	5.4. Implementation of SIF (Liaison Module with Civil Registration Agency (CRA), Central Bank of Kosovo (CBK), Tax Administration of Kosovo (TAK), and other relevant institutions.	5.4.1. Coordination with CRA, TAK and CBK, MoH, MLSW, ARBK and ASHL.		X	
		5.4.2. Technical specifications for interconnection of systems with ARC, TAK and CBK and MOH.		X	
		5.4.4. Testing registries (insurances, doctors, institutions, diagnoses and procedures) with baseline data.		X	

QUARTERLY REPORT – Q2/2019

	5.5. Implementation of the SIF (Finance Management and Accounting Module).	5.5.1. Prepare a plan for system testing and acceptance.		X	
	5.6. SIF Implementation (Reporting Module).	5.6.1. Identification of necessary reports.		X	

Objective 6 - Collaborate with the University Clinical Hospital Service of Kosovo (HUCSK) and other Institutions of Health Care. Prepare for contracting health services	6.1. Finalizing contracting procedures and defining a contract model for health services.	6.1.1. Examine the model of contracts for health services from different countries.		X	
		6.1.2. Extensive discussion with stakeholders on the definition of the contract model.			X
Objective 8- Effective management of medical treatment outside Public Health Institutions	8.1. Analysis of processes of medical treatment outside the Public Health Institutions.	8.1.1. Compilation of narrative report from data compiled since 2006.	X		
		8.1.2. Periodic reporting to the HUCSK Directorate on Consular Reports for the KLPP.	X		
	8.2. Reconciliation with Private Health Institutions (within and outside the country).	8.2.1. Review the process for medical treatments outside the Public Health Institutions.		X	
		8.2.2. Reconciliation with hospitals.		X	
Objective 9 - Increase cooperation with other local institutions as well as with international partners	9.1. Understanding of agreements with TAK, ARC and CBK.	9.1.1. Concluding agreements with the Tax Administration of Kosovo	X		
		9.1.2. Concluding agreements with the Civil Registration Agency.	X		
		9.1.3. Concluding agreements with the Central Bank of Kosovo.		X	
	9.2. Cooperation with Chambers of Health Professionals.	9.2.1. Concluding cooperation agreements with the Chambers of Physicians		X	
		9.2.2. Concluding cooperation agreements with the Chambers of Pharmacists.		X	
	9.3. Linking agreements of understanding with the same Institutions of the countries of the region for the exchange of experiences.	9.3.1. Concluding cooperation agreements with the Compulsory Health Insurance Fund of Albania.			X
		9.3.2. Concluding cooperation agreements with the Montenegro Security Fund.			X
		9.3.3. Concluding cooperation agreements with the Macedonian Security Fund.			X
	9.4. Partnership with one of the Countries Funds. to the EU.	9.4.3. Contracting for partnership.		X	

QUARTERLY REPORT – Q2/2019

	9.5. Cooperation with donors (Donations to provide assistance whether through financial means, activity coverage or training organization).	9.5.1. Coordination meeting with donors.		X	
		9.5.2. Identification of joint activities.		X	
Objective 10 - Capacity building of human resources as well as continuing professional education	10.1. Regional Offices.	10.1.1. Agreements of Understanding with Municipalities, or other institutions for the use of space for the needs of the Fund.			X
		10.1.2. Complete regional offices with equipment and inventory.			X
	10.2. Staff recruitment (48 positions) to fill the vacancies needed to make the Institution operational.	10.2.1. Staff recruitment for vacancies based on internal organization regulation.		X	
		10.2.2. Discussion of the List of Guaranteed Services with Stakeholders.			X
	10.3. Provide training for new staff and professional staff.	10.3.2. Conduct basic training for new staff.		X	
		10.3.3. Implementation of professional status training (advanced training).		X	

Objective 11 - Completion of prerequisites for contracting of services and commencement of collection of premiums according to law no. 04/1 -249 on Health Insurance	11.1. Creating a list of basic health care services along with the relevant financial statement for the fiscal year.	11.1.2. Review of the Nomenclature of Health Services.		X	
		11.1.3. Definition of Basic List of Services by KT.		X	
		11.1.4. Discussion of the Basic List of Services with Stakeholders.			X
	11.2. Creating the list of services guaranteed by Article 7 of the Law on Health Insurance.	11.2.1. Drafting the list of guaranteed (mandatory) services.		X	
		11.2.2. Discussion of the List of Guaranteed Services with Stakeholders.			X
		11.2.3. Final Definition of List of Guaranteed Services.			X
	11.3. Creating negative lists of prices for each health care service for the fiscal year.	11.3.2. Discussion of Negative List of Services with Stakeholders.			X
	11.4. Determination of co-payments and other levels of co-financing for exempt categories.	11.4.2. Coordination with the MLSW for the poverty test.		X	
	11.5. Providing with insurance cards, or other means of identification for	11.5.1. Establish a working group on the form of identification of the insured.			X

QUARTERLY REPORT – Q2/2019

	the insured, including at least 75% of public and private sector employees, as well as 75% of individuals of the exempt categories.	11.5.2. Creating a Family Tree for the Insured.			X
Objective 13 - Informing the public through information campaigns and increasing public confidence	13.1. Analysis of information needs, including target groups, methodology used, etc.	13.1.1. Defining the groups needed for information.			X
		13.1.2. Definition of methodology			X
	13.2. Preparation of needed materials (brochures, seminars, spots, web site announcements, etc.).	13.2.1. Preparing brochures.			X
		13.2.2. Preparing agendas, materials for conferences and seminars.			X
		13.2.3. Preparation of information materials through the website.			X
	13.3. Organizing information campaigns.	13.3.3. Organizing briefings.			X
13.3.4 Establishment and functioning of the Citizens Advice and Support Office.				X	
Objective 14 - Securing the location / starting of building the Health Insurance Fund facility	14.1. Planning of the parcel, preparation of the conceptual project as well as obtaining the construction permit.	14.1.2. Analysis of the parcels that may be available and determining the most appropriate parcel for the development of the Fund's activities.	X		
		14.1.3. Design Company Selection / Project Design Definition / Technical Specification, including Bill of Quantities / Estimates / Consent / Construction Permit.		X	
Total			18	37	22

6 Annex II. Sub-activities planned in Q1 and implemented by the end of Q2

Objectives	Activities Q 1	Sub-activity Q 1	Sub-activities completed	Sub-activities in process	Incomplete sub-activities
Objective 1 - Ensure effective governance, transparency and accountability in the HIF.	1.1. Prepare a register of possible risks and manage them effectively.	1.1.1. Establishing a working group to identify risks.	X		
		1.1.2. Drafting the risk register.	X		
		1.1.3. Designate the person responsible for reporting and monitoring the registry.	X		
		1.1.4. Regular monitoring of the risk register.	X		
	1.2. Efficient budget management in line with the 2019 appropriations.	1.2.1. 1 Implementation of a cash flow plan.	X		
		1.2.2. List of liabilities from the previous year.	X		
		1.2.3. Developing specifications for Capital Investments.		X	

QUARTERLY REPORT – Q2/2019

		1.2.4. Regular monthly reporting on expenses in accordance with the cash flow plan.	X		
		1.3.2. Planning and completion of internal audits (four audits) based on identified areas of risk.		X	
		1.3.6. Follow up on the implementation of internal audit recommendations.		X	
1.4. Effective management and fair and accurate reporting of outstanding liabilities.		1.4.1. Regular monthly reporting on outstanding liabilities.	X		
		1.4.2. Keeping a record of contingent liabilities.	X		
1.5. Effective management and fair and accurate reporting of non-financial assets.		1.5.1. Establishment of an asset inventory commission.	X		
		1.5.2. Drafting the inventory of assets inventory.	X		
		1.5.3. Establishment of a commission for the transfer of assets from the MoH.	X		
		1.5.4. Transfer of assets from MoH.	X		
		1.5.5. Regular registration of new property (accepted / purchased).	X		
1.6. Design of PFVs.		1.6.1. Collection of financial data.	X		
		1.6.2. Design of PFVs.	X		
1.7. Annual Report for 2018.		1.7.1. Establishment of the working group for drafting the annual report.	X		
		1.7.2. Modeling, reporting.	X		
		1.7.3. Drafting of the annual report for 2018.	X		
Objective 2 Preparation of 5 year strategic plan and annual work plan for 2018	2.1. Preparing the plan five (5) year strategic plan including vision, mission, values and strategic goals.	2.1.1. Administrative procedures and approval of the Fund's account		X	
		2.1.2. Establishment of the working group for drafting the strategic plan.	X		
Objective 3 - Identify needs for supplementing / amending the laws and bylaws as well as internal administrative procedures and initiating them to complete the legislation.	3.1. Providing input to supplement / amend existing Legislation.	3.1.1. Contribution (through working group) to the draft Law on Health Insurance Fund.	X		
		3.1.2. Initiation to amend / amend the Financial Management Regulation.	X		
	3.2. Issue new regulations that are necessary to supplement the secondary legislation of the Health Insurance Fund (HIF).	3.2.1. Initiation to promulgate the new Regulation on Systematization of Jobs.	X		
		3.2.2. Staff Evaluation Regulation.	X		
		3.2.3. Contribution to the by-law for exemption from premium, co-payments and other co-financing obligations.	X		
	3.2.5. Initiation to promulgate a bylaw regulating the status of employees.	X			

QUARTERLY REPORT – Q2/2019

		3.2.11. Other internal acts that ensure the efficient operation of the HIF (archiving, security, public communication, finance and budget, personnel, etc.).		X	
--	--	--	--	---	--

Objective 4 - Development and implementation of systems.	4.2. Installation and configuration of hardware.	4.2.1. Borrowing hardware resources from the Information Society Agency (ASA)	X			
		4.2.2. Registration of all hardware owned by the HIF	X			
		4.2.3. Preparation of technical specifications for the purchase of laptops and other IT equipment with the World Bank	X			
		4.2.4. Preparation of technical specifications for equipment purchase. to TL.	X			
	4.3. Manage, update, maintain and migrate servers and other equipment.	4.3.1. Continuous server management, maintenance and migration (current + new)			X	
		4.3.2. Installing, configuring, and logging into computers	X			
		4.3.3. Providing remote access for related parties using the government network	X			
		4.3.4. Preparation of technical specifications for the implementation of the scanner security system for physical control of access to the HIF facility.	X			
		4.3.5. Design and standardization of electronic forms for the HIF official documents, creation of official e-mail distribution groups for the HIF staff.			X	
	4.4. Planning, development and maintenance of HIF internal systems.	4.4.1. Establish procedures for user accounts, security policies and other standard operating procedures for the use, maintenance and monitoring of hardware and software.			X	
		4.4.2. Identification and implementation of digital archive for electronic document storage and management.	X			
		4.4.3. Improvement of treatment system abroad.	X			
		4.4.4. Development of a system for reporting the costs and activity of health services (volume) from all levels of the health system.	X			
		4.4.5. Planning the system for the management of human resources and salaries.			X	
		4.4.6. Implementation of the help desk system.	X			
		4.4.7. Implementation of internal asset management system.	X			
		4.4.8. Analysis, planning and sketching of the HIF intranet construction.			X	

QUARTERLY REPORT – Q2/2019

		4.4.9. Preparation of financial plan, human resources, training and technology in MSI department.	X		
Objective 5 - FIS Implementation.	5.1. FIS Contracting.	5.1.1. Appointment of commission for evaluation of tender for SIF, upon request from the ASP / MH unit.	X		
		5.1.2. Evaluation of bids for the implementation of the e-recipe.	X		
	5.2. Implementation of the E-recipe.	5.2.1. Preparation / Signing of detailed project plan.	X		
	5.4. Implementation of SIF (Liaison Module with Civil Registration Agency (CRA), Central Bank of Kosovo (CBK), Tax Administration of Kosovo (TAK), as well as relevant institutions.	5.4.1. Coordination with ARC, TAK and CBK, MoH, MLSW, KBRA and ASHL.		X	

Objective 6 - Collaboration with University Clinical Hospital Service of Kosovo (HUCSK) and other health care institutions. Prepare for contracting health services.	6.1. Finalizing contracting procedures and defining a contract model for health services.	6.1.1. Examine the model of contracts for health services from different countries.		X	
Objective 7 - Proposal of Financing Scheme Health Sector.	7.1. Health sector financing analysis.	7.1.1. Establish a working group within the HIF.	X		
		7.1.2. Review of the legal framework and	X		
		other necessary documentation.	X		
	7.2. Finalizing the Health Sector Financing Scheme Plan Proposal.	7.1.3. Visiting countries in the region to review their experiences in these processes.	X		
		7.2.1. First drafting of the proposed scheme scheme.		X	
		7.2.2. Discussion of the proposal with stakeholders.		X	
		7.2.4. Draft the final draft of the proposed plan.		X	
Objective 8 - Effective management of medical treatment outside Public Health Institutions	8.1. Analysis of medical treatment processes outside the Public Health Institutions.	8.1.1. Compilation of narrative report from data compiled since 2006.	X		
		8.1.2. Periodic reporting to the HUCSK Directorate on Consular Reports for the MTPOPHI.	X		

QUARTERLY REPORT – Q2/2019

	8.2. Reconciliation with Private Health Institutions (within and outside the country).	8.2.1. Review the process for medical treatments outside the Public Health Institutions.		X	
		8.2.2. Reconciliation with hospitals.		X	
Objective 9 - Establishment of cooperation with other local institutions as well as with international partners.	9.3. Linking agreements of understanding with the same Institutions of the countries of the region for the exchange of experiences.	9.3.1. Concluding cooperation agreements with the Compulsory Health Insurance Fund of Albania.			X
	9.4. Partnership with one of the EU Member State Funds.	9.4.1. Defining the areas that are needed for further improvement.		X	
		9.4.2. Analysis of Health Funds of EU countries that can provide the required services.		X	
		9.4.3. Contracting for partnership.		X	
	9.5. Cooperation with donors (Donations to provide assistance whether through financial means, activity coverage or training organization).	9.5.1. Coordination meeting with donors.	X		
9.5.2. Identification of joint activities.		X			

Objective 10 - Capacity building human resources as well as continuing professional education.	10.2. Staff recruitment (48 positions) to fill the vacancies necessary for the functioning of the Institution.	10.2.1. Staff recruitment for vacancies based on the internal organization regulation.		X	
	10.3. Provide training for new staff and professional staff.	10.3.1. Annual training plan.	X		
		10.3.2. Conduct basic training for new staff.		X	
		10.3.3. Conduct training for professional staff (advanced training).		X	
Objective 11 - Completion of prerequisites for contracting of services and commencement of collection of premiums according to law no. 04 / L-239 on Health Insurance.	11.1. Creating a list of basic health care services along with the relevant financial statement for the fiscal year.	11.1.1. Amendment of the Decision establishing the Technical Committee (TC).	X		
		11.1.2. Review of the Nomenclature of Health Services.		X	
	11.3. Creating negative lists for any health care service for the fiscal year.	11.3.1. Drafting the list of negative services.		X	
	11.4. Determination of co-payments and other levels of co-financing for exempt categories.	11.4.1. Getting experiences from countries in the region.		X	
		11.4.2. Coordination with the MLSW for the poverty test.		X	

QUARTERLY REPORT – Q2/2019

Objective 13 - Notify the public through information campaigns and increased public confidence.	13.1. Information needs analysis, including target groups, methodology used, etc.	13.1.1. Defining the groups needed for information.		X		
		13.1.2. Definition of methodology			X	
	13.2. Preparation of needed materials (brochures, seminars, spots, web site announcements, etc.).	13.2.1. Preparing brochures.				X
		13.2.2. Preparing agendas, materials for conferences and seminars.				X
		13.2.3. Preparation of information materials through the website.				X
13.3. Organizing information campaigns	13.3.4. Establishment and functioning of the office for advice and support of citizens.				X	
Objective 14 - Securing the location / starting of building the Health Insurance Fund facility.	14.1. Planning of the parcel, preparation of the conceptual project as well as obtaining the construction permit.	14.1.1. Administrative Procedures / Communications / Requirements.	X			
		14.1.2. Analysis of the parcels that may be available and determining the most appropriate parcel for the development of the Fund's activities.	X			
Total			54	28	6	