

## STATUTES OF THE ESTONIAN HEALTH INSURANCE FUND

Passed with Regulation No. 3 of the Government of the Republic of 5 January 2001 ([RT I 2001, 5, 14](#)), entered into force 14 January 2001,

Amended by the following regulations:

No. 300 of 24.09.2002 entered into force 1.10.2002 ([RT I 2002, 78, 466](#))

No. 232 of 5.09.2003 entered into force 1.10.2003 ([RT I 2003, 61, 405](#))

No. 112 of 11.05.2006 entered into force 26.05.2006 ([RT I 2006, 23, 170](#))

No. 62 of 2.04.2009 entered into force 11.04.2009 ([RT I 2009, 20, 134](#))

The Regulation is established on the basis of § 5 (2) of [The Estonian Health Insurance Fund Act](#).

### Chapter 1

#### GENERAL PROVISIONS

##### § 1. Estonian Health Insurance Fund

(1) Estonian Health Insurance Fund (hereinafter health insurance fund) is a legal person in public law established by the Estonian Health Insurance Fund Act (hereinafter health insurance fund act).

(2) The name of the health insurance fund in English is the Estonian Health Insurance Fund.

##### § 2. Seat of health insurance fund

Health insurance fund is located in Tallinn.

##### § 3. Legal basis for the activities of health insurance fund

Health insurance fund shall operate pursuant to the Health Insurance Fund Act, the Health Insurance Act, these statutes and other legislation and health policy of the Republic of Estonia.

[Entered into force 1.10.2002 [RT I 2002, 78, 466](#)]

##### § 4. Insignia of health insurance fund

(1) Health insurance fund has its insignia the design and procedure for use of which shall be established by the statutes of insignia of the health insurance fund. The statutes of health insurance fund insignia shall be approved by the management board of the health insurance fund.

(2) Health insurance fund has a circular seal with the diameter of 35 millimetres in the centre of which is the symbol of health insurance fund and the words “Eesti Haigekassa \* Estonian Health Insurance Fund” on the edge .

(3) The documents of the health insurance fund shall be executed pursuant to the procedure established by “Bases for Document Management Procedure of Governmental Authorities” approved by Regulation of Government of Republic or other legislation. The general form of the health insurance fund bears the name of the health insurance fund and contact details in Estonian and/or English.

[Entered into force 1.10.2002 [RT I 2002, 78, 466](#)]

## § 5. Bodies of Health Insurance Fund

The bodies of health insurance fund are the supervisory board of the health insurance fund (hereinafter supervisory board) and the management board of the health insurance fund (hereinafter management board).

### Chapter 2

## SUPERVISORY BOARD OF HEALTH INSURANCE FUND

### Division 1

#### General Provisions

## § 6. Supervisory board

(1) The highest body of the health insurance fund is the supervisory board which consists of fifteen members.

(2) The Minister of Social Affairs, the Minister of Finance and the Chairman of the Social Affairs Committee of the *Riigikogu* are members of the supervisory board by virtue of office. On the proposal of the Social Affairs Committee, the *Riigikogu* shall designate one member of the supervisory board from among the members of the *Riigikogu*. The Government of the Republic shall appoint the remaining members pursuant to the procedure prescribed in § 9 subsections (3) – (5) of the Health Insurance Fund Act.

## § 7. Creation of member status of supervisory board

The authority, rights and obligations of a member of supervisory board are created as of the date of entry into force of the decision of appointment or designation of the person as a member of supervisory board. The authority, rights and obligations of members of supervisory board by virtue of office are created simultaneously with the creation of these persons' authority in the corresponding office.

## § 8. Competence of supervisory board

In addition to the competence provided in § 12 of the Health Insurance Fund Act, the supervisory board shall:

- 1) give the Minister of Social Affairs an opinion on the motions to amend the statutes of health insurance fund;
- 2) form, if necessary, committees, designating their membership and functions;
- 3) review the documents of health insurance fund and audit the accuracy of accounting, the existence of assets and the conformity of the activities of the health insurance fund with Acts, the statutes of the health insurance fund and decisions of the supervisory board;
- 4) request, as necessary, overviews from the management board on the activities and economic situation of the health insurance fund, information on material deterioration of the economic condition of the health insurance fund and other material circumstances related to the activities of the health insurance fund;
- 5) promptly notify the Government of the Republic of any material deterioration of the economic condition of the health insurance fund or any other material circumstances related to the activities of the health insurance fund;
- 6) make a proposal to the Minister of Social Affairs to establish the procedure for the assumption of a payment obligation of an insured person by the health insurance fund and the methods for calculation of the payments to be made to health care providers;
- 7) approve the requirements for the preparation of draft budget of the health insurance fund;
- 7<sup>1</sup>) approve the principles for planning the health insurance fund expenditure for at least 4 years and the sources for covering the expenditure on the proposal of the management board;

[Entered into force 11.04.2009 [RT I 2009, 20, 134](#)]

8) [Repealed entered into force 11.04.2009 – [RT I 2009, 20, 134](#)]

9) shall adopt, if necessary, a supplementary budget of the health insurance fund, correspondingly increasing or decreasing the expenditure of the health insurance fund and the sources for covering the expenditure in a balanced manner;

[Entered into force 11.04.2009 - [RT I 2009, 20, 134](#)]

- 10) designate on the proposal of the Minister of Finance an external portfolio manager for the reserve capital of the health insurance fund;
- 11) announce a competition for selection of the trustee for the cash reserves and appoint the trustee for the cash reserves, taking into consideration of proposals made by the management board;
- 12) approve restrictions on currency, credit and liquidity risks and if necessary, other investment risks upon investment of the funds of the cash reserves;
- 12<sup>1</sup>) decide on the use of the risk reserve;
- 13) [Repealed entered into force 1.10.2002 – [RT I 2002, 78, 466](#)];
- 14) give the Minister of Social Affairs an opinion on the use of the reserve capital of the health insurance fund;

15) decide on the performance of transactions by using the appropriations of the following year to the extent of more than 30 per cent of the value of the corresponding appropriations prescribed for the given budgetary year;

[Entered into force 11.04.2009 [RT I 2009, 20, 134](#)]

16) present an annual report on the economic activities of the health insurance fund to the

Government of the Republic through the Minister of Social Affairs pursuant to the procedure established by the Ministry of Finance;

17) approve the annual report and activity report;

18) organise a competition to fill the position of the chairman of management board according to the conditions provided for in this Regulation and shall designate, if necessary, an acting chairman of the management board;

19) decide on the basic conditions of contracts of service to be entered into with the chairman and members of the management board;

20) designate a member of management board to perform the functions of the chairman of management board during the period from the removal of the chairman of management board until the appointment of a new chairman of the management board;

21) decide on the restriction of the right of representation of members of management board;

22) give an opinion on the matter of legality of the decisions of the management board or the chairman of the management board if a member of management board has informed the chairman of the supervisory board or in the absence of the chairman of the supervisory board the deputy chairman that a relevant decision is in conflict with the requirements of law or this Regulation;

23) elect the deputy chairman of the supervisory board;

24) approve the rules of procedure of the supervisory board;

25) approve the insurer selected by the management board and the terms of liability insurance contract which will be concluded for the benefit of members of the supervisory board and the management board d;

26) [Repealed entered into force 1.10.2002 – [RT I 2002, 78, 466](#)]

27) approve the development plan of the health insurance fund for 4 years and a scorecard for a year.

[Entered into force 26.05.2006 [RT I 2006, 23, 170](#)]

## Division 2

### Chairman and deputy chairman of supervisory board

#### § 9. Chairman of supervisory board

The Minister of Social Affairs is the chairman of the supervisory board by virtue of office.

#### § 10. Election of deputy chairman of supervisory board

(1) The members of the supervisory board shall elect the deputy chairman of the supervisory board from among themselves. The election of the deputy chairman of the supervisory board shall take place pursuant to the provisions of § 15 of the Health Insurance Fund Act. The election is public, the chairman of the meeting shall count the votes given at the elections. Minutes shall be taken of the course of elections and voting results.

(2) Every member of supervisory board may nominate only one candidate in the election of deputy chairman and is not allowed to nominate himself/herself as a candidate. The proposal for nomination of a candidate shall be made in writing and shall be submitted to the chairman of the meeting of supervisory board before the discussion of relevant agenda item commences.

3) Before voting, the nominated candidate shall grant his/her consent concerning his/her nomination. If, before voting opens, the candidate has not granted his/her written consent concerning his/her nomination, the candidate is deemed to have withdrawn and there will be no voting with respect to this candidate.

(4) If one candidate has been nominated, a member of the supervisory board shall vote either for or against. If two or more candidates have been nominated, a member of the supervisory board can vote only for one nominated candidate. The candidate in favour of whom over one half of the members of the supervisory board present at the meeting of the supervisory board voted in favour shall be deemed to be elected.

(5) If one candidate does not receive a required number of votes, a repeat vote shall be held with respect to two candidates who received the greatest number of votes. A candidate who receives the largest number of votes is elected. Upon equal division of votes, the vote of the chairman of the supervisory board shall govern.

#### § 11. Competence of chairman of supervisory board

In addition to the competence provided in § 14 (3) of the Health Insurance Fund Act, the chairman of the supervisory board shall:

- 1) call meetings of the supervisory board, designate the place of a meeting of the supervisory board and issues to be discussed at a meeting;
- 2) organize the adoption of decisions without calling the meetings and shall inform of the decisions adopted in such a manner pursuant to the provisions prescribed in § 18 of the Health Insurance Fund Act 18;
- 3) prepare and submit to the supervisory board proposals for the adoption of decisions in issues which fall within the competence of the supervisory board;
- 4) decide who should be called to the meetings of the supervisory board in addition to the members of the supervisory board and the chairman of the management board;
- 5) designate the recording secretary of the meeting of the supervisory board;
- 6) enter for and behalf of the health insurance fund representing the supervisory board into a contract of service with the chairman of the management board and the members of the management;
- 7) sign the decisions of the supervisory board;
- 8) make a proposal to the supervisory board to repeal a decision of the supervisory board, if a member of the supervisory board has informed it that the relevant decision is in conflict with the requirements of law or this Regulation;
- 9) make a proposal to the supervisory board to assume an opinion regarding the legality of a decision of the management board or the chairman of the management board, if a member of the management board has informed it that the relevant decision is in conflict with the requirements of law or this regulation;
- 10) submit, if necessary, a demand to call a meeting of the management board.

### Division 3

#### Decisions of supervisory board

#### § 12. The adoption of decisions of supervisory board

The decisions of the supervisory board shall be adopted at a meeting or without calling a meeting pursuant to the procedure provided for in §§ 17 and 18 of the Health Insurance Fund Act.

#### Division 4

##### Meetings of supervisory board

###### § 13. Time and place of the meeting of supervisory board

(1) Meetings of the supervisory board shall be held as necessary but at least once every three months.

(2) The place of a meeting of the supervisory board shall be the seat of the health insurance fund unless the person who calls the meeting designates a different place for the meeting in the Republic of Estonia.

###### § 14. Calling the meeting of supervisory board

(1) Notice of a meeting of the supervisory board shall be given to members of the supervisory board in writing at least seven days before the date of the meeting. The notice may be forwarded by post, fax or by electronic mail. A meeting shall be called and the notice shall be signed by the chairman of the supervisory board or in the absence of the chairman, by the deputy chairman of the supervisory board.

(2) The chairman of the supervisory board (in the absence of the chairman, the deputy chairman of the supervisory board) shall call within ten days as of the receipt of a demand from a member of the supervisory board, the management board, the chairman of the management board or an auditor an extraordinary meeting of the supervisory board. An extraordinary meeting of the supervisory board shall not be called if an ordinary meeting is held in less than two weeks as of the submission of demand.

(3) A notice of the meeting of the supervisory board shall indicate:

- 1) the time and place of the meeting;
- 2) the agenda of the meeting and the presenters of relevant reports;
- 3) information and documents required for the adoption of decision which are added to the notice or submitted to members of the supervisory board for review at the seat of the health insurance fund after the date of issue of the notice. If the appointment of the chairman of the management board or members of the management board is on the agenda of the meeting of the supervisory board, the available consents (statements) and curricula vitae of candidates have to be added to the notice of the meeting;
- 4) other material circumstances related to meeting.

###### § 15. Quorum of the meeting of supervisory board

(1) Unless otherwise provided by the Health Insurance Fund Act, a meeting of the supervisory board has a quorum if at least two thirds of the members of the supervisory board participate in the meeting, including the chairman or the deputy chairman of the supervisory board.

(2) Upon lack of the quorum necessary for holding a meeting of the supervisory board, a new meeting with the same agenda shall be held within seven days after the cancellation of the meeting. A new meeting may be called not earlier than the next working day. An advance notice of seven days need not be complied with. If a meeting has been cancelled due to a lack of quorum of a meeting of the supervisory board, the members of the supervisory board who did not participate in the meeting are required to submit a written explanation on the reasons of their absence at the latest by the next meeting of the supervisory board.

#### § 16. Specifications of the meeting of supervisory board

(1) If the requirements of the Health Insurance Fund Act of the statutes have been violated in calling the meeting, the meeting of the supervisory board is not justified to adopt decisions, unless all members of the supervisory board participate in the meeting.

(2) Matters in need of urgent decision making, which are not indicated in the notice, may be discussed and decided at the meeting of the supervisory board, if all members of the supervisory board are in favour of the discussion.

### Division 5

#### Minutes of meeting of supervisory board

#### § 17. Minutes of meeting

(1) A person designated by the chairman of the supervisory board or, in the absence of the chairman of the supervisory board, by the deputy chairman, shall take the minutes of the meeting of the supervisory board.

(2) The following shall be entered in the minutes of a meeting of the supervisory board:

- 1) the time and place of the meeting;
- 2) the names of members of the supervisory board participating in the meeting and the names of other people present at the meeting;
- 3) the chairman and the recording secretary of the meeting;
- 4) the agenda of the meeting;
- 5) the names of presenters making reports on the agenda items and the description of contents of reports, if the main opinions of a report have not been submitted in writing to the chairman of the meeting in advance;
- 6) the questions asked and the description of discussion as to the contents;
- 7) decisions adopted at the meeting together with voting results by names;
- 8) the content of dissenting opinion of a member of the supervisory board maintaining oral dissenting opinion with respect to the decision of a meeting;
- 9) other circumstances having considerable importance at the meeting.

(3) The notice referred to in § 14 of this Regulation, written proposals, petitions, documents serving as a basis for decisions and dissenting opinions presented in writing to the health insurance fund within five days as of the meeting shall be annexed to the minutes of a meeting of the supervisory board. Dissenting opinion shall be signed by a person who presents it within five days as after the meeting was held. If a person who presents an oral dissenting opinion does not sign his/her dissenting opinion within the specified term, the dissenting opinion is deemed to be not submitted.

(4) The minutes of a meeting of the supervisory board shall be signed by the chairman and the recording secretary of the meeting.

#### § 18. Availability of the minutes of meeting

(1) The minutes of a meeting of the supervisory board shall be made available to the members of the supervisory board at the seat of the health insurance fund as of the fifth day after the meeting was held.

(2) The minutes of meetings of the supervisory board together with annexes, as well as draft decisions made without calling a meeting, explanations, reasoning and written answers to within-named draft decisions shall be preserved pursuant to the provisions provided in the operations procedure of the health insurance fund.

(3) Decisions of the supervisory board shall be made available on the Internet homepage of the health insurance fund. The decisions of the supervisory board may be examined at the seat of the health insurance fund. Health insurance fund shall issue persons with a legitimate interest unattested copies of decisions for a charge which will cover the costs of preparation of copies.

### Chapter 3

#### MANAGEMENT BOARD OF HEALTH INSURANCE FUND

##### Division 1

##### General Provisions

#### § 19. Management Board

(1) The management board is the directing body of the health insurance fund which directs the health insurance fund. The management board consists of three to seven members, one of whom is the chairman of the management board.

(2) The chairman of the management board shall be appointed by the supervisory board taking into consideration the results of a public competition carried out for the selection of the candidate for chairman of the management board. Other members of the management board shall be appointed by the supervisory board on the proposal of the chairman of the management board.

(3) The term of authority of members of the management board is from one year to five years. The supervisory board shall decide on the term of authority of a member of the management board before the entry into contracts of service with the member.

(4) In the absence of the chairman of the management board, a member of the management board who is appointed as a deputy chairman by the chairman of the management board shall substitute for him or her. If the chairman of the management board has not appointed a deputy chairman, the oldest member of the management board by length of service shall substitute for the chairman of the management board. If several members of the management board have equal length of service as a member of the management board, the oldest from among the

members of the management board shall substitute for the chairman of the management board.

## § 20. Competence of management board

In addition to the competence provided in § 26 of the Health Insurance Fund Act, the management board shall:

1) prepare every year the development plan of the health insurance fund for 4 years and a scorecard for a year and submit these to the supervisory board for approval;

[Entered into force 26.05.2006 [RT I 2006, 23, 170](#)]

2) give an opinion on the proposal which will be made to the Minister of Social Affairs to make a proposal to the Government of the Republic for establishment or amendment of the list of health services of the health insurance fund;

2<sup>1</sup>) submit the maximum length of a waiting list to the supervisory board for approval;

2<sup>2</sup>) prepare and present materials to the supervisory board and a draft decision for making a proposal to the Minister of Social Affairs for establishment of the list of medical devices of the health insurance fund;

2<sup>3</sup>) prepare and present to the supervisory board the proposal which will be made to the Minister of Social Affairs to establish the procedure for the assumption of a payment obligation of an insured person by the health insurance fund and the methods for calculation of the payments to be made to health care providers;

3) ensure the correctness pertaining to the form and content and compliance with legislation of documents prepared by the health insurance fund;

4) present an overview of the activities and economic situation of the health insurance fund to the supervisory board at least once every three months and shall immediately give notice of any material deterioration of the economic condition of the health insurance fund or any other material circumstances related to the activities of the health insurance fund;

4<sup>1</sup>) prepare and present to the supervisory board for approval the requirements for the preparation of the budget of the health insurance fund;

4<sup>2</sup>) prepare the principles for planning the health insurance fund expenditure for at least 4 years and the sources for covering the expenditure and submit these to the supervisory board for approval;

[Entered into force 11.04.2009 [RT I 2009, 20, 134](#)]

5) prepare the budget of the health insurance fund and, if necessary, a draft supplementary budget and submit these to the supervisory board for approval;

6) [Repealed entered into force 11.04.2009 – [RT I 2009, 20, 134](#)]

7) approve the budget for departments on the basis of the budget of the health insurance fund approved by the supervisory board;

8) prepare and present to the supervisory board for approval the standard conditions of a contract specified in § 22 (1) of the Health Insurance Act and the bases for assessment of the circumstances provided for in subsection § 36 (4);

9) approve the plan for entry into contracts with care providers;

10) prepare the annual report and activity report of the health insurance fund and submit these

to the auditor for audit and to the supervisory board for approval within four months after the end of the financial year;

- 11) give the supervisory board an opinion for the designation of an auditor and deciding the amount of remuneration of the auditor;
- 12) make a proposal to the supervisory board concerning the structure of the health insurance fund to the extent not regulated by the Health Insurance Fund Act or these statutes of the health insurance fund;
- 13) approve the statutes of structural units of the health insurance fund;
- 14) hire and release the heads of structural units of the health insurance fund;
- 15) form committees;
- 16) make a proposal to the supervisory board for the approval of the statutes for the maintenance of the health insurance database;
- 16<sup>1</sup>) approve the internal work procedure rules and operations procedure of the health insurance fund;
- 17) make a proposal to the supervisory board for the approval of internal accounting rules;
- 18) make a proposal to the supervisory board for deciding the acquisition, transfer and encumbrance of immovables, and of movables which are entered or shall be entered in the register, and for deciding the taking of loans;
- 19) submit, if necessary, a demand to call a meeting of the supervisory board;
- 20) make a proposal to the supervisory board decide to use the risk reserve;

21) decide on the performance of transactions using the appropriations of the following year to the extent of up to 30 per cent of the value of the corresponding appropriations prescribed for the given budgetary year;

[Entered into force 11.04.2009 [RT I 2009, 20, 134](#)]

- 22) decide to repeal a previous decision of the management board, if a member of the management board has submitted a corresponding demand or the supervisory board has expressed a relevant opinion;
- 23) verify that health insurance funds are purposefully used;
- 24) approve the internal rules of the management board;
- 25) perform other functions in order to achieve the objective of the health insurance fund, unless otherwise provided by law.

[Entered into force 1.10.2002 [RT I 2002, 78, 466](#)]

## § 21. Competence of chairman of management board

In addition to the competence provided in § 28 of the Health Insurance Fund Act, the chairman of the management board shall:

- 1) direct the work of the health insurance fund and chair the meetings of the management board;
- 2) designate the recording secretary for meetings of the management board;
- 3) make a proposal to the supervisory board to appoint and recall members of the management board;
- 4) make a proposal to the supervisory board to enter into contract of service with the members of the management board;
- 5) give an opinion to the supervisory board for the approval of remuneration of and additional sums payable to the chairman of the management board and members of the management

board;

- 6) make, if necessary, proposals to the supervisory board for the adoption of other decisions;
- 7) submit, if necessary, a demand to call a meeting of the supervisory board;
- 8) call a meeting of the management board.

## § 22. Right of representation of the members of the management board

(1) The chairman of the management board has the right to individually represent the health insurance fund in all legal acts and transactions. The chairman of the management board has the right to delegate authority for performance of legal acts. Other members of the management board have the right to represent the health insurance fund only when two members of the management board act jointly. Other members of the management board have the right to delegate authority for performance of legal acts only when two members of the management board act jointly.

(2) The right of the members of the management board to represent the health insurance fund may be restricted by a decision of the supervisory board. A restriction on the right of representation established by a decision of the supervisory board does not apply with regard to third persons.

## Division 2

### Competition for selection of a candidate for the chairman of the management board

#### § 23. Announcement of competition

(1) Public competition for the selection of a candidate for the chairman of the management board shall be organized.

(2) The carrying out of a competition shall be decided and announced by the supervisory board of the health insurance fund.

(3) Competition for the selection of a candidate for the chairman of the management board shall be announced if the relevant position is vacant, or if less than four months remain until the end of the term of contract for service with fixed term which has been entered into with the person employed in this position.

#### § 24. The notice of announcement of competition

The supervisory board shall publish the notice of announcement of competition in at least one daily national newspaper on two occasions within two weeks, whereas the second notice shall not be published before one week has passed from the publication of the first notice. The notice shall contain the following information:

- 1) title and term of office of the position to be filled;
- 2) basic requirements for the candidate;
- 3) the term for submission of an application and a list of documents to be submitted with the application;
- 4) the contact details of a person competent to provide additional information.

#### § 25. Requirements for participants in competition

Natural persons with active legal capacity and higher education whose permanent residence is in Estonia may be candidates for the position of the chairman of management board. Participants in competition must have the knowledge, professional qualification and impeccable reputation necessary for directing the health insurance fund.

#### § 26. Documents to be submitted by participants in competition

A participant in a competition shall submit the supervisory board of the health insurance fund the following documents:

- 1) written application;
- 2) Curriculum Vitae which will set out the professional and managerial activities of participate in competition;
- 3) a copy of a document certifying higher education;
- 4) at the request of a participant in competition other documents or materials deemed to be essential by the participant;
- 5) documents prescribed in the notice of announcement of competition.

#### § 27. Assessment of participants in competition

(1) In order to assess the suitability of participants in competition, the supervisory board shall appoint a committee, consisting of at least three members, or shall order the assessment from an approved personnel recruitment company.

(2) Depending on the number of participants in competition, the supervisory board may organize up to three competition rounds. Participants in competition who have reached the final round shall present the supervisory board of the health insurance fund their activity programme and answer the questions asked by members of the supervisory board in course of oral interview.

(3) A competition committee or a personnel recruitment company shall select the best candidate for the chairman of the management board from among the participants in competition who have reached the final round. The candidate who proved to be the best shall be submitted to the supervisory board for appointment as chairman of the management board.

(4) If the supervisory board does not appoint the submitted candidate as chairman of the management board, the competition committee or personnel recruitment company may submit to the supervisory board a new candidate from among the participants in competition for appointment as chairman of the management board within one week after making the decision not to appoint a chairman of the management board.

#### § 28. Announcement of a new competition

The supervisory board shall immediately announce a new competition, if:

- 1) somebody did not submit a valid application with annexes for the competition of chairman of management board;
- 2) the supervisory board does not appoint the submitted candidate as chairman of the management board, and the competition committee or personnel recruitment company does not submit a new candidate competition for appointment as chairman of the management board.

## Division 3

### Meetings of management board

#### § 29. Time and of the meeting

Meetings of the management board shall be held when necessary but not less frequently than once a month.

#### § 30. Minutes of meeting

(1) A person designated by the chairman of the management board or, in the absence of the chairman of the management board, by the deputy chairman shall take the minutes of the meeting of the management board.

(2) The following shall be entered in the minutes of a meeting of the management board:

- 1) the time and place of the meeting;
- 2) the names of members of the management board participating in the meeting and the names of other people present at the meeting;
- 3) the names of the chairman and the recording secretary of the meeting;
- 4) the agenda of the meeting;
- 5) the names of presenters making reports on the agenda items and the description of contents of reports, if the main opinions of a report have not been submitted in writing to the chairman of the meeting in advance;
- 6) the questions asked and the description of discussion as to the contents;
- 7) decisions adopted at the meeting together with voting results by names;
- 8) other circumstances having considerable importance at the meeting.

(3) Written proposals, petitions, documents serving as a basis for decisions and dissenting opinions on the contents of the minutes presented in writing to the health insurance fund within five days as of the meeting shall be annexed to the minutes of a meeting of the management board.

(4) The minutes of a meeting of the management board shall be signed by the chairman and the recording secretary of the meeting.

#### § 31. Availability of the minutes of meeting

(1) The minutes of a meeting of the management board shall be made available to the members of the management board at the seat of the management board of the health insurance fund as of the fifth day after the meeting was held

(2) The minutes of meetings of the management board together with annexes, as well as draft decisions, explanations, reasoning and other written documents shall be preserved pursuant to the provisions provided in the operations procedure of the health insurance fund.

## Chapter 4

### INSURANCE OF MEMBERS OF SUPERVISORY BOARD AND MANAGEMENT BOARD

## § 32. Liability insurance contract

(1) Health insurance fund shall conclude a liability insurance contract with an approved insurance company for the benefit of members of the supervisory board and the management board pursuant to the procedure provided by law against the proprietary liability arising from the violation of requirements of law and this Regulation and failure to perform their obligations by members the supervisory board and management board to the extent of 50 000 000 kroons for the term provided in the liability insurance contract.

(2) Liability insurance contract shall be concluded for the term of one year.

(3) The excess which the members of the supervisory board and the management board must pay upon violation of laws and the requirements of this Regulation and upon proprietary liability arising from failure to perform their obligations shall be 50 000 kroons. The members of supervisory board and management board shall have the right to enter into a contract for insuring the excess with the insurer out of their personal resources.

(4) Before entry into a liability insurance contract for the benefit of members of the supervisory board and management board, the supervisory board shall approve the selected insurer and the terms of liability insurance contract.

## Chapter 5

### STRUCTURAL UNITS AND COMMITTEES OF HEALTH INSURANCE FUND

## § 33. Structural units of health insurance fund

Structural units of the health insurance fund are central departments and regional departments. Central departments are located in Tallinn.

## § 34. Central Department

(1) Central department is directed by a head who is hired for a specified term and released by the management board of the health insurance fund.

(2) [Repealed entered into force 26.05.2006 – [RT I 2006, 23, 170](#) ]

(3) [Repealed entered into force 1.10.2002 – [RT I 2002, 78, 466](#) ]

## § 35. Competence of central departments

(1) Upon the performance of the functions of the health insurance fund, the following falls in the competence of central departments:

- 1) development and co-ordination of health insurance and guidance of regional departments;
- 2) analysis and planning of the need, availability, use and extent of health insurance benefits, and planning and organisation of reporting;
- 3) development of quality criteria of health insurance benefits;\*

3<sup>1</sup>) organisation of monitoring the correctness and justification of health insurance benefits;  
[Entered into force 26.05.2006 [RT I 2006, 23, 170](#)]

4) preparation of draft budget of the health insurance fund, analysis and auditing of budget implementation;

5) preparation, co-ordination and approval of draft budget of department;

6) development of a system for entry into contracts for financing medical treatment;

[Entered into force 26.05.2006 [RT I 2006, 23, 170](#)]

7) development of a system implemented upon payment for health services and medicinal products distributed at a discount;

8) elaboration of proposals related to the reference prices or maximum rates of health services and provision of expert opinions concerning medicinal products used in out-patient and in-patient treatment;

[Entered into force 26.05.2006 [RT I 2006, 23, 170](#)]

9) development of public relations and customer service;

10) keeping of accounts and organisation and preparation of reporting;

11) organizing and coordinating work in the field of asset management, records management and archival management;

12) organizing the internal audit system and carrying out internal audit;

13) co-ordinating the preparation and enactment of legislation and development of contracts, and organizing the representing of the health insurance fund in courts and investigative bodies;

14) organizing the management accounting;

15) organizing personnel administration, training and in-service training;

16) maintenance of databases and development, administration and security of information systems;

17) data and software administration and acquisition of computer equipment;

18) organizing the performance of obligations arising from international agreements and foreign relations of the health insurance fund;

19) performance of other orders and functions provided for in the statutes of a central department or assigned to a central department by the chairman of the management board or the supervisory board.

(2)--(7) [Repealed entered into force 1.10.2002 - [RT I 2002, 78, 466](#)]

(8) The supervisory board of the health insurance fund approves the structure of central departments. More detailed competence, rights, functions and responsibility of a structural unit shall be provided in the statutes of the central department.

[Entered into force 1.10.2002 [RT I 2002, 78, 466](#)]

## § 36. Regional department

(1) Regional department is directed by a director who is hired for a specified term and released by the management board of the health insurance fund.

(2) [Repealed entered into force 26.05.2006 – [RT I 2006, 23, 170](#)]

(3) The health insurance fund has the following regional departments:

- 1) Harju department which comprises the Harju County and the centre of which is located in Tallinn;
- 2) Pärnu department which comprises the Pärnu County, the Lääne County, Saaremaa, Hiiumaa and the Rapla County and the centre of which is located in Pärnu;
- 3) Tartu department which comprises the Tartu County, the Viljandi County, the Jõgeva County, the Võru County, the Valga County and the Põlva County and the centre of which is located in Tartu;
- 4) Viru department which comprises the Ida-Viru County, the Lääne-Viru County and the Järva County and the centre of which is located in Jõhvi.

[Entered into force 1.10.2003 [RT I 2003, 61, 405](#)]

### § 37. Competence of regional department

(1) Regional department organizes uniform performance of functions included in the area of activity of the health insurance fund in the relevant region. Upon the performance of functions of the health insurance fund, the following falls within the competence of regional departments:

- 1) maintenance of records concerning insured persons;
- 2) preparation and submission of draft budget of regional department and implementation of budget;

3) analysis and planning of the availability, use and extent of health insurance benefits;

[Entered into force 26.05.2006 [RT I 2006, 23, 170](#)]

- 4) preparation of a plan for entry into contracts with health care providers and submission to the supervisory board;
- 5) entry into contracts with health care providers on the conditions approved by the supervisory board and the management board of the health insurance fund and with the authorization of the management board;
- 6) entry into other contracts with the authorization of the management board for the performance of functions arising from this Regulation and the statutes of regional department;
- 7) [Repealed entered into force 1.10.2002 – [RT I 2002, 78, 466](#)];
- 8) monitor the quality of health services which are provided for insured persons;
- 9) grant the benefits for temporary incapacity for work;
- 10) [Repealed entered into force 1.10.2002 – [RT I 2002, 78, 466](#)];
- 11) verify and analyse whether the health insurance benefits are properly provided and justified;
- 12) [Repealed entered into force 1.10.2002 – [RT I 2002, 78, 466](#)];
- 13) legal counselling in matters concerning health insurance;
- 14) preparation and filing of claims and actions;
- 15) processing the insured persons' applications;
- 16) performance of other orders and functions provided for in the statutes of regional department or assigned to a regional department by the supervisory board, the management board or the chairman of the management board or the supervisory board.

(2) More detailed competence, rights, functions and responsibility of a regional department shall be provided in the statutes of regional department.

[Entered into force 1.10.2002 [RT I 2002, 78, 466](#)]

### § 38. Committees

(1) For the performance of the functions of health insurance fund, the supervisory board or the management board of the health insurance fund may form standing or temporary committees. A decision on the formation of committee shall determine the status of committee, the purpose of activities, the members, the rights and obligations and the procedure for remuneration of people involved in the work of the committee.

(2) The members of the supervisory board or the management board who are involved in the work of the committee shall not be paid any remuneration for their involvement.

(3) A person who is not a member of the supervisory board or the management board may be appointed as a member of committee on the basis of corresponding written consent from the person.

(4) The supervisory board shall form standing committees in order to obtain opinions from different groups of society concerning the activities of the health insurance fund. The supervisory board shall form a standing committee from the representatives of health care professionals and their associations in order to obtain opinions concerning the issues raised by the supervisory board.

(5) The supervisory board shall form temporary committees for the performance of single or short-term functions and in order to obtain public opinion in issues concerning the activities of the health insurance fund.

[Entered into force 1.10.2002 [RT I 2002, 78, 466](#)]

## Chapter 6

### PROCEDURE FOR THE PREPARATION AND APPROVAL OF DRAFT BUDGET OF HEALTH INSURANCE FUND

#### § 39. Bases for health insurance fund budget

Upon the preparation of draft budget, the health insurance fund is guided by the state budget strategy, the volume of state budget for corresponding financial year, health policy, the Health Insurance Act, the development plan of the health insurance fund approved by the supervisory board, the requirements for budget preparation and the principles for planning the expenditure and the sources for covering the expenditure

[Entered into force 11.04.2009 [RT I 2009, 20, 134](#)]

#### § 40. Draft budget

(1) The management board shall submit the initial draft budget to the Ministry of Finance for review according to the established schedule.

(2) The management board shall submit the initial draft budget of the health insurance fund to the supervisory board for review with an explanatory memorandum at the latest by 15 October. The supervisory board shall discuss the initial draft budget at least at two readings and, if necessary, shall return the initial draft budget of the health insurance fund to the management board for the making of amendments.

[Entered into force 26.05.2006 [RT I 2006, 23, 170](#)]

(3) The management board shall submit the initial draft budget of the health insurance fund in which the results of readings that have taken place in the supervisory board have been taken into considerations and the amendments arising from the adopted annual State Budget Act to the supervisory board for approval within 14 days after publication of the annual State Budget Act in the *Riigi Teataja*.

#### § 41. Approval of budget

The supervisory board shall pass the budget of the health insurance fund within thirty days after publication of the annual State Budget Act in the *Riigi Teataja*. If the supervisory board does not pass the budget of the health insurance fund by the term specified in this Act, the right and obligation to pass the budget is transferred to the Government of the Republic.

#### § 42. Budgets and plans for distribution of expenditure of departments

The management board shall approve the budgets of departments within two weeks after the approval of the budget of the health insurance fund.

[Entered into force 1.10.2002 [RT I 2002, 78, 466](#)]

#### § 43. Amendment of budget and supplementary budget

(1) In order to amend the purpose of expenditure determined for the financial year in the budget of the health insurance fund, without changing the total volume of expenditure, the management board shall submit the project for amendment of budget to the supervisory board for approval.

(2) The management board may during a financial year submit a project of supplementary budget of the health insurance fund to the supervisory board for approval, increasing or decreasing the revenue and expenditure of the health insurance fund and the sources for covering the expenditure in a balanced manner.

[Entered into force 11.04.2009 [RT I 2009, 20, 134](#)]

(3) The supervisory board shall discuss the amendment of budget or supplementary budget at two readings and shall decide on the approval thereof at the latest within 60 days after the submission of the project for amendment of budget or supplementary budget.

[Entered into force 26.05.2006 [RT I 2006, 23, 170](#)]

### 7. Chapter

#### DIVISION OF THE BUDGET EXPENDITURE OF HEALTH INSURANCE FUND AND THE SOURCES FOR COVERING THE EXPENDITURE

[Entered into force 11.04.2009 [RT I 2009, 20, 134](#)]

#### § 44. Sources for covering the budget expenditure

(1) Sources for covering the budget expenditure of the health insurance fund are:

- 1) income of the health insurance fund for a financial year;
- 2) profits brought forward which shall be used pursuant to the procedure provided for in § 36<sup>1</sup> of the Health Insurance Fund Act.

(2) Income of the health insurance fund for a financial year consists of:

- 1) the health insurance part of social tax;
- 2) income received pursuant to a contract under which persons are considered equal to insured persons;
- 3) claims for payment from other persons;
- 4) financial income;
- 5) other income.

[Entered into force 11.04.2009 [RT I 2009, 20, 134](#)]

#### § 45. Budget expenditure

(1) The budget expenditure of the health insurance fund is divided into health insurance expenditure and operating expenses of the health insurance fund.

(2) Health insurance expenditure of the health insurance fund is divided into:

- 1) the costs of health services, including disease prevention costs, general medical care and specialised medical care (except dental care) costs, long-term nursing care costs and dental care costs of insured persons up to 19 years old;
- 2) the costs of medicinal products which are compensated to insured;
- 3) health promotion costs;
- 4) the costs of dental care benefits for insured people at least 19 years of age and for insured person of at least 63 years of age for amounts paid for dentures, and the costs of supplementary benefit for medicinal products;
- 5) costs of the benefits for temporary incapacity for work;
- 6) other expenses, including the costs of medical.

(3) Operating expenses of the health insurance fund are expenses which are required for the administration of health insurance system which are divided into:

- 1) personnel and management expenses, including wages and remuneration of members of the supervisory board and the management board and social tax and unemployment insurance premium;
- 2) management costs;
- 3) information technology expenses;
- 4) [Repealed entered into force 26.05.2006– [RT I 2006, 23, 170](#)]
- 5) development costs;
- 6) financial expenses;
- 7) [Repealed entered into force 1.10.2003 – [RT I 2003, 61, 405](#)]
- 8) other expenses.

## CASH RESERVES OF THE HEALTH INSURANCE FUND

### § 46. Cash reserves

The cash reserves of the health insurance fund are the liquid financial assets of the health insurance fund (except the assets representing the legal reserve) which are used for directing the cash-flows of the health insurance fund.

[Entered into force 1.10.2002 [RT I 2002, 78, 466](#)]

### § 47. Selection of a trustee for the cash reserves

(1) The supervisory board shall appoint a trustee for the cash reserves. On the proposal of the Minister of Finance, the supervisory board may appoint the State Treasury as a trustee for the cash reserves without organizing a public competition, unless otherwise provided by law. The supervisory board may appoint other trustees for the cash reserves only pursuant to a public competition which will be organized for the selection of a trustee for the cash reserves.

(2) The supervisory board of the health insurance fund shall decide on organizing a competition for the selection of a trustee for the cash reserves and shall announce with its decision. A company registered in Estonia who has been issued an activity licence for acting as a management company, credit institution or securities broker may be a candidate for a trustee for the cash reserves.

(3) The competition which is organized for selection of a trustee for the cash reserves shall be carried out not later than one month before the expiry of the contract for the administration of cash reserves, and immediately if the contract for the administration of cash reserves has been prematurely terminated.

(4) The management board shall publish the notice of announcement of competition in at least one daily national newspaper. The notice shall contain the following information:

- 1) basic requirements for participants in the competition;
- 2) the term for submission of an application and a list of documents to be submitted with the application;
- 3) the contact details of a person competent to provide additional information.

### § 48. Appointment of a trustee for the cash reserves

(1) The management board shall summarize the competition results and submit a proposal based on the summary to the supervisory board of the health insurance fund for the appointment of a trustee for the cash reserves.

(2) The supervisory board shall appoint a trustee for the cash reserves from among the candidates who participated in the competition, taking into consideration the proposals made by the management board. On the proposal of the Minister of Finance, the supervisory board may appoint the State Treasury as a trustee for the cash reserves, if the supervisory board finds that the candidates who participated in the competition are not suitable to be a trustee for the cash reserves.

### § 49. Not appointing a trustee for the cash reserves

(1) The supervisory board shall appoint the State Treasury as a trustee for the cash reserves and decide whether and when to announce a new competitions, if:

1) no applications complying with requirements were submitted for the competition for a trustee for the cash reserves;

2) the supervisory board did not appoint a trustee for the cash reserves from among the candidates who participated in the competition;

3) the management board cannot for reasons independent of the management board enter into a contract for the administration of cash reserves with the candidate who has been appointed as a trustee for the cash reserves.

(2) Candidates who participated in the previous competition may also participate in the new competition for a trustee for the cash reserves.

#### § 50. Contract for the administration of cash reserves

(1) The management board of the health insurance fund shall enter into a contract for the administration of cash reserves with the person whom the supervisory board has appointed a trustee for the cash reserves.

(2) A trustee for the cash reserves shall be appointed for the term from 1 year to 5 years.

(3) The functions and basic conditions of activity of a trustee for the cash reserves are:

1) to organize the administration of the funds of cash reserves in order to ensure the preservation, liquidity and productivity of the funds of cash reserves;

2) to ensure the health insurance fund the possibility to use the funds of cash reserves within one working day after receiving a corresponding order from the management board of the health insurance fund.

(4) The supervisory board of the health insurance fund shall establish restrictions on currency, credit and liquidity risks and if necessary, other investment risks upon investment of the funds of the legal reserve on the proposal of the management board of the health insurance fund. Established restrictions shall constitute an integral part of the contract for the administration of cash reserves.

### Chapter 9

#### AMENDMENT OF THE STATUTES AND LEGAL STATUS OF HEALTH INSURANCE FUND

#### § 51. Establishment of the statutes of health insurance fund

The statutes of the health insurance fund shall be established and amended by the Government of the Republic. Prior to submitting a proposal for amendment of the statutes to the Government of the Republic, the Minister of Social Affairs shall hear the opinion of the supervisory board of the health insurance fund.

#### § 52. Prohibition of division, merger or transformation

The health insurance fund shall not be divided or merged with other legal persons. The health insurance fund shall not be transformed into a legal person of any other class.

## § 53. Dissolution of health insurance fund

Health insurance fund is dissolved by an Act. Upon the dissolution of the health insurance fund, the remaining assets are transferred to the state unless otherwise prescribed in the Act concerning the dissolution of the health insurance fund.

## Chapter 10

### IMPLEMENTING PROVISIONS

## § 54. The activities of the bodies of health insurance fund upon implementation of the Regulation

(1) The supervisory board of the health insurance fund shall approve by 1 April 2001 the documents referred to in § 8 (7), (8), (12), (24), (26) and (27) of this Regulation and 2001 the documents referred to in § 12 (1), 1), 4), 5), 6) and 13) of the Estonian Health Insurance Fund Act.

(2) The supervisory board of the health insurance fund shall approve by 1 April 2001 the documents referred to in § 20 (7), (9), (13) and § 24 of this Regulation.

(3) The supervisory board and management board of the health insurance fund are required bring the structure of the health insurance fund in conformity with the requirements arising from this Regulation by 1 September 2001.