

**UNIVERSAL THIRD-PARTY PAYMENT
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Until the emergence of the draft law on healthcare, third-party payment was only compulsory by law for patients with Universal Medical Coverage (CMU) or those who had suffered occupational accidents.

During negotiations on the 2011 agreement, the CSMF had an option added to the agreement whereby physicians could apply third-party payment to the state-funded portion of medical expenses for patients receiving supplementary health insurance subsidies.

Supplementary health insurance subsidies (Aides à la Complémentaire Santé) are awarded to patients who are on very low incomes but are above the poverty threshold for Universal Medical Coverage (CMU). The government grants these patients a subsidy so that they may benefit from supplementary insurance in addition to statutory insurance.

This provision was included in the law of 2015 on social security funding with the introduction of the supplementary insurance subsidy, thus rolling out third-party payment to all supplementary health insurance subsidies for the state-funded and non-state-funded portion of medical expenses as of 1 July 2015.

The planned universal compulsory third-party payment will enshrine in a draft health law President Hollande's 20th electoral pledge to introduce universal third-party payment for all French people.

The cornerstone of the draft law on modernising the health system introduced by the Health Minister is universal roll-out of compulsory third-party payment in 2017. Along with all the other medical trade unions, the CSMF has fought hard against third-party payment as it makes physicians completely reliant on the government and health insurers. It also entails a significant increase in bureaucracy since the proposed system requires physicians to perform four successive checks:

- A check on patient entitlements for the statutory system
- A check on patient entitlements to ensure that they are covered by supplementary insurance and are up-to-date with their contributions
- A check on attending physician declarations
- Checking that a bank account identification document has been sent to the health insurance fund so that the excess for medicines, physiotherapy procedures, transport etc. can be debited.

Compulsory third-party payment is universally opposed as it is an instrument that paves the way for state control of the health system.

Indeed, if compulsory third-party payment is combined with the option for health insurance funds to set the value of procedures, this will lead quickly to a fixed budget and cost containment.

The healthcare law provides for the application of universal third-party payment with respect to procedures performed on pregnant women and chronic illnesses from July 2016. With effect from November 2016, this option will be enshrined in law for all these patients and it

may evidently be considered compulsory. As of 1 January 2017, all patients may request third-party payment and by November 2017, this will be enshrined in law for all patients.

It is clear that although application is not subject to penalties, it will become compulsory as soon as it is enshrined in law and rolled out.

The difficulties of implementing such a system have already been experienced with Universal Medical Coverage (CMU). A health department assessment of current CMU failings revealed that 1.6% of medical claim forms are rejected for general practitioners and 1.9% for specialists.

Currently, 35% of private practitioners use third-party payment (universal medical coverage for non-state-funded expenses (CMU-C), procedures eligible for third-party payment such as occupational accidents and also expensive procedures costing more than €120).

Moreover, health insurance funds have undertaken to process reimbursements for electronic medical claim forms in less than five days. However, a study by the CNAM (French National Health Insurance Fund) revealed that the time between consultation and payment of professionals can be between 42 and 87 days for paper claims.

After numerous negotiations, the CSMF secured the concession that third-party payment shall be paid through a single stream managed by the statutory health insurer and it will subsequently be reimbursed by supplementary health insurers. However, in light of the difficulties already encountered with Universal Medical Coverage (CMU), it is reasonable to assume that these problems will increase when the system is rolled out.

A recent poll on universal third-party payment revealed that 62% of patients are in favour of it. In contrast, 90% of physicians are opposed to it as it will make physicians answerable to insurers.

Ultimately, there is a risk that supplementary insurers will become increasingly involved, potentially leading to the selection of physicians, diseases and patients and therefore patients losing their free choice and physicians losing their independence.

Finally, the CSMF has repeatedly pointed out that universal third-party payment risks being highly inflationary for many procedures and also very expensive for health insurers with patients entirely freed from responsibility, as has already been seen with universal medical coverage for non-state-funded expenses (CMU-C). It will also encourage "doctor shopping".

The draft law was passed comfortably in the National Assembly due to the socialist majority. It must still pass through the senate. However, regardless of any amendments that may be added by the senate, the National Assembly always has the final say in France and therefore it seems reasonable to assume that the text will be revised back to the version that left the National Assembly on first reading.

The CSMF has moreover suggested a simple alternative: a healthcare debit card whereby patients continue to pay directly but are reimbursed before being debited. This solution entails no costs for patients. The bank pays physicians the next day so they are guaranteed payment and the only cost is that of the payment terminal. All these benefits come free of bureaucracy. However, the solution has been rejected by the health department. The opposition to universal third-party payment will be a key part of the forthcoming campaign for the regional medical union elections in October.