

ISF Report 2013:5

Ex post controls of the subsidized dental care scheme

A follow-up study

Swedish Social Insurance Inspectorate

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Summary

The Swedish Social Insurance Inspectorate (Inspektionen för socialförsäkringen, ISF) is an independent supervisory agency for the Swedish social insurance system. The objectives of the ISF are to strengthen compliance with legislation and other statutes and to improve the efficiency of the social insurance system through system supervision and efficiency analysis and evaluation.

The ISF's work is mainly conducted on a project basis and is commissioned by the Government or initiated autonomously by the agency. This report, which is a follow-up of a previous report (2011:18), has been initiated autonomously.

The previous report reviewed how the Swedish Social Insurance Agency (henceforth the Agency) handled the control of payments made from a new subsidized dental care scheme. The Agency agreed with some of the deficiencies described in the report. This report aims to follow up the implementation of the measures taken based on the previous report and the Agency's answer.

This review shows that the ex post controls run by the Agency have been improved in several ways. Improved documentation of risks and controls has been developed. The technological conditions for selection and monitoring were upgraded when a new version of the IT system was introduced. The purpose of the ex post controls has been clarified by the Agency. Investigators have been appointed to work against suspected crimes in the dental care scheme. The ability to investigate deviant billing patterns through data mining is under development.

Despite these enhancements, several reformations remain to be made in order to contribute to better accuracy in the control system and more expedient ex post controls. The purposes of the control system are the general prevention of over-exploitation, the accumulation of

knowledge regarding the scale of errors and the identification of suspicion of crime. In order to accomplish these aims, the ISF suggests that a more distinct regulation of the selection of cases for ex post controls is needed. The number of controlled cases could decrease if statistical sampling techniques, such as representative sampling, were applied. This could be achieved while simultaneously increasing the accuracy and at the same time ensuring that the ex post controls would apply equally to all dental practitioners. Today some dentists are controlled frequently, without any errors being detected, while the vast majority of dentists are seldom or never checked.

The identified sampling and monitoring deficiencies appear to depend on the absence of centralized regulation and a collective idea of selection, monitoring and learning.

The first step towards this centralization is the clarification of the purpose of the ex post controls already put in place by the Agency. Linking monitoring to the implementation of data mining to find deviant billing patterns and signs of system over-exploitation would further the improvements as well.

The Agency now focuses more on identifying suspicions of crime and conducts this work more systematically than before. However, no signs are apparent of further impact on the dental practitioners' incentives to use the system properly. The incentives still appear weak and the system lacks real sanctions.

Increased incentives to apply for subsidies correctly are needed to give the subsidized dental care scheme legitimacy. The measures taken by the Agency and the reforms recommended by the ISF in this report will probably not be sufficient. Further investigation is necessary to analyse the additional measures needed to provide adequate incentives.