

# Osservatorio sui sistemi sanitari

## EU Recovery Plan and National Health Systems: Slovenia

*EU Recovery Plan and National Health Systems*

The reforms in the health system after the pandemic\*

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**SUMMARY:** 1. Introduction. – 2. Overview and organization of the Health System in Slovenia. – 3. Provision of Healthcare Services and Health System Assessment. – 4. Slovenia's position in the EU Recovery Plan. – 5. National Recovery and Resilience Plan. – 6. Reception of the Slovenian Recovery and Resilience Plan. – 7. Final considerations.

**ABSTRACT:**

*This article presents an examination of Slovenia's healthcare system, beginning with a historical retrospective aimed at providing a comprehensive contextual background. Subsequently, it explores the intricate dimensions of healthcare organization, by examining the complex interaction between centralization and decentralization. A thorough analysis of healthcare service provisioning and its systematic assessment constitute a significant component of this discussion. Moreover, this paper delves into Slovenia's strategic positioning within the broader framework of the EU Recovery Plan, specifically emphasizing the National Recovery and Resilience Plan and its multifaceted objectives. It further engages in a thorough exploration of the reception and feedback garnered from both the general population and pertinent stakeholders in response to the NRRP. Last, this paper highlights Slovenia's resolute and persistent dedication to the continuous adaptation and evolution of its healthcare system, especially considering the intricate and multifaceted challenges inherent in the European healthcare scenario.*

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## 1. Introduction

Slovenia, the most economically advanced post-Communist country in the EU, has made commendable strides in advancing the health of its population over recent decades, with life expectancy standing at 77.9 years for men and 84 years for women in 2021,<sup>1</sup> closely aligning with EU averages. Nevertheless, Slovenia still faces several health challenges, including low fertility rates, an ageing population, and several health inequalities. The fertility rate in Slovenia was one of the lowest in the European Union, at 1.61 births per woman in 2019,<sup>2</sup> which is leading to an ageing population, which presents major challenges for the healthcare system, as older people are more likely to need medical care. There are also significant health disparities among the different regions of Slovenia. For instance, in the western and central regions much better health outcomes have been observed than in the eastern and northeastern regions.<sup>3</sup> This is most likely due to several factors, including socioeconomic status, access to healthcare, and lifestyle choices. In addition, Slovenia has been found to have elevated mortality rates from external causes, such as suicide, injuries, and poisoning.<sup>4</sup> In 2019, the suicide rate was 19.8 per 100,000 people, which is significantly higher than the European Union average of 11.7,<sup>5</sup> making this a serious issue that needs to be addressed.

Consequently, the Government has undertaken to actively tackle Slovenia's health challenges through several strategies, such as expanding access to primary care services, investing in new healthcare facilities, and conducting public awareness campaigns to promote healthier lifestyles. Furthermore, measures to reduce poverty and inequality are also being implemented nationwide. Despite the complexity of these healthcare issues, the Government is dedicated to making progress. To address these challenges, Slovenia has recently initiated efforts such as allocating investments in preventative healthcare and mental health services. However, more comprehensive measures are needed to reduce health inequalities and address the consequences of an ageing population.

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<sup>1</sup> Statista, *Slovenia: Life expectancy at birth from 2011 to 2021, by gender*, <https://www.statista.com/statistics/974632/life-expectancy-at-birth-in-slovenia-by-gender/>.

<sup>2</sup> EUROSTAT, United Nations World Population Prospects, *Fertility rate, total (births per woman) - Slovenia, 2019*, <https://data.worldbank.org/indicator/SP.DYN.TFRT.IN?locations=SI>.

<sup>3</sup> T. ALBREHT, et al, Slovenia: *Health System Review. Health Systems in Transition* Vol.18. No.3, 2016, pp. 9.

<sup>4</sup> *Ivi*, pp. 11.

<sup>5</sup> Eurostat, United Nations World Population Prospects, *Suicide mortality rate (per 100,000 population) - Slovenia, 2019*, <https://data.worldbank.org/indicator/SH.STA.SUIC.P5?locations=SI>.

## 2. Overview of the Healthcare System in Slovenia

Slovenia has been operating a Bismarck-type social insurance system since 1992, governed by the Ministry of Health and administered by the Health Insurance Institute of Slovenia (HIIS). This system has ensured universal health coverage based on employment or legally defined dependency. Over the years, it has transitioned from a predominantly publicly financed system to one that is mixed, incorporating private funding sources like co-payments and complementary insurance, which have significantly impacted total health expenditure. The delegation of tasks to professional bodies has expanded their role, overseeing qualifications, specialty training, and education of health professionals. Private providers, particularly in primary and specialist care, have become more prominent, introducing complex contracting arrangements alongside state-owned and municipality-owned providers.<sup>6</sup>

In this historical context, Slovenia's healthcare system has undergone significant transformations.<sup>7</sup> The development of modern Slovenian Health Law was initiated following the adoption of a new Constitution in 1991. Article 51<sup>8</sup> of the Constitution underscores the right to healthcare for all individuals, with provisions for its fulfilment through public funds, while also safeguarding against compulsory medical treatment except as provided by law. In the post-1991 era, marked by independence and a transition to a market economy, Slovenia introduced the Health Care and Health Insurance Act of 1992,<sup>9</sup> a pivotal piece of legislation that established compulsory and voluntary health insurance and integrated private practice into the national healthcare system.

When it comes to its organizational framework, the healthcare system functions as a social health insurance system, with the HIIS serving as the regulatory authority. The HIIS is the sole public insurer and is responsible for providing compulsory health insurance to all permanent residents, it also advocates for the rights of insured individuals during health service program negotiations and implementation. Besides that, the HIIS serves as the primary procurer of healthcare services, wielding significant influence over pricing.

<sup>6</sup> T. ALBREHT, et al, *Slovenia: Health System Review. Health Systems in Transition* Vol. 18. No. 3, 2016, pp. 16.

<sup>7</sup> *Ivi*, pp. 16 – 20. (From the 1800s to 1945, healthcare was primarily based on private practice, with the late 19th century introduction of health insurance covering illnesses and injuries and the establishment of sickness funds to safeguard workers' healthcare access. During the years 1945 to 1991, as part of the Socialist Federal Republic of Yugoslavia, Slovenia embraced social health insurance, encompassing workers and pensioners. This era witnessed the transition to state-owned health facilities, the cessation of private practice, and the emergence of primary care centres supported by state and insurance funding, all while social medicine institutions monitored public health.).

<sup>8</sup> Constitution of the Republic of Slovenia, Article 52(1)

<sup>9</sup> T. ALBREHT, et al, *Slovenia: Health System Review. Health Systems in Transition* Vol.18. No.3, 2016, pp. 22.

Additionally, three private entities offer voluntary health insurance (VHI) primarily used to cover co-payments.<sup>10</sup> Regulatory oversight of all public hospitals and national institutes falls under the MoH's purview, supported by the Health Council, an advisory body guiding policy formulation, health technology assessment (HTA), and the integration of innovative therapeutic and diagnostic procedures.<sup>11</sup> Primary care, which has been decentralized at the municipal level to ensure localized accessibility,<sup>12</sup> is delivered through a community-based network of primary health care centres, which are owned and operated by the municipalities.<sup>13</sup> Regulated professions are managed by professional associations, known as chambers, responsible for licensing, ongoing education, and training: the Medical Chamber plays a pivotal role in specialist training for doctors<sup>14</sup>. Besides governmental bodies, a multitude of healthcare-centric non-governmental organizations (NGOs) operate within the country, encompassing patient advocacy groups as well as those dedicated to matters such as tobacco control and responsible driving. These patient-focused organizations actively engage in shaping policies and regulatory frameworks within their respective spheres. However, the creation of a unified overarching body that represents the collective interests of patients remains an as-yet unrealized aspiration.

Regardless, the Slovene healthcare system still maintains a predominantly centralized structure, with certain decentralization efforts yet to reach full fruition. The Ministry of Health has shouldered the responsibility of devising healthcare plans for both state-owned providers and the entire national system, and this encompasses ensuring equitable access and patient rights throughout the nation. While administrative and regulatory functions are primarily managed at a national level, subnational tiers primarily handle executive tasks. The management of compulsory health insurance also follows a centralized approach as well, with local levels executing activities delegated from the central level. Moreover, professional chambers and organizations operate either at the state level or through their regional branches.<sup>15</sup>

Despite gaining a measure of autonomy, municipalities have not fully exploited their newfound authority to strategize on health services. As a result, the anticipated shift of primary health care planning from the central government to local communities has not yet materialized. Nonetheless, given the country's size, pursuing extensive health system

<sup>10</sup> OECD/European Observatory on Health Systems and Policies, *Slovenia: Country Health Profile 2021, State of Health in the EU*, OECD Publishing, Paris, 2021, pp. 7, <https://doi.org/10.1787/1313047c-en>.

<sup>11</sup> B. RECHEL, A. MARESSO, A. SAGAN., Organization and financing of public health services in Europe: Country reports, Copenhagen (Denmark): *European Observatory on Health Systems and Policies*; (Health Policy Series, No. 49.) 2018, pp.28, <https://www.ncbi.nlm.nih.gov/books/NBK507331/>.

<sup>12</sup> T. ALBREHT, et al, Slovenia: *Health System Review. Health Systems in Transition* Vol.18. No.3, 2016, pp. xvi.

<sup>13</sup> OECD/European Observatory on Health Systems and Policies (2021), *Slovenia: Country Health Profile 2021, State of Health in the EU*, OECD Publishing, Paris, pp.10, <https://doi.org/10.1787/1313047c-en>.

<sup>14</sup> T. ALBREHT, et al, Slovenia: *Health System Review. Health Systems in Transition* Vol.18. No.3, 2016, pp. 16.

<sup>15</sup> D. MARUŠIČ & V. RUPEL, *Structure, Processes and Results in Healthcare System in Slovenia*, 2021, pp. 4.

decentralization has offered some limited economic advantages. The existing fragmentation poses challenges concerning equitable access and balanced service provision across regions, considering varying municipal economic capacities and motivations. Though the process of privatization within the health care system has unfolded gradually, it has displayed a consistent acceleration over time.<sup>16</sup>

### 3. Provision of Healthcare Services and Health System Assessment

The management of public health services is overseen by two national bodies, the National Institute of Public Health (NIPH) and the National Laboratory for Health, Environment and Food (NLHEF), following a restructuring in 2012. As mentioned above, primary care is efficiently delivered through community-based centres owned by municipalities, offering a comprehensive range of services, including primary care general practice and emergency care, while granting patients the freedom to select their primary care physician.<sup>17</sup> A gatekeeping system mandates referrals from primary care physicians for specialist care, with specialist outpatient services accessible in both public and private hospitals, primary health centres, and private practices. Inpatient hospital care is facilitated by a network of 30 hospitals, comprising general, university, and specialized facilities, and initiatives since 2010 have promoted the transition from inpatient to day care or outpatient care settings. Nevertheless, the absence of unified regulation in long-term care results in disparities in benefits and unmet needs across different types of long-term care services.<sup>18</sup>

Slovenia's healthcare system is funded by solidarity, with the working population and employers as the main contributors. Public financing is progressive through the Health Insurance Institute of Slovenia (HIIS), while voluntary health insurance (VHI) relies on flat payments. Besides that, satisfaction with healthcare is generally high,<sup>19</sup> and initiatives are underway to address gaps in primary care.<sup>20</sup> In terms of planning, the Ministry of Health

<sup>16</sup> T. ALBREHT, et al, Slovenia: *Health System Review. Health Systems in Transition* Vol.18. No.3, 2016, pp.29-30.

<sup>17</sup> OECD/European Observatory on Health Systems and Policies (2021), *Slovenia: Country Health Profile 2021, State of Health in the EU*, OECD Publishing, Paris, pp. 10, <https://doi.org/10.1787/1313047c-en>.

<sup>18</sup> K. MOJCA, *The Long-Term Care System in Slovenia: A Review of Its Current Structure and Challenges*, 2022, pp. 10.

<sup>19</sup> OECD (2023), *Government at a Glance 2023*, OECD Publishing, Paris, pp. 70-71 <https://doi.org/10.1787/3d5c5d31-en>, (According to the Gallup World Poll 2022, used for the Government at a Glance Report 2023, satisfaction with healthcare in Slovenia matches the OECD average, standing at 68%. Satisfaction with healthcare is based on the proportion of respondents who answered "satisfied" to "In the city or area where you live, are you satisfied or dissatisfied with the availability of quality healthcare?").

<sup>20</sup> World Health Organization Country Report (2021): *Essential public health operations in Slovenia: key findings and recommendations on strengthening public health capacities and services*, 16 September 2021, pp. 46. <https://www.who.int/europe/publications/i/item/9789289055895>. (Slovenia is embarking on a journey to enhance its healthcare system. Key initiatives include identifying vulnerability in specific groups through collaboration with stakeholders, introducing

in Slovenia holds responsibility for strategic planning. Moreover, the national health care plan, approved by Parliament, has served as the primary instrument guiding healthcare objectives and activities from 2016 to 2025. Infrastructure planning, including secondary and tertiary health care facilities and the allocation of large-scale medical equipment, is based on health needs assessments, and overseen by the MoH, while capital investment planning in primary health care is a responsibility of municipalities<sup>21</sup>.

Slovenia's health system has strengths in accessibility and financial protection, however, some vulnerable populations face insurance difficulties, and physician shortages can affect access in certain areas.<sup>22</sup> As for efficiency, Slovenia allocates healthcare expenditure heavily to outpatient and inpatient care. Although Slovenia spends less on health than other countries with lower mortality rates, there is room for improvement in resource allocation, strategic purchasing, and the formal use of health technology assessment (HTA) to support coverage decisions. Additionally, measures to reduce pharmaceutical spending and increase generic penetration have been implemented, and the shift from inpatient to outpatient care has aligned with policy priorities, albeit with some efficiency-related elements still lacking.<sup>23</sup>

#### 4. Slovenia's position on the EU Recovery Plan

The COVID-19 pandemic has exerted a substantial impact on the global economy, generating direct and indirect costs that exhibit variability based on a nation's resilience, global connectivity, and economic framework. The pandemic has had a severe impact on the economy and society, causing job losses, economic contractions, and disruptions to supply chains.<sup>24</sup> It has also led to increased poverty and inequality, as well as mental health problems<sup>25</sup> and gender-based violence.<sup>26</sup> The long-term impacts of the pandemic are unknown,

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the International Classification of Functioning, Disability, and Health (ICF), fostering cooperation between public health and primary care services, and updating rules for preventive healthcare. These changes aim to make healthcare more inclusive and accessible, with specific actions like free chromosomopathy screening for pregnant women and extending cancer screening to uninsured populations. Slovenia's commitment to a comprehensive healthcare transformation is evident in these strategic steps.)

<sup>21</sup> European Observatory on Health Systems and Policies (2022), *Slovenia: Health System Summary, 2022* WHO/European Observatory on Health Systems and Policies, Brussels, pp. 3. <https://apps.who.int/iris/bitstream/handle/10665/361202/9789289059084-eng.pdf>.

<sup>22</sup> *Ivi*, pp. 13.

<sup>23</sup> *Ivi*, pp. 18. (In 2019, the Slovene health system allocated most of its expenditure to outpatient care (32.7%) and inpatient care (28.9%). Inpatient care spending was lower than the EU27 average (29.1%), while outpatient care spending was higher (29.5%).)

<sup>24</sup> N. DONTU, & A. GUSTAFSSON, *Effects of COVID-19 on business and research*, 2020, pp. 288.

<sup>25</sup> K. LANG, *Pandemic impact on mental health: A global overview*, March 2022, pp. 17.

<sup>26</sup> Survey Report | *Ending Violence Against Women Measuring the shadow pandemic: Violence against women during COVID-19, 2021*, pp. 18, <https://data.unwomen.org/publications/vaw-rga>.

but countries with strong social safety nets and robust health systems are likely to fare better.<sup>27</sup> The pandemic has highlighted the importance of these systems, and countries that provide support to their citizens will be better positioned to recover. Cooperation with the EU and other Member States is essential for Slovenia, as it is one of the smallest European countries and its financial system is export driven.

Slovenia's official national RRP<sup>28</sup> was submitted on April 30, 2021, and on July 1, 2021, the European Commission approved it;<sup>29</sup> on July 28, 2021, the Council adopted it.<sup>30</sup> By that point, the options for its execution and financing had already been discussed, but the timeline is very tight, as all investments and reforms must be completed by August 2026. In response to the initial text, comments have been focused on strategic issues rather than simply identifying the relevant projects. Slovenia has actively engaged regional and local authorities, social partners, civil society organizations, and relevant stakeholders in consultations before and during the development and implementation of its Recovery and Resilience Plan.<sup>31</sup>

Nevertheless, social partners have expressed concerns about having limited time to actively contribute to and participate in the assessment or development of the RRP in 2021.<sup>32</sup> Participation of the European Commission was significant from the perspective of the nation's development needs and state institutions. Slovenian EU policy experts have criticized the implementation of the RRP, arguing that projects requiring funding from the RRP should be developed in parallel with those requiring funding from the EU Cohesion Policy 2021-2027,<sup>33</sup> hence the partnership agreement and programs funded by the cohesion policy funds for 2021–2027 consider country-specific recommendations and investment guidance in an effort to maximize synergies and complementarities with other EU funding mechanisms.

<sup>27</sup> World Economic Forum, 2020, The Global Competitiveness Report, How Countries are Performing on the Road to Recovery, pp. 54-55, [https://www3.weforum.org/docs/WEF\\_TheGlobalCompetitivenessReport2020.pdf](https://www3.weforum.org/docs/WEF_TheGlobalCompetitivenessReport2020.pdf).

<sup>28</sup> Government of the Republic of Slovenia, *Recovery and Resilience Plan* [https://www.gov.si/assets/organi-v-sestavi/URSOO/RRP\\_SI\\_summary\\_2021.pdf](https://www.gov.si/assets/organi-v-sestavi/URSOO/RRP_SI_summary_2021.pdf)

<sup>29</sup> European Commission, NextGenerationEU: *European Commission endorses Slovenia's €2.5 billion recovery and resilience plan*, Press Release, Brussels, 1 July 2021, pp. 2, [com-2021-384-slovenia\\_press-release\\_en.pdf](https://ec.europa.eu/press-release/com-2021-384-slovenia_press-release_en.pdf) (europa.eu).

<sup>30</sup> Council of the European Union, *Council implementing decision on the approval of the assessment of the recovery and resilience plan for Slovenia*, July 20, 2021, 10612/21, 2021/0192(NLE), pp. 9-33, <https://data.consilium.europa.eu/doc/document/ST-10612-2021-INIT/en/pdf>.

<sup>31</sup> European Parliament: *Recovery and Resilience Plans: stakeholders' views*, pp. 24, [https://www.europarl.europa.eu/Reg-Data/etudes/IDAN/2021/689453/IPOL\\_IDA\(2021\)689453\\_EN.pdf](https://www.europarl.europa.eu/Reg-Data/etudes/IDAN/2021/689453/IPOL_IDA(2021)689453_EN.pdf).

<sup>32</sup> Eurofound, Research Report, *Industrial relation and social dialogue in the national recovery and recovery plans*, 2022, pp. 10-11, [https://www.eurofound.europa.eu/sites/default/files/ef\\_publication/field\\_ef\\_document/ef21002en.pdf](https://www.eurofound.europa.eu/sites/default/files/ef_publication/field_ef_document/ef21002en.pdf).

<sup>33</sup> European Commission, *Cohesion 2021-2027: forging an ever stronger Union Report on the outcome of 2021-2027 cohesion policy programming*, SWD(2023) 134 final, 28 April 2023, pp. 2-6, [https://ec.europa.eu/regional\\_policy/sources/reports/2021-2027-programming-outcome/report-outcome-2021-2027-cohesion-policy-programming-part1.pdf](https://ec.europa.eu/regional_policy/sources/reports/2021-2027-programming-outcome/report-outcome-2021-2027-cohesion-policy-programming-part1.pdf).

## 5. National Recovery and Resilience Plan

The Slovenian RRP has identified four areas for investment and reform, as was mentioned above: (i) green transition, (ii) digitalization, (iii) smart, sustainable and inclusive growth, and (iv) health and social security. According to the intended allocation of funds, the green transition and digitalization, which together make up 42 and 21.46 percent of the plan, are the top priorities. In other words, Slovenia wants to ensure social-economic cohesion and resilience while advancing the transition to a greener economy, accelerating the digital transformation of public administration and businesses.

However, the health and social security system is still a major challenge for Slovenia. Though a law on the provision of long-term care was passed in late 2021,<sup>34</sup> its implementation has posed significant challenges due to the intricacies of its drafting and framework. Esteemed experts and politicians<sup>35</sup> alike have concurred on the impracticality and lack of feasibility in the current state of the law, which implies that the stipulations and obligations outlined in the legislation encounter considerable challenges when it comes to effective execution. Therefore, it is likely that these challenges stem from a variety of factors, including convoluted regulations, constraints in resources, or logistical complexities. Additionally, the overarching outcome is that realizing the intended objectives of the law within real-world scenarios remains a formidable task<sup>36</sup> because the current healthcare system in Slovenia is unable to handle the additional burdens of long-term care. Thus, although the Government has proposed that the implementation of the law be postponed until 2024, the opposition has requested a referendum. Nevertheless, regulation is essential, as is investment in the public healthcare system, and while RRP has introduced some important investments, it does not go far enough.<sup>37</sup>

For many years, Slovenia's health system has been plagued by structural and organizational issues, which have become even more pronounced during and after the COVID-19 pandemic. In February 2023, the Minister of Health presented details of health sector reform, which would restructure the insurance network, establish a new health insurance

<sup>34</sup> Long-term care Act in Slovenia, December 2021, <https://eurohealthobservatory.who.int/monitors/health-systems-monitor/countries-hspm/section-detail/slovenia-2022/organization-and-governance/regulation/>

<sup>35</sup> G. STRBAN, V. GREBENC, B. KOBAL TOMC, *Zakon o dolgotrajni oskrbi - (ne)izvedljiv v praksi?: okrogla miza na XXI. Dnevi delovnega prava in socialne varnosti, Kongresni center GH Bernardin, Portorož, 26 May 2022*, <http://www.zdr.info/S90155/D76/XXI.+DNEVI+DELOVNEGA+PRAVA+IN+SOCIALNE+VARNOSTI>. The XXI. Labor Law and Social Security Days, held in May 2022 brought together over 400 experts, including academics, legal professionals, and government officials. The event focused on addressing contemporary challenges such as demographic changes, digitalisation, and the impact of COVID-19 on labour and social law. Notable figures, such as Dr. Katarina Kresal Šoltes and Prof. Dr. Mitja Novak, Assoc. dr. Etelka Korpič Horvat, Lidija Jerkič, Jože Smole, M.Sc. Barbara Kobal Tomc, etc.

<sup>36</sup> European Commission, *Slovenia adopts the long-awaited Long-Term Care Act ESPN Flash Report 2022/09* <https://ec.europa.eu/social/BlobServlet?docId=25363&langId=en>.

<sup>37</sup> G. PIRC, *Slovenia social briefing: Outlook and Prospects for 2023*, China-CEE Institute Weekly Briefing 58, no. 3, January 2023, pp.2.



institute, and provide stable financing. Previous governments had also tried to reorganize the healthcare sector, but their plans often failed.<sup>38</sup> In addition, the main driver behind healthcare reform is the intention to address the issues surrounding supplementary health insurance because basic health insurance only covers the most rudimentary services, so the existence of both mandatory basic and voluntary supplementary insurance can lead to confusion and administrative challenges. Although, health service reform has often had the intention to introduce inclusive universal health insurance, it is not yet fully clear how this will work in practice.<sup>39</sup>

The proposed healthcare reforms in Slovenia, which have focused primarily on the reform of the health insurance system and the integration of basic and supplementary insurance into a universal system, aim to address significant financial discrepancies within the healthcare system. Furthermore, The Prime Minister, has outlined a timeline for these reforms by emphasizing the importance of transparency, digitalization, and eradicating corruption within the system. While the Government has set ambitious goals, specific implementation details and legislative challenges may not be fully clear at this stage. As a result of the complexity of healthcare systems, the need for stakeholder involvement, and the allocation of resources all contribute to the uncertainty regarding how these reforms will work in practice. Continuous monitoring and evaluation will be essential to assess their effectiveness and make necessary adjustments.<sup>40</sup>

The NRRP, in total €1.8 billion, is designed to facilitate Slovenia's post-COVID-19 recovery and set the stage for sustained economic development. Therefore, it encompasses various reforms across sectors, including healthcare, the legal system, education, pensions, social transfers, and tax and labour policies. A significant focus has been placed on restructuring the healthcare system, establishing a new health insurance institute, and ensuring stable financing to tackle systemic issues like lengthy care wait times, doctor shortages, and system coordination problems. The RRP has also emphasized modernizing the legal system, enhancing education quality and accessibility, ensuring pension system sustainability, optimizing social transfers, and streamlining the tax code for greater competitiveness. Moreover, this comprehensive plan aims to address Slovenia's diverse challenges, supporting its recovery and long-term economic prospects.<sup>41</sup>

<sup>38</sup> K. KOŠAK, *Minister za zdravje Danijel Bešič Loredan za N1: "Spredsednikom vlade sva eno"*, 4 February 2023, <https://n1info.si/novice/intervjuji/reforma-zdravstva-danijel-besic-loredan-intervju-n1/>.

<sup>39</sup> *Ibid.*

<sup>40</sup> AL. MA, "Golob: Osnovno in dopolnilno zavarovanje bomo združevali v univerzalno," *MMC Radiotelevizije Slovenija*, 18 January 2023, <https://www.rtvsllo.si/slovenija/golob-osnovno-in-dopolnilno-zavarovanje-bomo-zdruzevali-v-univerzalno/654835>.

<sup>41</sup> Government of the Republic of Slovenia, *Recovery and Resilience Plan*, pp. 5-22, [https://www.gov.si/assets/organi-v-sestavi/URSOO/RRP\\_SI\\_summary\\_2021.pdf](https://www.gov.si/assets/organi-v-sestavi/URSOO/RRP_SI_summary_2021.pdf).

## 6. Reception of the Slovenian Recovery and Resilience Plan

The Slovenian Resilience and Recovery Plan, which is aligned with the Country Specific Recommendations (CSRs) formulated in the European Semester cycles of 2019 and 2020, according to the EU Commission and Council, identifies three key reforms to address population ageing: pension, healthcare, and long-term care. Thus, a sustainable pension reform should be viewed as a key deliverable in 2022-2023, prepared in cooperation with social partners.<sup>42</sup> Also, the OECD's country recommendations for Slovenia were very clear. The average retirement age is one of the lowest in the European Union, while labour taxes (taxes and social contributions) are among the highest in the OECD<sup>43</sup>. Unfunded pension increases have led to Slovenia having one of the highest projected pension spending increases in the OECD. As of late summer 2022, no official proposal to change pension legislation had been drafted, but a working group was formed to prepare legislative changes, including extending the insurance period.

Moreover, the first CSR for 2019 and 2020<sup>44</sup> for Slovenia was to create a coherent regulatory framework for long-term healthcare and social services, and a financially sustainable healthcare system in general. As part of the RRP, Slovenia adopted the Long-Term Care Act in December 2021,<sup>45</sup> yet compulsory long-term care insurance has been postponed to 2025.

The RRP also includes investment in long-term care facilities and healthcare reforms, and outlines a comprehensive strategy for equitable, high-quality, and financially sustainable healthcare and social protection, it also includes measures to boost healthcare system efficiency through digitalization, staff training, and innovative collaborations. The plan also integrates healthcare and long-term care improvements to ensure accessible high-quality services. Additionally, it addresses housing challenges, aiming to improve access to public rental housing for vulnerable groups and promoting early independence and housing mobility.

Within "Component 1, Healthcare", the primary objective is to introduce comprehensive reforms and strategic investments to fortify the healthcare system. These reforms aimed to boost resilience, enhance accessibility, reduce waiting times, and ensure long-term financial sustainability. This component encompasses organizational reforms, with a special

<sup>42</sup> European Commission, 2022 Country Report – Slovenia, 2022, SWD (2022) 626 final, 23 May 2022, pp. 8, <https://eur-lex.europa.eu/legal-content/EN/TXT/PDF/?uri=CELEX:52022SC0626>.

<sup>43</sup> OECD, *Slovenia: accelerate structural reforms to keep recovery on track*, 4 July 2022, <https://www.oecd.org/newsroom/slovenia-accelerate-structural-reforms-to-keep-recovery-on-track.htm>.

<sup>44</sup> IPOL | Economic Governance Support Unit, *Country-Specific Recommendations for 2019, 2020 and 2021*, pp. 179-183. [https://www.europarl.europa.eu/RegData/etudes/STUD/2021/651391/IPOL\\_STU\(2021\)651391\\_EN.pdf](https://www.europarl.europa.eu/RegData/etudes/STUD/2021/651391/IPOL_STU(2021)651391_EN.pdf).

<sup>45</sup> Long-term care Act in Slovenia, December 2021, <https://eurohealthobservatory.who.int/monitors/health-systems-monitor/countries-hspm/section-detail/slovenia-2022/organization-and-governance/regulation/>.

focus on alleviating doctors' workloads and bolstering primary healthcare. Furthermore, measures will be taken to improve healthcare system accessibility, encompassing emergency medical assistance and digital transformation of healthcare services. Sizeable investments, in total 224.90 million euros, have been allocated to this healthcare component, including strengthening health personnel competence, digital transformation, enhancing healthcare system accessibility, and upgrading facilities for communicable disease treatment.<sup>46</sup>

In "Component 2, social security and long-term care", the overarching goal is to establish a modern, equitable, and financially sustainable long-term care system, creating a new social security pillar. The focus is on improving accessibility, regardless of socioeconomic factors or living environments, and supporting informal care. Investments in this component aim to ensure integrated treatment for individuals requiring higher levels of long-term care, more complex nursing services, or continuous nursing care. Further to that, funding will be allocated to create a safe living environment for dependent persons. In total, 79 million euros have been earmarked for this crucial social security and long-term care component.<sup>47</sup> In "Component 3: Social housing" the shortage of public rental housing is addressed as it strives to establish sustainable financing schemes for construction. The primary objective is to improve access to public rental housing for socially disadvantaged individuals and marginalized groups, facilitating early independence and housing mobility. A total investment of 60 million euros is to be allocated to provide public rental housing, making significant strides toward enhancing housing accessibility for these target groups.

Overall, these three components, as part of the broader RRP, represent Slovenia's comprehensive efforts to strengthen healthcare, social security, and housing, ultimately contributing to a resilient and equitable future.<sup>48</sup> The implementation structure for NRRP has been aligned with the regulation establishing the Recovery and Resilience Facility. Under this regulation, Member States are responsible for reporting progress, submitting payment requests, and implementing information and communication activities. To facilitate this process, a lead ministry, the Ministry of Finance Recovery and Resilience Office, serves as the national focal point and coordinator between Slovenia and the European Commission. Moreover, this coordinating body is tasked with establishing an RRP implementation system and with ensuring compliance with the relevant regulations and national laws. It will also develop guidelines and procedures for audits and controls, reporting on milestones and targets, fund recovery, data management, and fraud detection. In addition, the Unified Accounting System of the Ministry of Finance will be upgraded to monitor RRP implementation and generate payment requests. Furthermore, the Ministry of Finance takes on

<sup>46</sup> Government of the Republic of Slovenia, *Recovery and Resilience Plan, 2021*, pp. 22-23, [https://www.gov.si/assets/organi-v-sestavi/URSOO/RRP\\_SI\\_summary\\_2021.pdf](https://www.gov.si/assets/organi-v-sestavi/URSOO/RRP_SI_summary_2021.pdf).

<sup>47</sup> *Ivi*, pp. 23.

<sup>48</sup> *Ivi*, pp. 23-24.

various roles, including the national audit and control coordinator and the national cost coordinator, to effectively streamline and oversee the RRP implementation process.<sup>49</sup>

## 7. Final considerations

Slovenia has made substantial strides in its endeavours to enhance its population's overall health, although it continues to struggle with persistent healthcare challenges. Addressing these challenges necessitates ongoing governmental investments in primary care, healthcare infrastructure, public health campaigns, and concerted efforts to combat poverty and inequality while reducing disparities in health outcomes. Furthermore, the COVID-19 pandemic has underscored the critical importance of a robust social safety net and a resilient health system in Slovenia. The Government must prioritize equitable access to quality healthcare for all citizens, regardless of their socio-economic status, while measures are taken to enhance care coordination and mitigate healthcare worker shortages.

The NRRP serves as a multifaceted strategy designed to not only facilitate the nation's recovery from the ramifications of the COVID-19 pandemic but also to lay the groundwork for enduring economic development. The RRP undertakes to implement a comprehensive approach spanning various sectors, including healthcare, legal, educational, pension, and social policies. Within the healthcare domain, the plan confronts intricate issues, notably the complex implementation of the Long-Term Care Act enacted in 2021, while concurrently emphasizing the imperative of healthcare system restructuring for enhanced effectiveness and sustainability. In alignment with European Union recommendations, the RRP underscores the significance of reforms in response to population aging, particularly within pension and healthcare frameworks. The plan is underpinned by a commitment to digitalization, workforce development, and heightened efficiency in healthcare, accompanied by substantial investments in long-term care infrastructure and housing enhancements geared towards bolstering accessibility and service quality. Though the implementation journey presents its challenges, the RRP epitomizes a holistic and scholarly endeavour aimed at navigating the complex terrain of Slovenia's multifarious challenges, ultimately fostering sustainable economic growth.

While the NRRP represents a commendable initial step, it should be viewed as the beginning of a broader endeavour. Slovenia must sustain its commitment to strengthening its healthcare system through ongoing investments and reforms aimed at ensuring long-term sustainability and effectiveness.<sup>50</sup> In line with these objectives, Slovenia's National Health Care Plan 2016–2025 emphasizes the imperative of augmenting allocative efficiency within

<sup>49</sup> *Ivi*, pp. 26.

<sup>50</sup> T. ALBREHT, et al, Slovenia: *Health System Review. Health Systems in Transition*. Vol. 23 No. 1, 2021, pp. 139.

the healthcare system.<sup>51</sup> This goal is elucidated through a thorough analysis of citizen healthcare needs and an assessment of the system's capacity. Key facets of the plan encompass the improvement of mental health services, reduction of specialist referral waiting times, and an extensive revamping of primary healthcare.<sup>52</sup> Strategies to alleviate wait times involve the implementation of more refined reporting mechanisms and the allocation of additional financial resources, which will also be extended to private healthcare providers.<sup>53</sup>

Although Slovenia's healthcare system is currently oriented with expected performance levels compared to its European peers, the key to further enhancement lies in strategic resource allocation that is aligned with the specific demands of its population. Additionally, the Health System Performance Assessment (HSPA) mandates comprehensive data collection and benchmarking across diverse healthcare settings, aiming to augment the efficiency of the healthcare system and enhance the quality-of-care provision.<sup>54</sup> All in all, Slovenia's multifaceted efforts to address evolving health challenges and foster a resilient and effective healthcare landscape demonstrate the country's determination to improve the health of its population. These efforts are likely to make significant contributions to the health of Slovenes in the years to come.

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<sup>51</sup> *Ivi*, pp. 57.

<sup>52</sup> *Ivi*, pp. 124-126.

<sup>53</sup> *Ivi*, pp. 168.

<sup>54</sup> *Ivi*, pp. 168.

