

Brief analytical comments

*In Q4 2007 the number of active units operating in the area of health insurance was the same as in the corresponding quarter of 2006, there were a total of nine health insurance companies in the CR. In Q4 2007 health insurance companies employed in total 7 025 persons (FTE), which was 0.3 % less than in Q4 2006 (7 043 persons). **The average monthly wage** (calculated from wages free of other personnel expenses and from the above number of employed persons) increased from CZK 31 294 in Q4 2006 to CZK 31 370 in Q4 2007 (+0,2 % year-on-year).*

***Premiums written** (excl. those paid by the state) make up a substantial part of total revenues of health insurance companies. In Q4 2007 they amounted to CZK 39.4 billion, rising by 10.4 % on Q4 2006. This increase was particularly due to a rise in the insured people's income and hence rise in health insurance payments. It should be also noted that the premiums written measured on accrual basis are not actual revenues of health insurance companies as these are lower by premiums not paid.*

*According to data of the Ministry of Health, the **actual revenues** of the insurance companies – collection of premiums incl. those for persons paid by the state (hereinafter "state insurants" – reached CZK 199.2 billion in 2007 which was an increase by 10.5% compared with 2006 when the revenues accounted for CZK 180.4 billion (data of the Ministry of Health on results of the 1st to 12th relocation of revenues of the health insurance companies - collected premiums in 2006 and 2007). Revenues of the health insurance companies in 2007 could not be compared to those reached in 2006, considering that in 2006 there was a change in the frequency of payments by the state for its insurants (return assistance called "advance payment" from the state budget within the meaning of Section 12(2) of Act No. 592/1992 Sb. on Public Health Insurance Premiums) amounting to CZK 5.5 billion. In 2006 this "advance payment" was repaid and in 2007 there was no "advance payment". The whole year 2006 is then comparable with 2007 since the impact of the "advance payment" from the state budget in 2006 was off-set by its repayment in the same calendar year. Revenues from premiums including payments by the state increased by 10.5%, **year-on-year.**¹⁾*

*Of the **total costs** of health insurance companies in **Q4 2007** (costs and expenses established by expenditure approach from respective funds of health insurance companies), 91,4% accounted for **health care costs** paid from the basic health insurance fund and the prevention fund or possibly from the preventive care fund; these costs increased by 14,1% year-on-year (see Table 3). Costs of in-patient services make up a key proportion of health care costs (50,8%); they grew by 10% compared to the corresponding period of 2006.*

*In Q4 2007, the health insurance companies **acquired** intangible and tangible **fixed assets** (incl. land) worth CZK 84,1 million and CZK 115 million, respectively. The **balance sum** of the health insurance companies (the total of assets or liabilities) reached CZK 83,5 billion at the end of Q4 2007 and, compared to the end of Q2 2007, it decreased by CZK 0,2 billion. The acquisition **value of intangible and tangible fixed assets (depreciated) – net** in assets of the health insurance companies was CZK 60,7 million up on Q3 2007.*