

## **Finsam** – a follow-up of financial coordination of rehabilitation measures





## Introduction

In 2014 the Committee on Social Insurance decided to conduct a follow-up of Finsam – financial coordination of rehabilitation measures. The point of departure for the follow-up was a decision by the Riksdag in 2003 to adopt the Act on Financial Coordination of Rehabilitation Measures. The follow-up has focused on describing and analysing the measures taken within the framework of Finsam, the outcome and benefits of these measures, and how coordination and cooperation have developed between the collaborating parties. It has also analysed how the measures are followed up and evaluated. The purpose has been to give the Committee more in-depth background materials for its consideration of matters relating to financial coordination of rehabilitation measures.

The follow-up has been conducted by a working group within the Committee on Social Insurance, with support from the Evaluation and Research Secretariat at the Riksdag Committee Services Division.

As a step in the follow-up work, the Committee held a public hearing at the Riksdag with representatives of coordination associations, public authorities and other stakeholders.

The follow-up was reported to the Committee on Social Insurance in June 2015. The Committee decided to approve the report.

The follow-up report *Finsam – A Follow-up of Financial Coordination of Rehabilitation Measures* has been published in the series Reports from the Riksdag (2014/15:RFR13). This brochure is a summary of the report. The minutes etc. of the public hearing have been published in the same series: 2014/15:RFR14.

## Points of departure

At the initiative of the Committee on Social Insurance, the Riksdag decided to adopt a proposal for an Act on Financial Coordination of Rehabilitation Measures (Finsam). According to the Riksdag's decision, financial coordination should take place in order to facilitate efficient use of resources. Measures under Finsam are to apply to individuals in need of coordinated rehabilitation measures, and the purpose should be to help them to reach or improve their work capacity. The most important stakeholders among the public authorities are the Swedish Social Insurance Agency and the Swedish Public Employment Service which, at the regional and local levels, are members and collaboration partners of the coordination associations. Other important central actors are the National Board of Health and Welfare, the Swedish Association of Local Authorities and Regions, the National Council for Financial Coordination and the National Network for Coordination Associations.

Alongside Finsam, there are a number of other cooperation and rehabilitation measures within the sick leave process which affect Finsam to a greater or lesser extent. The most important of these are: reinforced cooperation between the Social Insurance Agency and the Public Employment Service, financial coordination between the Social Insurance Agency and the health and medical services (bipartite collaboration), the Sick Leave Billion and the rehabilitation guarantee. Delimitation between some of these measures and Finsam is not always clear, and both target groups and measures can sometimes overlap.

According to the Act on Financial Coordination of Rehabilitation Measures, the cooperation partners in the associations are to cover the costs of measures that are taken. Of the resources that are allocated to Finsam, 50 per cent come from central government and 25 per cent from the municipalities and the county councils respectively. The central government share is often normative for how much the municipalities and county councils contribute, but in practice it is the party that contributes the least that sets the norm. The share from the central government to Finsam is taken from the appropriation 1:6 Grant for the sick leave process within expenditure area 10 of the central government budget. Funds

from this appropriation are also allocated to a number of other measures for cooperation, rehabilitation etc. within the sick leave process.

Since 2012, Finsam has been allocated SEK 280 million per year in central government funds. On top of this are the allocations from the municipalities and county councils of SEK 140 million each, which means that, in total, the coordination associations receive a total of SEK 560 million per year from the association partners during the period 2012 and 2015. Furthermore, there are funds from the European Social Fund (ESF) of between SEK 35 and 46 million per year for specific projects in the coordination associations.

In its Budget Bill, the Government presents the results of Finsam within expenditure area 10 Financial security for the sick and disabled. Earlier, certain information about Finsam was also included in expenditure area 14 The labour market and working life. An examination of Budget Bills from 2007 to 2014 shows that the reporting structure of Finsam varies from year to year.

## Participation in measures

In early 2015, there were a total of 80 coordination associations in the country and of a total of 290 municipalities, 241 are now members of a coordination association. Most of the coordination associations' activities consist of measures targeted towards individuals. However, the associations also fund various forms of structural measures aimed at strengthening cooperation between authorities and increasing knowledge of different groups' rehabilitation needs.

The measures are reaching a greater number of people – the total number of participants increased from 37,000 in 2011 to almost 63,000 in 2014. 39,000 people participated in measures targeted at individuals in 2014, 17,000 of whom were registered with personal data, 3,000 anonymously and 19,000 registered through “volume measures” (e.g. consultative or preventive measures). The number of participants in structural measures increased from 9,000 in 2011 to almost 24,000 in 2014.

Over half of the participants in the measures targeted at individuals are young people and young adults, that is, between the ages of 16 and 29, and there are more men than women in this age group. In other age groups, women make up approximately 60 per cent of the participants. The education level of the participants in the coordination associations' measures is lower than average levels in Sweden. The participants are also dependent, to a great extent, on public income support in the form of support from the local authority, unemployment insurance fund, the Public Employment Service or the Social Insurance Agency.

The measures of the coordination associations also aim to reduce the participants' dependence on public income support and to increase their opportunities to support themselves. The results for the years 2011–2014 show that approximately 90 per cent of the participants were dependent on some form of public income support before taking part in measures. After participation in measures, the proportion of participants who were dependent on income support had fallen to about 78 per cent. One of the difficulties associated with Finsam is the long-term durability of these results.

## Results

The Swedish Social Insurance Agency's statements of operations show that the measures targeted at individuals led to the number of participants in employment or studies increasing by 20 percentage points and the proportion of participants without public income support increasing by between 12 and 14 percentage points. As regards the longevity of the results, the Social Insurance Agency's matching of the SUS and MiDAS IT systems shows that the participants' need for activity compensation, sickness compensation and sickness benefits falls after measures and that this decrease remained after three and six months.

The coordination associations' follow-ups show that the number of participants who are employed or studying or who have progressed after measures have been completed is increasing and that dependence on public income support is decreasing. Examples of other results are

increased quality of life and independence, greater social skills, increased motivation to take action, reduced physical limitation and better levels of preparedness, greater confidence and well-being.

Various "economic evaluations" have been carried out with the purpose of evaluating the associations' measures and obtaining background material for assessing the social benefits of the activities. A compilation of 58 of these evaluations, from the period 2007–2014, shows for example that the average cost of the measures is SEK 82,000 per participant at the societal level, that the average revenue per participant in the short term is SEK 82,000 per year and SEK 410,000 all together over five years at the societal level. It also shows that the average repayment period for all evaluated measures is 12 months.

In 2004, the Swedish Agency for Public Management was given the assignment by the Government to follow up and evaluate Finsam. Within the framework of this assignment, which was completed in 2008, the Swedish Agency for Public Management prepared five reports. The general conclusion was that evaluating the effects of cooperation is methodically complex and that Finsam's voluntary nature and local freedom of choice make it more difficult to evaluate.

In 2010 and 2011, the Swedish Social Insurance Inspectorate (ISF) was assigned by the Government to conduct two studies on follow-up and evaluation within the cooperation field. The ISF found that there were no regular evaluations of effects, which made it difficult to draw any conclusions about the correlation between the coordination associations' measures and the effects at the individual and organisational levels. The ISF's overall assessment of the three forms of cooperation that have been examined was that four-party cooperation in Finsam had the best chances of succeeding, both from the perspective of the participants and of the organisations.

In order to increase knowledge of the results and effects of the coordination associations' measures, the "indicator project" was carried out during 2014. The project was led by the National Network of Coordination Associations, with support from the National Council, the Ministry of Health and Social Affairs and the participation of a large number of

associations and users. In January 2015, a final report on the project was submitted to the Ministry of Health and Social Affairs, and indicators and measurement items are continuing to be implemented in 2015.

## Observations and assessments in brief

To start with, the working group would like to highlight the complicated and multifaceted nature of Finsam, and the diversity of interests that come together at all social levels, and it would also like to stress what distinguishes Finsam, namely that the individual's rehabilitation needs are in focus rather than the parties' exercise of public authority.

Alongside Finsam, there are a number of other cooperation and rehabilitation measures under the sick leave process which affect Finsam in various ways. Delimitation between some of these measures and Finsam is not always clear, and both target groups and measures can sometimes overlap. At the same time, the diverse nature of the associations' activities is positive and can generate new ideas and experiences for rehabilitation efforts, which can be used throughout the country. The working group considers that a comprehensive review should be conducted of all the rehabilitation measures that are relevant in this context, in order to clarify the target group, contents and results of each measure from the perspective of both the individual and of society.

The working group notes that problems can arise locally with cooperation measures as regards the participation of primary care. In this context, the working group would like to draw attention to the positive examples of cooperation with primary care in the teams of case officers that have developed in some coordination associations.

At the Committee's public hearing and during interviews with the coordination associations, various parties have suggested that the coordination associations' working methods and cooperation structures could also be suitable for other tasks. The tasks mentioned in this context relate to integration, mental health problems and measures for young people without both education and employment. The working group is positive to these opinions and considers that Finsam has a unique cooperation structure which could be made use of in several contexts. A possible extension

of the coordination associations' tasks would, however, require a review of current public sector measures in the areas mentioned above, as well as an examination of the Act on Financial Coordination of Rehabilitation Measures, the resources of the coordination associations and the local capacities of the individual associations.

Knowledge of Finsam is limited, both in society in general and in elected assemblies and public authorities. In the opinion of the working group, it would be desirable for the public authorities to prioritise Finsam to a greater extent in order to develop and extend the use of the cooperation structures that characterise Finsam. A prerequisite for this is, however, clear delimitation between Finsam and other rehabilitation measures. This clarity would be of benefit, not just to Finsam, but also to other rehabilitation measures.

The working group notes that the percentage of women with mental health problems is increasing and that parts of this group belong to the target group for Finsam. This has not yet been highlighted to any greater extent in the measures financed by the coordination associations or in their choice of target groups.

During the course of the follow-up, no party political differences have emerged as regards attitudes to Finsam. The local and regional politicians who have been interviewed and who have been or are members of the boards of the coordination associations, seem to agree that Finsam is a good method which gives good results for individual people and that the coordinated funds are usually used in an efficient way.

The allocation of funds to several coordination associations has successively decreased over the years as a result of the establishment of new associations. According to several associations, the funding problem is currently the greatest obstacle to continued development of these associations and, in the long term, of Finsam as a whole. The working group agrees, in part, with these opinions regarding the funding problem, but also considers that the new distribution model which is being introduced in 2015, and the ongoing reduction of the associations' capital should be taken into account in this context. The group also considers that the funding issues can be referred to the overview of Finsam that the working group has previously stressed a need for.

The working group would also like to highlight the improvements that have been made to the SUS follow-up system in recent years and to the fact that an increasing number of coordination associations are registering more and more data. The working group also wants to stress the importance of the coordination associations' follow-ups and the "indicator project". The working group is positive to all these measures which, jointly, can enable a broader, deeper and more well-founded analysis of Finsam's results and effects. In the light of this, the working group considers that the question of concerted responsibility for an independent follow-up and evaluation at the national level should be revived. In the opinion of the working group, follow-up and evaluation should be carried out at both the local and the national levels – in accordance with the original proposal regarding Finsam. These issues could also be referred to the overview of Finsam issues which the working group has previously recommended.

In conclusion, the working group considers that a clear and all-round account of the results to the Riksdag in the Budget Bill is an important prerequisite if the Riksdag is to follow long-term developments, assess results and make decisions regarding the budget and possible measures. The Government's account does not need to be particularly extensive, but should contain an assessment of actual results of important indicators.



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The Swedish Parliament, SE-100 12 Stockholm, Sweden  
Phone: +46 (8)786 40 00 • [www.riksdagen.se](http://www.riksdagen.se)