

1. Abstract 2009

I. Enrolment and Underwriting

- (1) Group Insurance Applicants: At the end of 2009, there were a total of 684,677 group insurance applicants, an increase of 8,397 from the previous year or an equivalent of 1.2%. The average annual increase rate was greatest in the Eastern branch with 4.1% and the smallest in the Kao-Ping Branch with 2.4%.
- (2) Beneficiaries: At the end of 2009, there were 23 million beneficiaries, increasing by 107,629 from the previous year or an equivalent of 0.5%. Sex ratio of beneficiaries was 99.2, of which the number was 101.3 ten years ago. The average annual increase rate in the past ten years was greatest in the Northern Branch with 1.9% and the smallest in the Eastern Branch with 0.1%.
- (3) Insured Payroll-related Amounts: At the end of 2009, the average insured payroll-related amount came to NT\$31,847, an increase of NT\$175 from the previous year which was the smallest in the past ten years. The number of the insured was the highest for those with the payroll-related amount of NT\$21,000, accounting for 23%. Average insured payroll-related amount was the highest for Item 5 of Category 1 at NT\$68,359, followed by Item 1 of Category 1 at NT\$55,193.
- (4) Premium Receivables: In 2009, premium receivables amounted to NT\$385 billion, an increase of NT\$1 billion or 0.3% from the previous year, NT\$148.4 billion from beneficiaries (38.5%), NT\$137 billion from group insurance applicants (35.5%) and NT\$100 billion from government subsidies (26.0%); the average annual increase rates in the past ten years were 3.5% for beneficiaries, 4.4% for group insurance applicants and 2.8 % for government subsidies.

II. Financial Status

- (1) Premiums Collected: Premiums collected in 2009 amounted to NT\$365, a decrease of NT\$1.7 billion or 0.5% from the previous year. Collection rate was 94.4%. Broken down by source, collection rate was 97.4% for the insured and group insurance applicants, 100% for the central government subsidies, 9.1% for the Taipei City government subsidies, 2.6% for the Kaohsiung City government subsidies, 23.7% for the Taipei County government subsidies and 100% from the other city/county governments subsidies.
- (2) Financial Revenues and Expenditures: Under the accrual basis, revenues amounted to NT\$407 billion, an increase of NT\$716 million from the previous year. Insurances costs amounted to NT\$439 billion, an increase of NT\$19 billion from the previous year, yielding a deficit of NT\$31.7 billion. Deficits have been occurring since 1998

and the gap is widening. The accumulated deficit was -NT\$58 billion, which should be made up using the reserve fund.

- (3) Delinquent Charges: Delinquent charge receivables amounted to NT\$223 million in 2009, a decrease of NT\$28 million or 11.2% from the previous year. The collection rate was 61.1%, with Category 1 leading the way with 71.4%.

III. Contracting and Management of Medical Care Institutions

- (1). Contracted Medical Care Institutions: As of the end of 2009, the total number of contracted medical care institutions was 24,423, an increase of 549 or 2.3% from the previous year; hospitals decreased by 1, clinics increased by 249, pharmacies by 266, and other medical care institutions by 35.
- (2) Rate of Contract Signed: As of the end of 2009, rate of contract signed between hospitals/clinics and the BNHI was 92.5%. Taipei City posted the lowest rate at 84.4%, followed by Taichung City at 89.6%.
- (3) Hospital Beds: At the end of 2009, the total number of beds in contracted medical care institutions was 144,794, an increase of 1,673 or 1.2% from the previous year. The percentages of insured beds in various levels of hospitals were 66.4% for academic medical centers, 78.9% for metropolitan hospitals, 88.2% for local community hospitals, and 99.9% for physician clinics and dental clinics.
- (4) Violations: In 2009, 536 medical care institutions were found to have committed violations, an increase of 90 or 20.2% from the previous year. 234 medical care institutions were penalized by reduced reimbursement, 68 by corrections, 207 by suspension of contract ranging from 1 month to 3 months, and 27 by contract termination.

IV. Medical Benefits

- (1) Claims: Outpatient medical service cases filed in 2009 were 357 million cases, an increase of 16 million or 4.6% from the previous year; the outpatient medical benefit claims were 326 billion RVU, an increase of 19 billion RVU or 6.3% from the previous year; the average points per case were 914 RVU.

Inpatient medical service case filed in 2009 were 3 million cases, an increase of 95 thousand cases or 3.1% from the previous year; the inpatient medical benefit claims were 162 billion RVU, an increase of 5 billion RVU or 3.0% from the previous year; The average points per case were 51,420 RVU; the average length of stay in hospitals per case was 10.2 days.

- (2) Approved Benefits (RVU): The approved outpatient medical benefit payments were 319 billion RVU in 2009, an increase of 23 billion RVU or 7.9% from the previous

year. The average points approved per case were 894 RVU. The approved inpatient medical benefit payments were 156 billion RVU, an increase of 7 billion RVU or 4.5% from the previous year. The average points approved per case were 49,452 RVU.

(3) Approved Benefits (NT\$): The approved outpatient medical benefit payments were 300 billion RVU in 2009, an increase of NT\$20 billion or 7.3% from the previous year; average cost per case was NT\$839. The approved inpatient medical benefit payments were NT\$144 billion, an increase of NT\$6 billion or 4.3% from the previous year; average cost per case was NT\$45,837.

(4) Medical Expenses (copayment included): Outpatient medical expenses were 48% for males and 52% for females; average points per case for males were 1,081 RVU and 955 RVU for females. Inpatient medical expenses were 55% for males and 45% for females; average points per case for males were 58,271 RVU and 48,765 RVU for females. For age 65 and over, outpatient medical expenses accounted for 29% and inpatient medical expenses 44%.

Both outpatient and inpatient average medical expenses per case increased with age. Outpatient expenses were 604 RVU for age 0-14, 818 RVU for age 15-44, 1,189 RVU for age 45-64, and 1,406 RVU for 65 and over. Inpatient medical expenses were 26,443 RVU for age 0~14, 38,521 RVU for age 15-44, 57,006 RVU for age 45-64, and 73,062 RVU for age 65 and over.

(5) Major Illness/ Injury Certificates Issued: As of the end of 2009, there were 30 kinds of major illnesses/injuries; the number of valid major illness/injury certificates issued was 831,033, an increase of 40,412 from the previous year or 5.1%. Cancer patients held the highest number at 372,154, followed by chronic psychotic disorder patients at 204,079, and patients with generalized autoimmune syndrome requiring lifelong treatments at 68,916.

(6) Major Illnesses/Injury Claims: The outpatient medical benefit claims of major illnesses/ injury were 70 billion RVU in 2009, an increase of 5 billion RVU from the previous year or 6.9%. The highest amount came from patients with end-stage renal disease at 35 billion RVU (50.0%). The inpatient medical benefit claims of major illnesses/ injury in 2009 were 68 billion RVU, an increase of 3 billion RVU from the previous year or 4.7%. The highest amount came from patients with cancer at 28 billion RVU (40%). In terms of average points filed per capita, congenital hemophiliacs rank first for both outpatient and inpatient services, with 2.3 million RVU for the former and 1.7 million RVU for the latter.

(7) Reimbursements of Advance Medical Expenses: A total of NT\$1,363 million was filed

for reimbursements of advance medical expenses for out-of-plan services in 2009, an increase of 1.8% from the previous year. Among which, NT\$502 million were approved, an increase of 3.8% from the previous year. Approval rate were 36.8% for overall medical services, 53.3% for outpatient services and 32.2% for inpatient services.