



Finland's Health System 2023 Reform: Emphasizing Rural and Population Health

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ABSTRACT

Comparative international health systems is a growing healthcare academic, policy, and practice interest. The New England Journal of Medicine created a series of fifteen articles, each devoted to one country's health system using the same descriptive, explanatory, and analytic template [1]. To review and compare the Finish health system's performance, a similar format was used. The study was done during a study-abroad stay in Finland during the health system's 2023 reform initiative. The country and its care delivery are discussed as a foundation for describing the reform initiative. A comparative table of health system performance monitors is used to review results from the U.S. and Finnish systems.

Keywords: Finland Healthcare, System reform, International health systems, System performance measures.

INTRODUCTION

Finland initiated a revision of its health system in 2023 [2]. The paper defines the country's geography, demographics, culture, and government as a framework for understanding this revision and the focus on its citizens' health status. Also, demographics, geology, climate, government, and economy foster the nation's influential position in Northern Europe. Knowing this dynamic enhances country knowledge, health system understanding, and insight into the health system's responsiveness to nationwide health needs.

Country Description

Finland has a rich tapestry of demographic, geological, and climatic features. The demographic landscape is diverse, with a population of 5.4 million. Finnish is the *lingua franca*, and Swedish is recognized in specific regions. The key cities of Helsinki, Espoo, Tampere, Vantaa, and Oulu add vibrancy to the nation's cultural fabric. Most of the population is Finnish (93.4%), with Swedes (5.6%), Russians (0.5%), and Estonians (0.3%) contributing to the diversity. Evangelical Lutheran, the predominant religion, is practiced by 71% of the population [3]. Finland's geological features span 338,424 square kilometers and are bordered by Norway to the north, Russia to the east, and Sweden to the northwest. The country is home to lakes, Lake Saimaa, Lake Päijänne, and Lake Inari, plus flowing rivers such as the Kemijoki, Oulujoki, and

Kokemäenjoki. These bodies of water, flat to rolling plains, and low hills comprise the Finnish terrain, all contributing to the country's picturesque landscape [3].

The climate varies significantly, with cold temperate conditions prevailing in the northern regions and subarctic conditions in the summer months, June to August, with average temperatures ranging from 15°C to 25°C. By contrast, the winter months, December to February, see temperatures averaging from -5°C to -22°C, with the northern areas experiencing colder conditions. The annual precipitation amounts range between 600 mm and 700 mm, depending on the region [4].

Economics and Business

Finland's currency is the Euro (EUR) and prospers metals, electronics, machinery, scientific instruments, shipbuilding, pulp-and-paper, foodstuffs, chemicals, textiles, and clothing industries. Plentiful natural resources of timber, iron ore, copper, and lead foster the country's strong economic foundation. The 2022 Gross Domestic Product (GDP) was \$269 billion. Finland's business culture is unique because of its scope of information technology (IT) innovation. The societal ethos, *Sisu*, is a values collective that motivates determination, resilience, and tenacity among the population leading to creativity, excellence, and efficiency, [3].

Government and Political System

Western Europe and the European Union respect the country and its government. Finland is a parliamentary republic with political authority distributed among the executive, legislative, and judiciary branches. The President of Finland is a ceremonial head of state responsible for defense and foreign affairs. The Prime Minister, selected by Parliament, holds executive powers and is supported by various departmental ministers. The *Eduskunta*, Finland's unicameral legislative parliament, consists of two hundred members elected every four years. The judiciary is independent, with the Supreme Court and the Supreme Administrative Court holding the highest trust [4]. Geopolitically, Finland maintains close ties with its Nordic neighbors, including Sweden, Denmark, Norway, and Iceland. The country's 1995 European Union membership marked further participation in European economic and political systems. Joining NATO in 2023 was a strategic shift away from the country's historical stance of military non-alignment. The country's male conscription policy enhances the NATO alliance with 24,000 active-duty troops and 280,000 wartime reserves, when activated.

A core aspect of Finland's ideology is its commitment to providing healthcare as a public service grounded in social welfare principles. Section 19 of the Constitution mandates that the "public authorities shall guarantee for everyone ... adequate social, health, and medical services and promote the health of the population." The country entrusts its municipalities with healthcare responsibility and funding. The view is that healthcare is a fundamental right, ensuring equal access to services for all citizens. Thus, health care is the heart of Finland's public services, which are publicly funded and provide comprehensive services to all residents. Guided by values of equal access, efficiency, and high-quality care standards, the health system is decentralized, with local municipalities shouldering much of the responsibility. This ensures that healthcare services meet the unique needs of each region's population [5].

NATIONAL HEALTH SYSTEM

Health System History

Finland's healthcare system has evolved in response to historical, social, and political factors. During the late 19th and early 20th centuries, private and municipal initiatives focused on improving public health and providing medical care to residents. In this period, rural health services emerged as an essential component of the system, addressing the needs of Finland's dispersed rural population. These services were small-scale, community-based, and aligned with the rural culture and environment [6].

Upon independence from Russia in 1917, Finland initiated social reforms, including creating a national social welfare system. This work became a foundation for an organized, comprehensive healthcare system integrating rural care into this broader scope. By the 1960s and 1970s, the system was publicly funded, with the government exercising authority for financing, regulating, and ensuring healthcare access for all, especially rural citizens. In the 1980s and beyond, the care emphasis shifted to primary care and preventive medicine – an enduring strategy to improve overall well-being, manage healthcare costs, and pursue operating efficiencies [7].

Health System Organization

The current system is built on its historical commitment to a constitutional mandate for universal access to care, social welfare, and equal opportunities for all, reflecting the country's principles and values. The system operates on key principles and values of universal access, social welfare and solidarity, decentralization, preventive care, and patient-centered care. These principles are integral to the system's operation and are reflected in the broader government agenda, emphasizing social welfare, equality, and well-being. This alignment ensures that the healthcare system effectively promotes social inclusion, economic productivity, sustainable healthcare, and gender equality, thereby contributing to a cohesive and inclusive society.

The science and service foundation of Finland's health care is seen in its research institutions, medical education programs, and an emphasis on evidence-based medicine. The country is at the forefront of healthcare research, innovation, and investments in medical technology, including wearable devices and digital health solutions. These technologies, skilled healthcare professionals, and collaborative networks across the healthcare sector ensure that Finland provides quality, effective, and technologically advanced healthcare services. Also, the focus on public health and preventive care enhances Finns' health status and well-being, both urban and rural [8].

Through the Ministry of Social Affairs and Health (MSAH), the central government sets the country's healthcare agenda by defining policies, organizing frameworks, and pursuing strategies. This authority involves defining the scope of services, determining funding allocations, and maintaining a national health vision. Interestingly, this top-down health vision is implemented at the municipal level. Thus, municipalities have the autonomy to tailor health care for a demographic's specific needs. In this decentralized model, the MSAH formulates broader strategies yet supports the adoption of care delivery by municipal authorities [9].

Further, Finland's healthcare delivery is a public and private collaboration. This interplay promotes competition, fosters improvements in quality, and sustains efficiency. Widespread public health care is managed in municipal health centers, public hospitals, and university hospitals. Also, emphasizing primary care is central to Finland's system and is a strategy that pursues prevention. Since primary care centers are the first entry point, problems are addressed promptly, early, efficiently, and with prudent resources. This approach reduces the burden on the health system. When ailments are beyond primary care, the network of specialized institutions and university hospitals is an excellent resource known for medical treatment and research [7, 8].

A further health system strength is its commitment to serving rural populations. The vast expanse and sparse population in certain regions render telemedicine, e-health services, and mobile health units capable of bridging divides in healthcare access. Statistics from THL indicate a 40% increase in telemedicine interventions over the past five years. Local Finnish reports show that mobile health units have reached over 90% of the country's remote areas, ensuring that geographical barriers do not translate into healthcare disparities. Finland's system is an example of excellence, blending government direction with localized delivery, creating an adaptable and resilient resource for its citizens. The primary care priority, augmented by innovative solutions, addresses the challenges of rural health. Doing so sets this system apart from its global counterparts. Finland's approach provides a practical, proven pathway to achieving holistic, inclusive, and efficient health care throughout the country.

Finland's health care is an exemplary model of a decentralized approach to ensuring efficient, high-quality, and universally accessible care. Providing care to every citizen, regardless of socio-economic background or geographic location, is central to the health system. This mission is achieved through a combination of central government direction, municipal execution, and a mix of public and private providers. As such, this healthcare approach is an example of applied socialism.

Health System Acceptance

High user satisfaction, integrated services, a focus on home care, psychosocial services, and emergency care characterize the Finnish health system. Investments are made in the healthcare infrastructure and expanded roles of nurses, especially in primary care [7]. The system faces the challenges of socioeconomic and geographical inequalities in health outcomes, a decentralized structure fostering service delivery fragmentation, delivery, and high cost-sharing impacting lower-income groups. Long waiting times in primary and specialist care also reflect a mismatch between service provision and population needs [3, 4, 5].

The Finnish healthcare system is recognized for its efficiency and cost-effectiveness. It is also known for its focus on preventive care, early intervention, primary healthcare, and the resultant avoidance of costs associated with higher levels and future costly care. Integrating digital health solutions and innovative health technology further bolsters this efficiency, streamlining processes and improving overall system performance. Additionally, Finland uses public funding for its healthcare providers and organizations, with most services financed through taxation and provided at minimal cost to patients [11].

Rural Emphasis

Addressing the healthcare needs of rural Finland adds further costs. Despite this challenge, Finland has proactively adopted telemedicine, e-health services, and mobile health units to maximize care access across its vast expanse and in sparsely populated regions. These initiatives incur costs yet minimize geographical barriers, contributing to health disparities. The health system is regarded for its care standards and commitment to equity. As with developed nations, Finland faces demographic changes pressuring the healthcare infrastructure. The growing aging population intensifies the demand for healthcare services and long-term care. This demographic shift is associated with a shrinking workforce, resulting in fewer contributing taxes for public services. Moreover, there were concerns about disparities in access to services between regions, with rural areas often disadvantaged [9].

2023 HEALTH SYSTEM REFORM

Even though the system performs well, the government consulted healthcare professionals, patient advocacy groups, and regional authorities to develop a systematic reform intervention. The goal was to create an adaptable, efficient, sustainable future system built on the country's established healthcare quality. Reform a) addresses sustainability of healthcare services, b) access-to-care equity, and c) management of costs associated with an aging population. Table 1 summarizes the nine reform areas and specific objective for each.

Table 1: Summary of 2023 Health System Reform Domains by Objectives¹

Target Area	Objectives
Centralization of Services	Centralizing certain services to ensure that they are provided efficiently to a high standard. This is relevant especially for specialized medical services that are not practical to offer in smaller municipalities.
Funding Reform	Reform the way healthcare is funded by moving to a model providing region's funding based on specific population needs. Determining aspects are age, socioeconomic status, health-risk factors, and related social determinants.
Primary Care Strengthening	Ensure that primary care is widely accessible and that there are sufficient resources for preventive care.
Digital Health Services	Expanded digital health services to improve access to care in remote areas and enhance health service efficiency.
Integration of Services	The reform would work on better integrating social and healthcare services, which is essential in providing comprehensive care, particularly for the elderly and those with complex health needs. The necessity of reform in Finland's healthcare system is supported by several health system performance measures (See Table 2)
Aging Population:	Increasing life expectancy and high old-age-dependency ratio require resource readiness to meet the expanding service needs of the 65-and-older demographic.
Healthcare Spending	Finland's healthcare spending as a percentage of GDP has been moderate compared to other OECD countries. However, the cost in absolute terms has been rising. Thus, the spending reform objective is to manage these costs more effectively.
Regional Disparities	The potential for regional disparities requires an equitable distribution of resources to ensure healthcare access across all groups and geographies.
Workforce Shortages	The healthcare sector risks workforce shortages, especially in less urbanized regions. adversely impacting care availability and lessened quality.

¹From Finland: Health System Review [10].

HEALTH SYSTEM PERFORMANCE AND COMPARISON

Table 2 summarizes Organization for Economic Cooperation and Development (OECD) performance measures for Finland's health system. This table is constructed using the model presented in the *New England Journal of Medicine* (NEJM) series on international health systems [7]. The same measures for the U.S. are included for comparative purposes.

Table 2: Finish and U.S. Comparative Health System Performance Measures 2022

	Finland	USA
Variable	Value	Value
Health Expenditures		
Per capita (\$ U.S.)	4,476	12,474
Percentage of GDP	10	16.5
Out-of-pocket (% of private expenditures on health)	16	34
Public sources (% of total)	76.8	45
Health insurance		
Rate in population (%)	100	91.7
Source of funding	Taxes, Social Security Payments	Private, Public Insurance, Out-of-Pocket
General-specialist balance (%)		
Generalists	50.5	33.3
Specialists	74	70
Access		
No. of hospital beds per 10,000 population in 2022	28	23.5
No. of physicians per 1000 population	4.325	3.13
Percentage of total government expenditures on mental health care in 2022	10.3	7.5
% Primary care physicians using electronic medical records exclusively in 2022	78	77.8
Life and death		
Life expectancy at birth (yr)	81.9	77.5
Additional life expectancy at 60 yr (yr)	22	24
Annual no. of deaths per 1000 population	11	9.84
Annual no. of infant deaths per 1000 live births in 2020	2	5.42
Annual no. of deaths of children <5 yr of age per 1000 live births in 2020	2.2	6.98
Annual no. of maternal deaths per 100,000 live births in 2020	8	23.8
Fertility and childbirth		
Average no. of births per woman	1.42	1.67
Births attended by skilled health personnel in 2022 (%)	86.2	70
Pregnant women receiving any prenatal care in 2022 (%)	100	77
Preventive care		
General availability of colorectal-cancer screening at primary care level in 2022	Yes	Yes

Children 12-23 months of age receiving measles immunization in 2022 (%)	94	90.3
Prevalence of chronic diseases (%)		
Diabetes (% of 2023 population 20-79 yr old)	6.1	10.5
HIV	0.1	0.36
Prevalence of risk factors (%)		
Obesity in adults >20 yr of age in 2022	30	41.9
Overweight children 5-17 yr of age in 2022	26	17
Smoking in 2022	20	11.6

2019 data from the World Bank revealed that Finland spent 9.1% of its GDP on healthcare. In tandem, the per capita healthcare cost is economical at \$4476. Statistical evidence underscores Finland's healthcare system's efficiency, quality, and reach. The World Health Organization (WHO) ranks Finland as one of the top-performing healthcare systems. *European Observatory on Health Systems & Policies'* study found that 88 percent of Finnish residents are satisfied with their health care. OECD statistics show Finland's preventive focus results in reduced hospital admissions [3, 5].

The efficient, publicly funded Finnish healthcare system, focusing on preventive care and streamlined processes, facilitates lower *per capita* healthcare costs and a reduced percentage of GDP spent on healthcare. Addressing rural health in Finland does add to the financial equation. However, the country's innovative approach ensures that these costs are worth the investment in achieving a genuinely inclusive and comprehensive healthcare system.

Finland's healthcare is acclaimed for effectively meeting the needs of its citizens, providing universal access to services, and emphasizing preventive care, which culminates in positive health outcomes and a laudable life expectancy. In WHO's *World Health Statistics 2021*, Finland ranks 13th out of 191 countries globally, showcasing its robust healthcare performance. The life expectancy in Finland is one of the highest worldwide. Males are expected to live, on average, 80.3 years, and females 84.2 years [2].

Moreover, Finland has minimized its infant mortality rate to approximately 1.9 deaths per 1,000 live births [3]. Finland's universal healthcare system ensures accessible and essential services for all residents. Furthermore, Finland's commitment to social welfare and preventive care has reduced health inequalities. Despite its unique challenges, Finland's system fosters better health outcomes, extended life expectancy, and equitable access for its citizens.

International Comparison

The political landscapes of Finland and the United States, shaped by their histories, geography, and societal values, offer divergent approaches to governance and healthcare provision. As democracies, both are committed to serving their citizens, albeit driven by differing ideologies and methods. Unlike Finland, where healthcare is a fundamental right, the U.S. healthcare system is market-oriented, focused on service volume and profit. The U.S. approach has been laissez-faire, yet now with increasing government oversight, especially since the 2010 Patient Protection & Affordable Care Act (ACA) and subsequent legislation. In contrast, Finland's

Constitution "shall guarantee for everyone... medical services and promote the health of the population" [2, 12].

Finland's approach to national healthcare is an example of efficiency, universal coverage, fiscal prudence, and desired outcomes. The national US and Finish differences enables the argument that there are no US opportunities to learn from Finland's approach. One response to this stance is a valuable follow-up study. The research question is, "What are the measured health system improvements derived from the 2023 reform initiative?" By the end of 2026, a three-year data pool will be available for a pre- and post-reform performance assessment. Such an analysis will provide actions that fostered the desired reform objectives in Table 1

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