



Summary of the audit report: Effectiveness of the execution of the eHealth project

The Court of Audit of the Republic of Slovenia (hereinafter: the Court of Audit) has audited how effectively the Ministry of Health (hereinafter: the Ministry) had managed the project eHealth - the national plan for developing information system support to the national public health system in the period between 1st of January 2004 and 26th of September 2013 (hereinafter: the audited period). The audit has focused on the effectiveness of the Ministry in achieving the project's goals, time management, management of the human resources and financial oversight.

The goal of the Ministry was to implement a modern information system, which would support secure e-health operations and effective management of the health and health related data. The Ministry had planned to finish the project by December 2015 with estimated implementation and operational costs of 133 million euro by December 2023.

The Court of Audit has established that the actual project activities had significantly deviated from the project's initial plan. A number of project activities had been significantly changed or cancelled, while new, previously unplanned project activities had been introduced. The Ministry had only adjusted its project plan to its actual activities in June 2013.

By the end of the audited period, the Ministry had built a centralised private eHealth network, which connected most of major Slovenian health-services providers. It had also implemented several small software solutions and a file-exchange software, which remained in limited use. By the time the Ministry had adjusted its project plans, not one of its project activities had achieved its planned goals.

The Court of Audit has ascertained, that with the completion of the eHealth project, the Republic of Slovenia would support two large information systems, processing very similar data: one – the eHealth system, would be used for processing of health services providers' data, the other – the information system of the Slovenian public Health Insurance Institute of Slovenia, would be used for billing of health service providers' services. Although the initial conceptual models of the eHealth project had envisioned both systems to be merged, when planning the actual eHealth project the Ministry had not even considered this option, nor had it analysed its potential synergies and savings.

Although the Ministry had justified the introduction of the project eHealth by pointing out that existing information technologies were outdated, it had frequently invested in upgrades of these same technologies, all of which were owned by commercial software providers. The Court of Audit has estimated that such practices had increased the proprietary lock-in of health service providers.

The Court of Audit has determined that neither the project tasks, nor the responsibilities of project stakeholders had been clearly established. The project had not been appropriately coordinated and supervised. Although the Ministry had planned, that once finished, the eHealth project would be taken over by a newly designated eHealth support organisation, for which it had neither determined its future legal form nor specified the date of establishment.

The Court of Audit has also ascertained, that various project activities had been late, that the Ministry had had no mechanisms for efficient monitoring of project milestones and that it had no means or corrective measures for delays. The Ministry had only belatedly adjusted its project plans.

By December 2012 the Ministry spent 8.8 million euro on the eHealth project. Due to its lack of control over project expenses, the Court of Audit ascertained that The Ministry had not effectively managed the project's finances. Namely, the Ministry had:

- entered into several contracts for products and services without clearly defining the object of the contract and expected products,
- paid for several project activities, public procurements and other activities, which it had later partly or completely discontinued,
- in several cases paid for same or very similar services to several contractual partners.

In several cases, the Ministry had failed to timely plan project expenses, including purchasing software and hardware, which it had purchased from one to two years before it was able to use them. The warranty period for these products started with their delivery. Despite of not using them, the Ministry also paid for their maintenance, licence fees and similar services.

Based on these findings and estimates, the Court of Audit found that in the audited period the Ministry had not been effective in managing the eHealth project.

The Court of Audit of the Republic of Slovenia demanded from the Ministry to *implement several corrective measures* and provided further *recommendations* to improve the effectiveness in managing the eHealth project.

Further information on the project can also be found in http://www.intosaijournal.org/highlights/audit_slovenia_ehealth_project_jul2014.html

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