VALSTYBĖS KONTROLĖ
PUBLIC AUDIT

RESULTS OF THE FINANCIAL AUDIT OF THE SET OF ACCOUNTS OF THE COMPULSORY HEALTH INSURANCE FUND FOR THE YEAR 2025

15 May 2026

No. FAE-3

SUMMARY

Objective and scope of the audit

We have carried out a financial audit of the set of accounts of the Compulsory Health Insurance Fund (CHIF) for the year 2025 in accordance with the Law on the National Audit Office and the Law on Public Sector Accountability.

The audit was conducted in accordance with the International Standards of Supreme Audit Institutions, which incorporate the International Standards on Auditing. The scope of the audit and the methods applied are described in more detail in Appendix 2 “Scope and Methods of the Audit” (page 28).

Key audit findings

1. The consolidated financial statements for the year 2025 contain material misstatements. The budget implementation reports are accurate in all material respects

In respect of the consolidated financial statements of the Compulsory Health Insurance Fund for the year 2025, we have issued a qualified opinion due to material misstatements identified in the item “Receivables within one year” of the statement of financial position and the corresponding notes to the financial statements.

We cannot confirm the accuracy of the balance of EUR 6.79 million in receivables from natural and legal persons for damages caused to the Fund as at 31 December 2025, and the data relating to the afore-mentioned amounts. We also cannot assess what portion of EUR 9.59 million in amounts receivable from the EU, EEA countries and Swiss social security institutions for services provided in Lithuania to insured persons in those countries should have been included in non-current financial assets. The misstatements were caused by circumstances identified during the audit of the 2021 set of financial statements regarding deficiencies in the data recorded in the information systems for accounting purposes. The National Health Insurance Fund has taken decisions regarding changes to the existing information systems and plans to implement them in 2026. The basis for the opinion is set out in the public audit report, and more detailed information is provided in Section 1.1.1 of this report (paragraphs 2–7, pages 11–13).

We have expressed an unqualified opinion on the set of consolidated budget implementation reports of the Compulsory Health Insurance Fund for the year 2025. The basis for the opinion is set out in the Public Auditor's Report, and more detailed information is provided in Section 1.2 of this report (paragraph 24, page 19).

2. Having assessed the reimbursement of personal healthcare services (including those exceeding contractual limits), we detected no non-compliance with legislation

In 2025, the Ministry of Health, seeking to ensure the financial sustainability of the budget of the Compulsory Health Insurance Fund and the provision of vital (priority) services to the public in full, amended the principles for the reimbursement of services exceeding contractual agreements. Services provided for in contracts between health insurance funds and personal healthcare institutions are reimbursed in full, whilst services exceeding contractual limits are reimbursed in accordance with the budgetary capacity of the Fund, based on the service groups and priorities set out in the reimbursement procedures.

We have found that the control measures established by the National Health Insurance Fund in the area of reimbursement for personal healthcare services were effective. Having assessed the payment for services provided on the basis of documents submitted by healthcare institutions and the payment procedures applied to these services, we detected no discrepancies.

In 2025, healthcare institutions actually provided healthcare services in the amount of EUR 2,315.12 million. The National Health Insurance Fund accepted invoices from institutions for payment amounting to EUR 2,288.30 million (including services exceeding contractual limits in the amount of EUR 154.95 million). Due to the limited budgetary capacity of the CHIF, 1.2% (EUR 26.79 million) of all services actually provided remained unpaid (Section 1.2.1 of the report, paragraphs 26–30, pages 19–20).

3. From 2026, the budget surplus and reserve of the Fund may be used without breaching the rule of fiscal discipline of the general government sector

At the end of 2025, the balance of the budget reserve of the Compulsory Health Insurance Fund stood at EUR 723.70 million, including the amount of EUR 607.11 million held in a

bank account and the amount of EUR 116.58 million invested in securities issued by the Government of the Republic of Lithuania. In 2025, investment interest income amounted to EUR 3.11 million. During the reporting period, the amount of EUR 102.41 million was utilised from the risk management portion of the budget reserve of the Compulsory Health Insurance Fund – 94% of the allocated funds were used to cover personal healthcare services (including services exceeding contractual limits) and 6% to finance functions delegated by the State.

The amendments to the Constitutional Law on the Implementation of the Fiscal Treaty, which came into force in 2026, establish a rule of fiscal discipline applicable to the general government sector – each year, the growth in net expenditure, expressed as a percentage, must not exceed the established limits on the growth of net expenditure. In the light of the above, unplanned healthcare expenditure (including expenditure on functions delegated by the state) may be covered by funds planned but not used (savings) in the budget of the Compulsory Health Insurance Fund, whilst the budget surplus and reserve of the Fund may be used without breaching the rule of fiscal discipline of the general government sector.

Decisions on the management of the Fund's reserve will be relevant in 2025. Implementation of the recommendations submitted to the Ministry of Finance regarding the establishment of general state reserves and the setting of management principles in conjunction with the borrowing policy of the State (expected to be implemented by 31 December 2026) (Section 1.2.2 of the report, paragraphs 31–43, pages 20–23).

4. Optimised administration of compulsory health insurance: six institutions administering the fund merged into one

From 1 July 2025, in accordance with the recommendation of the National Audit Office, the National Health Insurance Fund and the five regional health insurance funds have been merged into a single legal entity. A new organisational structure for the National Health Insurance Fund has been approved, and operational processes have been reviewed, updated and centralised. The centralisation of functions has enabled operational processes to be streamlined (e.g., funds for services are transferred directly to the healthcare provider rather than via the regional health insurance funds) and reduce the administrative burden (e.g., a reduction in the number of financial and budget implementation reports prepared and consolidated). Centralised methodological guidance enables the application of uniform practices across all regions and reduces the likelihood of errors (Section 2 of the report, paragraphs 44–49, pages 23–24).

5. To increase the transparency of the activities of the Compulsory Health Insurance Council, control procedures for the declaration of private interests and the management of conflicts of interest should be improved

We have identified the need to regulate the reconciliation of public and private interests of the Chair of the Compulsory Health Insurance Council, members and public advisers regarding the reconciliation of public and private interests, the implementation of established requirements and the functioning of the control measures applied – not all procedures for the declaration of private interests and the management of conflicts of interest are implemented and effective in managing risks.

To ensure the effective declaration of public and private interests and the management of conflicts of interest, we recommended that the Ministry of Health improve control and supervision processes in this area by defining the specific functions of the collegial body, the entities forming it and those providing technical support (to be implemented by 30 December 2026) (Section 3 of the report, paragraphs 50–54, page 25).

6. The Ministry of Finance must prepare recommendations on the accounting of revenue from healthcare services not yet provided by the end of 2026

During the period under audit, the differing practices in the recording of revenue by personal healthcare institutions, established in 2024, remained unchanged: some institutions record revenue and receivables in their accounts at the end of the year not only for services provided in full, but also for services not yet provided (patients not yet treated). The National Health Insurance Fund does not collect such information from institutions regarding services not yet completed and does not record such liabilities and costs in its accounts.

The Ministry of Finance, in implementing the recommendation made to it, carried out an analysis of current practice. By the end of 2026, the Ministry plans to prepare and publish methodological recommendations on the accounting of revenue for healthcare services that have not been fully provided (Section 1.1.3 of the report, paragraphs 17–18, pages 16–17).

Recommendations

A recommendation of minor importance is presented in Appendix 6 “Recommendation of minor importance made during the audit” (page 37).

Up-to-date information on the status of implementation of the recommendations, results and changes that have taken place is published in the open data section of the website of the National Audit Office https://www.valstybeskontrole.lt/LT/AtviriDuomenys.