Anders Knape – Chairman, Swedish Association of Local Authorities and Regions (SALAR), Sweden



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The Swedish Association of Local Authorities and Regions (SALAR) is an employer's organization that represents and advocates for local government in Sweden. Its chairman, Anders Knape, discusses their work on behalf of the public sector stakeholders, Sweden's role as an innovation hub, and the opportunities of embracing digitalization.

Could you start by introducing SALAR to our readers?

SALAR was established over a hundred years ago and consists of 310 members made up of the 290 municipalities and 20 regions. Membership in SALAR is voluntary which is quite unique as in many other countries membership in a similar structure is required by law. SALAR has a politically elected board of 21 full members and 21 substitutes. The chairman has a mandate of four years.

In the Swedish system, the responsibilities of local and regional authorities span almost every aspect of policy, with the exception of foreign policy, defence and university level education. As a result, we liaise with 22 ministries within the Swedish government and have committees in various fields.

The regions' main responsibility is healthcare. However, recently the scope of their activities has been widened to regional public transport and culture amongst other areas. A major difference between Sweden and many other countries is that more than 70 per cent of the income from local and regional authorities comes from both income taxes and fees paid for various services. In fact, the majority of Swedish people do not pay national taxes but only pay taxes at the local and regional level. Only high-income earners are taxable at the state level. This allows us to be independent from the national government but also gives us economic control at the local and regional levels. For example, when Lehman Brothers crashed in September 2008, local and regional authorities throughout Europe were badly hit due to being heavily dependent on state grants. Several western countries reduced grants by up to 20 per cent. Due to the financial crisis, it was necessary to reduce income taxes and, because Sweden is export-orientated, we lost around 9 per cent of our GNP overnight. However, at the same time, income from local and regional authorities was still increasing, which demonstrates how strong the Swedish system is.

Our readership is mostly made of executives in the healthcare and life sciences industry. What should they know fundamentally about the work of SALAR on healthcare?

Our one and only mandate granted by our members is to negotiate with trade unions on their behalf. We negotiate agreements with around 1.3 million workers, including doctors, nurses, teachers etc. Beyond this role, our members are independent. If we think they should follow a certain path, we first need to convince them that our suggestion is in their best interest. However, members are aware that SALAR is a strong organization and that the 500 people sitting in this building are working toward their best interests. Moreover, we have a great reputation in the media as well as in academia for basing our arguments on well-researched facts and figures.

SALAR is represented by different committees, organizations and other associations that, for example, will decide on the distribution of healthcare or pharmacies. We meet with groups from the various regions on a monthly basis, which include the region's chief executive, its healthcare director and its economic policymakers. These groups then ask SALAR to speak on their behalf, which is far more efficient than going through 290 local authorities. On the board, we have both mayors and presidents of regions, and in our committees, we have a mix of politicians from both local authorities and regions. Furthermore, approximately 200 politicians from all over Sweden visit our offices every month.

How does SALAR ensure equal and cost-effective access to new pharmaceuticals?

The regions can decide independently which medicine they pay for and use. In the case of prescription medicines included in the national reimbursement scheme, regions receive a government grant to finance them. However, for all other medicines, regions can decide whether to finance them or whether they should be paid for by the individual. New therapies should be made available quickly and easily for everyone in society, but we must first ensure they work and are cost-effective. In order to assess new therapies and recommend whether they should be used by regions, the New Therapies (NT) Council was created. In addition, we are trying to reduce the amount of time it takes from a medicine being approved until it can be used. Sweden is already below the EU average, but there is room for improvement. Furthermore, we are discussing off label drug use.

What is the role of SALAR in speeding up digitalization of the healthcare system?

One part of the process is in house, so it depends on what is being done within hospitals and within regions. We acquired a company with approximately 400 employees that was previously owned by the regions. Its primary focus was on healthcare digitalization within the regions, and we are now having the local authorities take over this work. This is the best path moving forward as local authorities are responsible for elderly care as well as other areas of the healthcare system. Furthermore, we need to transform information and come up with more seamless communication methods. An area that requires our focus is improving communication and cooperation as well as speaking with private organizations involved in the healthcare system and elderly care. Secondly, we are looking into eHealth with applications such as MinDoktor which enables patients to conduct video calls with doctors rather than go to a hospital or clinic. SALAR is extremely interested in the development of eHealth. However, there is currently a debate about the cost of these online services because regions rather than the individuals pay for them. We have been speaking with companies about this issue as some of the advertising is misleading. It shows the service as being free when in reality the regions pay the cost of the service. This being said, eHealth is an interesting concept and we want to encourage the development of this kind of services by private companies.

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the freedom Sweden provides to try. If you try and are successful, you tell others. If you try and are unsuccessful, others will find out. There is a large amount of freedom to organize and solve problems, which results in competition and accountability. For example, in the school districts in Sweden, there can be a massive disparity between schools in the same local authority, usually due to leadership. The same goes in healthcare: one clinic might be very successful, and another in the same region might be struggling due to leadership. This is the reason why we often stress the importance of leadership in our discussions with politicians.

How does SALAR work to share best practices with other countries?

SALAR works with many different international development organizations including USAID, the UN and NORAD. Our work with other countries is usually centred around building democratic political structures with transparent decision-making processes and ensuring quality of service by training staff and politicians. After the fall of the Iron Curtain, we were heavily involved in the Baltics, Poland and Russia amongst other places. Today, we are collaborating with Germany on a project in the Ukraine.

What would be your final message to our audience of key stakeholders in the healthcare and life sciences sector?

We welcome international companies wishing to enter the Swedish healthcare market. We strive to be an open society and a testbed for new innovations and technologies. Sweden is already used as a testbed for multinational IT companies because they know if an innovation works in Sweden, it will probably work in other Western countries. I think the same applies in the healthcare and life science sector.

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