

The Health System in Germany – Combining Coverage, Choice, Quality and Cost-Containment

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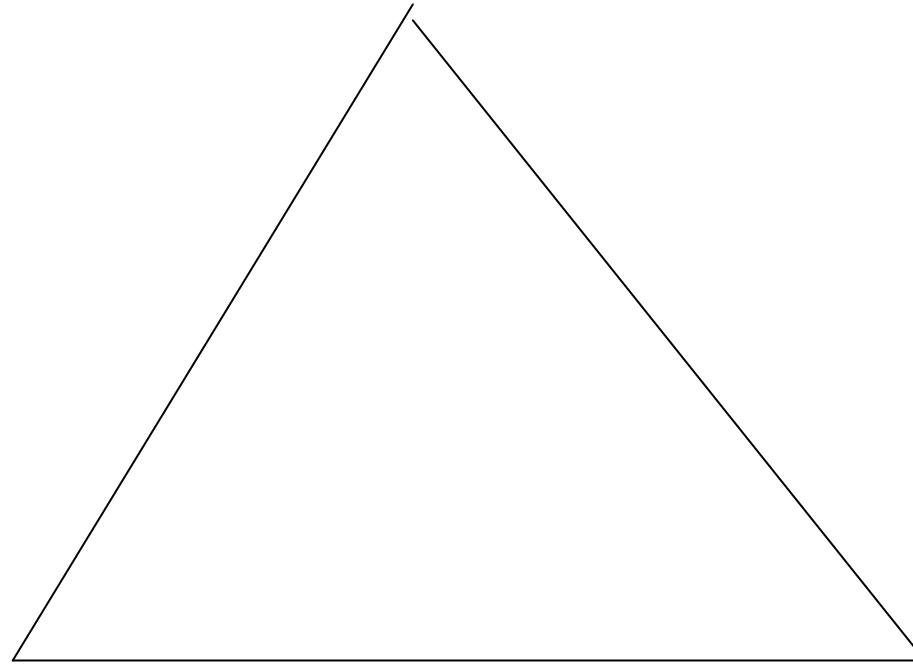
FG Management im Gesundheitswesen, Technische Universität Berlin
(WHO Collaborating Centre for Health Systems Research and Management)

&

European Observatory on Health Systems and Policies

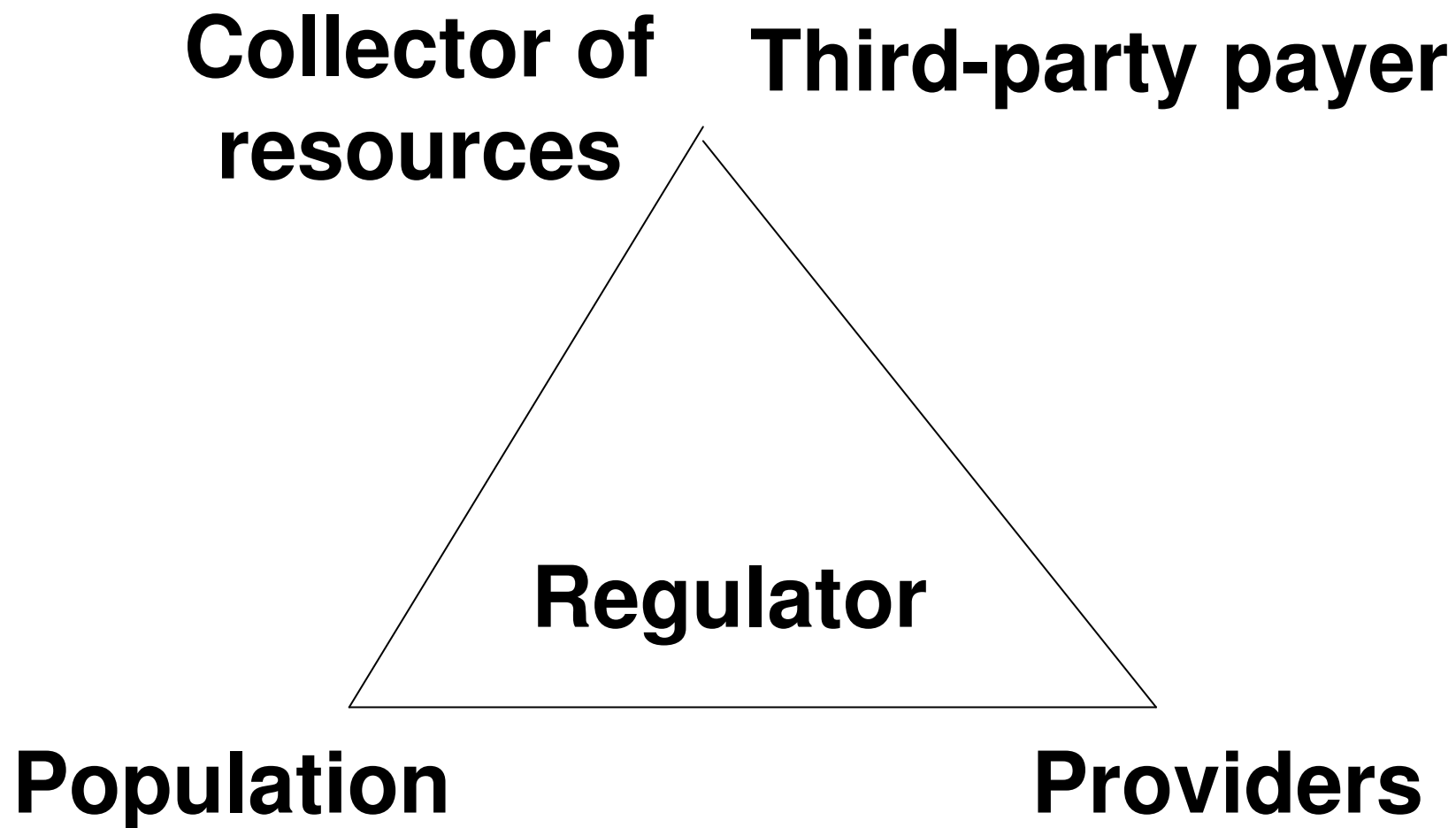


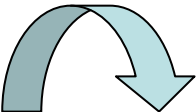
Third-party Payer



Population

Providers



“Risk-structure  compensation”

**Collector of
resources**

Third-party payer

Ca. 240 sickness funds

Ca. 50 private insurers

Wage-related contribution

Risk-related premium

Choice of fund

**Strong
delegation
& limited
governmental control**

Contracts,
mostly collective
No contracts

Population

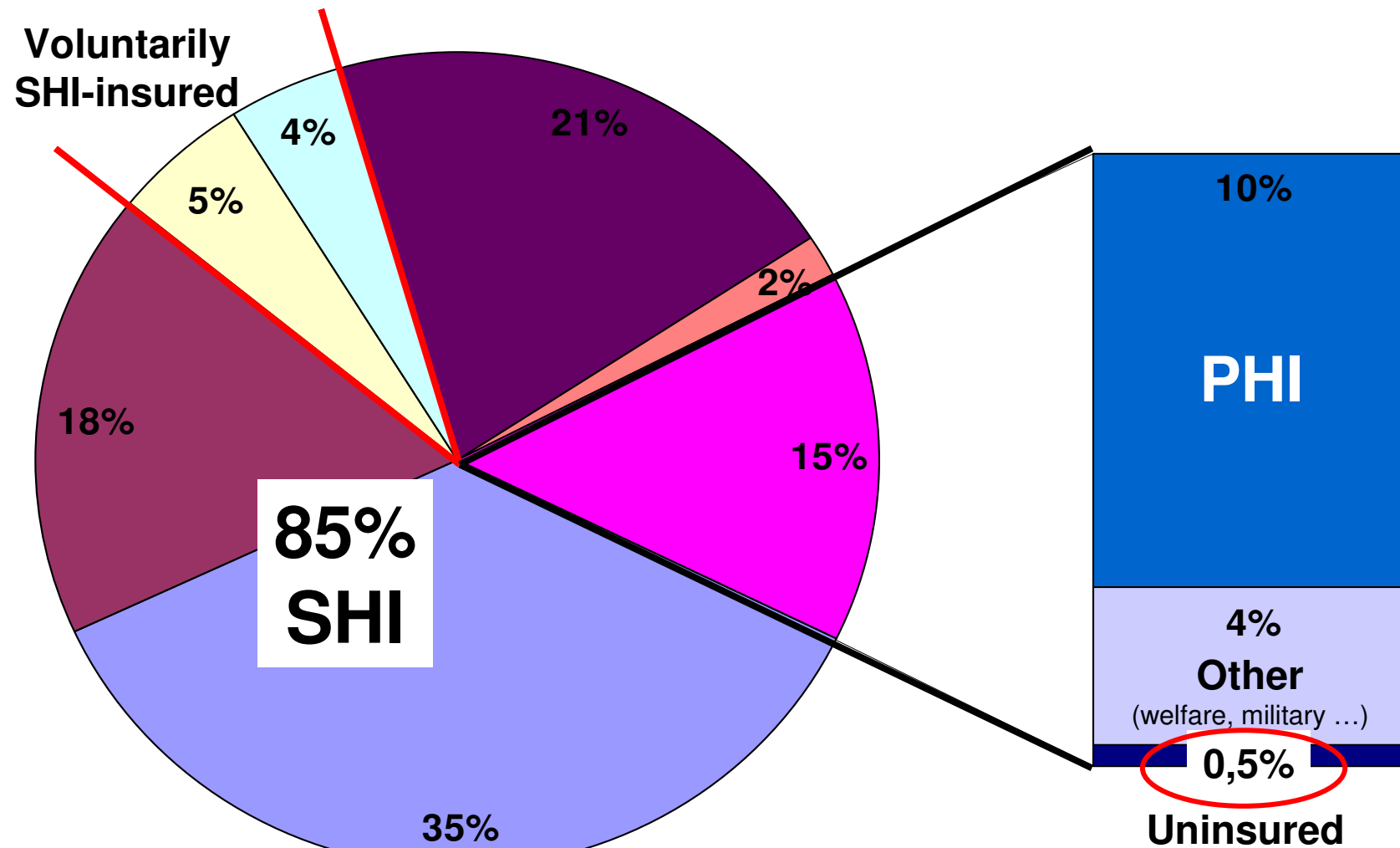
Social Health
Insurance 85%,
Private HI 10%

Choice

Providers

Public-private mix,
organised in associations
ambulatory care/ hospitals

The German system at a glance (2007) ...

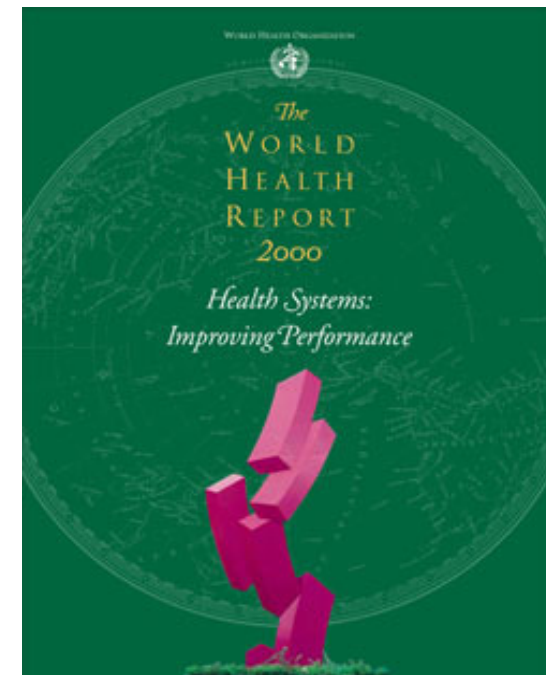


Germany: Health care coverage 2007

	Statutory Health Insurance (SHI)	Private Health Insurance (PHI)
Population covered	85%: <u>75% mandatory</u> (incl: employed up to income ceiling, unemployed, retired) and <u>10% voluntary</u>	10%: <u>mainly excluded from SHI</u> (self-employed, civil servants)
Benefits covered	Uniform and broad: includes hospital care, ambulatory care, pharmaceuticals, dental, rehabilitation, transportation, and sick pay	Depending on choice
Financing	Percentage of wages (2009: 15.5%), shared between employer (7.3%) and insured (8.2%); NOT risk-related	Risk-related premium (<i>better for high income</i>)
Insurers	~210 sickness funds (self-governing not-for-profit entities under public law)	~50 insurers under private law (FP/ NFP)
Regulation	Social Code Book (= law); details through self-regulation (main actor: Federal Joint Committee)	Insurance law
Providers	Choice among all contracted providers (~97% in ambulatory care, 99% of hospital beds)	Free choice

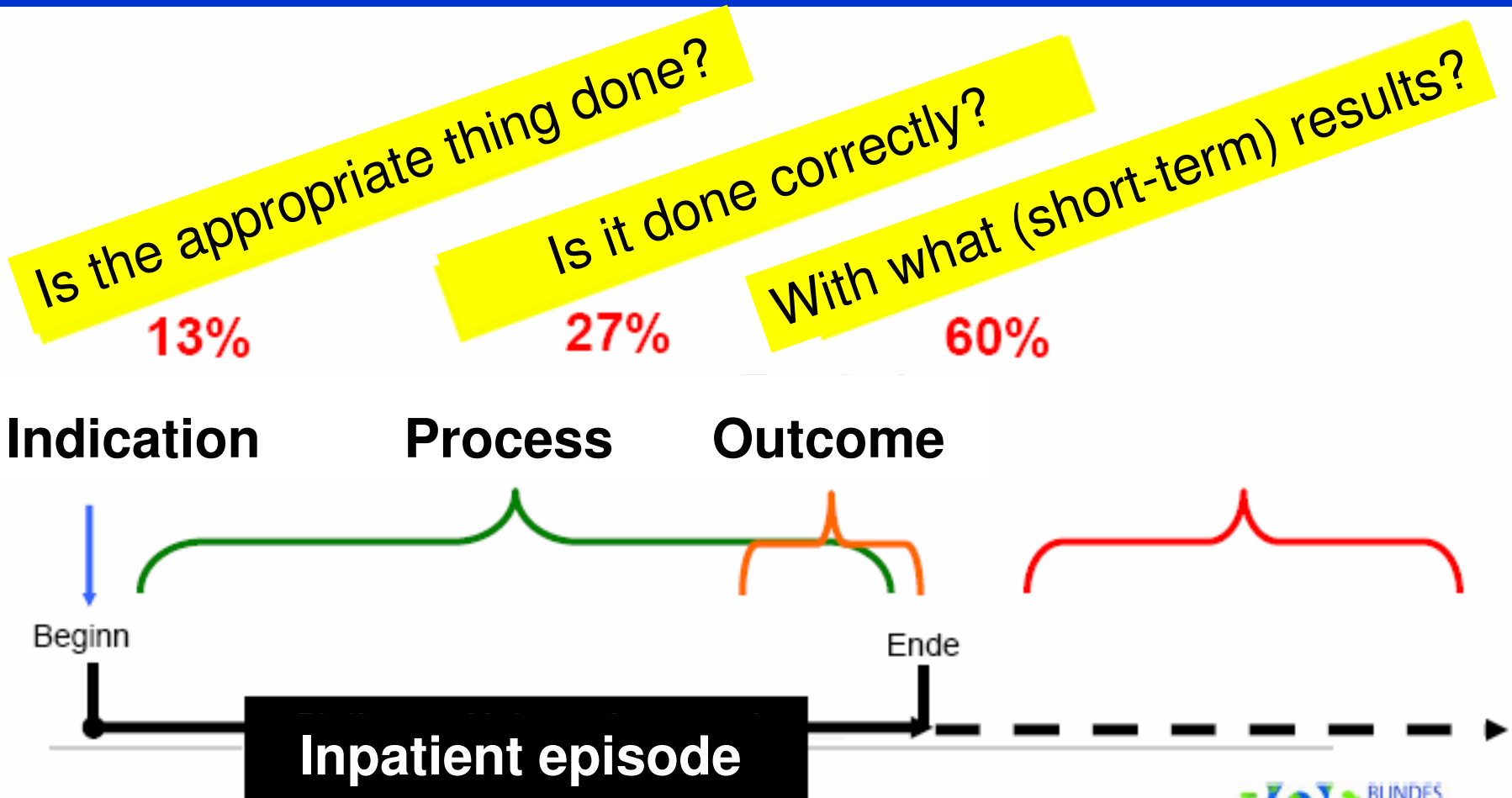
... care coordination, quality and cost-effectiveness are problematic

- Germany always knew that its health care system was expensive, but was sure it was worth it (“the best system”)
- Quality assurance was introduced early but concentrated initially on structure
- Increasing doubts since late 1990s; Health Technology Assessment introduced since 1997
- World Health Report 2000: Germany ranked only # 25 in terms of performance (efficiency)
- International comparative studies demonstrate only average quality (especially low for chronically ill)



Federal Office for Quality Assurance (BQS)

since 2001 mandatory for all ca. 1,700 hospitals, 169 indicators, 2.8 million cases (17%), with feedback and “structured dialogue“



Hip Replacement Antibiotic Prophylaxis

% of patients who get the necessary prophylaxis, objective: > 95%
each column represents a Hamburg hospital
Hamburg data 2003 - 2005

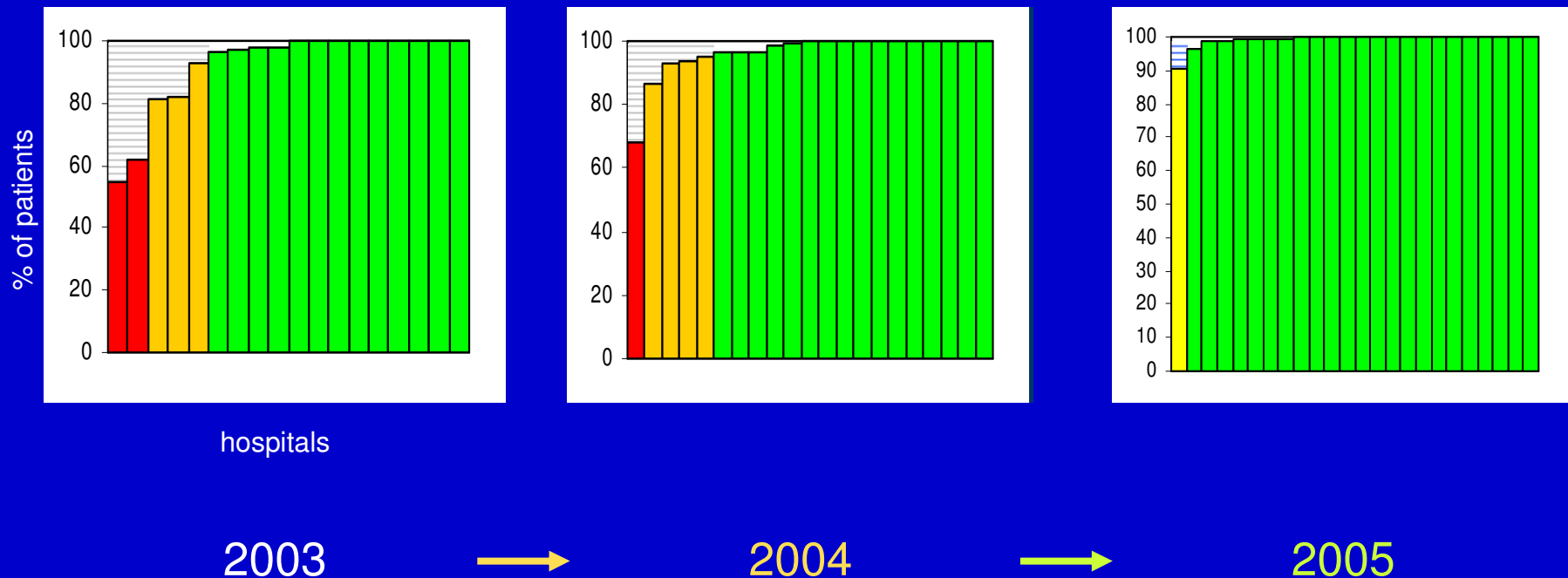


Tabelle A:
Vom Gemeinsamen Bundesausschuss als uneingeschränkt zur Veröffentlichung geeignet bewertete BQS-Qualitätsindikatoren

Leistungsbereich	LfdNr	Bezeichnung des Qualitätsindikators	Bezeichnung der Qualitätskennzahl	Kennzahl ID
Cholezystektomie	2	Präoperative Diagnostik bei extrahepatischer Cholestase	Präoperative Diagnostik bei extrahepatischer Cholestase	2006/12n1-CHOL/44783
	3	Erhebung eines histologischen Befundes	Erhebung eines histologischen Befundes	2006/12n1-CHOL/44800
	7	Reinterventionsrate	Reinterventionsrate	2006/12n1-CHOL/44927
Geburtshilfe	3	E-E-Zeit bei Notfallkaiserschnitt	E-E-Zeit bei Notfallkaiserschnitt	2006/16n1-GEHB/68383
	4	Anwesenheit eines Padiaters bei Frühgeborenen	Anwesenheit eines Padiaters bei Frühgeborenen	2006/16n1-GEHB/737
	10	Antenatale Kortikosteroidtherapie	Antenatale Kortikosteroidtherapie: bei Geburten mit einem Schwangerschaftsalter von 24+0 bis unter 34+0 Wochen unter Ausschluss von Totgeburten und mit einem präpartalen stationären Aufenthalt von mindestens zwei Kalendertagen	2006/16n1-GEHB/49523
Gynäkologische Operationen	7	Antibiotikaphylaxe bei Hysterektomie	Antibiotikaphylaxe bei Hysterektomie	2006/15n1-GYN-OP/47637
	9	Thromboseprophylaxe bei Hysterektomie	Thromboseprophylaxe bei Hysterektomie	2006/15n1-GYN-OP/50554
Herzschrittmacher-Implantation	1	Leitlinienkonforme Indikationsstellung bei bradykarden Herzrhythmusstörungen	Leitlinienkonforme Indikationsstellung bei bradykarden Herzrhythmusstörungen	2006/09n1-HSM-IMPL/9962
	3	Leitlinienkonforme Systemwahl bei bradykarden Herzrhythmusstörungen	Leitlinienkonforme Systemwahl bei bradykarden Herzrhythmusstörungen	2006/09n1-HSM-IMPL/75973
	5	Leitlinienkonforme Indikationsstellung und leitlinienkonforme Systemwahl bei bradykarden Herzrhythmusstörungen	Leitlinienkonforme Indikationsstellung und leitlinienkonforme Systemwahl bei bradykarden Herzrhythmusstörungen	2006/09n1-HI-76124
	8	Perioperative Komplikationen	Perioperative Komplikationen: chirurgische Komplikationen	2006/09n1-HI-
			Perioperative Komplikationen: Sondendislokation im Vorhof	2006/09n1-HI-
			Perioperative Komplikationen: Sondendislokation im Ventrikel	2006/09n1-HI-
Hüft-Endoprothesen-Erstimplantation	7	Endoprothesenluxation	Endoprothesenluxation	2006/17n2-HI-
	8	Postoperative Wundinfektion	Postoperative Wundinfektion	2006/17n2-HI-
	11	Reinterventionen wegen Komplikation	Reinterventionen wegen Komplikation	2006/17n2-HI-
Karotis-Rekonstruktion	1	Indikation bei asymptomatischer Karotisstenose	Indikation bei asymptomatischer Karotisstenose	2006/10n2-KI-
	2	Indikation bei symptomatischer Karotisstenose	Indikation bei symptomatischer Karotisstenose	2006/10n2-KI-
	7	Perioperative Schlaganfälle oder Tod risikoadjustiert nach logistischem Karotis-Score I	Perioperative Schlaganfälle oder Tod risikoadjustiert nach logistischem Karotis-Score I: Risikoadjustierte Rate nach logistischem Karotis-Score I	2006/10n2-KI-

Next phase: public reporting of 27 indicators mandatory since 2007 (as part of the mandatory hospital quality reports)

Leistungsbereich	LfdNr	Bezeichnung des Qualitätsindikators	Bezeichnung der Qualitätskennzahl	Kennzahl ID
Knie-Totalendoprothesen-Erstimplantation	7	Postoperative Wundinfektion	Postoperative Wundinfektion	2006/17n5-KNIE-TEP/47390
	10	Reinterventionen wegen Komplikation	Reinterventionen wegen Komplikation	2006/17n5-KNIE-TEP/45059
Koronarangiographie und Perkutane Koronarintervention (PCI)	1	Indikation zur Koronarangiographie Ischämiezeichen	Indikation zur Koronarangiographie Ischämiezeichen	2006/21n3-KORO-PCI/43757
	3	Indikation zur PCI	Indikation zur PCI	2006/21n3-KORO-PCI/69889
	4	Erreichen des wesentlichen Interventionsziels bei PCI	Erreichen des wesentlichen Interventionsziels bei PCI: Alle PCI mit Indikation akutes Koronarsyndrom mit ST-Hebung bis 24 h	2006/21n3-KORO-PCI/69891
Koronarchirurgie, isoliert	5	Letalität	Letalität: Risikoadjustierte In-Hospital-Letalität nach logistischem KCH-SCORE	2006/HCH-KCH/66781
Mammachirurgie	2	Postoperatives Präparatröntgen	Postoperatives Präparatröntgen	2006/18n1-MAMMA/46200
	3	Hormonrezeptoranalyse	Hormonrezeptoranalyse	2006/18n1-MAMMA/46201
	5	Angabe Sicherheitsabstand	Angabe Sicherheitsabstand: bei Mastektomie Angabe Sicherheitsabstand: bei brusterhaltender Therapie	2006/18n1-MAMMA/68100 2006/18n1-MAMMA/68098

Disease Management Programs

(since 2002)

- Provides sickness funds with better compensation for chronically ill enrollees (make them attractive); reduces faulty incentives to attract the young & healthy
- Address quality problems by guidelines/ pathways
- Tackle trans-sectoral problems by “integrated” contracts for diabetes I/ II, asthma/ COPD, CHD, breast cancer
- = introduce Disease Management Programs meeting certain minimum criteria and compensate sickness funds for average expenditure of those enrolling

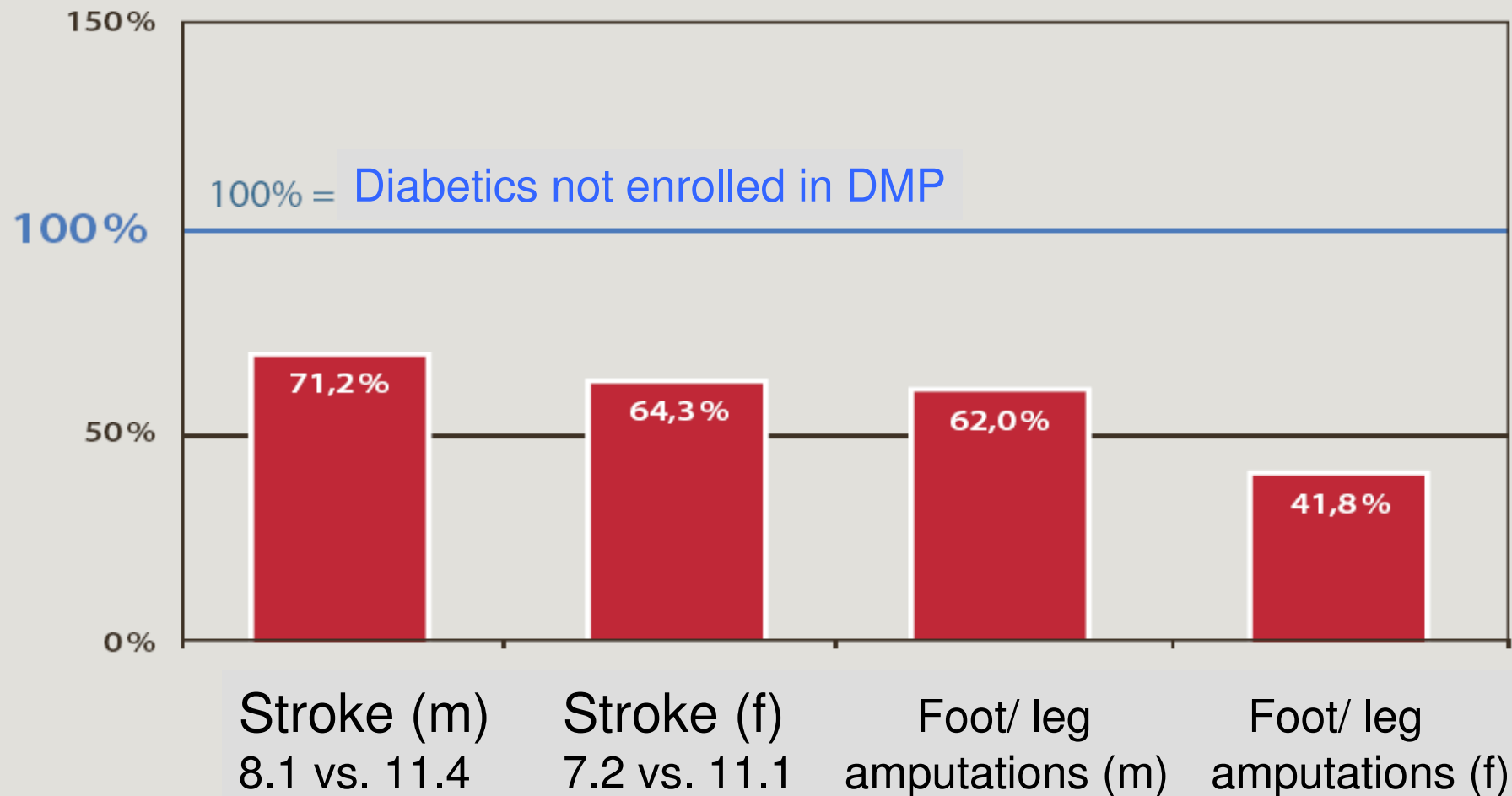
*double incentive for sickness funds:
potentially lower costs + extra compensation!*

By Dec. 2007: 3.8 mn enrolled (5.5% of the socially insured)

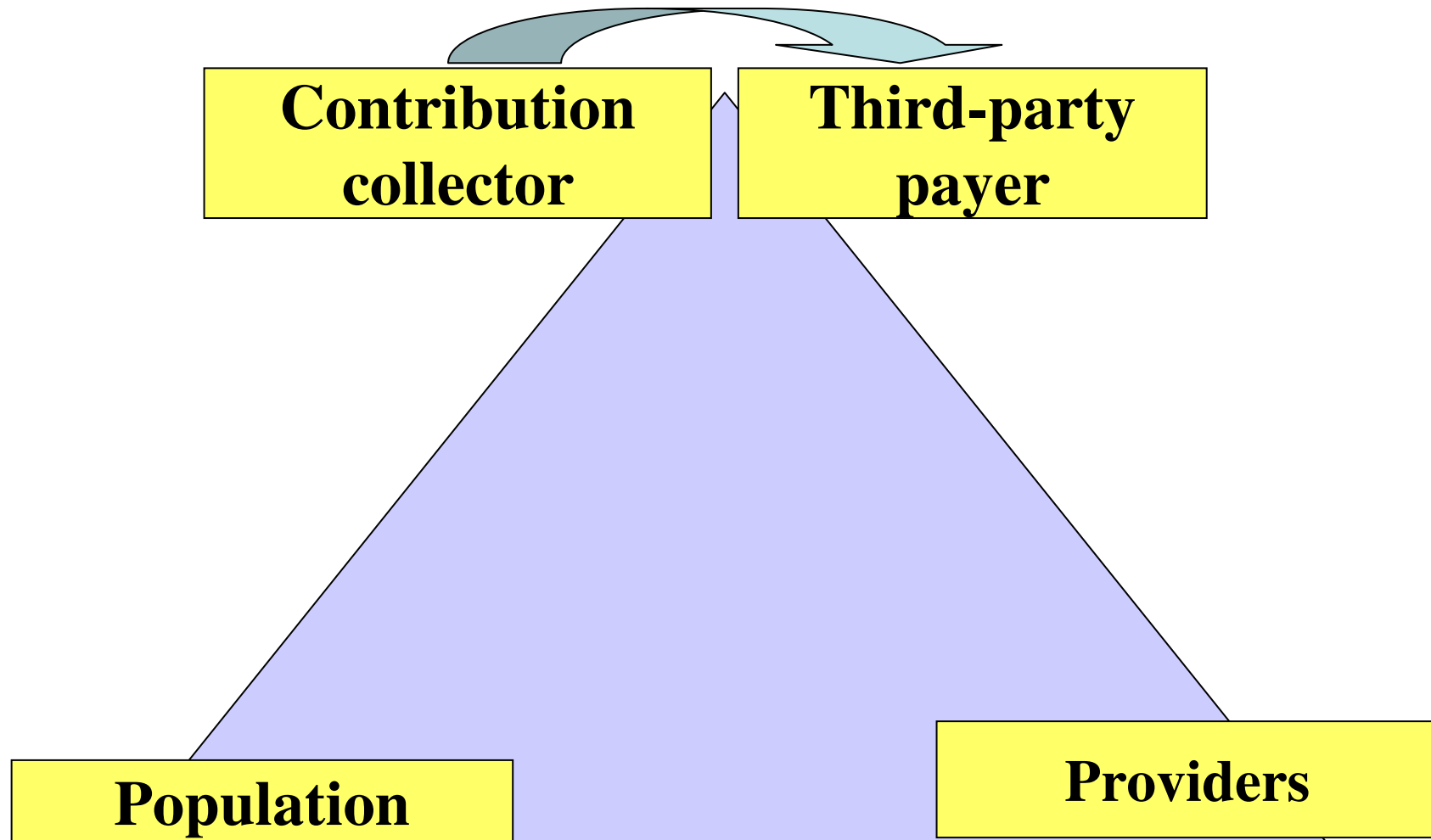
DMP diabetes – first results

(age- but not severity-adjusted; **not** from official evaluation with post-intervention no control group design)

Source: Ulrich, Marshall & Graf in Diabetes, Stoffwechsel und Herz 2007; 16(6): 407-414

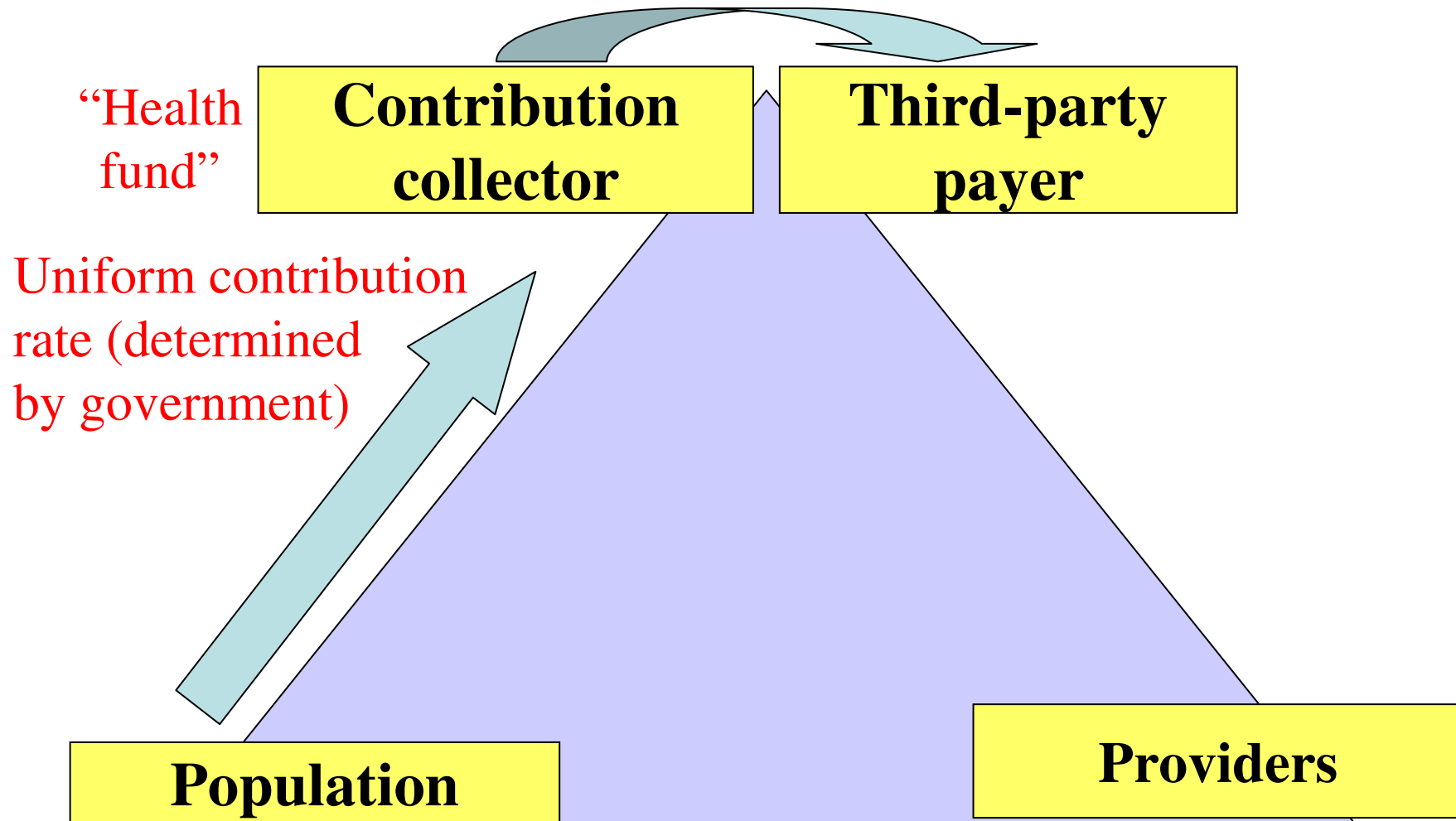


What has been or will be changed by the Competition Strengthening Act (enacted in April 2007)?



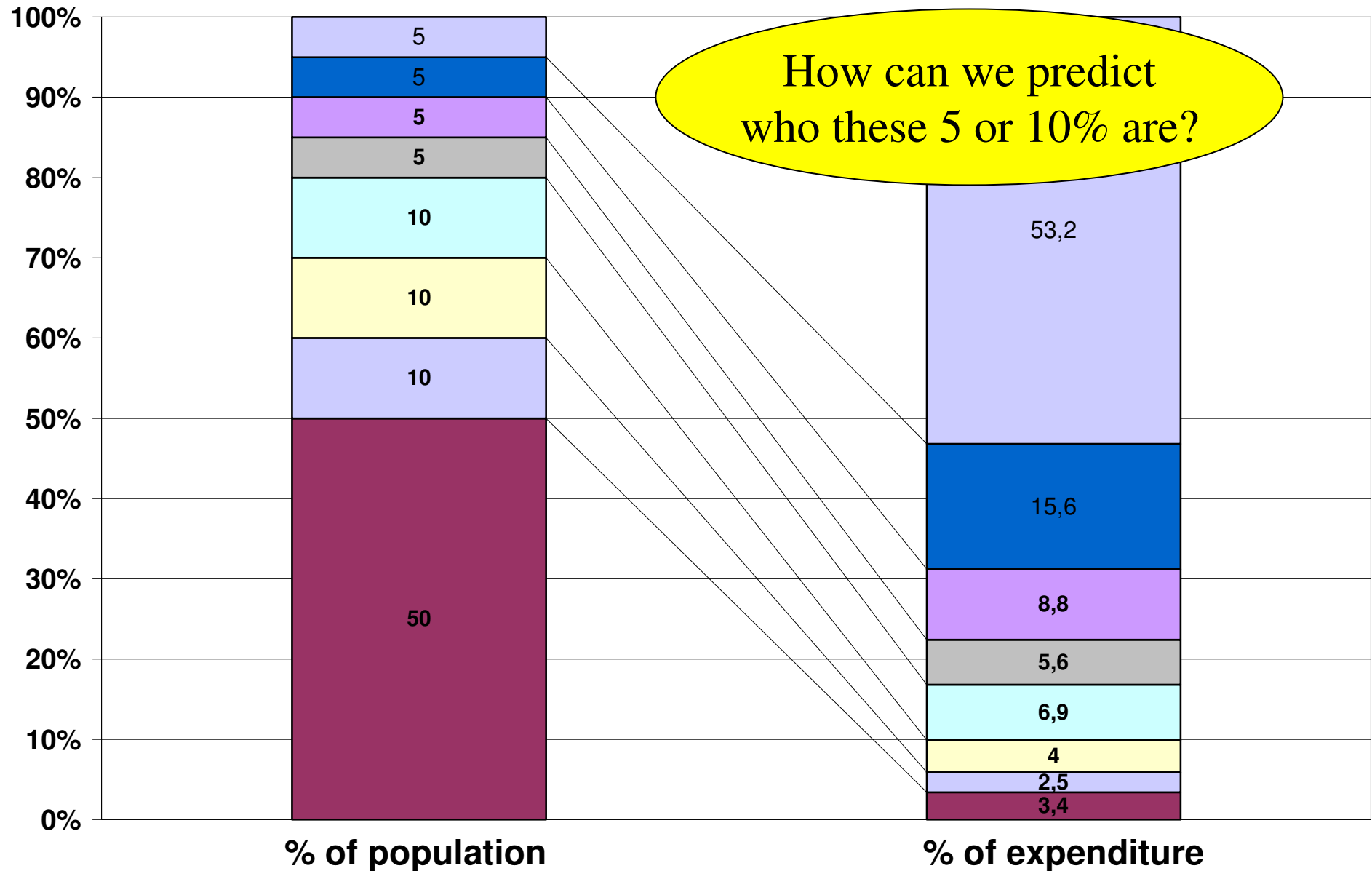
**PHI remains but: universal coverage +
obligation to contract (for a capped premium)**

Redesigning the risk-adjusted allocation
formula to include supplements for 50 to 80 diseases

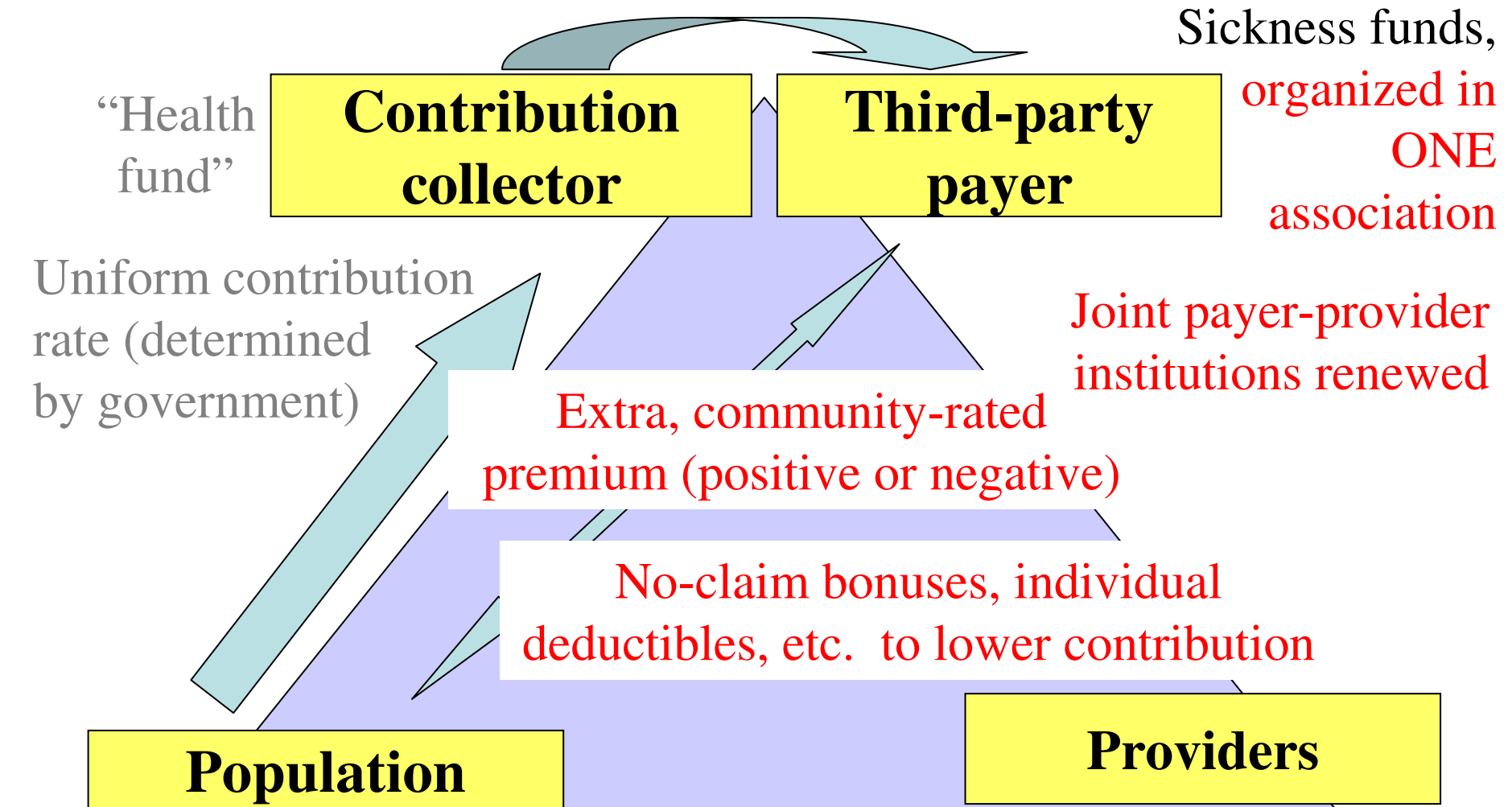


PHI remains but: universal coverage +
obligation to contract (for a capped premium)

The well-known 20/80 distribution – actually the 5/50 or 10/70 problem



Redesigning the risk-adjusted allocation
formula to include supplements for 50 to 80 diseases

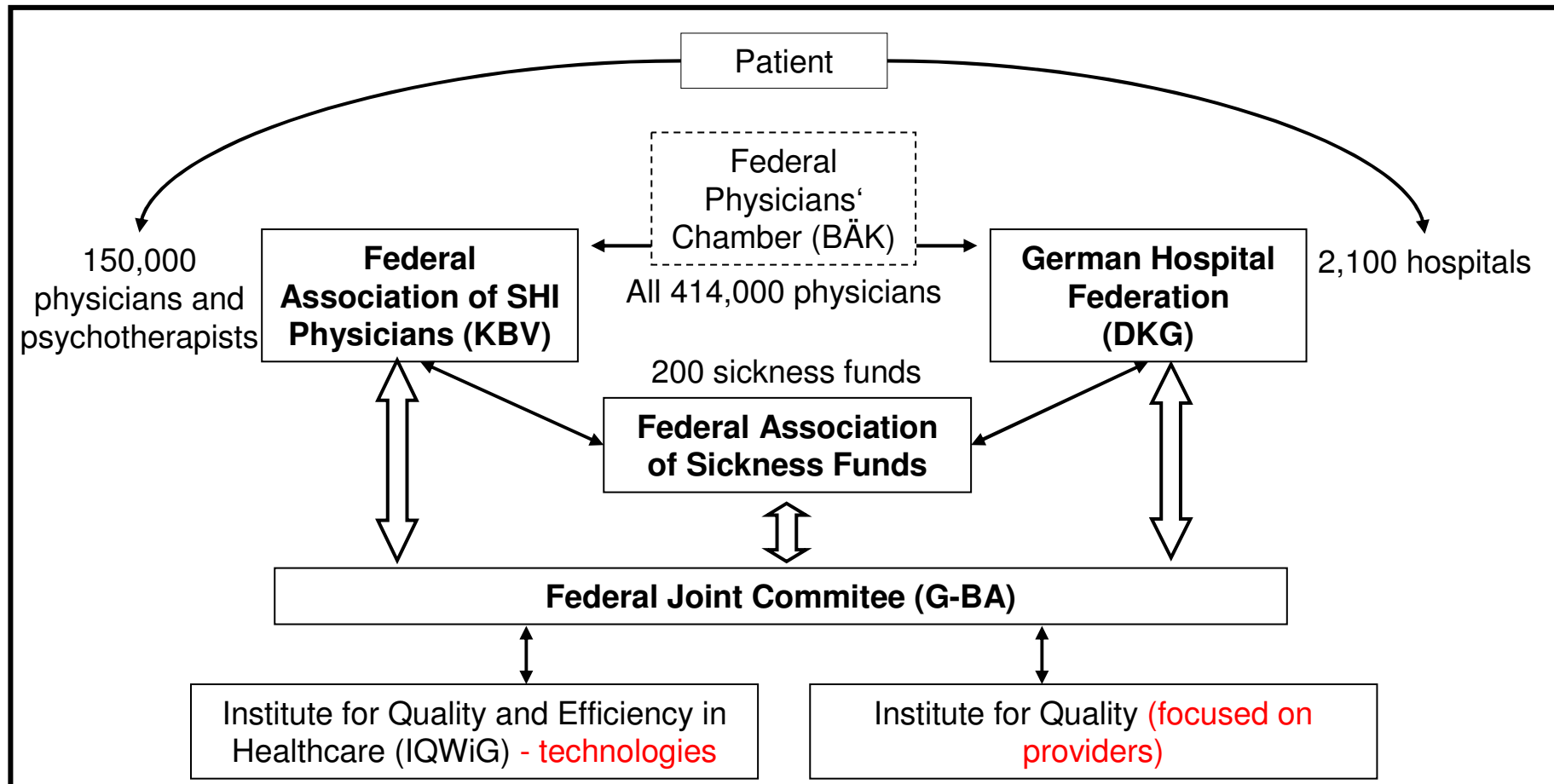
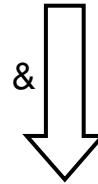


PHI remains but: universal coverage +
obligation to contract (for a capped premium)

- Main decisions in SHI system (benefits, “rules of the game“, quality ...) decided by Federal Joint Committee (FJC) with 18 (instead of 30) members: 5 provider representatives, 5 sickness fund reps, 3 neutral members, 5 non-voting patient reps
- FJC may commission IQWiG (Institute for Quality and Efficiency, since 2004) with assessment of comparative effectiveness, and, from 2008, cost-effectiveness

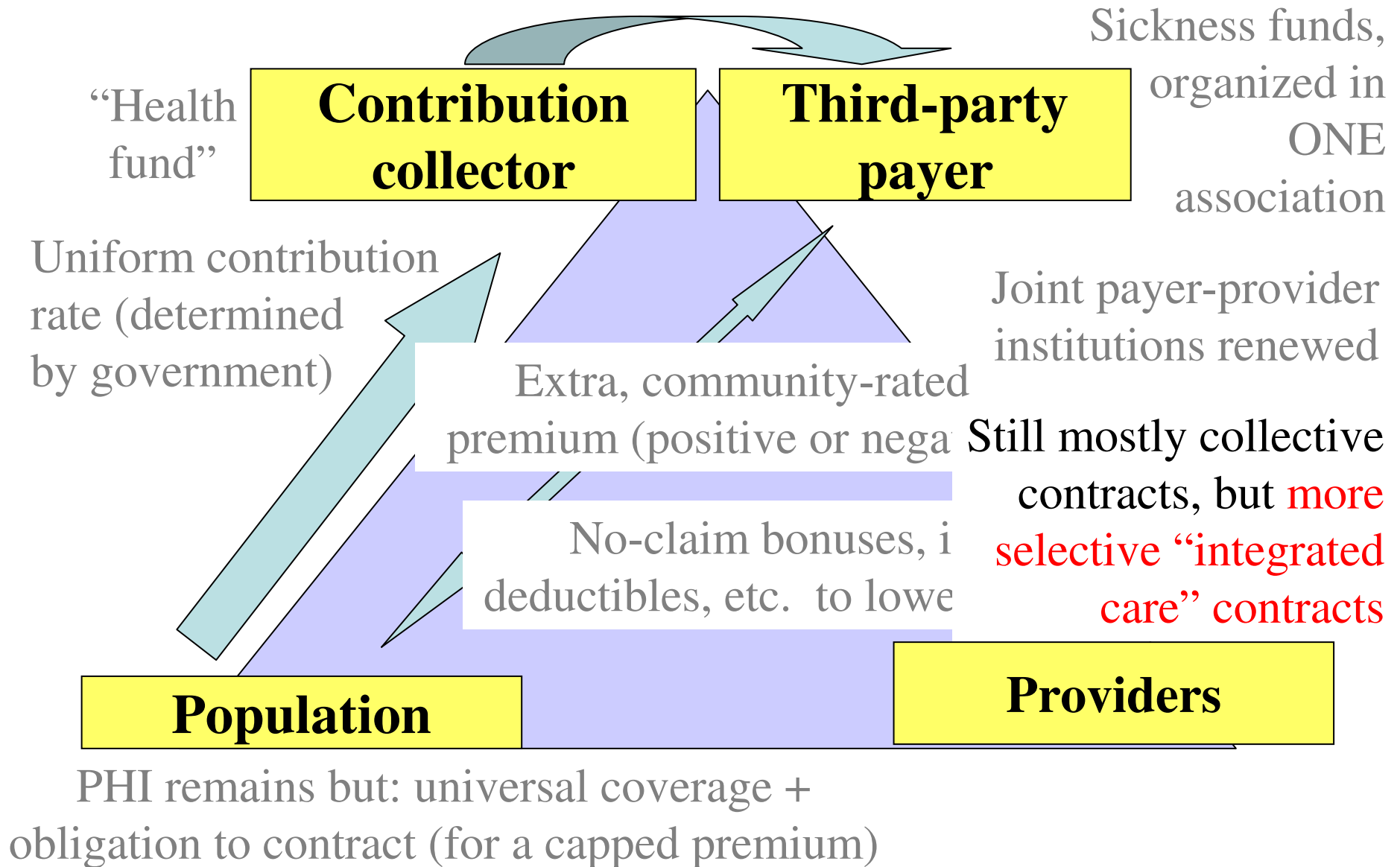
Federal Ministry of Health

Regulation & supervision

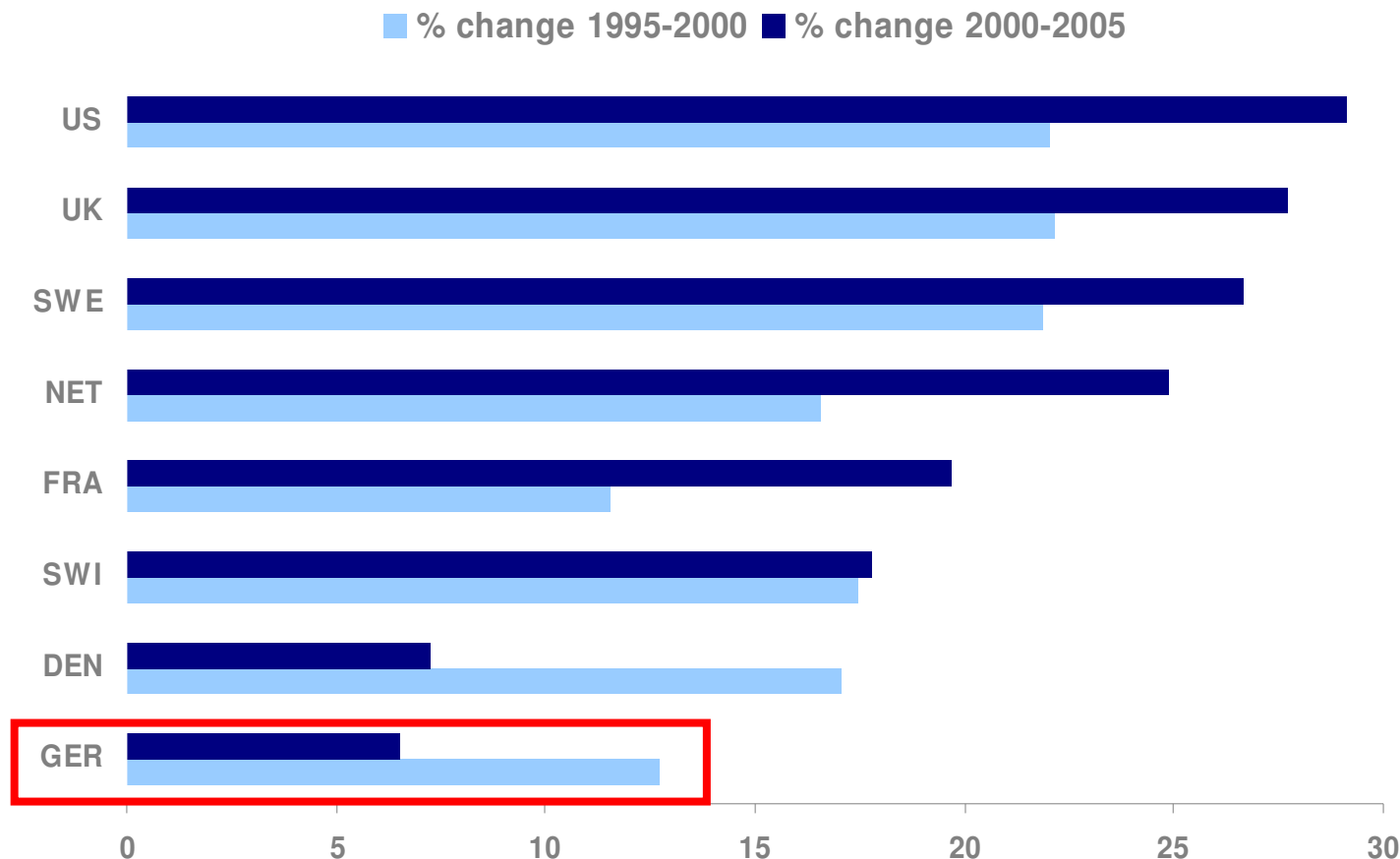


Statutory Health Insurance

Redesigning the risk-adjusted allocation
formula to include supplements for 50 to 80 diseases



Successful cost-containment is debated as “lacking money” for physicians, hospitals ... and 2009 will see considerable increases (both through collective and selective contracts)



Source: OECD 2008. Latest data for the Netherlands 2004 and for Denmark 2002. NCU = national currency units