

# Health systems: the case of Switzerland

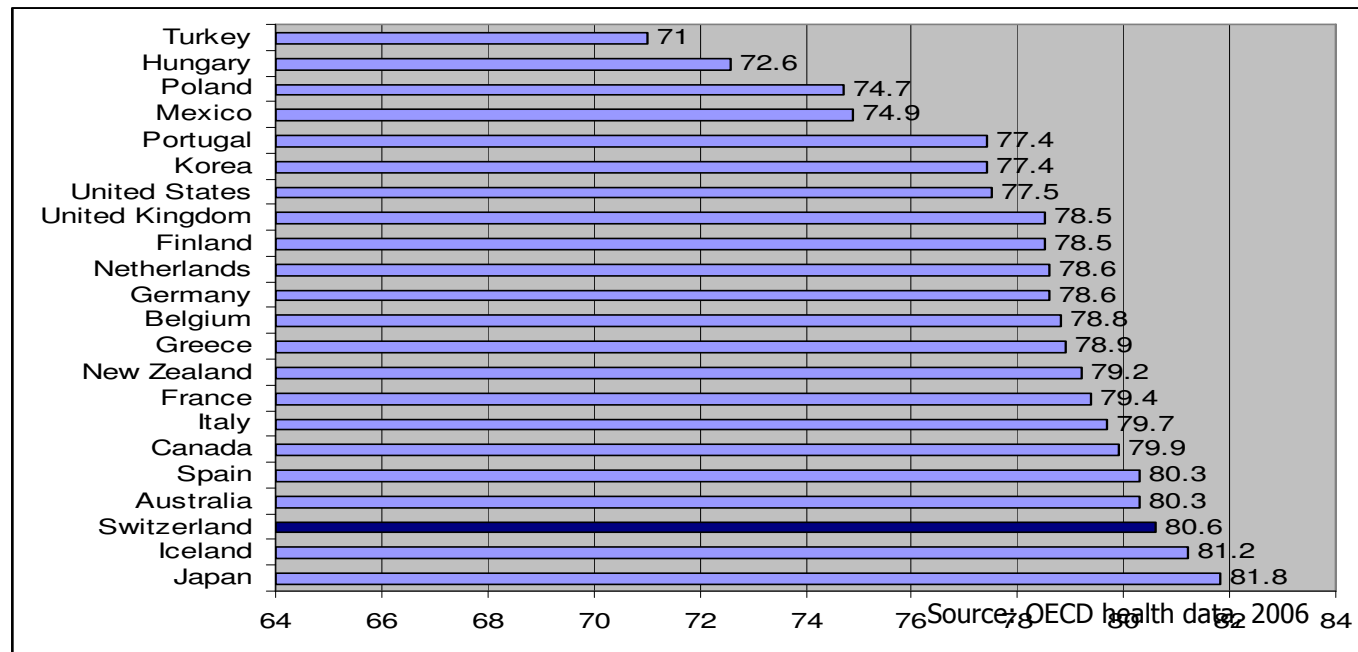
Masters Program Infectious Biology and Epidemiology

Health systems (Vorlesung 18423-01)

Kaspar Wyss, 11 December 2009

# Health outcomes: Switzerland compares well...

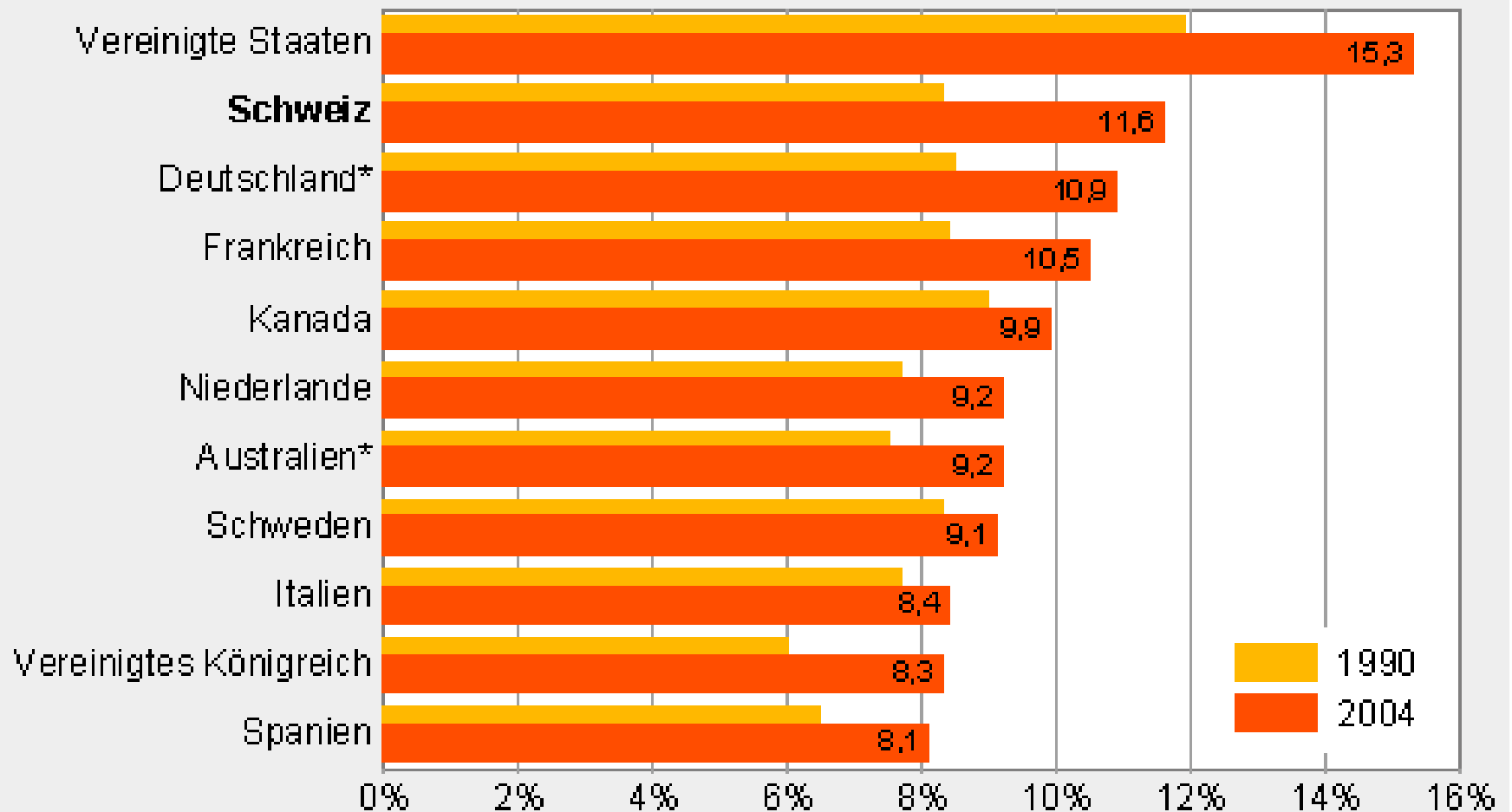
## Life expectancy at birth in OECD countries



## 2 questions

- What percentage of the GNP Switzerland spends on health?
- What is the amount annually spent on health per capita?

### Anteile der Gesundheitskosten am Bruttoinlandprodukt 2004 In ausgewählten OECD-Ländern

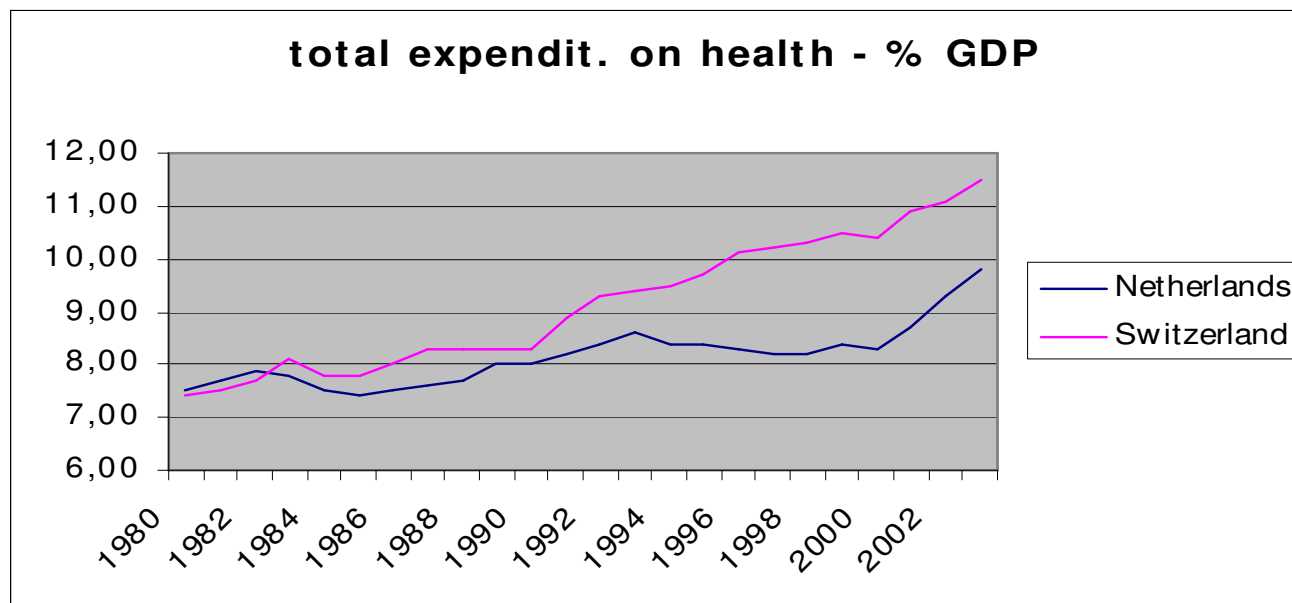


\* Zahlen von 2003

Quelle: OECD Health Data Juni 2006

## Switzerland – Netherlands

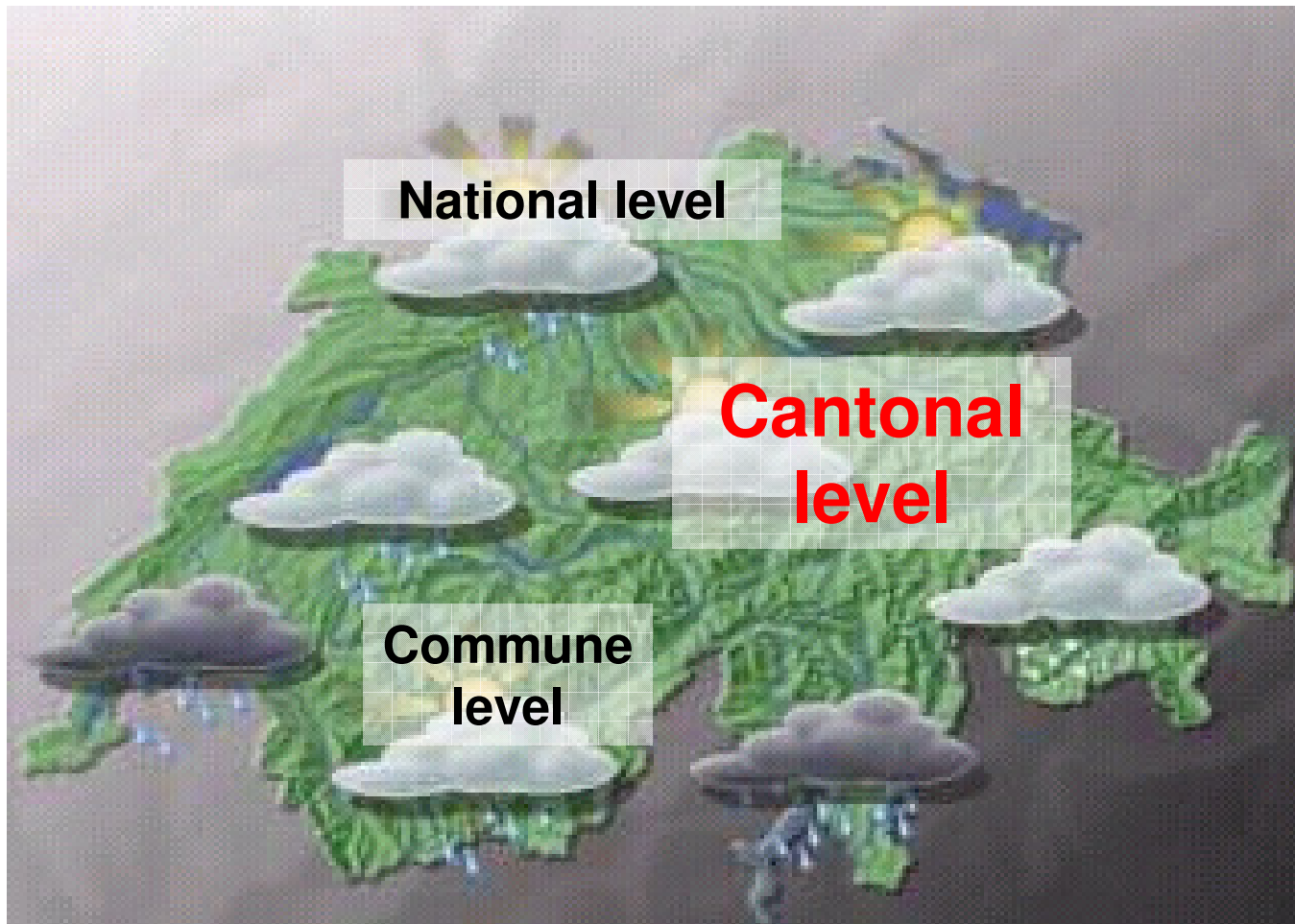
- Health expenditure 2003
  - \$ 3.781 per capita
  - 11.5% GDP
- Health expenditure 2003
  - \$ 2.976 per capita
  - 9,8% GDP



## Structure of presentation

- Organisational levels of the Swiss Health System
- Actors and their task
- Advantages and disadvantages of the Swiss Health System

# Swiss System: Organisational levels



## Commune level

- Management and subsidising of home care
- Health promotion (together with cantons and the national level)



## *Cantonal level (1)*

- Financing and management of the health care delivery system
- Elaboration of health and hygiene policy
- Management of public hospitals
- Control and subsidising of private hospitals
- Regulation of hospital external care
- Social assistance (e.g subsidy for health insurance premium)
- Management of medical and paramedical school including universities
- Activities in field of health promotion and prevention (especially in schools)

## Cantonal level (cont'd)

- 26 cantons, 35,000 and 1.2 million inhabitants
- Constitutionally independent of the federal government.
- 26 health care delivery systems are operating, all more or less self-governing. Cantons have the responsibility for the
- Responsibilities encompass:
  - Health and hygiene policy
  - Planning, operation and construction of hospitals
  - Etc.

## *National level (1)*

Federal Office of Public Health:

- surveillance of epidemics, tuberculosis, rheumatism and AIDS
- control of sera and vaccines
- laws and control of food quality
- control of toxic substances and radiation
- management of certain health promotion activities
- Recognition and control of health insurance companies
- Determination of federal subsidies to health insurance companies

## National level (con't)

### Federal Insurance Office:

- Supervision of private insurance companies

### State Secretariat for Economic Affairs (**seco**)

- Regulations on work safety
- Management of accident and disability insurance

## *National level (cont'd)*

### Other federal departments and offices

- Coordination and subsidies for scientific and medical research
- Examination of physicians, pharmacists
- Mortality statistics and other health statistics
- International relations including development cooperation with countries of the South
- protection of the environment

### SWISSMEDIC:

- Drug regulation, approval and surveillance

## Inter-cantonal bodies

### Coordination conference of cantonal health directors

- Coordination of technical problems of cantons
- Elaboration of health policy regarding standards and reforms

### Swiss Red Cross

- Coordination and supervision of training of paramedical staff

### Association of Swiss medical doctors

- Representation of professional interest
- Determination of the content of training programmes for medical specialist degrees
- Awarding of specialist degrees

# Facing the same healthcare challenges

- Technology, demography, social and cultural developments put system under pressure
- Rising Health expenditure
- Shortage of labour force working in health care



## 2 Questions

- What are main health reform issues currently being discussed in Switzerland?
- How meaningful is a free market in the health sector?



## How meaningful is a free-market in the health sector?

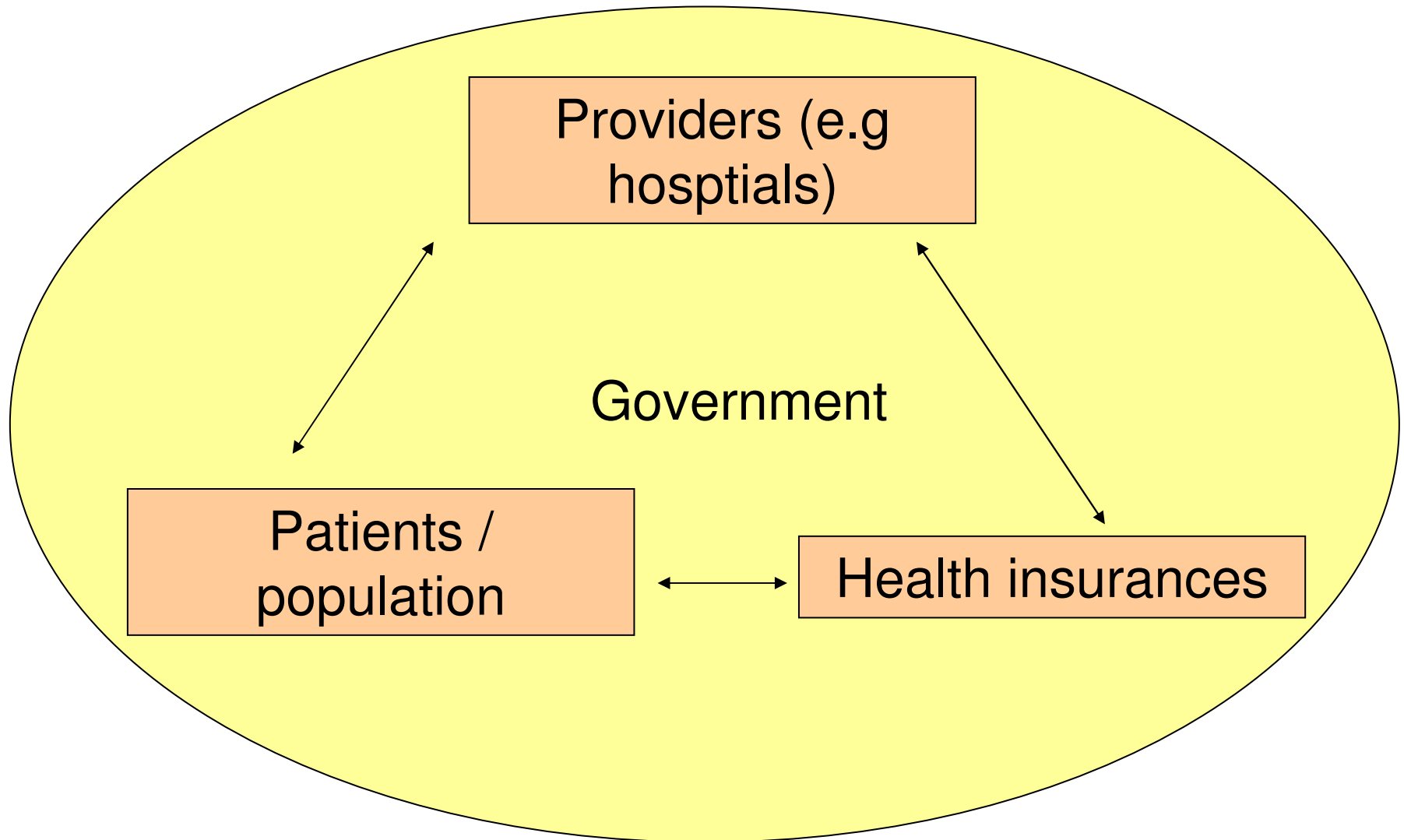
- Essential goods: Nutrition, clothing, housing
    - Organised through private market economy
  - Education
    - Responsibility of the government/cantons/communs
  - Health sector
    - Market alone does not allow basic coverage
      - E.g Health prevention and promotion
      - Market does not regulate public goods (e.g. prevention)
      - Financing
    - Information assymetrie
      - Medical needs can not be judged by patients
- Government has a role to play
- Socio-political context influences the role of the government
  - Offer has to be regulated to a certain degree

# Dynamic architecture and interconnectedness of the health system building blocks

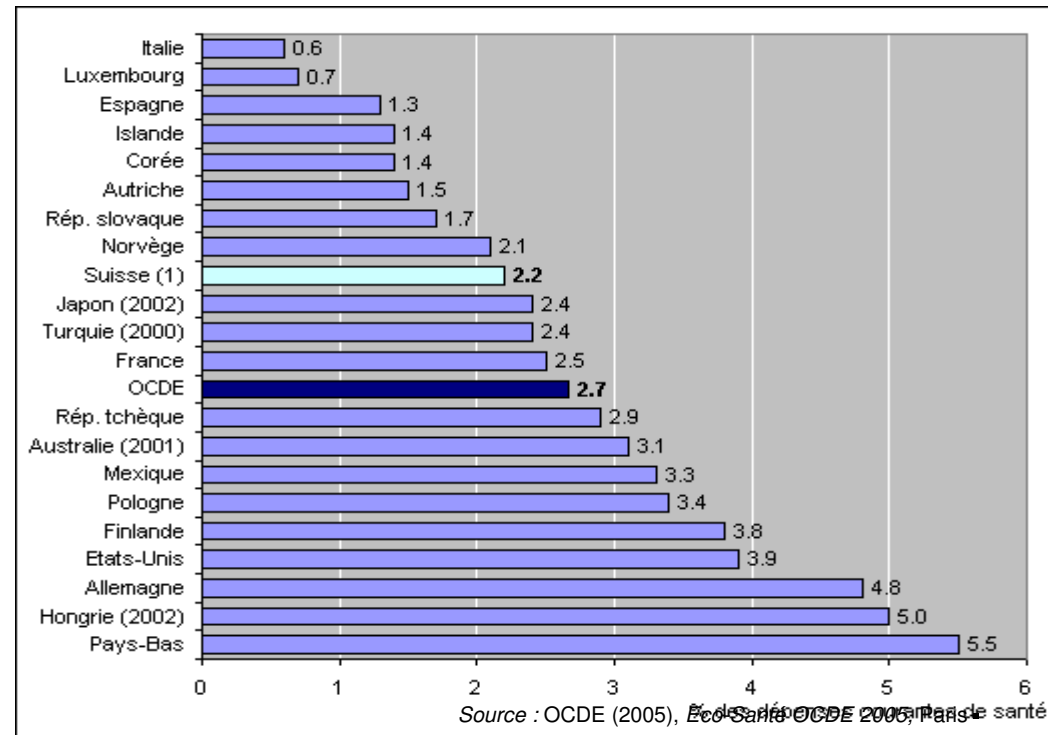


Source: WHO, 2009

# Actors



# Relatively low investment in health promotion and disease prevention

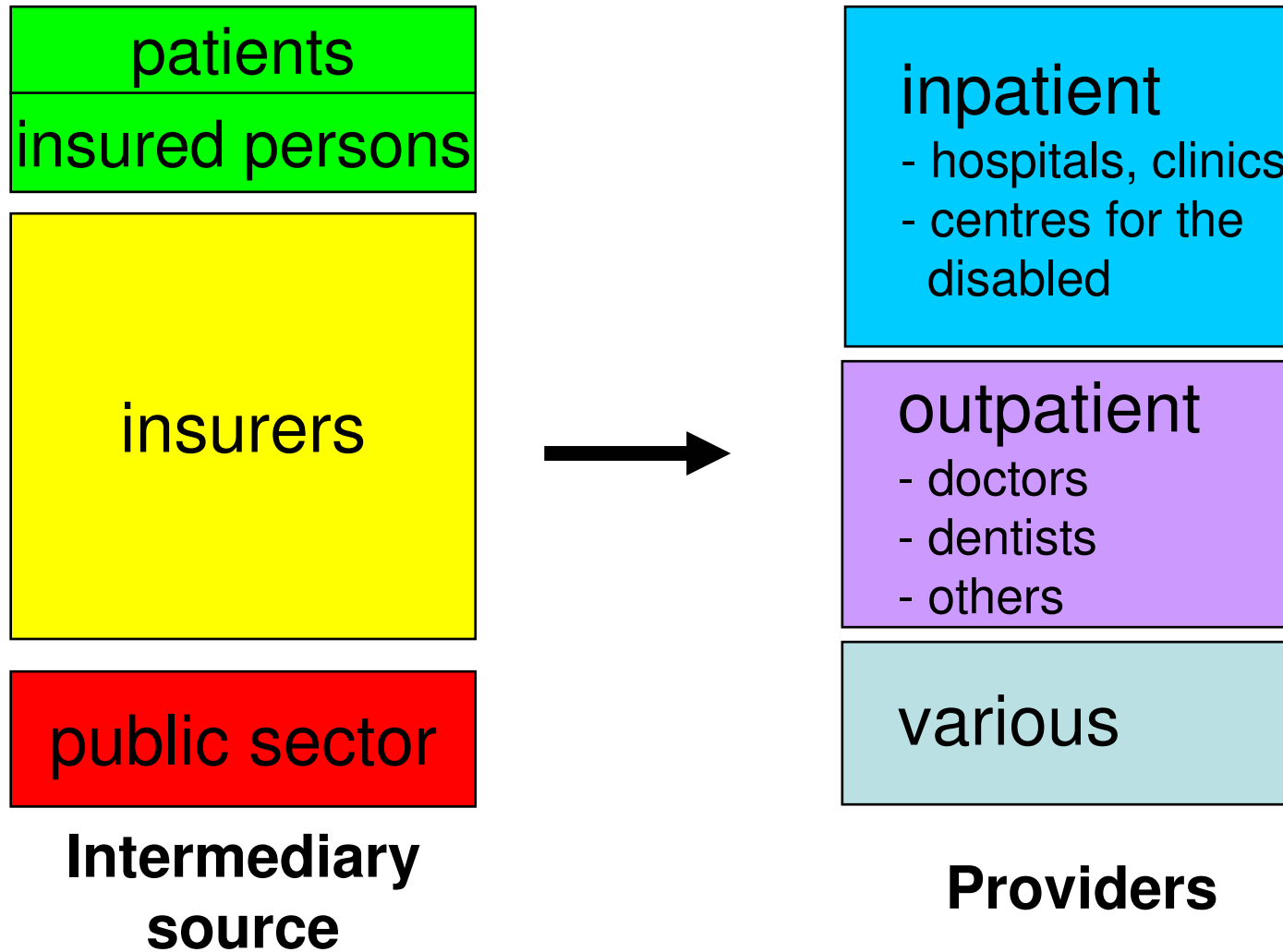


## Switzerland – Netherlands

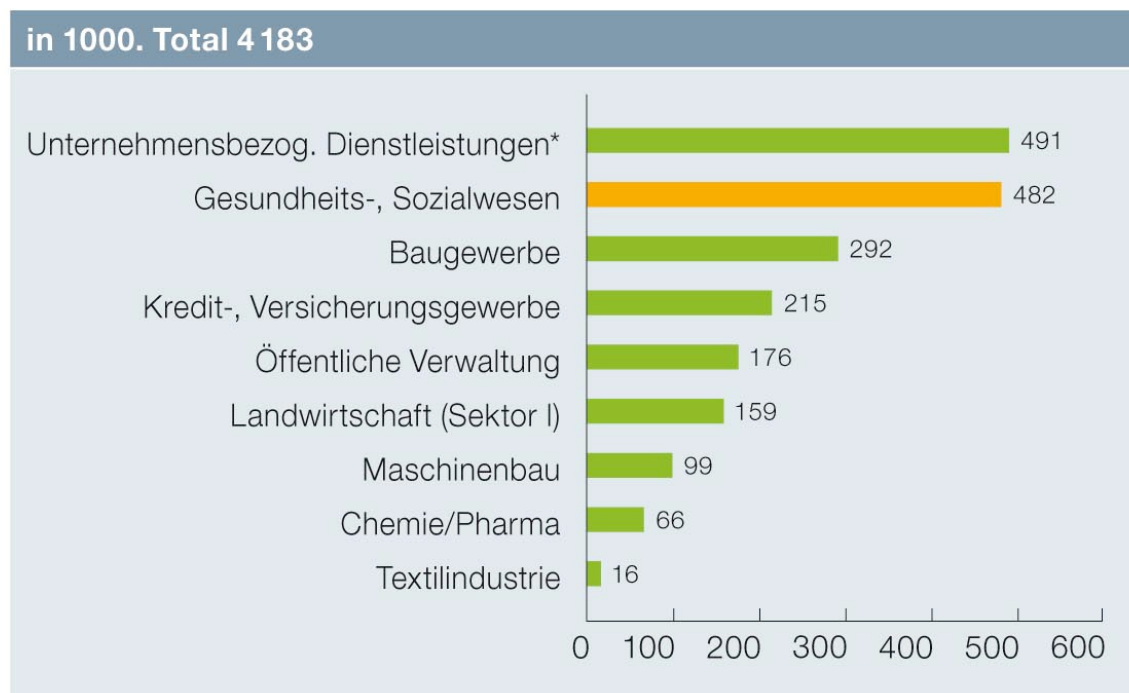
	Switzerland	Netherlands
Out-of-pocket payments (2003) in \$	1.590 (42%)	242 (8%)
Expenditure on pharmaceuticals per capita (2003) in \$	531	353
GP density per 1000 pop (2002)	0.4	0.5
Specialists density per 1000 pop (2002)	2.2	0.8



# Payment modalities



## Anz. Erwerbstätige 2005 nach Wirtschaftszweigen



Quelle: Statistisches Jahrbuch der Schweiz 2006. Bundesamt für Statistik, Neuchâtel.

\* Immobilien, Vermietung, Informatik, F & E.

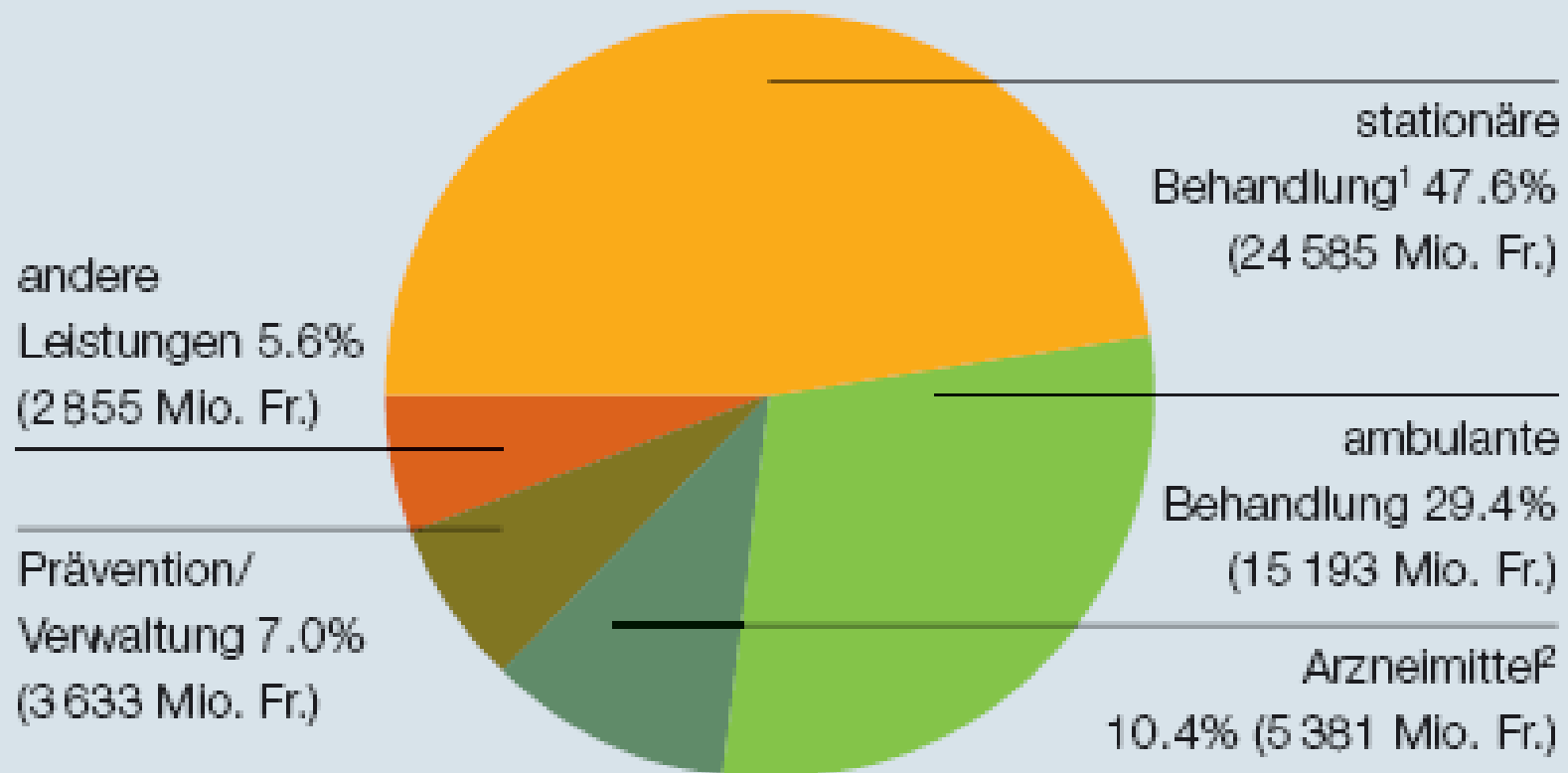
# Health Care Service Providers





## Health care costs by services, 2004

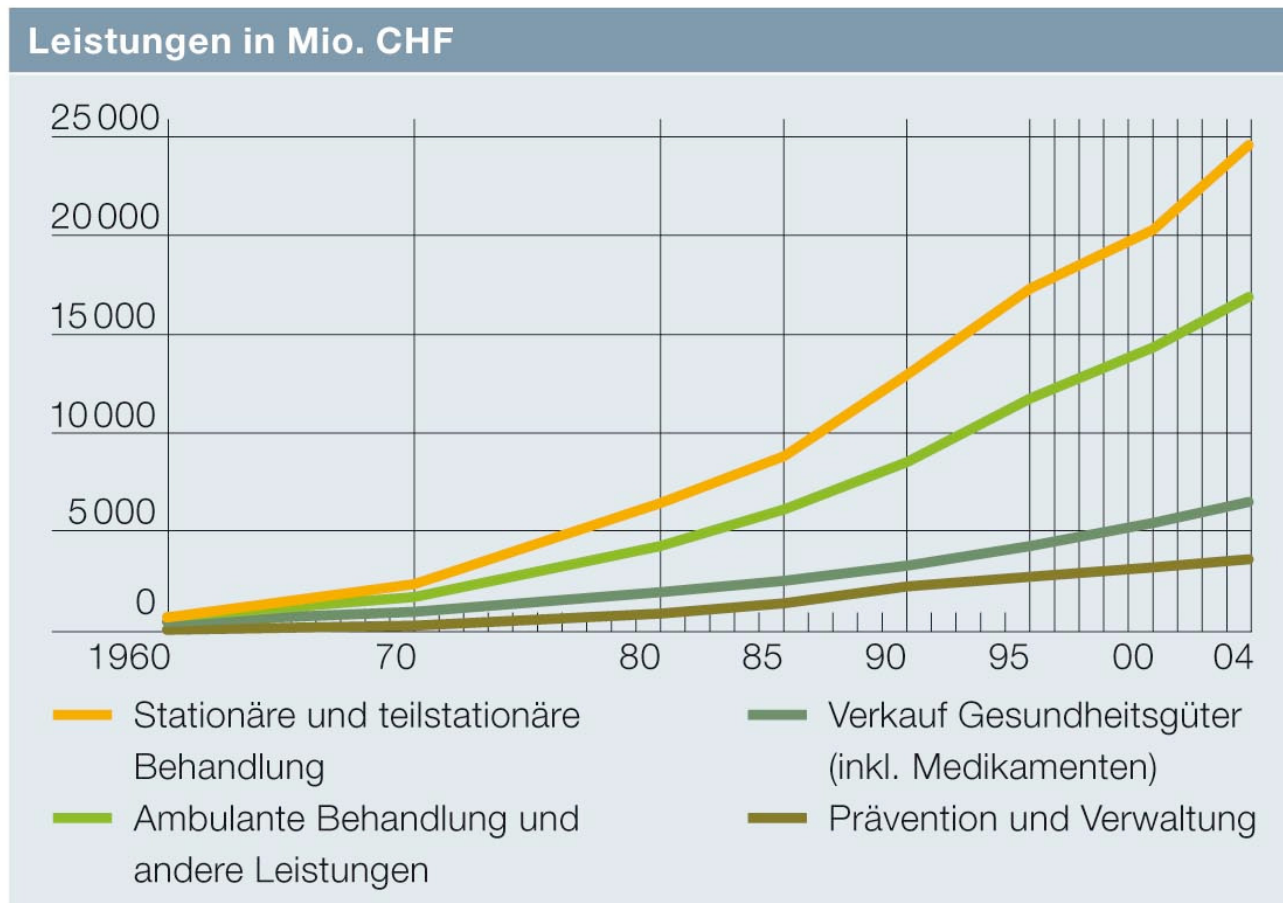
Gesamtkosten 2004: 51 647 Mio. Fr.



## Hospitals

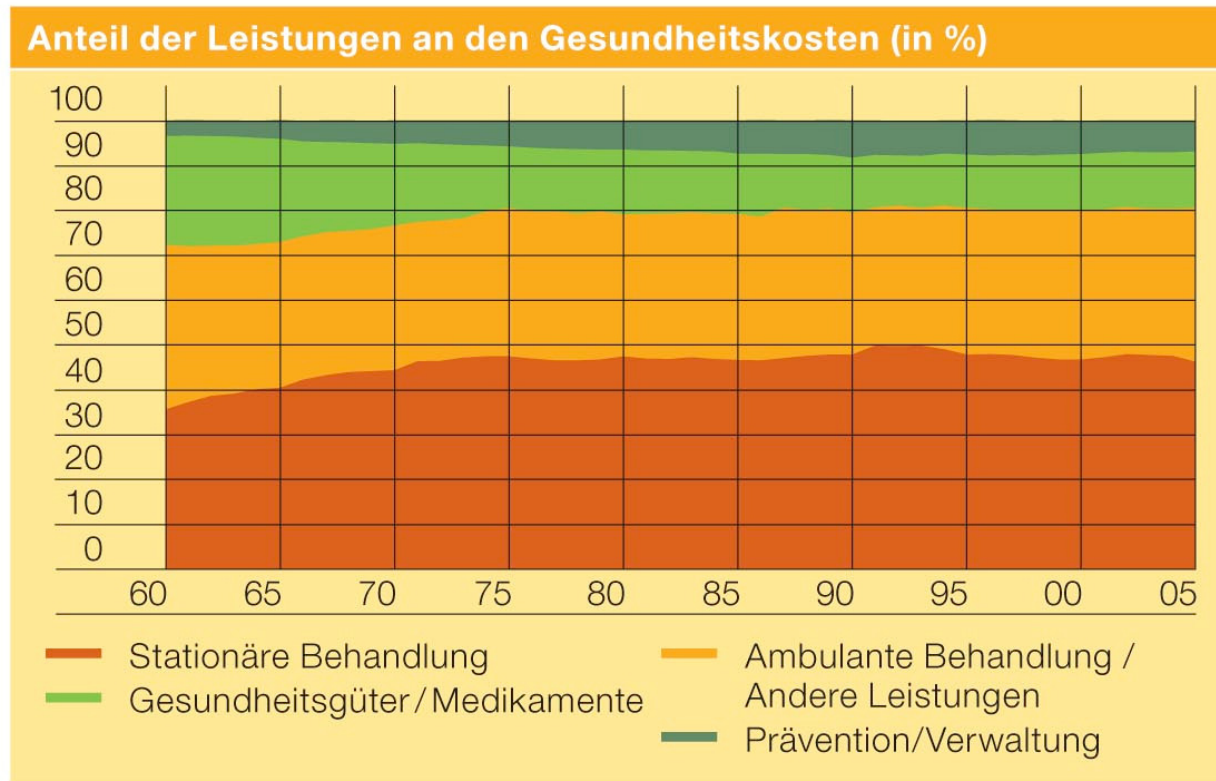
- About 500 hospitals in Switzerland
  - 5 university hospitals with all specialities
  - Public hospitals
  - Private non-profit making hospitals
  - Private profit making hospitals
- Public hospitals
  - Subsidies by the canton
  - Global budget
  - Shift from to daily flat rate to Diagnosis related group (DRG) payment
- Cantonal planning of hospitals

## Entwicklung der Gesundheitskosten nach Leistungen



Quelle: Schweizerische Sozialversicherungsstatistik diverse Jahrgänge. Bundesamt für Gesundheit, Bern. Bundesamt für Statistik, Neuchâtel, August 2006.

## Entwicklung der Gesundheitskosten nach Leistungen



Quelle: Bundesamt für Statistik, Neuchâtel, Februar 2007.

## Kosten des Gesundheitswesens nach Leistungen

Art der Leistung (in Mio. Fr.)	1996	2000	2002	2003	2004
<b>Stationäre Behandlung<sup>1</sup></b>	<b>18 184</b>	<b>20 309</b>	<b>23 012</b>	<b>23 858</b>	<b>24 585</b>
– Akut <sup>2</sup>	11 310	12 140	13 680	14 101	14 550
– Langzeit	4 429	5 195	5 972	6 199	6 369
– Andere <sup>3</sup>	2 445	2 974	3 360	3 558	3 666
<b>Ambulante Behandlung</b>	<b>10 933</b>	<b>12 926</b>	<b>14 164</b>	<b>14 647</b>	<b>15 193</b>
– Ärzte <sup>4</sup>	5 306	6 183	6 619	6 744	7 071
– Spitäler	1 423	2 150	2 632	2 845	2 897
– Zahnärzte	2 682	2 845	2 979	3 080	3 177
– Physiotherapeuten	506	569	645	626	644
– Psychotherapeuten	125	149	161	165	173
– Spitex	773	889	977	1 031	1 068
– Andere paramed. Leistungen	118	141	152	156	164

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Quelle: Kosten des Gesundheitswesens. Bundesamt für Statistik, Neuchâtel, August 2006.

<sup>1</sup> Inklusive Arzneimittel.

<sup>3</sup> Inklusive Rehabilitation.

<sup>2</sup> Inklusive Psychiatrie.

<sup>4</sup> Ohne Heilmittel.

Seite 45/1 | Das Gesundheitswesen in der Schweiz | Ausgabe 2006

# Number of ambulatory providers

## Ressourcen im Gesundheitswesen

	1990	1995	2000	2004	2005
<b>Praktiz. Ärzte insgesamt</b>	<b>10 398</b>	<b>12 327</b>	<b>13 935</b>	<b>15 199</b>	<b>15 313</b>
– je 10 000 Einwohner	15.3	17.5	19.3	20.5	20.5
Allg. Praktiker	3 858	4 364	4 849	4 727	4 640
– je 10 000 Einwohner	5.7	6.2	6.7	6.4	6.2
Spezialisten	6 540	7 963	9 086	10 472	10 673
– je 10 000 Einwohner	9.6	11.3	12.6	14.1	14.3
<b>SD-Ärzte<sup>1</sup></b>	<b>3 104</b>	<b>2 714</b>	<b>3 609</b>	<b>3 743</b>	<b>3 928</b>
– je 10 000 Einwohner	4.6	3.8	5.0	5.0	5.3

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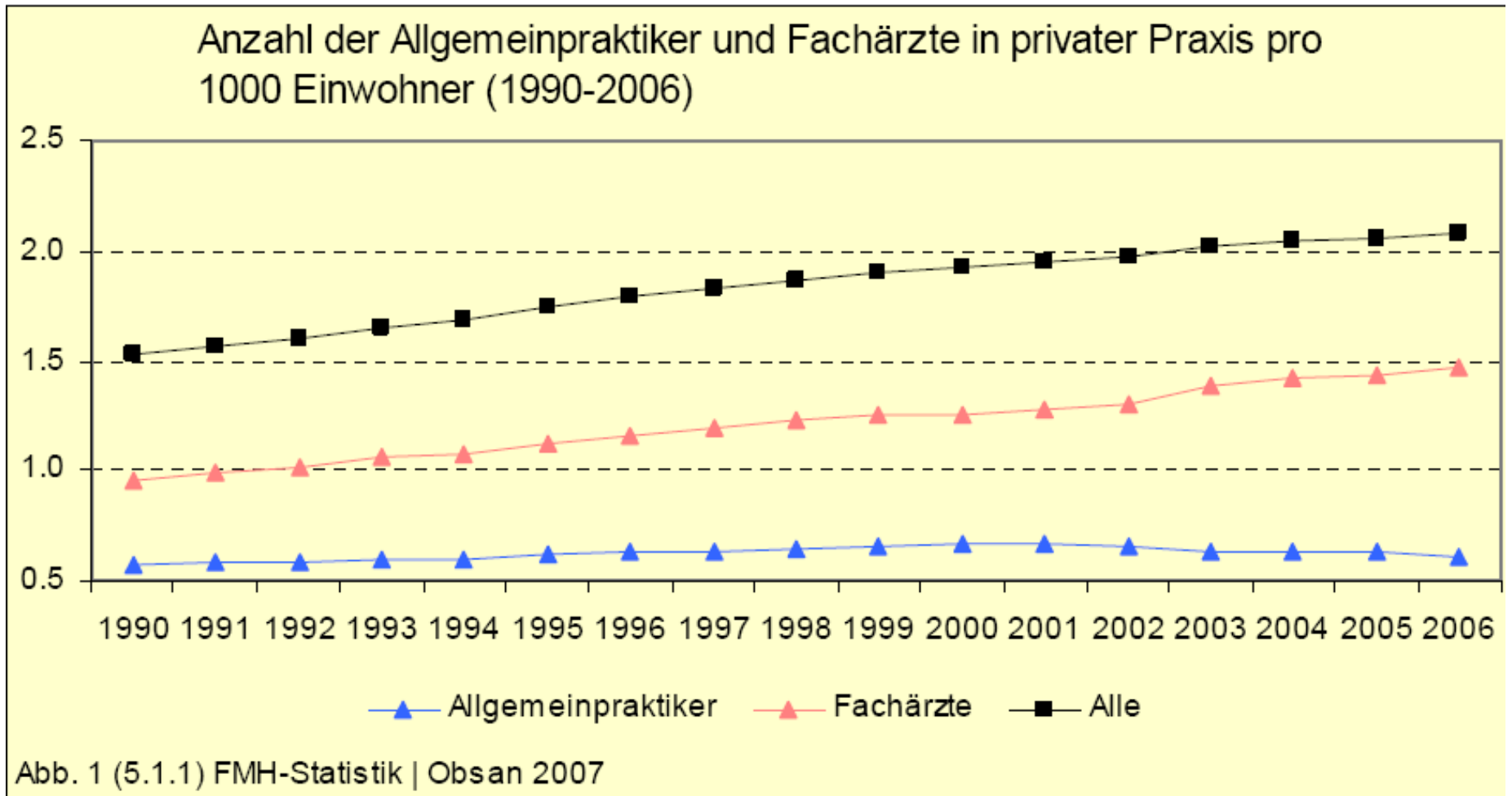
Quelle: Verbindung der Schweizer Ärzte (FMH), Bern. IMS Health GmbH, Hergiswil.  
Schweizer Physiotherapie-Verband (SPV), Sursee. Schw. Chiropraktoren-Gesellschaft (SCG), Bern.

<sup>1</sup> Ärzte mit eigener Praxisapotheke werden als selbstdispensierende (SD) Ärzte bezeichnet. Die Vereinigung «Ärzte mit Patientenapotheke» verwendet statt SD die Bezeichnung «Direkte Medikamentenabgabe» (DMA).

## Family practitioners & specialists

- Private profit making
- One or several physicians
- Specialist: gynecologists, pediatrics, eye specialists, etc.
- Family practitioners:
  - The services provided do not require the facilities (staff and equipment) that are normally found in hospitals
  - They are easy to access by people, because they are close to where people live
  - They are able to treat common kinds of illnesses and injuries
  - They are able to give continuing (long-term) advice and care
  - They send patients to hospitals
- Health Maintenance Organizations (HMOs)







### Altersstruktur und Geschlechtsverteilung der Allgemeinpraktiker in privater Praxis (2006)

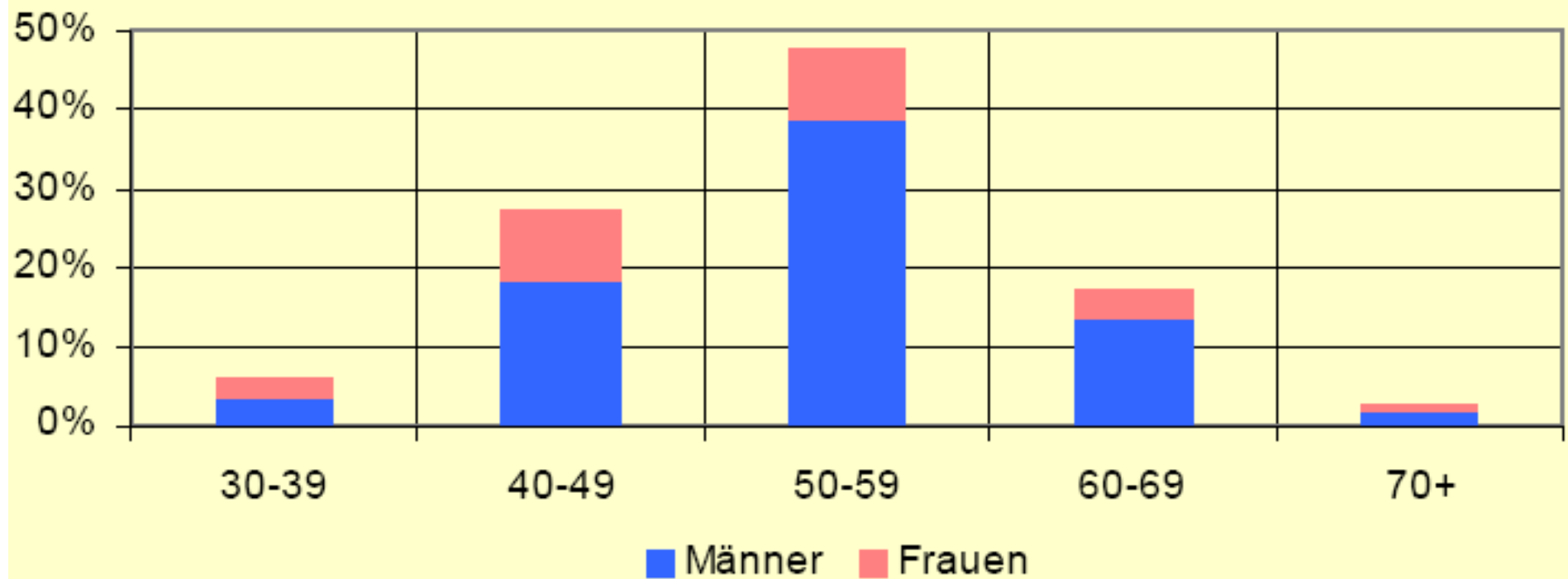


Abb. 2a (5.1.1) FMH-Statistik | Obsan 2007

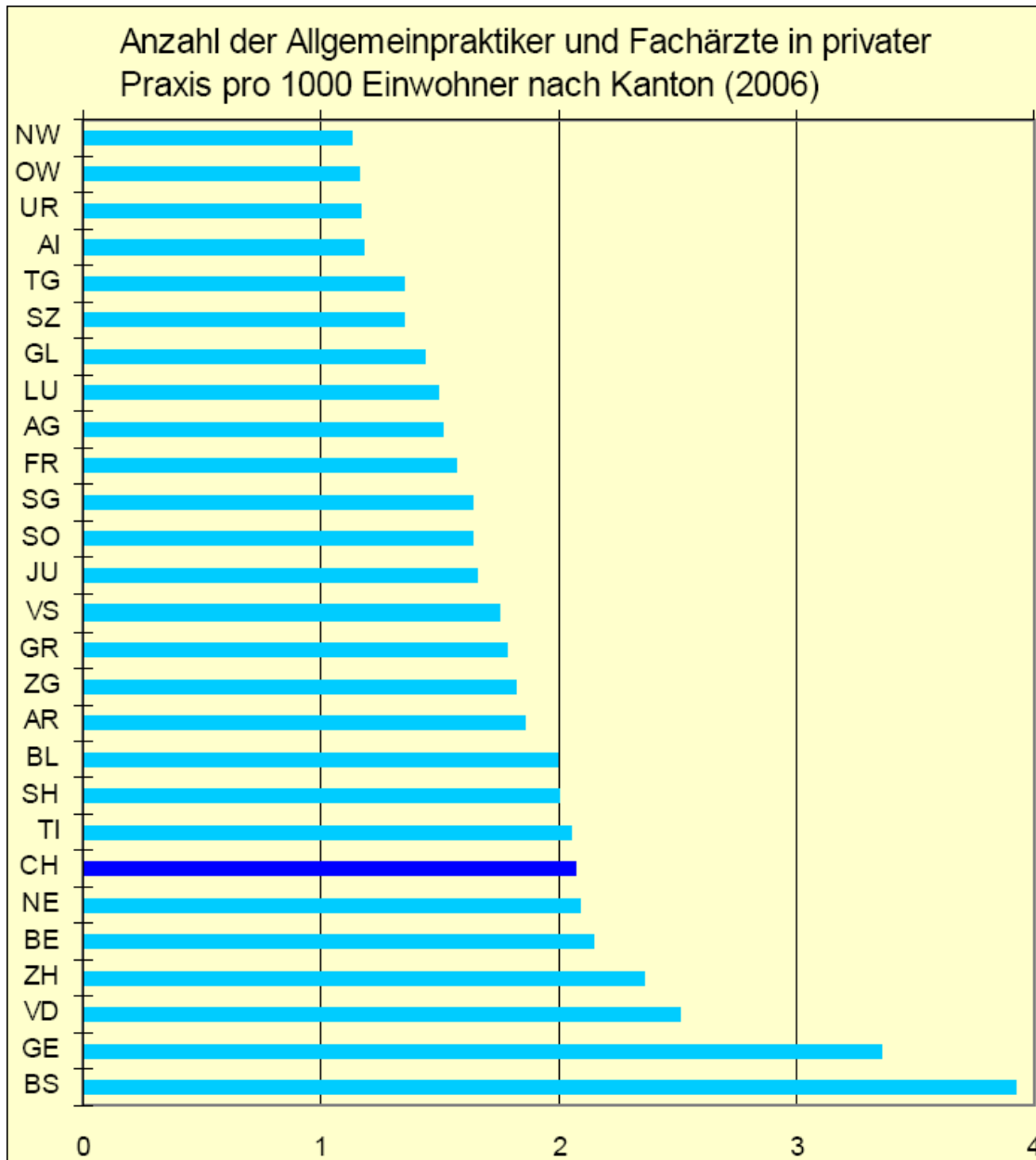
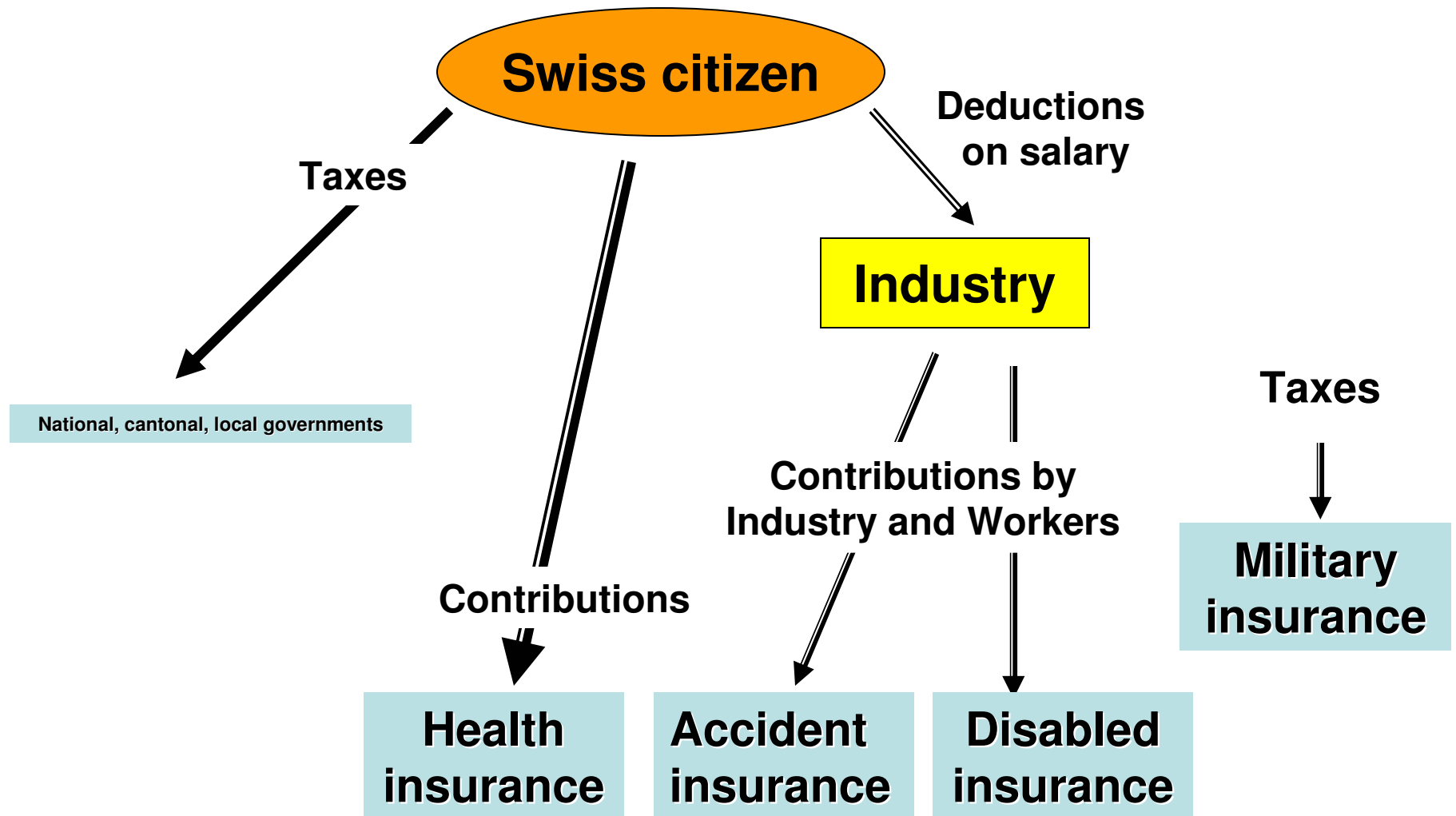


Abb. 3 (5.1.1) FMH-Statistik | Obsan 2007

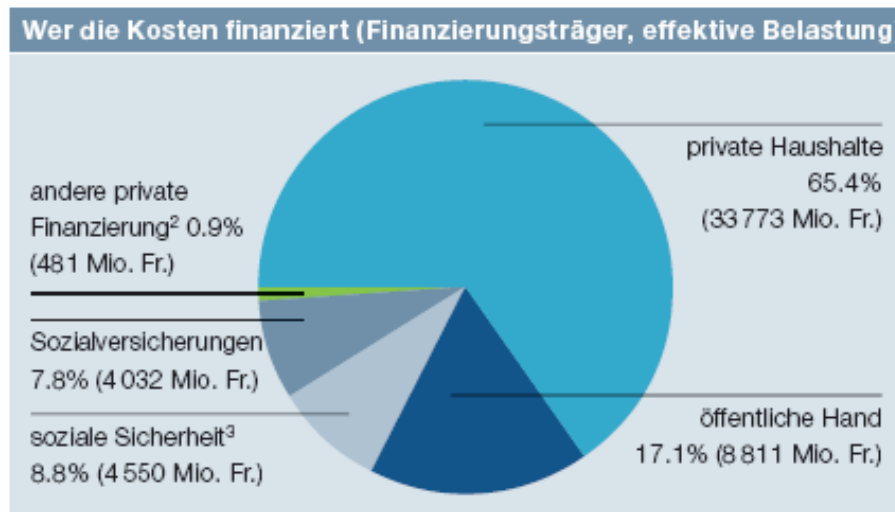
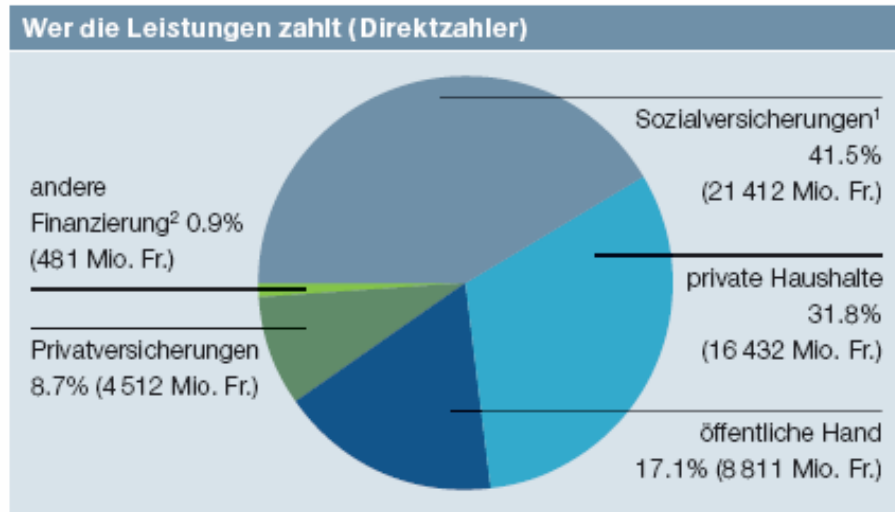
# Financing of Swiss Healthcare



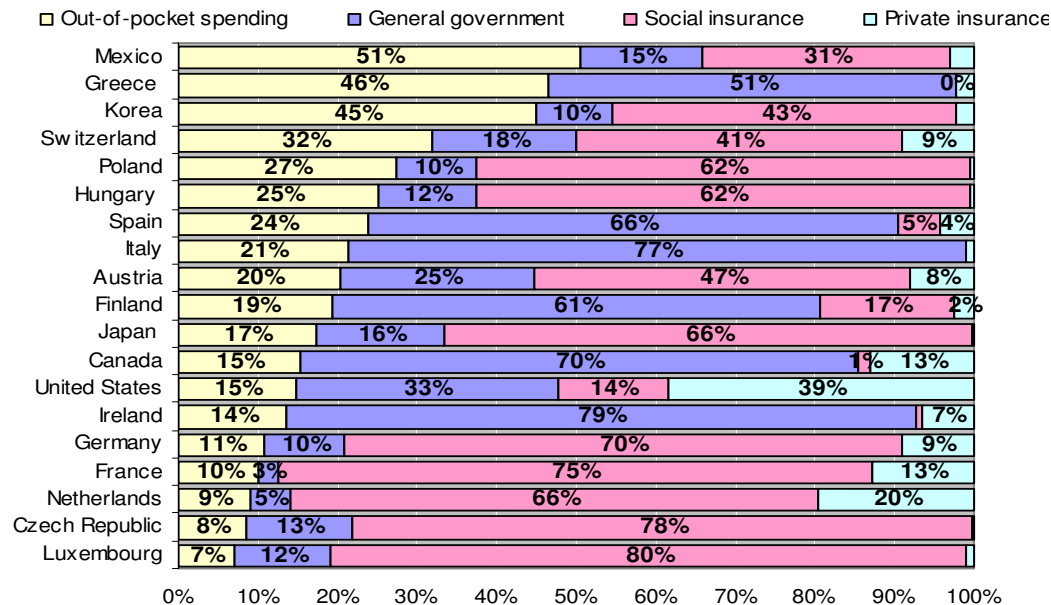
## Health insurance

- Historically evolved through “sickness funds” around 1900 (bismarkien model)
- Mandatory since 1995
- 100% people covered
- Per capita premiums
- People can freely choose their insurance. Change is possible every year
- Number of insurance companies:
  - 1970: 815
  - 2003: around 100

# Financing of health care delivery

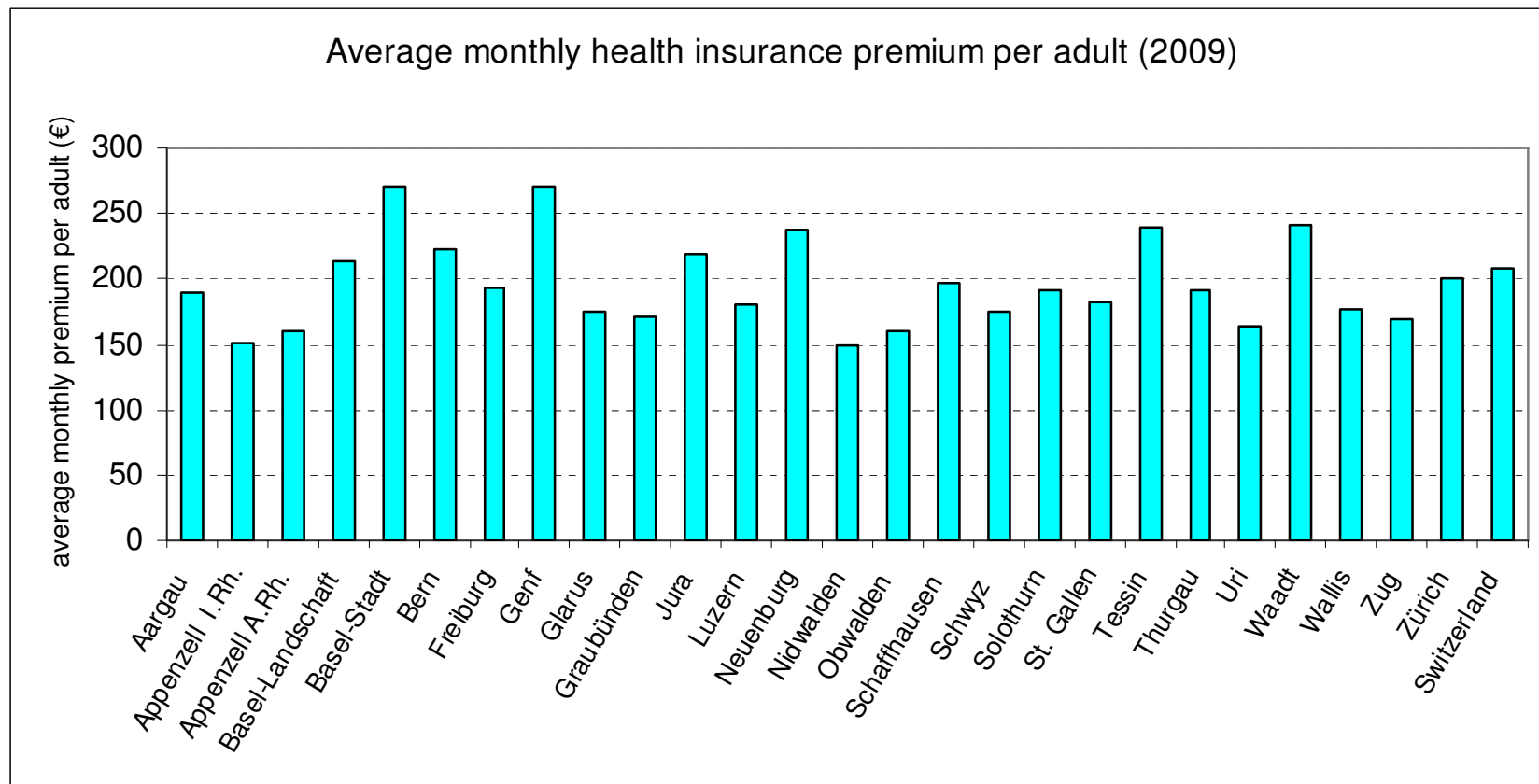


# Financing of health care expenditures: Importance of social insurance and out-of-pocket expenses

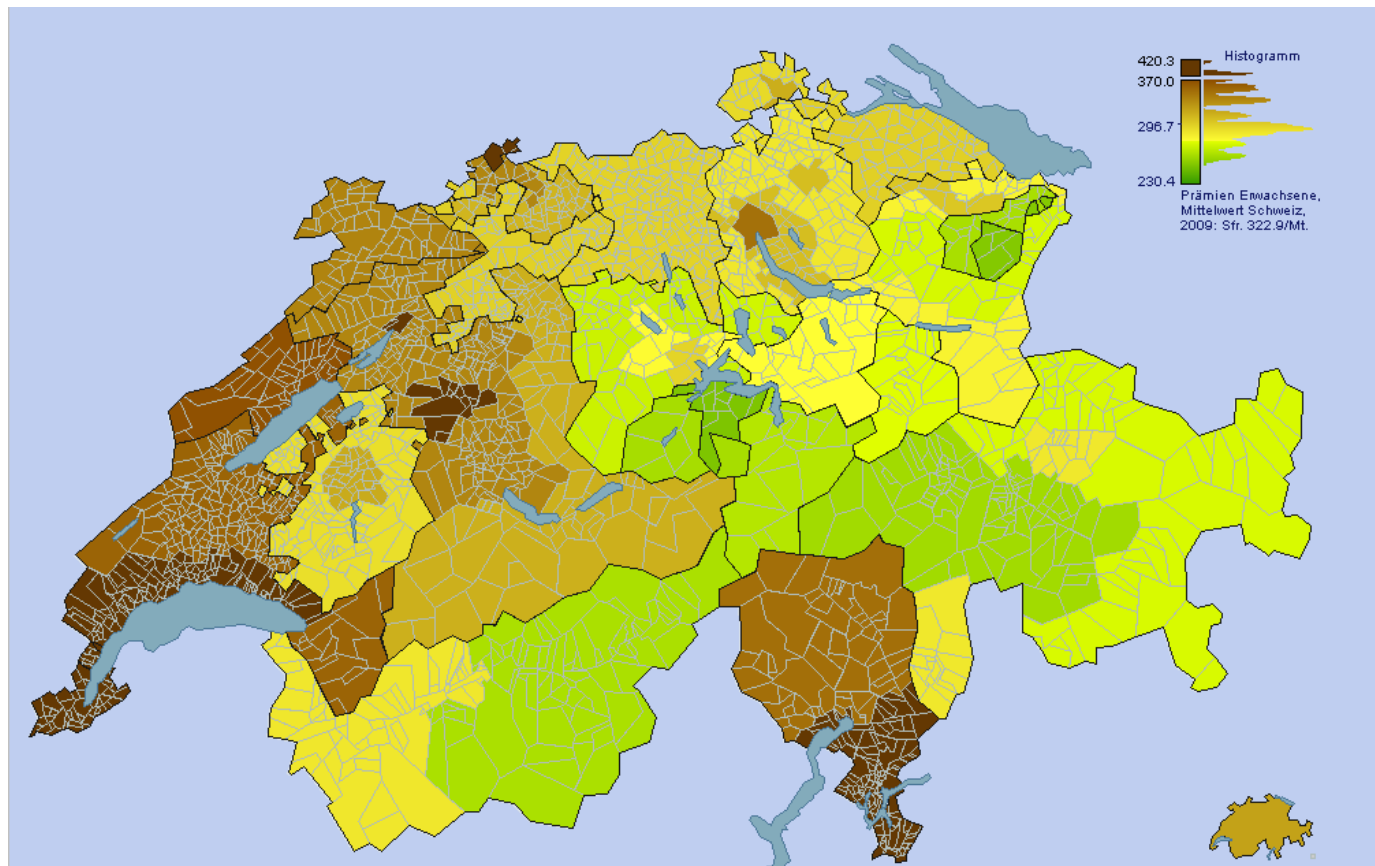


Source: OECD (2005), *OECD Health Data 2005*, Paris

# Average monthly health insurance premium per adult in Switzerland (2009)

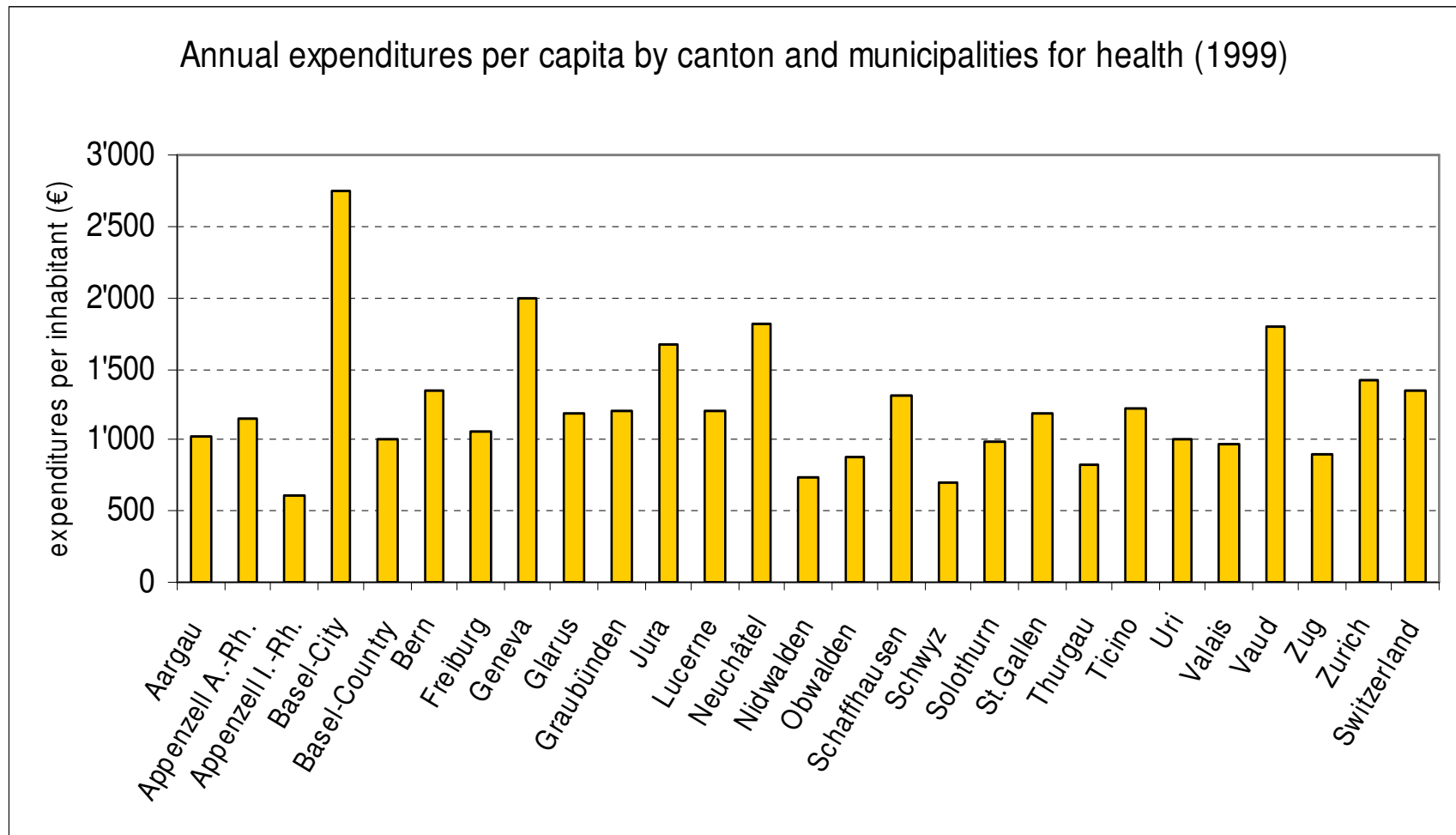


# Average monthly health insurance premium per adult in Switzerland (2009)

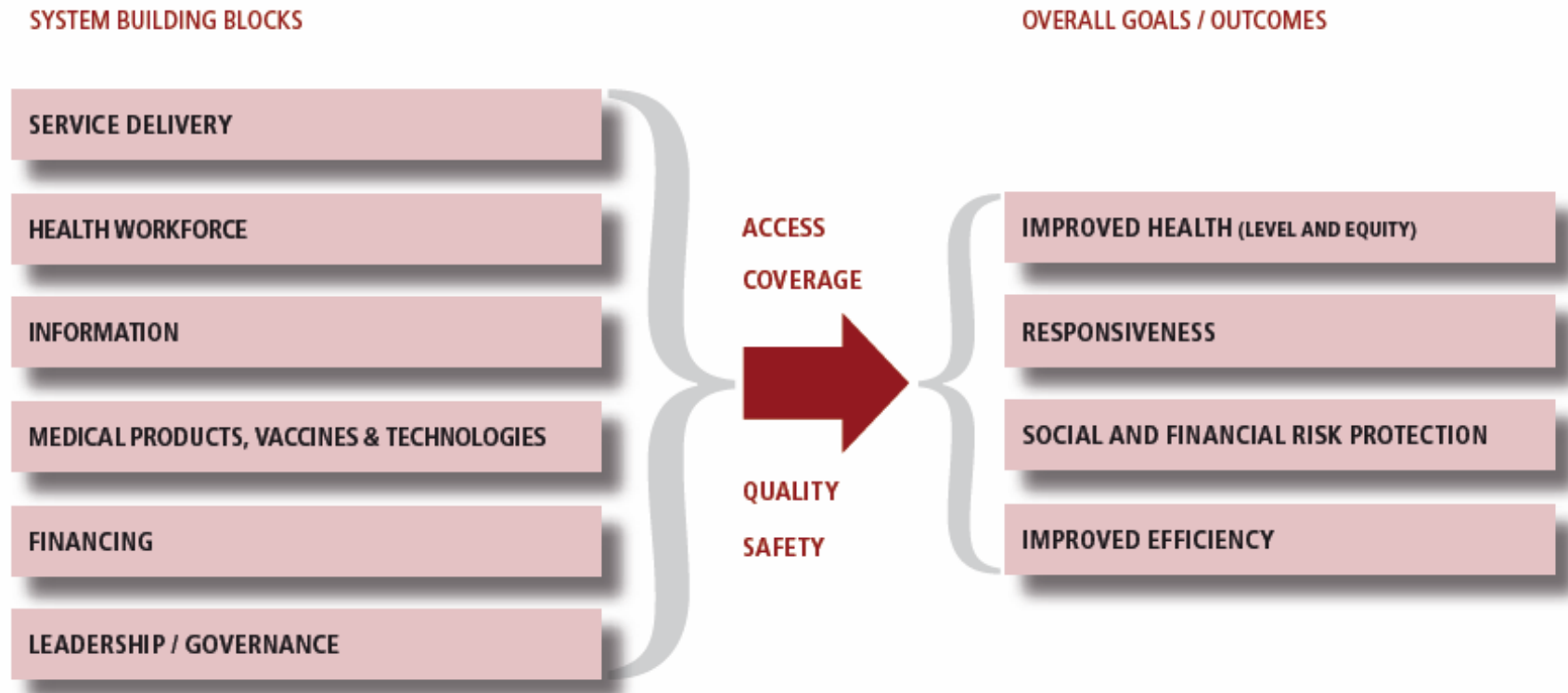




## Cantonal expenditures for health care



# Relations between functions and objectives of a health system



Source: WHO, 2007

## Policy recommendation to strengthen the governance of the health system

- Build a broader legal framework for health at Federal level; aim to set national standards and assign responsibilities
- Improve nationwide efforts to monitor and enhance care quality
- Improve information systems

## Policy recommendations to improve prevention and health-promotion policies

- Develop a new legislative framework for public health
- Encourage the use of measures of proven cost-effectiveness in the area of tobacco and alcohol consumption
- Improve incentives to invest in health promotion and disease prevention
- Reinforce policies to address problems of mental health and obesity

## Policy recommendations to increase cost-effectiveness of the health system

- Steer health-care consumption towards more appropriate care
- Improve payment arrangements in the ambulatory and hospital sectors
- Encourage ambulatory care gate-keeping
- Increase competition for pharmaceuticals

## *Disadvantages of the Swiss Health System*

- Decentralisation does not allow sound planning and management
- Fragmented system
- Strong inequities with regard to.
  - Distribution of medical services
  - Financing of health services
- Often not cost-efficient:
  - Strong bias on curative care
- Cost-control (financial sustainability) is hardly possible

## Advantages of the Swiss Health System

- Decentralisation allows high responsiveness to local needs and demand
- Responsive to new medical and technical innovations
- Good quality of care
- High satisfaction of patients with the system