



SUPSI

The sustainability of the Swiss health system

Some economic remarks

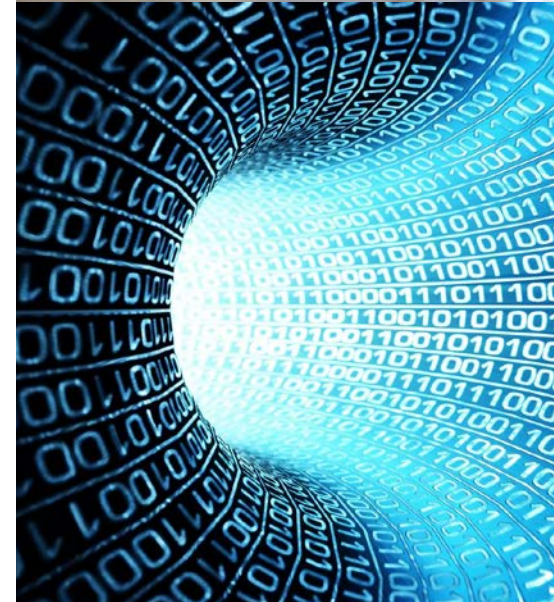
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This conference debates about
sustainable medicine.

And what about the **sustainability of the
health system from an economic (and
political) perspective?**



Contents

The performance of the Swiss health system

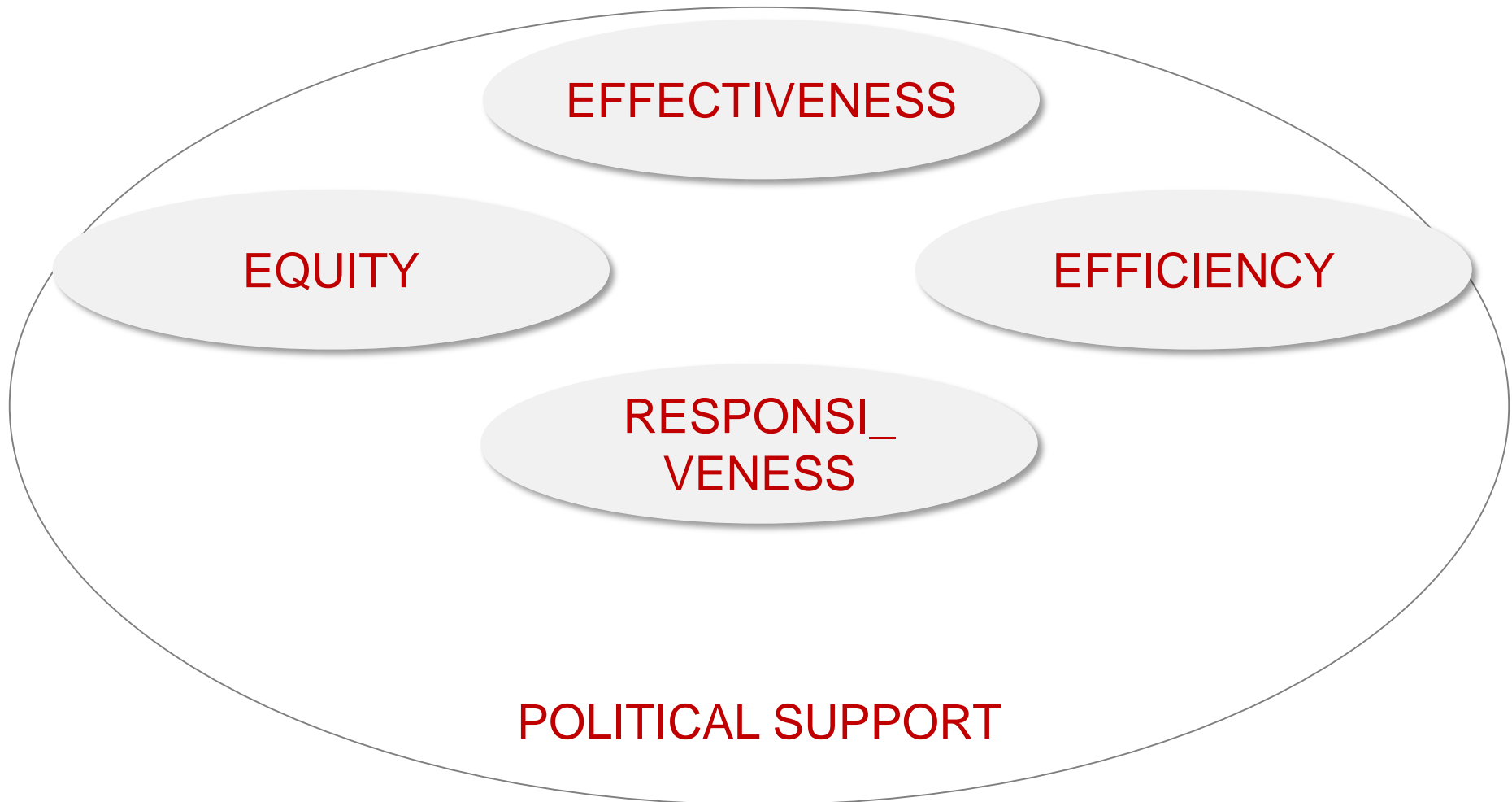
Current challenges from an economic (and political) perspective

Conclusions

The performance of the Swiss health system



Usual dimensions for evaluating the performance of the health system



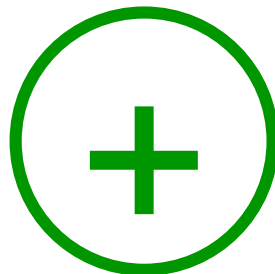
1st dimension: EFFECTIVENESS

AMENABLE MORTALITY* 2015 (PER 100 000 INHABITANTS):

Best in Eurostat rank:

CHE = 75 / 100'000

EU-28 = 127 / 100'000



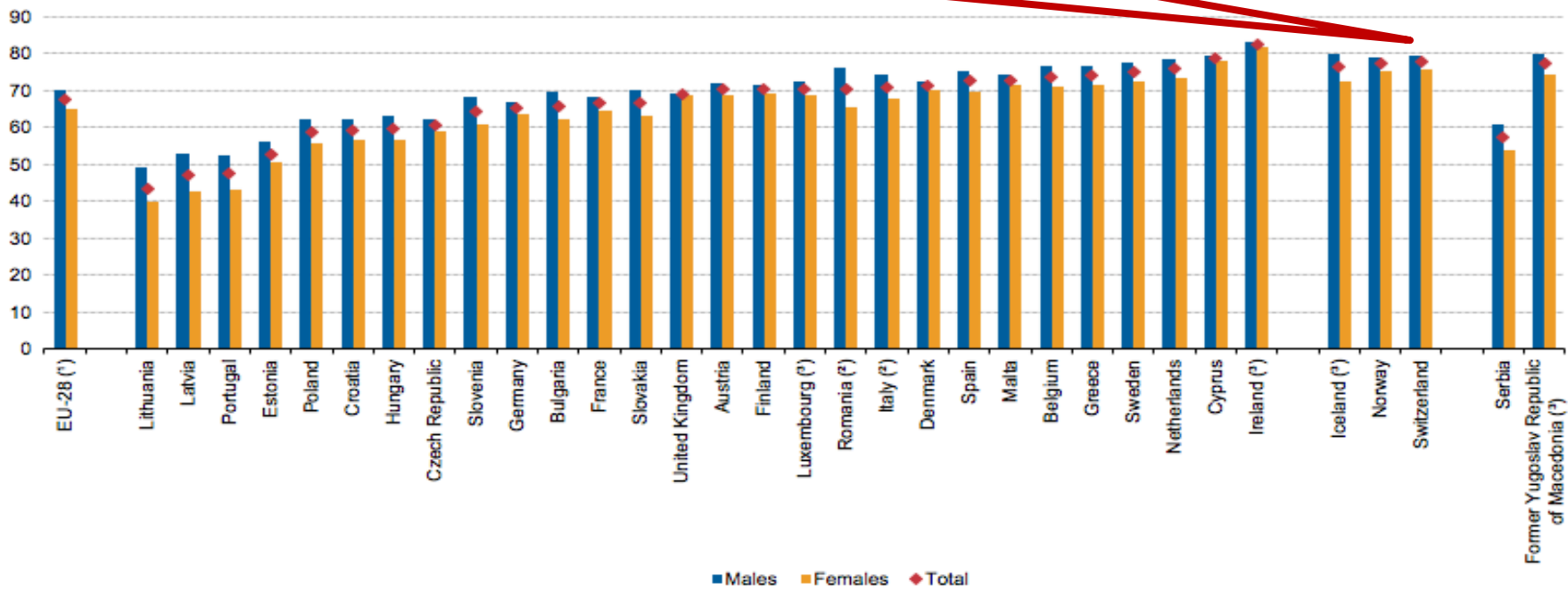
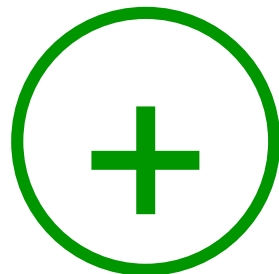
	Amenable mortality	
	2014	2015
EU-28	126.2	127.1
Belgium	94.9	94.0
Bulgaria	289.7	282.3
Czech Republic	176.7	179.5
Denmark	99.3	97.8
Germany	112.9	116.1
Estonia	234.6	224.1
Ireland	112.4	110.5
Greece	124.8	127.0
Spain	88.6	87.6
France	77.7	77.8
Croatia	207.3	216.4
Italy	90.3	93.0
Cyprus	92.5	98.4
Latvia	331.7	325.6
Lithuania	310.8	325.9
Luxembourg	87.3	90.9
Hungary	266.1	267.7
Malta	122.7	110.3
Netherlands	88.0	90.6
Austria	108.7	109.2
Poland	169.9	168.5
Portugal	115.2	111.0
Romania	318.6	318.0
Slovenia	122.7	128.1
Slovakia	242.9	250.0
Finland	114.4	111.3
Sweden	98.0	96.7
United Kingdom	116.1	117.4
Iceland	86.2	91.2
Liechtenstein	51.2	100.6
Norway	89.2	87.1
Switzerland	76.2	75.2
Serbia	233.7	235.6
Turkey	190.0	189.1

Source: Eurostat (online data code: hlth_cd_apr)

(*) Premature deaths (deaths under age 75) that could potentially be avoided, given effective and timely healthcare. That is, early deaths from causes (diseases or injuries) for which effective health care interventions exist and are accessible.

1st dimension: EFFECTIVENESS

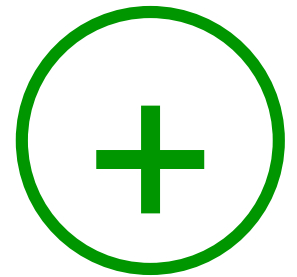
SELF-PERCEIVED HEALTH:
 3rd in Eurostat rank (“good” or “very good”):
 CHE = 76%
 EU-28 = 68%





2nd dimension: EQUITY

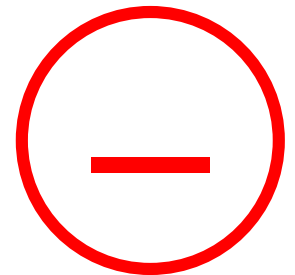
- Strong system of social security based on **social insurances** (financial protection against the risks of accidents, disability, and illness)
- (Almost) Full **choice of healthcare providers** offered to all social classes, with **little waiting times**
- Professionals and facilities spread **all over the country** (compared to other countries)





2nd dimension: EQUITY

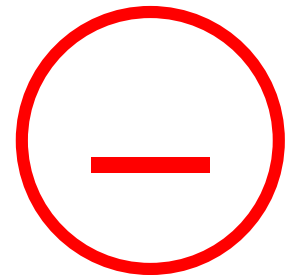
- **Flat premiums** for the mandatory health insurance (higher financial burden on middle-to-low income families)
 - Efforts to re-balance with premium subsidies to low-income families (percentage of subsidized insured varies from 22% in BL to 33% in ZH; the average ratio subsidy/premium for beneficiaries varies from 34% in BE to 79% in AG)
- High role of **out-of-pocket** expenditure





3rd dimension: EFFICIENCY

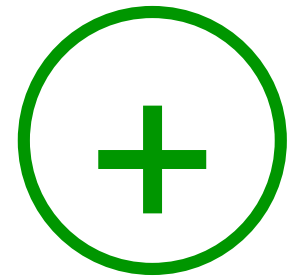
- Health expenditure: **12.3% of GDP**
- In 2018 per capita expenditure will overcome **10'000 chf**
- Average yearly growth of per capita current expenditure: **2.5%** in 2008-2017
- High expenditure as result of middle-to-high quantities and (very) **high prices**



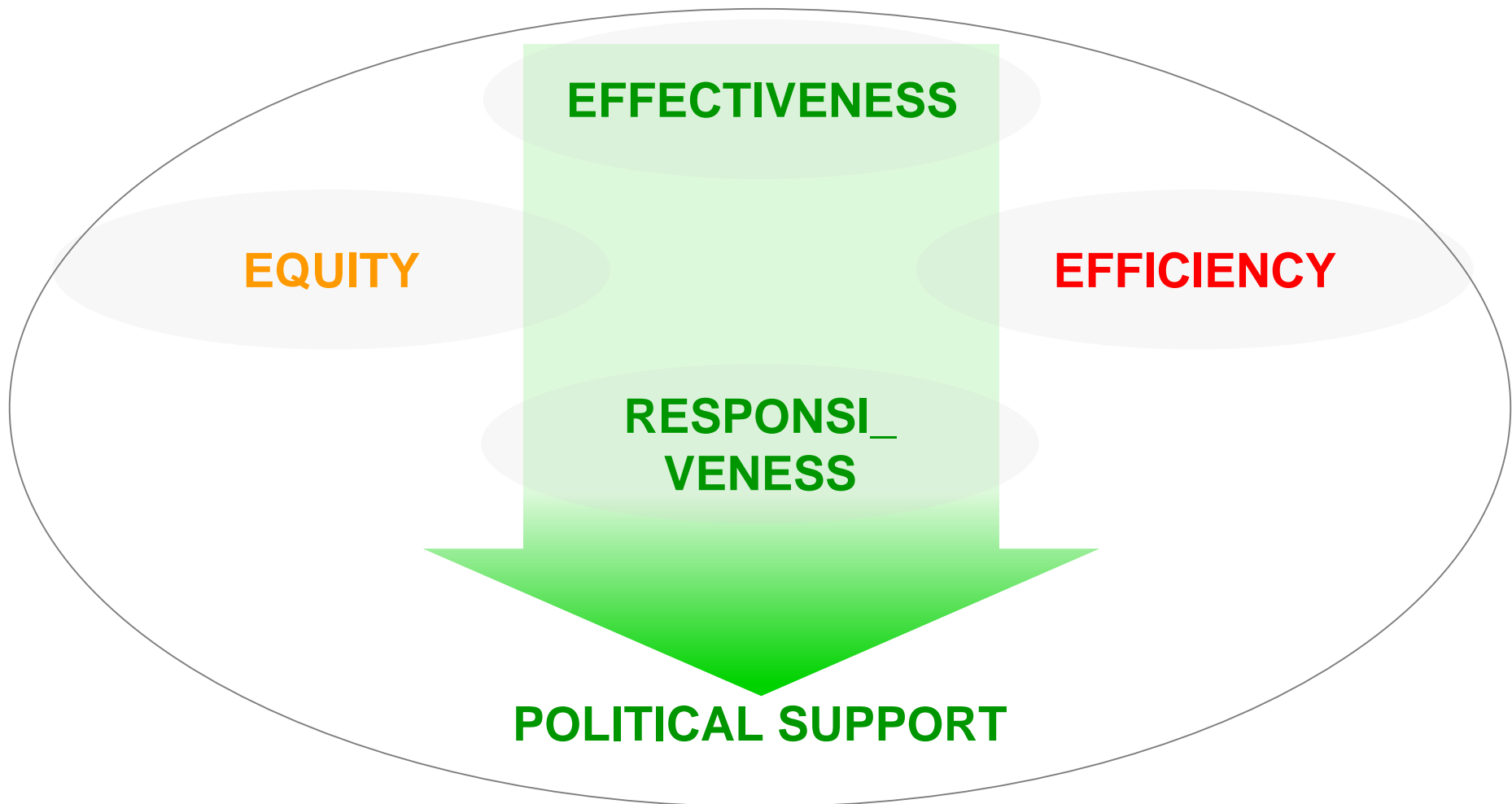


4th dimension: RESPONSIVENESS

- Left aside out-of-pocket, **access** to healthcare services is **easy** (facilities spread all over the country, limited gate-keeping, limited waiting times, free choice of the provider)
- High **comfort**
- **Pro-market attitude** of many healthcare providers (product and service innovation, etc.)



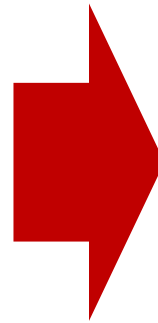
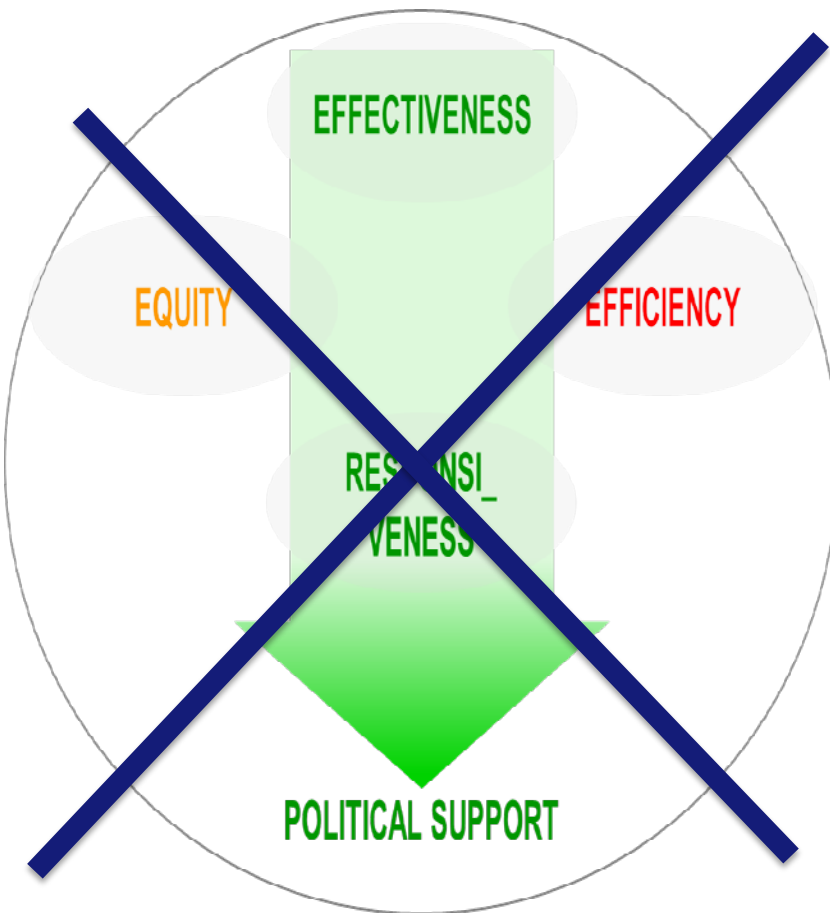
The main impact on political support until today



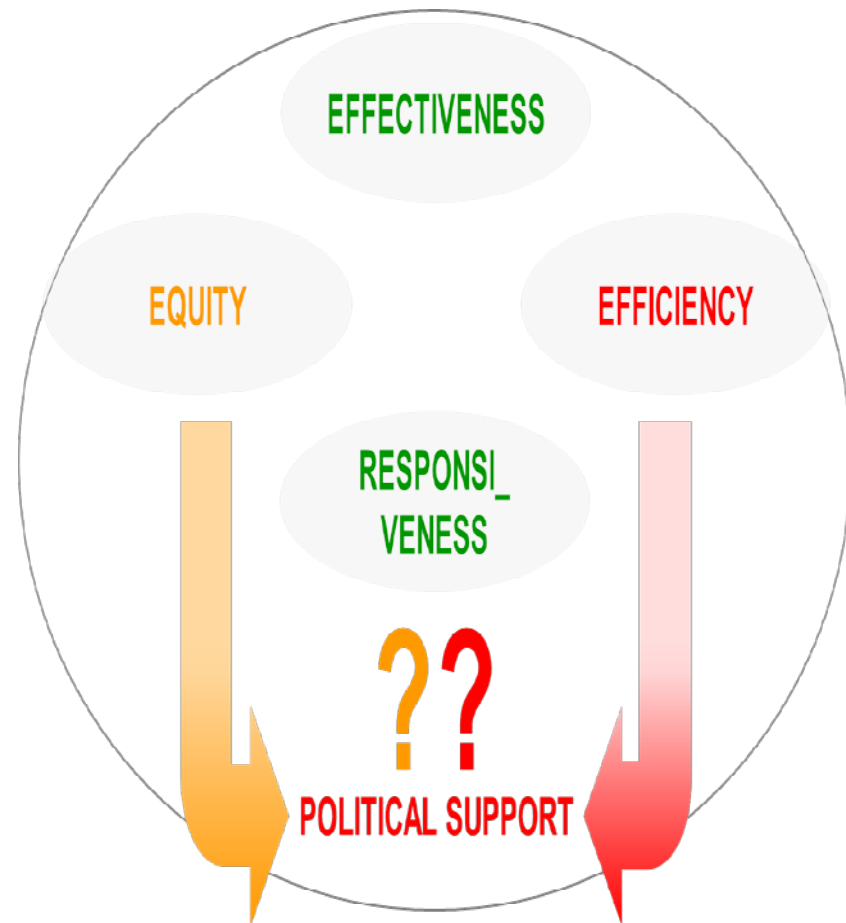
Current challenges to sustainability from an economic (and political) perspective

The political support is at risk?

UNTIL TODAY

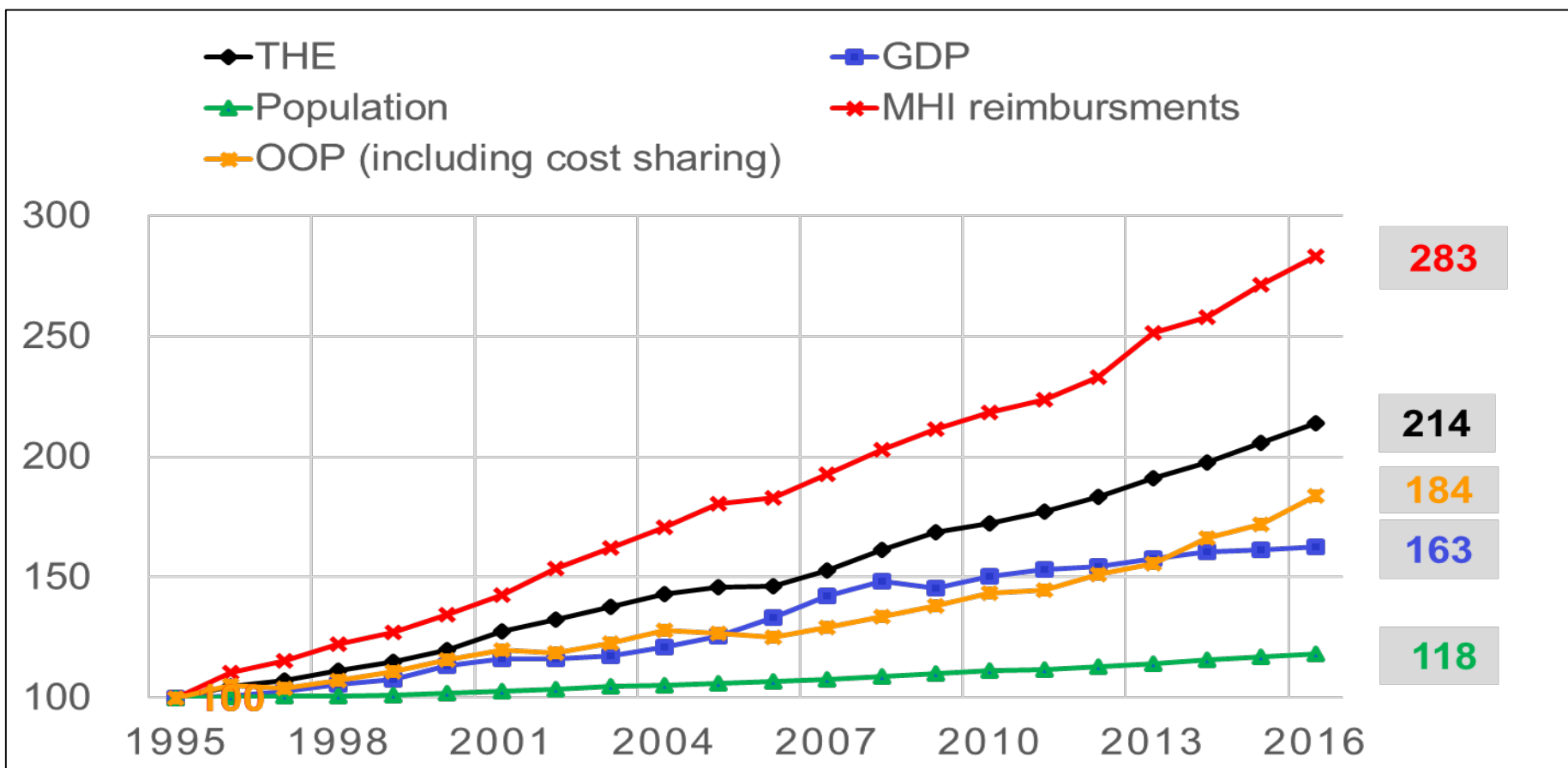


TOMORROW ?



An overall picture:

Out-of-pocket expenditure (OOP); total health expenditure (THE); reimbursement by mandatory health insurance (MHI)

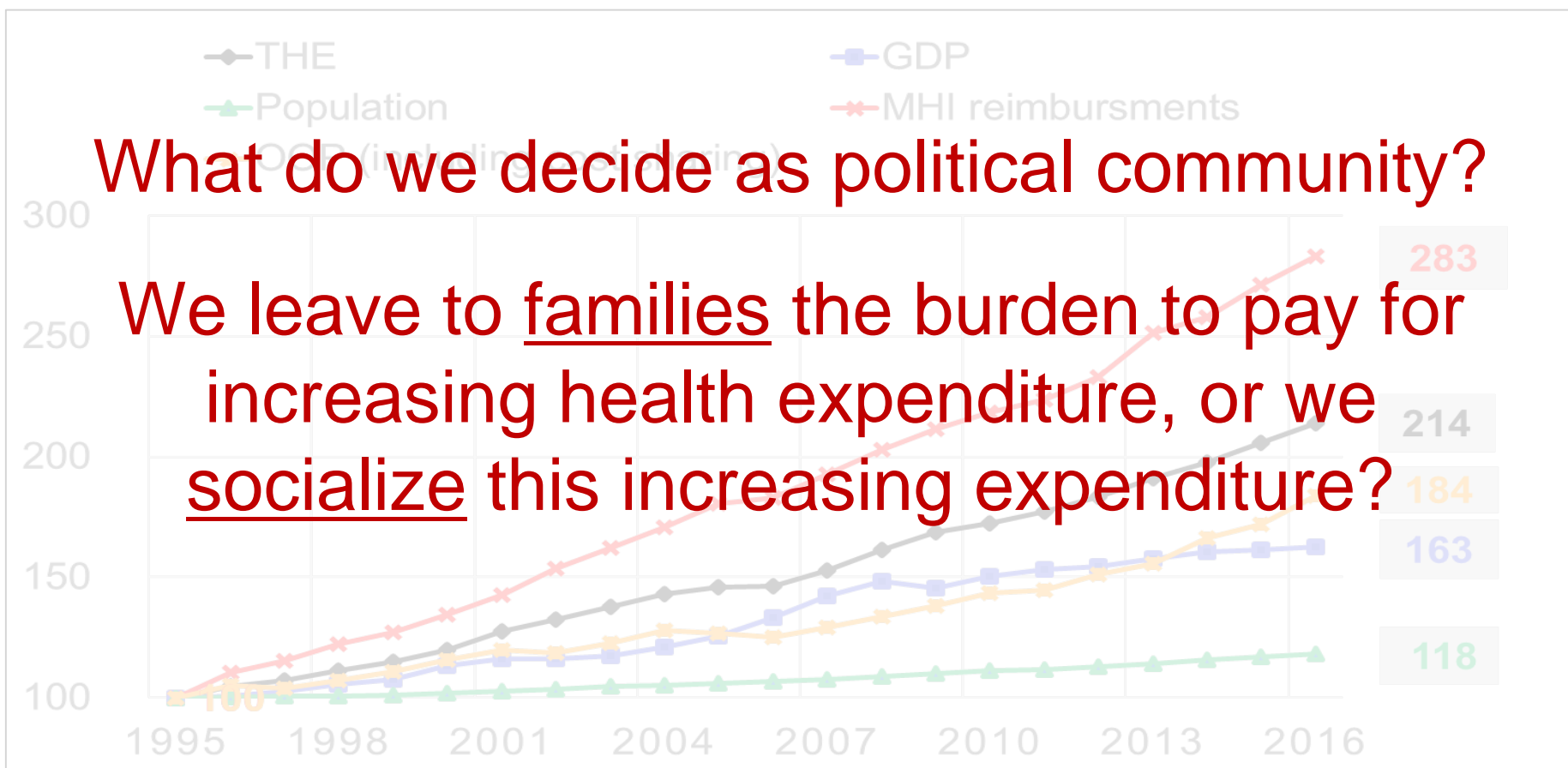


Based on <https://www.bfs.admin.ch/bfsstatic/dam/assets/5046326/master>

A fundamental question

What do we decide as political community?

We leave to families the burden to pay for increasing health expenditure, or we socialize this increasing expenditure?



1st option:

Increasing health expenditure is FUNDED BY FAMILIES

- 30% of total health expenditure is **out-of-pocket**
- 23% of adults have maximum **deductible** (2'500 chf)



- Postponement of treatments (hidden **waiting times**)
- Risk of **under-treatment** (not based on medical priorities but on the economic conditions of the insured)

Economic barriers
to access



Risks for political
support



2nd option:

Increasing health expenditure is **SOCIALIZED**

- **Direct public expenditure** (without subsidies) is 21% of total health expenditure
- Confederations and Cantons spend 4.31 billion chf in **premium subsidies** to low-income families

Need to increase **redistribution** from the rich to the poor (through **taxes**)



Difficult political decisions



- The role of individual responsibilities and healthy behaviors
- The size and the contents of socialized health coverage

The 2nd option implies more redistribution (solidarity)

2. The right contents of socialized health coverage

→ «Why do I have to pay “top health services” for others too? Maybe a “basic socialized service” could be enough for them?»

Which car should we guarantee with socialized funding?



Dacia Sandero
8 000 chf



BMW 220i
40 000 chf



Porsche Cayenne
100 000 chf

Conclusions

A summary of previous remarks

The system has **so far** benefited from solid **popular support**, with the increasing health expenditure sustained by a steady growth of GDP

However, the **current funding system** (MHI, direct public expenditure, premium subsidies, OOP, etc.) is **less and less** accepted and **sustainable**

The **debate** on how to finance the system (more families or more taxes) **will remain high** on the political agenda

Whatever the political choice, the sustainability of the system passes through a **control of the increase in expenditure**



Dimensions for promoting the health system sustainability

CULTURE

Reasonable public expectations

HEALTH PROFESSIONS

Deontology, guidelines, “delisting”, etc.

HEALTH SERVICES

Coordination, gate keeping, etc.

DEFINITION OF THE SOCIALIZED HEALTH BASKET

Health technology assessment, etc.

REIMBURSEMENTS

Bundled payments, “wages”, etc.

OTHER NON-MEDICAL DETERMINANTS OF HEALTH

Promotion of healthy lifestyles, etc.

Thank you