

German Medical Association

Federation of the German Chambers of Physicians



The Healthcare Insurance System in Germany

The German Healthcare System

Basic Features



- Public health is mainly the competence of the 16 federal states
- Compulsory statutory health insurance for employees (Bismarck Model)
- Private / public mix of providers and payers
- Self-governance of physicians and statutory health insurance funds

The German Healthcare System

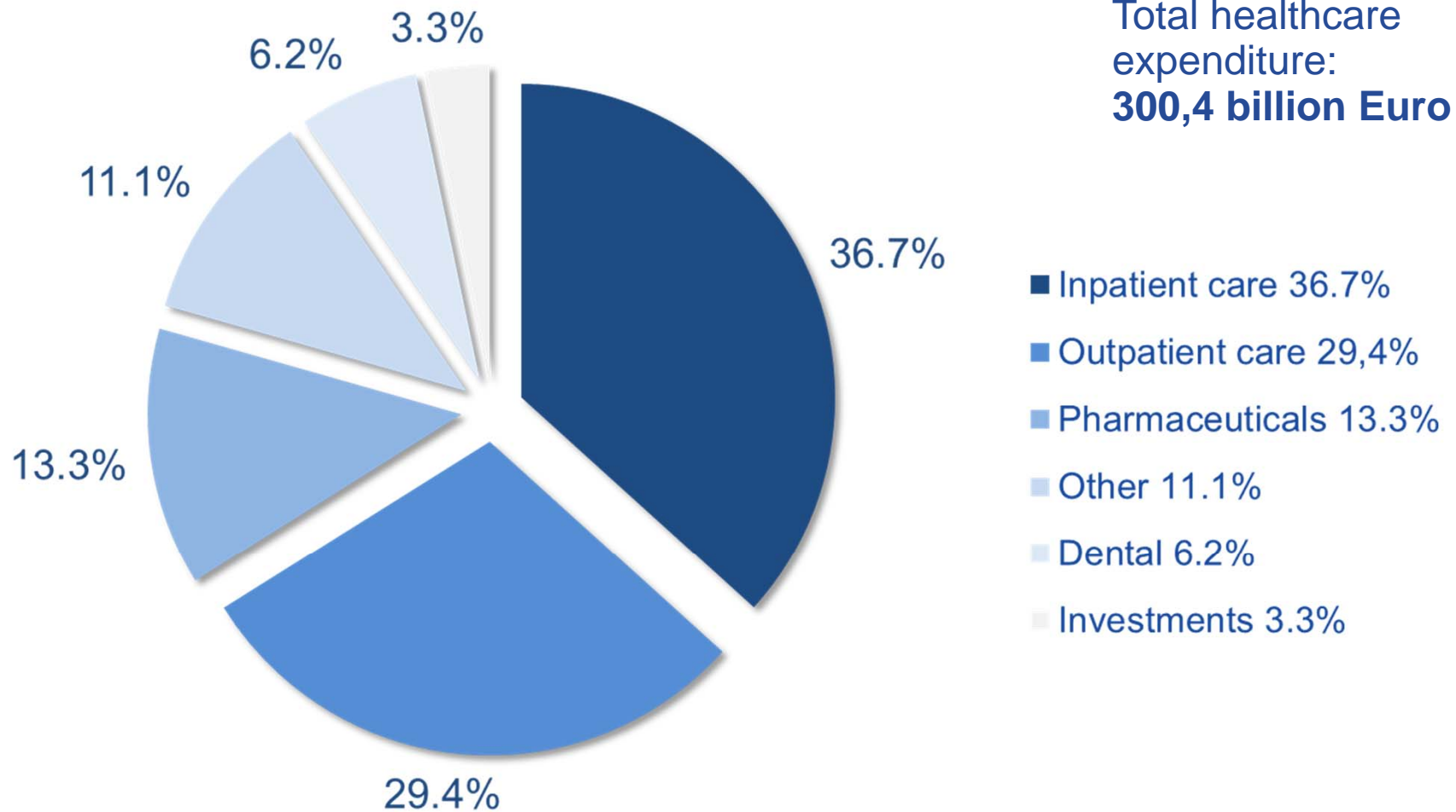
Healthcare Expenditure



- Population 80.5 million
- GDP per capita €32,550
- Expenditure on healthcare:
 - € 3,731 per capita
 - ~ 11.5 % of GDP
 - € 300.4 billion per annum

The German Healthcare System

Total Healthcare Expenditure



The German Healthcare System

Sources of Finance



- 57.4% of total healthcare expenditure financed through statutory health insurance (~6.3% of GDP)
- 13.5% financed by private households, including direct payments and co-payments
- 9.3% financed by private insurance
- 7.65% financed by long-term care insurance
- 4.8% financed by public sources

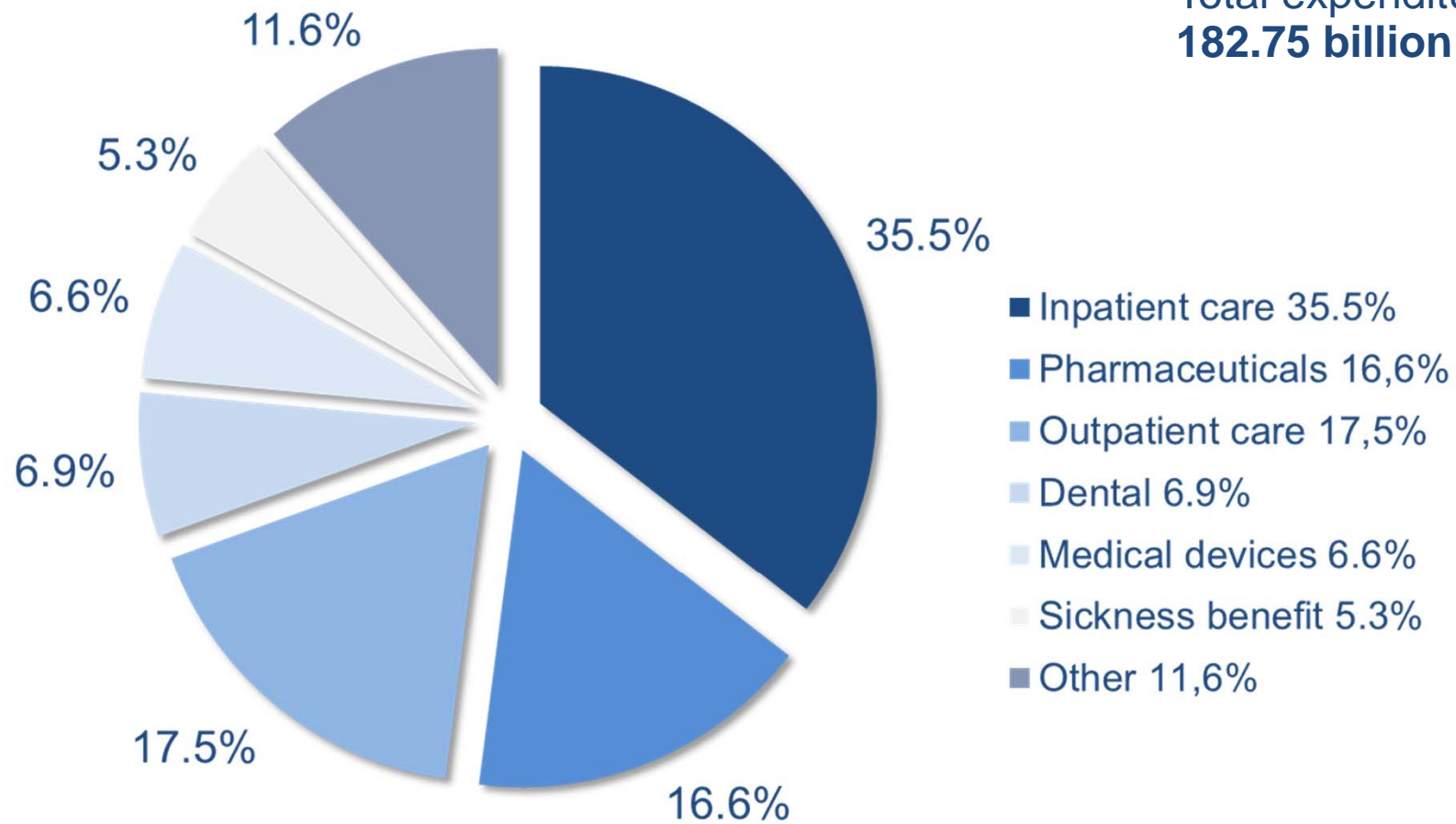


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Statutory Healthcare Expenditure



Total expenditure:
182.75 billion Euro

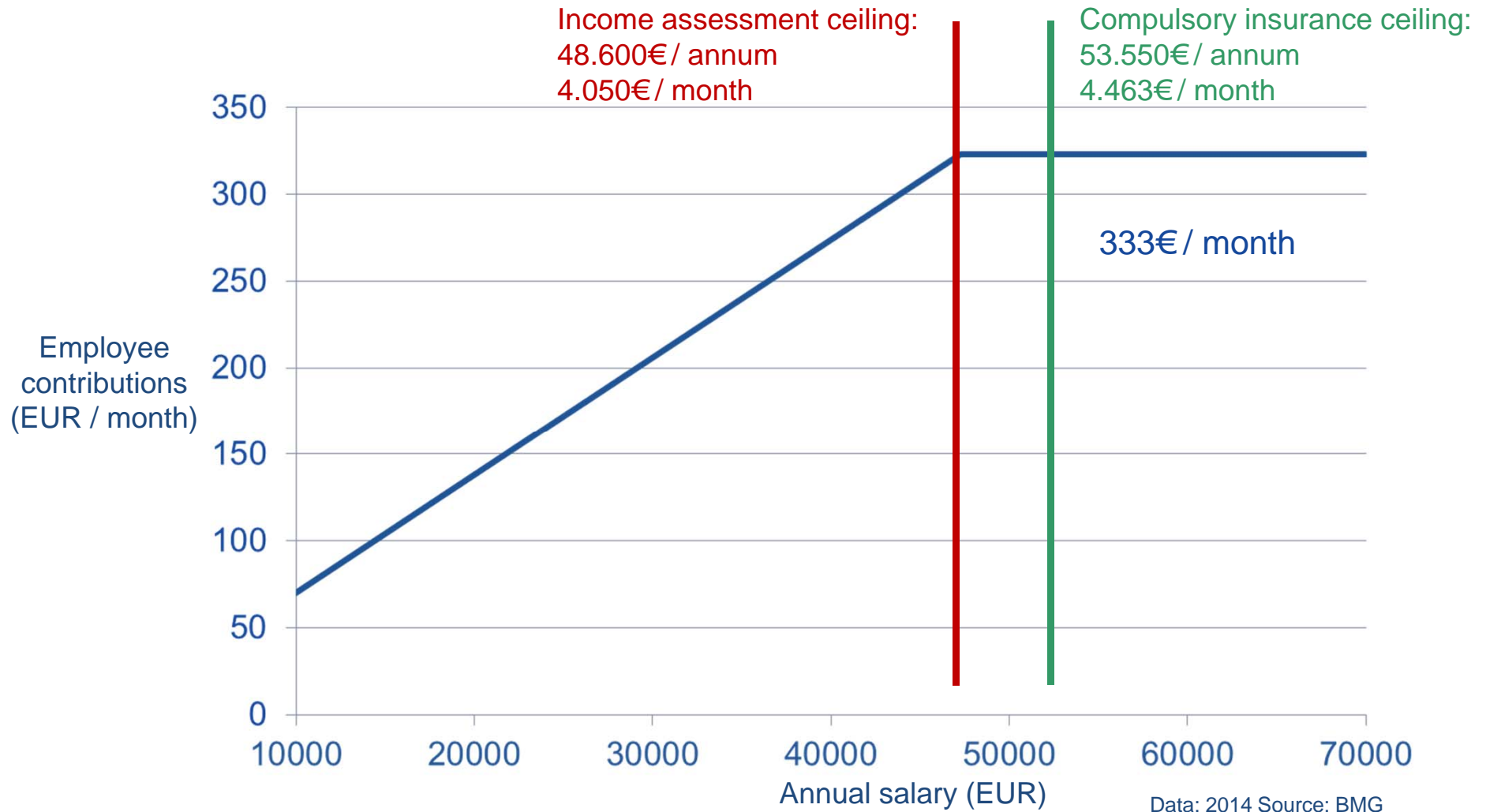


Statutory Health Insurance Membership & Contributions

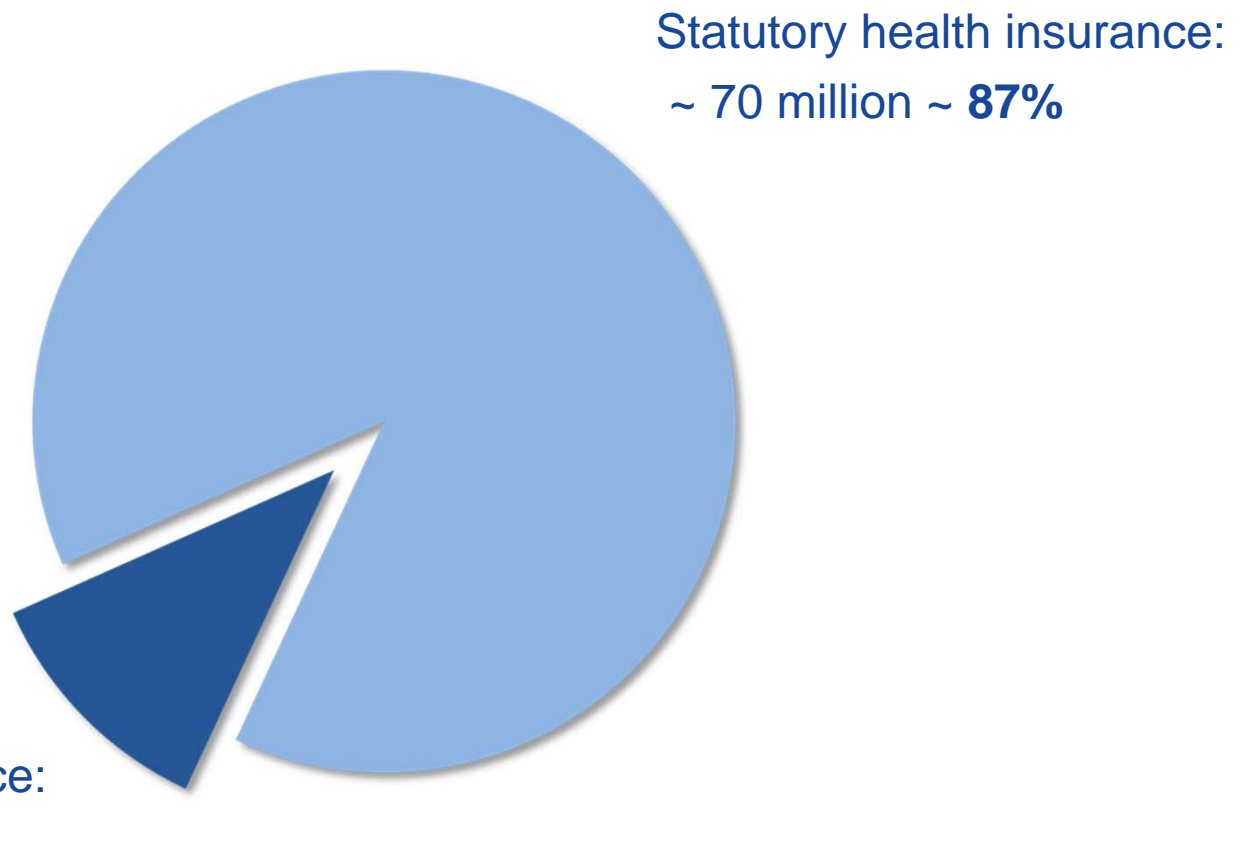


- Contribution rate: standardized since 2009 → 15.5 % of gross income (From 2015 depending on insurance 14.6%)
- Contributions are shared between SHI insured employees (8.2%) and their employers (7.3%) (From 2015 employers 7.3% and employees 7.3% + possible additional %)
- SHI membership is mandatory for employees whose gross income does not exceed a certain level (“Versicherungspflichtgrenze”) : € 53,550 per year or € 4,462.50 per month (2014)
- SHI contributions are not dependent on risk and are proportional to the gross income up to a ceiling (“Beitragsbemessungsgrenze”) of € 48,600 per year or € 4,050 per month (2014)

Statutory Health Insurance Membership & Contributions



The German Healthcare System Insured Persons



The German Healthcare System

Statutory Health Insurance (SHI)



- 87% of the population are covered by SHI
(~70 million people, ~87% mandatory, ~13% voluntary*)
- Non-earning spouses and children included without any extra charge (~17.3 million)
- Number of insurers decreased from more than 1,200 in 1993 to about 132 in 2014
- Free choice among health insurers
- SHI funds are obliged to provide membership to any eligible applicant
- Competitive disadvantages between health insurance funds compensated using morbidity oriented risk-adjustment supplements based on 80 disease groups

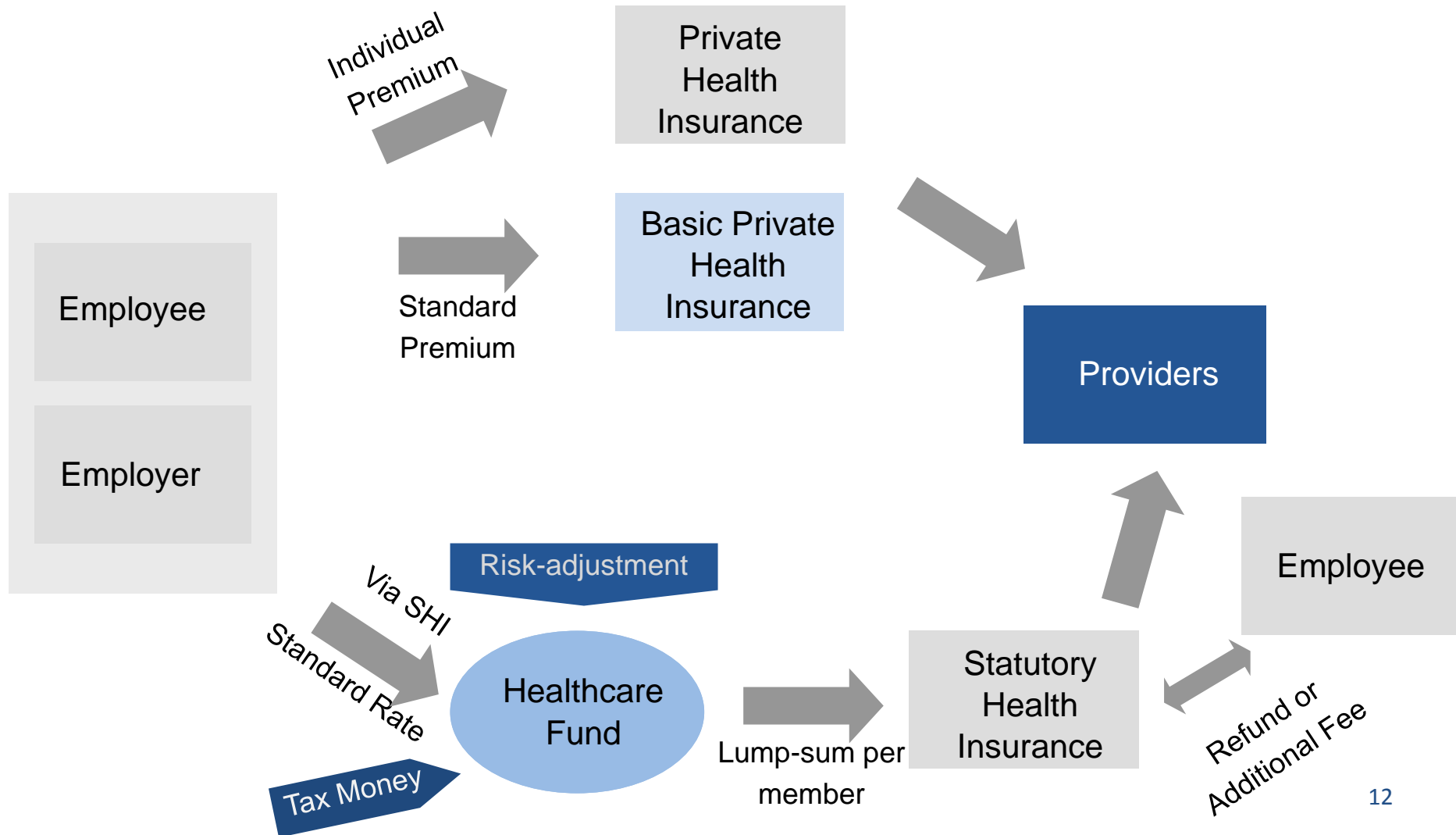
The German Healthcare System

Private Health Insurance



- 11.2% of the population (self-employed, civil servants and high income earners) privately insured
- 21.8% of the population has supplementary private health insurance
- 48 private health insurance companies (risk-oriented premiums)
- “Basic health insurance” packages:
 - Obligation to contract without risk-adjustment of premiums
 - Benefits package similar to SHI
 - Highest premium charged must not exceed max. SHI contribution

Healthcare System Money Flow since 2009



Statutory Health Insurance Consumer Payments



- Private households contribute ~ 14% to total expenditure on health (including direct payments and co-payments)
- 10 € per day as a hospital inpatient (max. 28 days)
- Co-payments for prescription medicine (10%; 5€ - 10€)
- The limit for copayments is set at 2% of annual gross household income (1% for the chronically ill)



The German Healthcare System

Long-term Care Insurance



- Mandatory since 1995
- Contribution rate:
 - 2.05% of gross salary - paid equally by employers and employees
 - + 0.25% for childless - paid by employees
- Entitlement to long-term care benefits depends on need when care is expected to be required for at least 6 months (assessed in three grades)
- Currently 2.4 million people receive benefits every month

One World
One Medical Profession

