



Review of the Swiss health system

Initial draft report

Bern, 10 April 2006

Francesca Colombo, Pascal Zurn and Howard Oxley

Outline

- Background and method.
- Assessment of the performance of the Swiss health system.
- Policies recommendations.

Background

- Part of a series of OECD reviews of health systems (thus far: Korea, Mexico and Finland).
- The Swiss review is being jointly carried out by OECD and WHO.
- Independent assessment of the performance of the health system.
- Aims of the review:
 - Identify strengths and weaknesses of the health system;
 - Evaluate recent reforms and their impact on performance;
 - Identify policies that might help improve performance.

Method

- Assessment of performance against key objectives of health systems.
- Review of administrative data, policy documents, literature, etc.
- Benchmarking against other OECD countries' performance (e.g., *OECD Health Data*).
- Interviews of key stakeholders during mission.
- Peer-review by other OECD countries (Netherlands and Finland).

Assessment of performance and policy recommendations

- Effectiveness
- Access, financial protection and coverage
- Efficiency and financial sustainability
- Systemic issues - governance

A) Effectiveness

- Health status is among the highest in OECD BUT there is an imbalance between health prevention/promotion and cure.
- Perceptions of quality of care are high BUT quality improvement initiatives are uncoordinated; there are few quality indicators.

Policy recommendations:

A1) Prevention

- Design a federal law on public health and prevention.
- Place greater attention on interventions of proven cost-effectiveness (e.g., sin taxes; breast-cancer screening programme).
- Provide incentives to invest in prevention

Policy recommendations:

A2) Quality of care

- Encourage more transparent mechanisms of professional self-regulation.
- Strengthen health-care quality initiatives and the collection of quality indicators at national level.

B) Access to care, financial protection and coverage

- There are few inequities in access to care

BUT

- There are horizontal inequities in health financing.
- Premium growth will raise financing pressures.

- Generous benefit coverage (including LTC)

BUT procedures for defining covered services are inadequate and lack transparency.

Policy recommendations:

B1) Financial protection

- Specify minimum national criteria of social adequacy for premium subsidies.
- Monitor the effectiveness of premium subsidies, exemption policies, ceilings, etc.

Policy recommendations:

B2) Covered services

- Strengthen the use of cost-effectiveness analysis and publish assessment reports.
- Ensure that all medical costs of LTC services are covered by the LAMal and that means-tested systems for coverage of non-medical costs are effective.

C) Efficiency and financial sustainability

- Consumer satisfaction is high and there is willingness to pay for an expensive health system with generous supply and limited constraints on choice.

BUT

- The cost of the health system largely outstrips sluggish GDP growth.
- Value for money in the health system is low.

Policy recommendations:

C1) Financing arrangements

- Encourage mixed payment systems.
- Shift to a single hospital-financing system.
- Set a harder budget constraints on hospitals.
- Redesign cost-sharing policies to encourage cost-effective services.
- Ban doctors' dispensing of pharmaceuticals and open the market to foreign competition.

Policy recommendations:

C2) Regulation of supply

A single insurer?

Implementation challenges.

Increased reliance on insurers' competition?

- Modify the risk adjustment system.
- Allow selective contracting.

BUT first and foremost, establish new accountability and governance arrangements.

D) Systemic/governance issues

- Complicated governance structure.
- Lack of adequate data.
- Little discussion on broader systemic issues.

Policy recommendations:

D) Governance

- Develop a broader legal framework for health at the federal level.
- Organise supply and insurance competition at national or multi-cantonal level.
- Improve information systems.
- Set a regulatory framework to steer competitive markets and ensure accountability.

Conclusions

- The Swiss health system has major achievements to its credit.
- **BUT** these have come at a cost and acceptance of such cost is diminishing.
- To be successful, reforms will require:
 - Some loss of freedom of choice on the part of individuals.
 - Changes in the way the system operates, especially its governance.

Your input...

- Comment on the main findings, the appropriateness of the analysis.
- Identify what issues have not received adequate attention, or were conversely over-emphasised.

Next steps

- The draft report will be finalised taking into account your comments and views.
- We would be grateful for any written comments by 26 Wednesday April to francesca.colombo@oecd.org
international@bag.admin.ch
- The final report will be published in September 2006.