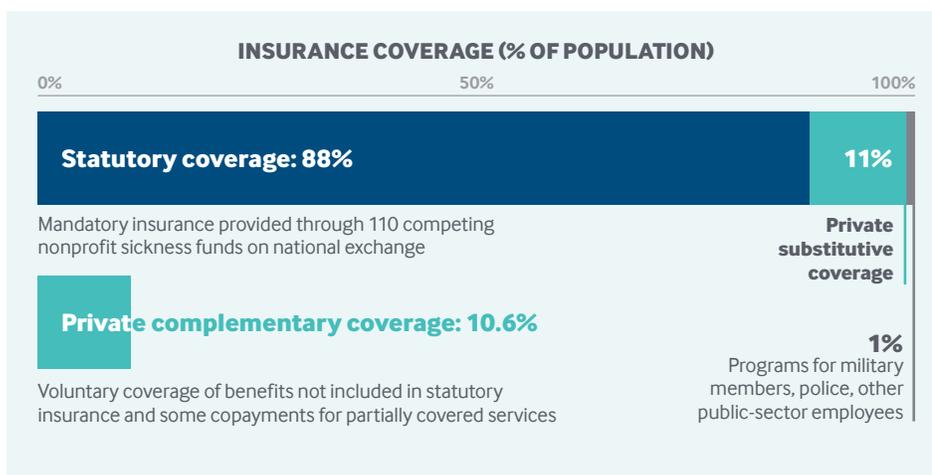


Germany



Health insurance is mandatory in Germany. Approximately 86 percent of the population is enrolled in statutory health insurance (SHI), which provides inpatient, outpatient, mental health, and prescription drug coverage. Administration is handled by nongovernmental insurers known as sickness funds. Government has virtually no role in the direct delivery of health care. Sickness funds are financed through general wage contributions (14.6%) and a dedicated supplementary contribution (1% of wages, on average), both shared by employers and employees, as well as a supplementary income-dependent sum paid by enrollees (1%, on average). Copayments apply to inpatient services and drugs, and sickness funds offer a range of deductibles. Germans earning more than USD 68,000 can opt out of SHI and choose private health insurance instead. There are no government subsidies for private insurance.



HEALTH CARE DELIVERY AND PAYMENT (SHI ONLY)

Primary and outpatient specialist physicians typically work in solo (56%) or dual private practices. Fee-for-service payment negotiated between sickness funds and regional provider associations. Quarterly payment caps limit reimbursement to maximum number of patients and treatments per patient. Patient registration with GP generally not required. Physicians cannot charge above fee schedule for covered services. *Patient cost-sharing*: No fixed fees. No cost-sharing for recommended preventive services.

Specialists are organized and paid as GPs are. *Patient cost-sharing*: Same as GPs.

Hospitals are a roughly equal mix of public and private, with the latter mostly nonprofit. Inpatient care paid through diagnosis-related groups. Hospitals receive supplementary fees to reimburse costs for highly specialized, expensive services (e.g., chemotherapy) and new technologies. *Patient cost-sharing*: USD 12.84 copayment per inpatient day, up to USD 359 per year.

All costs are in U.S. dollars, adjusted for cost-of-living differences.
Conversion rate: USD 1.00 = EUR 0.78.

DEMOGRAPHICS

82.7M

Total population

21.4%

Population age 65+

HEALTH SYSTEM CAPACITY & UTILIZATION

4.3

Practicing physicians per 1,000 population

9.9

Average physician visits per person

12.9

Nurses per 1,000 population

8.0

Hospital beds per 1,000 population

255

Hospital discharges per 1,000 population



The Commonwealth Fund

Prescription drugs are covered under SHI except for some exclusions, mostly lifestyle drugs. *Patient cost-sharing*: 10 percent, or a minimum of USD 6.42, up to a maximum of USD 12.84, or the price of the drug plus the difference between the price and the reference price.

Mental health acute services are provided largely in psychiatric wards in general acute hospitals. Statutory health insurance covers inpatient and ambulatory-based mental health care. Fee-for-service payment is used for ambulatory-based mental health care. Ambulatory psychiatrists coordinate a set of statutory benefits called sociotherapeutic care (which requires referral by a GP), intended to encourage people with chronic mental illness to use necessary care and avoid unnecessary hospitalizations.

Long-term care services are covered separately under mandatory statutory long-term care insurance, funded by 3.05 percent wage contribution (shared by employers and employees). People without children pay an additional 0.25 percent. Home and institutional care delivered mostly by private nonprofit and for-profit providers. Family caregivers receive up to 50 percent of care costs. *Patient cost-sharing*: Long-term care benefits cover approximately 50 percent of institutional care costs. Beneficiaries can choose between free or discounted long-term care services and cash payments.

Safety nets take the form of cost-sharing caps and exemptions. Children under 18 exempt from cost-sharing. Adults have annual cost-sharing cap equal to 2 percent of household income; lowered to 1 percent for chronically ill people who receive recommended counseling or screenings prior to becoming ill. The unemployed contribute to SHI in proportion to unemployment entitlements. Government covers contribution for long-term unemployed.

Care coordination is encouraged through integrated care contracts and disease management programs aimed at improving coordination among ambulatory providers, particularly for chronically ill patients. The Innovation Fund allocates awards for regional care models that promote integrated care, including those targeting vulnerable groups in rural areas.

TOTAL HEALTH EXPENDITURES

In 2017, total health expenditures accounted for 11.5 percent of GDP; 74 percent of these were publicly funded.

RECENT REFORMS

- New bill aims to reduce mandatory contributions to SHI by splitting supplemental income-dependent sum between enrollees and employers; also addresses financial burden that SHI contributions impose on self-employed and small businesses.
- Nursing Staff Strengthening Act (2018) expanded professional duties of nurses in hospitals and long-term care and reformed nursing salaries and working conditions.
- Minimum staffing ratios for nurses initiated in 2019 apply to intensive care, geriatric, cardiology, and trauma surgery hospital units.

This overview was prepared by Miriam Blumel and Reinhard Busse.

SPENDING

\$5,986

Health care spending per capita

\$738

Out-of-pocket health spending per capita

\$823

Spending on pharmaceuticals (prescription and OTC) per capita

HEALTH STATUS & DISEASE BURDEN

81.1

Life expectancy at birth (years)

23.6%

Obesity prevalence

8.3%

Diabetes prevalence

17%

Adults with multiple chronic conditions (2 or more)

Data: 2019 OECD Health Data except: diabetes prevalence from *Health at a Glance 2019* (IDF Atlas 2017 data); adults with 2+ chronic conditions from the 2016 CMWF International Survey.