



BMF

**FEDERAL MINISTRY
OF FINANCE**

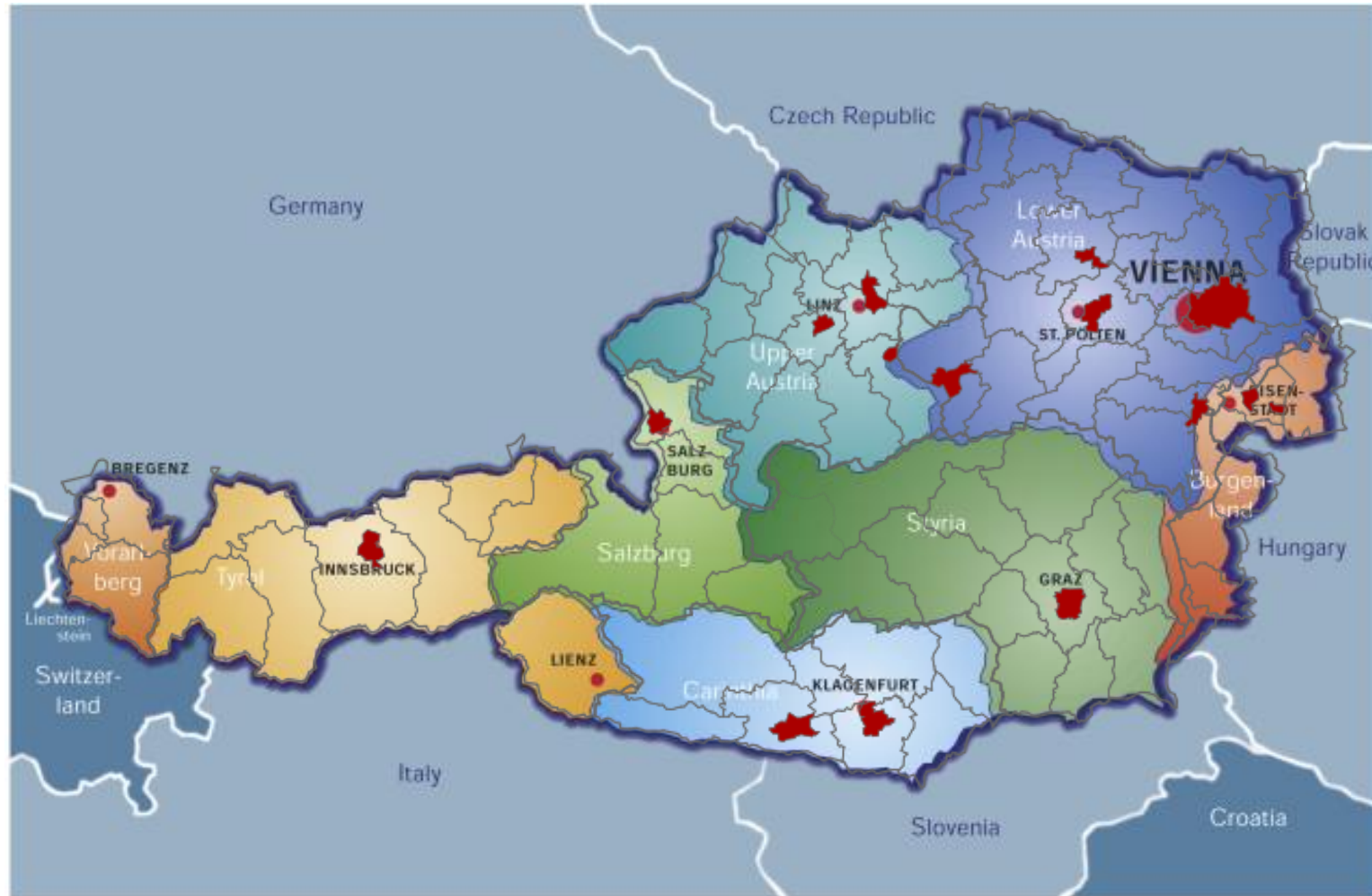
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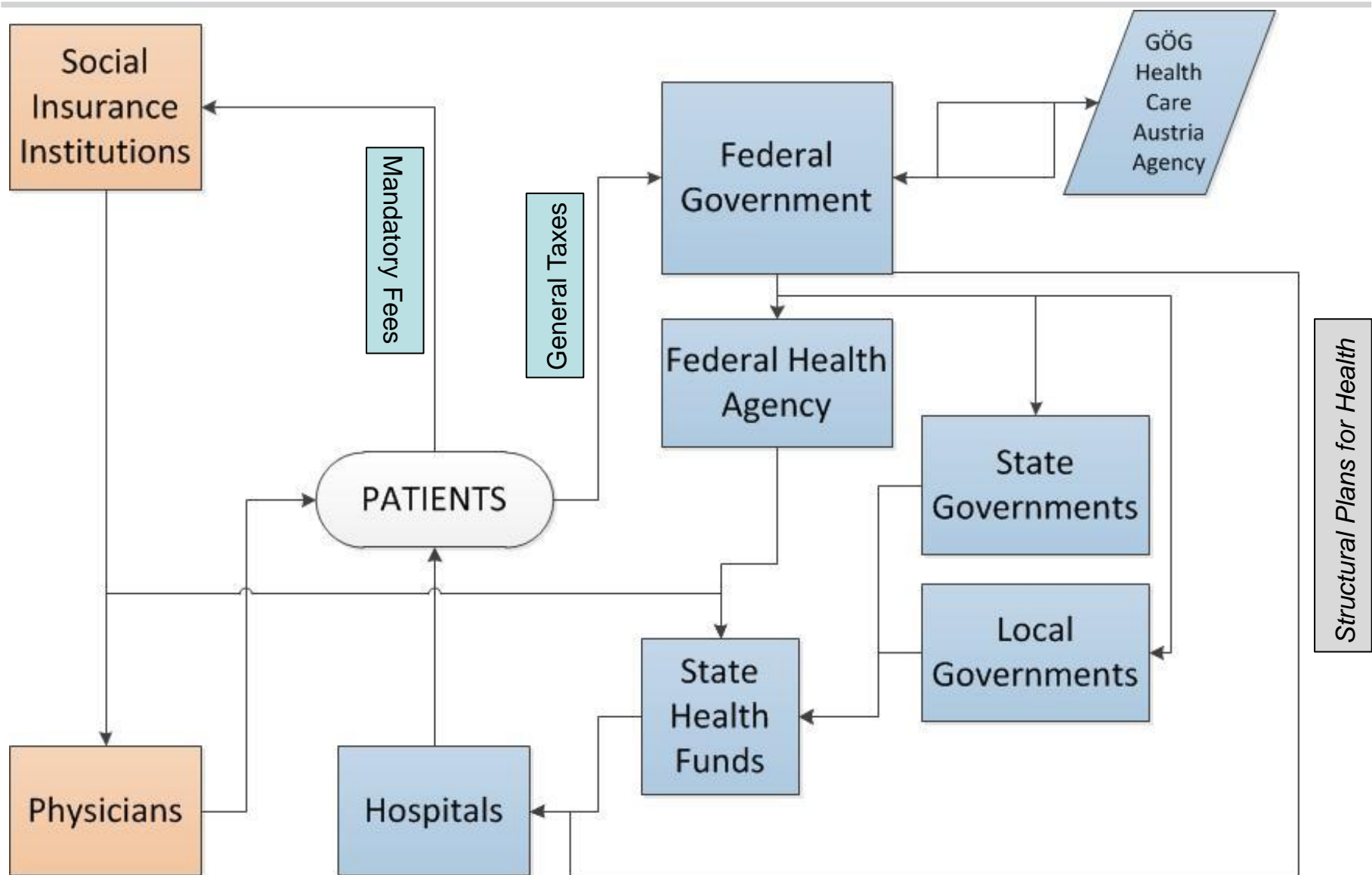
Health Care Expenditures in Austria – challenges and possible solutions

General background - HC in AT

- **federal level, 9 countries, 80 counties, 15 cities**



A fragmented system



Today, roughly 8.3 million people (98.3 % of the population) are protected by the Social Health Insurance (independent administration; 23 different bodies including federal, 9 regional, 5 professional and 8 company):

Preventive care

– „Mother-Child Passport“; medical examinations for young persons; annual medical examinations

Sickness

– treatment by doctors and dentists; hospital care; medicines; home medical care; psychotherapy; clinical psychology; medical rehabilitation; ergotherapy; sickness benefit; reimbursement (e.g. doctor of one's choice); contributions towards expenses (e.g. dentures)

Health aids (e.g. shoe inserts) and aids for the disabled (e.g. wheelchairs)

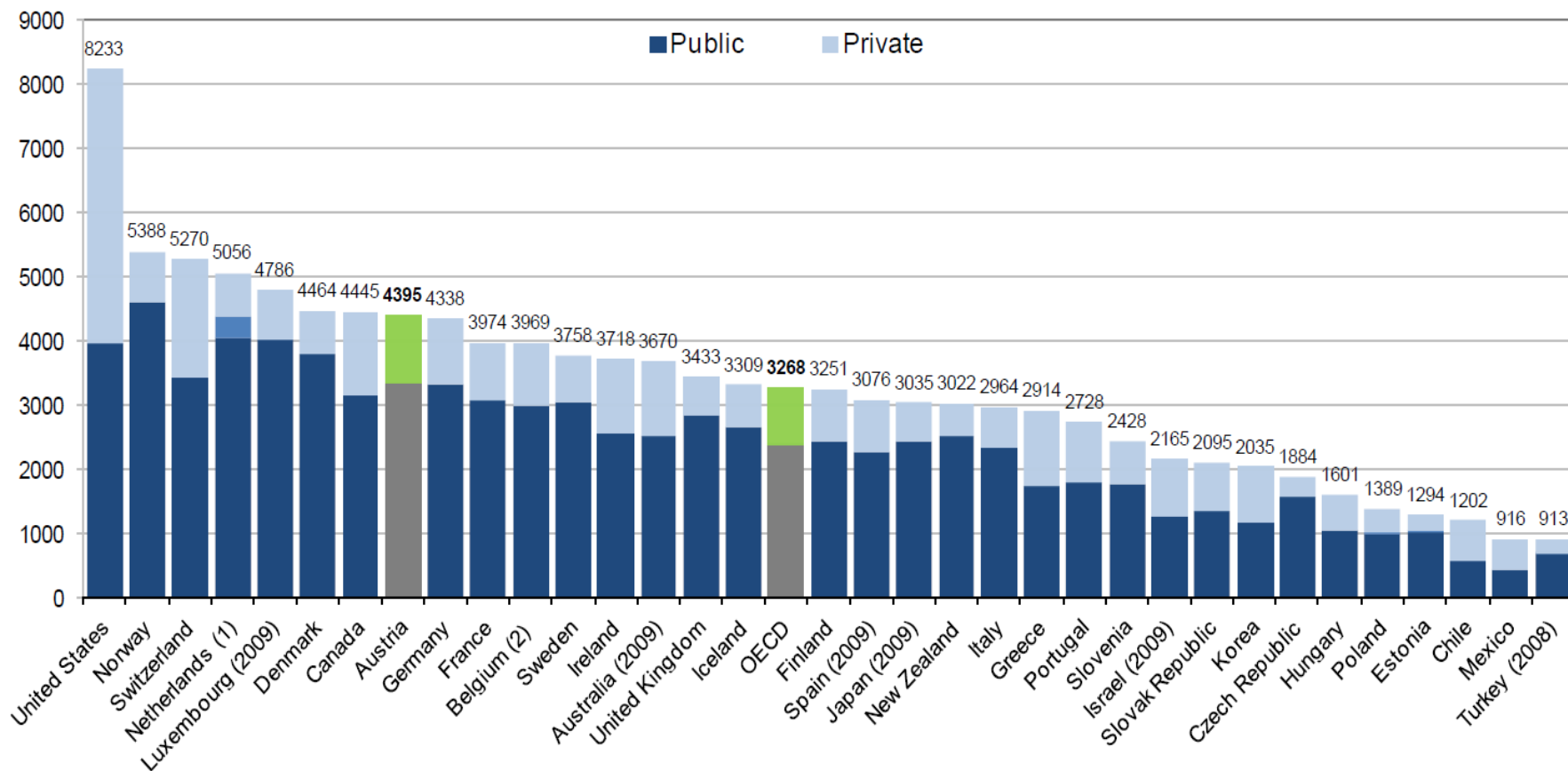
Maternity

– hospital care; maternity allowance

Total health expenditure per capita, public and private, 2010

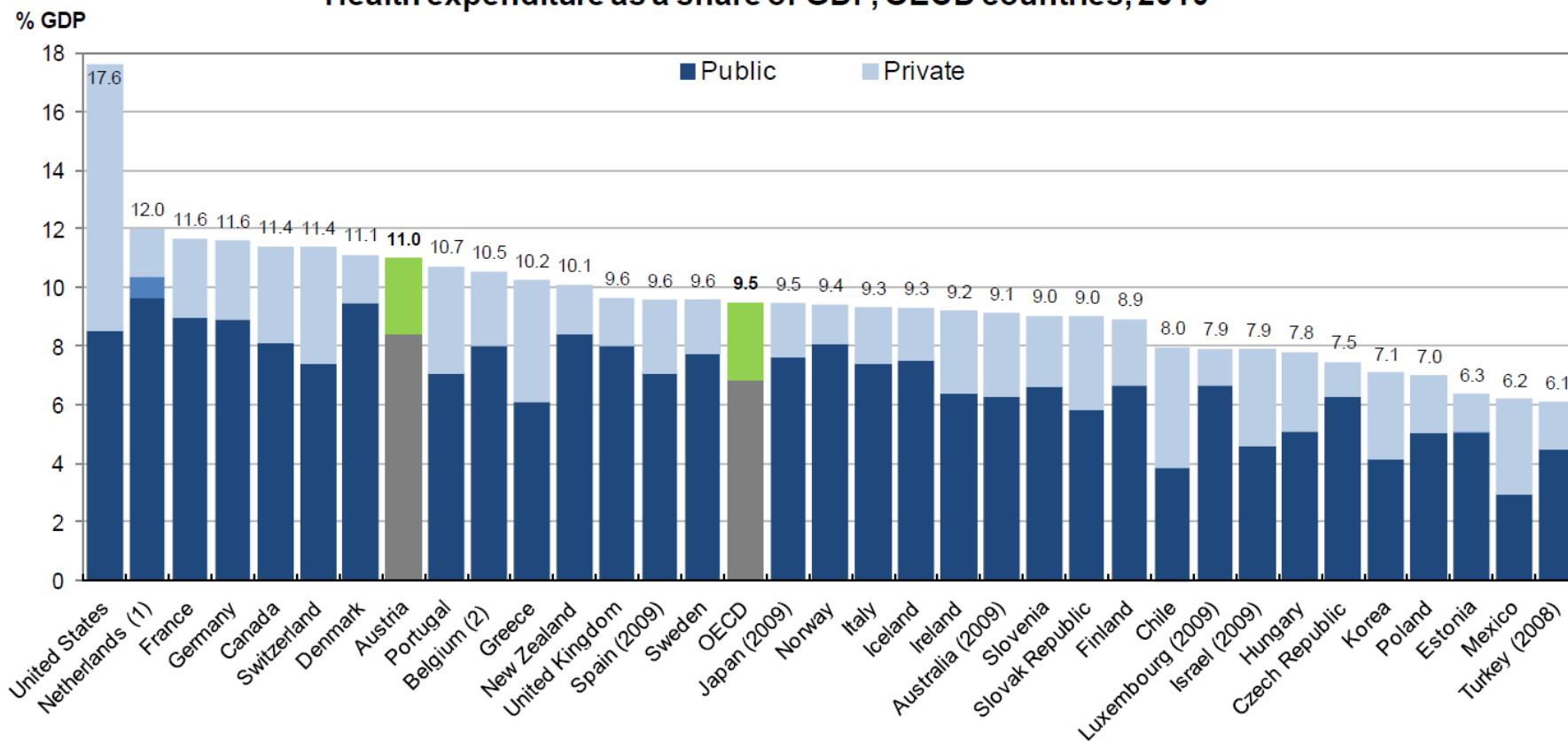
Health expenditure per capita, public and private expenditure, OECD countries, 2010

US\$ PPP per capita



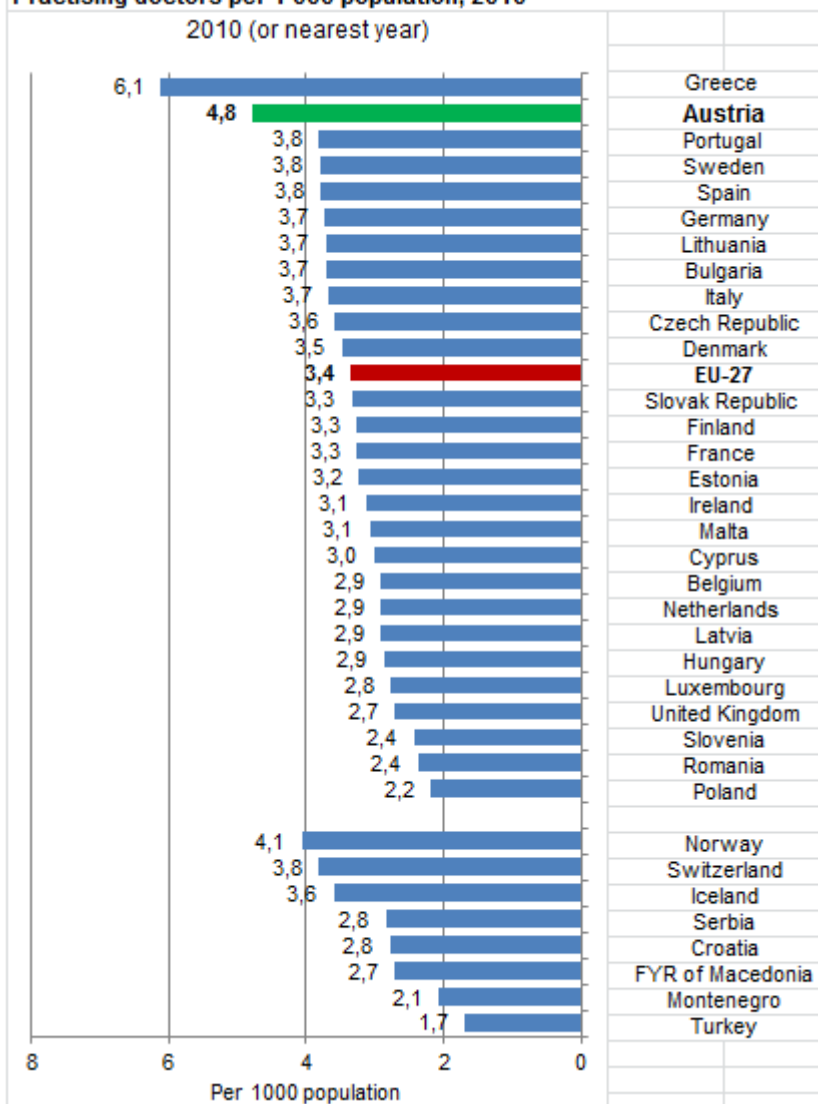
Total health expenditure as a share of GDP, 2009

Health expenditure as a share of GDP, OECD countries, 2010



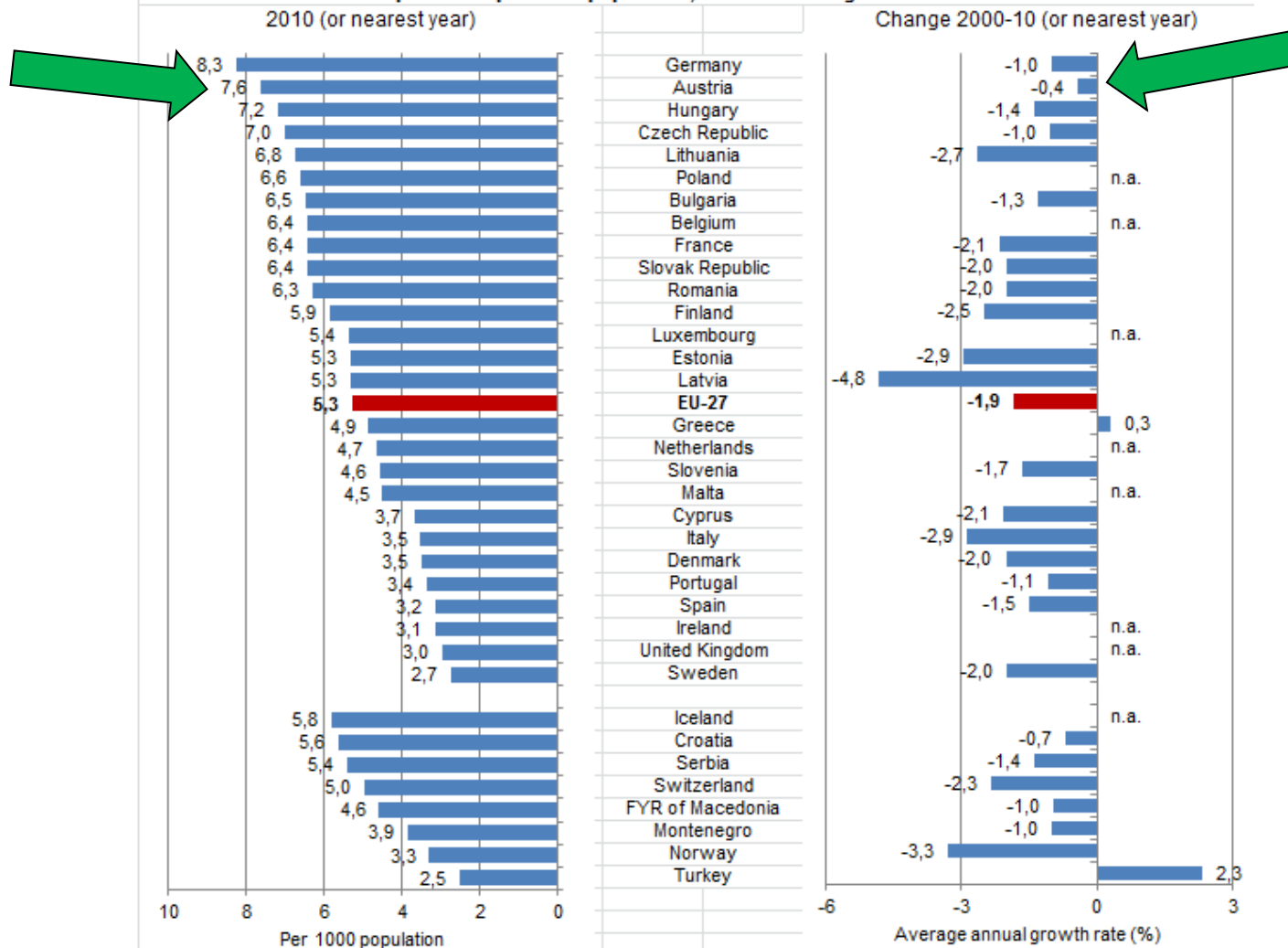
Doctors per population, 2010

Practising doctors per 1 000 population, 2010
2010 (or nearest year)



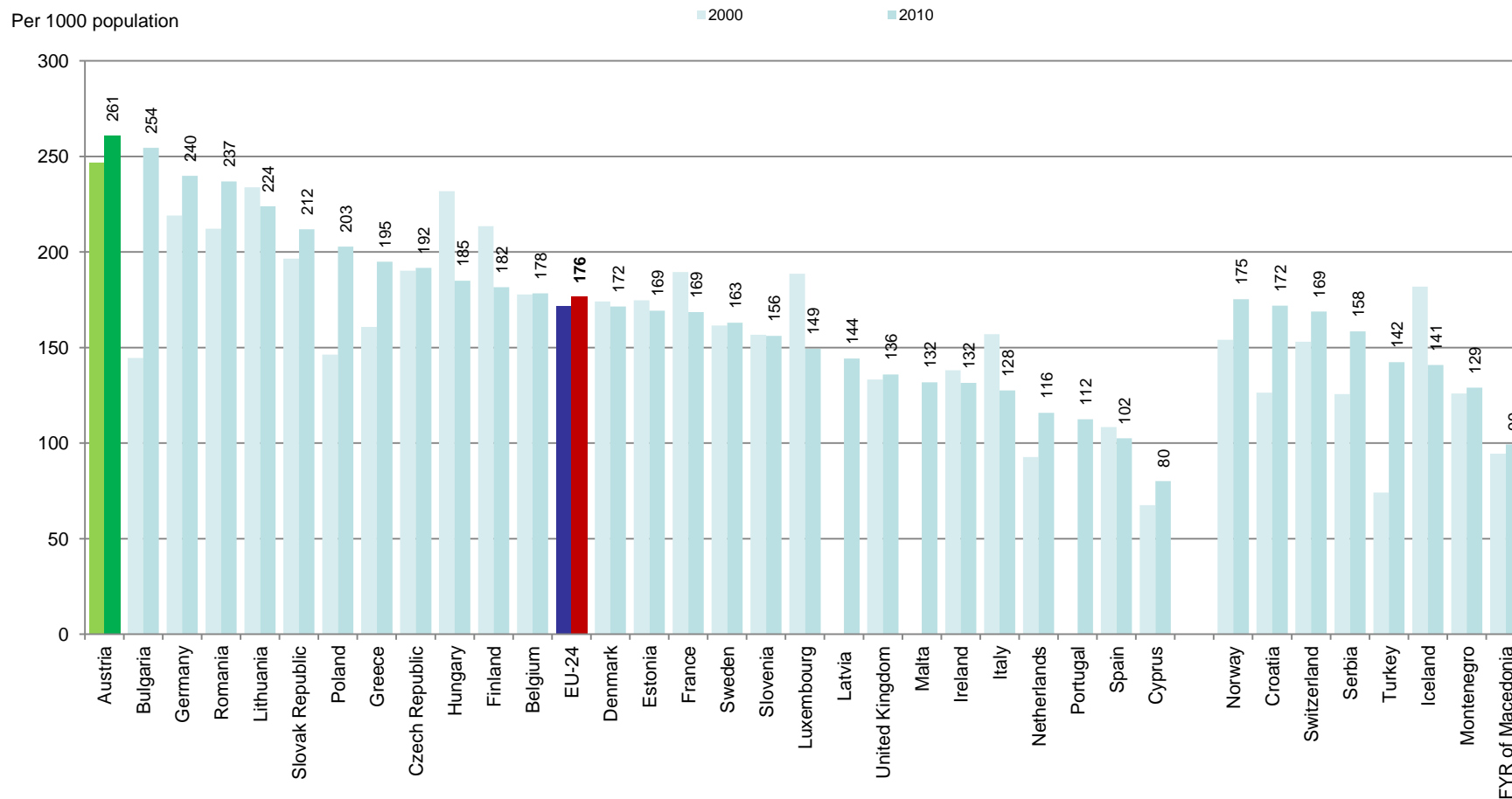
Hospital beds, 2010

3.5.1. Hospital beds per 1000 population, 2010 and change between 2000 and 2010



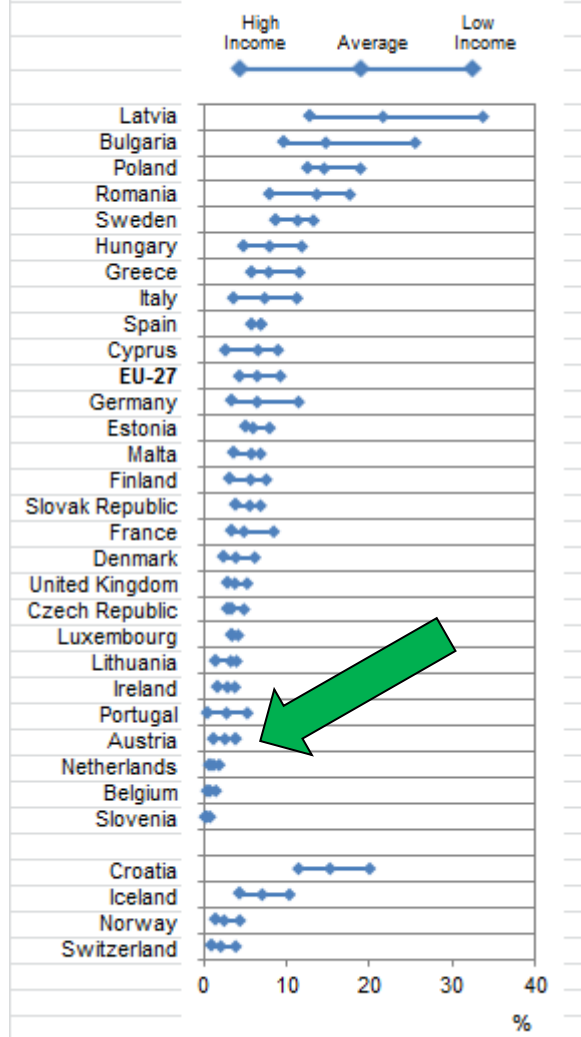
Source: OECD Health Data 2012; Eurostat Statistics Database; WHO European Health For All Database.

Hospital discharges, 2010



Equitable access!

3.12.1. Unmet need for a medical examination, by income quintile, 2010



Source: Eurostat Statistics Database, based on EU-SILC.

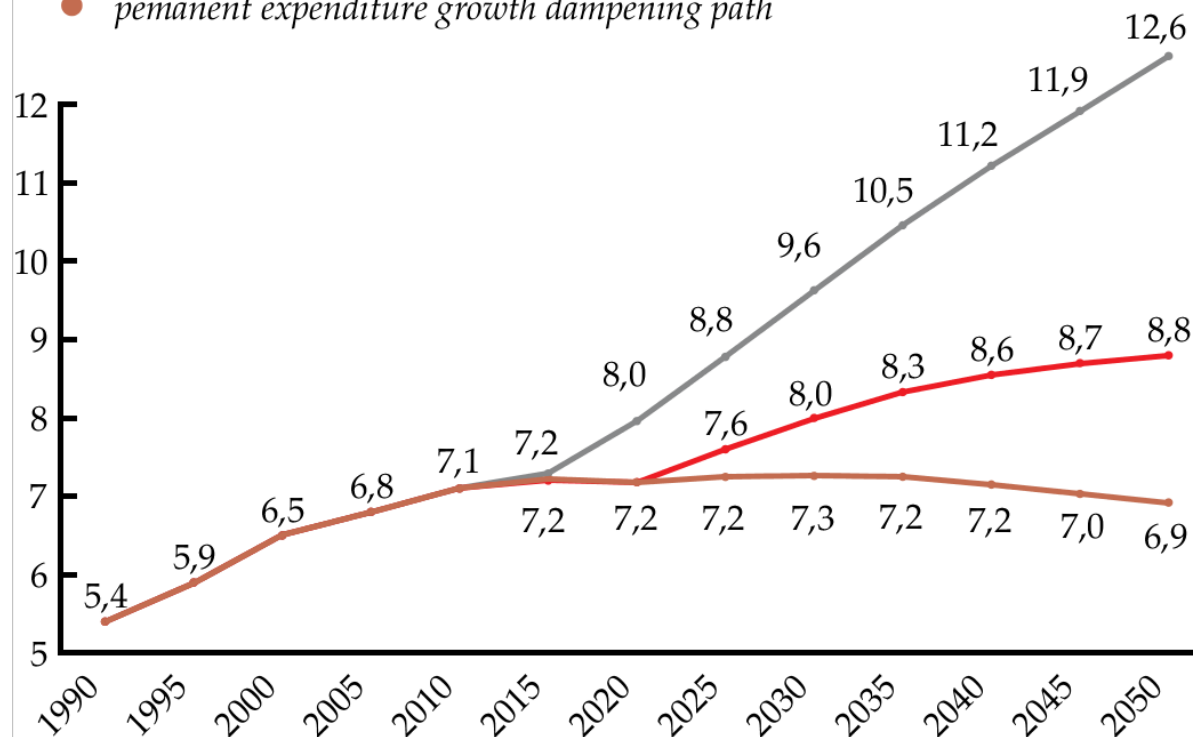
- Degree of equity in accessing services is very high
- Low differences in unmet need for medical examination between low and high income groups

Challenges ahead

Scenarios for Austria's public HC expenditures

% of GDP

- *high non-demographic costs*
- *basic scenario*
- *permanent expenditure growth dampening path*



Source: WIFO - DELTA BUDGET

- **EC Ageing Report (2012)** : 7.4 – 9.1 % of GDP (2010-2060); HC +1.7 %
- **Austrian long-term model (2013)**: 7.1 – 8.8 % of GDP (2011 – 2060); HC +1.7 %
- **IMF Fiscal Monitor (2012, but based on a 2010 working paper)**: HC +3.2 % (2010-2030)

Reforms in last 10 years

- **Measures taken:**
 - **Gate keeping** (compulsory referral)
 - **Market mechanism:** Choice of provider
 - Reform of **Regional Health Insurance Funds:**
Cancellation of debt
 - **Performance-oriented financing** of hospitals
(inpatient sector only)
 - **ELGA:** Electronic health record system for all patients
starting in 2015

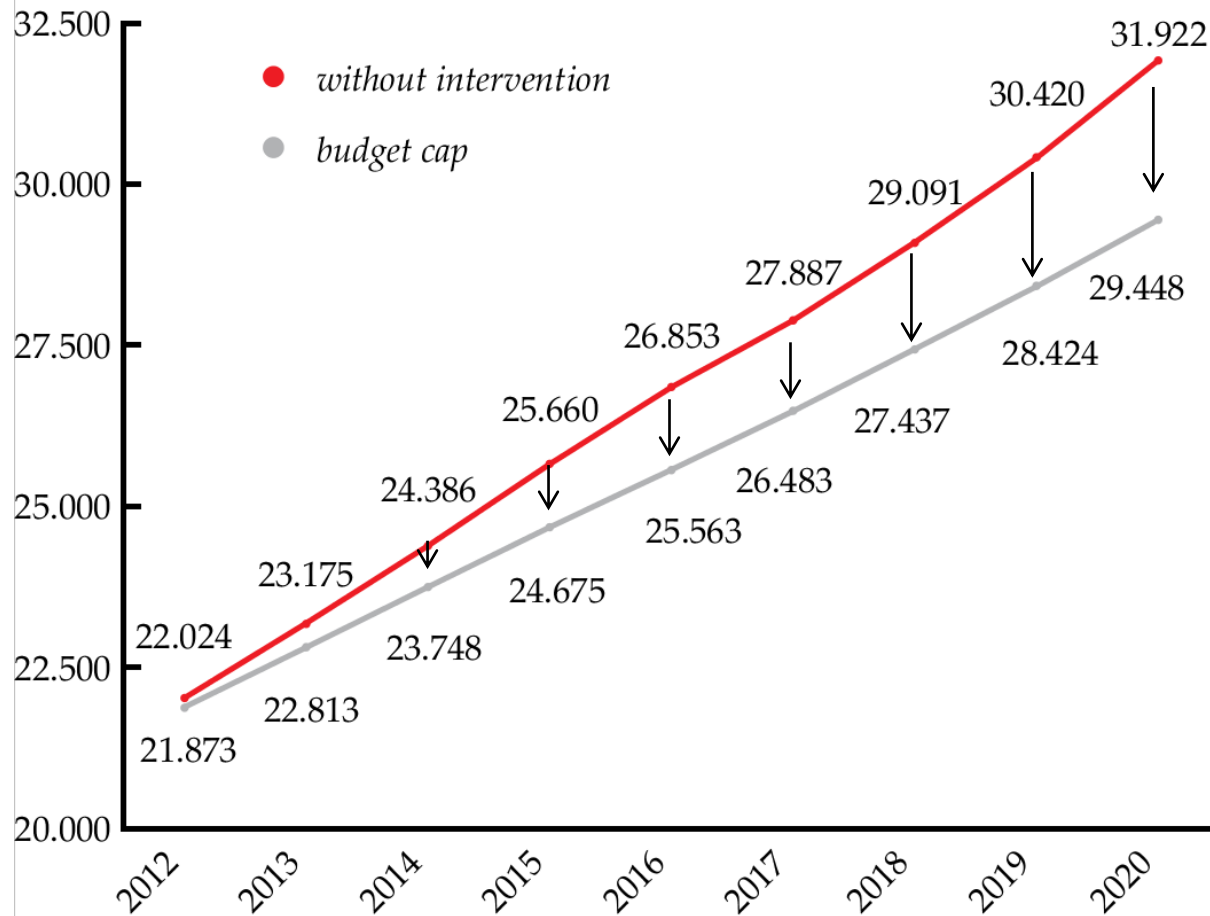
Health Care Reform 2012

Mix of macro-level controls and micro-level reforms:

- Global **expenditure ceiling**
(*"Health expenditure dampening path"*)
- Promote multi-professional and integrated delivery models, optimize organization of health care and enhance cooperation between stakeholders:
better coordination of public management
- **Monitoring** to achieve objectives (GÖG)
- Expand health **prevention**

Agreed HC expenditure cap

Scenarios for Austria's public HC expenditures
in million EUR



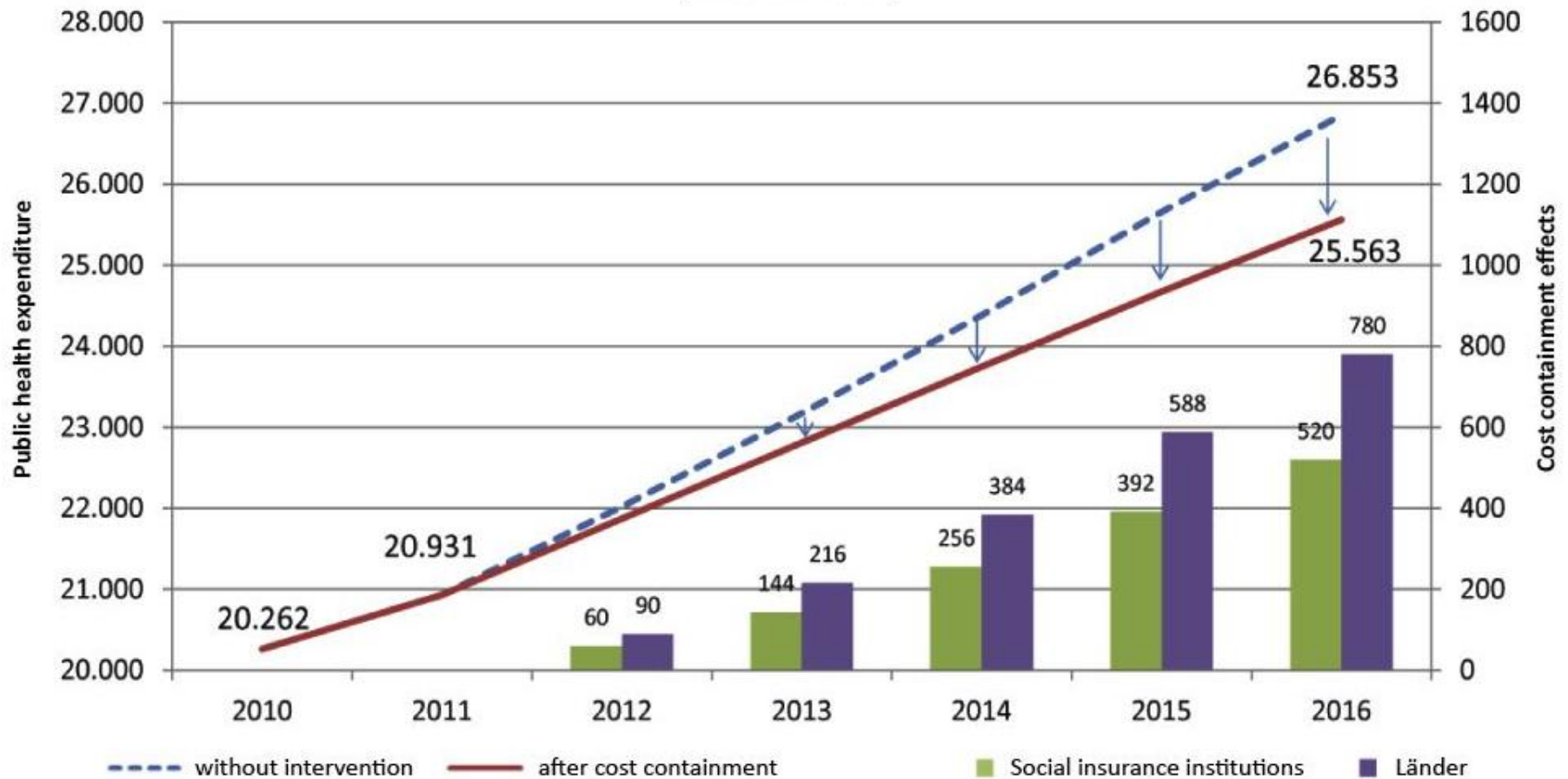
Source: GÖG

All concerned
social partners are
on board:

- Health insurance system
- Local, state and federal government

Agreed HC expenditure cap

Public health expenditure (without long-term care)
(in EUR millions)



- **Possible measures to be taken:**
 - **Hospitals:** less patients and shorter stays; focus on outpatient departments
 - **Prevention** and (workplace) **health promotion**
 - **Performance-oriented** financing of hospitals for all sectors (status quo: only inpatient services)
 - **Performance-oriented** management of intra- & extramural areas
 - **Best point of practice** (gate keeping)

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- Schiman/Orischnig (2012), *Coping with Potential Impacts of Ageing on Public Finances in Austria: The Demography-based Economic Long-term Model for Austria ´s Public Finances - Assumption Report*,
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- Health in Transition – Austria (2006): <http://www.euro.who.int/en/who-we-are/partners/observatory/health-systems-in-transition-hit-series/countries-and-subregions/austria-hit-2006> (currently updated)
- European Commission (2012): *The 2012 Ageing Report*, European Economy 2/2012:
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Thank you for your attention!

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