HealthManagement
Promoting Management and Leadership

Volume 2 / Issue 1 Spring 2007 - Country Focus:Netherlands

Healthcare Reforms and IT

Ovarview

Recent healthcare reforms in the Netherlands have been relatively radical.

The State has been replaced as the central player in day-to-day operation of the healthcare system by private health suppliers, although the government remains responsible for accessibility and quality of healthcare. Alongside, the previous difference between public and private health insurance has been abolished.

From January 1, 2006, all adult residents have been obliged to purchase basic health insurance from a private insurance firm. This obligation is balanced by a corresponding commitment made on the part of insurers - who cannot reject applicants for the basic package. The price for the basic package, about 1,100 Euros a year, is fixed by the government. However, fees charged by insurers varies, and this has led to a significant degree of competition - as well as shopping by customers (in 2006, one of six policyholders changed their insurer).

The basic package covers medical and dental care, hospitalisation, and a variety of medical appliances, pharmaceuticals and paramedical care. Additional (or complementing) insurance can be purchased to cover requirements beyond the basic package; this type of cover, however, leaves insurance companies free to set prices, and reject applicants.

Since several years, the Dutch authorities have been concerned about the mounting pressures on healthcare finances – not least due to an ageing population. Overall, recent reforms are meant to provide incentives to patients, insurers and the broader healthcare industry (from pharmaceutical companies to hospitals) to become cost conscious.

Initial results endorse the reforms. Agreements with the pharmaceutical industry has seen the overall costs of generic drugs falling by about 40 per cent, and for the first time in decades, expenditure on prescription medication fell year-on-year.

Meanwhile, as discussed below, pressures have also mounted on hospitals to operate more efficiently - in other words, to treat “a greater number of patients for the same (amount of) money,” in the words of Dutch Health Minister Hans Hoogervorst at a conference on healthcare reform in Budapest at the end of January.

Some have complained that healthcare in the Netherlands, previously considered ‘free’, has become more expensive after the reforms. But the Welfare State has hardly disappeared. For the lowest income categories of the population, the government offers a ‘zorgtoeslag’ (care grant).

Sailent Points About the Healthcare System in the Netherlands

îThe share of healthcare in GDP and per capita health care costs in the Netherlands are higher than the EU (15) and the OECD average.

îThe number of hospital discharges per full time employee (a key measure of hospital productivity) is lower than in neighbouring Belgium, Germany and Luxembourg.

îThe Netherlands has a very low share of physicians and a high proportion of nurses, compared to the European average. Per 100,000 population, physician numbers in the Netherlands stands at 192, the lowest in the European Union (with the possible exception of some new Members). In France, Germany and Spain the number is approximately 65% higher.

î In contrast, the number of nurses working in the Netherlands is relatively high, at 1,381 per 100,000 population, or 85% over the European average (according to 2002 figures available from the EU Commission). However, the country is by no means at the top of the EU table, an honour accorded to Finland (with 2,168 per 100,000); it is also outranked by Denmark and Ireland.

E-Health in the Netherlands – An Overview

A variety of research and investigative studies in the Netherlands have sought to assess the impact of IT on health care services. Some key findings:

î One out of two GPs routinely use the EVS electronic prescription system. 84% already had access in 2002.

î IT has contributed to a rise in the rate of one-day surgeries.

î Personalised healthcare education via IT shows a high rate of response from patients, but involves little extra work for the GP.

î One highly-promising IT application in healthcare is to facilitate the selection of high-risk patients in targeted prevention campaigns.

î Teledermatology has resulted in a decline in referrals to dermatologist.

î Overall, key drivers for e-Health lie in perceptions of more efficiency and cost savings. A significant trend here is ‘extramuralisering’– to shift care from hospitals to living at home. This is reinforced by growing healthcare demands (about 3% a year in 2000, according to official estimates), due to an ageing population.

î Data silos in hospitals are seen as a key reason for problems in effective healthcare delivery.

Published on : Sat, 21 Apr 2007