



# GLC on Health Care

## Health Care in Germany and some related thoughts

From the flyer advertizing this event:

**Holger Meyer** *grew up in Germany and never thought about health insurance until he lived in other countries. A physicist, not a physician, he will provide the German perspective.*



# Health Care is a Human Right

- United Nations “Universal Declaration of Human Rights” article 25

- Adopted 10 Dec. 1948
- Became international law in 1976

Article 25 1. Everyone has the right to a standard of living adequate for the health and well-being of himself and of his family, including food, clothing, housing and medical care and necessary social services, and the right to security in the event of unemployment, sickness, disability, widowhood, old age or other lack of livelihood in circumstances beyond his control.  
2. Motherhood and childhood are entitled to special care and assistance. All children, whether born in or out of wedlock, shall enjoy the same social protection.

- International Covenant on Economic, Social and Cultural Rights

- US signed, but never ratified
- Pretty much everybody else did





# German Health Care System

- Dating back to Otto von Bismarck's social legislation:
  - Health Insurance Bill of 1883
  - Also: Accident Insurance Bill of 1884 and Old Age and Disability Insurance Bill of 1889
- Today: Universal multi-payer system
  - “Gesetzliche Krankenversicherung” (law-enforced health insurance) (a.k.a. sickness funds)
  - Or optionally “Private Krankenversicherung”



# German Health Care System

- Decentralized
  - Non-profit independent hospitals
  - Independent physicians and practices
  - ~1100 public or private sickness funds (only a few large ones)
- Provides good coverage at a reasonable cost
  - Life expectancy 78/83 years (m/f)
    - US: 76/81 years
  - \$4617 per capita, 11.3% GDP (2012)
    - US: \$8895 per capita, 17.9% (2012)
  - Co-pay introduced in 1980, still low today



# What it really means

- My friend during high school lost a few fingers to his curiosity about chemistry and explosives
  - He got great care, emergency and follow-up surgeries.
  - We didn't hold any bake-sales to pay hospital bills
- Another friend here in the US got cancer when I was a student.
  - It was detected early, prognosis for complete cure after surgery was good
  - Cost was prohibitive to the patient. She did not receive the surgery and died ~18 months later.



# Issues in German Health care

- The decentralized system has some inefficiencies. Germany currently tries to address these with a central 'electronic health card' (Elektronische Gesundheitskarte)
  - How does privacy get maintained, who has access to the data?
    - Share more data between physicians and hospitals and pharmacies automatically and in a standardized, compatible way vs. the ability of the patient to manage who learns about his/her health history
  - This has been going on for years.



# Bigger picture

- There is a difference in philosophy
  - US:
    - Personal freedom above all else
  - Germany:
    - Responsibility of the individual in society and of society toward the individual
- This does not just impact who pays how
  - Also impacts for example how to deal with mental illness
    - US: 'Freedom' to be mentally ill – inability to force treatment even if deemed useful to the patient
    - Germany: Obligation of society to intervene in the interest of a mentally ill person, declare incompetent by court, commit to psychiatric hospital
      - Abuse is possible, see for example the Gustl Mollath case