

Trends in out-of-pocket payments in 22 European countries

The last 20 years, healthcare reforms in various European countries seem to converge, but a single healthcare system in Europe is not realistic. Healthcare is a national matter, because a healthcare system highly dependent and embedded in the history of a country, national culture, political circumstances, economic context, social system and other circumstances. However, legislation and reforms are increasingly looking beyond their own national borders.

Four studies (1997, 2007, 2018 and 2019)¹ describe the healthcare system of 11 and 22 European countries. The series of articles will discuss trends in the past 20 years:

- *Decrease growth healthcare expenditure in the USA and Europe*
 - *Reform trends: from (macro) cost-control to market elements*
 - *Towards a stronger primary care*
 - *From financing healthcare providers to clients*
 - *Out-of-pocket payments in European countries studied*
 - *Which country has the best healthcare system?*
-

For 20 years, out-of-pocket payments for healthcare use have been part of the reform policy in all European countries studied. With the introduction and increase/decrease of out-of-pocket payments (and reduction of the basic-package), an attempt is made to curb healthcare use, promote efficiency and thereby control costs. In order to reduce negative effects, specific population groups (pregnant women, children, the chronically ill, low-income) and certain care (such as preventive care, maternity care) are often exempted from out-of-pocket payments.

The introduction or increase of out-of-pocket payments and the reduction of the basic-package has been the subject of many political debates for years. Scientific studies are not clear about their effect (inhibitory effect, procrastination, etc.).

Basic-package

All European countries studied have a nationally determined basic-package that includes preventive care, outpatient care, medicines, hospital care, rehabilitation, home care, maternity care etc.

Dental care is not (or partly) included in the basic-package in most countries. Some countries have an exception for children up to the age of 18 (Belgium, the Netherlands and Denmark).

In some countries (such as Austria), care in kind is provided by contracted care providers. If one opts for non-contracted care providers, the costs themselves must first be paid and often not all costs are reimbursed.

In almost all countries, out-of-pocket payments are required for medicines (positive/negative lists, categories of out-of-pocket payments) and extramural care, such as consultations with general practitioners and ambulatory medical specialists.

For a stay in hospitals, out-of-pocket payments are required in a few countries (Belgium, Germany, Austria, Czech Republic, Ireland). For a more luxurious hospital stay (single rooms) extra out-of-pocket payments apply in a few countries (Romania, Slovakia, Turkey, Belgium and the like).

Paramedical care (physiotherapy, speech therapy, etc.), rehabilitation, aids and visual aids (glasses, lenses) also often have out-of-pocket payments.

All countries have set a limit for maximum out-of-pocket payments per year and specific groups are (partially) exempted.

For uninsured care and out-of-pocket payments, private insurance is offered in all countries, with different coverage, premiums and conditions.

Out-of-pocket payments include all direct payments made by private individuals to healthcare providers at the time of use. This does not include prepayments for healthcare services, such as in the form of taxes or (specific) insurance premiums. Countries such as Poland, Romania and Turkey also have informal personal payments to healthcare providers. The amount of informal contributions is not known and is not included in the calculations of own payments.

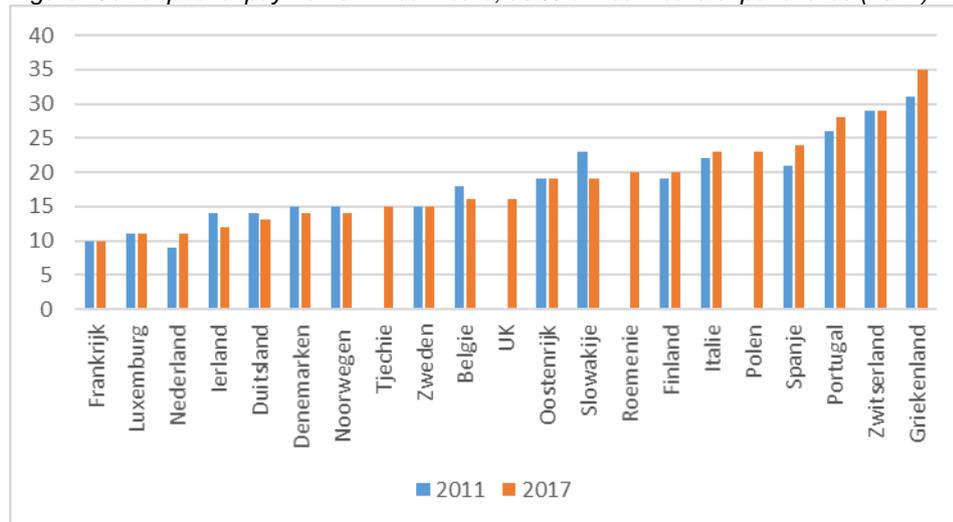
¹ Healthcare in Europe 1997, 2007, 2018 en 2019. The finance and reimbursement systems of 11/22 European countries: Austria, Belgium, Czech Republic, Denmark, Finland, France, Germany, Greece, Ireland, Italy, Luxembourg, the Netherlands, Norway, , Poland, Portugal, Romania, Slovakia, Spain, Sweden, Switzerland ,Turkey, UK.

Amount of out-of-pocket payments

In the Netherlands and Luxembourg (11%, 2017) out-of-pocket payments (% total healthcare expenditure) are low compared to the other 22 European countries studied. Out-of-pocket payments are the lowest in France. Greece, Switzerland, Portugal, Spain and Poland have the highest out-of-pocket payments.

In recent years the level of out-of-pocket payments has remained fairly stable. If we look at the past 6 years, we see the largest increases in Greece (4%), Spain (3%) and Portugal (2%) and the largest decrease in Slovakia (4.5%). In Greece, Spain and Portugal, the increase in out-of-pocket payments is probably a response to the financial crises of 2008/2009.

Figure: Out-of-pocket payments in healthcare, as % of healthcare expenditures (2017)



Eurostat Database, extracted September 2019, it concerns rounded figures
The 2011 data are not available for the Czech Republic, UK, Romania and Poland

Which services out-of-pocket payments?

In most countries, the majority of out-of-pocket payments are paid for medicines and outpatient care (primary care, outpatient care, home care), followed by dental care and medical aids. The least out-of-pocket payments are made to hospital care (hospital care).

Out-of-pocket payments for medicines (% of total out-of-pocket payments) are highest in Poland (59%), followed by the Czech Republic (48%), Slovakia (43%), United Kingdom (42%), France (37%) and Sweden. Luxembourg (16%) has the lowest out-of-pocket payments for medicines. The Netherlands (26%) is in the lowest 27% of the European countries surveyed.

The share of out-of-pocket payments for outpatient care (primary care, outpatient care, home care) is more than 50% in Ireland, Italy and Portugal, followed by Switzerland, France, Luxembourg, Austria and the UK (between 25-50%). The Netherlands (22%) is in the lowest 27% of the European countries surveyed.

Coverage in the basic insurance for dental treatments is usually limited. In Spain, Norway, Luxembourg, Denmark, Sweden, Germany, Finland, their out-of-pocket payments are more than 20% of the total out-of-pocket payments. In the Netherlands (8%), the least is spent on out-of-pocket payments on dental care.

Devices have the highest out-of-pocket payments (more than 20%) in Slovakia and Germany, and are less than 10% in Ireland, Belgium, Poland, Switzerland and Greece. Together with the UK (20%), the Netherlands is among the top 10% of the 22 European countries studied.

Inpatient care (including day-care) forms the smallest part of the total out-of-pocket payments. In Greece and Belgium these out-of-pocket payments are the highest with more than 20%. Spain, Norway, Poland, Sweden and Switzerland have the smallest share of out-of-pocket payments (1-3%) in residential care.

All 22 European countries studied have broadly composed basic packages, combined with more or less out-of-pocket payments. However, it is difficult to say whether increasing out-of-pocket payments is effective for controlling healthcare expenditure, because scientific studies are not clear about its effect. By introducing higher out-of-pocket payments, there is, however, an effect of cost-shift towards the patients and, consequently, a reduction in insured care expenditure.

Dr. Y.W. van Kemenade, freelance consultant involved in EIT Health project Maps and member of several Supervisory Boards, the Netherlands

E.C. Heeneman MSc, report coordinator EIT Health project Maps, Public Engagement Manager Achmea, the Netherlands

Dr. W. Niesing AAG, project member EIT Health project Maps, Advisor Strategy Zilveren Kruis Achmea, the Netherlands