

The politics of Dutch health care reform

Professor Hans Maarse
Odense, July 5



Faculty of Health, Medicine and Life Sciences



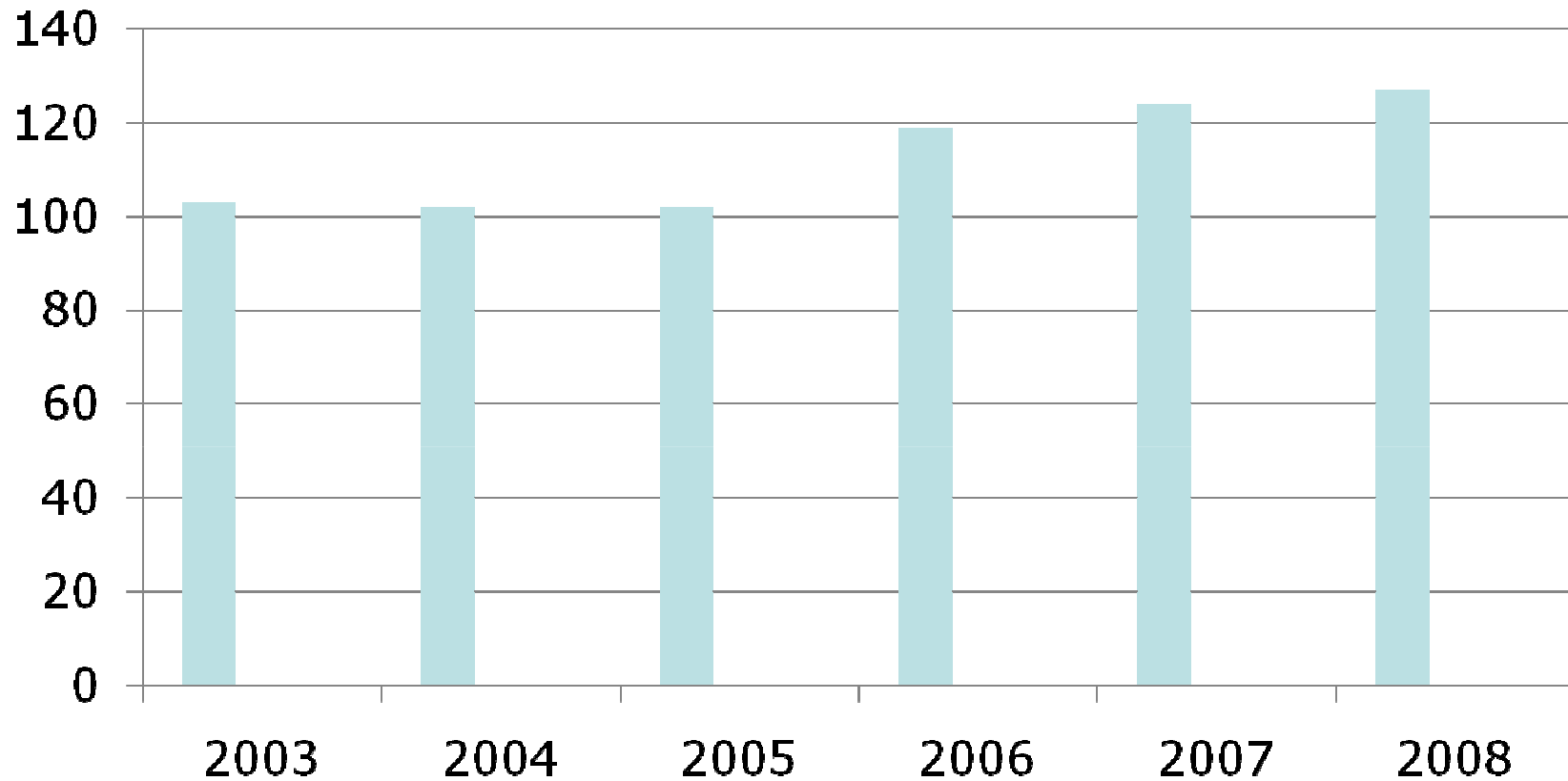
Universiteit Maastricht

- Dutch health care reform, in particular health insurance reform, has attracted wide international attention
- However, competition in health insurance does not make much sense, if not complemented with the introduction of competition in health care provision.
- The agency role of insurers: purchasing

The evidence on purchasing so far: does competition work?

- Evidence patchy, anecdotal rather than systematic
- Is the glass half full or half empty?
- Insurers tend to have focused more on prices than quality of care
- The credibility problem makes that insurers so far have largely abstained from patient steering

Costs per insured for GP care



The politics of market making (1)

- In some areas a big bang approach
 - Abolition of hospital planning
 - Introduction of new system of funding hospital capital investments
- Stepwise introduction of price competition

2005	10%
2008	20%
2009	33%
2011	???

The politics of market making (2)

- Uncertainty, risk avoidance, political controversy
- Squaring the circle: market competition (freedom) and macro budgets (control)
- Lifting the ban on for profit hospital care?
- Conclusion: Various market making decisions are still pending. Nobody knows how market reform will further unfold.

Market competition in the real world: the implementation perspective

- Can a hospital go bankrupt?
 - Continuity of care → state aid
 - The EU dimension
- A hospital arrangement for faster treatment and more choice. Public outcry, arrangement had to be cancelled!
- The role of social norms

Conclusions

- The market reform is a political construct in every respect
- The market reform is politically controversial
- Political composition of the new government may have great impact upon further market-making decisions