

Prof. Dr. Karl Lauterbach (MdB)

**The Role of Independent Commissions
in Controlling Costs and Enhancing
Value:**

The German Experience

Alliance for Health Reform Briefing:
Washington,
Columbus Club at Union Station
Friday, November 6, 12:30 PM

Basic principles of the German health care system I

- **Germany has about 82 million inhabitants, of these**
 - 72 million (50 million members) are covered by statutory health insurance (SHI)
 - 80% are covered by the SHI and 20% covered by private insurance

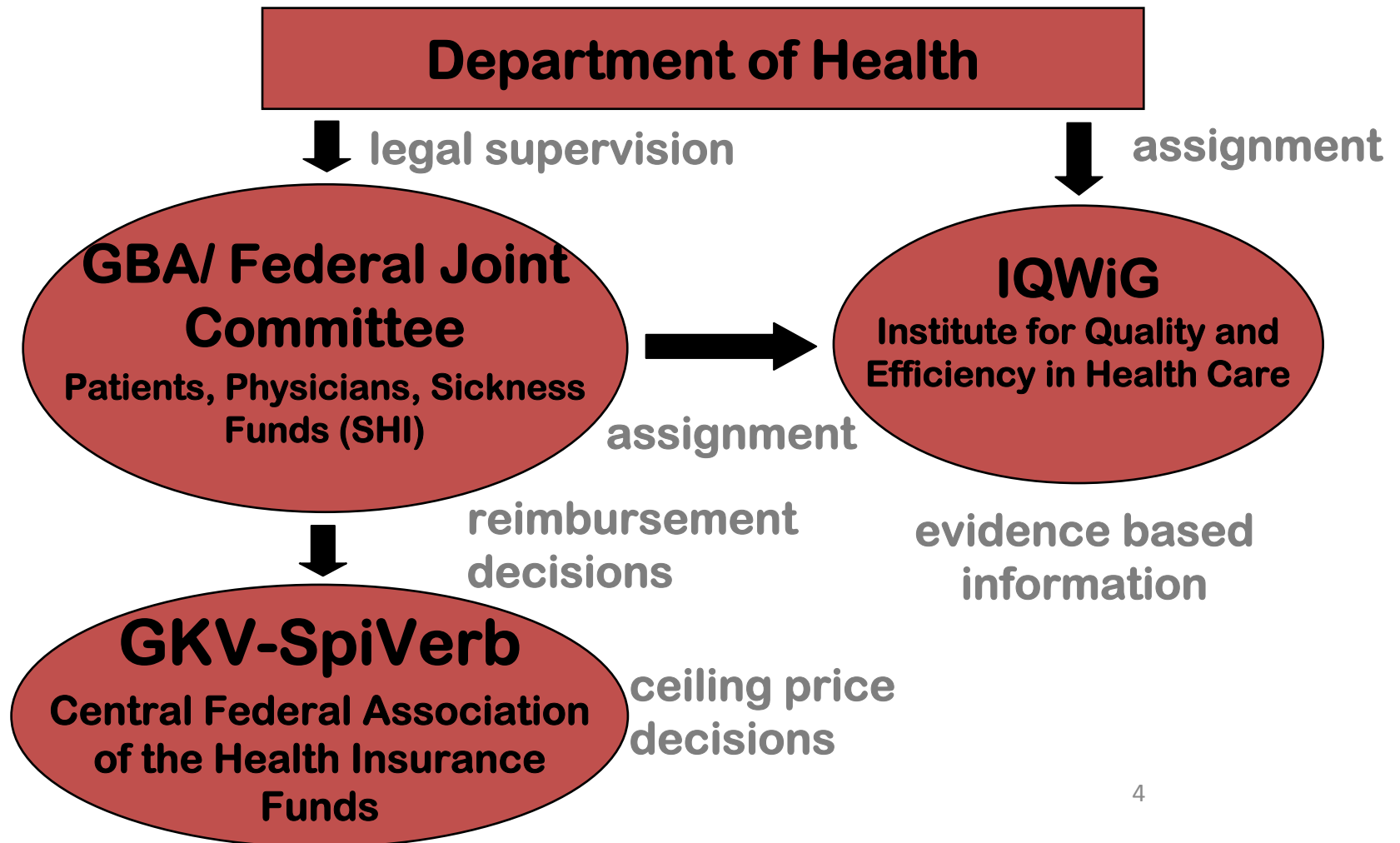
- **statutory health insurance dates back to 1883 (Bismarck)**
 - originally only blue-collar workers
 - definition of minimum benefit catalogue
 - different types of sickness funds according to social/professional groups

Basic principles of the German health care system II

▪ today's characteristics

- working solidarity principle, i.e.
 - no surcharge for age or risk
 - low salary = low payment
 - dependants of members (which pay contributions rates) eligible for the same benefits
 - contributions for unemployed & welfare recipients paid by public funds
- highly developed infrastructure, no waiting lists
- problems: aging society, innovations, costs

Self administration in the German SHI



The Federal Joint Committee (G-BA)

■ The G-BA is

- the main decision-making body in German health care,
- authorised by law to issue legally binding directives,
- established in 2004, but predecessor committees dating back to the 1920s,
- represents physicians, hospitals, sickness funds and patients

The Federal Joint Committee (G-BA)

■ **Tasks include**

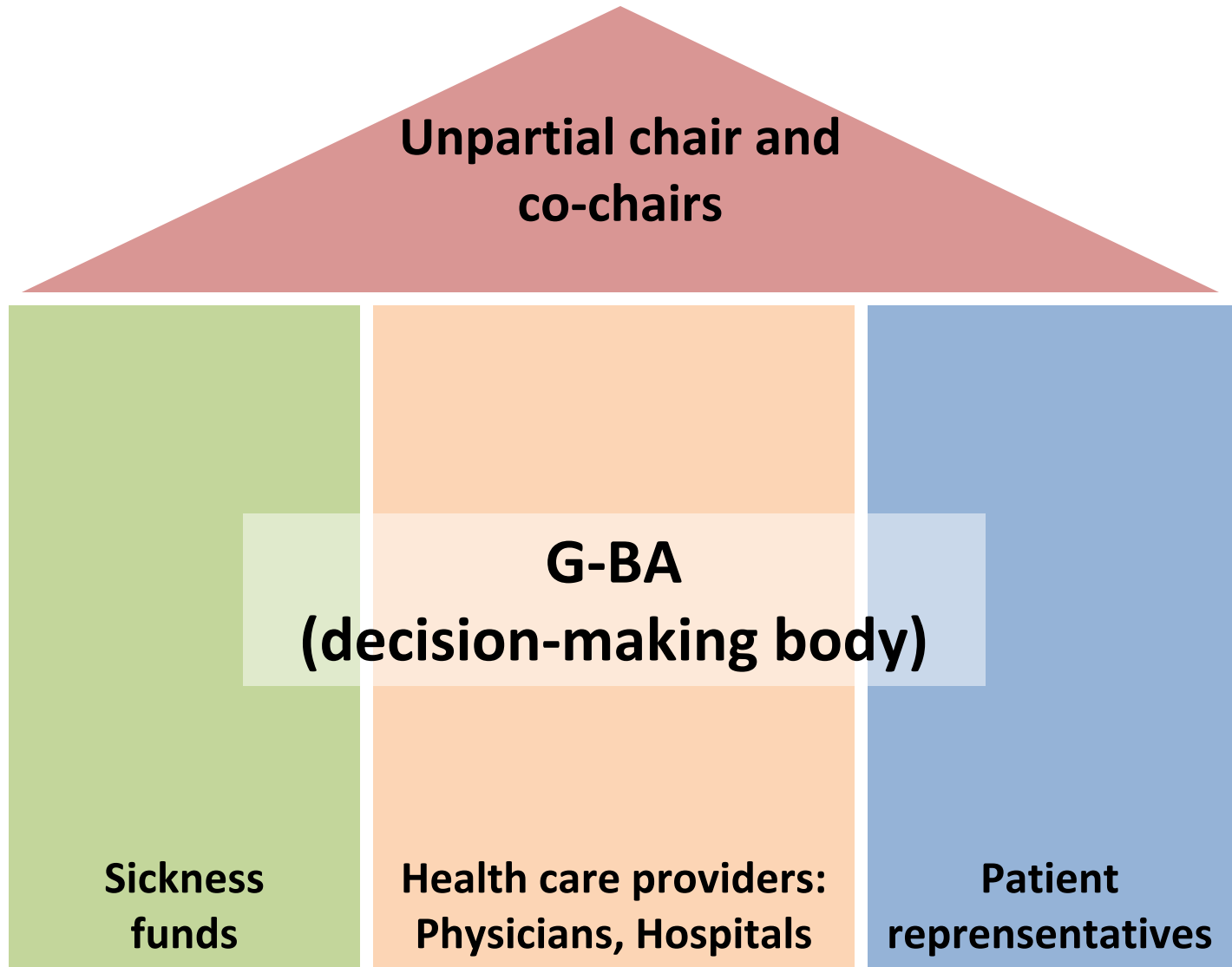
- evidence-based coverage decisions regarding innovations
 - + outpatients care
 - + hospital care
- evidence-based patient information
- pharmaceuticals
 - + exclusion of prescription drugs
 - + reference-price setting
 - + therapeutical advice / second opinion
 - + cost-effectiveness analysis

The Federal Joint Committee (G-BA)

■ **Tasks include (cont.)**

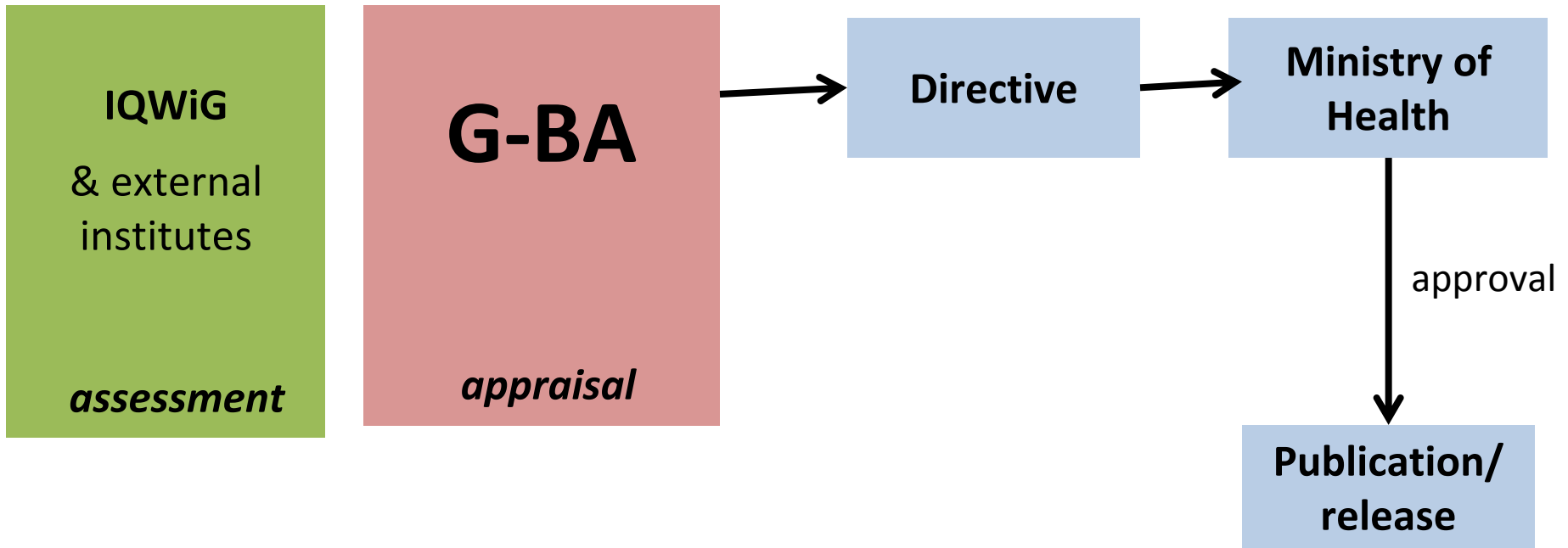
- quality assurance
 - + ambulatory care
 - + hospital care
- disease management programmes
- ambulatory care or rare diseases in hospitals
- outpatient treatment
 - + psychotherapy, sociotherapy, rehabilitation
 - + dentistry, orthodontics
 - + maternal, ante- and perinatal care
 - + prevention and screening
 - + more

Structure of the G-BA



How the G-BA works

Application



Important criteria:

- effective
- necessary
- efficient

The Institute of Quality and Efficiency in Medicine (IQWiG)

