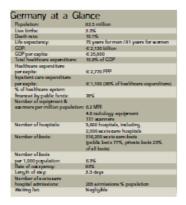# Volume 1 / Issue 3 Autumn 2006 - Country Focus: Germany

Facts & Figures: The German Healthcare System

Healthcare System & Administration

Germany has a state health insurance plan, which covers 92% of the population. Another 7.5% are covered either by employers or by private insurance companies, whose use is regulated by the government. The final 0.5% of the population has no healthcare coverage.

The German public healthcare system is highly decentralized, with 16 municipalities (called Länder) sharing responsibility with the government for hospital planning, building and the upkeep of technical facilities. State-regulated health insurance providers and patients then fund the operating costs.

Germany at a Glance	
Population:	82.5 million
Live births:	3.3%
Death rate:	10.1%
Life expectancy:	75 years for men / 81 years for women
GDP:	€ 2,130 billion
GDP per capita:	€ 25,800
Total healthcare expenditure:	10.9% of GDP
Healthcare expenditure per capita:	€ 2,770 PPP
Inpatient care expenditure per capita:	€ 1,100 (30% of healthcare expenditure)
% of healthcare system financed by public funds:	78%
Number of equipment & scanners per million population:	6.2 MRI, 4.6 radiology equipment, 121 scanners
Number of hospitals:	3,600 hospitals, including 2,000 acute care hospitals
Number of beds:	516,200 acute care beds (public beds 77%, private beds 23% of all beds)
Number of beds per 1,000 population:	6.3%
Rate of occupancy:	80%
Length of stay:	3.3 days
Number of acute care hospital admissions:	205 admissions % population
Waiting list:	Negligible

Healthcare Facilities, Services & Staff

Throughout Germany, there are public hospitals, private non-profit hospitals and private for-profit hospitals. Of these, there are two categories: general hospitals and psychiatric hospitals.

Public hospitals belong to the Länder and are managed through a public or private law structure, and may also be established as limited liability companies. Regardless of the hospital type, hospital investments are financed by the Länder through hospital plans.

In the German system, doctors strictly control access to hospital care and genrally work either in hospitals or in private practices.Those working in the hospitals are employed by the hospitals (i.e. generally salaried but bill privatepatients for services provided) and those working outside the hospitals are self-employed.

However some physicians and specialists working in private practices opt to pay hospitals for use of their facilities for treating their own private patients.

The Role of IT

IT expenditure in the German healthcare system represents 0.5% of the total amount spent on healthcare. However, the system is undergoing a major reform, with the implementation of a telematics infrastructure as a cornerstone of the project. This reform aims to spark an increase in the demand for healthcare IT solutions, which will in turn create strong growth potential and investment opportunities in clinical systems. The Health Ministry's master plan for this project, known as "Information Technology Society Germany", targets healthcare IT at a national (rather than Länder) level.

The first test implementations of the new eHealth infrastructure began this year (see the preceding article on page 41). By 2007, the goal is to link together the German eHealth system of patients, dentists, pharmacies, hospitals and insurance funds with the most up-to-date eHealth technologies available. By 2008, the range of products and services that are estimated to be required include those necessary for systems integration, products to support the new IT infrastructure (such as IT security, data storage and management, reliable networks, etc.), training and support systems, and eHealth consulting services. Segments targeted with the highest potential for growth include Picture Archiving and Communications Systems (PACS), Radiology Information Systems (RIS), Electronic Health Records (EHRs), decision support tools and

management systems.

For more information on the German healthcare system, please consult www.bmg.bund.de.

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