

---

## Volume 6 - Issue 2, 2006 - Country Focus

### The Danish Healthcare System

---

#### Author

Asger Hansen

*Danish Association of*

*Hospital Management*

[ASHAN@GENTOFTEHOSP.KBH.AMT.DK](mailto:ASHAN@GENTOFTEHOSP.KBH.AMT.DK)

**In Denmark there is free and equal access to most healthcare services, the provision and financing of which is mainly public. The Danish healthcare sector is decentralised, with the counties being responsible for hospitals, general practitioners, practising specialists, etc.**

#### Healthcare Reforms: Implementing Changes

The Danish government believes that there is a need to reform the framework for public tasks and public services, including the healthcare system. Therefore, from the expected commencement of the reform in 2007, the present healthcare services will also be affected. Most current initiatives focus on hospitals and inpatient care. While further structural changes, possibly associated with the greater role of the private sector, are discussed, according to general political consensus, the Danish healthcare system will remain committed to the welfare ideals of tax financing and universal access to high quality healthcare. In 2004, the Danish Government proposed a new structure of the Danish public sector, including the healthcare services. At the beginning of 2005 the Government put forward a proposal for such a reform, scheduled to take effect from 1st January 2007. The proposed reform is to replace the local government reform of 1970.

It is the ambition of the Government to devise the best public sector for the solution of tasks as close to the citizen as possible, and ensure the best value for taxpayers' money. The Government wishes to not only reduce the number of regions and municipalities but to carry through a visionary and future-oriented reform of the tasks themselves. The aim is to devise a public sector that will solve the tasks in Denmark in a superb manner for many years ahead.

To do this, the Government is set on a one-tier public sector close to the citizen characterised by:

'more quality for the money

'a simplified and efficient public sector

'clearly defined responsibilities and no "grey zones" between the public actors

'increased citizen's involvement and improved local democracy

'less red tape, fewer barriers and more options

The public hospital and healthcare services are still to offer equal, open and free access to the citizen and ensure optimal treatment of people, independent of residential municipality. Professional expertise is to be concentrated, course of treatment is to be coherent and extra work is to be rewarded. The Government's proposal contains the following main lines for hospital and healthcare services: The present regional level (14 counties and Copenhagen Hospital Corporation) are to be abolished and replaced by 5 healthcare service regions with direct election of political representatives for 4 years, who are responsible for hospitals, general practitioners and other health insurance schemes as well as psychiatric treatment. The governmental body for each region will be called The Regional Council and the number of members is fixed at 41. Each region will include about one million citizens.

The regions will have uniform conditions for the solution of tasks within the healthcare sector. Healthcare services will primarily be financed through a state block grant based on objective criteria for expenditure need (approx. 75%), a smaller state activity pool (5%), and local financing that is a basic contribution (10%) and an activity-related grant (10%). The number of direct personnel taxation levels will therefore in the future be reduced from three to two (state and municipalities). In order to finance the main part of the regional and local healthcare expenditure, the state imposes a healthcare contribution of 8% based on the local tax base. The proceeds are paid to the state, which distributes the funds to the regions and municipalities.

The proposal also includes an enlarged responsibility of healthcare for the state. The National Board of Health will be responsible for providing strong national co-ordination and improved concentration of the most specialised treatment and the central healthcare authorities will be responsible for ensuring systematic follow-up on quality, efficiency and IT applications in the healthcare service based on common standards. The approximately 100 new municipalities will be responsible for prevention, care and rehabilitation that do not take place during hospitalisation. The municipalities should be able to find new solutions especially within prevention and rehabilitation, e.g. in the form of health centres. Due to co-financing, the municipalities will become more interested in initiating prevention and encouraged to relieve the pressure on the healthcare service. Reducing unnecessary hospitalisation and ensuring that the treated patients are discharged as quickly as possible will be accomplished by making the current care rate, which the counties charge the municipalities for treated patients, obligatory both for somatic and psychiatric patients.

Published on : Thu, 29 Jun 2006