

Healthcare in Germany

NEVER BEFORE there has been such an interest about the healthcare sector amongst the German public. New diseases, an increasing interest in healthiness within the population and not least the question of financing the social system of healthcare have all combined to make it one of the major political issues in recent years in Germany.

Germany has always been regarded as a country with some of the best medical care in the world. Hospitals, medical

practices and institutions provide medical care to a high standard for everybody - 11.1 percent of the gross domestic product is channeled into the health sector, whereas the average of OECD countries spent 2.5 per cent or less.

With over four million jobs, healthcare is the largest employment sector in Germany.

But since Germany was going to face tremendous problems in financing this welfare system in future, reforms had to

be made to avoid a collapse.

To ensure that the standard of healthcare in Germany stays the same, the Government is striving for a fundamental structural reform which includes a health insurance system. So far almost all citizens in Germany have health insurance, whether as a compulsory member of the statutory health insurance scheme (88 per cent) or a private insurance scheme (12 per cent).

The health insurance companies cover the cost of medical treatment, medication and hospitalization, but also have the task of providing measures for maintaining and improving health and preventive health care. Contributions to the health insurance are made by employees and employers. Non-employed family members of those in a compulsory health insurance scheme do not pay any contributions. The political parties are currently negotiating the introduction of a "people's insurance" which will lead to a higher participation of financing by the population. The grand coalition plans to present a feasible solution to this complex question in 2006.

But even in changing times, the German social system has always been able to adapt successfully to evolving conditions.

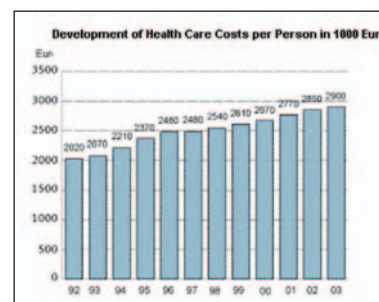
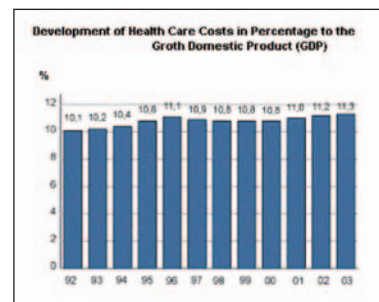
■ For more information please check www.deutsche-sozialversicherung.de www.bmg.bund.de (both available in English)



Below Some statistical information regarding healthcare in Germany. Hospitals and provided bedspaces divided by German States (2003):

| | Hospitals: | Bedspaces: |
|-------------------------------|------------|------------|
| Baden-Württemberg | 320 | 63.364 |
| Bayern | 398 | 82.078 |
| Berlin | 69 | 20.991 |
| Brandenburg | 49 | 15.664 |
| Bremen | 15 | 5.881 |
| Hamburg | 45 | 12.197 |
| Hessen | 179 | 37.952 |
| Mecklenburg-Vorpommern | 35 | 10.772 |
| Niedersachsen | 208 | 47.077 |
| Nordrhein-Westfalen | 459 | 132.834 |
| Rheinland-Pfalz | 102 | 25.875 |
| Saarland | 26 | 7.395 |
| Sachsen | 87 | 29.156 |
| Sachsen-Anhalt | 53 | 17.378 |
| Schleswig-Holstein | 103 | 16.370 |
| Thüringen | 49 | 16.917 |
| Deutschland | 2.197 | 541.901 |

Source: Statistisches Bundesamt



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