



OSINGA CONSULT

The Dutch Experience

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HYATT REGENCY

SAN FRANCISCO, CA

Key topics

- Health Care U.S. versus the Netherlands
- Dutch insurance system
- Next steps

Health Care expenditure U.S. versus the Netherlands

Health expenditure	U.S.	N.L.
- Total expenditure on health (% GDP)	16.0%	9.8%
- Total health expenditure per capita, (US\$)	\$7,290	\$3,827
- Public part of health expenditure (2002)	44.1%	62.5%
- Public part of health expenditure (2008)	45.5%	not published

Source: OECD Health Data 2009

Health Outcomes

U.S. versus the Netherlands

Health status total population	U.S.	N.L.
- Infant mortality rate, deaths per 1,000 live births	6.70	4.10
- Potential years of life lost (PYLL)	4,962	3,045
- Suicides, deaths per 100,000 population	269	206
- Diabetes, deaths per 100,000	20.3	15.5
- Obesity, percentage of adult population with a BMI>30	34%	11%

Source: OECD Health Data 2009

The best system

“The best health care system in the world would be the Dutch insurance system combined with fully integrated delivery systems like Kaiser Permanente.”



Alain Enthoven, PhD
professor at Stanford University

Dutch insurance system

Managed competition

Consumers are free in their choice of insurer; possibility to change every year



Insurers compete for insured on premium, quality, service level

Maximum discount of 10% on group contracts



Health care providers compete for contracts with insurers on price & quality of care

Dutch insurance system

The essence

Equity



- Compulsory insurance (consumers)
- Open enrollment (insurer)
- Legally defined coverage (insurer)
- No premium differentiation (insurer)
- Submission to risk adjustment (insurer)
- Income related contribution (consumer)



Efficiency



- Compulsory deductible (consumers)
- Free to set nominal premium (insurer)
- Free to offer different policies (insurer)
- Free to offer supplementary deductible (insurer)
- Free to engage group contracts (insurer)

Next steps (1):

Align financial incentives with desired behavior

- Providers: increase financial risk
- Insurers: increase financial risk
- Consumers: introduce intelligent deductibles

Improve quality transparency on medical performance

- Inform providers about their performance compared to a peer group
- Give the consumer the opportunity to select the doctor that best fits their needs
- Create and compile patient-reported outcome measures

Next steps (2):

Create outpatient primary care centers

- Use electronic health records to manage chronic conditions
- Use evidence-based guidelines
- Introduce “email your doctor” services to reduce doctor visits and increase patient satisfaction
- More prevention

Limit free rider behavior

Privatize and decentralize (part of) CARE segment



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