

Press Release

Zurich, 5 November 2015, 10:30 a.m.

KOF Forecasts for Health Care Expenditures Autumn 2015: Slight Increase of Health Care Expenditures

Health care expenditures will continue to grow. This is the result of the biannual KOF Forecast for Health Care Expenditures, which is carried out thanks to a research contribution from comparis.ch. For this year, KOF is forecasting an increase in overall health care expenditure at 2.9 per cent. In 2016 and 2017, spending growth will increase once again (3.5 and 3.9 per cent). The proportion of GDP dedicated to health care expenditures will also rise, from nearly 11 per cent up to 12.1 per cent in 2017.

Forecasts for health care expenditures in Switzerland also contain forecasts relating to the past, since the data only become available with a time lag. In October 2015, the figures for 2013 were published by the Federal Statistical Office. The increase in health care expenditures at 2.5 per cent in 2013 was lower than the KOF had expected in its spring forecast (3.8 per cent). KOF had expected that the effect of the shift in hospital financing to flat-rate compensation in 2012 would continue to be felt into 2013, as the "Monitoring of Trends in Health Insurance Costs" provided by the Federal Office of Public Health (FOPH) indicated. This has not been confirmed.

In the autumn forecast, the forecasting period for the development of health care expenditures is 2014 until 2017. 2014 might see a minor reversal, with spending growing somewhat stronger at 3.6 per cent. "Spitex" and "Psychotherapy" were particularly dynamic, along with "Other Services", which include, amongst other things, laboratory analyses. For the current year, the KOF is expecting the increase in health care expenditures to slow down to 2.8 per cent due to the troubled overall economic climate and the attendant moderate salary growth. In addition, lower prices for pharmaceuticals took effect in June 2013, which, according to the FOPH, should result in savings of 720 million Swiss francs by 2015.

Since the economic climate is expected to recover during the course of 2016 and 2017, spending growth should pick up more strongly again (3.5 per cent in 2016 and 3.9 per cent in 2017). In addition, the continued growth in the number of elderly people is also expected to play a role. The Federal Council is seeking to achieve significant additional medium- to long-term savings in its "Health 2020" strategy. Except in the pharmaceuticals sector, the cost implications of the measures planned under this strategy do not, as yet, appear to be sufficiently concrete enough to be taken into account in the forecast.

The health care sector is turning into an increasingly important branch of the Swiss economy. In 2014, almost 240,000 people (FTE) were employed in the health care sector, or around 7 per cent of all employees in Switzerland. The share of value added is 5 per cent with health care spending accounting for almost 11 per cent of gross domestic product (GDP). The health care expenditures ratio, i.e. the proportion of GDP dedicated to health care expenditures, increased over the years 2003-2013 from 10.4 per cent to 10.9 per cent. By 2017, this share will increase to 12.1 per cent.

The Study:

The forecast of ETH Zurich's KOF Swiss Economic Institute on the development of Swiss health care expenditures is published twice a year. The spring forecast is supported by the company TopPharm with a research contribution, whilst the autumn forecast is supported by the internet comparison service Comparis.

The detailed KOF Study "Autumn Forecast for Swiss Health Care Expenditures 2014–2017" by Marko Köthenbürger, Pauliina Sandqvist and Jochen Hartwig is available on our website (in German):

<http://www.kof.ethz.ch/en/publications/p/kof-studies/> →

More detailed information regarding the KOF Forecast for Health Care Expenditures is available at:

<http://www.kof.ethz.ch/en/forecasts/forecasts-swiss-health-care-expenditures/> →

Contact

Professor Marko Köthenbürger | Phone +41 (0)44 632 54 46 | koethenbuerger@kof.ethz.ch

Anne Stücker | Phone +41 (0)44 632 40 61 | stuecker@kof.ethz.ch