

Healthcare delivery in Switzerland,

Francesca Colombo, TOWARDS MORE CHOICE IN SOCIAL PROTECTION? INDIVIDUAL CHOICE OF INSURER IN BASIC MANDATORY HEALTH INSURANCE IN SWITZERLAND, LABOUR MARKET AND SOCIAL POLICY - OCCASIONAL PAPERS N0.53, 18-Sep-2001 Head of Publications Service, OECD, 2, rue André-Pascal 75775 Paris, CEDEX 16, France

[http://www.oilis.oecd.org/OLIS/2001DOC.NSF/43bb6130e5e86e5fc12569fa005d004c/c1256985004c66e3c1256acb00548723/\\$FILE/JT00112830.PDF](http://www.oilis.oecd.org/OLIS/2001DOC.NSF/43bb6130e5e86e5fc12569fa005d004c/c1256985004c66e3c1256acb00548723/$FILE/JT00112830.PDF)

Table 4. Main provisions of the LAMal by objective

OBJECTIVES OF THE LAMal			
Solidarity	Cost containment		Quality of health care services
	Demand side measures	Supply side measures	
<ul style="list-style-type: none"> • Universality and access: <ul style="list-style-type: none"> - Art. 3. All residents in Switzerland are compelled to take up basic health insurance. - Art 106. Subsidies are means-tested and paid by Cantons directly to low-income individuals. The cost of such subsidies is shared between the Confederation and the Cantons. • Elimination of cream skimming incentives. <ul style="list-style-type: none"> - Art 4. LAMal- Insurers are compelled to accept all individuals without making reservations. - Art 61. Insurers cannot risk adjust premiums for basic health insurance. 	<ul style="list-style-type: none"> • Adequacy of benefits: <ul style="list-style-type: none"> - Art 32. The adequacy and cost-effectiveness of medical benefits must be demonstrated according to scientific criteria - Art 56. Insurers can refuse to pay benefits provided beyond need. • Competition on the financing side: <ul style="list-style-type: none"> - Art 4. Individuals are free to choose insurer and to move across insurers. - Art 105. A risk equalisation system was set up to compensate insurers for differences in cost arising from differences in risk structures linked to the age and sex structure of insurees. 	<ul style="list-style-type: none"> • Hospital planning and global budgets. <ul style="list-style-type: none"> - Art 39. Introduction of hospital planning. Cantons and Sickness funds share the costs of hospital services. - Art. 51. Cantons can allocate resources to hospitals through global budgets. • Tariff conventions <ul style="list-style-type: none"> - Art 46. Tariffs conventions negotiated between insurers and providers associations are subject to approval on the basis of economy and equity criteria. • Managed care <ul style="list-style-type: none"> - Art. 41 and Art. 62. Insurees may limit their choice of providers and thus obtain reductions in premiums (HMO and IPA options¹⁴). Managed care is meant to contain costs by shifting the risks of medical expenditures from insurers to providers. 	<ul style="list-style-type: none"> • Basic package of services <ul style="list-style-type: none"> - Art 25-32. The Law specifies the services included in the basic compulsory health insurance package. • Quality monitoring <ul style="list-style-type: none"> - Art 58. The Federal Council can carry out scientific and systematic controls to ascertain the quality and adequacy of health care services provided under the LAMal.
<ul style="list-style-type: none"> - Art 4. LAMal- Insurers are compelled to accept all individuals without making reservations. - Art 61. Insurers cannot risk adjust premiums for basic health insurance. 	<ul style="list-style-type: none"> • Cost sharing: <ul style="list-style-type: none"> - Art 64. All individuals share in the cost of health services. - Art 62. Individuals can choose special forms of basic health insurance: a) "Assurance à option": higher deductibles coupled with lower premiums. b) "Assurance avec bonus": annual premium reductions if no claims are made during the period. 		
<ul style="list-style-type: none"> 3. Non-profit requirement . - Art 13. Insurers offering basic health insurance cannot pursue or realise profits in this branch of operations. 	<ul style="list-style-type: none"> 4. Other <ul style="list-style-type: none"> - Art 22 and Art 61. The Swiss Federal authorities exercise a control over insurers' administrative costs and approve premium levels. 		

Mandatory enrollment- Art. 3, Community Rating- Art. 61, 64, Guaranteed Issue- Art. 4, Uniform benefits- Art. 25-32, Re-insurance- Art. 105