



Swiss Healthcare System: Role Model or Latecomer?



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The Swiss healthcare system is one of the “best” in the world, but is it also the most efficient? A look beyond national borders shows that other countries are implementing strategies in areas such as digitalisation, hospital planning and the regulation of medical products – in some cases more successfully. An international comparison provides valuable input for the further development of Swiss health policy.

Danish-style hospital planning, digitalisation modelled in Estonia, a new health insurance system based on the Singaporean model, and, lastly, ‘smart’ regulation of medical products like in Canada – and many of the challenges facing the Swiss healthcare system would be overcome. At least that’s what we get to read regularly, not only in specialist publications but also increasingly in the daily media. Indeed, other places do things differently, and it can be useful to take a look beyond the established state of affairs. A stocktake of domestic health policy and its effects based on a comparison with other countries provides valuable information for Switzerland. However, it is important to be mindful of the principle that leadership is not achieved through orientation towards the average. The international perspective can be incorporated at various levels and from different angles.

Switzerland’s health foreign policy
Amid the hectic debate on health policy, it is often overlooked that Switzerland has a comprehensive, coherent health foreign policy. The Federal Council has defined six areas of action, which combine protecting Swiss interests with a commitment to international solidarity.

The six action areas of Swiss health foreign policy 2019 – 2024/2028

- 1. Health security and humanitarian crises
- 2. Access to medicine
- 3. Sustainable healthcare and digitalisation
- 4. Determinants of health
- 5. Global health governance
- 6. Addiction policy

Source: Federal Council decree of 20 November 2023

Switzerland is a long-standing and reliable international partner that honours its commitments.

Overall system level
After years of sitting on the sidelines, Switzerland now regularly participates in comparative studies and analyses of healthcare systems with a key focus on access to services, the scope and quality of services and the financial burden on the economy and individuals. Happily, the days are gone when the phrase ‘Switzerland – not available’ frequently showed up in comparative tables and footnotes.

Although the assessment of Swiss health policy is generally positive, some challenges remain that have been better addressed elsewhere.

Regulatory instrument level
The examples mentioned relate to the level of regulatory instruments. When adopting foreign regulations, it is important to bear in mind that healthcare systems are closely intertwined with a country’s system of government and political culture. Examples include:

- The role of constituent states (cantons, federal states)
- The fundamental policy choice between a health insurance system and a national health service
- The scope left to private, profit-orientated players

However, an intermediate level of ‘generic’ questions allows different approaches of individual countries to be compared with each other:

- How can we ensure that ‘genuine’ emergencies are dealt with by the emergency services promptly and that ‘non-genuine’ emergencies do not unnecessarily burden the emergency infrastructure?
- Creating new job profiles (Advanced Nurse Practitioner)
- New tariff systems

Today, it is fair to say that the old adage – that the charm of Swiss policymaking lies in independently following the mistakes of foreign countries with a ten-year delay – no longer holds true.

Sources

OECD (2023), Health at a Glance, OECD Indicators, OECD Publishing, Paris

Federal Council decree of 20 November 2023, Swiss Health Foreign Policy 2019-2024/2028

Federal Office of Public Health: www.bag.admin.ch (various departments)

Ensuring good healthcare

Summary of the presentation by Anne Lévy, Director of the Federal Office of Public Health (FOPH), at the Health Insurance Days 2024 in Interlaken.

The main goal of Switzerland’s healthcare policy is to maintain the high quality of the healthcare system while containing costs – a complex challenge involving many stakeholders, from hospitals and insurers to doctors and patient organizations. Despite cost-saving measures such as lower drug prices, reduced lab fees, and the promotion of generics, healthcare costs continue to rise due to an aging population, medical advances, and high service utilization. Patients are often the weakest link in the system, even though their well-being should be central. The Federal Office of Public Health (FOPH) aims to balance the interests of all parties for the benefit of patients and premium payers. To ensure appropriate care – neither too much nor too little – the FOPH has launched initiatives to address over-, under-, and misprovision of care. Regional differences in treatment rates highlight the need for better coordination and use of resources, including expanding the roles of pharmacists and other healthcare providers. Innovation is encouraged through pilot projects and new insurance models, supported by a legal framework for experimentation. Upcoming referendums address concerns about rising costs and healthcare financing, with the government proposing counterproposals focused on incentives and shared responsibility between federal and cantonal authorities. A major reform is the unified financing of outpatient and inpatient care (EFAS), designed to eliminate financial disincentives and promote cost-effective, patient-friendly treatments. Further priorities include fair pricing and rapid access to innovative medicines, as well as ensuring the supply of essential drugs. Prevention remains crucial: many chronic diseases could be avoided through healthy lifestyles, vaccinations, and screenings. Digitalization is another key focus, aiming for interoperable data systems and streamlined processes. New digital tools, such as the health insurance dashboard and the electronic patient record, are intended to improve transparency, efficiency, and patient empowerment. Overall, the Swiss healthcare system faces the challenge of maintaining excellence amid demographic, technological, and financial pressures. Success will depend on compromise, innovation, and keeping the needs of patients at the center of reform.

Achievements and challenges of the Swiss healthcare system

Area	Switzerland’s position	Best practice / notes
Avoidable mortality	Very good outcome (top group)	
Life expectancy at birth	83.9 (top group)	Japan 84.5
Healthcare expenditure in % GDP	11.3% – high share	Luxembourg, Turkey
Per capita healthcare expenditure	Very high	Romania, Turkey
Out-of-pocket share	High share	Czechia, Luxembourg
Prevention share	Ranks last	Slovenia, Estonia
Unmet needs in oral healthcare policy	Ranks 16th, not funded by social insurance	Germany, Netherlands, Austria




Own representation based on OECD (2023)

Healthcare systems compared




Author — Angel Gonzalo

A comparison of the Swiss healthcare system with those of Japan and Denmark shows significant differences in structure, expenditure and quality. The following analysis focuses on expenditure, quality and economic aspects.

1. Healthcare system structure

-  **Switzerland**
 - **System type:** Tends liberal and privately dominated
 - **Funding:** Compulsory health insurance (Health Insurance Act HIA), but with private insurance and high co-payments (deductible, excess)
 - **Provision:** Comprehensive, but dependent on the scope of insurance cover
 - **Providers:** Mainly private and competitive
-  **Japan**
 - **System type:** Social insurance with state regulation
 - **Funding:** Compulsory insurance through employers or local authorities; citizens pay income-based contributions
 - **Provision:** Very broad, virtually no co-payments
 - **Providers:** Mainly private but strongly regulated
-  **Denmark**
 - **System type:** Tax-funded and state-organised healthcare
 - **Funding:** Through taxation, no direct health insurance premiums
 - **Provision:** Comprehensive, free at point of use
 - **Providers:** Combination of public- and private-sector providers



2. Healthcare system expenditure

-  **Switzerland**
 - **Total expenditure:** Around 12 to 13% of GDP (one of the highest shares worldwide)
 - **Per capita expenditure:** Above average (approx. USD 9,500 per year)
 - **Main drivers:** High medicine prices, administration costs due to competition, and co-payments
-  **Japan**
 - **Total expenditure:** Approx. 10% of GDP (moderate in a global comparison)
 - **Per capita expenditure:** Approx. USD 4,500
 - **Main drivers:** Aging population, but low medicine prices and rigorous price regulation
-  **Denmark**
 - **Total expenditure:** Approx. 10 to 11% of GDP
 - **Per capita expenditure:** Approx. USD 5,000 to 6,000
 - **Main drivers:** Focusing on prevention and digitalisation reduces costs, but high tax burden


3. Quality and access

-  **Switzerland**
 - **Quality:** Very high medical standards and wide availability of specialists
 - **Access:** Good, but highly income-dependent due to high co-payments
 - **Challenges:** System is fragmented, inefficiencies
-  **Japan**
 - **Quality:** High standards, particularly in primary care
 - **Access:** Universal and income-independent, relatively short waiting times
 - **Challenges:** Overuse of healthcare services, aging society
-  **Denmark**
 - **Quality:** Focus on prevention and coordinated patient access
 - **Access:** Free at point of use, but with longer waiting times for non-urgent cases
 - **Challenges:** Strain caused by centralisation and limited capacities

5. What Switzerland could learn

-  **From Japan**
 1. **Regulating medicine prices:** Japan sets strict price caps to control costs.
 2. **Cost-benefit assessments:** Japan conducts regular treatment assessments to avoid unnecessary expenditure.
 3. **Promoting prevention:** A strong focus on prevention could help to reduce costs in the long run.
-  **From Denmark**
 1. **Funding through taxation:** A model of progressive tax funding could reduce social inequality with regard to the insurance premium burden.
 2. **Digitalisation:** Efficient IT systems to coordinate patients could ease the fragmentation of the Swiss system.
 3. **Prevention and integrated care:** Denmark's focus on prevention and coordinated health-care could improve efficiency.

4. Economic aspects

-  **Switzerland**
 - Premium-based funding is a burden on households, particularly on low-income ones.
 - High medicine prices and strong market forces lead to exploding costs.
 - Administration costs (competition between insurers) are a problem.
-  **Japan**
 - Income-based contributions ensure social equality.
 - Price regulations for medicines keep costs under control.
 - The aging population represents a growing burden.
-  **Denmark**
 - Funding through taxation ensures social equality.
 - Prevention and digitalisation reduce costs in the long term.
 - High tax burden might become unpopular in the long term.

Switzerland has a high-quality but expensive healthcare system. From Japan it could learn from price regulation and a more strictly regulated insurance system, from Denmark from prevention programmes and digitalisation. Both models could contribute to lowering high costs and at the same time improve access while alleviating social inequalities.