

Danish Health Care System

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(Commonwealth Fund, 2008)

Who is covered?

Everyone is covered and coverage is compulsory. All residents in Denmark are entitled to health care that is largely free at the point of use.

What is covered?

All primary and specialist medical services are covered based on medical assessment of need.

How is the health system financed?

The health system is publicly financed through a centrally collected healthcare tax set at about 8% of taxable income. Around 30% of the Danish population purchases private health insurance from a not-for-profit organization called "Danmark" to cover co-pays. For-profit private health insurance companies provide health care in private hospitals and cover about 5% of the population. Employers mainly purchase it as a fringe benefit for workers.

How is the system organized?

99% of hospitals and health care facilities are owned by the government. The professionals who work in them, including physicians, are paid a salary by the central and local governments. General practitioners are self-employed and paid by a combination of capitation payment and fee-for-service. Non-hospital specialists are paid on a fee-for-service basis.

What is being done to ensure quality of care?

Hospitals are assessed on their ability to improve how they provide care and their medical outcomes. Quality reviews are done by both an external professional accreditation body and by hospitals' self-assessments. Quality data is published to give patients choice of hospitals and to encourage hospitals to maintain high standards.

How are costs controlled?

Annual negotiations between the central and local governments determine the level of taxation and health budget. In turn, hospitals negotiate with local governments for reimbursement and monitor their level of spending. Using generic drugs, using prescribing guidelines, and making assessments of prescribing behavior and the merits of health technologies also control costs. Central, regional and local governments do assessments jointly.

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