

PR99-147 9 June 1999 9.30 hrs

Larger increase in health care costs

The costs of health care in the Netherlands rose by 5.0% in 1998 to 63.7 billion guilders. The main causes of this increase were higher wages in intramural health care, higher consultants' fees, price rises for medicine and an increasing use of medicine. The rise in health costs fluctuated around the 4% mark in previous years. The provisional figures from Statistics Netherlands also show that costs rose by less than the growth rate of the gross domestic product (GDP).

The share financed by the health insurance funds and especially under the law on extraordinary medical expenses rose mainly because of a change in the financing procedures.

Costs: higher rise, smaller share in GDP

The costs of health care rose more quickly again in 1998, by 3 billion guilders or 5%. In 1996 and 1997 the costs rose by 3.9% and 4.1% respectively. As the (revised) GDP rose by 6.2% and 5.9% in 1997 and 1998, the share of the health costs in GDP fell from 8.4% in 1996 to 8.1% in 1998.

Intramural health care costs over 3 billion guilders

The costs of intramural health care, excluding psychiatric hospitals, rose by 4.5% in 1998 to just over 30 billion guilders. This accounts for nearly half of the total costs of health care. The costs of hospitals, institutions for the mentally handicapped and nursing homes grew by between 4 and 5%. The rises were mainly caused by higher wages in these sectors.

Costs of medicine up nearly 10%

The total costs of extramural health care rose by 6.5% to just over 26 billion guilders. General practitioners received 2.6% more money, while specialist fees pushed up costs in this sector by 5.7%. The costs of medication rose by 9.5%. In addition to higher prices, a greater use of medicines also contributed to this. The costs of home care rose by 3.9%, those of mental health care by 5.2% to 4.6 billion guilders in 1998.

Financing: larger proportion paid under law on extraordinary medical expenses

Payments under the law on extraordinary medical expenses rose strongly in 1998 compared with 1997: by 6.8% to 19.2 billion guilders. Most of this increase is due to technical changes in the payment procedures. In terms of money, the health insurance funds paid the most (nearly 24.9 billion guilders). Government contributions rose by 3.1% to 2.8 billion guilders. The remainder of the costs were paid for by companies, private insurance companies and households: 16.8 billion guilders in 1998, 1.9% up on 1997.

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