



# Press release

PB07-041  
16 May 2007  
15:00 hrs

## ***Care spending up by 4.4 percent***

According to figures from Statistics Netherlands, spending on health care and welfare in the Netherlands amounted to 65.7 billion euro in 2006. This is 4.4 percent more than in 2005. The increase in spending on care has grown by between 4 and 5 percent for three years now. In the period 1998-2003 it rose by an average 9 percent per year.

Wage costs for workers in care institutions rose in 2006, fees in the free professions also rose. Physiotherapists, in particular charged substantially higher prices. In addition a new financing system for general practitioners also resulted in higher costs.

### ***Spending on hospitals up slightly***

Hospitals and specialist practices (specialist medical care) constituted by far the largest cost item within the care sector. Spending on care in these institutions rose by 1.7 percent last year. However, this is not the actual development of spending on care. Real expenditure on hospitals was about 6 percent higher than in 2005.

The discrepancy is connected with the introduction of a system of diagnosis-treatment combinations in 2005. This system resulted in a considerable over-financing of hospital care in 2005, which was taken into account in the calculation of care expenditure for 2006. The over-financing affected hospital spending upwards in 2005, while it tempered hospital spending in 2006.

### ***Strong increase in spending on GPs and physiotherapists***

Spending on GP practices rose by nearly 17 percent in 2006. This was mainly the result of a new financing system (a combination of registration and consultation fees) connected with the introduction of the basic health insurance system. For each insured patient, more services (so-called consultation units) were declared than had been estimated beforehand.

Spending on physiotherapy practices also rose substantially, by 14 percent. According to insurers and physiotherapists, this was the result of a price increases to bring the fees to a level in line with the market.

### ***Medicines increasingly expensive***

Spending on medicines rose by 4.5 percent in 2006. In 2005 the increase was 4.4 percent. Not only the number of prescriptions rose in 2006, but cheaper medicines are increasingly being replaced by better quality, but more costly, alternatives.

### ***Welfare spending rose by nearly 5 percent***

Nearly 5 percent more was spent on welfare in 2006. This increase is evenly distributed across the various providers of welfare. Spending on care for the elderly, care for the disabled, child care and other providers rose by 4 to 5 percent.

### ***Fewer people with excess insurance policies***

The new health insurance system introduced in 2006 has resulted in considerable changes in how care is financed. Everybody in the Netherlands now has compulsory – private - basic medical insurance, and optional extra insurance coverage. Considerably fewer people have excess policies, where they have to pay for part of the costs themselves. This has resulted in lower costs being paid by patients themselves.