



Press release

PB08-037
16 May 2008
15:00 hrs

Care spending up by 5.1 percent

- Increase in spending on hospital care and medical specialist practices
- Above-average increase in spending on GPs, dentists and physiotherapists
- Medicines increasingly expensive
- Modest increase in spending on care for disabled
- Huge increase in spending on childcare and host parent agencies
- Share of care spending in Gross Domestic Product stable

In 2007, total spending on care, i.e. health care plus welfare services, amounted to 74 billion euro, a 5.1 percent increase relative to 2006. In the period 2004-2006, spending on care annually rose by 3 to 4 percent. In the period 1998-2003, the average increase was 9 percent. Wage costs for people employed in care-providing institutions continued to rise last year. According to the latest figures published by Statistics Netherlands, there was also an increasing demand for more costly forms of GP care, physiotherapy and childcare.

Spending on hospital care and medical specialist practices rose by 4.3 percent relative to 2006. The increase in the preceding two years was 3.8 and 3.5 percent respectively. Unlike in previous articles on hospital care, the effects of overfinancing of hospital care in 2005, 2006 and 2007 have not been taken into account in the current figures. Overfinancing was partly caused by the introduction of the Diagnosis Treatment Combinations in 2005.

Spending on GP practices rose by 6.5 percent last year. This is mainly caused by an increase in the number of long consultations and house calls as well as in the number of medical services provided by GPs. Spending on physiotherapy and dental practices also grew considerably by 10.9 and 9.1 percent respectively. Special care provided by physiotherapists and dentists on the basis of supplementary health insurances rose substantially.

Spending on medicines through pharmacists increased by 6.8 percent, as against 2.2 percent in 2006. From sundry sources it has become evident that the number of prescriptions has grown further and that cheap medicines are increasingly being replaced by high-quality but more costly alternatives. Additionally, there is a continuous shift from care provided in hospitals to patients being looked after in their own environment. By the end of 2007, a

large supply of medicines was build up anticipating the introduction of a compulsory excess amount in the basic medical insurance.

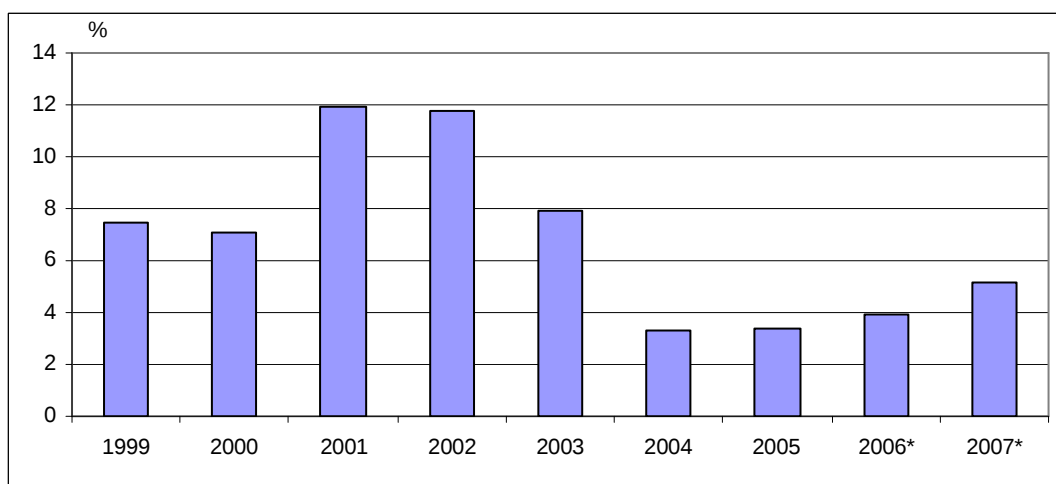
Spending on care for the disabled rose by 2.7 percent. A decrease in spending on facilities for disabled on the basis of the Social Support Act (housing and transport facilities, wheelchairs) pushed down the figure by approximately 10 percent. Spending on care for the elderly rose by more than 5 percent.

As indicated in earlier publications, there was a boost in spending on childcare last year. Because daytime childcare and out-of-school care became cheaper, there was a rush on these facilities. Spending on childcare provided by host parent agencies in particular rose dramatically.

Spending on care made up 13.2 percent of the GDP in 2007. In the period 1998-2003, the proportion rose from 11.3 to 13.3 percent. Since then, it has been stable at just over 13 percent.

Last year, per capita spending on care was 4,520 euro, as against 4,308 euro in 2006 and 2,599 euro in 1998.

Health care costs (change relative to one year previously)



**) provisional figures.*

Source: Statistics Netherlands