

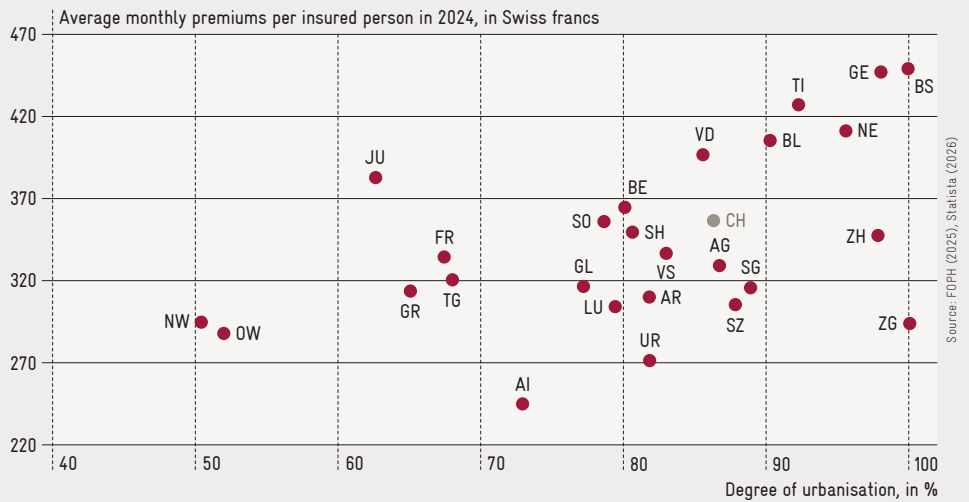
A More Effective Federal Healthcare System

The decentralized organization of the healthcare system is a strong asset – but its potential is only realized through interregional cooperation and transparency when measuring quality.

Situation

In Switzerland, the organization of the healthcare system is primarily the responsibility of the cantons. They are in charge of hospital planning and long-term care provision. The cantons also finance part of the services. They can pay hospitals subsidies for “public benefits”, as well as individual premium subsidies, to support lower-income households. Although this decentralized organization is often criticized, it is nevertheless an asset as it allows for consideration of local demographic and cultural characteristics.

Urban cantons have the highest premiums



The more urban a canton is (GE and BS), the higher the health insurance premiums. Premiums are lower in rural cantons (NW and OW).

Facts

270

With 270 hospitals, Switzerland has an exceptionally high hospital density. However, quantity does not equal quality: many hospitals fail to meet the recommended minimum number of cases per procedure needed to maintain basic quality standards.

■ 26 experimental laboratories

Decentralization fosters competition among cantons, insurers, and service providers. It encourages the development of care models and enables concepts to be tested: successful concepts can be adopted, while those that fail can be removed from the market.

■ Different political responses

Federalism enables the priorities of local social policy to be considered. In the canton of Vaud, 37% of the population received health insurance subsidies in 2024. Basel-Landschaft’s approach was more targeted, with only 20% receiving subsidies, but with higher amounts.

■ Questionable variation

Practices vary widely from one canton to another. For example, the number of knee arthroscopies per inhabitant in the canton of Basel-Stadt is 2.5 times higher than in the canton of Geneva. In contrast, one and a half times as many CT scans are performed in the canton of VD as in the canton of ZH.

■ Conflicting objectives in hospital policy

As the owners of hospitals, the cantons are torn between maximizing revenue and the interests of paying citizens. The preferences of hospital employees and the desire for a hospital close to home often prevail in voting results, which leads to maintaining inefficient or outdated structures.

Recommendations

The diversity offered by federalism is not a weakness, but a strong asset. Nevertheless, reforms are necessary to address its side effects. Firstly, **limiting the number of seats on boards of directors** allocated according to party colors would minimize political interfer-

ence in hospital management. Secondly, **inter-cantonal collaboration within a healthcare region** should be encouraged. Thirdly, **proper transparency regarding the quality of care**, as measured by disease-specific indicators, would encourage hospitals to specialize in what they do best.

