

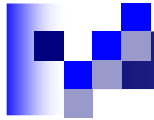
Presentation and Perspectives of the French Healthcare System

10th of June 2010



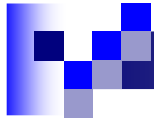
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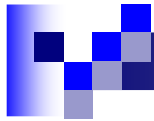
Broad features

- France doesn't have an organised health care system, but a coordinated system of mostly private healthcare providers indirectly regulated through financial measures
- The responsibilities of the state are to set the public health policies and regulations, to decide the general health spending objectives (ONDAM) and to ensure the financing and organisation of the hospital (public and private) services.
- The day to day regulation is operated by a financing body, the national health insurance fund (UNCAM), who sets the tariffs of the providers (health professionals) through negotiation with their representatives
- The health care costs are supported by patients, which are partially reimbursed of their expenses by the local antennas of UNCAM. The rest of the costs are financed by private « additional » health insurers

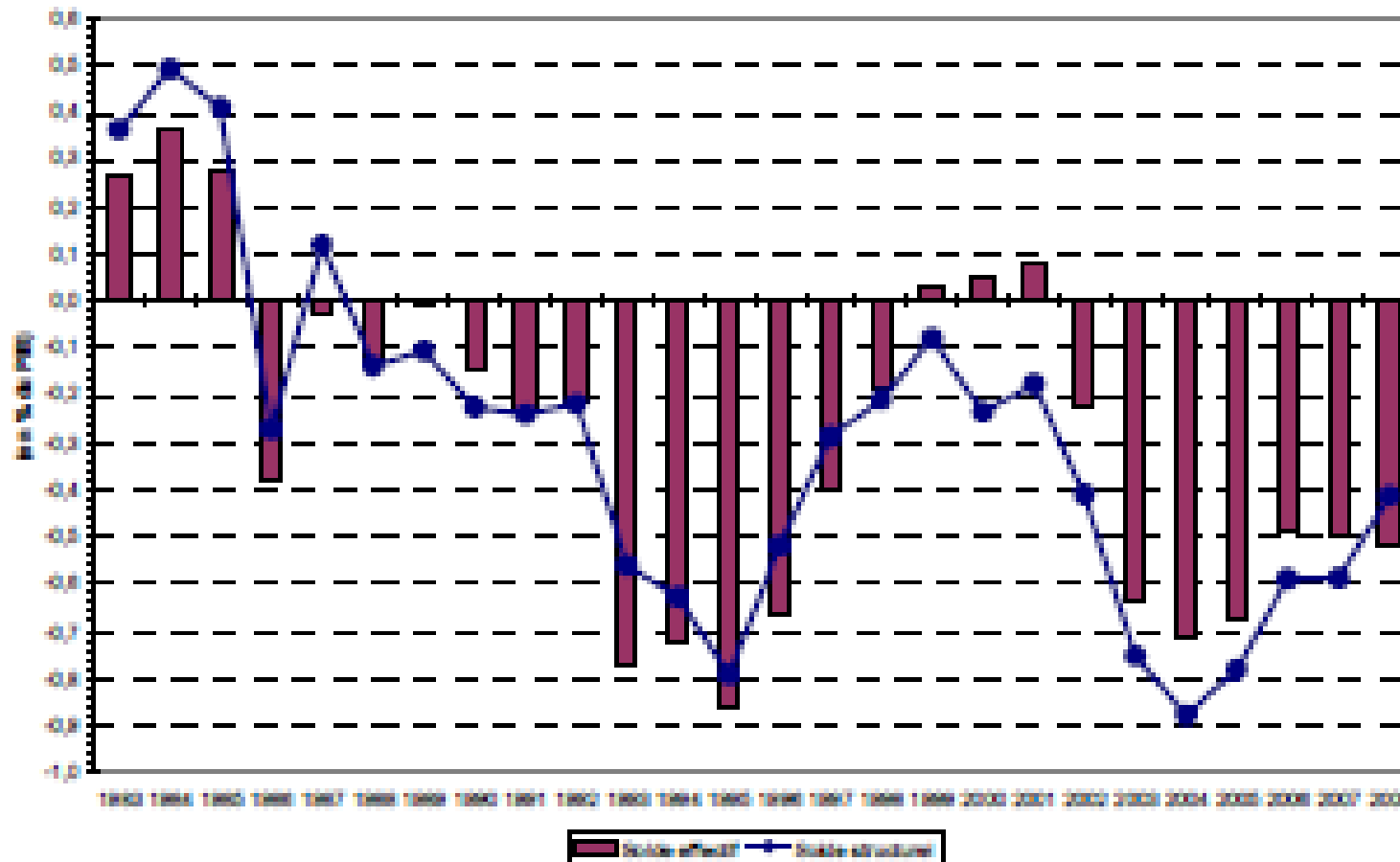


A few facts and figures

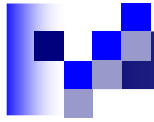
- A first class health system according to WHO.
- The system is funded through social contributions (45%) and specific taxes (55%)
- Health expenses represent around 11% of the GDP, of which more than 78% is publicly funded. Private insurers reimburse around 13%. Hence the average patient pays only 9% of his healthcare costs.
- Growth of healthcare costs on average : +1pt > GDP since 2004.
3600\$ PPA /inhab in 2009
- A structurally unbalanced system. The situation is worsened by the financial crisis. Deficit set to reach 15 bn€ in 2010.



Soldes effectif et structurel du régime général



Source : Commission des comptes de la sécurité sociale ;
calculs Drees.



Tough choices ahead...

- Efficiency savings are necessary, but will not be made in the short term and will anyway not be sufficient
- Action on the « refundable » healthcare basket is needed (low to moderate efficiency medicines ? dental care ? optical goods ? rate of public reimbursement ?)
- Consequence : a larger part of non essential healthcare expenses will be left to households and/or their additional health insurer
- Numerous challenges for private insurers : « risk » management, access to relevant personal medical information, capacity to justify the cost of the service, capacity of households and entreprises to pay higher premiums