

Denmark



In Denmark's universal, decentralized health system, the national government provides block grants from tax revenues to the regions and municipalities, which deliver health services. All residents are entitled to publicly financed care, including largely free primary, specialist, hospital, mental health, preventive, and long-term care services. Residents may purchase voluntary complementary insurance to cover copayments for outpatient drugs, dental care, and other services. Supplemental insurance, provided mainly by private employers, offers expanded access to private providers. Cost-sharing limits for adults and for children create a safety net.

INSURANCE COVERAGE (% OF POPULATION)

0% 50% 100%

Public coverage: 100%

Universal, automatic national insurance, with regions and municipalities responsible for financing and delivering care

Private complementary coverage: 42%

Voluntary individual plans cover copayments for pharmaceuticals and adult dental care, as well as services not fully covered by national insurance

Private supplementary coverage: 30%

Nonprofit plans offer expanded access to private providers; purchased mainly by private employers as fringe benefit

HEALTH CARE DELIVERY AND PAYMENT

General practitioners (GPs), who are mostly self-employed in practices of two-to-four GPs, are paid by regions via capitation and fee-for-service. Rates are set through national agreements with physicians' associations and can be reduced if overall expenditures exceed given levels. Regions also may intervene if practices deviate significantly from the average. *Patient cost-sharing:* None.

Specialists work in public hospital-based ambulatory clinics as well as private facilities. As of 2013, patients have a right to diagnostic assessment within one month of referral, so private providers may receive patients referred by public providers. Rates are set through national agreements. *Patient cost-sharing:* Usually none, although a copayment may be required for residents who select coverage that provides free choice of specialists.

All costs are in U.S. dollars, adjusted for cost-of-living differences.
Conversion rate: USD 1.00 = DKK 7.36.

DEMOGRAPHICS

5.8M

Total population

19.3%

Population age 65+

HEALTH SYSTEM CAPACITY & UTILIZATION

4.0

Practicing physicians
per 1,000 population

4.3

Average physician visits
per person

10.0

Nurses per 1,000 population

2.6

Hospital beds
per 1,000 population

145

Hospital discharges
per 1,000 population



The
Commonwealth
Fund

Hospitals are mostly public and are financed using fixed-budget and activity-based funding based on diagnosis-related groups set at the national level. Patients can choose among public hospitals on referral. *Patient cost-sharing*: None.

Prescription drugs for outpatients are subsidized. Chronically ill patients may be reimbursed for drug costs that exceed USD 513.00 each year. Terminally ill patients can apply for full coverage of prescriptions. Municipalities also may grant financial assistance for medications. *Patient cost-sharing*: Copayments applied to outpatient prescriptions.

Mental health services are funded by municipalities, which contract primarily with public providers. Patients have a right to a psychiatric assessment within one month of referral. *Patient cost-sharing*: None for inpatient psychiatric care, some cost-sharing for psychologists in private practice.

Long-term care, usually in the form of home care, is organized and funded by municipalities, and patients may choose public or private providers. *Patient cost-sharing*: None for permanent home care; cost-sharing for temporary home care depends on income.

Care coordination is supported through outreach teams, training, and other programs at the regional and municipal levels. Agreements between GPs and regions support multispecialty facilities called health houses that promote better care coordination.

TOTAL HEALTH EXPENDITURES

Total health expenditures represented 10.4 percent of Denmark's GDP in 2016, with public spending accounting for 84 percent of the total.

RECENT REFORMS

- A 2018 agreement with Norway will facilitate joint tenders for hospital drugs and information-sharing about new pharmaceuticals.
- A new external reference pricing system for drugs will be implemented in 2020.
- Under a new funding scheme, regions are to be accountable for meeting criteria related to coordination and integration of care. A minor portion of funding will be redistributed to technology development projects.

This overview was prepared by Karsten Vrangbæk.

SPENDING

\$5,299

Health care spending per capita

\$690

Out-of-pocket health spending per capita

\$318

Spending on pharmaceuticals (prescription and OTC) per capita

HEALTH STATUS & DISEASE BURDEN

81.2

Life expectancy at birth (years)

16.8%

Obesity prevalence

6.4%

Diabetes prevalence

Data: 2019 OECD Health Data except diabetes prevalence from *Health at a Glance 2019* (IDF Atlas 2017 data).