



**ASSOCIATION EUROPÉENNE DES MÉDECINS DES HÔPITAUX
EUROPEAN ASSOCIATION OF SENIOR HOSPITAL PHYSICIANS
EUROPÄISCHE VEREINIGUNG DER LEITENDEN KRANKENHAUSÄRZTE
EUROPESE VERENIGING VAN STAFARTSEN
DEN EUROPÆISKE OVERLÆGEFORENING
ΕΥΡΩΠΑΪΚΟΣ ΣΥΛΛΟΓΟΣ ΝΟΣΟΚΟΜΕΙΑΚΩΝ ΙΑΤΡΩΝ ΔΙΕΥΘΥΝΤΩΝ
ASSOCIAZIONE EUROPEA DEI MEDICI OSPEDALIERI
DEN EUROPEISKE OVERLEGEFORENING
ASSOCIAÇÃO EUROPEIA DOS MÉDICOS HOSPITALARES
ASOCIACIÓN EUROPEA DE MÉDICOS DE HOSPITALES
EUROPEISKA ÖVERLÄKARFÖRENINGEN
EVROPSKO ZDRŽENJE BOLNIŠNIČNIH ZDRAVINIKOV
EUROPSKA ASOCIACIA NEMOCNICNÝCH LEKAROV
EUROPSKA UDRUGA BOLNIČKIHI LIJEČNIKA
ΕΒΡΟΠΕΪΣΚΑ ΑΣΟCΙΑCΙΑ ΝΑ ΣΤΑΡΣΗΤΕ ΒΟΛΝΗCΗΝΗ ΛΕΚΑΡΗ
ASOCIAȚIA EUROPEANĂ A MEDICILOR DIN SPITALE**

Document :	AEMH 23-013
Title:	National Report Germany
Author :	VLK
Purpose :	Information
Distribution :	AEMH Member Delegations
Date :	2 May 2023

Hospitals in Germany are facing major challenges. Thanks to substantial financial support from the government, they have weathered the consequences of the Covid-19 pandemic to some extent. But now many hospitals are at risk of financial distress due to a continuing decline in patients of about 15% coupled with high inflation and massive increases in energy costs. The government's support measures are coming only very hesitantly. The purely performance-based remuneration in the DRG system offers no support here, and so the threat of insolvency is real for many.

Hospital structure reform

The Federal Minister of Health (BMG) plans an extensive hospital structure and financing reform towards more centralization of performance and away from the classic exclusively performance-based DRG's. A government commission presented a comprehensive package of measures for hospital reform on December 6, 2022, with a recommendation for "modern and needs-based hospital care." In the federal system in Germany, however, the federal government is only responsible for financing the operating costs of hospitals, while the states are responsible for hospital planning and investment financing. Following massive criticism of the plans, it has since been possible to ensure that the federal states are closely involved in the further discussion, which was not done at the beginning. Not least as a result of several legal opinions, it was possible to reach agreement that this is a law requiring approval in the Länder chamber (Bundesrat). Accordingly, the federal and state governments are now working on a joint draft, which should be available by the middle of the year. It relates in particular to a division into levels (care levels), service groups and the remuneration of maintenance. The aim is to concentrate services and massively reduce the number of sites. In principle, we agree with the reform plan, which aims to reduce the disincentive to increase volumes and commercialization, in particular by introducing reserve costs. A certain degree of centralization also makes sense, but we see the danger that too many hospitals will lose their level and thus their service volume as a result of many details of the proposed regulations. This must be prevented. A very heated debate between the federal government, the states and the hospitals and health insurers can be expected in the coming months. At the moment, scepticism tends to prevail among hospitals, with the exception of university hospitals, which are hoping for a significant financial improvement as a result of the reform. However, the current financial imbalance will not be improved by the reform proposals, unless as many hospitals are closed until the money is sufficient again. But then there is a risk of supply bottlenecks.

Outpatient surgery (AOP)

In Germany, far fewer services and interventions are performed on an outpatient basis than in other countries. Several legislative initiatives are therefore intended to promote "outpatientization". A new AOP contract has been in force since 01.01.2023. It stipulates that significantly more services than before must now be provided on an outpatient basis. Payment is made according to a standardized evaluation scale (EBM) as an individual service payment. However, despite a recent adjustment, revenues continue to be insufficient and are on average 34% below the costs for inpatient services. Context factors have been agreed upon which, depending on the patient's morbidity, may justify the provision of inpatient services. However, they have so far proven to be insufficient. Thus, the entire process has stalled. For this reason, further legislation has been introduced to promote outpatient care under so-called hybrid DRGs. Here, a flat rate per case of the same amount is to be paid regardless of the type of service provision, significantly above the EBM revenue. Unfortunately, there

has not yet been any agreement between the contracting parties - physicians, hospitals, and health insurers - on this issue either. The Federal Ministry of Health now wants to specify the further procedure in a so-called substitute measure.

Outlook

The German hospitals are therefore facing turbulent times and the hospital landscape will certainly change considerably in the coming years. The government will be judged on whether the provision of care to the population actually changes in line with its needs and whether the hospitals emerge from their financial difficulties. At the same time, an omnipresent shortage of personnel continues to pose a massive threat to care, and it is doubtful that centralization will really bring about any decisive improvement. The demographic development of the population in Germany gives rise to fears that the need for inpatient and outpatient care will continue to increase.