

**CSS Institute for Empirical Health Economics**

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# **Annual Report 2015**

Lucerne, July 2016

CSS Institute for Empirical Health Economics

Tribschenstrasse 21

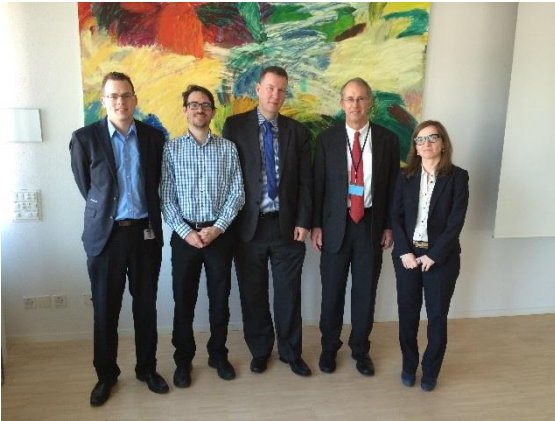
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## Highlights in 2015

The CSS Institute was honored by the visit of Professor Thomas McGuire (Harvard Medical School) for a two day workshop in March.



From left: C. Schmid, L. Kauer, K. Beck (CSS Institute), T. McGuire (Harvard, USA), P. Colatella (today CEO-elect of CSS)

In September, the institute organized the 2<sup>nd</sup> Swiss Health Economics Workshop. Just like the first edition, the workshop has been widely recognized and earned many positive feedbacks from the participants.



Impressions from the 2<sup>nd</sup> Swiss Health Economics Workshop

In addition, the institute hosted the 15<sup>th</sup> RAN meeting (Risk Adjustment Network) in Solothurn in October. This meeting has gained relevance for Switzerland given the ongoing reform

of risk equalization. We used the traditional “sponsor meeting” for an international lecture in risk equalization.



Participants of the 15<sup>th</sup> RAN-Meeting 2015



Prof. Dr. Wynand P.M.M. van de Ven, appointed honorary chair of the RAN.

We would like to thank all sponsors who made this event possible.<sup>1</sup>

## Rating success

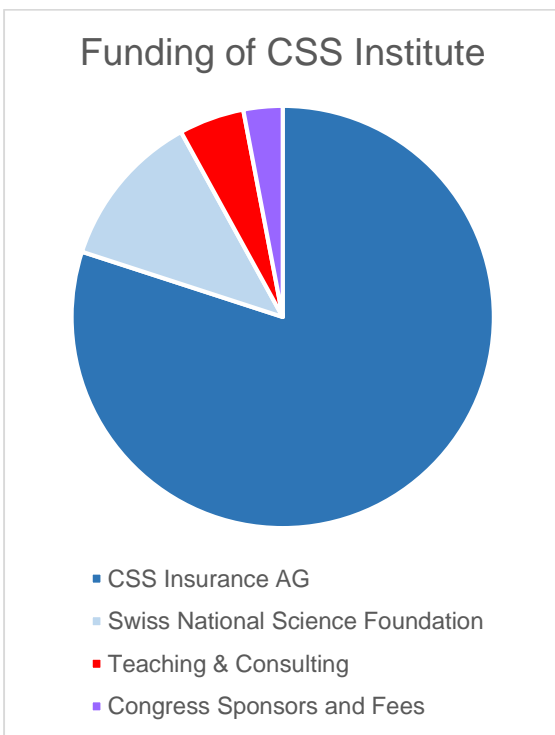
We have been surprised by the highly recognized ranking presented by the Neue Zürcher Zeitung. According to this ranking the director of the institute has been rated as the most influential German speaking health economist in Switzerland and ranked 3<sup>rd</sup> among the economists from the University of Zurich.

## Funding

The CSS Institute has been funded mainly by CSS Insurance AG. In order to counter the recently upcoming criticism of private funding of

<sup>1</sup> Ernst & Young, Visana, CSS, BDO, Helsana, and Polynomics.

scientific research we refer to our principle: “The scientific objectivity and independence of our research is measured in terms of the quality and nature of articles published in peer-reviewed journals.” As an act of transparency of our financing we also show the different sources of our revenues in 2015 in the following figure. A total of CHF 706'000 has been financed by CSS insurance AG (80%), by the Swiss National Science Foundation (12%), by teaching and consulting (5%), and by congress sponsors and congress fees (3%).



Konstantin Beck  
 Director of CSS Institute for Empirical Health Economics

## 1 Research focus

One of our research focus was an analysis of „Fit, power, and balance“ in the context of risk equalization. This new framework reveals reinsurance as a so far underestimated tool to establish solidarity in a competitive health insurance market. The respective paper has been accepted meanwhile by Health Policy, see list below.

In addition, we continued the research on the interaction of solidarity versus responsibility factors and their influence on appropriate risk equalization. Results have been presented in a hearing of the national parliament’s commission which included them in the legal reform proposition.

Another topic was the sustainability of cost saving effects of managed care models. Substantial effects are found for a population part of a managed care plan for ten subsequent years. The resulting paper is under submission.

In another project, we questioned the risk communication for side effects caused by specific hormonal contraceptives (such as Yasmin® and Yaz®). A case with Yasmin® had provoked litigation up to the Swiss federal court. We also estimated the costs of side effects, which might even exceed the price for these pharmaceuticals. However, further research is needed to confirm our finding. If our hypothesis turns out to be true, we would have a situation where profits of private manufacturers are challenged by more expensive side effects financed by the public (through mandatory health insurance premiums) which would be a pareto-suboptimal outcome.

In collaboration with Polynomics (Olten), we continued our sub-project on willingness to pay for life prolongation. This project is part of the National Research Programme 67 „End of Life“ ([www.nrp67.ch](http://www.nrp67.ch)). We have been surprised to find quite a high willingness to pay for a QALY (CHF 200'000).

During a study trip Christian Schmid had the opportunity to have a closer and disillusioning look at the health care system of Singapore. Its often recommended cost reducing impact might be overestimated.

## 2 Team

Prof. Dr. Konstantin Beck (KB)

Lukas Kauer, PhD (LK)

Christian Schmid, PhD (CS)

Bettina Vogel, internship until February

Ivan Jivkov, internship June – November

## 3 Publications

### 3.1 Peer reviewed publications

Viktor von Wyl & Konstantin Beck (KB). Failure to pay for social health insurance premiums: Acts of protest or desperation? In: *Preventive Medicine Reports* 2 (2015), 127-133.

Viktor von Wyl & KB: Do insurer respond to risk adjustment? A long-term, nationwide analysis from Switzerland. In: *European Journal of Health Economics*, 17 (2), 171-83.

Viktor von Wyl, Harry Telser, Andreas Weber, Barbara Fischer, KB. Cost trajectories from the final life year reveal intensity of end-of-life care and can help to guide palliative care interventions, *BMJ Supportive & Palliative*

*Care* (Published Online First 15 October 2015).

### 3.2 Various publications

KB, Wissenschaft: Wie einheitlich ist eine Einheitsprämie wirklich? In: *CSS Versicherung* (Hg): *im dialog*, 2/15, 19.

Lukas Kauer (LK), Viktor von Wyl, KB, Transfers in der Grundversicherung. In: *CSS Versicherung* (Hg): *im dialog*, 2/15, 4-5.

Christian Schmid (CS) & KB, Wirken hohe Franchisen kostendämpfend? In: *Schweizerische Ärztezeitung*, 2015, 96(35), 1238-1239.

### 3.3 Scripts

KB & LK, Was ist ein Versicherungsprodukt? Script for CSS Schulung, January 30.

KB & LK, Qu'est-ce qu'un produit d'assurance? Script for CSS Schulung, January.

KB & LK, Managed Care, Script for CSS Schulung, February 6.

KB & LK, Swiss Social Health Insurance, Script for Università della Svizzera Italiana, April 14.

KB & LK, Krankenversicherung, Wettbewerb und Risikoausgleich, Script for Public Health Weiterbildung der Universitäten Basel, Bern und Zürich, June 19.

KB, LK & CS, Management von Hochkostenfällen, Script for Zürcher Hochschule für angewandte Wissenschaften, July 4.

KB & LK, Versicherungsökonomie, Script for Zürcher Hochschule für angewandte Wissenschaften, September 12.

KB & LK, Managed Competition, Script for phw Bern, October 16.

KB & LK, Managed Care, Script for phw Bern, October 17.

KB & LK, Versicherungsökonomie, Script for Universitätsspital Basel, November 10.

### 3.4 Submitted publications

KB, Krankenversicherer und systematische Behandlungsfehler – Das Fallbeispiel Yasmin, in: Frank Mathwig, Torsten Meireis, Rouven Porz (Hg.): „Fehlerfreundlichkeit“ und Nichtschadensprinzip. Vom Umgang mit menschlicher Fehlbarkeit im Gesundheitswesen, Theologischer Verlag Zürich.

CS, Unobserved Out-of-pocket Healthcare Expenditures – Measurement Error in Register Data.

CS & KB, Re-insurance in the Swiss Health Insurance Market: Fit, Power, and Balance, accepted by Health Policy.

Daniel Burkhard, CS & Kaspar Wüthrich, Financial Incentives and Physician Prescription Behavior: Evidence from Dispensing Regulations.

KB, Naive Haftpflichtklage oder tragischer Regulierungsfehler? *Schweizerische Ärztezeitung*, accepted.

### 3.5 Working Papers

Cornel Kaufmann, CS & Stefan Boes, Health Insurance Subsidies, Deductible Choice, and the Demand for Healthcare, unpublished working paper.

KB, Florian Buchner, Richard van Kleef, Viktor von Wyl, Risk equalization and cost saving options: How to marry solidarity with efficiency? unpublished working paper.

LK, Long-term effects of managed care, unpublished working paper.

KB, Beurteilung zweier Gutachten zur leistungsorientierten Vergütung mit Fallpauschalen nach SwissDRG, Study commissioned by UniversityHospital Zurich.

KB, CS & Markus Kälin, Zur Frage der monetarischen Spitalfinanzierung, unpublished working paper.

Matthias Schenker, Bernhard Keller & CS, Für mehr Eigenverantwortung und gezielte Solidarität, unpublished working paper.

KB, Le cas Yasmin: question après question, unpublished working paper.

KB, Der Fall Yasmin: Fragen über Fragen, unpublished working paper.

### 3.6 Referee Reports

KB, *European Journal of Health Economics* (2), *Health Policy* (1).

CS: *European Journal of Health Economics* (2).

## 4 Teaching

KB, CSS Schulung, Was ist ein Versicherungsprodukt, with LK & Patrick Helbling, CSS Lucerne, January 30.

KB Gesundheitssysteme und Finanzen – Politische Rahmenbedingungen und Verbände, Certificate of Advanced Studies (CAS) in Recht, Unternehmensführung und Leadership im Gesundheitswesen, Luzerner Kantonsspital & Universität Luzern, February 5.

KB, CSS Schulung, Managed Care with Bernhard Keller und Ute Kunze, CSS Lucerne, February 6.

KB, Soziale Krankenversicherung for economists and actuaries, Bachelor level, Spring Semester, Universität Zürich, weekly lecture from February 18 to May 27.

KB, Swiss Social Health Insurance, Master NET-MEGS 2013-15 der Università della Svizzera Italiana, April 14.

- KB, Krankenversicherung, Wettbewerb und Risikoausgleich, Modul Gesundheitsökonomie, Master of Public Health, Public Health Weiterbildung der Universitäten Basel, Bern und Zürich, June 19.
- KB, Management von Hochkostenfällen, CAS Case Management, Zürcher Hochschule für angewandte Wissenschaften, Winterthur, July 4.
- KB, Versicherungsökonomie, CAS in Gesundheitsökonomie, Zürcher Hochschule für angewandte Wissenschaften, Winterthur, September 12.
- Monika Buholzer & KB, Krankenversicherung - eine Branche im Fokus der Öffentlichkeit, Seminar for actuaries, Universität Basel, Fall semester, September 16 to December 9.
- KB, Mathematics for Economists, Master in Health Sciences, Universität Luzern, October 8.
- KB, Managed Competition, Executive MBA Medical Manager, Private Hochschule Wirtschaft, Bern, October 16.
- KB, Managed Care, Executive MBA Medical Manager, Private Hochschule Wirtschaft, Bern, October 17.
- KB, Versicherungsökonomie, MAS in Versicherungsmedizin, Universitätsspital Basel and Swiss Tropical and Public Health Institute, November 10.
- de la Grande Société für Gesundheitspolitiker und Gesundheitsexperten, Bern, January 22.
- KB, Wirken hohe Franchisen Kosten dämpfend? Referat für die CVP Parteispitze Hotel Schweizerhof, Bern, March 4.
- LK, Managed Care – Long-term analysis Presentation on the occasion of Prof. Thomas G. McGuire's on site visit, CSS Institute, Lucerne, March 5.
- CS, Fit, Power, and Balance in the Swiss Risk Adjustment System. Presentation on the occasion of Prof. Thomas G. McGuire's on site visit, CSS Institute, Lucerne, March 5.
- KB, Yasmin®: The Problem of Externalities and Suboptimal Decision Making in Social Health Insurance. Presentation on the occasion of Prof. Thomas G. McGuire's on site visit, CSS Institute, Lucerne, March 6.
- KB, Theory of risk adjustment – Did the Europeans take the wrong track? Presentation on the occasion of Prof. Thomas G. McGuire's on site visit, CSS Institute, Lucerne, March 6.
- CS, Demand for Health Care – Dynamic Price Response. Presentation on the occasion of Prof. Thomas G. McGuire's on site visit, CSS Institute, Lucerne, March 6.
- Bettina Vogel, Consumer's Preferences in the Swiss Health Insurance Market, CSS, Lucerne, March 11.
- KB, Céline versus Yasmin®: Naive Rechtsansprüche oder tragischer Regulierungsfehler? Vortrag gehalten an der EMBA 37-Tagung, Klinik St. Anna, Luzern, May 9.
- KB, Céline versus Yasmin®: Naive Rechtsansprüche oder tragischer Regulierungsfehler? Vortrag gehalten am Treffen der Deutschschweizer Gesundheitsexperten, da capo Bahnhof Zürich, May 11.

## 5 Presentations

- KB, Céline versus Yasmin®: Naive Rechtsansprüche oder tragischer Regulierungsfehler? Vortrag gehalten für die Konzernleitung der CSS Gruppe, Luzern, May 19.
- LK, The Effect of Cutting Disability Insurance Benefits on Labor Supply in Households - Evidence from a Swiss DI revision, Health and Labour Workshop, Molskroen, Denmark, June 23.
- KB, Die wichtigsten, aktuellen Themen des CSS Instituts, sanagate, Root D4, August 27.
- KB, Naive Haftpflichtklage oder tragischer Regulierungsfehler im Fall Céline versus Yasmin®, Pressegespräch der CSS Gruppe, August 31.
- LK, Long-term effects of managed care, 2nd Swiss Health Economics Workshop, CSS, Lucerne, September 11.
- CS, Re-insurance in the Swiss Health Insurance Market – Fit, Power, and Balance, 2nd Swiss Health Economics Workshop, CSS, Lucerne, September 11.
- KB, How to deal with severe side effects – the case of hormonal contraceptives, 2nd Swiss Health Economics Workshop, CSS, Lucerne, September 11.
- CS, Discussion: Switching Left-Handers, 2015 Doctoral Workshop, University of Lucerne, September 12.
- KB, Ist Yasmin zu gefährlich? – Zum rationalen Umgang mit schweren Nebenwirkungen hormonaler Kontrazeptiva, Gesundheitsökonomischer Ausschuss im Verein für Socialpolitik, Greifswald, September 25.
- KB, Cost trajectories from the final life year reveal intensity of end-of-life care, Meeting of the National Fund Program 67, End of life, Sursee, October 2.
- KB, Risk equalization in a nutshell, 15th Risk Adjustment Network Meeting – Preconference, Sponsor Meeting, Lucerne, October 28.
- KB, A note on preconditions for fair capitation financing, 15th Risk Adjustment Network Meeting, Solothurn, October 29.
- KB, Country update – Switzerland, 15th Risk Adjustment Network Meeting, Solothurn, October 29.
- CS, Re-insurance in the Swiss Health Insurance Market – Fit, Power, and Balance, 15th Risk Adjustment Network Meeting, Solothurn, October 30.
- KB, Assessing Incentives for Adverse Selection in Health Plan Payment Systems by Layton, Ellis & McGuire, 15th Risk Adjustment Network Meeting, Solothurn, October 30.
- KB, Menschenmedizin und KVG – Versuch einer Synthese, Vortrag im Verein für Menschenmedizin, Ebertswil, November 6.
- CS, Unobserved Out-of-pocket Healthcare Expenditures – Measurement Error in Register Data, CHPE / CSS Research Seminar, University of Lucerne, November 16.
- LK, Risiko & Kosten eines Pflegeheimaufenthalts, café dialogue, CSS, Luzern, November 19.
- Ivan Jivkov, Vergleich der Prämienrabatte 2016 der CSS Gruppe zur Konkurrenz, CSS, Luzern, November 24.
- CS, Unobserved Out-of-pocket Healthcare Expenditures – Measurement Error in Register Data, Brown Bag Seminar, University of Bern, November 25.
- KB, Risikoausgleich – Funktionsweise und Reform 2017, CSS TK Austausch, SUVA-Auditorium Rösslimatte, December 3.
- CS, Unobserved Out-of-pocket Healthcare Expenditures – Measurement Error in Register Data, 2. Workshop des dggö-Ausschusses

“Gesundheitsökonomie”, RWI Essen (Deutschland), December 3.

CS, Das Gesundheitssystem von Singapur. Vortrag gehalten für die Abteilungsleiter des Generalsekretariats der CSS Gruppe, Luzern, December 17.

## 6 Interviews

KB in: Brigitte Walser: Krankenkassen Versicherungsform – Gesundheitsexperten verteidigen die Wahlfranchisen, in: Berner Zeitung, January 6.

KB in: Punktuell 1/15, Newsletter der PonteNova, „Ein deutlicher Schritt vorwärts“, Interview zur Einführung von Pharmazeutischen Kostengruppen in den Risikoausgleich.

Boris Kaiser & CS: Selbstdispensation führt zu höheren Medikamentenkosten, Interview mit Silvia Weigel, in: pharmaJournal 03/1.2015.

KB: Interview mit Hanspeter Schmutz, in Zoom – welche Medizin können wir uns noch leisten? Radio ERF, Pfäffikon, July 8, 8pm.

KB: Woher? - Wohin? - Ursachen, Wirkungen, Korrekturen, Interview mit Hans Balmer, in: Clinicum 5-15, 136-139.

KB: Pille Yasmin: Verschiedene Informationen für Ärzte und Patientinnen? SRF 4 News aktuell, September 1.



## **CSS INSTITUTE FOR EMPIRICAL HEALTH ECONOMICS**

The CSS Institute was founded by the CSS Group in 2007. Its purpose is scientific research and teaching.

The institute is intended to deliver empirically verifiable answers to questions about how healthcare services can be financed efficiently and how their cost can be distributed fairly.

The institute is funded in part by CSS Insurance AG and – depending on the nature of the research project – in part by third parties, such as the Swiss National Science Foundation.

The scientific objectivity and independence of research is measured in terms of the quality and nature of articles published in peer-reviewed journals.

The opinions expressed by the CSS Institute do not necessarily reflect those of the CSS Group.