Zeitschrift: Swiss review : the magazine for the Swiss abroad

Herausgeber: Organisation of the Swiss Abroad

Band: 34 (2007)

Heft: 1

Artikel: Politics/Voting : initiative demands unified state health insurance fund for all

Autor: Lenzin, René

DOI: https://doi.org/10.5169/seals-907547

Initiative demands unified state health insurance fund for all

A cross-party initiative backed by leftwing and Green politicians is calling for a single health insurance fund and income-related premiums. The issue will be put to the vote in a referendum on 11 March. The Federal Council and the conservative majority in Parliament reject the move. By René Lenzin

The popular initiative «For a uniform social health insurance fund» did not get off to a good start. After the voters had clearly rejected a similar left-wing initiative in May 2003, the Swiss Social Democratic Party (SP) in particular had little appetite for another healthcare venture. This almost derailed a petition launched jointly by the «Mouvement Populaire des Familles» from French-speaking Switzerland and the Greens. It was only rescued when the SP eventually decided to support the move. The petition containing just over 111,000 valid signatures was submitted in December 2004.

The popular initiative has two targets:

- It wants the government to set up a single state-run health insurance fund to provide obligatory basic health insurance. Representatives from the authorities, the healthcare sector and patients should each get one-third of the seats on the executive.
- The present system of canton-based uniform per-capita premiums is to be replaced by health insurance contributions dependent on a person's income.

The initiators claim the present system of more than 80 health insurance funds is inefficient. They say insurance companies spend millions on advertising and battle it out to attract so-called «cheap risks» – i.e. young men – rather than providing affordable healthcare for all. They also say that there is a blurring of the boundary between the compulsory basic cover and private complementary insurance. All this could be prevented by a unified fund interested not in profit, but the common good, they claim.

More state control of healthcare

In principle, the initiators are not primarily interested in the health insurance funds. They need a unified fund as a means of carrying out a fundamental overhaul of the healthcare system. They want to move away from the current model, which could be described as state-managed competition. In effect, competition is to be eliminated and the entire system managed by the state. Although not specified in the text of the initiative, the initiators say it is conceivable that 26 cantonal unified health insurance funds with different premiums could be set up rather than one national fund. One thing is clear, though: they certainly want to get rid of what they see as unjust per-capita premiums. How much people would pay for their healthcare compared to now is also not spelt out.

The Federal Council and the conservative majority in Parliament reject the idea. They say that the proposed model for a unified fund could lead to political stalemate with the opposing interests blocking one another. This would then make the fund cumbersome or even completely incapable of action. By contrast, they say, the present system allows people to choose their insurer freely, while the competition helps keep costs in check. The opponents of the initiative do not deny that the healthcare system has its faults, but they propose different reforms. The National Council voted 122 to 67 against the initiative, while the Upper House rejected the move by 34 votes to 6.

Federal budget generates surplus

Favourable economic conditions and cost-cutting help Switzerland stay in the black. By René Lenzin

Good news for the finance minister as well as all those politicians who have been moaning about deficits and a burgeoning public debt in recent years: According to the figures for the 2007 budget, which were approved by parliament in its December session, the Swiss Confederation expects to generate a surplus of about CHF 900 million next year. In fact, the surplus is fully half a billion francs more than anticipated by the financial plans. What's more, it's already clear that the country will end 2006 with a large surplus rather than the budgeted shortfall of CHF 700 million. For 2005 the deficit was «only» CHF 121 million rather than the budgeted CHF 1.8 billion. And the good news doesn't end there: Although debt normally has a dampening effect in times of good economic conditions, larger surpluses are also anticipated beyond the coming year too.

So the months ahead will be rosy for the federal treasurer. The figures are also a source of pride for Federal Councillor Hans-Rudolf Merz. He attributes the financial turnaround to two factors: Firstly, favourable economic conditions are netting the state more revenue than planned. Secondly, the impact of the 2003 and 2004 economising programmes, which cut spending by CHF 5 billion, is starting to be felt.

Deficits set to return in the medium-term

Merz said Switzerland must pursue its «path of thrift». After all, the federal finances could only be reformed sustainably if the Government continued to keep a tight rein on its spending. According to Merz, Switzerland risks slipping back into a deficit in the medium-term because welfare expenditure looks set to grow at a higher rate than the economy. The Federal Council therefore hopes that measures already being implemented as well as those still being finalised will reduce the expenditure of CHF 8.5 billion projected for 2015. As a result, overall federal spending will rise continuously, though not by an annual 4.7 percent, as a projection of the current situation would lead us to expect, but by 3 percent.

The Federal Council's plans have met with a mixed response. The Liberals and Christian Democrats approve them, while the Swiss People's Party (SVP) wants more far-reaching cost-cutting to reduce the public debt, which now stands at CHF 130 billion. By contrast, the Social Democrats and Greens say that current developments show that the government painted too bleak a picture. They reject cuts in social services and demand a debate about not only austerity measures, but also ways to increase revenues, for instance through a nationwide inheritance tax.