Spanish Public Healthcare System: Is it Sustainable?

The Spanish Public Health System provided everyone living in Spain with free medical attention and hospitalization. Since April 2012, this coverage has been limited, excluding the non-emergency treatment of irregular adult migrants, and requiring residents who earn over 100,000 Euros/year and do not make Social Security contributions to pay for treatment.

Health Expenditure in Spain Compared to Europe

According to the most recent data, public health expenditure in the EU represents an average of 73% of total health spending, which is just slightly below the proportion made up by public spending in Spain (74%). Of the six most populated countries in Europe, UK, Italy, France and Germany show the highest percentages of public sector spending. There is variety in the private health insurance spending, which is low in the UK, Italy and Poland, but higher in France, Germany and Spain.

Graph 1. Expenditure on Health by Type of financing (2010)

Figures on per capita expenditure show Germany at the top (3,337€), followed by France and the UK. Per capita expenditure in Spain (2,345€) is 30% less than in Germany. If we measure expenditure in terms of GDP, again Germany and France are in the lead (12%). Spain is nearly 2 percentage points behind, closer to the EU average.

Source: OECD, Health Data 2012
Health Expenditure in Spain

The budget for Spanish public health has decreased by 8.4% since 2010 (from 62.2 to 57.0 Billion €), the year in which it peaked, also in terms of GDP. Total healthcare expenditure exceeded (by around 6.2 to 9.2 Billion € yearly) its original budget from 2007 to 2010 (the last year for which final health expenditure data have been published).

Graph 3. Health Expenditure in Spain (2007-2013)

Source: Ministry of Health, Social Services and Equality of Spain

Source: OECD, Health Data 2012
What does the Spanish Public Prefer: Public or Private?
The Spanish public prefers public health in all situations (primary attention, emergencies and hospitalization). Only in the case of specialized treatments is there an equal preference for private and public treatment. The overriding factor for choosing the public service is the medical skills of the professionals (66% give this as a main reason for choosing the public sector, while only 20% do for the private sector). Private treatment is preferred for avoiding queues and waiting lists, and for providing comfortable facilities or a more personalized care. In short, public healthcare in Spain is (and is perceived as): high quality and professional, but with austere, functional facilities and few extra frills.

Graph 4. Preference Between Public and Private Healthcare

The Cost of Drugs
A huge slice of the debt of the Spanish National Health System can be explained by the very high level of medical drug consumption in Spain which, according to some reports, is second only to the US (with 913 million prescriptions made in 2012). Many drugs are subsidized by the government, which sets the price of pharmaceuticals. This means that they are cheap and readily available. In 2012, the governments of the autonomous communities of Madrid and Catalonia introduced an extra tax of 1 Euro for every prescription, which was eventually struck down by the Constitutional Court in 2013.

Graph 5. How Much Should I Pay for My Drugs?

- **Special drugs**
  - **ATC Reduced fee**
    - Special treatments (independent form, the level of income)
      - Medicines belonging to the ATC classification and associated with chronic diseases (for instance, VIH treatments, diabetes...)
      - 10% of the cost (Max. 4.2 Euro/prescription)
  - **425**
    - In 2012, 425 drugs have been excluded from the list of publicly financed drugs.
    - Majorly, this group includes drugs that are consumed very often and for non severe treatments.
    - 100% of the cost

The immediate consequence of excluding a list of 425 medical drugs from public subsidy has been a huge price increase. 68 of them very common and widely used drugs have almost doubled in price since January 2013.

*Source: Ministry of Health, Social Services and Equality of Spain*