Comparative Analysis of Financial Flows in the Healthcare Systems of Germany, Austria and Czechia: Opportunities for Savings and Assessing the Tax-Like Nature of Health Insurance Contributions

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Abstract

Background: Healthcare and pension expenditures represent significant budgetary commitments in OECD countries, with considerable variation in spending levels influenced by factors such as demographic structures, healthcare system models, and the role of private insurance. Germany, Austria, and Czechia exemplify diverse approaches to universal healthcare, reflecting unique socio-economic and policy contexts.

Objective: This study aims to compare the financial flows and spending efficiencies of healthcare systems in Germany, Austria and Czechia to identify opportunities for savings and policy innovations.

Methods: A comparative analysis of secondary data from OECD reports and academic literature was conducted, examining key metrics such as public and private expenditure, health insurance contributions, and administrative costs.

Results: The analysis reveals that while Germany's dual public-private insurance system ensures comprehensive coverage, it faces challenges in integrating care services. Austria's regionally managed system benefits from robust public funding but struggles with administrative complexity. Czechia's centralised financing model supports equitable access but requires improved resource allocation and efficiency. Across all systems, health insurance contributions exhibit tax-like characteristics, with significant implications for public policy and perception.

Recommendations: Policymakers should consider measures such as integrating care services in Germany, streamlining administrative processes in Austria, and refining fund redistribution mechanisms in Czechia. Leveraging digital health technologies and fostering transparency in healthcare financing are critical for achieving systemic savings and equity.

Practical relevance/social implications: This study highlights the importance of tailored financial reforms to address demographic shifts and rising healthcare costs. Its findings provide actionable insights for policymakers aiming to balance equity and efficiency in healthcare financing while ensuring public trust and sustainability.

Originality/value: By dissecting the healthcare financial flows in Germany, Austria, and Czechia, this study offers a nuanced understanding of their systems' dynamics and identifies opportunities for cross-border learning to inform global healthcare policy reform.

Keywords
Healthcare financing, comparative analysis, Germany, Austria, Czechia, health insurance contributions, equity and efficiency

JEL Codes
I18, H51, H71

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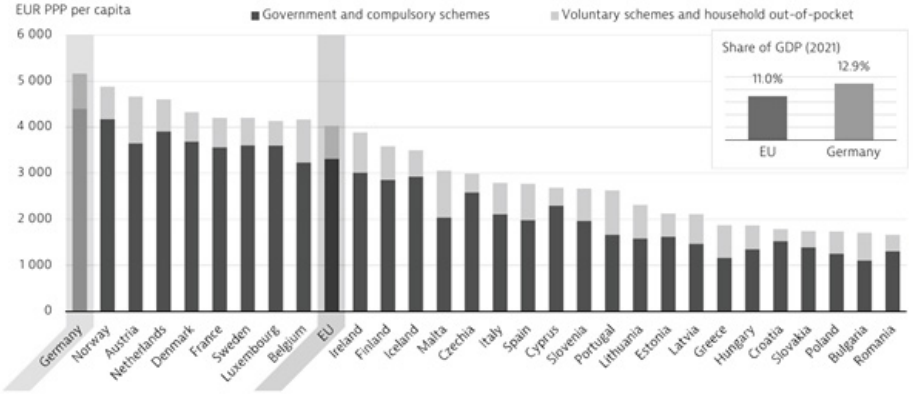
1. Introduction

In OECD countries, pension and healthcare spending represent significant portions of national budgets, with noticeable variations among nations. These differences are influenced by factors such as healthcare system structures and population demographics. Among EU countries, Germany has the highest per capita healthcare expenditure. This spending is primarily funded through government and compulsory schemes, with additional contributions from voluntary schemes and out-of-pocket payments. Germany also allocates a larger share of its GDP to healthcare than the EU average.

Austria ranks slightly below Germany in terms of healthcare spending. Like Germany, it relies mainly on government and compulsory schemes, with voluntary contributions providing supplementary funding. In contrast, Czechia's per capita healthcare expenditure is much lower. Its healthcare system is predominantly funded by government schemes, reflecting a smaller overall investment in healthcare.

In 2021, Germany spent 12.9% of its GDP on healthcare, nearly 2 percentage points higher than the EU average of 11.0%, making it the highest spender in the EU. Austria ranked third in healthcare spending, while the Czech Republic remained below the EU average.

Figure 1: Public spending on health in the EU



Source: OECD, 2023b, p. 9.

Austria and Czechia spend just over 7% and more than 6% of their GDP on healthcare, respectively (OECD, 2023b, p. 9). These differences reflect not only demographic factors but also variations in access to services and the specific characteristics of each country's healthcare and pension systems, including the role of private insurance (OECD, 2023b, p. 9).

Our analysis of the healthcare systems in Germany, Austria, and Czechia has several goals. By comparing how these systems are funded and how efficiently they spend resources, we aim to uncover the strengths and weaknesses of their financial models. This includes identifying areas where costs could be reduced without lowering the quality of care. The perspectives of key stakeholders – patients, healthcare providers, payers, and policymakers – are essential for understanding the practical implications of these financing models (Mertl, 2019).

A central focus of our research is the nature of health insurance contributions in these systems. We will examine whether these contributions function more as taxes or as premiums and analyze how this distinction affects equity, efficiency, and the distribution of healthcare costs. By studying these countries' financial models, we aim to derive lessons that can guide policy reforms and innovations to create more sustainable and fair healthcare systems.

Through this comprehensive approach, we seek to highlight the challenges and successes of each system. Our goal is to enable cross-border learning and contribute to global improvements in healthcare financing (Bradley, Taylor, & Cuellar, 2015).

2. Healthcare Systems Overview

The healthcare systems of Germany, Austria, and the Czech Republic share the common goal of providing universal coverage but differ in how they reflect their socio-economic and historical contexts through policy, tradition, and innovation (Kočišová & Sopko, 2020). Despite their differences, these systems prioritize accessible, high-quality healthcare (Popic & Schneider, 2018).

Healthcare systems are often classified based on how nations finance, organize, and deliver health services. Traditional frameworks focus on three dimensions: financing, service provision, and regulation. These form the basis of three ideal models: the State Healthcare System, where the state manages all aspects; the Societal Healthcare System, led by societal actors; and the Private Healthcare System, driven by market forces (Wendt, Frisina, & Rothgang, 2009, p. 71).

However, critics argue that these models oversimplify the complexity of modern healthcare systems. Similar policy responses across systems suggest these typologies fail to capture the varied roles of actors and their influence in the political process (Beckfield, Olafsdottir, & Sosnaud, 2013; Burau, Kuhlmann, & Lotta, 2023). More recent approaches

consider mixed financing, hybrid governance structures, and diverse service delivery methods, better reflecting today's healthcare realities (Böhm et al., 2013, p. 258).

Germany, Austria, and the Czech Republic share characteristics rooted in the Bismarck Model but adapt them to their specific sociopolitical contexts.

Germany's healthcare system is known for its strong structure and efficiency. It ensures universal health insurance with a comprehensive benefits package for all citizens. The system combines public and private insurance, serving different groups. Decision-making involves federal, state, and corporatist entities, with a distinct separation between outpatient and inpatient care in both organization and funding (Blümel et al., 2020). While this separation poses challenges, Germany's extensive network of providers and hospitals ensures good access to care, short waiting times, and high-quality services (Blümel et al., 2022).

Austria's healthcare system is built on mandatory social insurance and aims to provide equal access to all residents. Its nine federal provinces manage public hospitals, which are central to healthcare delivery. Coverage is nearly universal, funded through employer and employee contri-butions, government revenues, and direct patient payments. This federal structure and reliance on public hospitals define Austria's system (Bachner et al., 2018).

The Czech Republic's healthcare system is notable for its high level of public funding, with 81.5% of healthcare costs covered by public sources – a figure significantly higher than in many other WHO European Region countries (Bryndová et al., 2023, p. 19). For over 30 years, its statutory health insurance system has ensured universal coverage and a comprehensive benefits package (Hejdukov, 2016). The system is managed by seven health insurance funds, with the largest, Všeobecná zdravotní pojišťovna ČR (VZP), handling contributions and resource distribution across 14 regions (Pavlík & Kotherová, 2020). Inclusivity is central, offering coverage for both economically active individuals and those supported by the state. Contributions for state-insured individuals are pooled centrally to ensure fair and equitable access to healthcare for all citizens (Bryndová et al., 2023).

Table 1: Comparison of healthcare systems

Country	Funding Sources	Insurance Model	Coverage Level
Germany	Public and private insurance, general taxation	Dual system (statutory and private)	Comprehensive, near-universal coverage
Austria	Income-dependent contributions, general taxation	Compulsory social insurance framework	Universal coverage with strong public hospital role
Czechia	Public funding, statutory health insurance contributions	Centralised statutory health insurance system	Broad benefits package, universal membership

Source: Own compilation

These three systems illustrate how different nations can interpret the principle of universal healthcare in various ways. Each system has been crafted to align with national values, economic capabilities, and societal needs. In the following analyses, we will delve deeper into the intricacies of each system's structure, examining their funding mechanisms and exploring the balance of contributions between individual citizens and the state. This will provide a clearer picture of how each country strives to fulfil the collective goal of health for all, highlighting the cultural, economic, and political diversity between the Czech Republic, Germany, and Austria.

3. Comparative Analysis of Money Flows

Germany's healthcare system operates through a well-established social health insurance (SHI) model, primarily funded by contributions from employees and employers. These contributions are managed by self-governing sickness funds, which use a risk-adjustment system to distribute funds equitably based on members' healthcare needs. In addition to these contributions, the system benefits from general tax revenues, which play an important role, particularly in financing capital investments for hospital infrastructure and technology upgrades to ensure facilities remain modern and effective (Blümel et al., 2020).

Public employees (Beamte) are covered under the Beihilfe system, where the state subsidizes a significant portion of their healthcare costs. The remainder is typically covered by private health insurance, as they are exempt from mandatory participation in statutory health insurance (GKV). Additionally, statutory health insurance funds can impose supplementary contributions (Zusatzbeiträge) to address financial shortfalls. These contributions are determined annually by each insurer and supplement the standard wage-based contributions (Blümel et al., 2020).

A significant component of the SHI's funding is the federal subsidy, which is financed through general tax revenues. This subsidy supports societal benefits not directly funded by contributions, such as maternity pay or contribution-free co-insurance for children and spouses (Blümel et al., 2020).

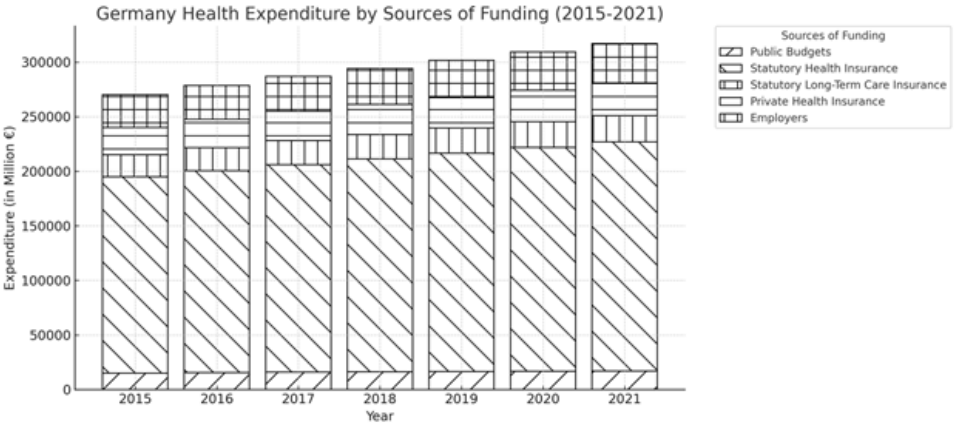
Germany's healthcare system is known for its efficiency, with low administrative costs and a strong focus on value for money. However, it faces challenges, particularly in the separation between ambulatory (outpatient) and inpatient care. This division can result in service duplication and disrupt continuity of care, leading to unnecessary hospital admissions and readmissions that could be avoided with better-integrated care pathways (Blümel et al., 2020).

Another challenge stems from Germany's long-term care insurance, the Pflegeversicherung, established in 1995 as part of the social security system. It operates independently of statutory health insurance and is funded separately, including contributions from pensioners. While SHI focuses on acute medical care, Pflegeversicherung supports individuals with chronic illnesses or disabilities who need help with daily activities. This

separation can cause fragmentation in care coordination and complicate transitions from acute to long-term care, creating inefficiencies and gaps in service delivery. Addressing these issues may require a more integrated approach to health and long-term care financing and delivery (Bahnsen & Wild, 2023).

Public healthcare spending in Germany has increased in recent years, driven by demographic changes and rising healthcare demands, underscoring the growing role of government funding in maintaining the system's sustainability.

Figure 2: Germany health expenditure by sources of funding (2015-2021)

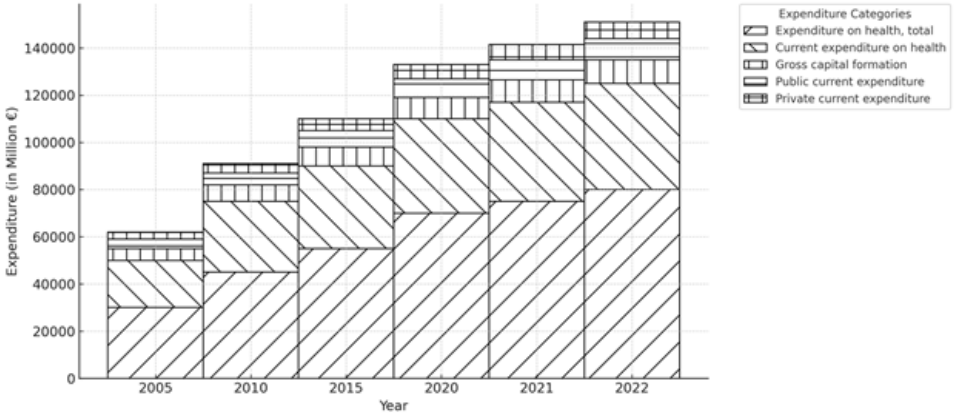


Source: Own compilation based on Federal Statistical Office, Wiesbaden (2023).

The graph shows a clear upward trend in health expenditure by funding source in Germany from 2015 to 2021. Public budgets have experienced the most significant increase, indicating a growing reliance on government financing. Expenditures from statutory health insurance, the largest funding source, have also risen steadily, driven by factors such as increased enrolment, higher costs, or both. Statutory long-term care insurance shows notable jumps, likely due to policy changes or demographic trends. Spending from private health insurance and employers has grown more gradually, reflecting a stable but consistent rise in their contributions. Overall, health expenditures have increased across all funding sources, with public budgets showing the sharpest growth.

Austria's healthcare financing system relies on a dual approach that combines income-based social health insurance contributions with substantial general tax revenues (Hofmacher, 2013). This structure ensures funding remains progressive and aligns with individuals' economic capacities. The funds collected are carefully allocated to maintain high-quality healthcare services. As part of a major health reform implemented on January 1, 2020, the number of insurance carriers was reduced to five central entities to improve administrative efficiency and control costs. However, it remains uncertain whether these changes will sufficiently address concerns about rising healthcare costs and administrative complexity (Bachner et al., 2018; European Observatory on Health Systems and Policies, 2021).

Figure 3: Austria: public and private expenditure on health 2005-2022



Source: Own compilation based on Statistics Austria, 2023.

Public current expenditure on health in Austria constitutes the majority of healthcare spending, reflecting substantial state involvement in financing. Since 2015, there has been a notable upward trend in public expenditure, likely due to the government's response to demographic challenges or initiatives aimed at improving healthcare provision.

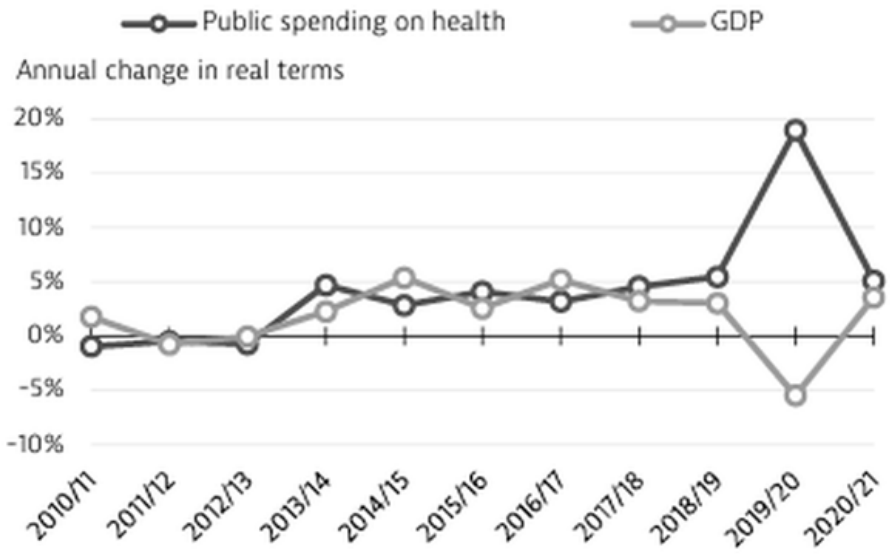
Between 2000 and 2015, healthcare spending in Austria grew at an average annual rate of 3.9%, surpassing the average nominal GDP growth rate of 3.2% during the same period. However, from 2010 to 2015, the growth rate slowed to 3.3%, partly due to the impact of the global financial crisis of 2008/2009 and cost-cutting measures introduced in the 2013 healthcare reform (Bachner et al., 2018, p. 80).

The Czech Republic's healthcare system is primarily funded through public contributions, with the largest health insurance fund, Všeobecná zdravotní pojišťovna ČR (VZP), managing a central account that pools statutory health insurance (SHI) funds (Brock, 2023). In 2020, the state supplemented SHI contributions with budget transfers, accounting for 27% of SHI revenues, underscoring the government's critical role in financing healthcare (Bryndová et al., 2023, p. 56). For economically inactive groups, such as pensioners, unemployed persons, and children, the state covers health insurance contributions. These payments are uniformly determined by national legislation, ensuring equal contributions regardless of health status. This approach shares similarities with the Austrian model (Hejdukova, 2016, p. 7). While it guarantees access to healthcare for non-working groups, it raises concerns about long-term financial sustainability and the need for reforms. By pooling contributions and state support, the Czech system efficiently distributes healthcare costs and ensures access for all members of society (Bryndová et al., 2023).

In recent years, Czechia, like Germany and Austria, has increased public funding for healthcare to address challenges posed by demographic changes. Aging populations in these countries are driving up healthcare costs, pressuring systems to adapt their financing and services to meet evolving needs. This increased reliance on public funding

reflects a shared effort to manage demographic shifts and maintain sustainable healthcare provision.

Figure 4: Public spending on health in Czechia 2010-2021



Source: State of Health in the EU, 2023, p. 17.

The healthcare systems in Germany, Austria, and the Czech Republic are each effective in ensuring access to necessary healthcare services for their citizens. However, they face distinct challenges. Germany needs to improve the integration between different levels of care, Austria aims to streamline bureaucratic processes, and the Czech Republic focuses on managing centralized funding more effectively. These challenges also offer opportunities for continuous improvement, particularly through the adoption of digital health technologies and innovations in administration.

4. Stakeholder Perspectives and Potential Savings

Germany, Austria, and the Czech Republic each have distinct healthcare systems with opportunities for cost savings through targeted reforms and optimizations. In Germany, advanced methods such as Data Envelopment Analysis (DEA) play a crucial role in identifying inefficiencies in resource allocation and finding potential areas for cost reduction. These models have been successfully used to evaluate healthcare system efficiency and develop cost-saving strategies based on changes in population health (Kriksciuniene & Sakalauskas, 2017; Chia & Loh, 2018; Novikova et al., 2023).

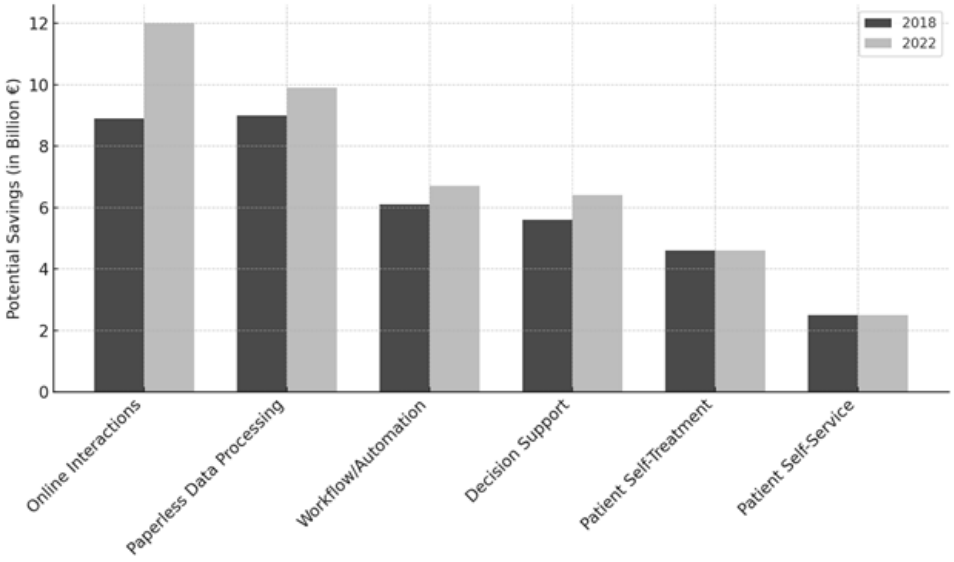
Dynamic forecasting techniques, which incorporate stochastic health models, further enhance predictions of healthcare demand and expenditures. Machine learning and clustering methods, such as combining k-means clustering with LSTM (Long Short-Term Memory) networks, allow for the segmentation of patient populations based on factors like age, comorbidities, and healthcare utilization patterns. These techniques help identify high-cost patient groups, support targeted interventions to lower expenses, improve resource allocation, and enhance healthcare quality (Serrano et al., 2022). Advanced analytics are also invaluable for planning preventive strategies and ensuring healthcare system sustainability.

Germany's statutory health insurance system has undergone significant consolidation, reducing the number of insurers from 1,147 in 1990 to 105 in 2020. This process, driven by competition and legislative reforms, has improved efficiency and service quality. Mergers among health insurers, a common strategy since 2009, have played a key role (Rebeggiani, Roppel, & Schrickel, 2022). Despite these changes, administrative costs for statutory health insurance funds remain low, at just 4.8% of revenues in 2018 compared to 8.6% in the private sector. Recent reforms, such as the Ambulatory Care Enhancement Act introduced in 2023, aim to further reduce costs by shifting inpatient treatments to more cost-effective outpatient care, thereby lowering personnel and hospital expenses (Regierungskommission, 2022).

Digitalization offers substantial potential for healthcare cost savings. The Digital Health Index, which measures the level of digitalization in healthcare systems across EU and OECD countries, highlighted significant disparities in 2018. Estonia, with a score of 81.9 points, ranked highest, while Germany ranked second to last (Bertelsmann Stiftung, 2019). A McKinsey study estimated that adopting digital technologies could save Germany's healthcare system €42 billion annually, approximately 12% of total healthcare and care expenditures, which were recently estimated at €343 billion (McKinsey & Company, 2022).

Among the 26 digital technologies analyzed, a few stand out for their impact. Five technologies alone account for nearly €22 billion in potential savings. Leading this list is the electronic patient record (ePA), which could generate benefits of €7.0 billion, a 9% increase from 2018. Other key technologies include teleconsultations (€5.7 billion), remote monitoring of chronic conditions (€4.3 billion), electronic appointment scheduling (€2.5 billion), and tools for managing chronic diseases (€2.4 billion).

Figure 5: Potential Savings in Germany by Digital Health Technologies (2018 vs. 2022)



Source: Data based on: McKinsey & Company (2022). Own representation.

Among the 26 digital technologies analyzed, certain ones stand out as particularly impactful, similar to the findings in 2018. Five key technologies account for nearly €22 billion, more than half of the total potential savings of €42 billion. Leading the list is the electronic patient record (ePA). McKinsey estimates that its widespread adoption could yield savings of €7.0 billion, a 9% increase compared to 2018. Other significant technologies include teleconsultations (€5.7 billion), remote monitoring for chronic illnesses (€4.3 billion), electronic appointment scheduling (€2.5 billion), and tools for managing chronic diseases (€2.4 billion).

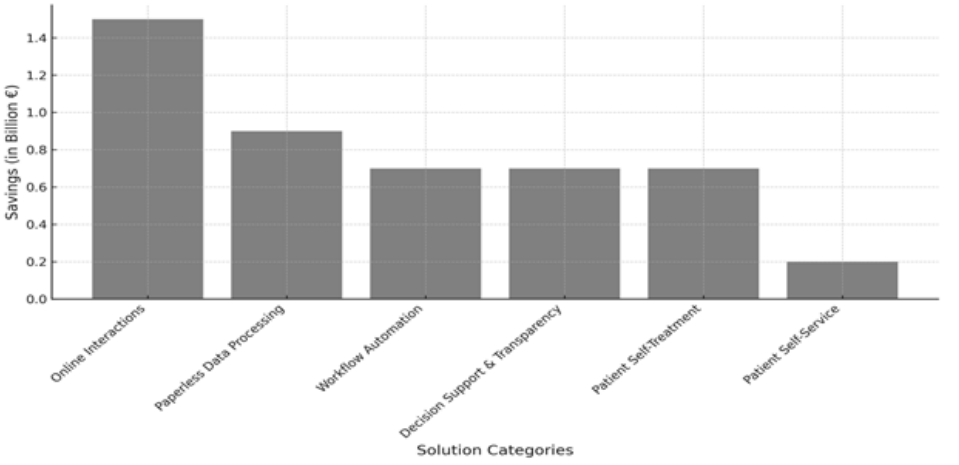
To unlock greater savings through digitalization, the German healthcare system should build on existing initiatives, such as the mandatory introduction of the ePA in 2025, and focus on the nationwide implementation of other high-impact digital technologies with significant cost-saving potential.

Austria's healthcare system also presents opportunities for cost containment, particularly in hospital and outpatient funding. The LKF (Leistungsorientierte Krankenanstalten-Finanzierung) model, which allocates funds based on hospital performance, could be further optimized to reduce operational losses and improve efficiency. Additionally, transitioning outpatient services to a DRG-based (diagnosis-related group) payment system aims to prevent overutilization and pro-mote cost savings (Gasparella et al., 2021).

Clinical Pathways (CPs), which have been more recently adopted, also show potential for moderate savings in areas such as nursing and pharmaceuticals. Beyond financial benefits, CPs contribute to improved patient safety and higher staff satisfaction (Noehammer et al.,

2022). Austria is notably ahead in digitalization compared to Germany, as highlighted in a study by McKinsey (2021), which identified significant cost-saving potential in Austria's healthcare sector, similar to findings in Germany. The study categorizes 26 digital health technologies into six solution areas with varying savings potential:

Figure 6: Potential Savings in Austria by Digital Health Technologies (2018 vs. 2021)



Source: Data based on: McKinsey & Company (2021). Own representation.

Austria's digital healthcare technologies could save a total of €4.7 billion annually. The biggest savings come from online interactions, such as teleconsultations and remote monitoring of chronic illnesses, with an estimated €1.5 billion. Switching to paperless data processing could save €900 million. Workflow automation, like mobile tools for nursing staff and barcode-based medication systems, is expected to save €700 million. Decision-support systems and tools for tracking outcomes offer another €700 million in savings. Patient self-treatment, such as using health apps and digital diagnostic tools, could also save €700 million. Lastly, patient self-service initiatives, such as online appointment booking, add another €200 million in potential savings. These figures show Austria's strong progress in digitalising healthcare and cutting costs (McKinsey, 2021).

Austria should expand teleconsultations and remote monitoring to maximize savings from online interactions. Accelerating paperless data systems and workflow automation, such as mobile tools for staff and barcode medication systems, will improve efficiency and reduce costs. Broader use of decision-support tools and health apps can enhance outcomes and empower patients. Lastly, user-friendly self-service platforms, like online appointment booking, should be prioritized to improve patient experience and streamline services. These steps will strengthen Austria's healthcare system and deliver significant economic benefits.

The table highlights opportunities for cost savings and improvements in Austria's health system compared to EU averages. Administrative expenses have risen instead of meeting

reduction targets, showing potential for efficiency gains. A significant share of health spending goes to impatient care, exceeding the EU average, suggesting a shift toward outpatient and primary care could be beneficial. While avoidable mortality is below the EU average, it remains higher than in top-performing countries, indicating room for improvement in public health initiatives. Access to multidisciplinary primary care centers is limited, underscoring the need to expand these networks. Although spending on prevention increased during the pandemic, maintaining this higher level could help prevent future health issues and reduce costs (OECD/European Observatory on Health Systems and Policies, 2021).

In the Czech Republic, the healthcare system relies heavily on public health insurance contributions managed by health insurance funds (HIFs), with the state funding certain population groups. These funds operate with limited competition but significant potential for cost savings (Tambor, Klich, & Domagała, 2021). Pharmaceutical spending could be better managed through reference pricing and the adoption of generic substitutions, while the shift toward DRG-based payments for hospital services indicates potential for more efficient resource allocation (Bryndová et al., 2023).

A further opportunity for cost savings in the Czech healthcare system lies in improving the efficiency of public procurement processes (Nemec et al., 2020). Increasing competition in tenders could lead to lower prices, as studies show that having more bidders reduces costs. In 2018, about 50% of public tenders in the Czech Republic had only one bidder, limiting competition and driving up prices. Enhancing procurement practices and using Health Technology Assessments could unlock even greater savings. A 10% improvement in procurement efficiency could free up resources equivalent to 0.5% of GDP for healthcare needs.

The Czech system could also learn from Austria and Germany, which have demonstrated that reducing hospitalisation durations can achieve substantial savings. A specific example in the Czech Republic involves transitioning from long-term psychiatric hospitalisations to community-based care for individuals with chronic mental illnesses. This change could save approximately €7,922 per patient annually while maintaining comparable quality of care (Winkler et al., 2018). An actionable recommendation for the Czech Republic is to prioritize the deinstitutionalisation of psychiatric care and enhance community-based services.

Table 2: Potential Savings in the Czech Health System

Area	Current Status and EU Comparison	Potential Savings
Health Expenditure per Capita	EUR 2,994 (26% lower than the EU average of EUR 4,028)	Efficient allocation of resources
Hospital Beds	6.7 beds per 1,000 population, occupancy 67% (EU average: 4.8 beds, 73% occupancy)	Reduction or better utilization of capacity
Avoidable Mortality	25% higher than the EU average	More effective prevention and healthcare interventions
Avoidable Hospital Admissions	7% higher than the EU average	Improved outpatient and preventive care
Prevention Expenditure	8% of total health expenditure (significantly higher than ~3% before the pandemic)	Increased focus on prevention to achieve long-term savings

Source: Own compilation based on OECD/European Observatory on Health Systems and Policies, 2023a.

The table outlines areas where the Czech health system could improve and save costs by comparing its performance to EU averages. While health expenditure per capita is relatively low, more resources are spent on hospital infrastructure and occupancy than the EU average, suggesting room for better capacity utilization. Avoidable mortality and hospital admissions are higher than the EU average, highlighting the need to strengthen prevention and outpatient care. Spending on prevention is already significant but could be further increased to reduce avoidable health issues and achieve long-term savings (OECD/European Observatory on Health Systems and Policies, 2023a).

5. Nature of Health Insurance Contributions

Health insurance contributions in Germany, Austria, and Czechia share common features with taxation. These mandatory payments, enforced by the state, form the financial foundation of the healthcare systems in all three countries. However, there are important differences that distinguish these contributions from regular taxes (Mertl, 2022, p. 48).

In Germany, health insurance contributions are directly linked to individual income and used exclusively for healthcare. Unlike general tax revenues, these funds are managed by selfgoverning organizations called sickness funds rather than the state (Mertl, 2016). This targeted use and independent management set these contributions apart from standard taxes.

Austria follows a similar model. Contributions are income-based and resemble a progressive tax structure, meaning higher earners pay more. This ensures fairness within the system, as those with greater income contribute more toward healthcare costs (Pavlina, 2016; Hejdukov, 2016, p. 10).

In Czechia, health insurance contributions are also mandatory and matched by employers. Like in Germany and Austria, these funds are specifically allocated for healthcare. However, the government plays a more prominent role in the healthcare sector, including owning and managing care providers. This stronger connection between health contributions and the public sector makes these payments appear more like taxes (Mertl, 2016).

How these contributions are perceived – as taxes or distinct healthcare payments – can significantly influence public opinion and policy decisions. If viewed as part of a necessary tax system, healthcare reforms, even those involving higher contributions, may be more acceptable. However, this perception could also lead to dissatisfaction if individuals feel they are paying too much without receiving adequate value in return (Mertl, 2021, p. 306).

Policymakers must carefully balance these factors. Maintaining public trust requires transparency about how contributions are used and ensuring that healthcare quality matches the costs. Exploring alternative funding options, such as adjusting general taxes or introducing new revenue sources, could also help keep the healthcare system fair and effective in the long term (Mertl, 2022, p. 49).

In conclusion, while health insurance contributions in these countries share similarities with taxes – such as being mandatory and often progressive – their exclusive use for healthcare and independent management make them distinct. Policymakers must navigate these differences carefully to manage public perceptions and ensure the long-term sustainability of their healthcare systems.

6. Conclusion

Germany, Austria, and Czechia present diverse healthcare systems, each with unique strengths and opportunities for cost-saving reforms. Germany, as the highest healthcare spender in the EU, has significant potential to optimize its spending. Recommendations include integrating outpatient and inpatient care more effectively to reduce duplication and leveraging digital technologies to achieve substantial savings, such as through the widespread adoption of electronic health rec-ords and telemedicine.

Austria's healthcare system could benefit from further digitalization and streamlined administrative processes, particularly in hospital funding and workflow automation. Expanding teleconsultations and transitioning to paperless data systems are key measures for reducing costs while maintaining high-quality care.

Czechia, despite having lower healthcare expenditure per capita, has room for improvement in efficiency and capacity utilization. Recommendations include reducing hospital bed numbers to align with EU averages, strengthening outpatient care to lower avoidable hospital admissions, and further enhancing preventive care spending to tackle high rates of avoidable mortality. Reforming public procurement practices and transitioning psychiatric care to community-based models could unlock additional savings.

By adopting these measures, the healthcare systems in these three countries can achieve greater efficiency and sustainability while continuing to provide universal access to high-quality care. Collaboration and cross-border learning could further inspire reforms tailored to each system's specific needs.

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