

Universal healthcare coverage in Curaçao

Dennis Arrindell, MSc.,
MBA.

December 5, 2019



Common modalities of financing healthcare

- Free enterprise
- Bismarck model (Western Europe)
- Beveridge model (UK & commonwealth)



Free enterprise

Large role of private insurance

Premiums based on risk

Limited government intervention (capitalism)

Many out-of-pocket payments



Beveridge model (UK & commonwealth)

Extensive government intervention (socialism)

- Based on general taxation
- No earmarked premiums



Bismarck model (Western Europe)

Employment based (earmarked taxes)

Premiums based on percentage of income

Semi-public sickness funds



Challenges of the two-tier system (Bismarck)

Risk segmentation & adverse selection between private and public insurers

Various semi-public sickness funds

Parts of the population not covered

The road to universal coverage

Basic health insurance ordinance
(2013)

No parts of the population
uncovered

Only one public sickness fund

The logo consists of the text "50/50" in a white, serif font, centered on a dark blue rectangular background. The numbers and the slash have a slight 3D effect with shadows and reflections below them.

50/50

With the introduction of the basic insurance in 2013, universal healthcare coverage in Curaçao is provided through a hybrid Bismarck and Beveridge system.

Benefits

- Universal coverage
- Central planning, control and allocation of resources
- Better risk management due to larger pool (standard error)



Disadvantages

- Monopsony power towards healthcare providers
- Monopoly power towards the insured
- Formally employed population pays double



There are no right or wrong
answers in (health)
economics, only trade-offs

THANK YOU

DECEMBER
4 - 6 2019

SANTA BARBARA BEACH & GOLF RESORT
WILLEMSTAD, CURAÇAO

