

# Germany: The coronavirus pandemic and the destruction of the public health system

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Across Europe, the COVID-19 epidemic is shedding light on the disastrous state of the health system. Everywhere there is a shortage of beds, staff, medical equipment and protective gear. Staying in clinics and nursing homes is now life-threatening for patients, doctors and nurses.

Contrary to the numerous comments by politicians and journalists, who suggest that an otherwise stable and efficient health care system would understandably reach its limits in view of coronavirus infections, the truth looks different. The current crisis in the German health care system was deliberately brought about by all the establishment political parties. Over the last 30 years, the German health care system has been radically damaged as a result of austerity, privatised and its institutions trimmed for profit.

In Germany, more than 58,000 confirmed cases had been reported by Sunday evening; 455 people have already died from the virus. According to the president of the Robert Koch Institute, Lothar Wieler, Germany's health system could reach its limits due to the crisis. Wieler told the *Frankfurter Allgemeine Sonntagszeitung* that one must expect that capacity is insufficient. One could not rule out the possibility that there were also more patients than ventilators in this country, he said, referring to the situation in Italy.

It is already clear to everyone that the existing 28,000 intensive care beds in Germany are far from enough, not to mention a lack of personnel. Even before the crisis, there was a shortage of more than 17,000 nursing staff at hospitals in the country. Due to a lack of protective clothing and materials, doctors and nurses are absent every day and even fall ill with the virus. In nursing homes, there is a huge number of deaths. Most recently, 12 people died in a nursing home in Wolfsburg.

Today, the catastrophic consequences of the policy of the last 30 years, which was characterized by cutbacks, privatisation and competition in the health care system, are becoming apparent. Under successive governments, clinics were no longer geared towards the welfare of the population, but the generation of profits.

Currently, in terms of medical facilities, 29 percent are public hospitals, 34 percent non-profit (e.g., run by the church) and 37 percent private institutions. For years, there has been a creeping demise of hospitals. In 1998, there were 2,263 hospitals in Germany, in 2007 there were 2,087 and in 2017 only 1,942 hospitals. Accordingly, the number of hospital beds was reduced by around 10,000 within 10 years, from 506,954 (2007) to 497,200 (2017).

The closure of hospitals has drastically reduced the supply of care close to home. Intensive and emergency medical care, in particular, has suffered from privatisation and closures. More and more emergency cases are being turned away from hospitals close to where

people live, or there are no longer any clinics there, and people are being taken to hospitals far away.

According to a survey by the DIVI (German Interdisciplinary Association for Intensive and Emergency Medicine), a quarter of the paediatric intensive care units covered by the survey said between 50 and 100 children per year were referred to other hospitals. The reason for this is that many local hospitals have now closed their paediatric and paediatric intensive care units.

A good overview of the development of hospital beds is given by the number per 100,000 inhabitants. In public hospitals, there were 367.7 hospital beds per 100,000 inhabitants in 2005 and 10 years later there were only 332. In non-profit hospitals, the number fell from 257.3 to 236.6 in the same period. Only in private hospitals did the number of beds rise, from 221.8 to 244.6.

## Diagnosis Related Groups

After German reunification in 1990, the Christian Democratic Kohl government and the then Health Minister, Horst Seehofer, decided to introduce competition into the hospital sector in addition to privatization. To this end, hospital financing was fundamentally changed by the introduction of so-called Diagnosis Related Groups (DRG), a patient classification system that standardizes prospective payment to hospitals. They were intended to force competition between clinics. Hospitals could only survive if they used their beds to full capacity.

Under the Social Democratic-Green Party government of Gerhard Schröder, the DRG system was then made compulsory in 2004. As a result, the average length of hospital stay fell from 10 days (1998) to 7.3 days (2017). The reason for this is that hospitals are no longer paid according to the length of stay of their patients, but according to fixed per-case flat rates. In contrast, the number of hospital stays rose from 18.6 million patients (2012) to 19.4 million (2017).

The per-case flat rates have had a serious impact on patient care and the day-to-day work of doctors. Only if a patient is discharged from hospital as early as possible does the clinic make a profit. However, if the patient has to stay in hospital longer than is covered by the flat rate per case payment, because the treatment is more expensive, this is usually not reimbursed by the health insurance companies and the clinic must pick up the costs.

Because of per-case flat rates, so-called "bloody discharges" occur. In order to meet the specified waiting times, patients who are not actually ready to be discharged are sent home. This leads to a high complication rate with enormous follow-up costs for the health system. Follow-up treatments must then be carried out by general practitioners, who are, however, severely restricted financially by current budgets.

Chronically ill patients and seriously injured patients, in particular, are treated worse in the case-based lump-sum system, as they are generally not profitable for hospitals. Dr. Arne Manzeschke, Professor of Anthropology and Ethics for Health Professions, explains the problem as follows: “Lucrative patients are courted, less lucrative ones—not DRG-relevant—are passed on if possible.” His conclusion on diagnosis-related flat rates: “On the whole, the economically induced stress in the DRG system reduces the quality of medical services.”

It is significant that even in the current crisis, the system of competition and profit is being maintained. While doctors and nurses are working under disastrous conditions to the point of exhaustion and putting themselves at risk, all proposals to suspend the billing system in practice have so far been rejected.

“Largely business as usual,” reports *Tagesspiegel*. “This means that every single hospital service, whether provided for corona patients or for normal patients, will be billed to the health insurance funds according to the remuneration system of diagnosis-related flat rates per case (DRG).” Only a small number of “special charges” should exist.

### Multi-resistant germs

Even under “normal” conditions, i.e., before the outbreak of the coronavirus pandemic, massive hygiene problems in clinics became known, which were due to cutbacks, overworked staff and lack of training. MRSA (methicillin-resistant *Staphylococcus aureus*) has been a huge problem in German hospitals, nursing and old people’s homes for years.

The MRSA bacteria are dangerous for many patients whose immune defence is weakened, and the bacteria are resistant to almost all broad-spectrum antibiotics. If a MRSA infection develops, the bacteria can multiply and cause serious illness. One of the most important transmission routes is direct hand contact between immunocompromised patients and nursing staff. Otherwise, MRSA can be transmitted through contaminated objects (e.g., medical equipment, catheters or breathing tubes), or liquids.

According to estimates by hospital hygienists, approximately 40,000 patients die in Germany every year from hospital-acquired germs, 25,000 of them from multi-resistant germs. One-third of these deaths could be prevented by better hospital hygiene. Causes for the increasing multi-resistant pathogens are especially the frequent use of antibiotics, also in factory farming. Complications that can result from MRSA bacteria include blood poisoning, pneumonia or meningitis. In some cases, limbs must also be amputated.

### A business worth billions

In order to further increase the profits of a narrow stratum at the top of society, this policy is being further pursued. Last summer, the Bertelsmann Foundation called for the closure of one in two hospitals in Germany and suggested that not even 600 of the current 1,400 hospitals should survive.

In the meantime, the health care market has become a billion-euro

business, from which not only the pharmaceutical companies, but also private clinics and nursing homes and their shareholders on the stock exchanges benefit. Behind the Bertelsmann Foundation is the Bertelsmann Group, whose central figure, Liz Mohn, is one of the richest women in the world. She is a close friend of Chancellor Angela Merkel (CDU), and her family is also well connected with the private clinic groups.

Daughter Brigitte Mohn sits on the supervisory board of Rhön-Klinikum AG, a listed operating company that runs 54 hospitals and 35 medical care centres and had already generated sales of €2.32 billion in 2009. Together with Helios, Asklepios and the Sana-Kliniken, Rhön is one of the largest groups in the hospital sector.

The current measures taken by Health Minister Spahn should also be seen against this background. Spahn stands for the further ruthless economization of health care. At the beginning of the year, he presented a draft bill that will further dramatically cut back emergency care in Germany; at its centre is the reduction of emergency facilities by 50 percent.

Clinics that are not among the selected locations are to receive 50 percent less remuneration when they provide outpatient emergency services. In the clinics still selected as emergency facilities, extreme waiting times and increased workloads would occur. Travel distances would be considerably longer.

After Spahn played down the coronavirus crisis for a long time, he is now more or less idly watching as clinics reach their limits. According to Federal Finance Minister Olaf Scholz (SPD), the €55 billion in funds made available by the federal government are not nearly enough to take even the most necessary measures.

Hospitals are to receive financial compensation for postponed scheduled operations and treatments in order to be able to treat more patients with a coronavirus infection. For every hospital bed that is not occupied, there will be a flat rate payment of €560 per day. This means that clinics will continue to weigh up economically whether or not to use a bed for coronavirus patients.

The current crisis in the health care system makes it clear that the ruling class is neither willing nor able to protect the population sufficiently and to provide adequate treatment throughout the country. Not alms, but substantial financial resources must flow immediately into the construction and expansion of clinics and medical facilities. All cuts made in recent decades must be reversed. Privately run hospitals and facilities must be converted to public ownership and no longer serve the greed of shareholders but the welfare of society.



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