

VOTE SMART ISRAEL | HEALTHCARE

FEBRUARY 2015

40% of healthcare in Israel is privately funded, compared to 24% in the OECD

+ Israel spends only **7.7% of its GDP on healthcare** compared to an average of 8.7% of GDP spent in the OECD countries:

- About two-thirds of private funding comes from direct out-of-pocket payments, while the rest comes from insurance premiums.
- Between 1999 and 2011, private insurance coverage nearly doubled. The percentage of the population covered by semi-private supplementary insurance (offered by Israel's health funds) grew from 46% to 73%, and **private insurance coverage grew from 24% to 41%**.
- Fewer Israelis feel confident that they can afford their care in the case of serious illness or that they will receive the best and most effective treatment from the healthcare system, relative to people in 12 other developed countries.

+ Hospital infrastructure and the healthcare workforce are not sufficient:

- Israel has 1.9 hospital beds per 1,000 people, compared to an average of 3.0 beds per 1,000 people in 23 OECD countries. **Hospital occupancy rates in Israel are the highest in the OECD at 98% (2011).**
- Israel has more physicians relative to the population than the OECD average. Over the last three decades, though, **the number of physicians under age 35 has decreased by 60%** while the number of physicians aged 65 and older has increased by 95%.
- **The number of nurses in Israel is 50% less than the average in 23 OECD countries** and the number of nursing graduates is 25% less than in the same OECD countries.
- Fewer than a quarter of Jerusalem physicians recently surveyed believe that a majority of their patients either receive needed procedures or see specialists in the hospital within a reasonable amount of time.

Key questions for policymakers:

-  How can public confidence in the health system be increased?
-  What steps should be taken to improve hospital infrastructure and to strengthen the healthcare workforce?
-  How should the rapid growth in private health insurance be addressed?

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For much more on this topic, see the following Taub Center publications:

- ✓ **Financing and Workforce Issues in Israel's Healthcare System** (Dov Chernichovsky and Eitan Regev, *State of the Nation Report 2014*)
- ✓ **Hot Issues in Israel's Healthcare System** (Liora Bowers)
- ✓ **Waiting Times for Medical Procedures in Israel** (Dov Chernichovsky and Liora Bowers, forthcoming)
- ✓ **Trends in Israel's Healthcare System** (Dov Chernichovsky and Eitan Regev, *State of the Nation Report 2013*)

The Taub Center is an independent, nonpartisan, socioeconomic research institute based in Jerusalem. The Center conducts quality, impartial research on socioeconomic conditions in Israel, and develops innovative, equitable and practical options for macro public policies that advance the well-being of Israelis. The Center strives to influence public policy through direct communications with policy makers and by enriching the public debate that accompanies the decision making process.

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