



***The specificities of the various European countries in the following areas:***

- ***Typology of the Health System***
- ***Level of resources and investment in Health System***
- ***Hospital management model(s)***
- ***Healthcare managers professionalization***

## LUXEMBOURG

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### I. Typology of the Health System

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**Country identification:** Grand-Duchy of Luxembourg

**Number of inhabitants:** 626,108 people (January 2020). To these are added daily 200.000 border workers.

**Health System Model characterization:** the model is similar to the Bismarck model, i.e. mandatory social insurance contributions through business systems related to work. 60% of the resources of the National Health Fund (Health Insurance) come from salaries contributions and 40% come from the State budget, so it is more of a mixed Bismarck-Beveridge system. (General and compulsory agreement system which applies to all healthcare providers in their relations with persons covered by the health insurance).

**Health System Funding:** Since 2013, the Government fixes a global budget envelope delimiting the funds to be allocated to hospitals, in order to introduce greater transparency and predictability of hospital expenditure. The global budget relates to all acute and sub-acute hospitals. The global budget is the responsibility of the National Health Fund (CNS). With this envelope, the CNS finances hospitals based on commitments. There are two types of commitments:

- Individual budgets negotiated between the CNS and the hospitals with the constraint of the global envelope.



- Agreements signed with hospital groups. This is first of all the Federation of Luxembourg Hospitals (FHL) but in the future also the brand new "Group of Acute Hospitals" which will have as its primary mission the recovery and dynamic management of the national stock of medical equipment personal protection and medical devices in the context of the COVID-19 pandemic.

Negotiations and budget monitoring procedures are set through a joint approach with the CNS based on a framework agreement that was negotiated between the FHL and the CNS.

All medical care is billed on a fee-for-service basis by physicians, normally directly to the patient. There is therefore no third-party payment system for medical care, except for invoices related to hospitalization.

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## **II. Level of resources and investment in Health System**

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**GDP per capita:** The Gross Domestic Product per capita in Luxembourg was last recorded at 102.200€ in 2019. For 2021, GDP growth of 6.1% is forecast.

**Average Life Expectancy:** The current life expectancy for Luxembourg in 2020 is 82.31 years, a 0.19% increase from 2019.

**Doctors per 1.000 inhabitants:** With only three doctors per 1,000 inhabitants, Luxembourg has a lower relative number of doctors than its neighbouring countries



**Nurses per 1.000 inhabitants:** 11,72 nurses and midwives per 1.000 inhabitants (2017)

**Level of allocation of family doctor:** The number of GPs in Luxembourg is in decline with a ratio of 90 GPs for every 100,000 residents. Since January 1, 2012, each interested insured can choose, if he wishes, his referring doctor.

The referring physician plays a central role in the medical follow-up of a patient, particularly in the event of a chronic illness or complex health problem. He is not only the one who usually treats the patient, but also the one who:

- coordinates patient care and ensures optimal medical follow-up;
- refers the patient, if necessary, to other health professionals (specialist doctors, physiotherapist, etc.);
- manages the patient's medical file by centralizing all information concerning the patient's care and state of health (examination results, diagnoses, treatments, etc.);
- provides personalized prevention by helping the patient to prevent health risks.



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### **III. Hospital Management Model(s)**

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#### **Describe the hospital management model in your country:**

The Governing Board decides the general policy, the strategic choices and defines the activities of the establishment. It exercises control over the activities of the establishment.

It performs the following functions:

1. it hires and dismisses the general manager;
2. it hires and dismisses the medical director, the care director and the administrative and financial director on the proposal of the director general;
3. it establishes the general regulations of the hospital;
4. it adopts the annual budget and the annual accounts;
5. it stops the activity report;
6. it approves the acquisitions, alienations and exchanges of buildings;
7. it approves loans;
8. it approves donations and bequests.

By Governing Board of a hospital establishment, we mean the body which, according to the legal status of the hospital establishment, is responsible for the management and operation of the establishment.

In each hospital and specialized hospital establishment, management is entrusted to a director, appointed by the Governing Board, and exclusively responsible to it.

The director ensures that the continuity of the missions assigned to the hospital is ensured throughout the presence of patients calling on his services.

Each hospital and specialized hospital with more than 200 beds is structured into three departments: a medical department, a care department and an administrative and technical department.

A Board of Directors comprising all the directors is established for the coordination of the hospital activity. The Board of Directors and the Medical Council meet at least six times a year in order to consult each other on all matters relating to the medical organization.



A coordinating doctor is appointed by the managing body and is the main contact for the medical director. Under the authority of the hospital management, its mission is to coordinate medical care. He has no hierarchical authority over the salaried staff but he is regularly consulted on the medical activity, the quality or the budgetary management of the service.

**Describe the model of hiring / appointment of Healthcare managers / Hospital directors / CEOs:**

The director general of all hospitals must have an authorization to practice medicine within the meaning of the amended law of 29 April 1983 concerning the exercise of the professions of doctor, dentist and veterinarian. The CEO must also be able to benefit from certified training in hospital management and at least two years of experience in hospital management.

The CEO is bound to the hospital by a service contract.

The medical director must be a doctor. His mission is to set up, under the authority of the CEO to whom he reports, the general medical policy defined by the Governing Board and the actions decided by the Board of Directors for the medical department. He participates in the design and management of the establishment's medical project.

**Composition and model of appointment of the Board of Directors:**

The Governing Board hires and dismisses the general manager and also the medical director, the care director and the administrative and financial director on the proposal of the director general.



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#### **IV. Healthcare managers professionalization**

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**Do you have a formal recognition of the hospital/healthcare manager profession in your country?**

No

**Do you have a certification competency model in your country?**

The CEO must be able to have certified training in hospital management and at least two years of experience in hospital management (article 29 of the law 8. March 2018 concerning hospitals and hospital planification)

**Do you have a mandatory training model in your country?**

No