

An excerpt from:

Better Health & Social Care: How are Co-ops & Mutuals Boosting Innovation & Access Worldwide?

An International survey of co-ops and mutuals at work in the health and social care sector (CMHSC14)

Volume 2: National Cases

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For the research framework, the analysis of the national cases, and other research components, including a description of the research team members, refer to Volume 1: Report.

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HEALTH SYSTEM

The country of origin of the social insurance scheme (introduced by Chancellor Bismarck in the 19th century), Germany² has a universal multi-payer health care system with two main types of health insurance: “compulsory health insurance” and “private.”

Compulsory insurance applies to those below a set income level. It is provided through private non-profit “sickness funds” at rates common to all members, and is paid for through joint employer-employee contributions. Provider compensation rates are negotiated in complex corporatist social bargaining between specific autonomous interest groups (e.g., physicians’ associations) at the level of the Länder. The sickness funds are mandated to provide a wide range of coverage and cannot refuse membership or otherwise discriminate on an actuarial basis. Small numbers of people are covered by tax-funded government employee insurance or social welfare insurance. Persons with incomes above the prescribed compulsory insurance level may opt into the sickness fund system (which most do) or purchase private insurance. A variety of types of private insurance supplementary to the sickness funds is available.

In Germany, few health care cooperatives exist because the health care sector is strictly regulated. However, the country is witnessing a “revival of the cooperative idea.” Since 2008 over 180 new cooperatives have appeared.³ In the health care sector, doctors and health networks (e.g., hospitals, pharmacies) have emerged. Medics and health networks “are buying and marketing jointly within the cooperatives to achieve advantages or to work together with additional suppliers to create new health care units.”⁴ Most of the cooperatives identified in this survey fall into this pattern.

HEALTH COOPERATIVES

One health co-op offering health services has been identified. Medizinische Kooperation Görlitz is an ambulatory health care centre and a producer-based cooperative. It provides medical, dental, and other care services as well a pharmacy.

Health Cooperative Data

Number of cooperatives	1
Types of cooperative	1 Producer
Number of members	N/A
Number of employees	N/A
Users	N/A
Facilities	N/A
Services offered	Illness prevention; Wellness & health promotion; Treatment and cure; Rehabilitation; Lobbying; Purchasing and retail services
Annual turnover	N/A

Population (in thousands): 82,800

Population median age (years): 45.09

Population under 15 (%): 13.17

Population over 60 (%): 26.72

Total expenditure on health as a % of Gross Domestic Product: 11.3

General government expenditure on health as a % of total government expenditure: 19.1

Private expenditure on health as a % of total expenditure: 23.7

We also identified second-level cooperatives which undertake purchasing. **Ärztegenossenschaft Nord Cooperative** is a second-level user-based cooperative. Its membership is composed of about 2,300 registered doctors and health professionals. The cooperative is active on multiple levels: it offers lobbying services as well retail and purchasing services for its members. **Dienstleistungs- und Einkaufsgemeinschaft Kommunalen Krankenhäuser** is a retailer cooperative of 70 hospitals. It is one of the largest purchasing groups in Germany with an annual turnover of over \$1 billion USD. It also provides its members with consulting and management control services.

PHARMACY COOPERATIVES

One second-level pharmacy cooperative was identified. Noweda is a 75-year-old cooperative of retail pharmacies. It has 16 offices in Germany and one in Luxembourg. With 8,600 pharmacy members and an annual turnover of over \$6 billion USD, it is one of Germany’s 150 largest companies.

Health Cooperatives

Name of cooperative	Type	Members	Employees			Users	Facility	Types of service				Annual turnover	
			Number of employees	Doctors	Nurses			Other health prof	Illness & accident prevention	Wellness & health promotion	Treatment and cure		Rehabilitation
Medizinische Kooperation Görlitz ⁵	User Producer Multistakeholder X	N/A	N/A				N/A	N/A	X	X	X	X	N/A

Name of cooperative	Type	Members	Employees			Users	Facility	Types of service				Annual turnover	
			Number of employees	Doctors	Nurses			Other health prof	Illness & accident prevention	Wellness & health promotion	Treatment and cure		Rehabilitation
Second-level cooperatives													
Ärztegenossenschaft Nord ⁶	X	2,300	14			N/A	N/A						N/A
Dienstleistungs- und Einkaufsgemeinschaft Kommunaler Krankenhäuser ⁷	X	70 hospitals	N/A			N/A	N/A						Over \$1 billion USD

Pharmacy Cooperatives

Name of cooperative	Type	Members	Annual turnover	Field of activity
Second-level cooperative				
NOWEDA ⁸	x	8,600 pharmacies	\$6.2 billion USD	NOWEDA is a 75-year-old retailer cooperative of pharmacies. It has 16 offices in Germany and one in Luxembourg and counts 8,600 pharmacy members. It is one of Germany's 150 largest companies.

SOURCES

¹ We would like to thank Dirk J. Lehnhoff and Klaus Niederländer for their collaboration.

² This section drawn from: Wikipedia. 2014. "Healthcare in Germany." Wikipage. Retrieved August 14, 2014 (http://en.wikipedia.org/wiki/Healthcare_in_Germany).

³ Deutscher Genossenschafts- und Raiffeisenverband e.V. 2008. "The German Cooperatives in Europe." Retrieved June 15, 2014 ([https://www.dgrv.de/webde.nsf/272e312c8017e736c1256e31005cedff/2e65c54b0c6567d6c12577cb0046b705/\\$FILE/Cooperatives_EU.pdf](https://www.dgrv.de/webde.nsf/272e312c8017e736c1256e31005cedff/2e65c54b0c6567d6c12577cb0046b705/$FILE/Cooperatives_EU.pdf)).

⁴ Deutscher Genossenschafts- und Raiffeisenverband 2008.

⁵ Octamed. 2014. Website. Medizinische Kooperation Görlitz eG. Retrieved June 13, 2014 (<http://www.octamed-goerlitz.de/>).

⁶ Ärztegenossenschaft Nord eG. 2014. "Zielsetzung." Webpage. Retrieved June 13, 2014 (<http://www.aegnord.de/index.php?page=30>).

⁷ Dienstleistungs- und Einkaufsgemeinschaft Kommunaler Krankenhäuser. "Startseite." Webpage. Retrieved June 13, 2014 (<http://www.gdekk.de/startseite.html>).

⁸ Noweda. 2014. "Unternehmen: Eine starke Gemeinschaft in Apothekerhand." Webpage. Retrieved June 13, 2014 (<http://www.noweda.de/unternehmen/das-noweda-prinzip/>).