

# Incredible, huge price differences

**Aargauer  
Zeitung**



## Huge price differences - Meierhans publishes Generic prices: Switzerland 10x more expensive than the Netherlands

Edition from 11 March 2020 **Red=Comments by Werner Bachmann**

What is a fair price? And why are there exorbitant price differences which nobody can really explain? Why do the Swiss pay **16 times more** than the Dutch for exactly the same medicine? This was the subject of a public lecture given by the Federal Prize Supervisor, Dr Stefan Meierhans, also known as “Monsieur Prix of Switzerland”, at the VCU Aargau/Solothurn in Aarau. English translation

“I could talk a great deal about topics related to fair prices or unexplainable price differences: price reduction at the post office, price stability at the SBB, lower commercial register fees. It is clear to me that we as customers are being held captive in many areas and thus at the mercy of price arbitrariness”. The spirited price watchdog had set the bar, so to speak. The audience and again a graduate class from the KV Aarau followed the captivating performance.

## People with supplementary insurance are more likely to end up on the operating table

In addition to giving talks, Price Supervisor Dr Stefan Meierhans’ work also focuses on price developments in the health sector. Since 1996, the costs of medicines, hospital stays, and treatments have been rising much faster than the gross domestic product. However, the biggest difference is in the development in relation to wages. “Since 1996, the premium for basic insurance has increased fivefold in relation to net wages. This is dramatic”, says Meierhans. “because we simply cannot afford it for much long longer”. Using a few examples, Meierhans showed where we are struggling with absurd and inexplicable prices and costs:

**Example 1: Prices of medicines. The Dutch pay CHF 3.55 for the exact same medication from Sandoz; price in Switzerland: CHF 56.80.**

***This shows very bad character: Made in Switzerland; given to foreigners***

**Example 2: Unnecessary interventions.** In the two Basels, 10 percent of all inpatient treatments cannot be explained by the population structure. They are thus unnecessary. Cost per year: CHF 80 million.

**Example 3: Bleeding the privately insured.** In Switzerland, patients with private or semi-private insurance are 2.2 times more likely to have knee surgery and 1.5 times more likely to have spinal surgery than patients with only one basic insurance plan. According to an evaluation by the Federal

Office of Public Health (Bundesamt für Gesundheit, or BAG), there is no medical justification for the additional treatment of those with supplementary insurance.

The price supervisor and the Bernese Oberland hospital group STS recently agreed on cost-cutting measures in this area. This example could set a precedent. A group of federal experts has defined 38 measures that should be implemented in the health sector. The thumbprint of the price supervisor is also visible here.

## Sights set on digital platforms

Meierhans used other cases to demonstrate the impact of price monitoring on the economy and labour market in Switzerland. It's not just the water prices which are monitored, but the fees for waste incineration as well, to name one example. Proceedings have recently been opened against a waste incineration plant operator. The focus has recently shifted to digital platforms. Digitisation will make the economy much more concentrated because all companies will have to operate on the same platforms. There are increasingly more companies such as Google dominating the market. "This could become a problem", warned Meierhans.

**"Do something!" – Anyone can get in touch**

What the price supervisor does and where he intervenes is set out in the Constitution and the Price Supervision Act. Where abuses in price exist or where market power is exploited to the detriment of consumers, the price supervisor can intervene and set prices after clarifying all the relevant details. "The captive customer is the centre of focus; as price supervisor, I want to protect them". Anyone who suspects that the increase or maintenance of a price is not legal can report this in writing to the price supervisor. "Anyone can come forward and expect to receive a reply. Every year, around 2,000 complaints find their way onto my desk. Letters to me often end with the request 'Do something'", says Meierhans.

**We don't say "Do something", rather: Be honest and finally support us. You've been aware of our upcoming initiative "Stop-Switzerland-Surcharge.ch for a long time!"**

## Respect, fairness, responsibility

With events on current topics, the Association of Christian Entrepreneurs, or the VCU in short, promotes the exchange of experience and opinions among its members as well as with experts and interested guests. According to VCU president Max Zeier, the main focus is on "doing business with values". The aim of the association is to provide its members with entrepreneurial, social, and ethical impulses and to assume responsibility in dealing with society and the world on their behalf. Just as the mantra goes: "respect – fairness – responsibility".