"Health must be declared an absolute priority."

"What is often missing is a shared view of the overall problem – across silos" (Ostwald). "We must begin to consider the entire patient care pathway, detect diseases at the earliest possible stage and specifically influence the course of the disease" (Glaetzer). In an interview with "Monitor Versorgungsforschung," Prof. Dr. Dennis A. Ostwald (founder and CEO of the WifOR Institute) and Dipl.-Kfm. Christoph Glaetzer (Chief Global Value and Access Officer, Johnson & Johnson Innovative Medicine) use a new level of evidence to take a further look at the topic of health: away from the problem and towards part of the solution.

In the interview (from left): Prof. Dr. Dennis A. Ostwald (founder and CEO of the WifOR Institute) and Dipl.-Kfm. Christoph Glaetzer (Chief Global Value and Access Officer, Johnson & Johnson Innovative Medicine)





>> It is undisputed that Germany has considerable fiscal and demographic problems and must not miss important turning points in these areas. At a recent event organised by private health insurers, experts even predicted disaster if fundamental changes were not made to pensions, social spending, health and care. The funding gaps visible here are being addressed everywhere with traditional cost-containment strategies. Is this the right approach for you, who views health as a strategic and long-term investment, as your current white paper "Healthy Returns: A Catalyst for Economic Growth and Resilience" (1) shows? If you could present our finance minister with a key figure to convince him that cuts are economic suicide, what would it be?

Ostwald: First of all, strategic health investments are not about rejecting savings outright. At 11.7 per cent (*) of gross domestic product, Germany already has the highest health expenditure in the EU. What is more important is to use the funds effectively and to understand why our social systems have serious problems: Demographic change is leading to rising expenditure, while a shrinking working population and weak growth are putting pressure on the revenue side in particular. Against this backdrop, simply curbing costs is not enough. Instead, we need to generate growth. This requires as many people as possible to remain healthy and be able to participate in working life. Health is therefore not a cost factor, but an important basis for economic stability and growth.

"In public debates, the healthcare economy and the industry are primarily discussed as a cost factor and thus as part of the problem – rather than as part of the solution."

Prof. Dr. Dennis A. Ostwald

As an economist, what would be the most important indicator for you ?

Ostwald: From a fiscal policy perspective, it would make sense to focus on industries that contribute steadily to value creation. The healthcare industry accounts for more than 12 per cent of German prosperity. In 2024, it employed 7.7 million people subject to social insurance contributions, generated just under 10 per cent of Germany's export quota and contributed around 500 billion to GDP. This makes the healthcare industry a true champion sector, consisting of pharmaceutical, medtech and biotech companies. However, we do not treat it like a champion! In public debates, the healthcare industry and the sector are primarily discussed as a cost factor and thus as part of the problem – rather than as part of the solution. The healthcare sector combines highvalue creation with export strength and at the same time makes an important contribution to public revenue. In addition, investments in the German healthcare industry typically result in a large part of the value creation being generated in this country, as the value chains are comparatively short. This means that there are multiplier effects, which in turn generate further tax revenue.

All of that is certainly true, but how do you "sell" it to the Chancellor of the Exchequer?

Ostwald: In short, it's not just about expenditure, but also about revenue. Politicians usually focus their analysis on the fact that Germany spends around 12 per cent of its GDP on health, but they don't take into account that the healthcare industry contributes around 12 per cent to GDP. From a purely economic point of view, the healthcare industry therefore "pays for itself" and also creates better health. Investments in health thus stabilise our prosperity enormously, especially in times of crisis. It is precisely this key figure that a finance minister must understand and keep in mind.

How do experts at the Ministry of Finance respond to this argument?

Ostwald: In Germany, this view has only gained limited acceptance so far. This made Chancellor Friedrich Merz's statement in one of his first interviews after taking office all the more remarkable, in which he described the healthcare sector no longer as a cost burden, but explicitly as an opportunity for value creation and economic stability. This shows that health economic arguments are increasingly finding their way into the political debate. The key now will be to further substantiate this view with robust evidence and clear macroeconomic arguments, especially vis-à-vis the Ministry of Finance.

Glaetzer: The white paper "Healthy Returns: A Catalyst for Economic Growth and Resilience" produced by the WifOR Institute provides this evidence and arguments for what we believe is a necessary change in perspective on health. Until now, we have always focused solely on the value of health in relation to the individual patient. The immediate health benefit of a therapy for the patient is its value and is priced accordingly. The fact that modern therapies also enable participation, learning and working – in other words, everything that makes a community sustainable – is not taken into account in this value assessment. The white paper shows that targeted investments in prevention, therapy and healing pay off threefold: they protect and strengthen our health, and they strengthen the resilience of social systems and the economy. The healthier people are, the more targeted public and private resources can be invested in progress,

innovation and opportunities, rather than in managing preventable diseases. Health is an investment that pays off. It is not merely a cost factor. We need to communicate this.

* Eurostat (2023). Healthcare expenditure statistics – overview. Available online at: https://t1p.de/pzf3z

The costs of the health benefits for patients – in this case, employees – are borne by the health insurance fund or the insured person through their contributions. The benefits of the economic power gained are enjoyed by the company and society, while the tax revenue goes to the Chancellor of the Exchequer. Is this system ever considered as a whole?

Ostwald: That will only succeed if health is anchored at the highest political level. I hope we will succeed in doing so. In Germany, this holistic view is still not very pronounced. Other countries are further ahead in this respect: in Egypt, for example, the health minister is also the deputy head of government. This shows how important he is compared to the other ministers. Against this backdrop, the Egyptian health minister invited me to visit in 2025. On this occasion, I was presented with the national health strategy, which I found to be very structured and goal-oriented.

Can you explain that in more detail?

Ostwald: In 2025, a conference with over five thousand participants was held, at which the Ministry of Health presented a comprehensive indicator and monitoring system. This is based on key figures that use a traffic light system to show the current status and the respective degree of target achievement. The aim is to make concrete health improvements measurable, such as a reduction in the burden of disease by a specified percentage by 2030. In conversation with the Minister of Health, I suggested that these targets should be consistently supplemented by macroeconomic assessments. If, for example, the burden of diabetes is reduced by 10 percentage points, a concrete economic contribution can be derived from this. This allows for a transparent presentation of the investments made and the resulting effects: X euros were invested in this strategy and Y was achieved in the first year. If we achieve our targets by 2030, Z will be achieved. This approach will now be continued on an annual basis. I would like to see a similar impact orientation for Germany.

"The WifOR Institute's white paper provides the evidence and arguments for developing a health strategy that focuses on health rather than disease management."

Christoph Glaetzer, Dipl.-Kfm.

Do you see such ideas among the economic experts or economic institutes that advise politicians? Is there also a certain understanding of such an approach at the expert level?

Ostwald: There are a large number of experts in this country who develop convincing solutions in their respective fields. What is often missing, however, is a joint view of the overall problem – across silos. This is precisely what I would like to discuss with the economists of the German Council of Economic Experts . I am particularly interested in why there has

been so little change in perspective to date. Because one thing is obvious: we are facing structural problems on our path to growth. Growth is based on capital, technological progress and labour – and is therefore inextricably linked to the productivity of the working population. We will not overcome the current challenges unless we make the healthcare system more efficient and focus more on measurable health outcomes. Strategic investments are not an end in themselves, but a necessary component.

What can a pharmaceutical company do in this regard?

Glaetzer: Research-based pharmaceutical companies such as Johnson & Johnson Innovative Medicine are already very outcome-oriented. We invest globally in the research and development of new medicines and therapeutic approaches that meet existing medical needs. The outcome we generate is longer life, a higher health-related quality of life and, in the best case, a cure. However, the further development of the healthcare system into an efficient and outcome-driven system requires clear political will and a long-term health strategy. And that is precisely what I have not seen so far. The WifOR Institute's white paper provides the evidence and arguments for the development of a health strategy that puts health first instead of the management of disease and brings together all the important areas. We see it in many countries: only if the health minister, the finance minister, the economy minister and the research minister can be brought together to formulate a common goal and agree on it will it be possible to generate the necessary influence. As long as everyone cooks their own soup and does not think about the entire menu, i.e. does not cooperate with the other departments, it will not be possible to exploit the enormous potential of health for people, society and the economy.

So: a joint strategy, joint efforts and an end to this silo mentality in order to finally move forward.

Glaetzer: From a global perspective, that is the clear recommendation. In Germany, however, the situation is currently different. Although almost all stakeholders want to make the country the "pharmacy of the world" again, the world's leading biotechnology and pharmaceutical location, the obstacles that clearly stand in the way of this goal are not being addressed or are even being reinforced. I am thinking, for example, of the pending modernisation of the AMNOG, the AMNOG price guidelines that are still in force, and flat-rate discounts at the expense of research companies. This is completely inconsistent.

Ostwald: For this reason, health must be declared an absolute priority with a clear vision. Where do we wantto be in 2040? Then all the experts must be brought together and asked: How can we achieve this goal most efficiently?

In your opinion, is there anyone in Germany who is pursuing such a strategy? Or are you just hoping for the Chancellor?

Glaetzer: To be honest, I don't see any strategy at the moment. The current coalition agreement states that the governing parties want to make Germany a global leader in biotechnology and pharmaceuticals again. However, this is not yet a strategy, but rather a declaration of intent. Regardless of this, I see many good approaches and initiatives in Germany, such as the pharmaceutical strategy and the pharmaceutical dialogue. All

these measures and activities must be synchronised and coordinated, and their results taken into account when formulating a long-term health agenda. What is missing is the formulation of objectives mentioned by Prof. Ostwald, in which all stakeholders and interest groups from the fields of health, finance and economics must be involved.

Who should take the first step?

Glaetzer: The first step must come from the government itself, because only it has the power and authority to bring all departments and stakeholders to the table. It must also initiate and consistently steer the process of defining and implementing objectives. This includes determining what contribution each ministry must make to achieve the jointly agreed objective. Without a structured and binding process, I see the risk that a goal will be defined, but the individual players will continue to act in a relatively uncoordinated and uncoordinated manner, as they have done up to now.

How can we achieve concerted action?

Glaetzer: By proceeding in a considered and structured manner – without rushing, but as quickly as possible in view of the real challenges. The aforementioned definition of objectives is the first step: what do we want to achieve? The next step is to consider how we can achieve this objective. Defining objectives before tactics before execution.



Prof. Dr. Dennis A. Ostwald *is the founder and CEO of the WifOR Institute. Together with his team, he conducts research on the importance of health investments, the standardisation of impact measurement and data-based solutions for challenges in the labour market. His mission is to provide valid and comparable data that enables fact-based decisions in the areas of health, sustainability and the labour market. As an expert in macroeconomics, Prof. Ostwald is a sought-after speaker at institutions such as the UN General Assembly, the World Health Summit and the European Parliament. After completing his doctorate at the Technical University of Darmstadt, he now teaches economic research and international management at the Steinbeis School of International Business*

and Entrepreneurship (SIBE).

This approach makes sense not only for companies, but also for the development of a health strategy for Germany.

Ostwald: We also have to take into account the individual political rationales and responsibilities. In Egypt, the key questions at the outset were: How does a health strategy benefit the finance minister? Why should he concern himself with it?

The answer is relatively clear: in order to convince finance ministers – in Egypt as well as in other countries – it must be demonstrated that targeted investments in health lead to higher economic growth, more stable revenues and lower follow-up costs in the long term. If this connection can be proven, there is clear added value from the finance minister's point of view. If this strategy is also translated into macroeconomic logic using reliable key figures, it becomes relevant for international rating agencies. If they recognise that the health strategy measurably improves a country's economic prospects in the long term, this has a positive effect on the country's rating. A better rating makes it easier to refinance existing debt on more favourable terms. In my view, this is precisely where the dividend of smart health investments lies.

Mr Glaetzer, you are Chief Global Value and Access Officer at Johnson & Johnson Innovative Medicine. When you compare Germany with other important markets such as the USA, Japan or China, is there an international model where this return on investment in health is used as a target? And what do these systems do differently from, for example, the AMNOG or the Ministry of Health in Germany?

Glaetzer: It is always difficult to compare healthcare systems, as all countries, their respective healthcare systems and their refinancing are different. I would therefore like to answer the question from a different angle: how do we measure success? What criteria do we use to say that a system is successful? We have just talked about how economic success can be measured when considering the economic impact of health. Another question is: do patients have early access to a wide range of medicines?

This leads me to the crucial question: to what extent do these medicines and therapies improve outcomes for patients? In order to assess and discuss the economic dimension, we need to measure the health-related outcomes for patients.

How does Germany compare in this regard?

Glaetzer: If we look at access to medicines in terms of speed and breadth of availability, Germany is not doing badly in a European comparison. In England, on the other hand, where access to many new treatment options is no longer available or patients have to wait significantly longer for them, we are now seeing a poorer, even declining survival rate in some indication areas compared to other countries – including Germany. That is the current situation.

So Germany is not doing badly yet. However, I would like to point out that certain health policy decisions that Germany has made in the past and has not corrected to date could change this picture for the worse. The effects of a decision often become apparent years later.

What does that mean?

Glaetzer: In view of the current debate on new interventions in the pricing of innovative medicines within the framework of the AMNOG or a higher manufacturer's discount, I see the risk that Germany could find itself in a similar situation to England in the future. This would be a situation in which access to new therapeutic options would no longer be available or would be available much later than in other countries.

Some of the regulations currently under discussion or already implemented, such as those on combination discounts, completely ignore how pharmaceutical research – and medical progress – work. Another example is the regulations on dealing with RWE. In this area, Germany is definitely no longer at the cutting edge of science. Taken together, such regulations and cuts could mean that patients in Germanywill have no or very delayed access to potentially life-saving treatment options in the future. This must be prevented!

Christoph Glaetzer



As Chief Global Value and Access Officer at Johnson & Johnson, Christoph Glaetzer is responsible for health economics, pricing, patient-reported outcomes (PRO), real-world evidence (RWE) and access policy worldwide. He represents Johnson & Johnson in international associations such as PhRMA (Pharmaceutical Research and Manufacturers of America) and EFPIA (European Federation of Pharmaceutical Industries and Associations) as well as the Global Health Council, where he advocates for improving global healthcare through innovative market access and pricing concepts. A trained health economist and nurse, he has lived and worked in Europe, North America and Asia and has more than 25 years of experience in developing and implementing strategies for market access and the marketing of pharmaceuticals.

Ostwald: The time when a political decision is made and the time when the impact of that decision becomes visible are rarely the same. This fundamental connection is often ignored in political debates. In addition, measures taken to address supposedly short-term, minor problems can

often have long-term consequences. In Germany, there has been little discussion of the long-term effects of regulatory decisions, as the focus is usually on short-term assessment periods. I am thinking here, for example, of the one-year or even quarterly perspective of health insurance companies. Decisions based on such criteria inevitably lead to short-term reactions and remain outside a consistent strategic orientation.

Do you see any echoes of such ideas in Germany?

Glaetzer: To be honest, in certain areas I consider the understanding of temporal dimensions and contexts in this country to be limited. We must always bear in mind that the medical innovations available today were launched around 15 years ago.

Mrs Merkel was still Chancellor then!

Glaetzer: That's right. And there were completely different ministers in the government. We haven't been working with WifOR for quite that long, even though we started talking several years ago about the short-, medium- and long-term value of health for patients, society and the economy, and about what is necessary to strategically exploit the potential of health. The white paper now available provides the data-based foundation and arguments for setting the right course: for patients, for society and for the economy – in the short, medium and long term.

How can economics, medical research and politics come together?

Glaetzer: We must help the individual players to speak each other's language and understand each other's perspectives. If we succeed in bringing the individual departments together so that they can define a common goal and develop indicators – as Prof. Ostwald experienced in Egypt – we can move from a short-term reactive mode to a strategically planned mode of action. That would be an enormous step forward.

"There is still a long way to go before we have a long-term, comprehensive strategy. First, we need to consider: What is our goal, what do we want to achieve? What do we need to change in order to achieve this goal? What is preventing us from doing so?"

Professor Dennis A. Ostwald

Ostwald: But it is also important to identify the costs of inaction. If we extrapolate demographic trends and calculate the burden of disease in Germany in 2030 and the associated costs according to various indicators, we can model fairly accurately what impact this will have on our GDP in 2035. We are facing considerable burdens.

The lowest burden of disease is the one that has no chance of arising in the first place.

Glaetzer: We must finally begin to consider the entire patient care pathway. The goal should be to diagnose diseases at the earliest possible stage and to specifically influence the course of the disease, ideally changing it completely. If a disease does break out, every patient must have early access to modern therapy concepts and a perfectly coordinated care continuum. In short: "Prevent what you can, treat what you can't." If we stick

to this, we will achieve the best outcome for those affected while reducing costs. We need to discuss how to manage this and, above all, how to price it.

Could you name a country where this works better than in Germany?

Glaetzer: The concept of "care pathways" is already more developed in some countries. The question of financing must always be resolved on a country-specific basis. The key here is to bring together all the relevant players, i.e. all the service providers involved in the care process, from private practices and hospitals to nursing care. There is a lot of overlap between the various budgets here. That also needs to be resolved.

What would be a good place to start, a possible first step?

Ostwald: Let's take diabetes as an example: a bidding consortium could be formed and a selective contract agreed with the relevant health insurance funds in a region. This could stipulate that the burden of disease in the target population should be reduced by around ten per cent by 2030 – combined with a corresponding reduction in follow-up costs. This brings us to the "value of health": patients benefit from better health, the bidding consortium benefits from reliable remuneration, and health insurance companies benefit from lower expenses. To achieve this, we need to measure and precisely define the economic contribution of the concept: What damage is prevented? What measures are financed? What consequential damage can we avoid or minimise in the future? Incidentally, this would already work within the framework of the current Social Security Code, but no one is doing it because it is still unusual to put such complex services out to tender.

Glaetzer: It is quite normal for people today to invest money in order to generate a higher return later on. Investments in health follow the same principle: you invest today to prevent expenditure in the future.

Health insurance companies are not allowed to calculate this way because they always have to consider costs on an annual basis.

Ostwald: There is still a long way to go before we have a long-term, comprehensive strategy. First of all, we need to consider: What is our goal, what do we want to achieve? What do we need to change in order to achieve this goal? What is preventing us from doing so? First and foremost, the legal regulation that states that planning can only be done up to the next year must be abolished. Secondly, we must move towards "health in all policies". And finally, we need a coherent health strategy. It must be made clear that none of this is more expensive than the current system. It is not a question of additional billions, but of using the available resources in a more targeted and effective manner.

Let's talk about the true price of health. Your data shows that, in the case of dementia, for example, half of the costs are incurred in informal care, but are not included in the calculations. Are we counting ourselves as a rich economy by ignoring so much unpaid work in the health system?

Ostwald: It's like gross domestic product. Here, too, unpaid or non-market activities such as informal care or voluntary work are not taken into account. This has an impact because the social impact is difficult to measure. If unpaid work is not taken into account, its value is inevitably

underestimated.

How can social impact be calculated?

Ostwald: There are two key components here. On the one hand, the economic consequences of illness can be quantified in terms of lost working hours, income and productivity – in other words, the loss of value added that occurs when people are unable to work or can only work to a limited extent. However, this only shows part of the picture. The second, equally important component is the effects of informal care work, i.e. the impact of unpaid care work on the carers themselves. This is based on the concept of "secondary patients". Here, too, there are losses in earnings, work and productivity that have a significant impact on growth and economic development – both today and in the future. On this basis, the actual social value of prevention and effective care can be assessed: not only because it prevents illness in patients or specifically shortens the course of the disease, but also because it reduces the burden on family carers. This broader perspective has direct macroeconomic relevance. This is what we mean by the term "broader value". This is precisely what is at stake in the international debate, for example at the International Society for Pharmacoeconomics and Outcomes Research (ISPOR): How can such additional value dimensions be systematically integrated into existing HTA procedures? In the long term, a convincing macroeconomic argument is only possible if, at the same time, it is clearly defined how HTA assessment must evolve.

While the debate in Germany revolves primarily around pricing mechanisms, internationally it also seems to be moving towards greater flexibility in terms of evidence. One key concept here is the inclusion of real-world evidence. Have you observed a trend whereby patients in healthcare systems that are more willing to accept real-world evidence gain faster access to innovations?

Glaetzer: Definitely. In terms of acceptance of real-world evidence, Germany is indeed lagging behind in international comparison, although there are three main reasons for comprehensive acceptance of RWE.

What are they?

Glaetzer: In a nutshell: confirm, complement and contextualise. RWE can not only confirm data and findings obtained in clinical trials, but also complement them. Certain data simply cannot be generated in clinical trials. This is almost always the case when we want to research new methods and therapeutic approaches as well as long-term results whose benefits for patients will only become apparent in 15 years or even further in the future. This cannot be reflected in clinical trials. It would also be highly unethical to treat half of the patients with a placebo over such a long period of time, even though it has been proven that a therapy is successful. This is where RWE can supplement the necessary evidence. In addition, RWE can contextualise the data and findings collected in clinical trials. This is relevant, for example, because many benefit assessment procedures always require comparative data on many possible alternative therapies, even if some of these therapies no longer correspond to the current state of science. This often leads to claims that no evidence has been provided. In many cases, this concerns therapies for which no evidence was ever supposed to be provided in the first place! This definitely prevents Germany

from participating in innovation in the medium and long term. The concept of "indirect treatment comparison" is an important issue where Germany must take a step forward in order to participate in scientific progress again.

We had a conference on patient-reported outcomes last December. Should PROs also be given greater weight?

Glaetzer: Absolutely. I would cite Germany as a positive example here, because patient-reported outcomes are specifically requested in the AMNOG procedure. This enables us to show the measurable results achieved by a therapy in the patients treated with it, and the extent to which their health and quality of life are improved.

In some indications, patient-reported outcomes are even part of the primary endpoints. This is always the case when the effect of a therapy is directly perceived and reported by the patients. In other indications, this may only be a secondary effect, although it always concerns the quality of life of the respective patients.

Overall, it is always about the benefit to patients. In your analyses and publications, such as the white paper "Healthy Returns: A Catalyst for Economic Growth and Resilience" published in December 2025, you regularly highlight the added value of health – and of investments in health for society as a whole.

Ostwald: Evidence shows that targeted investments in health have a positive impact on society. In order to measure this impact, we developed and published the Social Impact (2). The conceptual origins date back to a personal exchange with the then Chancellor of Germany in an earlier phase of German health policy. We discussed the social significance of investments in health and how the effects of specific health policy measures can be assessed beyond the health system. This exchange was an important impetus for us to expand the assessment of individual measures to include additional dimensions – such as aspects of productivity, social participation and non-market activities – which ultimately led to the social impact approach.

Prof. Ostwald, Mr Glaetzer, thank you for talking to us. <<

The interview was conducted by MVF editor Prof. Dr. Reinhold Roski and edited by MVF editor-in-chief Peter Stegmaier.

Literature:

1: https://t1p.de/7rmg5

2: The Lancet Oncology, 2024

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