

“The healthcare system n a modern legal basis”

“Now is the time to create a modern legal basis for modernizing the healthcare system as well,” says Andreas Storm, CEO of DAK-Gesundheit, in an interview with “Monitor Versorgungsforschung”. Asked for his assessment of Janßen’s welfare state matrix, he talks about systemic dysfunction, four fields of action and a new Social Code from 2029. His plea: “This fall, we must start a fundamental overhaul of the rules governing our healthcare system, so that a reformed Social Code for statutory health insurance can enter into force from 2029, that is, at the start of the next legislative period.”

In conversation: Dipl.-Volksw. Andreas Storm, CEO of DAK-Gesundheit

>> Mr. Storm, the SHI Contribution Rate Stabilization Act (GKV-Beitragssatzstabilisierungsgesetz) was promulgated in the Federal Law Gazette on July 29 and entered into force the following day. The then Federal Minister of Health, Nina Warken, spoke of a package of measures unprecedented in scale. Where does this law leave the healthcare system?

DAK-Gesundheit welcomes the successful conclusion of the legislative process on SHI financial reform. With the most far-reaching austerity measures in recent years, the federal government has finally initiated a turnaround toward financial consolidation in statutory health insurance, in order to stabilize contributions at least temporarily. It is regrettable, however, that in the final stretch a protocol declaration by the government to the Bundesrat and further relief for the hospital sector created a new financing gap of EUR 550 million at the expense of SHI. The federal government is thus once again calling its own goal of contribution stability from 2027 into question.

I see that in the second half of 2026 we have now reached a point where we need a truly major structural reform of the German healthcare system. We must agree on the fundamental need for action.

When presenting the DAK Health Monitor 2026, you said the German healthcare system is sick. Where should the therapy start?

I see three very large construction sites. The first is our position in a European comparison. It is now a consensus that the German healthcare system is considered inefficient and delivers unsatisfactory results. This means that, in terms of performance-related quality indicators, we rank at best in the European midfield, with a declining trend, while having the highest costs in the EU. That is why we absolutely must bring about a turnaround in order to become significantly better again in quality of care. All of us must aim for the German healthcare system to move closer to the European top group again.

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The BMG puts the SHI funding gap at around EUR 19 billion for 2027 and around EUR 44 billion for 2030. Will this gap be closed by the SHI Contribution Rate Stabilization Act?

No, the SHI financial reform currently offers only a short-term breathing space for 2027, with the possibility of stable contributions. That is why the second construction site lies here. In statutory health insurance, but also in other areas such as the hospital sector, we are facing the biggest financial crisis since the founding of the Federal Republic of Germany. Former Minister of Health Nina Warken, who has since moved to the Federal Chancellery, did get the largest austerity package in our country's history through parliament before the summer recess with the Contribution Stabilization Act, but the fundamental problems for the period after 2030 have still not been solved.

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And the third construction site?

We have what I would call a systemic dysfunction when we compare our German healthcare system with those of other countries. We have dysfunctional structures in competencies in politics and administration, dysfunctional structures in organization, dysfunctional structures in financing and likewise dysfunctional structures in ensuring service provision.

Of these four fields, however, only financing features in public debate. Is it even sufficient as a starting point?

Mr. Janßen's article (1) and interview (2) focus above all on financing. This is undoubtedly an important building block for structural improvement of the German healthcare system. But the three other areas must also be tackled urgently. If I take these four construction sites together, this results in the need to adapt the rules of the current Book V of the Social Code for the German healthcare system.

SGB V has been in force since January 1, 1989. What makes you conclude that it has reached the end of its life?

If you look at history, in the first four decades of the Federal Republic, from 1949 to 1988, we still had the old Reich Insurance Code. Then, from 1989, we had SGB V in its current form. Now, after another 40 years, we are in a time of new challenges for our social system. My proposal is therefore that this fall we start a fundamental overhaul of the rules governing our healthcare system, so that a reformed Social



Code for statutory health insurance can enter into force from 2029, that is, at the start of the next legislative period. We would thus have completed a second 40-year period. Now is the time to create a modern legal basis for modernizing the healthcare system as well.

Let's go through the fields of action one by one. On January 1, 2026, there were still 93 health insurance funds in SHI, as well as Associations of Statutory Health Insurance Physicians, chambers, associations and supervisory authorities. What needs to be done on organization?

If you look at the individual topics, the question of organization is about how the public-law corporations must be set up in the future. These are not just the health insurance funds. They also include, for example, the Associations of Statutory Health Insurance Physicians and various chambers. How must the associations be organized? We should also openly ask whether there is a need for reform in supervision at federal and state level. Last but not least, this organizational topic includes the division of tasks between statutory health insurance and private health insurance. The crucial question here is: can we carry on as before? Apart from Germany, there is not a single country in the world with this duality between SHI and PHI. These structures arose for historical reasons, but now they must be put to the test.



Dipl.-Volksw. Andreas Storm

is CEO of DAK-Gesundheit. The CDU politician was a member of the German Bundestag for 15 years, served from 2005 to 2011 as State Secretary at the Federal Ministry of Education and Research and at the Federal Ministry of Labor and Social Affairs, then as Head of the Saarland State Chancellery and subsequently, until 2014, as Saarland's Minister of Health.

The FinanzKommission (Finance Commission) recommends financing contributions for recipients of basic income support entirely from tax revenue – twelve billion euros annually. Federal Finance Minister Klingbeil rejected this, citing the budget situation. How could tax financing be anchored in law?

In financing, we must finally ensure much stronger earmarking of the main financing instruments. These are, first, contributions, then taxes and finally the insured persons' co-payments. In addition, private provision is a further form of financing by insured persons, for example through private supplementary insurance. The aim is to achieve financing that is sound in terms of regulatory policy: for example, that expenditure for recipients of basic income support, which is currently financed through statutory health insurance, is covered entirely from tax revenue. For this we need a legal basis. If this is enshrined in a modified Book V of the Social Code in the future, we will have a completely different basis when the Minister of Health negotiates with the Finance Minister.

The National Association of Statutory Health Insurance Funds (GKV-Spitzenverband) has bundled the lawsuits of dozens of statutory health insurance funds before the North Rhine-Westphalia Higher Social Court against the allocation notices of the Federal Office for Social Security. A judicial referral under Article 100(1) of the Basic Law has been requested. DAK-Gesundheit is one of the plaintiff funds. What do you expect from the proceedings?

SHI would need to receive around twelve billion euros annually from the federal government so that expenditure for recipients of citizen's income – now basic income support – is adequately financed. Several expert reports have shown this, and the Federal Court of Audit takes the same view. Because this has still not happened despite repeated announcements by various members of the federal government, DAK-Gesundheit, together with many other health insurance funds, sued the federal government at the end of 2025.

Under the Hospital Financing Act, the states bear investment costs and the health insurance funds bear operating costs. Should this allocation be put to the same test?

We need to examine whether this dual financing is still fit for the times or whether we need a change here too. I would like to see this question of the structural modernization of the healthcare system not limited to a small catalog of questions exclusively for statutory health insurance. Unfortunately, that is currently how it is set out in the remit of the FinanzKommission Gesundheit. The mandate should therefore be expanded to enable a more far-reaching modernization process.

The FinanzKommission's second report will be available by the end of this year, and the legislative period regularly ends in early 2029. By when would a new Social Code have to be adopted?

Such a major reform cannot be carried out within a few months. This means that policymakers must first receive reform impetus, for example from the Greiner Commission, by the end of this year, and should then use next year to develop a future-proof architecture for the German healthcare system in discussion with all stakeholders. Finally, in 2028 the legislation for a new Social Code must pass through the Bundestag and the Bundesrat. In the best case, such a new Social Code could then enter into force on January 1, 2029.

That would be a very large program. Can you be somewhat more specific here about individual demands or reform proposals?

At this point I don't want to put forward specific substantive demands yet. The only reason for this is that we should not wear ourselves out with detailed questions, but first agree on a major overhaul and a common goal. The timing is very favorable now, because the Greiner Commission is dealing with structural issues anyway and we have a new Federal Minister of Health in office. That is an opportunity.

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Would Professor Janßen's approach with its four fields be useful for this structural debate, or is it rather misleading? Do you have your own proposal for what a new model of our healthcare system should look like?

I consider Professor Janßen's approach useful. But I also believe it is far from sufficient, partly because questions of competence between federal, state and local governments are left out. My own structural approach therefore addresses four fields of action: organization, financing, ensuring service provision and distribution of competencies. For each of these areas we need a new balance, although there will of course be interactions. For example, on the question: how large is the contribution of private provision? Its level depends on what the organizational solution looks like and how the division of labor between statutory and private health insurance is structured in the future.

Could your four reform areas be combined with Mr. Janßen's four fields? Do you see points of connection, or is yours a different model?

Professor Janßen's four principles focus very heavily on financing. Take territorially managed public services of general interest. Here the question for me is: how should competencies be divided among the federal, state and local governments and self-governance? That is completely missing from Janßen's approach.

A model is supposed to be a structured representation of reality. Is your approach with the four fields of action closer to the actual design of our healthcare system?

The problem is that the German healthcare system deviates significantly from the ideal-type models found in textbooks. Our healthcare system was not developed on the drawing board but is, in essential parts, the result of historical processes. It has evolved over many decades. Of course, in theory one would do many things differently today, but we must take the historically evolved healthcare system, with all its dysfunctions, as the starting point for the reform process.

Mr. Storm, thank you for the interview. <<

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1: https://t1p.de/64mk9
2: https://t1p.de/iv5gi