

Health Insurance in Israel – from Pluralistic Model to Tier Model

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The National Health Insurance Law started a reform in the Israeli health system in general, and in the model of health insurance in particular. With the implementation of the law, an insurance “pyramid” was created, made up of three tiers (The Tier Model):

1. National health insurance for the entire population, for which the government is responsible;
2. Supplemental health services for members of the HMOs, for which the HMOs themselves are responsible;
3. Private-commercial health insurance, supplied by insurance companies.

The relationship between the structure of the model and its characteristics and the reciprocal relations among the players, the values and the principles of the model are analyzed and presented in this article.

The central issues discussed in the article (equality, competition, the combination of the private and public sectors and the role of the State) together with the different players in the Israeli Tier Model respond in the best possible way to the needs of the majority of the population, and try to give as much as possible, within the limits of the budget and prevailing conditions, while maintaining a balance among all the components of the model in a similar manner as in a baby’s crib mobile.

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