Health investments under European Structural and Investment (ESI) Funds

COCIR Workshop
Warsaw, 20th June 2013

Maria-Jose Peiro
DG Health and Consumers, European Commission
Why invest in health?

**Public health rationale**
- Health inequalities remain large in Europe
- (Cross-border) public health risks

**Economic and social rationale**
- Health impacts on labour productivity and growth
- Health is one of most innovative and productive sectors

**Territorial rationale**
- Territorial cohesion agenda: health in regional and local development
- Ensuring equal access to quality health services across territories

**Structural challenges**
- Pressures on health care systems (e.g. burden of chronic diseases, higher demand, cost of specialist care and technology)
- Ageing society (demographic implications and specific needs)
- Sustainability of public expenditure (in context of crisis and public deficit control)

→ Need for rationalizing, restructuring and modernizing the health sector towards more sustainable, cost-efficient and quality health care
EU Policy Framework I

EU Health Strategy objectives:
- good health in ageing Europe
- protecting citizens from health threats
- dynamic health systems


Key Policy References
- Council Conclusions on Health Systems “Towards modern, responsive and sustainable health systems” (June 2011)
- Directive on cross-border health care (2011) (e-health, cross border cooperation)
- Action Plan for the EU health workforce (2012) (adopted as part of the Communication for a job rich recovery in Europe)

SWD “Investing in health” (Feb 2013, adopted as part of Social Investment Package): 3 key areas in which to invest via ESI funds: health systems, people’s health as human capital, and reducing health inequalities
EU Policy Framework

Contribution to EU 2020:
- *Inclusive growth* (social inclusion, maintaining/increasing productivity in labour market) and
- *Smart growth* (“health as growth-friendly investment”, innovation, health key sector for economy and employment)

Health in the European Semester cycle of economic governance:

- Thematic summary on health (2013): need to increase efficiency and cost-effectiveness of health care systems (health expenditure large share of GDP; health sector important for high-skilled employment)
- Health systems reform is included in Member States 2013 National Reform Programmes – NRPs
- 11 MS got Country-Specific Recommendations (CSRs) in health
- 2013 Commission Staff Working Documents (SWD) refer to health in the context of employment, R&D, poverty reduction/social inclusion (vs. 2012), budgetary reform, public administration reform, and health profession reform
Cohesion Policy 2014-2020

Fund regulations and common provisions regulation (adoption at Council foreseen in the autumn 2013)

- Close alignment with Europe 2020 and European Semester (AGS, CSRs)
- Common thematic priorities and operational principles across the 5 different funds (ERDF, ESF, Cohesion Fund, EAFRD and EMFF)
- €336 billion (Commission proposal)

Opportunity for health

- Direct investments (health aspects included in 7 out of 11 common thematic objectives: TO1 R&I, TO2 ITC, TO3 SMEs, TO8 employment, TO9 social inclusion, TO10 education, TO11 capacity building)
- Non-direct health investments: health impacts from investments in other sectors - urban regeneration, transport, environment, employment, housing

Preparatory process – state of play

- Negotiations on regulations at the Council and European Parliament
- Preparation of “programming” (Partnership Agreements and Operational Programmes): country-based Commission Position Papers (CPPs) and informal dialogue with MS (ongoing in 2013)
Funding Priorities in Health

→ Health well covered in new regulatory package (Common Strategic Framework)
→ Eligible areas (different emphases per country):

- **Reforms to improve** the cost-effectiveness, adequacy and sustainability of health systems, including the transition from institutional care to community-based and more integrated forms of care;
- **Health infrastructure** which contributes to an improved access to affordable and high quality services;
- **Employment opportunities** and adaptation of workers in the health sector;
- **Active and Healthy Ageing** (European Innovation Partnership);
- Health as an **innovative and growth-enhancing sector (R+D+I, SMEs, social innovation linked to ageing)** and e-health;
- **Reducing health inequalities** both between territories and social groups;
- Support to the **implementation of EU directives** (e.g. Directive on patients' rights in cross-border healthcare).
- Administrative and health systems **capacity building**
Regulatory package 2014-2020
Ex-ante conditionality - health

- Requires a strategic policy framework including:
  - Measures to improve access to quality healthcare
  - Measures to stimulate the cost-efficiency of care by means of innovative use of services and technologies
- Requires a monitoring framework
- Requires an accompanying budget framework including concentration of resources

Implications:

- Justification of the need of investment within the above strategic framework
- Commitment to transformational change – prioritising the shift away from a hospital-centric model of care to more community-based and integrated models of care contributing to sustainable health systems
- Demonstration of cost-effectiveness of investment
- Guaranteed quality of care and equal access to services
Future health investments preliminary assessment (position papers)

- Health reform: shift to the community based care and integrated care (may include infrastructure and equipment if justified)
- Mental health – within above shift
- Health inequalities – focus on deprived areas
- E-health
- Active and healthy ageing
- Workforce management of the health sector

**Poland (position paper for dialogue)**
- Active and healthy ageing (risk factors & health of workforce)
- Health sector reform (inc. upgrade/adaptation of workforce skills, e-health, R&I and SMEs)
- Access to services and addressing health inequalities
Health investments priorities
POLAND

2007-2013
- 1 billion EUR dedicated to health infrastructure in Poland
- Resources overly focused on hospitals (excessive capacity and use of hospital care)

2014-2020
- Strategic investments within a relevant policy and budget framework with a strong centralized planning and direction
- New funding for health infrastructure and medical equipment needs justification related to: improvement of access to care, transition to community-based care and/or efficiency and sustainability of the systems
- Investments shall also seek synergies with goals in innovation, information society, employment, environment and active and healthy ageing
Working Group II on “Success factors for the effective use of Structural Funds for health investments”

- Within the Reflection Process on Health Systems (Council (EPSCO) Conclusions on Health Systems “Towards modern, responsive and sustainable health systems”, June 2011)
- Led by HU, with RO, BG, SK, CZ, LV, LT, PL, SI, EL, IT, HR (since 2013)

**Mandate**
- Sharing and analysing expertise and best practices
- Identifying “success factors”, which should be present to guarantee effective investments from the Structural Funds in the health sector

**Deliverables**
- Policy messages report presented at September 2012 meeting of the SLWPPH (Senior Level Working Party on Public Health)
- Practical toolbox for MS for October 2013 meeting of SLWPPH: new SF mechanisms, programme management tools, tools for capital investment, ex-ante indicators of performance (or success factors)

A tender will follow up on this work from autumn 2013
Thank you!

europa.eu/pol/health

Maria-jose.Peiro@ec.europa.eu