



# **How to strengthen Health Care Systems through Fiscal Sustainability**

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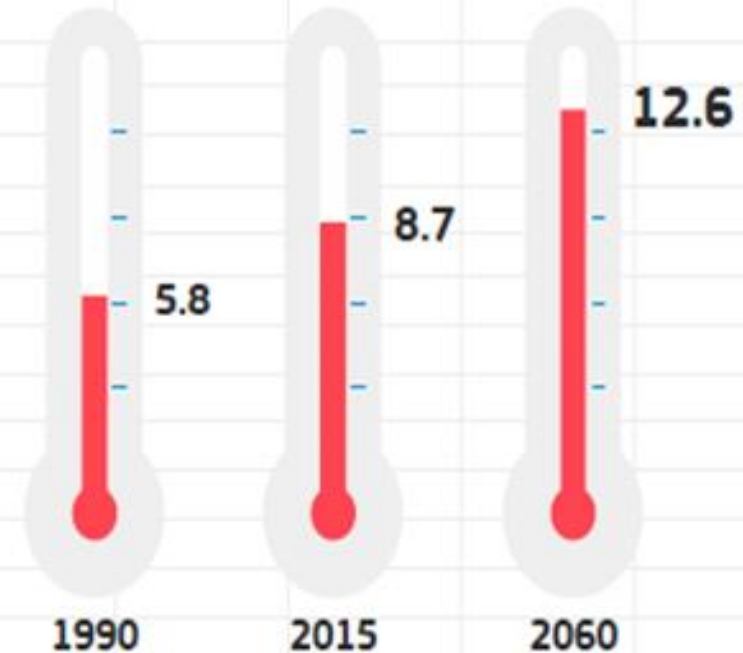
**European Commission, DG Economic and Financial Affairs**

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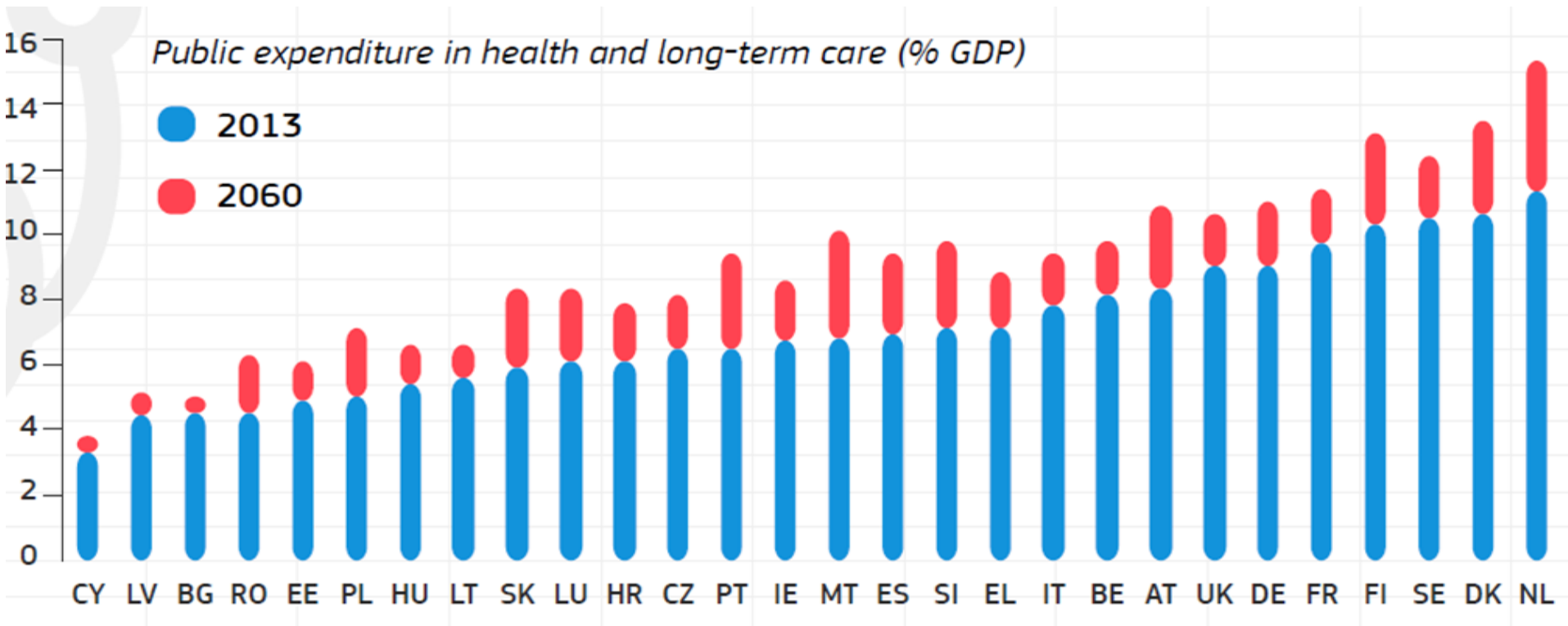
# Health Systems & Fiscal sustainability

HEALTH RELATED EXPENDITURE TAKES UP A SIGNIFICANT SHARE OF RESOURCES IN THE EU. THIS IS PROJECTED TO GREATLY INCREASE IN THE COMING DECADES.



*Public expenditure in health and long-term care (% GDP)*

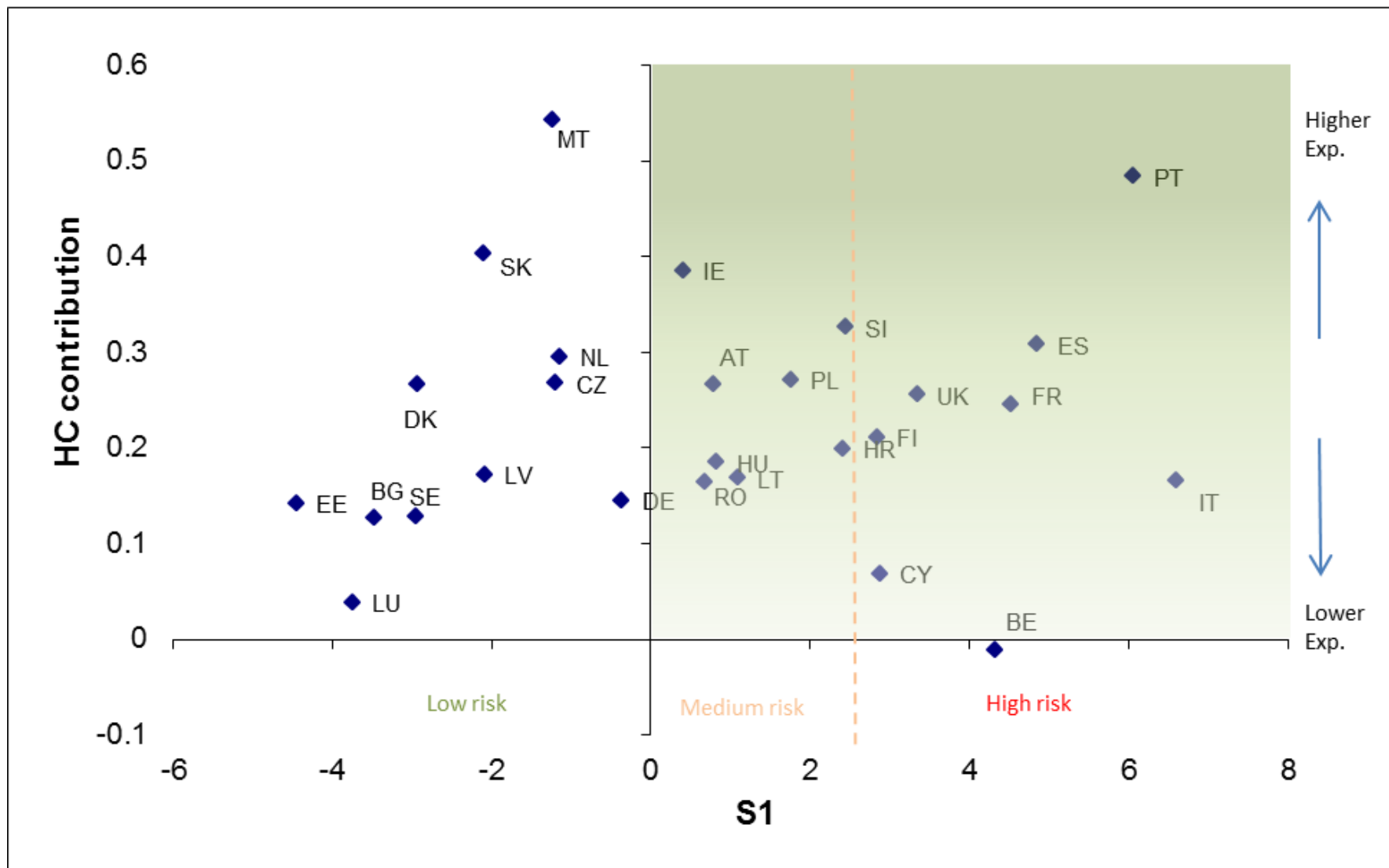
# Large differences in HC and LTC spending



# HC and LTC spending as a fiscal challenge



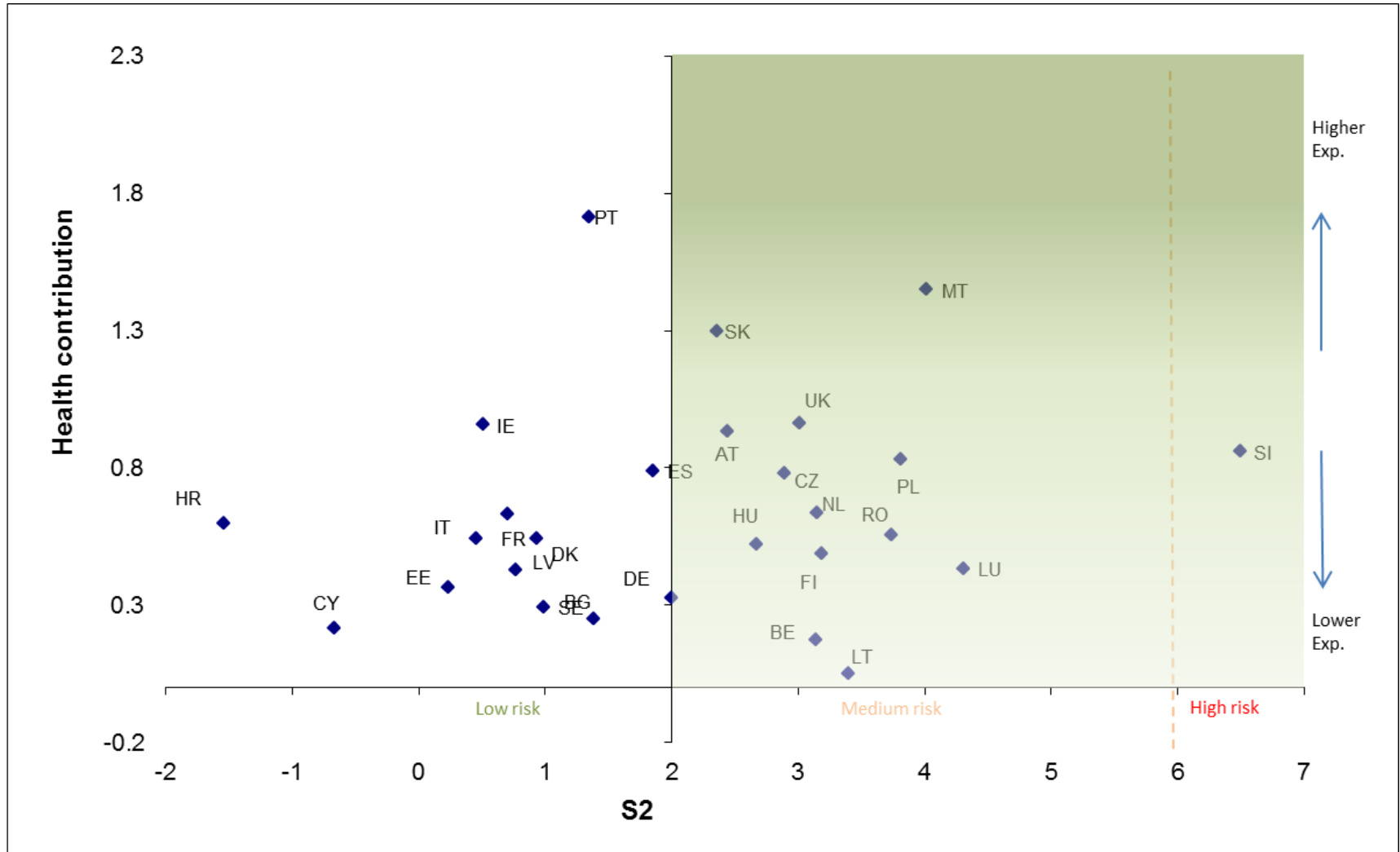
## Medium Term



# HC and LTC spending as a fiscal challenge



## Long Term





## Joint Report on Health Care and Long-Term Care Systems & Fiscal Sustainability

Volume 1



## Joint Report on Health Care and Long-Term Care Systems & Fiscal Sustainability

Volume 2  
Country Documents

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EUROPEAN ECONOMY



Economic and  
Financial Affairs  
Economic Policy  
Committee



- In October 2016, ECFIN-EPC published the '**Joint Report on Health Care and Long-term Care systems & Fiscal Sustainability**', prepared jointly with the Member States and thereby ensuring ownership of the analysis and findings.
- **Volume 1** presents policy challenges/reform options on how to contain spending pressures through efficiency gains.
- **Volume 2** presents specific chapters on each Member State's HC and LTC systems.

## Challenges

### **Containing costs**

on hospital and pharmaceutical care

### **Decision making split in ministerial silos**

**Investing** in primary care and health promotion and disease prevention

**Frequent budget overruns**, competing fiscal pressures,  
changing policy priorities

### **Improve the quality of information**

**Fraud and corruption**



### **Policy Options:**

**A:** Improving the governance of health care systems



### **Policy Options:**

**B:** Enhancing the sustainability and efficiency of health care systems



## A. IMPROVING THE GOVERNANCE OF HEALTH CARE SYSTEMS

through:

1. strengthening the **cooperation between fiscal and health policy authorities** and employing a wide range of budgetary planning tools;
2. adjusting the **regulatory framework** to support and strengthen efficiency, transparency and accountability;
3. setting up of information technology and data management strategies, to support **monitoring and governance**;
4. assessing **health-policy reforms** ex-ante and ex-post in a systematic and formalised manner based on evidence and;
5. using **workforce planning** tools to actively manage the health workforce.





## B. ENHANCING THE SUSTAINABILITY AND EFFICIENCY OF HEALTH CARE FINANCING AND SPENDING.

This includes:

1. improving the **financing mix**;
2. benefits packages need to be based on **cost-effectiveness criteria** and **cost-sharing schemes** should support the containment of public spending, while preserving access;
3. moving away from **hospital-centric models**;
4. strengthening the **cost-effective use and the affordability of medicines**.

# Addressing health care as policy priority (3)



- The **Joint Report** provides a very detailed account of **country-specific challenges** for each Member State and identifies good practices on improving the cost-effectiveness of health and long-term care systems, as well as Policy options based on best-practice interventions across the EU.
- Taking into consideration [...] Art. 168, the Council [...] **INVITES the Commission to factor these findings into [...] the European Semester** and **explore how Union action can complement national policies**, with a clear focus on fiscal sustainability.
- The Council **INVITES Member States to factor these findings into the implementation of their national policies** where appropriate and relevant in different national contexts.