Financing and organizing the EU health systems of the future. Some concrete options

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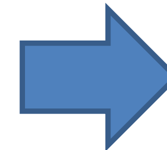
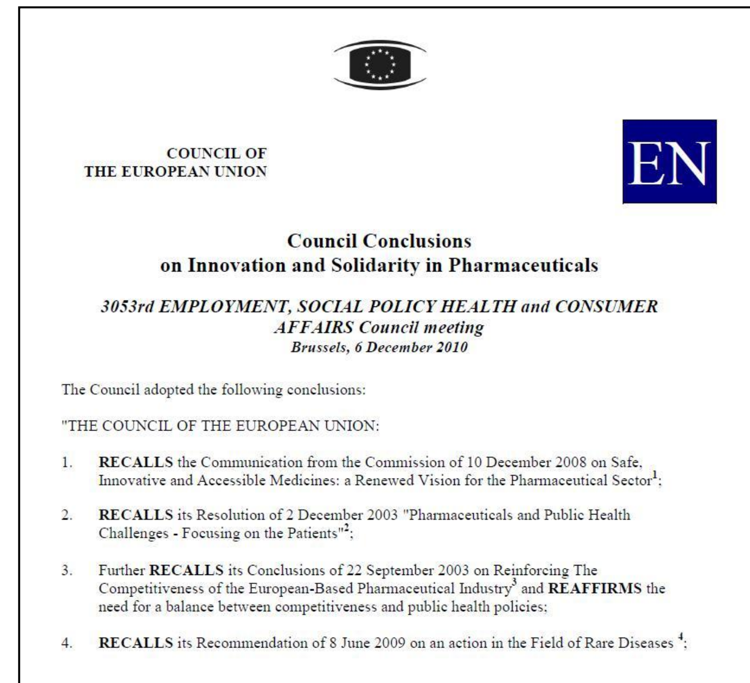
1. Let’s repeat our goal

The primary goal of health care policy = to **maximize the health of the population within the limits of the available resources**, and within an **ethical framework** built on equity and solidarity principles.



EQUITY

Report of the Belgian EU Presidency; Endorsed by the EU Council of Ministers of Health in Dec 2010



COUNCIL OF
THE EUROPEAN UNION

EN

**Council Conclusions
on Innovation and Solidarity in Pharmaceuticals**

***3053rd EMPLOYMENT, SOCIAL POLICY HEALTH and CONSUMER AFFAIRS Council meeting
Brussels, 6 December 2010***

The Council adopted the following conclusions:

"THE COUNCIL OF THE EUROPEAN UNION:

1. **RECALLS** the Communication from the Commission of 10 December 2008 on Safe, Innovative and Accessible Medicines: a Renewed Vision for the Pharmaceutical Sector[1];

2. **RECALLS** its Resolution of 2 December 2003 "Pharmaceuticals and Public Health Challenges - Focusing on the Patients"[2];

3. Further **RECALLS** its Conclusions of 22 September 2003 on Reinforcing The Competitiveness of the European-Based Pharmaceutical Industry[3] and **REAFFIRMS** the need for a balance between competitiveness and public health policies;

4. **RECALLS** its Recommendation of 8 June 2009 on an action in the Field of Rare Diseases [4];

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2. Let’s face the problems

1. Inequity in health and health care • more and more people cannot pay their health bills • increasing health inequalities • …	**4. Lack of coordination** • fragmentation of care • mistakes due to poor communication • …
2. Overconsumption & overtreatment • unneccesarry care • overuse, misuse • over- medicalizing • …	**5. Changing epidemiology** • demographic changes • chronic disease & multimorbidity • mental diseases • …
3. Undertreatment • insufficient care • early discharge • low quality • …	**6. Continuous technology “push”** • expensive technologies & medicines • expectations by citizens • …

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3. What are our instruments?

1. Set health objectives	6. Increase patient empowerment & responsibility
2. Set a growth path for the health sector	7. Invest more in prevention
3. Create better structures	8. Introduce better finance and payment systems
4. Create better processes	9. Apply cost-effectiveness everywhere
5. Create new innovation and R&D models	10. Create a perfect health information system

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6 problems, 10 instruments → **The health reform matrix**

	Instr. 1	Instr. 2	Instr. 3	Instr. 4	Instr. 5	Instr. 6	Instr. 7	Instr. 8	Instr. 9	Instr. 10
Problem 1										
Problem 2										
Problem 3										
Problem 4										
Problem 5										
Problem 6										

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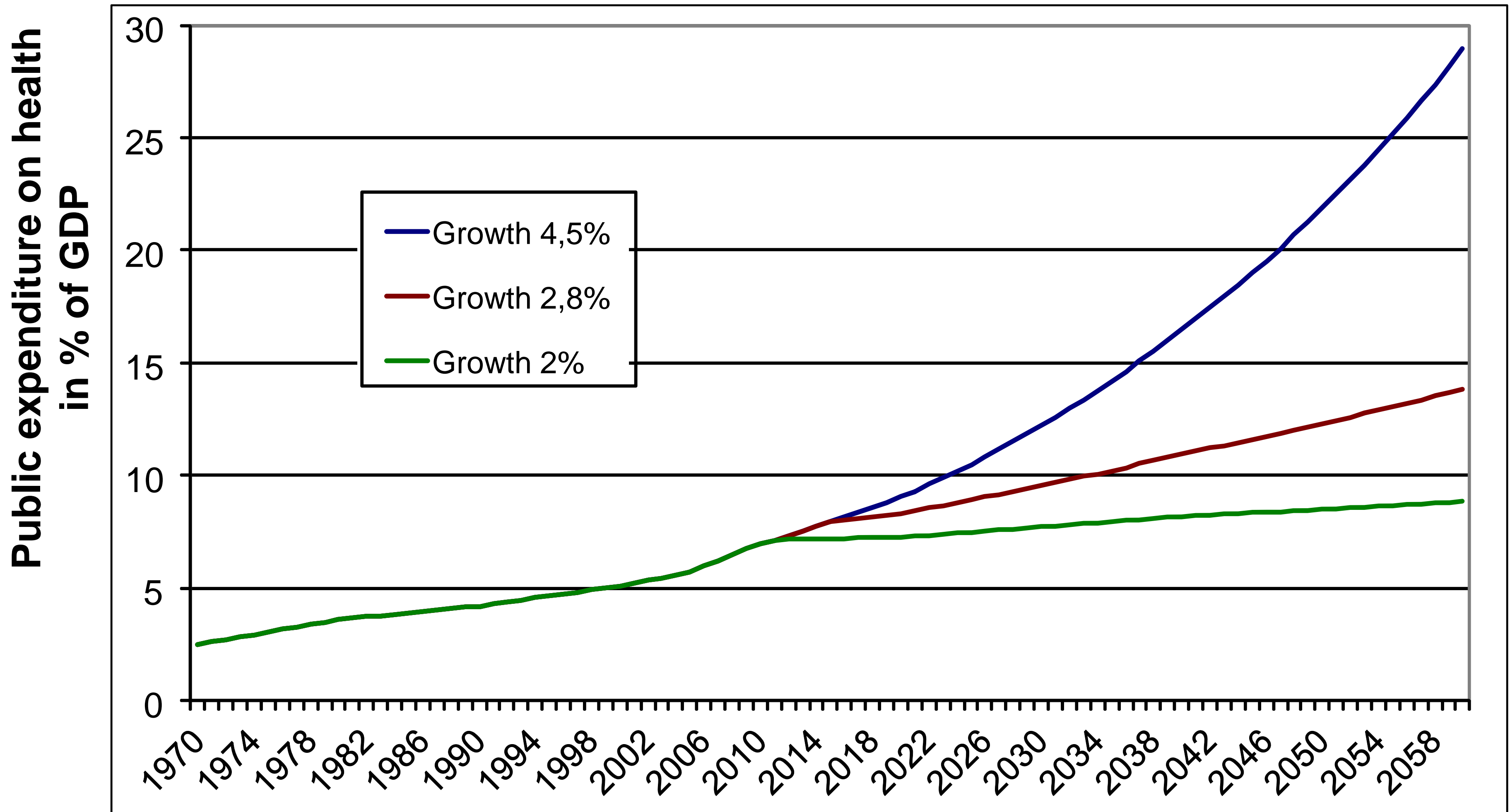
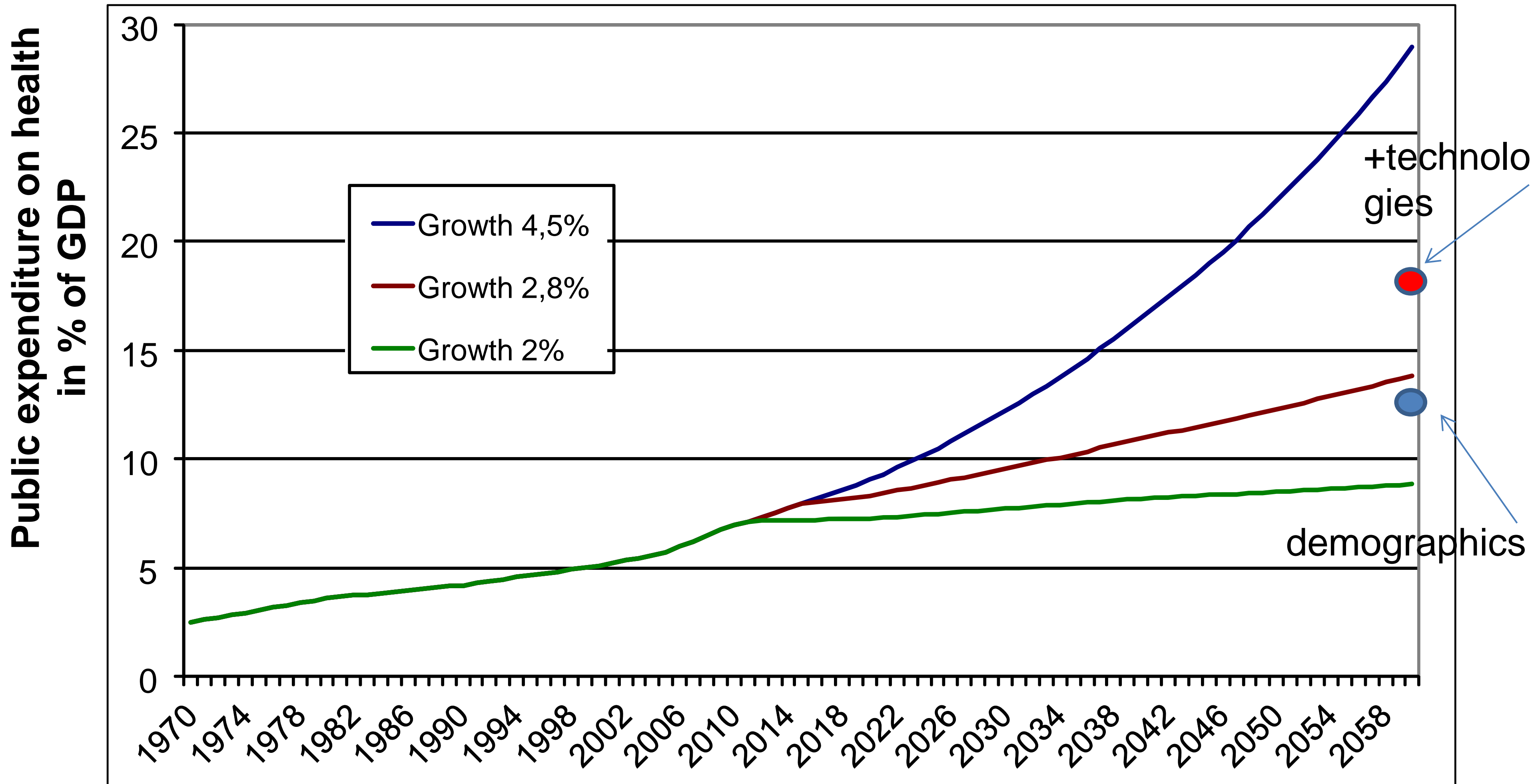
Example 1: setting a growth path



source: Itinera, Belgium

Example 1: setting a growth path



source: Itinera, National Planning Office Belgium

Main problems tackled

Inequity in health and health care	Lack of coordination
• more and more people cannot pay their health bills • increasing health inequalities • …	• fragmentation of care • mistakes due to poor communication • …
Overconsumption & overtreatment	**Changing epidemiology**
• unneccesarry care • overuse, misuse • over- medicalizing • …	• demographic changes • chronic disease & multimorbidity • mental diseases
Undertreatment	**Continuous technology “push”**
• insufficient care • early discharge • low quality • …	• expensive technologies & medicines • expectations by citizens

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Concrete

- Work with planning offices on projections for
  - Economy growth
  - Impact of Demographic changes
  - Impact of technologies
- Set and monitor growth path

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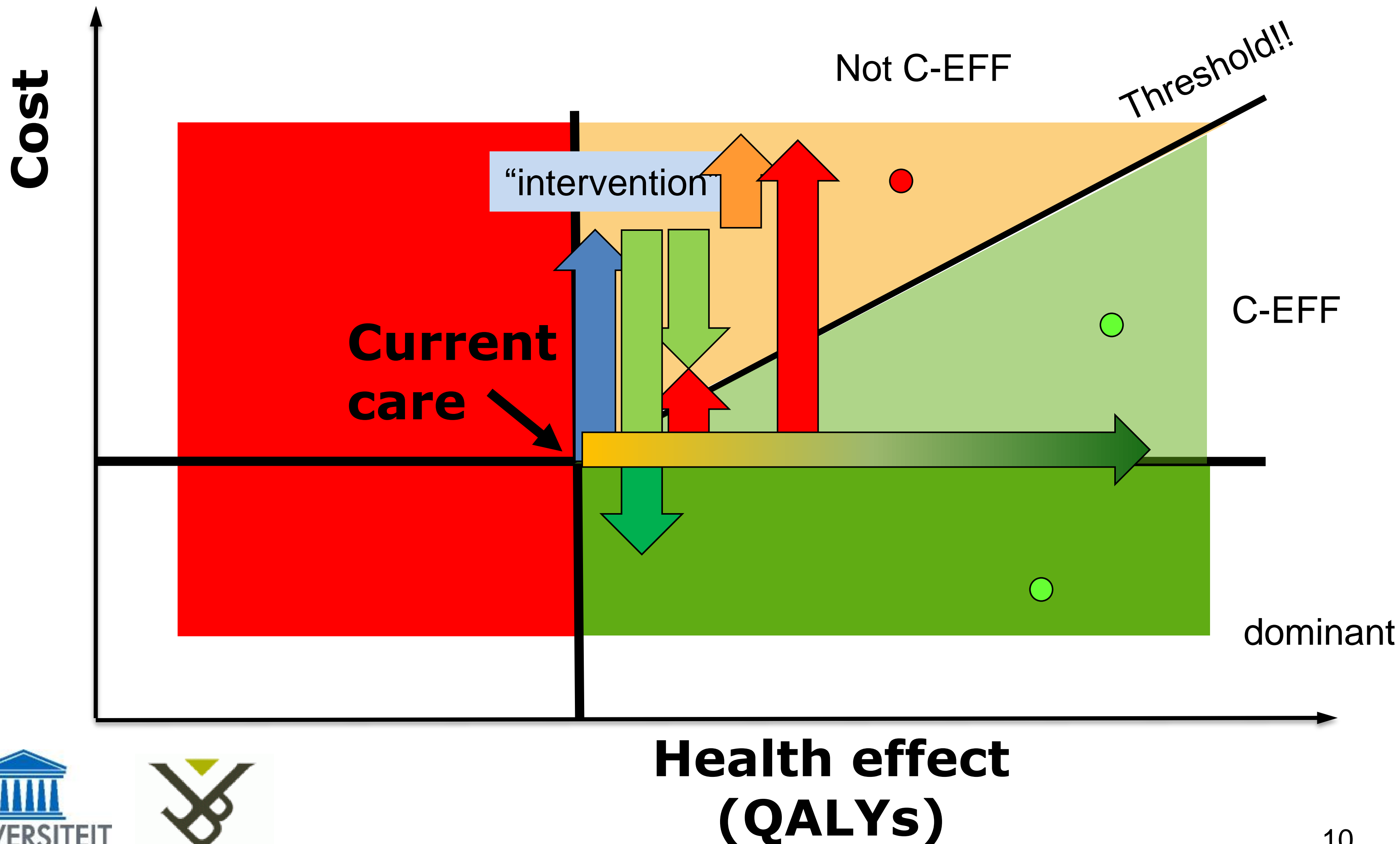
Example 2: cost-effectiveness everywhere



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Inequity in health and health care • more and more people cannot pay their health bills • increasing health inequalities • …	**Lack of coordination** • fragmentation of care • mistakes due to poor communication • …
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Concrete

- Apply cost-effectiveness analysis in all fields of health care
- Set a maximum willingness to pay
- Build in equity considerations into this
- Harmonize effectiveness assessment in EU (do not duplicate)

Example 3: introducing Pay for Quality

- 'the systematic and deliberate use of payment incentives that recognize and reward high levels of quality and quality improvement'. (The Institute of Medicine, 2007)

→ Explicit link between quality achievement and payment

BUT: What is quality? Do we have the data? What types of incentives to provide? What about the confounders?…..

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The NEW ENGLAND JOURNAL of MEDICINE

SPECIAL ARTICLE

Reduced Mortality with Hospital Pay for Performance in England

Matt Sutton, Ph.D., Silviya Nikolova, Ph.D., Ruth Boaden, Ph.D.,
Helen Lester, M.D., Ruth McDonald, Ph.D., and Martin Roland, D.M.

ABSTRACT

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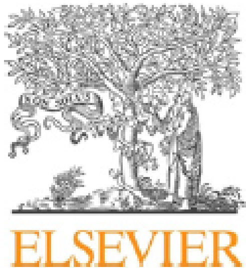
Concrete: read an implement our paper

Health Policy 102 (2011) 8–17



Contents lists available at ScienceDirect

Health Policy

journal homepage: www.elsevier.com/locate/healthpol

Review

Pay-for-performance step-by-step: Introduction to the MIMIQ model

Pieter Van Herck[a,*], Lieven Annemans[b], Delphine De Smedt[b], Roy Remmen[c], Walter Sermeus[a]

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MIMIQ: Model for Implementing and Monitoring Incentives for Quality

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Main problems tackled

Inequity in health and health care • more and more people cannot pay their health bills • increasing health inequalities • …	**Lack of coordination** • fragmentation of care • mistakes due to poor communication • …
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Example 4: a mixture of public & private structures

Level	Purchaser
Non cost-effective prevention, cure and care <u>not covered</u> by public money	**Private health insurance**
Package 2: cost-effective prevention and treatment, not in package 1	**Health insurers or countries/regions as purchasers**
Package 1: cost-effective primary prevention, screening, chronic rehabilitation, care for multiple co-morbidities	**Country/regional community programmes**

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The benefits of primary care oriented health systems

Primary care: an increasingly important contributor to effectiveness, equity, and efficiency of health services. SESPAS report 2012

Barbara Starfield*

University Distinguished Professor, Department of Health Policy and Management, Johns Hopkins University, Baltimore, Maryland, USA

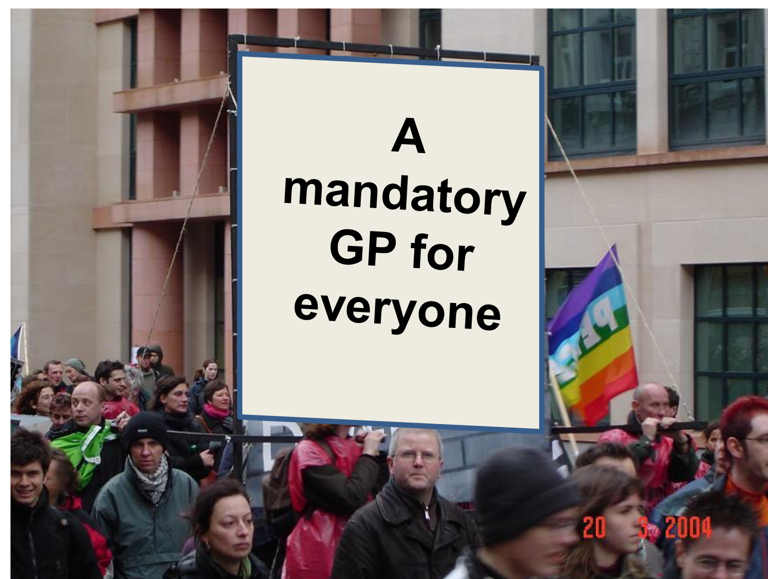
A R T I C L E I N F O

Article history:
Received 13 January 2011
Accepted 25 October 2011
Available online 21 January 2012

A B S T R A C T

As of 2005, the literature on the benefits of primary care oriented health systems was consistent in showing greater effectiveness, greater efficiency, and greater equity. In the ensuing five years, nothing changed that conclusion, but there is now greater understanding of the mechanisms by which the benefits of primary care are achieved. We now know that, within certain bounds, neither the wealth

- Less hospital admissions
- Less emergency visits*
- Less non-evidence based surgery
- Less readmissions
- Better self reported health
- More prevention
- ...



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Problems tackled?

Inequity in health and health care • more and more people cannot pay their health bills • increasing health inequalities • …	**Lack of coördination** • fragmentation of care • mistakes due to poor communication • …
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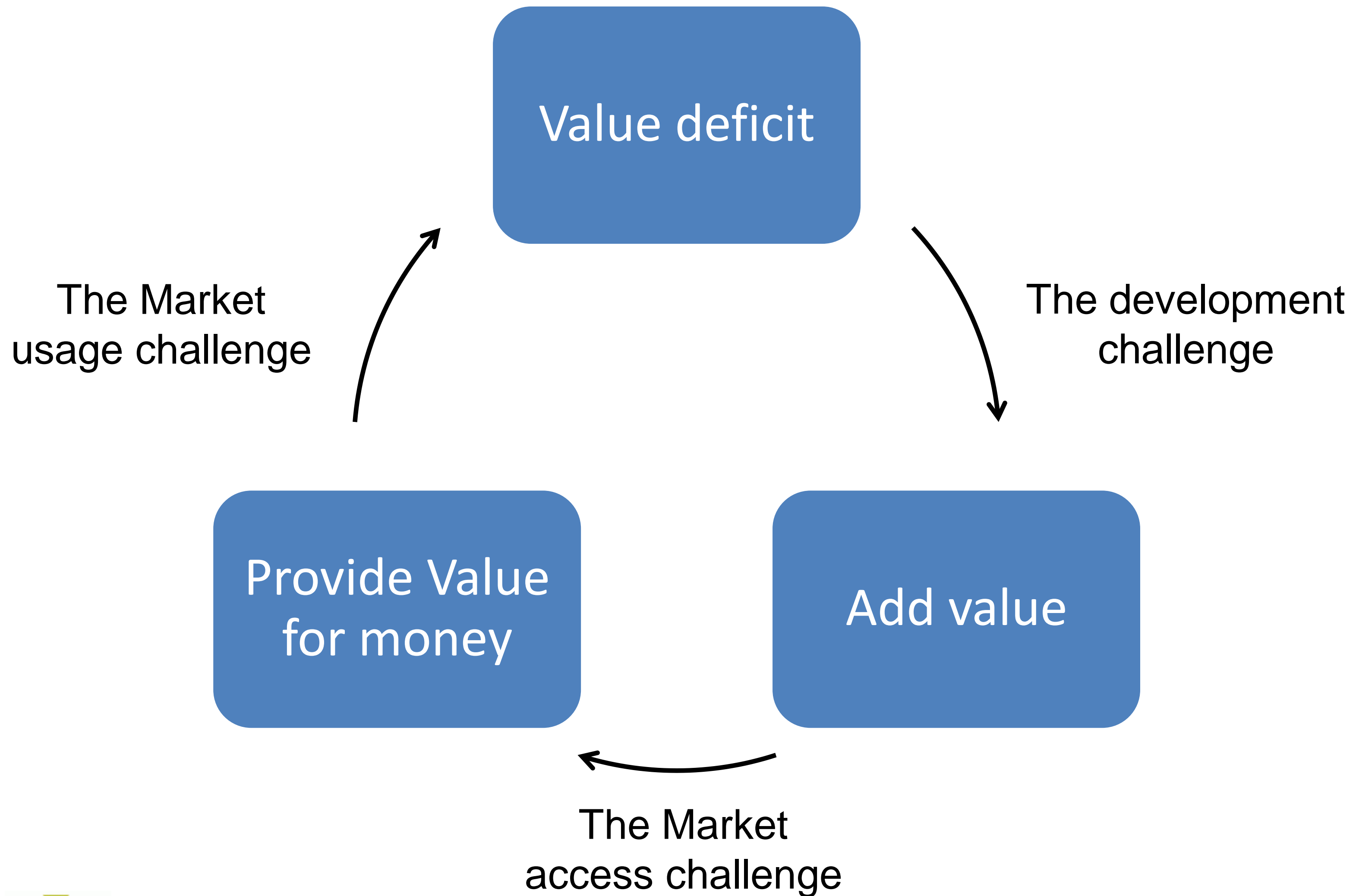
Concrete

- Mandatory GP practice for each patient
- Increase the “payment per patient per year” part
- Increase financial attractiveness of GPs
- Best MD students to become GPs

Example 5: processes to guide innovation



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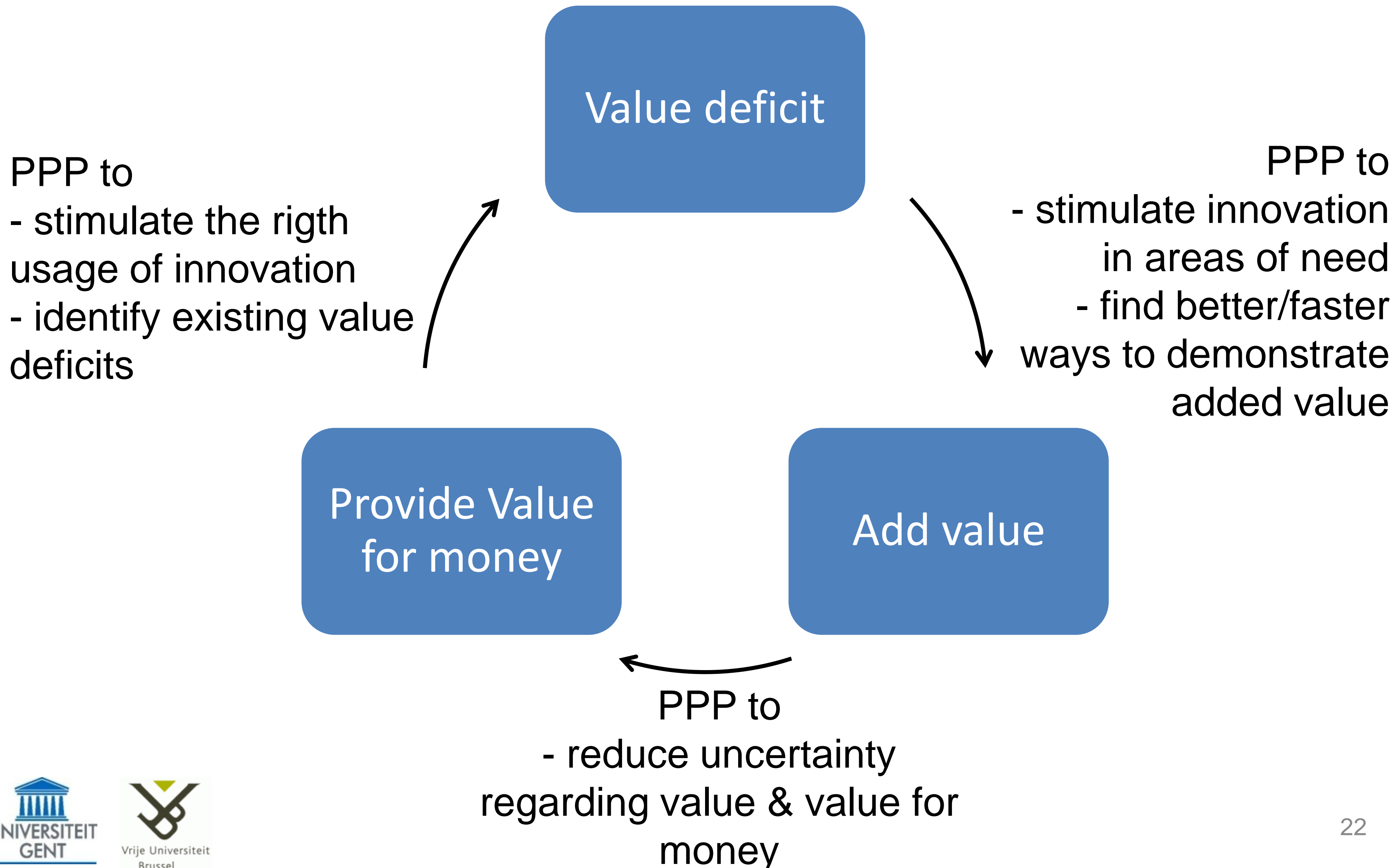
Concrete: create opportunities for public private partnerships



Main problems tackled?

Inequity in health and health care • more and more people cannot pay their health bills • increasing health inequalities • …	**Lack of coordination** • fragmentation of care • mistakes due to poor communication • …
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Concrete

- Step by step PPP implementation plan
  - PPPs involve a contract between a public sector authority and a private party, in which
    - the private party provides a public service or project and assumes substantial financial, technical and operational risk in the project, and
    - the public authority provides some kind of (financial) support to the service or project.
- Bring the PPP parties at the different levels together

Discussion

1. We have 10 instruments to tackle 6 main problems
2. We have a health reform matrix that can serve as roadmap & dashboard towards health care reform
3. Instruments should be used within an evidence based policy culture
4. Every country can set its priorities, but the ultimate goal must be the same: maximise health within the – planned – constraints and within a ethical framework of equity and solidarity
5. Warning: it is difficult to create a just health care system in an unjust society (Loewy, 1998)

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Some concrete options

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"If you think adventure is dangerous, try routine: it's lethal."

November 2013