



The Social Protection Committee Economic Policy Committee

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Joint EPC/SPC draft for a Council Report in the field of health care and care for the elderly.

Introduction

The European Council of Gothenburg, in the context of its consideration of what is needed to meet the challenges of an ageing society, and drawing on a number of activities already underway since the Lisbon Summit of March 2000, stated that:

“In line with the Lisbon and Stockholm conclusions, the Council, in conformity with the open method of co-ordination and on the basis of a joint report from the Social Protection Committee and the Economic Policy Committee, should:

- prepare a progress report for the Laeken European Council, on the basis of a Commission communication setting out the objectives and working methods in the area of pensions, in preparation for the Spring 2002 European Council;
- prepare an initial report for the Spring 2002 European Council on orientations in the field of health care and care for the elderly”.

Following the submission of a final report on objectives and working methods in the area of pensions to the European Council of Laeken, the Council proposes the present report to the European Council of Barcelona in response to the second part of the mandate, regarding health care and care for the elderly. The report has been prepared on the basis of the Commission's Communication *"The future of health care and care for the elderly: guaranteeing accessibility, quality and financial viability"* (COM(2001) 723 final). It also draws on the financial projections undertaken by the Ageing sub-Group of the Economic Policy Committee which are set out in its report *"Budgetary challenges posed by ageing populations: the impact on public spending on pensions, health and long-term care for the elderly and possible indicators of the long-term sustainability of public finances"* (EPC/ECFIN/630-EN final).

In preparing this report, the Council has been mindful of the reference to this task made by the European Council in the conclusions of its Laeken meeting. Referring to the broadly-based approach taken in the joint report of the two Committees on pensions

" The European Council calls on the Council to take a similar approach when preparing the report on health care and care for the elderly, in the light of the Commission

communication. Particular attention will have to be given to the impact of European integration on Member States' health care systems."

Approach Taken

The Council recognises that the debate at the EU level in this domain is still at an early stage as compared with the discussion on pensions. Other factors also combine to make it an even more complex process. There are major historical differences in terms of the organisation, design and funding of the national systems for care and healthcare. Furthermore, there is a high degree of organisational complexity. The fields of healthcare and the provision of care services to the elderly are often dealt with by different branches of public administration. Reflecting this division of responsibilities and the breadth of issues which are seen to impact on policies for healthcare and care provision, there is a need to ensure a wide participation in the discussion. In particular, it is necessary to involve those responsible for health policy, both at EU level and within Member States, as appropriate.

Other substantial differences between the fields of healthcare and long-term care for the elderly and the related field of pensions are noted. It is quite difficult to identify the key cost factors and, therefore, to make long-term forecasts for expenditure in this field. It is also more difficult to arrive at standard definitions and to state objectives for health systems. In addition, the policy challenge is probably more urgent, being driven by short-term pressures. Yet longer-term challenges must not be overlooked.

The Council considers that issues regarding future developments in healthcare and long-term care and their sustainability have an important part to play within the objective of achieving broad socio-economic progress as defined by the European Council at Lisbon. The Council further recognises that, notwithstanding the clear differences between systems, Member States are confronted with similar core challenges both in the short term and over the longer-term. Given the nature of these challenges, the Council feels that useful lessons could be drawn from the sharing of information and best practice regarding the actions being taken by Member States to secure the core social objectives of care and healthcare systems while ensuring their long-term sustainability. Accordingly, the Council concludes that, on the basis stated in the Commission's Communication that "the organisation of health care systems, their funding and planning as a function of the needs of the population are a matter for Member states", it would be worthwhile to engage in a co-operative exchange in these fields.

The recent series of ECJ judgements relating to the freedom of movement of patients to receive treatment within the EU raise issues of considerable importance to Member States and should be borne in mind in the context of the proposed exchange. Exchanges regarding the implications of these judgements have already taken place during the conference organised by the Belgian Presidency at Ghent in December 2001. Further discussions have been organised by the Spanish presidency at the informal ministerial meeting of Health Ministers in Malaga in February 2002 and will continue in the Council of Health Ministers in June 2002. The Employment and Social Affairs Council is currently discussing a review of Regulation 1408/72, which covers among other issues, the relevant provisions relating to access to health care.

In this report, therefore, the Council has set out to:

Outline the main parameters of future policy discussions and to identify some key policy concerns and issues; and

Propose a number of activities during 2002 in order to broaden and deepen the co-operative exchange.

Main objectives and some issues/concerns .

The Council welcomes the Commission's Communication and feel that it represents a good basis for future co-operation. It also welcomes the recognition that it is necessary to ensure that there is close liaison with other activities at the European level in the field of health, in particular as set out in the Commission's Communication on the Health Strategy of the European Community.

The Council feels that the three long-term objectives set out in the Communication - accessibility, quality and financial sustainability of systems - represent a good framework within which to advance the discussion. The Council also recognises that all health systems in the EU are based on the principles of solidarity, equity and universality.

Accessibility

The issue of accessibility concerns, on the one hand, how to ensure that the population as a whole can access high quality healthcare, including new techniques and treatments, in an effective and cost-efficient way.

On the other hand, accessibility relates to the provision of health services to people at risk of poverty and marginalisation. Thus the ideas of solidarity, equity and universality of systems are very much of concern under this heading. While it is clear that much of what determines health differences between social groups lies outside the direct responsibility of health systems, the challenge of how to address such differences is recognised in all Member States as being of major importance. The extent of variation within Member States in regard to the health status of different social groups points to the importance of this challenge. It is also worthwhile to recall that aspects of this issue have already been the subject of exchange within the social inclusion process.

Accessibility is also an important dimension of policy in relation to care of the elderly, where there are important questions relating to how best to provide access to the various components of a good caring strategy such as services, family support structures, human resources, technologies and the supportive environments necessary to allow older people to maintain a good quality of life.

Quality

The concept of quality relates to the demand by citizens for the best possible standards in all aspects of healthcare and care and to the challenge posed to systems to offer this in a cost-effective and sustainable way to an increasingly knowledgeable and informed

population. The Council acknowledges that, as discussed in the Commission's Communication, it is difficult to conduct an exchange across Member States on these issues due to the diversity of provisions and approaches to treatment. Member States have been active in this field, promoting, for example, the assessment of interventions and the development of standards, all aimed at assuring and improving quality. Studies within Member States have shown that a concern with quality can be an important motor for improvement of provision in specific healthcare sectors.

Thus, while acknowledging that the task is complex, there could be considerable benefits from an exchange of views between Member States on the provision of health care, health care quality, medical training and practice, licensing and accreditation and patient rights.

It is worth noting that the proposed EC Public Health Action Programme contains proposals to create a health information system to establish comparable quantitative and qualitative indicators to improve health information and knowledge in support of policy development and could, therefore, help to provide the basis for exchange in regard to the quality dimension discussed above. A revised proposal is currently in the conciliation procedure between the EP and the Council and it is envisaged that the programme will be adopted during 2002.

Financial sustainability

All Member States have faced rapid rates of cost increase over recent decades and have sought to curb costs. The share of health expenditure in GDP has risen from some 5% of GDP in 1970 to some 8% of GDP by 1998. The long-term projections undertaken by the Economic Policy Committee of public expenditure on healthcare and long-term care of the elderly, while not representing actual forecasts for expenditure in this field, suggest that sustainability and cost-effectiveness will be a major focus of concern in the management of health and care systems over the coming years, since the share of health expenditure in GDP can be expected to grow further. The work of the Economic Policy Committee also highlights the important fact that demographic developments per se have not been the predominant driver of the increased costs of systems over recent decades. This suggests that, quite apart from the common challenges which will arise from our shared demographic future, lessons can be learned from an exchange regarding approaches to cost containment.

Alongside continued reform of the organisation of national health systems, measures to ensure longer-term financial viability should include establishing appropriate incentives for users and providers. In addition, it is necessary to ensure that the cost saving potential of technological progress is fully realised in the field of health.

The Council considers that the three headings outlined provide a good framework for a collective exchange focused, firstly, on the objective of identifying best practices and, secondly, on identifying areas where the sharing of information and discussion of common challenges at the EU level would add value.

Activities for 2002-2003

As recognised earlier, the EU level debate is at an initial stage, the issues raised are complex and there is a need to involve a wide range of actors. For these reasons, work during 2002-2003 should concentrate on information gathering and exploring the possibilities for mutual learning and co-operation.

With a view to supporting this mutual learning process, and in furtherance of the co-operative exchange at EU level regarding the implications of demographic ageing which is already underway in other policy domains, this work should concentrate on approaches to the provision of health and long-term care for the elderly, using the objectives and principles outlined above as a framework.

A questionnaire to elicit the information necessary to start the exchange will be prepared. On the basis of the responses provided by Member States, a report will be drafted for presentation to the Spring 2003 European Council. The Social Protection Committee and the Economic Policy Committee will undertake this work in close co-operation with the Commission.

The EU-level exchange on the implications of the recent court judgements and the potential contribution of the cross-border dimension, which is taking place and which includes work in other Council formations, should be taken into account as and when appropriate.