

Technical briefing on the impact of health systems on global sustainability: current situation and expectations

**Wednesday, 19 September 2018
13:00–14:30, Auditorium della Tecnica
(Pininfarina Meeting Room)**

Health system sustainability

1. In recent years, the international community dealing with public health matters has begun to address universal health coverage, which is defined by WHO as meaning that “all people and communities can use the promotive, preventive, curative, rehabilitative and palliative health services they need, of sufficient quality to be effective, while also ensuring that the use of these services does not expose the user to financial hardship.”¹ In addition, in order to meet the needs of citizens within the shortest possible time and to avoid health inequity, such services should be provided by robust organizations with widespread access to the population and making extensive use of information technologies.

2. In order to achieve universal health coverage, it is necessary to ensure the sustainability of health systems. To do this, policy-makers must address – and resolve convincingly – challenges that have arisen in recent years, including a more urgent demand for services, an increase in the average age of citizens (resulting in a higher disease burden) and the appearance of expensive diagnostic/therapeutic products and technologies on the market. In addition, all countries are modernizing and adapting their health systems to new standards. Such challenges are exacerbated by the recent change in epidemiological context, as chronic diseases have become more prevalent than acute ones and are influenced by significant environmental, cultural, economic, geopolitical and sociocultural factors. If not addressed in a convincing manner, they amplify health inequity, with a major impact both on individuals and on the population at large.

3. It is clear that sourcing adequate health financing is fundamental to addressing these challenges, whether via private insurance systems or via publicly funded national health systems.² However, determining where health financing (usually calculated in relation to

¹ What is universal health coverage? In: Health financing [website]. Geneva: World Health Organization; 2018 (http://www.who.int/health_financing/universal_coverage_definition/en/, accessed 22 August 2018).

² An example of the latter is the Italian national health service, which for 40 years has provided general coverage, with a wide range of services, including prevention (both at the level of the individual and collectively), diagnosis, treatment and rehabilitation.

GDP) should be sourced is currently provoking a lively debate between political forces and stakeholders, the latter primarily made up of organizations that represent citizens/patients.

4. The increasing demand for funding can be partly contained by optimizing and rationalizing services, through the reasoned introduction – based on scientific evidence and cost-effectiveness assessments – of new technologies and medicines and by focusing on preventive actions that can reduce and/or delay the appearance of disease, making it possible to intervene at an early stage and so facilitate effective therapy. Another approach widely accepted by experts is to take actions that promote health in areas that might initially appear unrelated, such as infrastructure, transport, environment, agriculture, and labour and social policies. Governmental involvement in the protection of the health and well-being of its citizens, and the coordination of public initiatives, are powerful tools that can amplify the results of other health-related interventions and, ultimately, the effects of the investments made. Here, the term “investments” is used rather than “costs”, since expenditure on prevention, early diagnosis and rapid and effective treatments creates a significant reduction of the disease burden for both individuals and society, helping to avoid even higher costs in the near future. This argument is largely supported by the results of research based on objective indicators and on the observation of epidemiological trends resulting from activities such as early screening for neoplasms or the effects of environmental rehabilitation. It is therefore clear that investing in public health and early interventions at an individual and community level is advantageous for both reducing overall expenditure and maintaining the sustainability of health systems.

The impact of health systems on global sustainability (from “health” to “wealth”)

5. Less often considered is the complex interface between health systems and economic return. As well as protecting and restoring optimal states of health for citizens, health systems constitute an important element in the socioeconomic fabric of communities. In addition, they comprise an essential element in, and a means of, a country’s economic development, both quantitatively and qualitatively.³

6. Although financed by public funds, national health systems involve, almost always and everywhere, economic activities run by private entrepreneurs (e.g. authorized service providers, goods and services providers in public facilities, executors of infrastructural works).⁴ Moreover, health systems constantly stimulate basic, translational and clinical research in a sector increasingly characterized by customized, precision approaches, which

³ For example, Italian public health expenditure varies, in different areas of the country, between 6% and 11% of GDP. This is supplemented by private social and health expenditure, which amounts to approximately 2% of GDP, mainly for elderly care. In general, health expenditure is the most important economic sector almost everywhere. See: Longo F. Il sistema sanitario nazionale al bivio. Che fare? Rapporto Sanità 2013. Sistema sanitario e sviluppo del Paese: alcune specificità in tempo di crisi. Bologna: Società Editrice Il Mulino: 2013:327–349. Gian Franco Gensini, Anna Lisa Nicelli, Marco Trabucchi e Francesca Vanara (a cura di) 3844696.

⁴ In Italy, about 20% of the national health service expenditure is for services provided in private facilities, about 22% is allocated for the purchase of medicines and medical devices, and 6% is for services provided by health professionals working in agreement with the national health service. See: Longo F. Il sistema sanitario nazionale al bivio. Che fare? Rapporto Sanità 2013. Sistema sanitario e sviluppo del Paese: alcune specificità in tempo di crisi. Bologna: Società Editrice Il Mulino: 2013:327–349. Gian Franco Gensini, Anna Lisa Nicelli, Marco Trabucchi e Francesca Vanara (a cura di) 3844696.

have become standard in modern medicine. The entire framework, from research and development to production and marketing, provides favourable ground for the creation of scientific and technological hubs, public/private partnerships, project financing and other types of collaborations, all of which promote economic growth. In addition, the beneficial impact that a well-developed health sector has on cultural and scientific exchanges and the literacy rate of the population, especially of the younger generation, and the effect of the continuing training of active workers, are also evident. Finally, the benefits of healthy and properly nurtured human capital, which is a fundamental factor for economic performance and productivity,⁵ and the beneficial effects on social cohesion through a redistribution of income, should be considered. Ultimately, the health sector can be seen as a positive element for the economy overall.

7. With this in mind, we can envisage a mutually beneficial relationship between health systems and the development of inclusive and sustainable economies, as follows.

- The health industry can contribute – where a fair distribution of the benefits is guaranteed – to the economic and social resilience and general welfare of countries, as well as to the physical condition and well-being of individuals. In some countries, the health industry has been estimated to be the second most important sector (out of 49 sectors) for stabilizing the economy. So, if properly managed, it can represent an investment with effects that go beyond the health framework and make it an important element in the general macroeconomic scenario.
- At the same time, the economic growth of the country guarantees, in general, a greater availability of funds for investments in health systems and services, and ensures a better socioeconomic status and cultural growth for all citizens, which are key preconditions for sustaining healthier lifestyles and choices.

8. In the light of the information presented in this paper, participants in the technical briefing are invited to express their views on this topic, describing their experiences of the impact of health systems on sustainability in the different Member States of the European Region, and to propose actions that can further enhance the positive correlation between general health and sustainability.

= = =

⁵ The World Bank suggests that part of the differential economic growth between developed and developing countries can be attributed to the state of health of and the lower life expectancy in developing countries. See: Bloom DE, Canning D. Population health and economic growth. Washington (DC): International Bank for Reconstruction and Development/World Bank; 2008 (Working paper No. 24; http://siteresources.worldbank.org/EXTPREMNET/Resources/489960-1338997241035/Growth_Commission_Working_Paper_24_Population_Health_Economic_Growth.pdf, accessed 22 August 2018).