

EuroHealthNet statement on the 2019 European Semester Winter Package

Key messages

- *The European Semester Winter Package for 2019 has welcome elements for health, equity, cohesion and wellbeing, but also sets out significant risks that should be addressed urgently and in strategic planning by EU institutions and Member States towards 2030.*
- *If the European Semester is to succeed for all people it needs to be better understood by and connected to local realities, needs and communities. EuroHealthNet is working with EC services and on the ground in Member States to help achieve that but needs wider and deeper support from governments and stakeholders.*
- *More effective investments in public health and social equity offer significant gains towards implementation of actions outlined by the European Semester and global Sustainable Development Goals, as well as for democratic and institutional sustainability. What matters most for getting ahead in life for people in Europe is good health.ⁱ*

As the Spring EU Employment, Social Policy, Health & Consumer Affairs Council (EPSCO) meets to reflect on the contents of the European Semester 2019 Winter Packageⁱⁱ, EuroHealthNet encourages the European Commission, national and local governments, and relevant stakeholders at all levels to **use the Semester process as an important opportunity to engage in a more permanent dialogue with one another to leverage and accelerate progress on health equity** throughout the year.

Despite some modest progress made in communicating the European Semester, too often the language it *'speaks'* is overly opaque. It lacks explicit relevance for non-economic actors responsible for implementing measures on the ground to engage in dialogues around health and social inclusion. Recent acknowledgement of the value of key stakeholders including responsible authorities, sub national bodies and civil society shows they indeed play important roles to ensure any reforms put forward are informed, designed and implemented effectively.ⁱⁱⁱ In EuroHealthNet's published report^{iv} of our work with partners in Member States, we explain why important voices remain unheard. We offer concrete recommendations for using the Semester mechanisms as tools for addressing health equity from a socioeconomic determinants of health perspective. **Putting the expertise of public health professionals and authorities central should be key to the Semester process.**

Undoubtedly, the Semester’s milestone events – such as the publication of the Country Reports^v and the Joint Employment Report of the Winter Package, this time – are important moments to draw attention of a wider audience to various assessments of macroeconomic and social situation in EU Member States. However, **continuous collaboration between all governance levels and engaging all relevant actors – public health and social experts included – on a more regular basis throughout the year will help move jointly towards advancing social inclusion** in line with the Social Scoreboard, guided by the European Pillar of Social Rights. Moreover, since the Semester process acts now as a **paramount driver of investment priorities and opportunities within the MFF and next EU funding programmes in EU Member States**, it is advisable that the **process is as inclusive and understandable for diverse beneficiaries as possible**. So far, this has not been the case.

Since its introduction and more recently in our analysis of the Annual Growth Survey 2019, EuroHealthNet has recommended^{vi} the European Semester process – predominantly ‘concerned’ about macroeconomic assessment of countries’ expenditures – to prioritise **more effective investments and reforms towards sustainable health and care systems including health promotion, disease prevention, and measures tackling health inequalities**. We have systematically stressed that these approaches are cost-effective, involve smart use of resources, bring high social return on investment, and are crucial for sustainably reducing health and social inequalities.^{vii} Approaching persistent societal problems such as long-term unemployment, for example, has proven much more effective through collaborative, integrated actions with public health communities – as examples gathered by EuroHealthNet show.^{viii}

Main action points arising from the 2019 Winter Package

The European Commission’s 2019 Winter Package contains important data that can help to better understand national contexts, plus recent developments of issues that are central to the public health interest. This should, of course, happen in liaison with other credible sources of health and social data indicators.^{ix} We note the reference in the Country Reports 2019 to:

- **Improvements have been observed regarding health system reforms in terms of better effectiveness, accessibility and resilience.** Many Member States are pursuing efforts to re-focus health systems towards preventive care, whilst bolstering primary care and better coordination across care settings. On the other hand, the Country Reports for many countries still highlight persisting inequalities both in health opportunities and outcomes. As multiple sources of data show, life expectancy gains have slowed down, progress on healthy life expectancy has not caught up, unmet need for medical care remains up to five times higher for people living below the poverty line (this includes children) as well as the ability to pay for such treatment and care;

- **Despite decline, the share of people at risk of poverty and social exclusion is still unacceptably high, particularly among important, vulnerable population groups.** By far, the Europe2020 Strategy's poverty reduction target remains the only one unlikely to be met by 2020. Years of prioritization of economic and productivity growth over societal challenges of poverty and inequalities have not benefited all equally. Worryingly, **in-work poverty has been rising** to alarmingly high levels, especially for the self-employed, temporary and part-time workers and for the non-EU migrant employees. This is particularly of concern for those employed in the so-called '*gig or platform economy*', paired with the increasing **digitalisation of society and the future of work**;
- Progress has been made on the implementation of the European Pillar of Social Rights, but the poverty target moving away – as illustrated above - highlights an **intrinsic problem of coordination between social, fiscal and economic policies**. The European Commission's recommended tax systems' reforms aimed to boost redistributive effects of expenditure would likely support more sustainable economies and reduction of income inequalities; however, the risk remains that not all people and in particular the most in need would benefit from such measures, again;
- **All EU Member States were identified with investment needs in the area of "a more Social Europe"** (PO4), and a vast majority of countries were urged to invest in enhancing the equal and timely access to quality, sustainable and affordable services, including **access to healthcare (primary care)**; promoting social integration of people at risk of poverty or social exclusion, including the **most deprived and children**; inclusive, accessible and quality education and training, including **early childhood education and care**; fostering active inclusion of migrants and marginalised communities;^x
- In addition to a much stronger focus on investment priorities, the 2019 Country Reports provide a detailed analysis of the national and regional disparities and bottlenecks to investment in various areas. The European Commission suggests that Member States should **better align their specific investments and the use of the EU funds with the European Semester analysis and recommendations**. This is also a key component of the proposals for the **next EU budget**, the Multiannual Financial Framework 2021-2027.

EuroHealthNet reiterates its long-standing concern that prioritisation and direct funding for health promotion, disease prevention, and actions dedicated to achieving health equity remain stubbornly insufficient to make the sustainable impacts. While average annual total budgets for health promotion across Europe have plateaued at 2.5% of total health spending, 70-80% of health-related costs are caused by largely preventable chronic diseases.^{xi} The European Commission's own implementation analysis of the European Semester process shows that the strengthened Structural

Reform Support Programme (SRSP) can help implement sustainable transformations and reorientation which bring multiple co-benefits to States. We note that *“In 2018, European Semester country-specific recommendations related to health systems were issued to twelve Member States and, in response to these challenges, a large majority of these Member States have requested technical support in this policy area”* through the SRSP in the coming year.^{xii} The support measures provided for health systems aim to improve countries’ ability to **translate health policies into a more effective delivery of health prevention and care services**, as well as to *“support fiscally sustainable and comprehensive access to quality healthcare”*.

To this end, **EuroHealthNet welcomes the SRSP’s priority for 2019 given to public health and healthcare systems**, the fight against poverty, the promotion of social inclusion, social security and social welfare systems. We have had and will continue to engage in constructive contacts with EC services on relevant matters for the EuroHealthNet partnership in Member States.^{xiii}

Encouraged by progress in applying the principles of the European Pillar of Social Rights and its Social Scoreboard – now updated and approved by the Council^{xiv} - EuroHealthNet continues to support the Semester’s potential contribution to monitoring social, health and wellbeing developments across Europe. While celebrating successes, we continue to remind that **social inclusion policies and universal timely access to quality affordable health and care services can be further promoted in all Member States**. Capitalising on boosted resilience and capacities in health and social systems will be vital in 2019 and beyond, given the sustainability risks indicated in the European Semester process so far.

Lastly, but very much not least, EuroHealthNet works with partners for actions towards the universal Sustainable Development Goals (SDGs) Agenda. In the light of the recent EC Reflection Paper showing variable progress on the EU role and performance in that respect as well as in most Member States, **we urge actions at all levels underpinned by integration of cross cutting social, economic, and environmental sustainability metrics, indicators and measures in the European Semester, which are crucial towards achieving social sustainability and wellbeing targets**. In the light of current economic, social and environmental risk forecasts, we counsel against further delay in universal implementation of the SDGs, with the European Semester playing a pivotal role to support Member States and their citizens.

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- ⁱ European Commission, Special Eurobarometer “Fairness report” 2017. <http://ec.europa.eu/commfrontoffice/publicopinion/index.cfm/survey/getsurveydetail/instruments/special/surveyky/2166>
- ⁱⁱ Discussion paper prepared by the Presidency, in preparation of the policy debate at the EPSCO Council on 15 March 2019 “The European Pillar of Social Rights – an initiative for improving the functioning of the labour market and social protection systems across the EU. European Semester 2019 - Policy debate” <https://data.consilium.europa.eu/doc/document/ST-6623-2019-INIT/en/pdf>
- ⁱⁱⁱ EuroHealthNet Letter to EPSCO Council, December 2018. The need for more effective investments and reforms towards sustainable health and care systems. <https://eurohealthnet.eu/publication/letter-epsco-council-need-more-effective-investments-and-reforms-towards-sustainable>
- ^{iv} EuroHealthNet Report, November 2018. The European Semester 2018 from a health equity perspective. <https://eurohealthnet.eu/publication/european-semester-2018-health-equity-perspective>
- ^v European Commission European Semester Country Reports, February 2019. https://ec.europa.eu/info/publications/2019-european-semester-country-reports_en
- ^{vi} EuroHealthNet Report, November 2018. The European Semester 2018 from a health equity perspective. <https://eurohealthnet.eu/publication/european-semester-2018-health-equity-perspective>
- ^{vii} Masters, R. et al. (2016). Return on investment of public health interventions: a systematic review. Journal of Epidemiology and Community Health, vol.71(8) <https://jech.bmj.com/content/71/8/827>
- ^{viii} <http://eurohealthnet-magazine.eu/exploring-the-links-between-employment-and-health-promotion-within-the-german-prevention-act/> and <https://eurohealthnet.eu/publication/consultation-integration-long-term-unemployed-labour-market>
- ^{ix} EuroHealthNet Policy Precipis, 2018. Making the link: Using Health and Social Data to monitor Health Inequalities. [https://eurohealthnet.eu/sites/eurohealthnet.eu/files/publications/PP_%20Health Inequalities_07_WEB.pdf](https://eurohealthnet.eu/sites/eurohealthnet.eu/files/publications/PP_%20Health%20Inequalities_07_WEB.pdf)
- ^x Annex D of the Country Reports, 2019 European Semester Winter Package and DG REGIO presentation https://ec.europa.eu/regional_policy/sources/informing/dialog/2019/2019_02_28_alignement_semester.pdf
- ^{xi} ESPN (2018). Inequalities in access to healthcare. Thematic report. <https://ec.europa.eu/social/BlobServlet?docId=20373&langId=cs>
- ^{xii} European Commission European Semester Country Reports, February 2019. https://ec.europa.eu/info/publications/2019-european-semester-country-reports_en
- ^{xiii} Over 2019, the SRSP will support measures in 23 Member States, in particular in the fields of healthcare systems, education, training and research, labour markets and social policies, migration and social welfare systems. https://ec.europa.eu/info/sites/info/files/file_import/decision-annual-work-programme-2019-and-financing-srsp-annex_en.pdf
- ^{xiv} Pending the outcomes of the Council