



*Innovative financing and investments for health promotion
EuroHealthNet Seminar
5 June 2018*

Transitioning to the health systems of the future: challenges and opportunities for health promotion

Dr Loukianos Gatzoulis
Unit "Performance of national health systems"
Directorate-General for Health and Food Safety
European Commission



European
Commission

State of Health in the EU Companion Report 2017

ec.europa.eu/health/state

1. Health Promotion & Disease Prevention
2. Strong Primary Care
3. Integration of care
4. Health workforce
5. Patient at the centre



The future of health systems



Support required for:

1. **Implementing** new models of care

- Build and improve the **know-how** & **capacity** of care authorities

2. **Mobilising investments** for transformation at scale



What is available?

- **Good Practices**
- **Guidance material**
- **Tools**
- **Technical assistance**
- **Financing instruments**



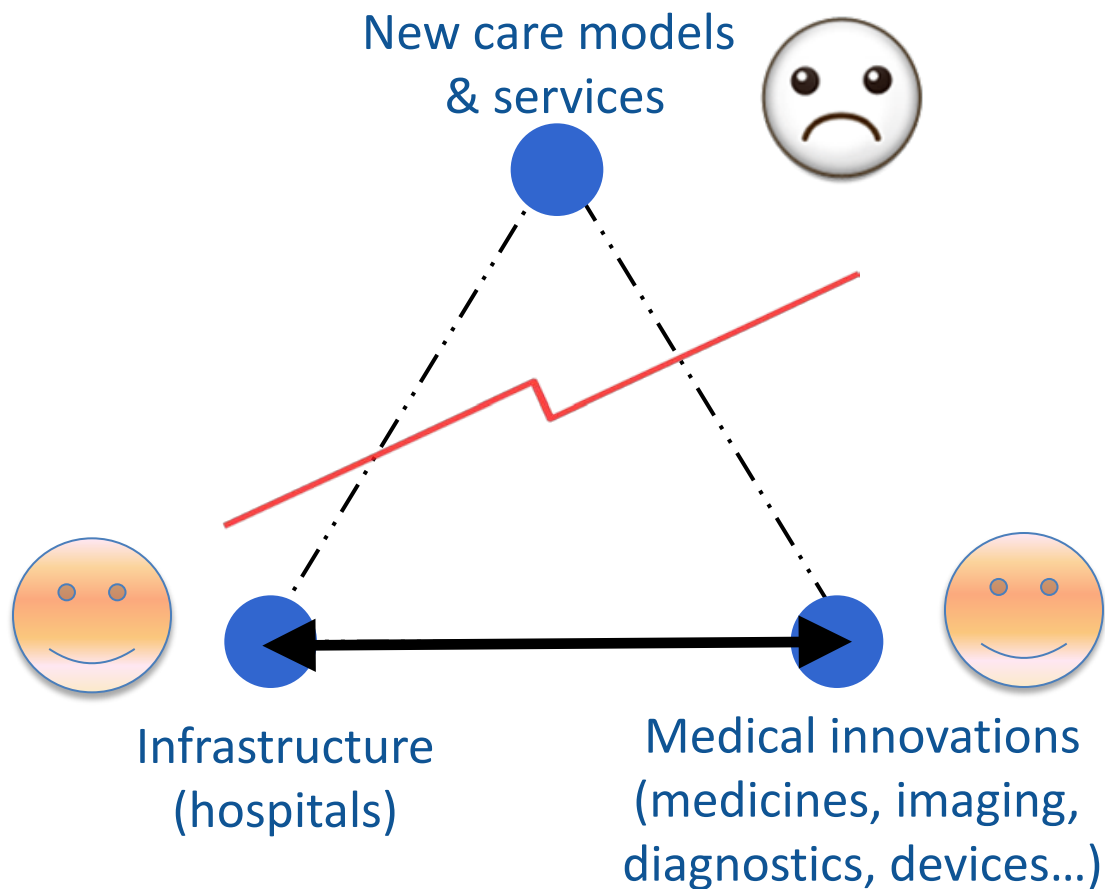
Practical support to implementation of new care models

- 1. Best Practice Portal** - health promotion, disease prevention and management of non-communicable diseases
- 2. Promotion and Prevention Gateway** by the JRC
- 3. Online Resource Centre** for Integrated Care
- 4. Dedicated workshops** – the “Implementation Rooms”
- 5. “Twinning” projects** for transfer of knowledge and good practice (from Health Programme)
- 6. Structural Reform Support Programme** – at request of MS

Investments in healthcare



Now...



Structural Funds



European
Commission

"Effective use of European Structural and Investment Funds for health investments in the programming period 2014-2020"

http://esifforhealth.eu/Mapping_report.htm

The screenshot displays the website interface for 'Effective use of ESI Funds for health investments in the programming period 2014-2020'. The header includes the ESIF for Health logo (two interlocking puzzle pieces, one blue labeled 'ESIF' and one yellow labeled 'HEALTH'), the project title, and a funding notice: 'The project was funded by the European Union's Health Programme'. A breadcrumb trail reads 'ESIF for HEALTH > Tools & guidelines > Mapping report'. A left-hand navigation menu lists: Home, About the project, 2014-2020 Programming period, Use of ESIF in Health in EU member states, Tools & guidelines (expanded), Mapping report (selected), Guide, Technical toolkit, and Existing knowledge & other useful links. The main content area is titled 'Mapping report' and contains the following text: 'The Mapping of the use of European Structural and Investment Funds (ESIF) in health in 2014-2020 helps to better understand the planned investments possibilities within the EU under the ESIF as well as investments realised in the previous programming period 2007-2013. It consists of two inseparable parts: 1. the analytical part (covering the whole of the EU) and 2. individual country sheets. This is the final version that includes information on ESIF operational programmes in all EU Member States. Document can be downloaded [here](#).'



Overview of the Mapping results

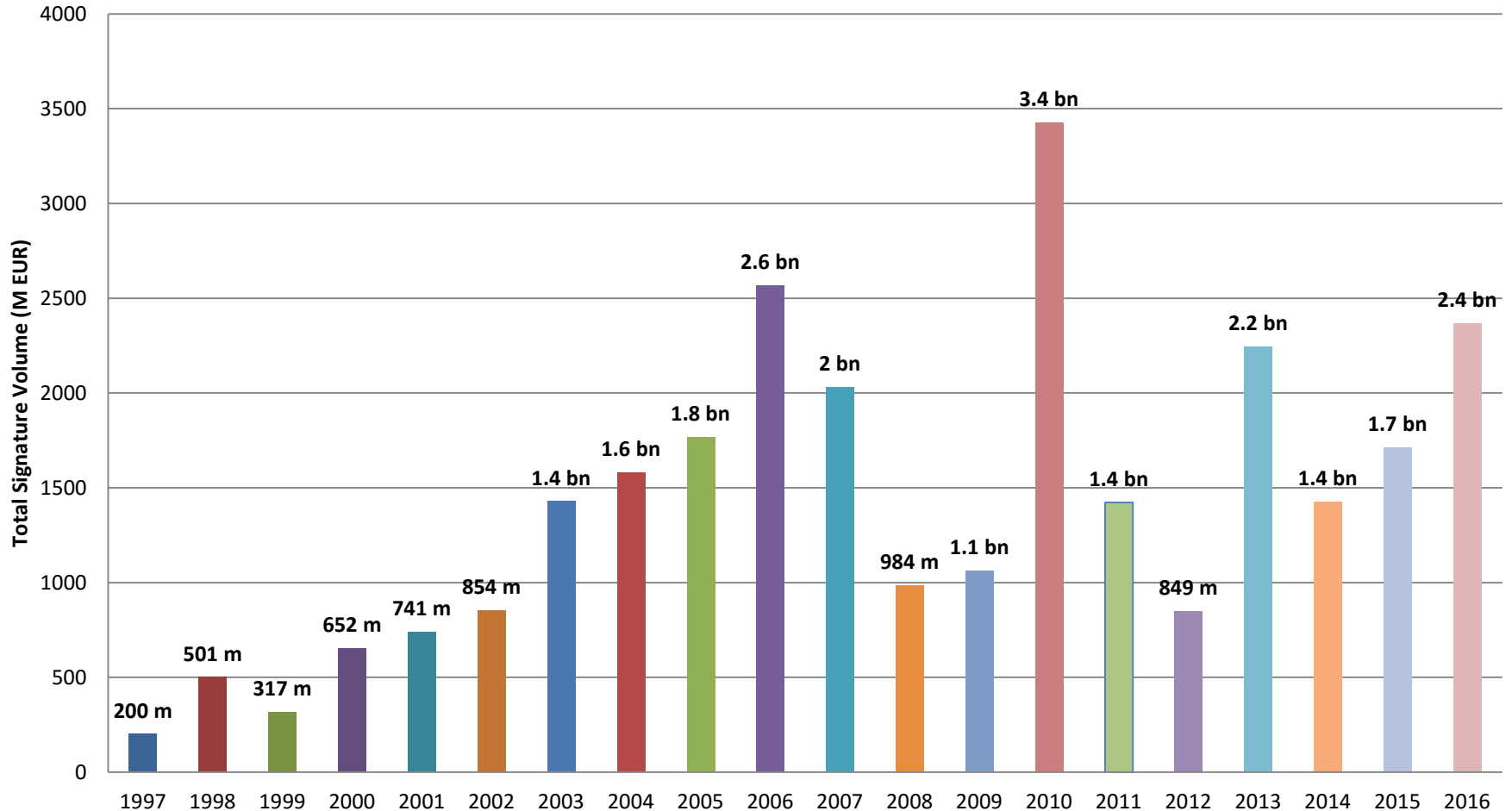
Scope of investments 2014-2020

Overall amount of planned investments in 2014-2020:
more than ~9 billion EUR

- Deinstitutionalisation and community-based care
- Active and Healthy Ageing
- Improving access & quality of health care services
- **Health promotion and disease prevention**
- Education of medical staff
- E-health
- Medical R&D
- Public administration and health services
- Workplace health & safety
- Health tourism
- Risk prevention and disaster preparedness

Investments from the EIB: over 28bn loans into the health sector

Annual Lending in Health 1997-2016





The main channel to deliver on the **Investment Plan for Europe**

New EU financial instrument (loan-based) – EFSI is a guarantee on lending granted by the European Investment Bank (EIB) and the European Investment Fund (EIF – for SMEs) - addressing market failures and sub-optimal market situations

Budget (all fields, across the EU): EUR 27bn, now proposed extension to EUR 33,5bn (EFSI II) to mobilise private financing up to EUR 500bn up to 2020;
>EUR 280bn investment already mobilised

Priorities in health:

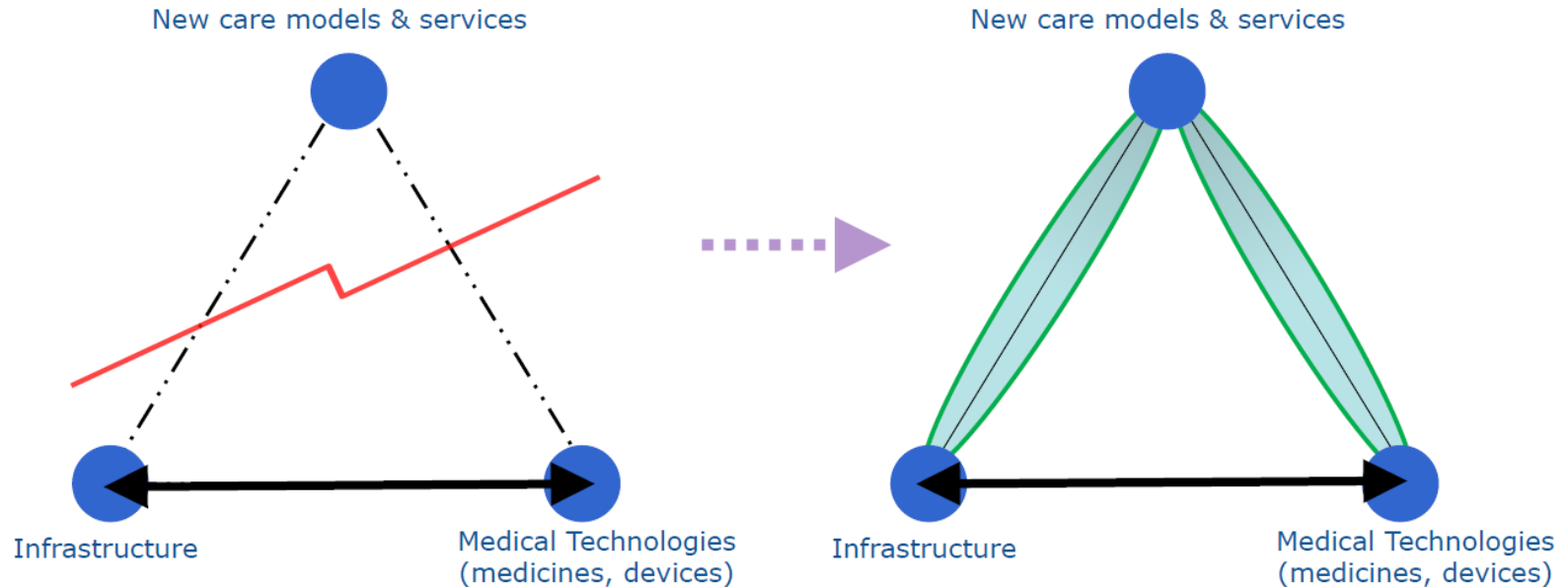
- New models of infrastructure (e.g. primary care)
- R&D (incl. medical devices & products)
- eHealth and new technologies
- Health workforce
- SMEs and social enterprises

~ 45 health related projects granted
EFSI support of > €2.3bn

~ €500m in health infrastructure
~ €850m in life sciences R&D

- Primary care centres (IE)
- Medical equipment & care provision (IT)
- Medical research (ES, UK, IE, DE)
- Healthcare facilities reconfiguration (UK, AT, PL, RO)

EFSI and the health sector



- EFSI can play an important **facilitating role**
- By acting as a guarantee against first losses, it offers an opportunity for **public** and **private** sectors to **join together** in health investments that are deemed **high-risk**.



Main messages

1. **Long-term investment strategies** that meet the **reform needs** of health systems
2. **Integrated approach** to investments: consider **together** the investment needs for
 - ✓ **infrastructure**
 - ✓ **technology**
 - ✓ **service models**

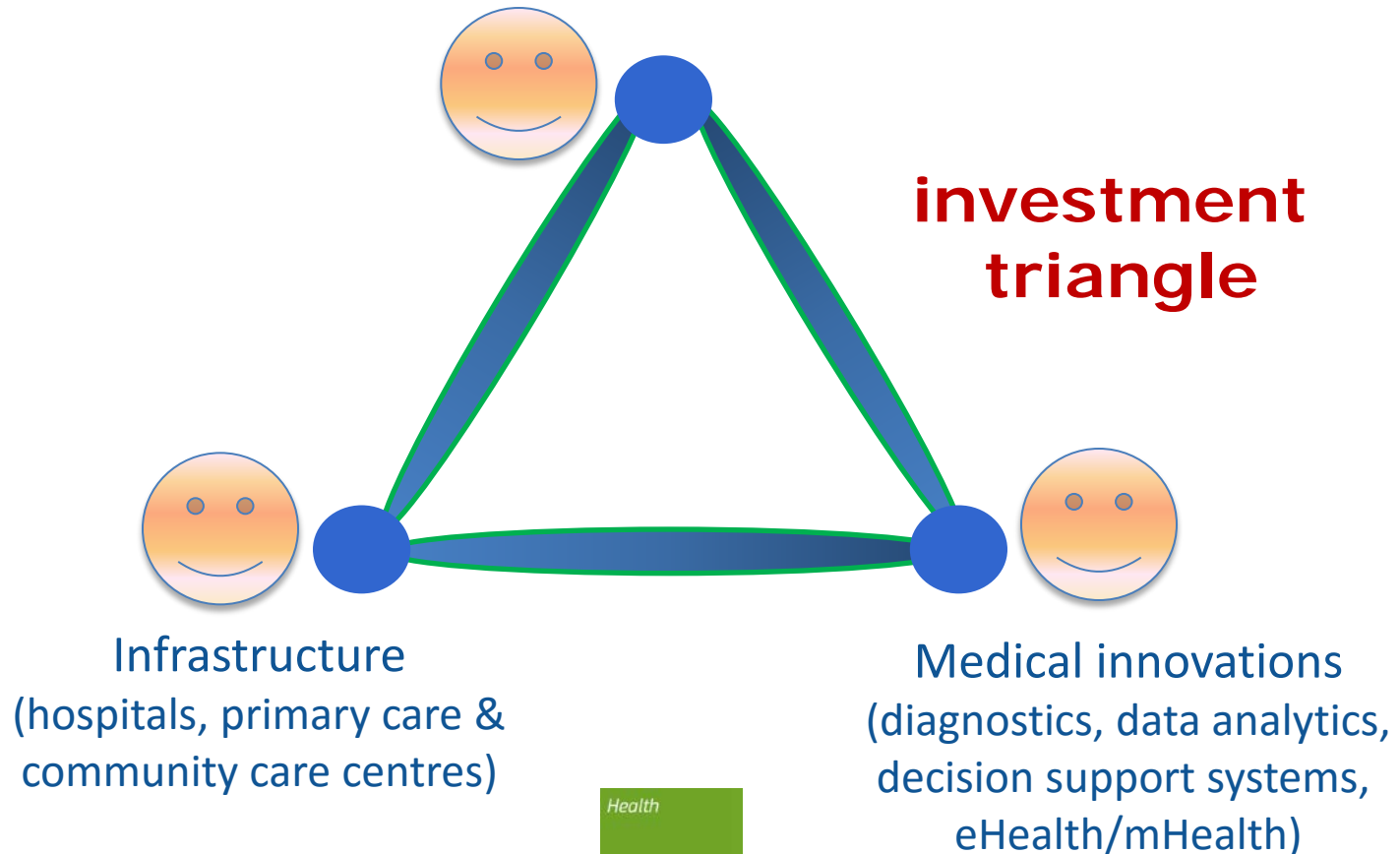
The investment triangle in health



European
Commission

The future

New care models & services
(prevention programmes, integrated care,
patient pathways; workforce skills and roles;
system re-organisation and governance, ...)





Main messages

3. **Combine** financing instruments and **blend** financing from various sources
4. **Look beyond** national budgets and EU grants - develop **partnerships** with new stakeholders and learn to **manage new financing instruments**
5. **Contacting and payments models** to be considered in conjunction with the planned investments
 - ✓ as these will determine whether the investments will turn into successful service provision or not



"Financing integrated care and population health management"

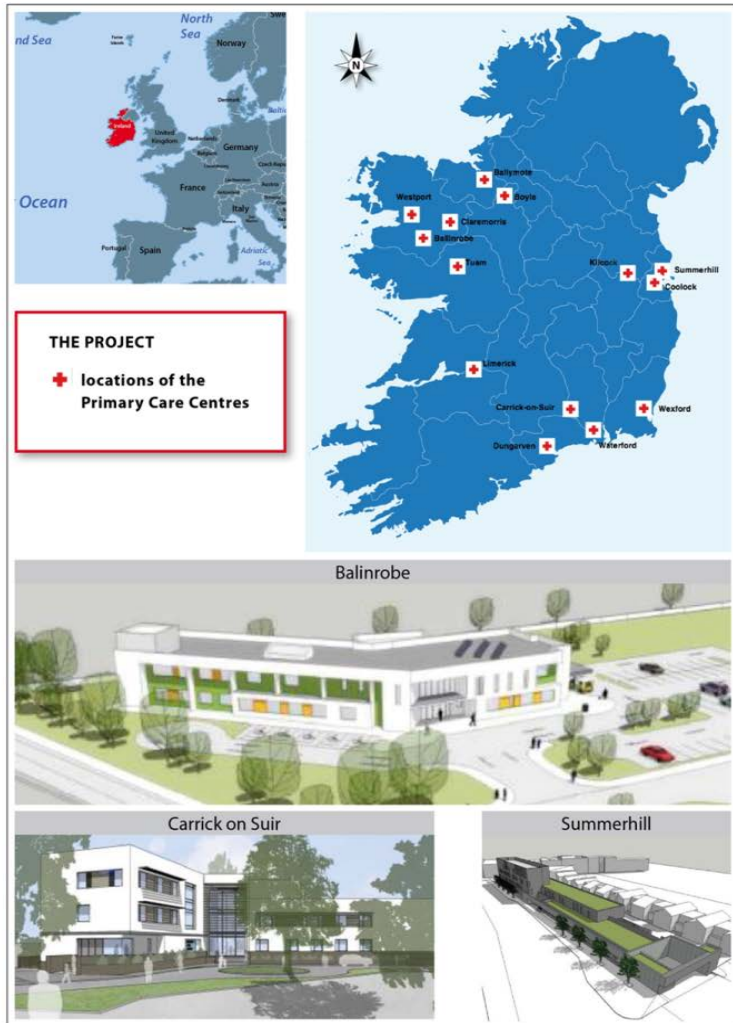
*Pre-conference event of ICIC18 – 18th International Conference on Integrated Care
22 May 2018, The Hague*

Additional messages

1. **Bundling projects** to create more sizeable propositions
2. **Social impact bonds** to finance **services** – and **combine with loans**
 - ✓ example: Madrid
3. **Private investments in physical infrastructure** can **allow reallocation of public funds** to other priority areas:
 - ✓ workforce training
 - ✓ prevention
 - ✓ health services

Primary Care Centres PPP in Ireland

Project: PRIMARY CARE CENTRES PPP - Ireland



- Design, construction, finance, maintenance and facilities management of 14 Primary Care Centres throughout Ireland.
- The project is in line with the Irish Government Health Reform to reduce reliance on acute sector and is part of the national programme of establishing around 300 primary care centres, 14 of which are procured as a PPP (the project).

Amount	Up to EUR 70 million
Maturity	Up to 27 years
Location	14 different locations throughout Ireland
Timeline	2016-2018



- **DG SANTE Public Health:** <http://ec.europa.eu/health>
- **Seminar "Strategic investments for the future of healthcare":** http://ec.europa.eu/health/investment_plan/events/ev_20170227_en
- **Investment Plan for Europe** http://ec.europa.eu/priorities/jobs-growth-and-investment/investment-plan_en & **Investment Plan for Europe & health** http://ec.europa.eu/health/investment_plan/policy/index_en.htm
- **European Fund for Strategic Investments (EFSI) via the EIB** <https://www.eib.org/efsi> & via the EIF http://www.eif.org/what_we_do/efsi/
- **European Investment Project Portal (EIPP)** - project promoters can publicise their projects to European and global investors https://ec.europa.eu/priorities/european-investment-project-portal-eipp_en
- **European Investment Advisory Hub (EIAH)** – project promoters can get advice <http://www.eib.org/eiah/about/index>

Disclaimer: The views expressed in this presentation are those of the author and do not represent the view of the European Commission on the subject matter