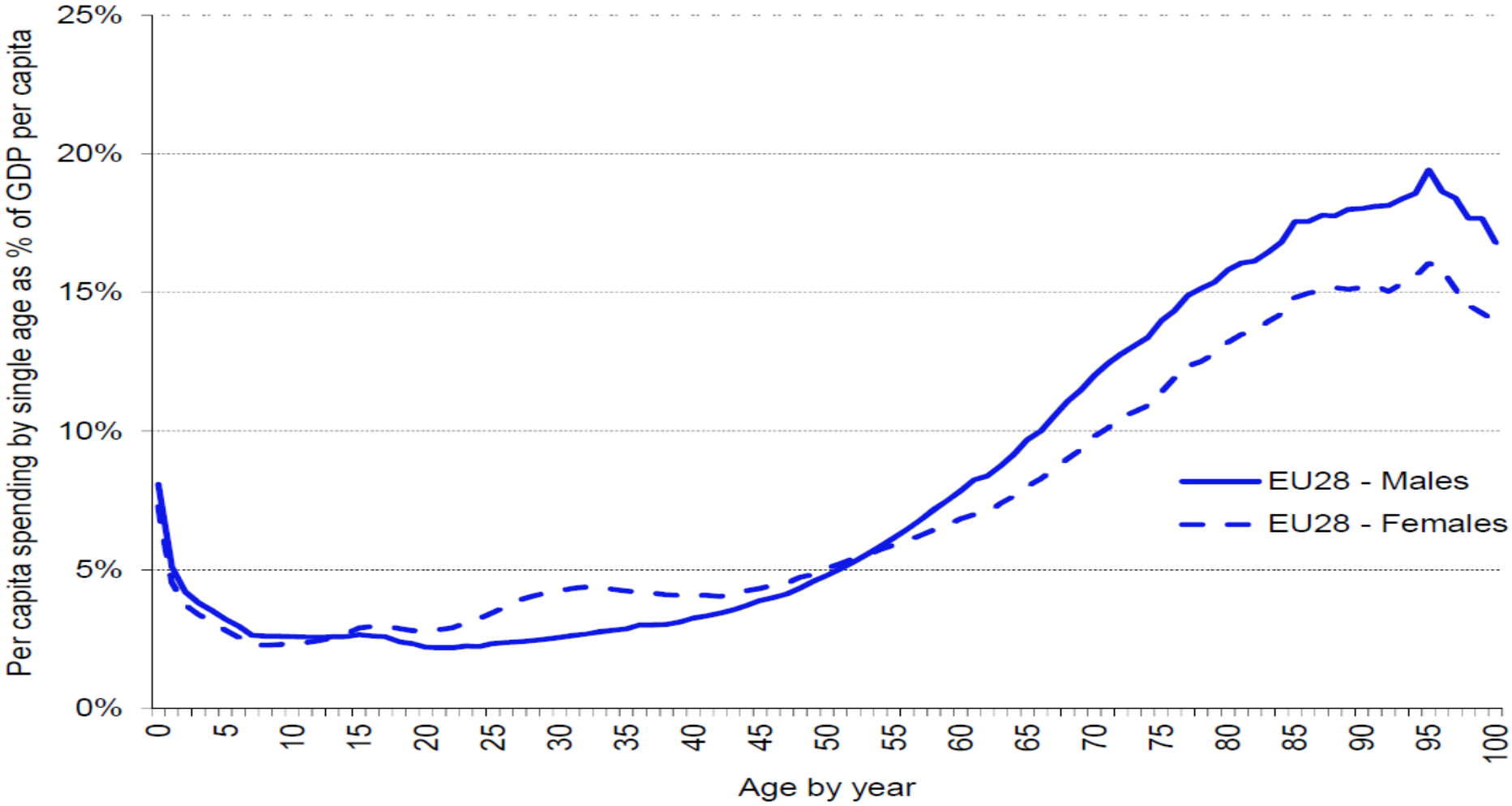
European Semester and monitoring policy for investment in health and well-being

Presentation by dr Stefan ISZKOWSKI,
Policy Officer for Employment and Social Aspects of European Semester, DG EMPL
at EuroHealthNet Seminar ***Smart investments? Let's talk prevention.***
Brussels, 5 June 2018

Age-related expenditure profiles of health care provision (spending per capita as % of GDP per capita), 2016



Source: 2018 Ageing Report

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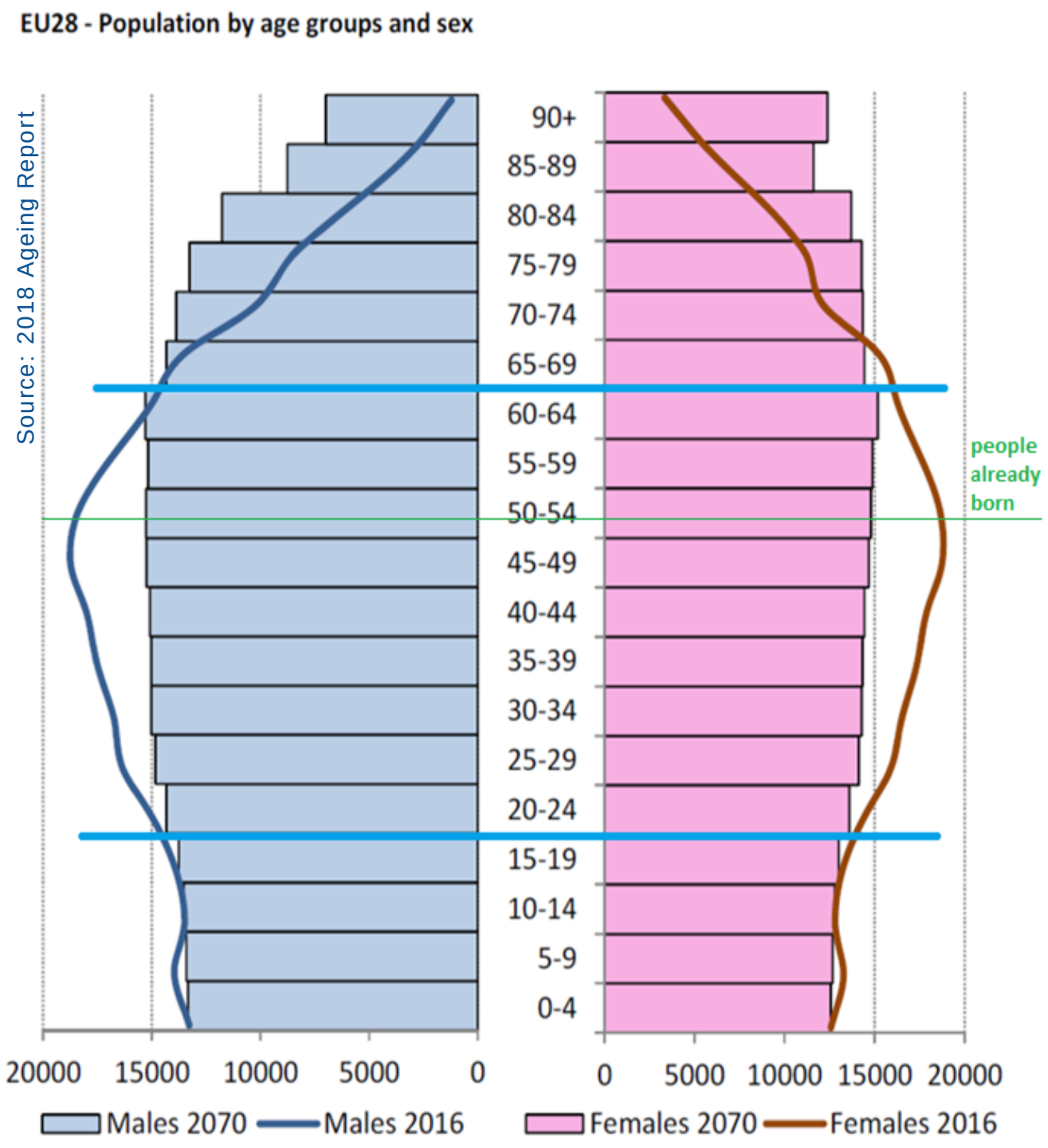

Demographic Context

#StableTotal
2016 vs 2070:
511m to 520m EU28
445m to 439m EU27

#TFR up 1.58 to 1.81

Largest #cohort:
45-49 M&F in 2016
M50-54 70-74F in 2070

#WorkingAge down $^{1}/_{8}$

Old-age #DependencyRatio
almost doubling

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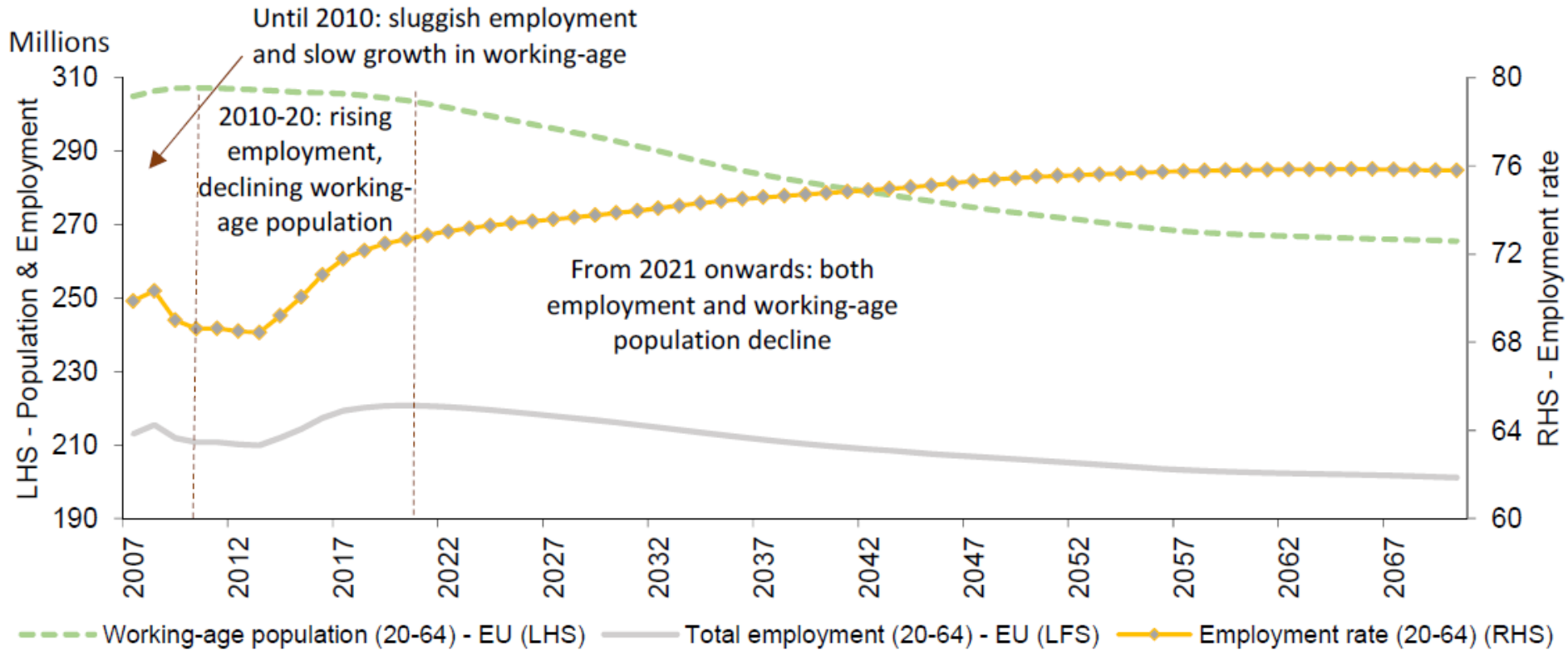
Graph 3: **Population and employment developments (million), EU** Source: 2018 Ageing Report



Source: Commission services, Eurostat, EPC.

- Stable potential GDP growth projected over the long-term
- GDP growth in € are slightly less than in non-€ countries
- Productivity crucial as labour supply decreasing
- Ageing will put pressure on spending

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Adding expectations/ policy demand to demographics

Europeans are concerned about the social situation

More than 8 in 10 Europeans consider **unemployment, social inequalities** and migration as the top three challenges for the Union. They expect a **free market economy** to go hand in hand with high levels of **social protection**

7 in 10 Europeans consider employment and social policies **poorly** managed **and favour decision-making at both national and EU levels**

More than **half of Europeans** consider that **not everyone** has a chance to succeed and that life will be **more difficult for the next generation**

Source: European Commission and Eurobarometer, 2017

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European
Pillar of
Social Rights

European Pillar of Social Rights
Principle 16: Health care

"Everyone has the right to timely access to affordable, preventive and curative health care of good quality"

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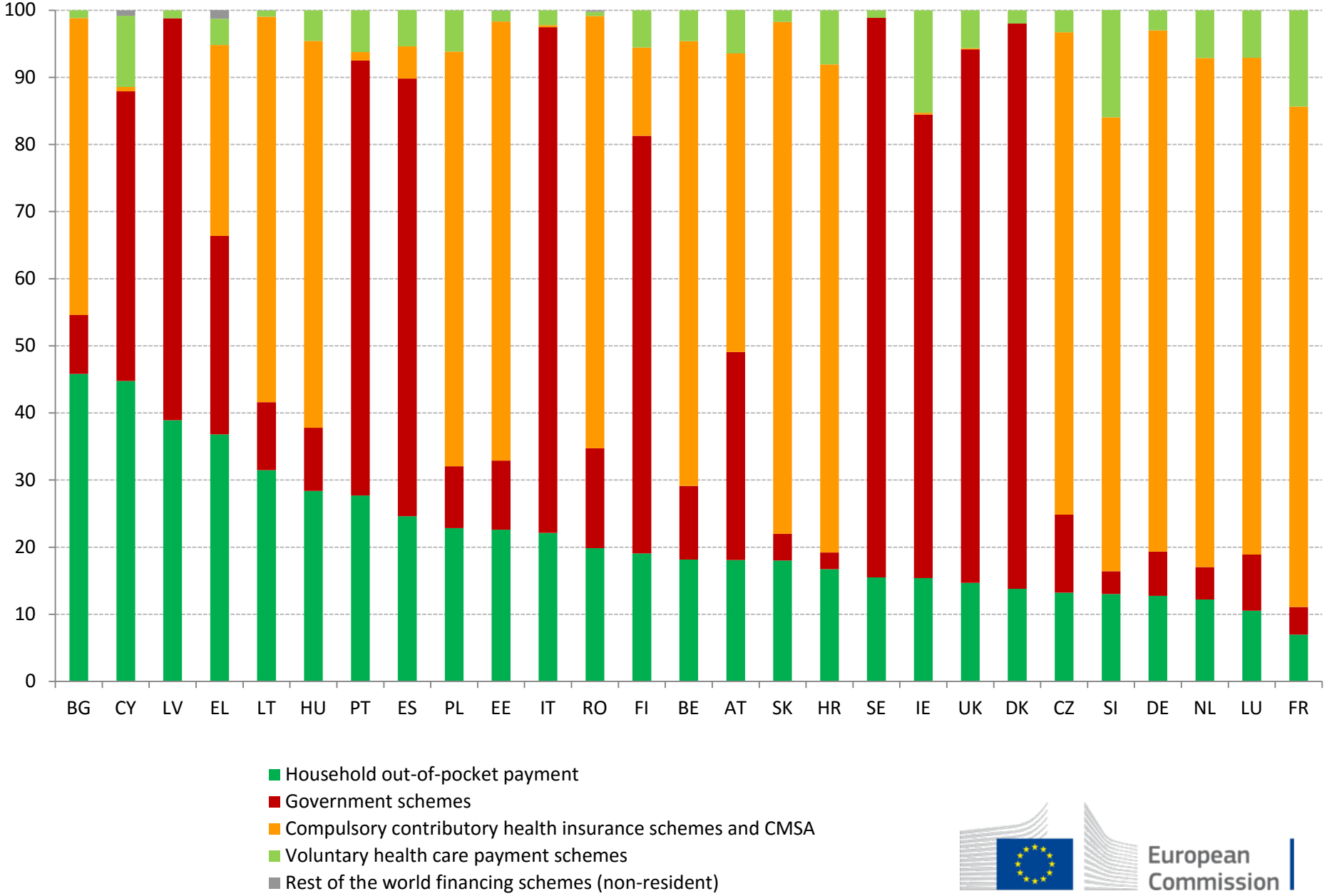
Healthcare expenditure by financing source (2014)



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The Social Scoreboard monitors the performance on Pillar principles

	Equal opportunities and access to the labour market					Dynamic labour markets and fair working conditions			Public support / Social protection and inclusion			
	Early leavers from education and training	Gender employment gap	Income quintile ratio	At risk of poverty or social exclusion rate	Youth NEET rate	Employment rate	Unemployment rate	GDHI per capita growth	Impact of social transfers on poverty reduction	Children aged less than 3 years in formal childcare	Self-reported unmet need for medical care	Individuals' level of digital skills
Year	2016	2016	2016	2016	2016	2016	2016	2015	2016	2015	2015	2017
Best performers	**HR, LT, SI**	**LT, LV, SE**	**CZ, FI, SI, SK**	**CZ, DK, FI, NL**	**DK, LU, NL, SE**	**DE, DK, NL, SE, UK**	**CZ, DE**	**PL, RO**	**AT, DK, FI, IE**	**BE, DK, LU, PT, SE**		**FI, LU, NL, SE**
Better than average	AT, CZ, DK, EL, IE, LU, PL	AT, BG, DK, FR, PT, SI	AT, BE, DK, EE, FR, HU, MT, NL, SE	AT, DE, HU, IE, MT, SE, SI, SK	BE, CZ, EE, MT, SI	AT, CZ, EE, HU, LT, MT, SK	DK, HU, LU, MT, NL, PL, RO, SK, UK	BG, DK, EE, LV, LT, SE	BE, CZ, FR, HU, SE, SI, UK	AT, ES, FR, NL	AT, CY, CZ, DE, DK, ES, FR, LU, MT, NL, SE, SI	AT, CZ, DE, MT, UK
On average	BE, DE, EE, FI, FR, LV, NL, SE, SK, UK	DE, EE, ES, HR, IE, LU, NL, UK	CY, DE, HR, IE, PL, UK	BE, EE, PL, PT, UK	FI, FR, HU, IE, PL, PT, SK, UK	CY, FI, FR, IE, LV, PL, PT, SI	BE, BG, FI, FR, IE, LT, LV, SE, SI	BE, CZ, DE, IE, FR, HU, NL, SK, FI, UK	CY, DE, MT	DE, EE, FI, IE, IT, LV, SI, UK	BE, BG, HR, HU, IE, LT, PT, SK, UK	BE, EE, ES, FR, LT, SI, SK
Good but to monitor		FI		FR, LU	AT, DE		AT		NL			DK
Weak but improving			RO	LV	IT	ES	CY, ES, HR		EE, LV	RO	LV	CY
To watch	BG, CY, HU, IT	BE, CY, CZ, HU, PL, SK	LU, LV, PT	CY, ES, HR, IT, LT	ES, LT, LV	BE, BG, LU, RO	EE, IT, PT	ES, IT, AT, PT, SI	ES, HR, LU, PL, PT, SK	BG, CY, EL, HR, HU, LT, MT	FI	EL, HU, IE, LV, PL, PT
Critical situations	ES, MT, PT, RO	EL, IT, MT, RO	BG, EL, ES, IT, LT	BG, EL, RO	BG, CY, EL, HR, RO	EL, HR, IT	EL	EL, CY	BG, EL, IT, LT, RO	CZ, PL, SK	EE, EL, IT, PL, RO	BG, HR, RO

What matters, is both the relative level and direction / size of change

	Change ↔				
Level ↓	Very favourable	Favourable	Average	Unfavourable	Very unfavourable
Very good					
Good					
Average					
Bad					
Very bad					

Colour coding:

Best performers – Better than average – On average – Good but deteriorating – Weak but improving – To watch – Critical situation

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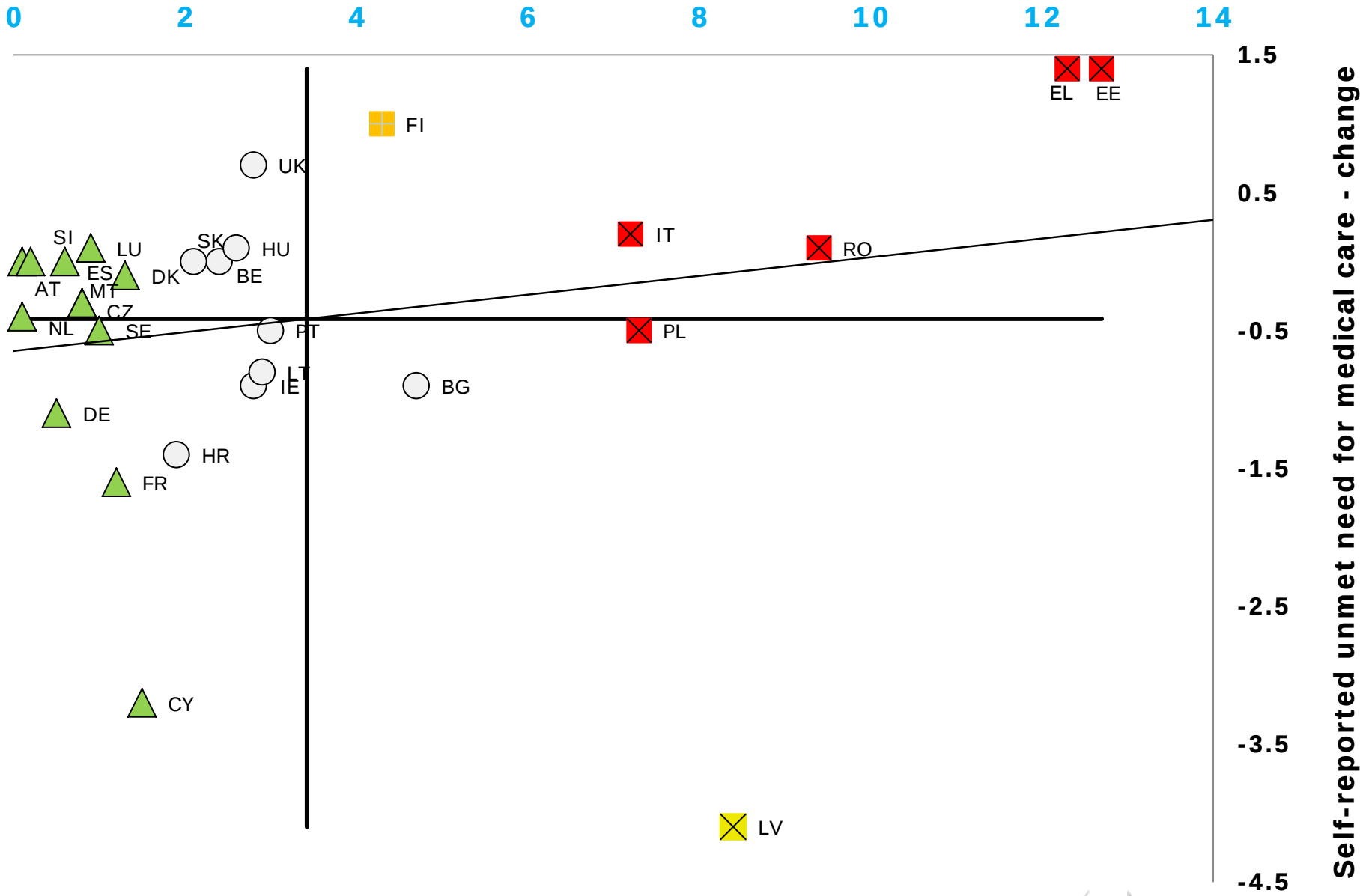
Self-reported unmet need for medical care – level (2015)



$y = 0.068x - 0.6468$

$R^2 = 0.0442$

Source: Joint Employment Report 2018

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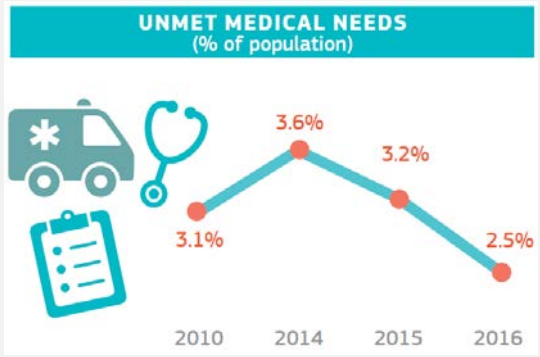
Self-reported unmet need for medical care (2016)



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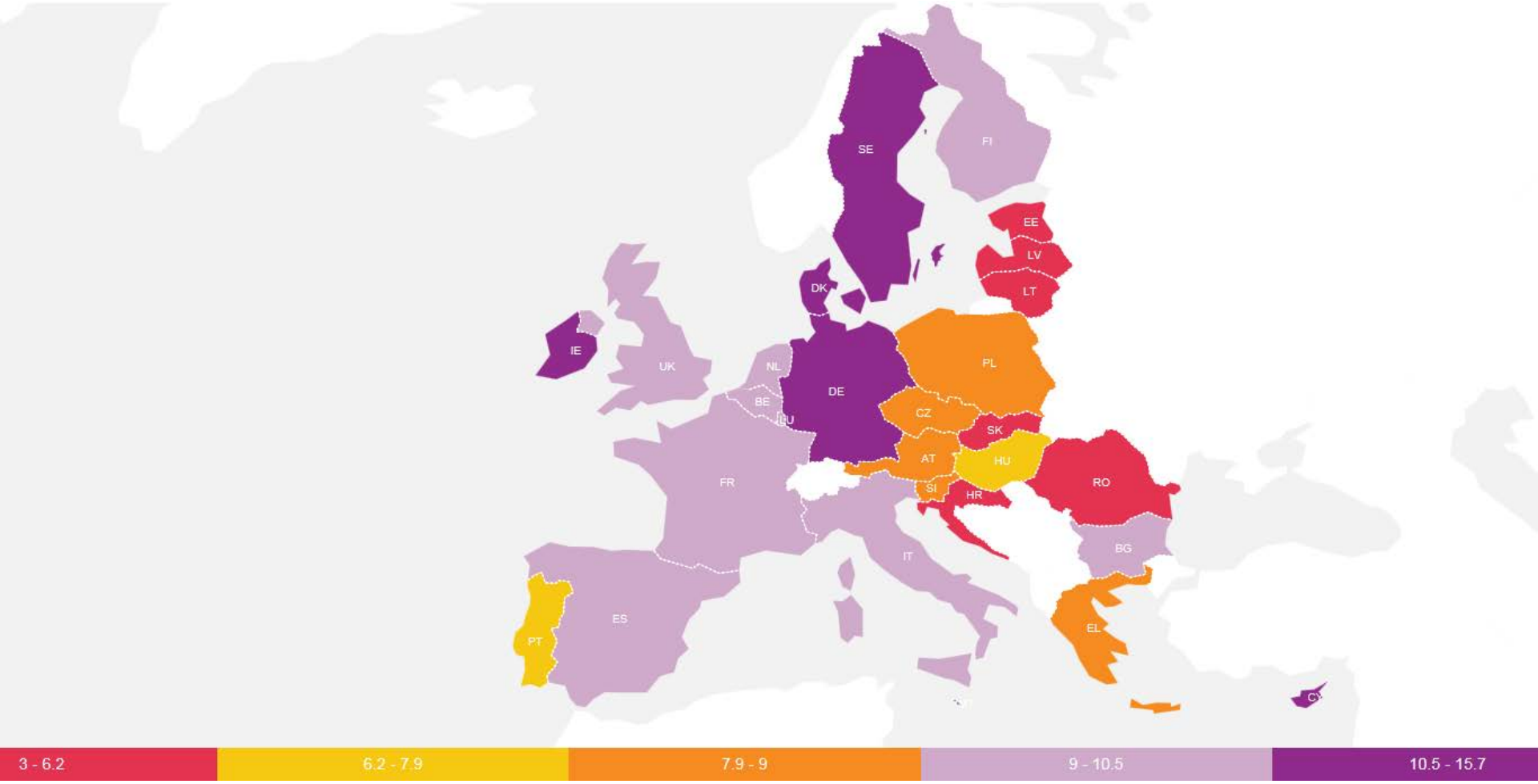
Healthy life years at the age 65 (men, 2016)



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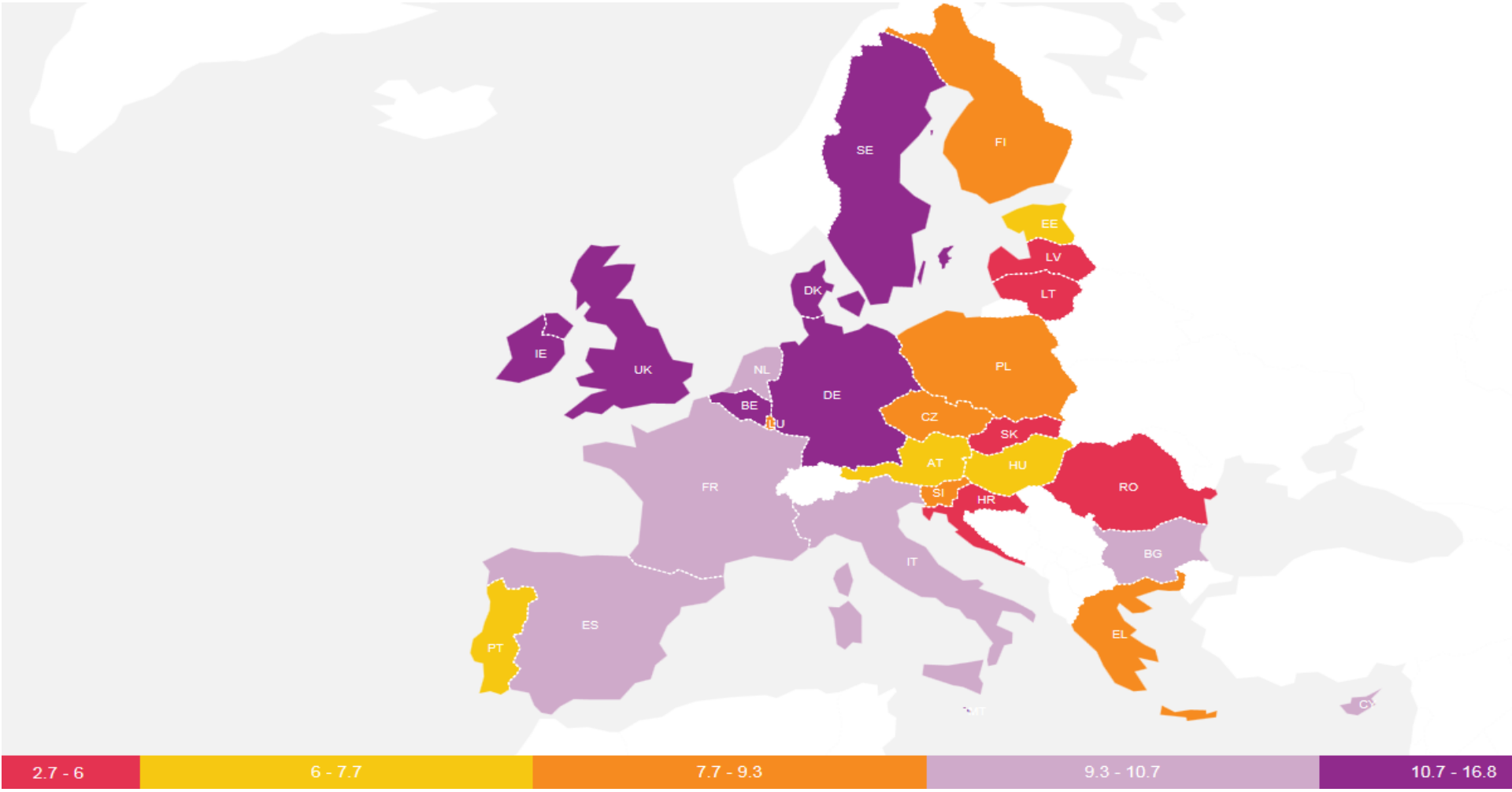
Healthy life years at the age 65 (women, 2016)



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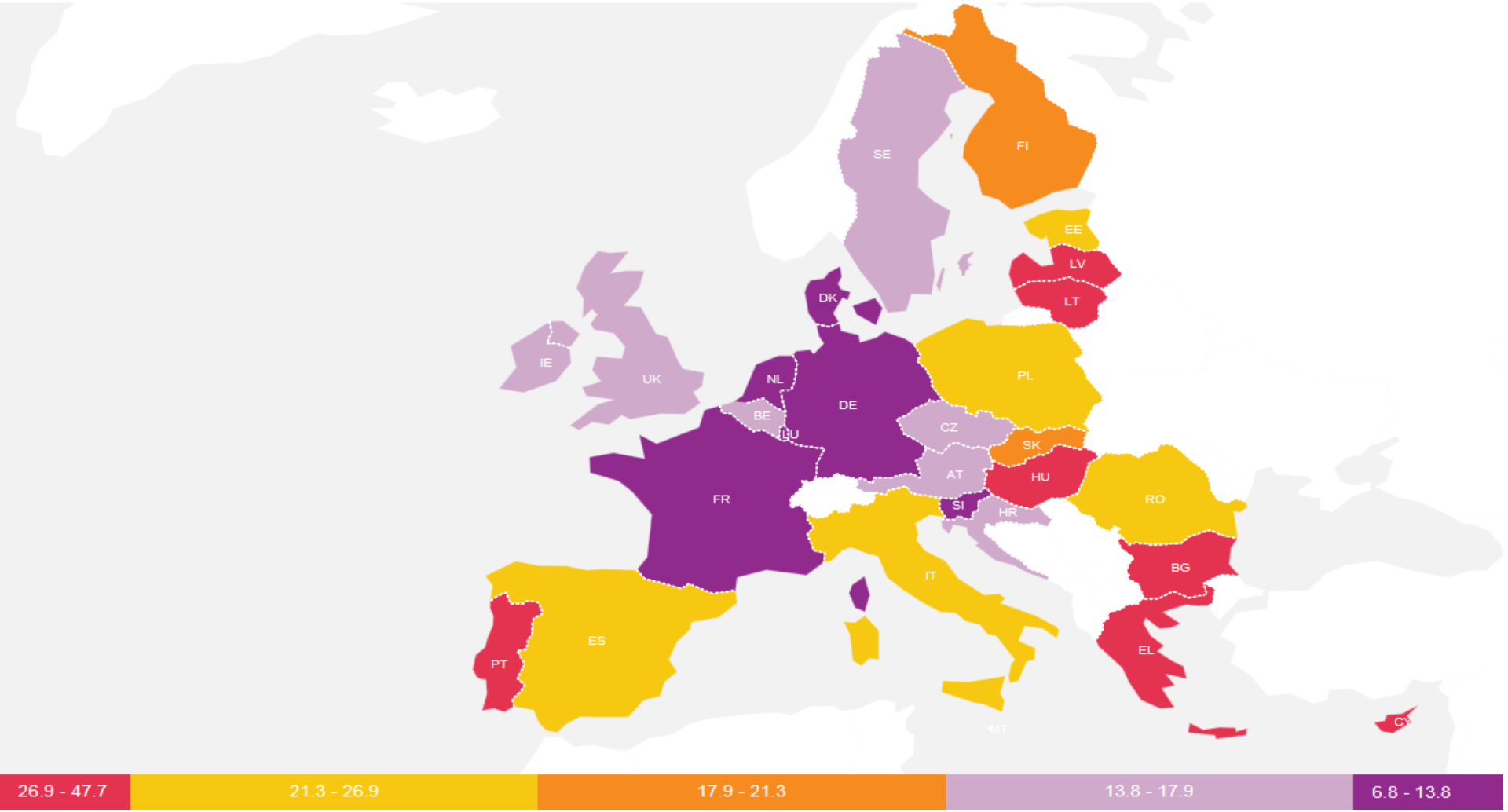
Out-of-pocket expenditure on health care (2015)



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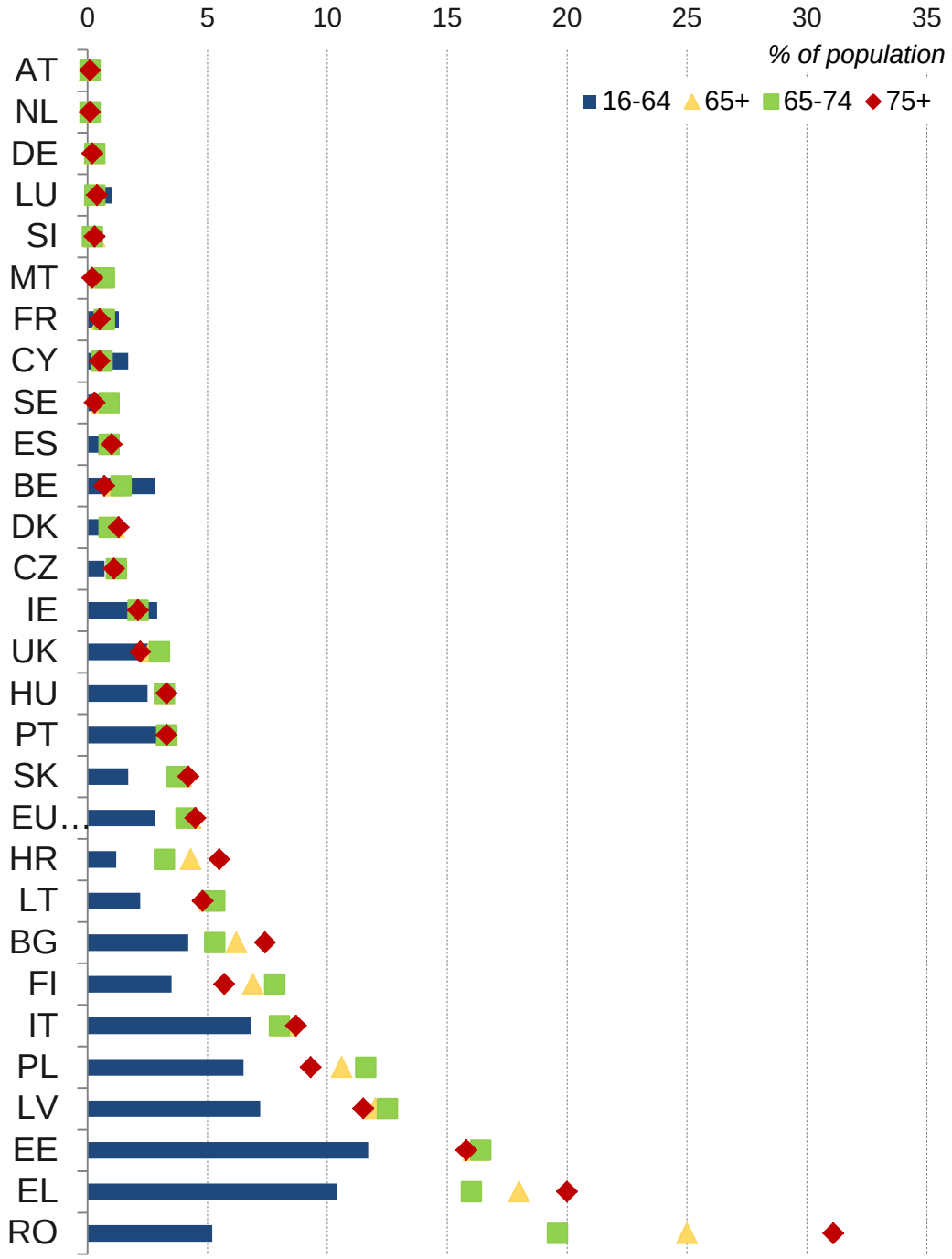

Self-reported unmet needs for medical examination as it is:

- too expensive,
- too difficult to reach or
- delayed due to waiting lists

By age group and Member State, 2015

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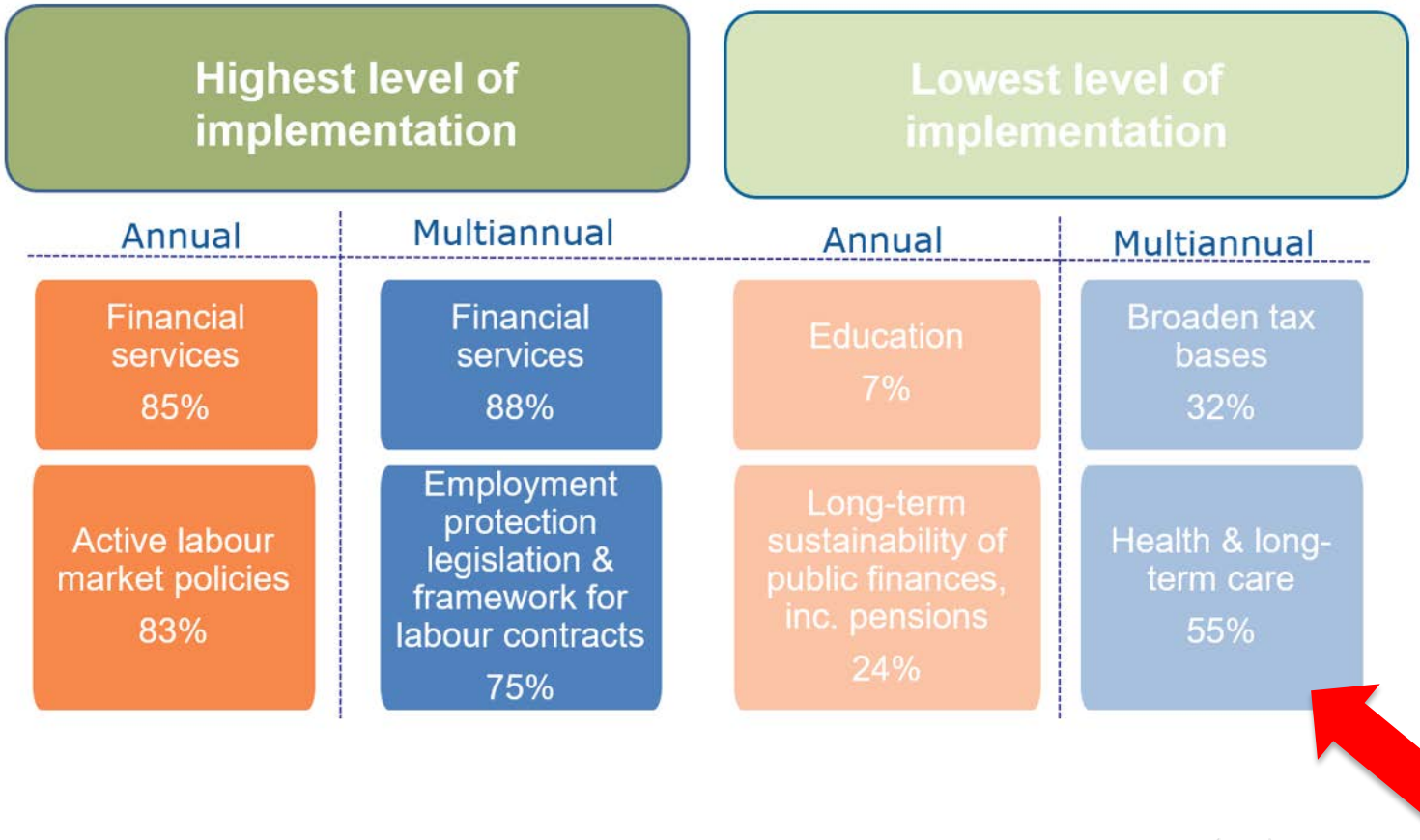
Policy areas with highest and lowest level of CSR implementation



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AT	CSR 1: Ensure the sustainability of the health and long-term care and the pension systems, including by increasing the statutory retirement age and by restricting early retirement.
BE	CSR 1: Pursue the envisaged pension reforms and contain the projected increase in long-term care expenditure.
BG	CSR 3: In line with the National Health Strategy and its action plan, improve access to health services, including by reducing out-of-pocket payments and addressing shortages of health professionals.
CY	CSR 5: Take measures to ensure that the National Health System becomes fully functional in 2020, as planned.
FI	CSR 1: Ensure the adoption and implementation of the administrative reform to improve cost-effectiveness and equal access to social and healthcare services.
LT	CSR 2: Improve the performance of the healthcare system by a further shift from hospital to outpatient care, strengthening disease prevention measures, including at local level, and increasing the quality and affordability of care.
LV	CSR 2: Increase the accessibility, quality and cost-effectiveness of the healthcare system.
MT	CSR 2: Ensure the sustainability of the health care and the pension systems, including by increasing the statutory retirement age and by restricting early retirement.
PT	CSR 1: Strengthen expenditure control, cost effectiveness and adequate budgeting, in particular in the health sector with a focus on the reduction of arrears in hospitals.
RO	CSR 3: Improve access to healthcare, including through the shift to outpatient care.
SI	CSR 1: Adopt and implement the healthcare and health insurance act and the planned reform of long-term care.
SK	CSR 1: Implement measures to increase the cost-effectiveness of the healthcare system and develop a more effective healthcare workforce strategy.

Sources:

- *The 2018 Ageing Report: Economic and Budgetary Projections for the EU Member States (2016-2070)*
  https://ec.europa.eu/info/sites/info/files/economy-finance/ip079_en.pdf
- *Joint Employment Report 2018*
  http://ec.europa.eu/social/BlobServlet?docId=18624&langId=en
- *On-line tool for checking Social Scoreboard indicators:*
  https://composite-indicators.jrc.ec.europa.eu/social-scoreboard/

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