



Salute, benessere e sistemi sanitari in tempi di crisi

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**World Health
Organization**

REGIONAL OFFICE FOR

Europe



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mondiale de la Santé**

BUREAU RÉGIONAL DE L'

Europe



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REGIONALBÜRO FÜR

Europa



**Всемирная организация
здравоохранения**

Европейское региональное бюро

Rome, 18 October 2013

Outline

- The context
- Promoting health in times of austerity
 - ✓ Macro-economic impacts of health
 - ✓ Health systems as economic engines
 - ✓ Lessons learnt from the economic crisis
- WHO Europe supporting Member States in difficult times

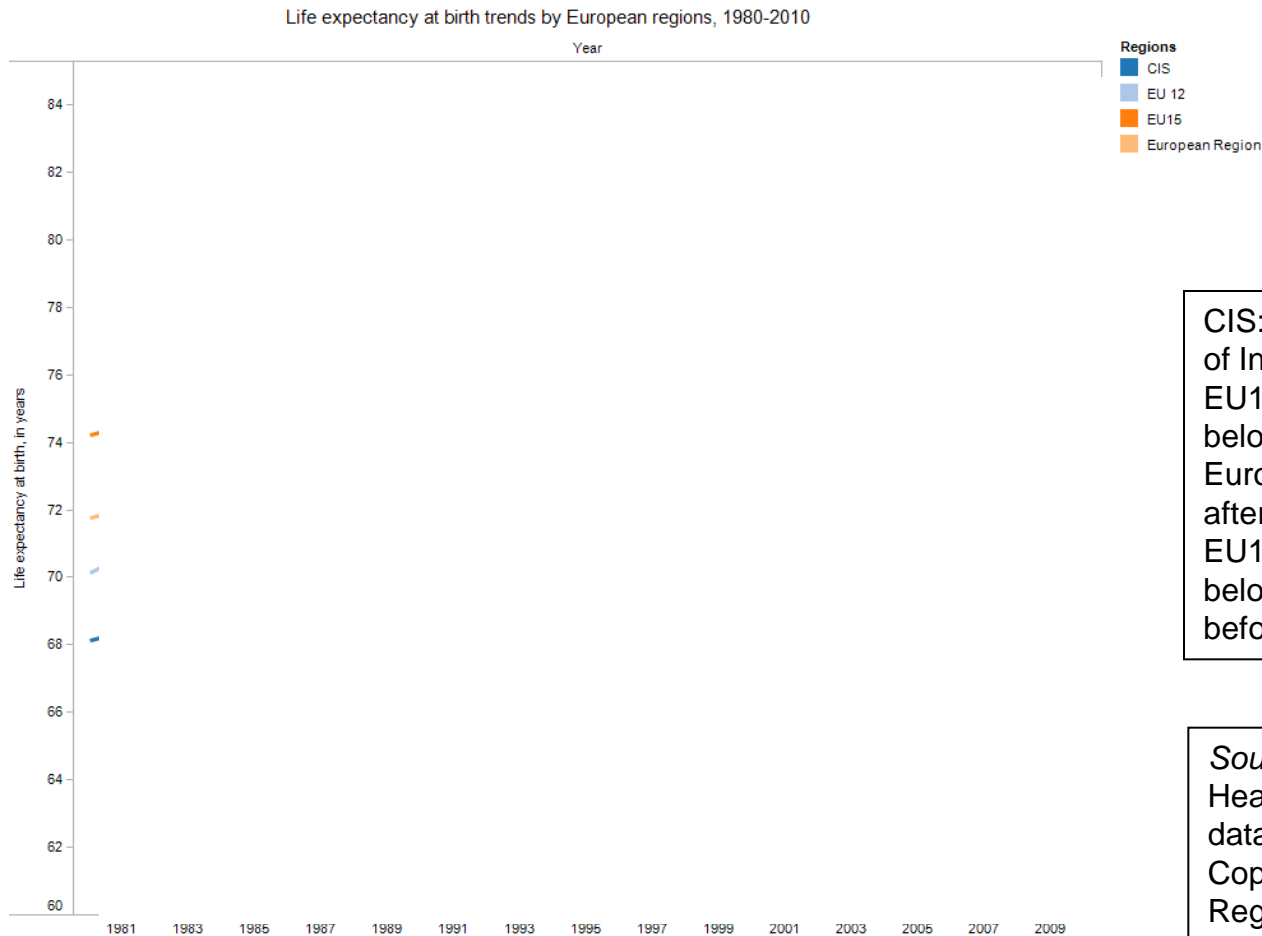
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The changing environment for health

- Demographic (fertility, aging)
- Globalisation and migration (inc. of health workers)
- New technologies (inc. medical genetics)
- More informed and demanding citizens
- Recognition of importance of health to human development
- Slowed economic growth and austerity policies

Overall health improvement (+ 5 years life expectancy) but with an important divide in the Region

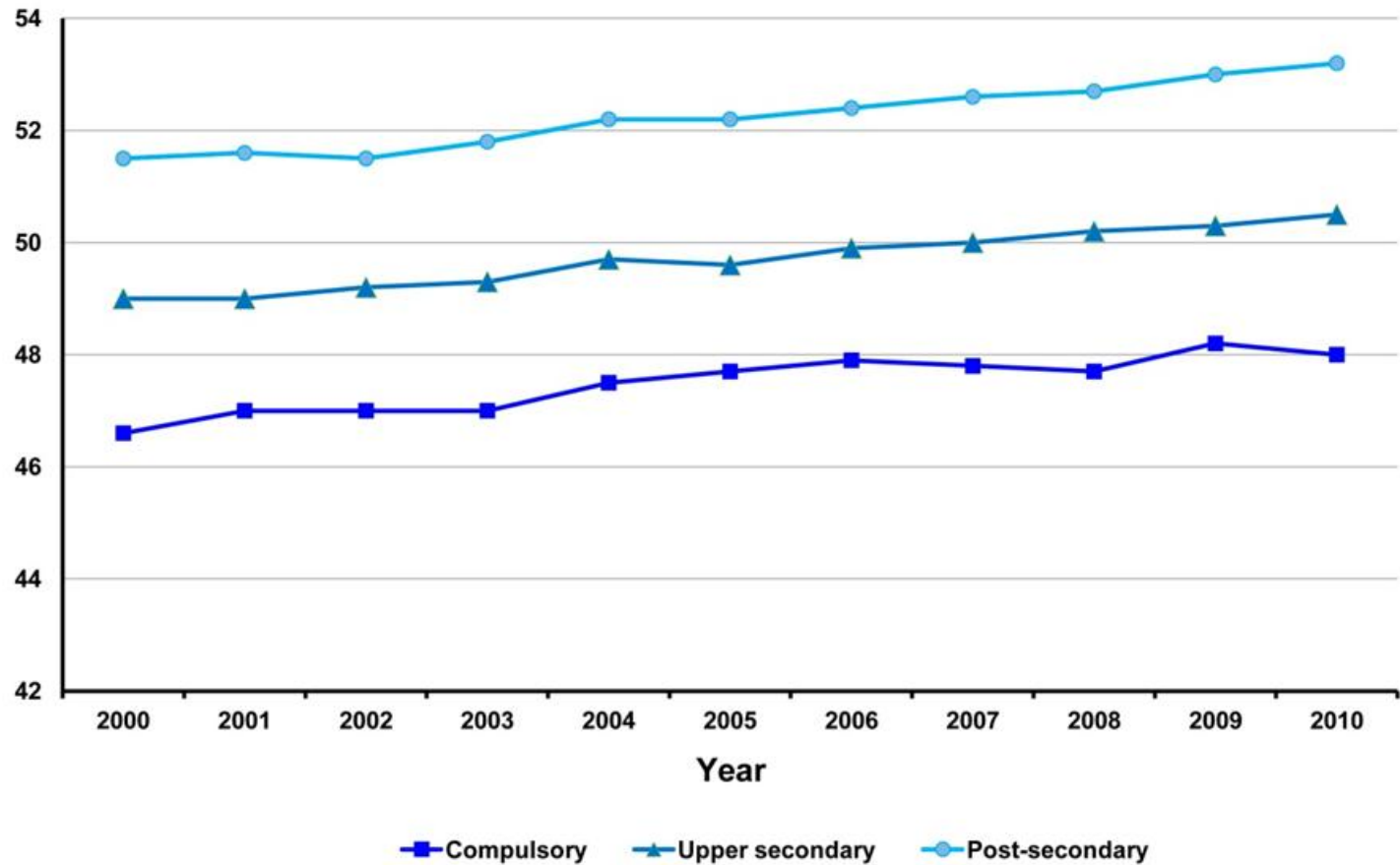


CIS: Commonwealth of Independent States
EU12: countries belonging to the European Union (EU) after May 2004
EU15: countries belonging to the EU before May 2004

Source: European Health for All database. Copenhagen, WHO Regional Office for Europe, 2010.

Health inequalities within countries: life expectancy in Sweden by education level

Life expectancy
at age 30



Burden of disease in Europe in 2010 and % change between 1990 and 2010

1990 Mean rank (95% UI)		2010 Mean rank (95% UI)		Median % change (95% UI)
1.0 (1-1)	1 Ischemic heart disease	1 Ischemic heart disease	1.4 (1-2)	-32% (-34 to -22)
2.2 (2-3)	2 Low back pain	2 Low back pain	1.6 (1-2)	15% (7 to 25)
2.8 (2-3)	3 Stroke	3 Stroke	3.5 (3-5)	-30% (-34 to -16)
4.7 (4-7)	4 Lung cancer	4 Major depressive disorder	4.2 (3-8)	15% (3 to 29)
5.2 (4-8)	5 Major depressive disorder	5 Lung cancer	5.4 (4-9)	2% (-17 to 8)
5.5 (4-7)	6 Road injury	6 Falls	5.8 (3-9)	31% (17 to 45)
7.0 (5-8)	7 COPD	7 COPD	6.9 (5-9)	3% (-1 to 8)
8.2 (6-11)	8 Falls	8 Other musculoskeletal	9.1 (7-12)	22% (4 to 42)
10.3 (9-13)	9 Diabetes	9 Neck pain	9.3 (5-14)	15% (8 to 23)
10.3 (7-16)	10 Neck pain	10 Diabetes	9.5 (7-12)	13% (5 to 22)
10.7 (8-14)	11 Other musculoskeletal	12 Road injury	12.1 (9-14)	-36% (-43 to -22)

<http://www.healthmetricsandevaluation.org/gbd/visualizations/gbd-arrow-diagram>

Accessed on 14 October 2013

Europe's major health challenges

Implement global and regional mandates (NCDs, tobacco, diet and physical activity, alcohol, HIV/AIDS, TB, IHR, antibiotic resistance, etc.)

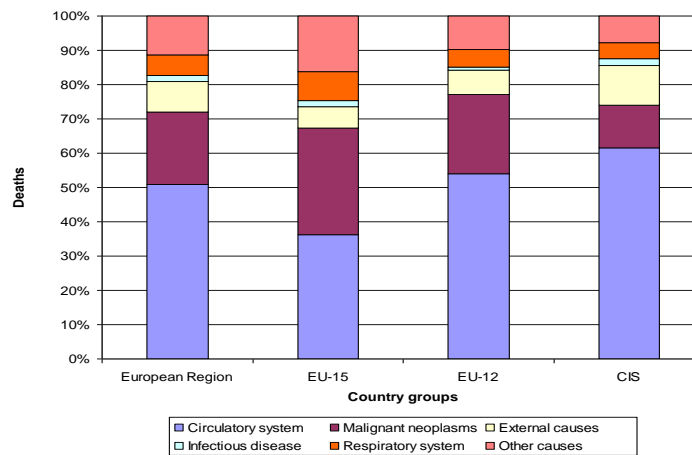
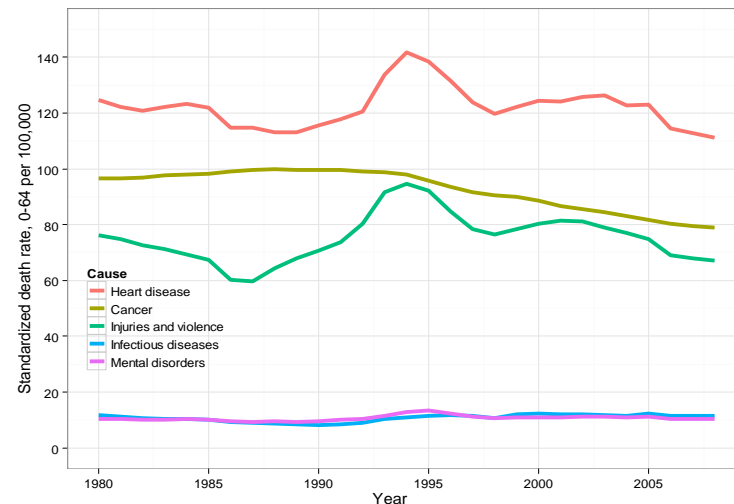
Promote healthy choices

Strengthen health systems, including public health, primary health care, health information and surveillance

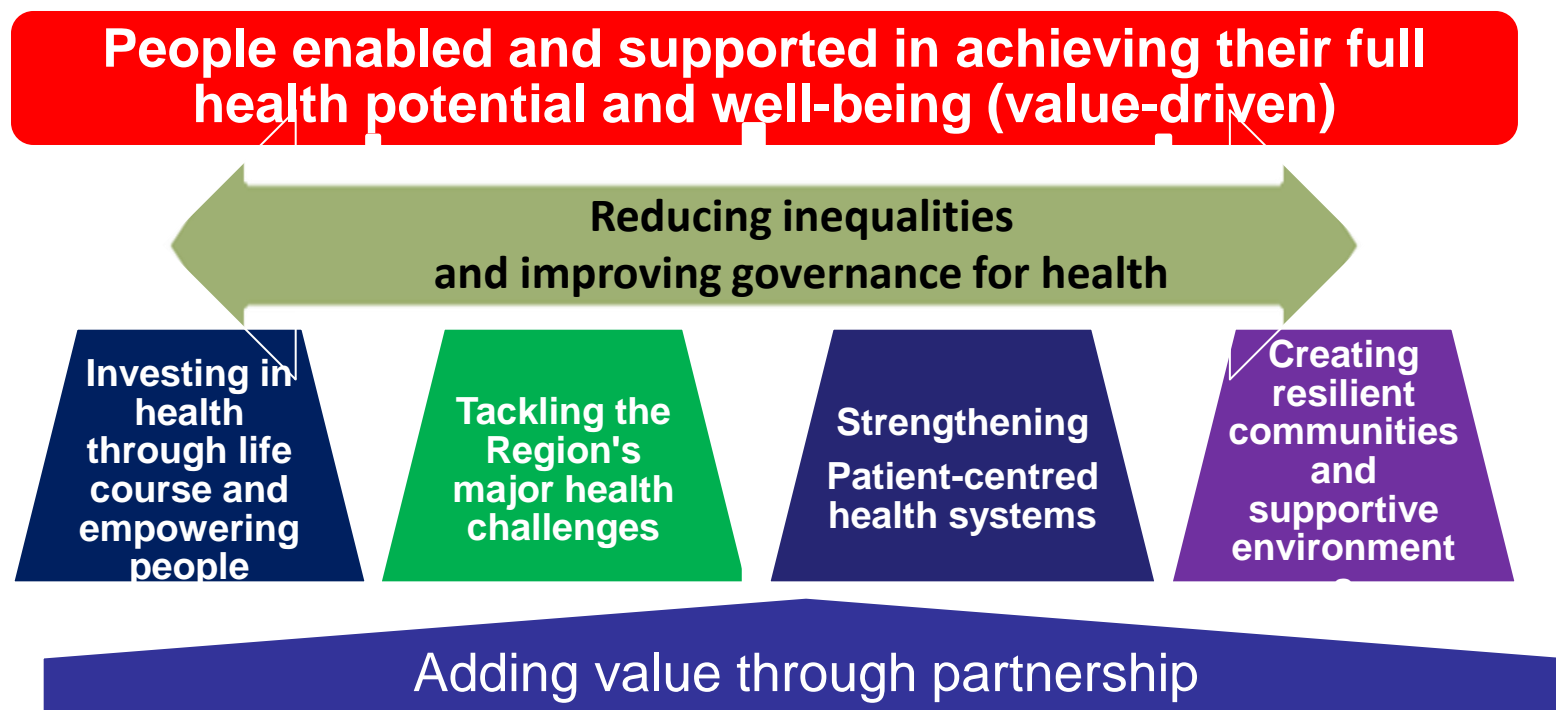
Reach and maintain recommended immunization coverage

Develop healthy settings and environments

Attention to special needs and disadvantaged populations



Health 2020 strategic objectives and priorities for policy action



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The economic case for health promotion and disease prevention (I)

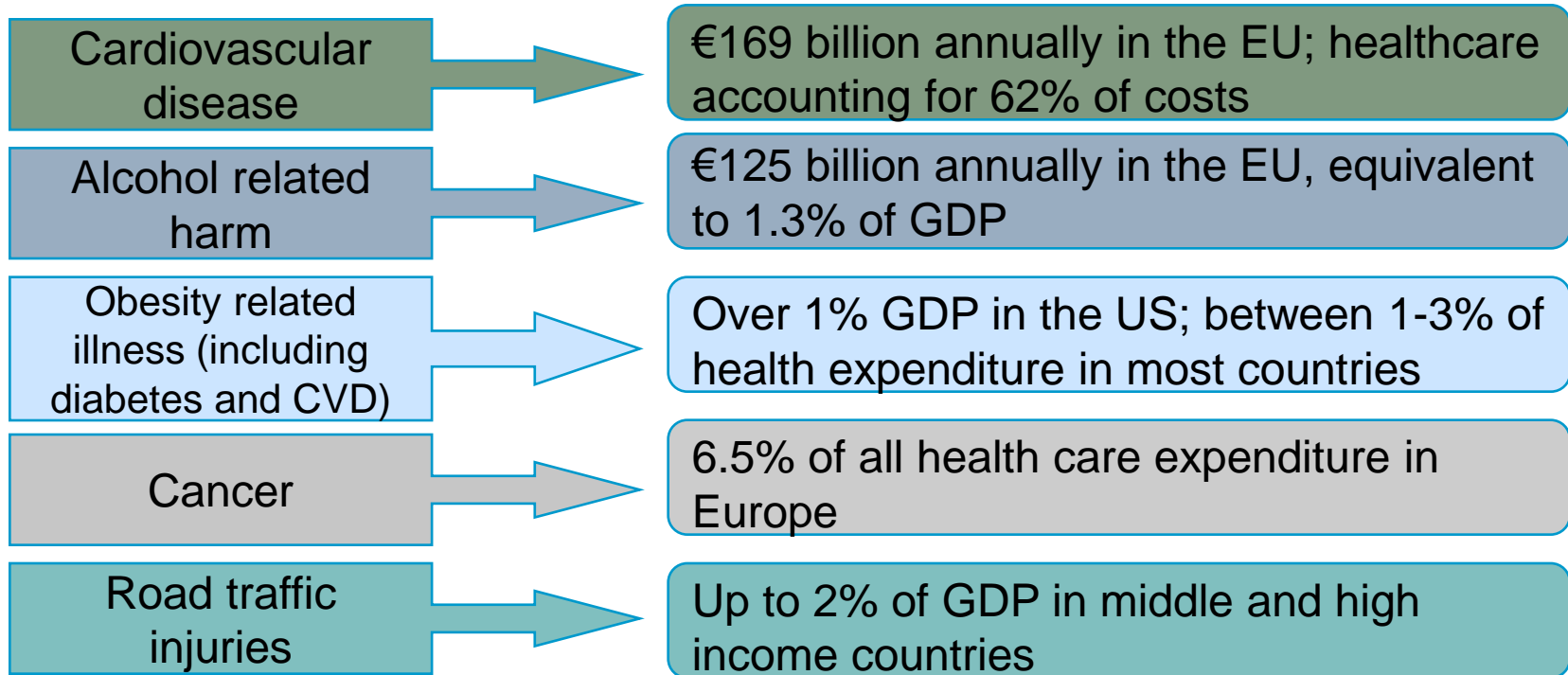


The economic impact of non-communicable diseases amount to many hundreds of billions of euros every year

Many costs are avoidable through investing in health promotion and disease prevention

Today governments spend an average 3% of their health budgets on prevention

The economic case for health promotion and disease prevention (II)



Sources: Leal (2006), DG Sanco (2006), Stark (2006), Sassi (2010), WHO (2004)

Cost-effective policies using fiscal policy to improve health outcomes



Tobacco

A 10% price increase in taxes could result in up to 1.8 million fewer premature deaths at a cost of between US\$ 3 and US\$ 78 per DALY in eastern European and central Asian countries



Alcohol

In England, benefits close to €600 million in reduced health and welfare costs and reduced labor and productivity losses, at an implementation cost of less than €0.10 per capita

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Health as an economic engine

- Health is not a drain on the economy!
- Health contributes to economic growth
- Health is a significant sector of the economy



Impact of health on economic growth (some examples)

- Labor force participation
 - ✓ Absenteeism due to illness: 4.2 days/ worker (EU, 2009)
 - ✓ Average cost of absenteeism: 2.5% of GDP
 - ✓ Reduced age of retirement (2,8 years) due to poor health
 - ✓ Less likelihood to work (66% ♂ 42%♀) due to chronic diseases
- Macroeconomic growth
 - ✓ 1% life expectancy increase = 6% GDP growth (OECD)
 - ✓ 10% decrease in CVD = 1% per capita income growth (2009)

Health Systems as an economic sector

- Economic size of the health care sector
 - ✓ It accounts for about 10% of GDP in EU27
 - ✓ More than financial services or retail sector
- Labour market effect
 - ✓ About 6% of all workers in EU27 employed in HS
- Impact on competitiveness of overall economy
 - ✓ Labour costs, market mobility, trade, R&D, innovation

Health Systems as an economic sector

- EU pharmaceutical sector:
 - ✓ €196 billion, 640,000 jobs; 5th largest sector (2008)
 - ✓ 3,4% of global market (2009)
- EU medical technology:
 - ✓ €95 billion, 5% annual growth, 550,000 jobs (2009)

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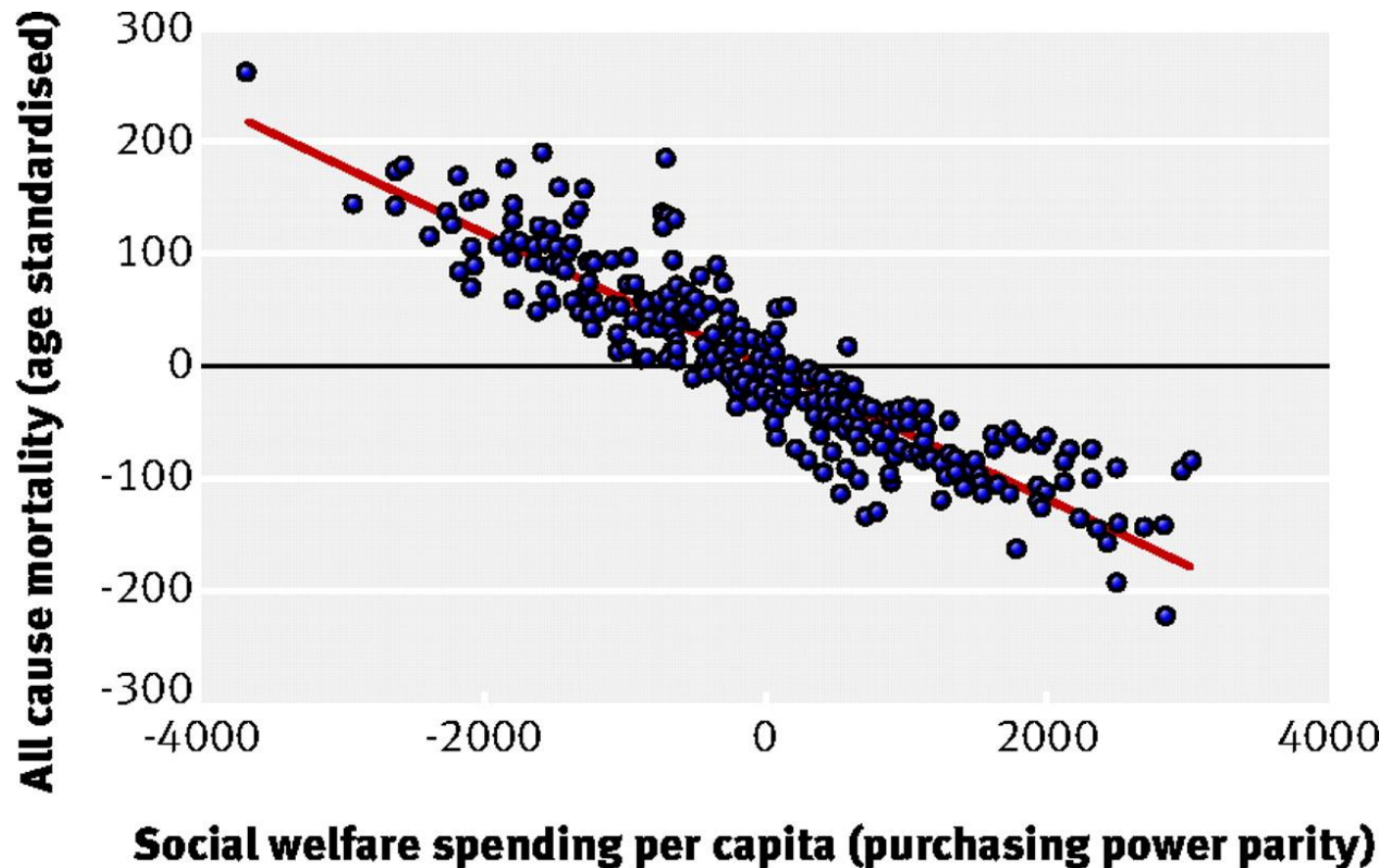
Additional layer of complexity from austerity: lessons learned from past and present crises

Unemployment

- Associated with a doubling of the risk of illness and 60% less likelihood of recovery from disease^{*}
- Strong correlation with increased alcohol poisoning, liver cirrhosis, ulcers, mental disorders^{**}
- Increase of suicide incidence: 17% in Greece and Latvia, 13% in Ireland^{***}
- More demand on health care – for the vulnerable
- Active labour market policies and well-targeted social protection expenditure can eliminate most of these adverse effects^{****}

Social welfare spending has major health impact

Relation between deviation from country average of social welfare spending (excluding health) and all cause mortality in 15 EU countries, 1980-2005.



Health impact of social welfare spending and GDP growth

Social welfare spending

- Each additional 100USD per capita spending on social welfare (including health) is associated with **1,19%** reduction in mortality

GDP

- Each additional 100USD per capita increase of GDP is associated with **only 0,11%** reduction in mortality

Oslo 2 Conference on impact of crisis

Ten policy lessons and messages

1. Be consistent with long term health system goals

2. Factor health impact into fiscal policy

3. Safety nets can mitigate many negative health impacts

4. Target efficiency gains over past years to reduce charges

5. Protect funding for cost-effective public health services

Oslo 2 Conference on impact of crisis

Ten policy lessons and messages (cont`d)

6. Avoid prolonged and excessive health

7. High performing health systems more res

8. Structural reforms require time to savi

9. Target efficiency gains over pa charg

10. Protect funding for cost-effective public health services

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Supporting Member States to navigate the crisis is central to our work

- Try to protect health budgets but if cuts have to be made, avoid across the board budget cuts and target public expenditures more tightly on poor and vulnerable (avoid or reduce out-of-pocket payments which lead to impoverishment);
- Think long- term: save in good times and spend in bad times!

Health as a major societal resource and asset

- Good health benefits all sectors and the whole of society – making it a valuable resource
- What makes societies prosper and flourish also makes people healthy – policies recognize this have more impact
- Health performance and economic performance are inter-linked – improving the health sectors use of its resources is essential



Population health as a measure of societal progress

Improving health and reducing health inequities should become one of the main criteria to measure:

- ✓ Health systems performance
- ✓ Performance of the Government



Thank you!