



Toolbox for effective health investments under 2014-2020 European Structural and Investment Funds (ESIF)

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EU Health Policy Framework

EU Health Strategy

Health Programme 2008-2013 & Health Programme 2014-2020

Key Policy References

- Council Conclusions on Health Systems “Towards modern, responsive and sustainable health systems” (2011) and follow up conclusions in 2013
- Directive on cross-border health care (2011) (e-health, cross border cooperation)
- Action Plan for the EU health workforce (2012) (Communication for a job rich recovery in Europe)
- European Innovation Partnerships (EIP) i.e. on Active and Healthy Ageing

SWD “Investing in health” (Feb 2013, Social Investment Package): 3 key areas in which to invest including via ESI funds: health systems, people’s health as human capital, and reducing health inequalities

European semester of economic governance: 2013 Annual Growth Survey (AGS) recommended that MS undertake reforms of their health systems to ensure “the twin aim of a more efficient use of public resources and access to high quality healthcare” → 11 CSRs to MS in 2013



Cohesion Policy 2014-2020

New regulatory package 2014-2020 (to be adopted end of year)

- Common thematic priorities and operational principles across the 5 different funds (**ERDF, ESF, Cohesion Fund, EAFRD and EMFF**)
- Close alignment with **Europe 2020** and the **European Semester** process
- Main aims: **social and territorial cohesion** and **economic growth and employment**

Programming preparation: ongoing

> Funding areas for the next 7 years are negotiated, per Member State, in the dialogue with the Commission on **MS' presented needs and priorities** → **Partnership Agreements and Operational Programmes**

> **Health Ministries and regional entities** participate in discussions at national level with the leading Ministry(ies) negotiating with the EC

Health in ESIF priorities - I

The Common Strategic Framework (Common Provisions Regulation) defines 11 Thematic Objectives (TOs):

1. **Research and Innovation**: health as a leading sector
2. **ITC**: e-health (including digital literacy and electronic health records)
3. **SMES**: health regarded as a new sector with opportunities; active and healthy ageing

8. **Employment**:
 - employment opportunities and adaptation of workers in the health sector;
 - active and healthy ageing: innovative ways of work organization and more age diverse workforce, and healthy lifestyle promotion
 - health and safety at work;

10. **Education and skills**: education, professional training in the health sector
11. **Institutional capacity**: modernisation of public services

Health in ESIF priorities II

9. Promoting social inclusion and combating poverty

- **access** to affordable, sustainable and high **quality health services**
- support to health and social **infrastructure** if it improves access and reduces inequalities
- transition from residential care to community-based care for disabled people, people with **mental disorders**, the **elderly**
- **inclusion** (e.g. people with **disabilities**) and reduction of **health inequalities** as relates to health status
- **disadvantaged groups including Roma**; access to health care (including prevention, education and patient safety)
- enhanced health literacy, promotion of e-health, and prevention of ill health

Subgroup II on “Success factors for the effective use of Structural Funds for health investments”

- Within the Reflection Process on Health Systems (Council (EPSCO) Conclusions on Health Systems “Towards modern, responsive and sustainable health systems”, June 2011)
- Led by **HU**, with **BG, CZ, EL, HR, IT, LT, LV, PL, RO, SI, SK**
- Timeframe 2012 & 2013: 7 meetings, exchange of documentation and preparation of papers
- **Mandate: reinforcing capacity within the Health Ministries to deal with structural funds in the area of health**
 - *Share and analyse experiences and best practices;*
 - *Identify common sense “**success factors**” for effective investments under **Structural Funds in the health sector;***
 - *Develop a **toolbox** for the use of Member States.*

Subgroup II: Context

- Economic slowdown and budgetary constraints at EU and MS level
 - Health systems under growing pressures linked to ageing, burden of chronic diseases and high technological costs
 - Health sector a major contributor to the EU economy and employment, and key area for research and innovation
- Need for **cost-efficient and 'smart' funding under ESIF** for strategic and (often) transformative investments to ensure 'sustainable, affordable and quality healthcare systems'
- Need for **good governance and effective systems and practice for ESIF management**

Subgroup II: Results

- **Policy messages report** presented in Sept 2012 to the Council Senior Level Working Party on Public Health (SLWPPH):
 - ESIF 2014-2020: opportunity for a better strategic use of funds for long-term impact in the health sector
 - Recommended involvement of health authorities at all levels in the planning, programming and implementation of funds

- **Practical toolbox for MS** endorsed by SLWPPH in Oct 2013 :
 - Source of reference to help improve performance and effectiveness of ESIF investments in health
 - For national and regional bodies involved in programming and managing of ESIF interested in ESIF support in health
 - Complementary to Commission generic advice and guidelines on ESIF process and practice, and to national procedures and protocols
 - Separate to negotiations between the Member States and the Commission on the scope, priorities and modalities of ESIF support

Subgroup II: Toolbox objectives

- Improve Member States '**administrative capacity**' and enhance the quality and effectiveness of planning, programming, implementation and evaluation of ESIF investments in health
- Provide **consistency and continuity in the quality of fund management** and technical decision-making by Member States and regions
- Establish a **generic base for subsequent or parallel development** of planning, procurement, implementation and evaluation processes **within Member States**
 - **relevant for all MS**, to be applied to local circumstances
 - **horizontal scope**, not offering advice on -or recommending-specific funding areas

Toolbox: Shortcomings in ESIF investments in health

> Across all stages of investment in health from strategic planning, coordination with other priorities, technical content, programme and project implementation and financial management

- Programmes lacking **clear strategic objectives** and project coherence
- Poor **operational performance** falling short of expectation and showing weak links to original goals
- **Non-transparent decision** and evaluation processes
- **Sustainability of investments** often not assured
- **Weak links** between health and **other related policies** e.g. social and territorial inequalities often not targeted

Toolbox: Elements

Key policy messages

- Health policy
- ESIF

2014-2020 ESIF framework and mechanisms

- Strategic thematic objectives
- Ex-ante conditionalities
- Towards better focused results
- Integrated funding
- Territorial cooperation

Strategic planning

- Main elements and important lessons learned
- The Italian MexA programme
- Large-scale investments (major projects)

Toolbox: Elements II

Financial planning

- Principles for effective financial planning (programme & project level); risk management; metrics (ratio analysis) and benchmarking
- Levels and methods of financial planning and cost-effectiveness evaluation (programme level & project level)
- Public Private Partnerships (PPP) and other financial instruments

Implementation

- Implementation structure: independent Agency, MA, or Ministry
- Administrative capacity: Structure; Systems and Tools; Human Resources;
- Preparation phase
- Call for proposals
- Assessment
- Project implementation
- Monitoring and indicator systems

Ex-ante conditionality - health

- **Requires a strategic policy framework including:**
 - Measures to improve access to health services
 - Measures to stimulate the efficiency in the health sector through deployment of service delivery models and infrastructure
- **Requires a monitoring and review system**
- **Requires an accompanying budget framework including "effective concentration of resources"**

Implications:

- **Justification of the need of investment within the above strategic framework**
- **Commitment to ESIF goals and transformational change** – e.g. prioritising the shift to less hospital-centric and more integrated models of care contributing to sustainable health systems, while guaranteeing access to services for all groups and territories
- **Demonstration of cost-effectiveness of investment**

Toolbox: (A priori) Success factors

- **Relevance** – the project is wholly relevant to address the need / problem and not just (alleviating) the symptoms
- **Effectiveness** – the project addresses the ‘what and how’ the desired objectives will be achieved
- **Efficiency** – the project demonstrates how value for money will be assessed (benchmarked) and achieved
- **Impact** – the project explains what results are expected and how they will be measured and achieved
- **Sustainability** – the project demonstrates how operational and economic performance will be sustained over its planned lifecycle (and how results will be maintained beyond)

Toolbox: Components of Strategic Planning

- Problems and challenges → objectives → interventions → actions
- Financing sources (national sources/ESF/ERDF/private sector/other)
- Monitoring and review systems (monitoring indicators, key success indicators)

Important lessons learned

- Timing is crucial: e.g. development of the health strategy initiated simultaneously or before the development of the national programming documents (Partnership Agreement and Operational Programmes)
- Analytical/evidence-based approach: Sectoral analysis and data, including temporal trends and benchmarking with other countries
- Participative approach: Progressive participation of all parties and stakeholders on the definition of priorities and interventions to achieve as broader ownership as possible



Health Programme Tender

- **Capacity building action** “Support to the effective use of ESIF for health investments”, launched in Oct 2013 for **19 months**
- **SANCO initiative to follow up on Subgroup II work**; managed by the Executive Agency for Health and Consumers (EAHC), implemented by Ernst & Young (Prague office)

The tender action has **three specific objectives**:

1. Build knowledge on the use of ESIF for health in the new programming period 2014-2020 (a mapping of investments)
2. Prepare managerial and technical tools, and a website
3. Provide technical support to a set of interested Member States i.e. tailor-made consultation and mentoring



Thank you!

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