



SGPP meeting,
7th June 2019

Investments in Health –

Planning for the next MFF 2021-2027

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



European Structural and Investment (ESI) Funds for Health Project - 2016-2018

- **Objective:** awareness raising and capacity building amongst Member States' health authorities to channel ESI Funds support to health



ESI Funds for Health Project

- **Identification** of health-related projects co-financed by the ESI Funds
- **Mapping** and classification of over 7,000 health-related projects co-financed by the ESI Funds in all Member States thematically and by country;
- Assessment of a range of **exemplary projects**
- A series of **workshops** to exchange, learn and build networks
- A set of **findings and recommendations**



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Country Mapping

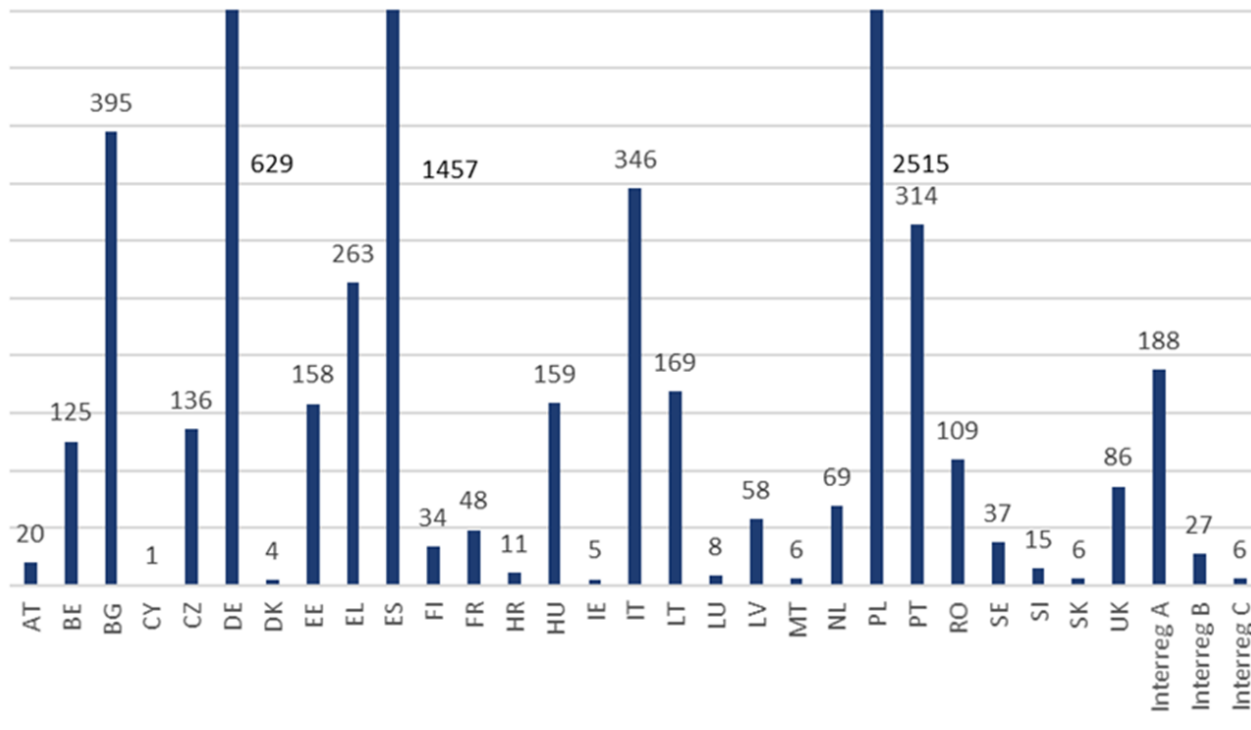
<http://esifundsforhealth.eu/explore-country>



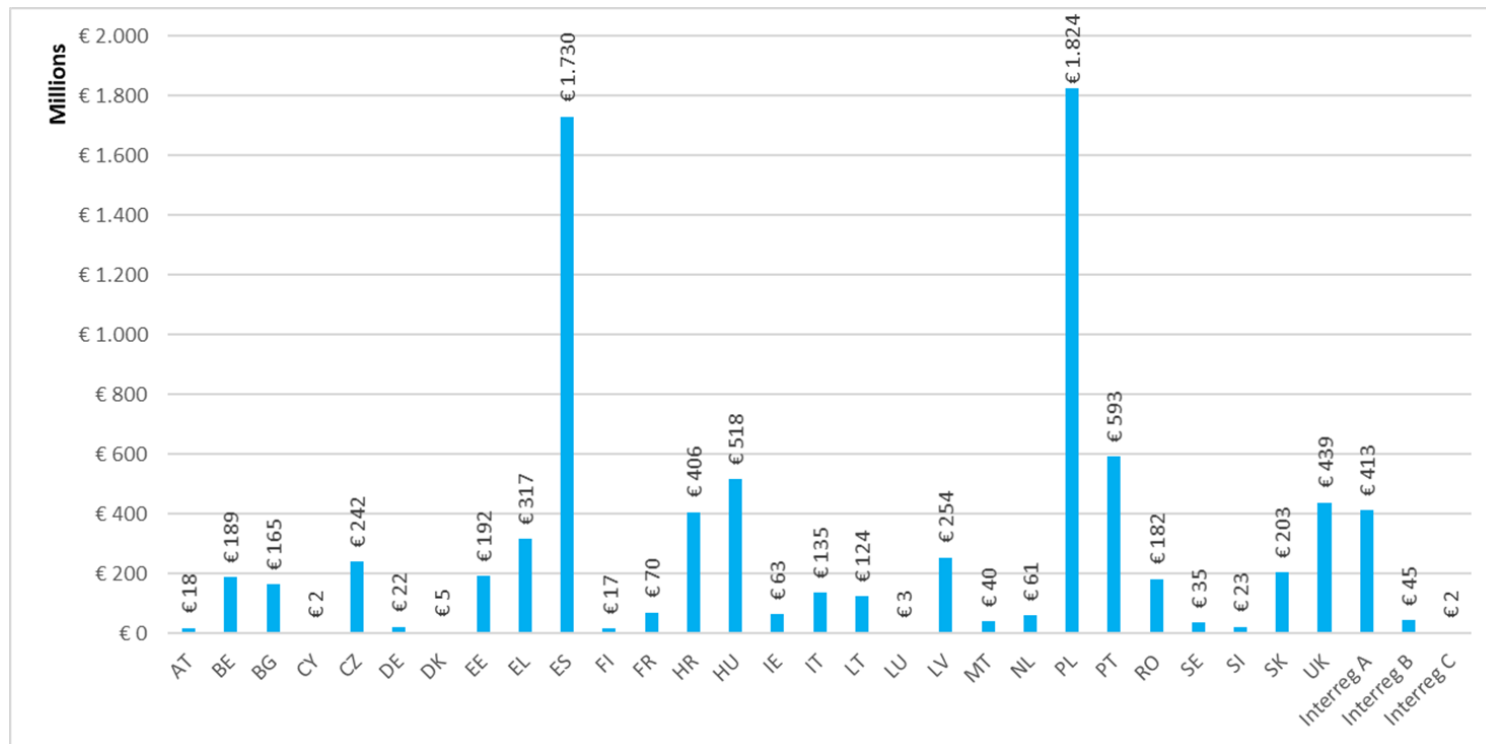


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7,404 ESI-funded health projects in MS and Interreg programmes



Over EUR 8 billion spent on health-related projects in MS and Interreg programmes

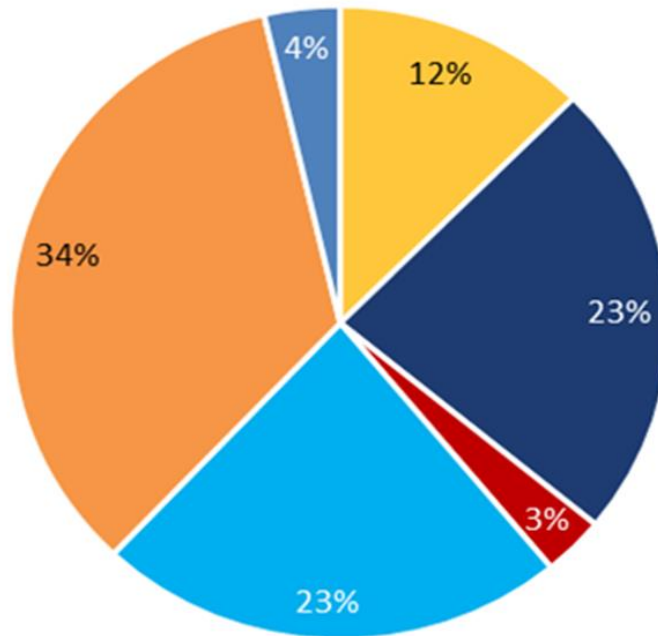




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ESI Funds for Health project - 6 health themes

- Access to healthcare
- Reform of health systems
- e-health
- Research and innovation
- Ageing and health promotion
- Health workforce



ESIF investments in health



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Access to health care and reducing health inequalities

- EUR 1.3 billion invested, 923 projects in 16 Member States
- Biggest recipients of funding: HR, PT, HU, EE
- Themes covered: improvement of health infrastructure, accessibility and affordability of healthcare services for the general population and specific vulnerable groups
- Example: PROXIMITY MOBILE HEALTHCARE UNITS - PT



ESIF investments in health



The reform of health systems

- EUR 1.6 billion invested, 1,738 identified projects in 16 Member States
- Biggest recipients of funding: PL, ES, CZ, BG
- Themes covered: integrated social and health services systems to support the elderly and people with disabilities, strengthening primary care and supporting the transition away from hospital care, development, expansion or modernisation of healthcare facilities
- Example: Mental health reform– CZ





E-health and digital solutions

- EUR 600 million invested, 225 projects in 19 Member States
- Biggest recipients of funding: PL, ES, HR, HU
- Themes covered: development of electronic health records, digitalisation of the national health system, interoperability of IT systems and training for professionals on their use
- Example: eMEN, Interreg North-West Europe/Cognitive behavioural therapy game for children (depression), as part of eMEN (ERDF)



ESIF investments in health



Health research and innovation

- EUR 1.8 billion invested, 1,708 projects in 20 Member States
- Biggest recipients of funding: ES, HU, PL
- Themes covered: innovation in products and processes at different phases of research and development and with different technology readiness levels, development of research infrastructure, clinic-industry collaboration and human resources in the R&I field
- Example: AgeWell - medical robotics specialists and physicians in rehabilitation, Romania



ESIF investments in health



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Health promotion and disease prevention

- EUR 2 billion invested, 2,535 projects in 25 Member States
- Biggest recipients of funding: PL, UK, LV
- Themes covered: screening, awareness and education relating to various risk factors, and promotion of a healthy lifestyle, solutions to care for the elderly and/or people with disabilities, and programs to support the needs and abilities of disadvantaged jobseekers
- Example: "Healthy living"- health promotion activities to prevent obesity and excess weight - HR



ESIF investments in health



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Support for the health workforce

- EUR 979 million invested; 275 projects in 20 Member States
- Biggest recipients of funding: HR, EL, PL, ES
- Themes covered: shortages of qualified medical professionals, lack of funds within hospitals and other institutions to pay salaries, migration of healthcare workers across Member States, and support for new and innovative curricula and educational approaches
- Example: ESIF investments for human resources in health sector – LV



Veselības ministrija

HR challenges

Lack of doctors and nurses in regions

HR age structure

Placement of major educational establishments is centralized

Compliance of skills and competencies with the reform



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HR accessibility in regions Main activities

One-time compensation

- Five monthly wages for a doctor/nurse + 1 wage per family member (spouse/children)

Monthly allowance

- 200 EUR for two years (100% 1st year; 70% 2nd year 6 months; 30% 2 year last 6 months)

Compensation for GPs

Measures for accessibility increase

Key messages

- ESI Funds support opportunities to **pilot, scale-up** and support **cross-country** and **cross-sectoral collaborations**;
- ESI Funds complement national funds;
- Involvement of networks of relevant stakeholders in the project planning is a key success factor of many ESI Funded projects
- Better results if Member States ensure a coordinated and coherent approach to investment and not only a project-by-project approach

ESI Funds for Health project – lessons learned

- Integration of investment plans into a **broader reform agenda is needed**
- **Cross-sectoral cooperation** is key to developing integrated solutions that tackle the challenges faced by the health sector
- More links to other EU and national programmes (e.g. EU Joint Actions programmes, Horizon Europe, InvestEU) could foster further synergies with ESI Funds
- Co-ordination and **combination of resources and funds** is important to achieve a better, more sustainable return on investment in health
- ESI-funded projects contribute to the implementation of health reforms, but their success relies on institutions having the necessary **capacity** to implement reforms
- **Investments in people** (services, networks, education) are crucial for the health sector and must be considered next to the **necessary infrastructure** investments



Cohesion policy funds and health 2021-2027

- Will support health system and public health policies
- Health authorities need to ensure that projects are part of a broader investment strategy and link to reform agenda
- Strategies to address together human capital, services and infrastructure needs towards new curative and preventive care models



Annex D examples

Policy Objective 1: A Smarter Europe – Innovative and smart industrial transformation

Poland's innovation performance remains far below the EU average, much of which is due to meagre research and development investments, especially private ones, and modest cooperation of public and private innovation partners. High priority investment needs⁽⁴⁵⁾ have been identified to **enhance research and innovation capacities and the uptake of advanced technologies**, to be implemented in

The use of information technologies by firms and digital interaction of citizens with public authorities remain low. Priority investment needs have been identified to **reap the benefits of digitisation for citizens, companies and governments**, and in particular to:

- **upscale and accelerate e-government, including e-health;**

Annex D examples

Policy Objective 4: A more social Europe – Implementing the European Pillar of Social Rights

The Polish labour market overall performs well, but the transition to a knowledge-based economy creates important challenges on skills development, adult learning and broadening labour supply. High

Long-term care for elderly, persons with disabilities and persons with chronic diseases is under-developed, and health outcomes are only slowly improving. Health system is too hospital-centred and lacks effective coordination. High priority investment needs have been identified to **promote active and healthy ageing, enhance the equal and timely access to quality, sustainable and affordable services and to improve accessibility, effectiveness and resilience of healthcare system and long-term care, and in particular to:**

- support accessibility of products and services, as well as housing and inclusive infrastructure for persons with disabilities/functional limitations;
- support transition from hospital/institutional care to affordable and quality home-care and community-based services and coordination of healthcare, social care and long-term care;
- foster equal access to affordable healthcare services, particularly for vulnerable groups, strengthening primary care, integration of care, health promotion, disease prevention and digital health solutions;
- build up skilled health workforce planning and forecasting as well as to support upskilling and reskilling of healthcare and long-term care personnel.

Health market study



Objectives:

<https://eiah.eib.org/publications/index>

1) To explore across EU Member States:

- **landscape** of health investments and the investment **needs**
- **gaps** in health investments and related **barriers**
- **reasons** why health investment priorities and needs are not addressed
- essential **factors** influencing health investments

2) To provide **recommendations** for EU/national/regional level actions

Focused on:

- Hospitals (including medical equipment)
- Primary care facilities
- Long-term care facilities
- eHealth
- Other health investments (including health workforce, disease prevention, care integration, new care models, etc.)

Stated investment priorities



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The EIB bank

European
Investment
Advisory Hub
Europe's gateway to investment support

- **16** Member States state hospital facilities as investment priority
- **10** Member States state medical equipment as investment priority
- **18** Member States state primary care as investment priority
- **6** Member States state long-term care as investment priority
- **23** Member States state eHealth as investment priority
- **19** Member States state Other types as investment priority

Investment priorities vs. inventory of identified projects

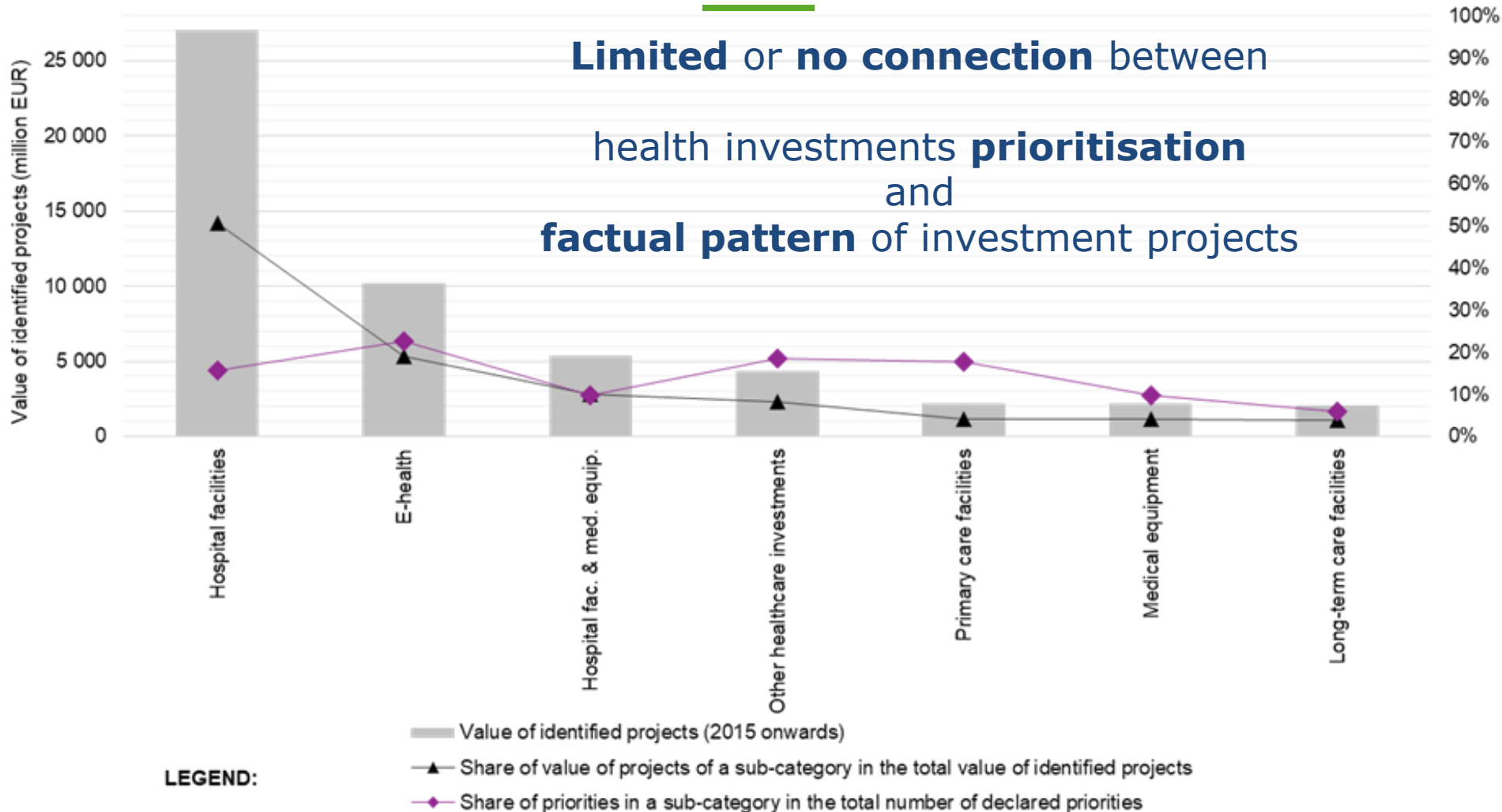


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European Investment Advisory Hub
Europe's gateway to investment support

Limited or no connection between health investments prioritisation and factual pattern of investment projects



Investment priorities vs. inventory of identified projects



European Investment Advisory Hub
Europe's gateway to investment support

Reasons for limited connection:

- Lack of binding decisions and formal requirements to fulfil the promises of health policies
- Lag between the time at which investment priorities are declared and the period of actual investment decisions and implementation of projects
- Priorities are not weighed by the capital intensity of investments

Remarks:

- Share of investments in **hospitals** is almost universally the biggest
- **eHealth** recognised as important investment priority and MS do seem to be investing relatively large amounts of money in it
- **Primary care** facilities prioritised, yet underfinanced
- **Long-term care** facilities neither seem to be a priority in MS nor an important item in the inventory of identified projects
- “**Other**” types of healthcare investments (esp. prevention) often stated as a priority, however, in practice, little is invested



▪ Health priorities and Human capital

- ❑ Continue the provision of financing towards hospitals, however on an invest-to-disinvest basis, and only for hospitals networked with other levels of care
- ❑ Investments in population health programmes (population health should be treated by governments as an investment, not a consumption item)
- ❑ Attaching hypothecated finance for population health programmes to fixed capital funding
- ❑ Exploration of social impact bond structures for population health funding by the private sector, including charities
- ❑ Investments in training programmes for the health workforce
- ❑ Investments in eHealth (to mitigate staff shortages)



■ Financing

- ❑ Awareness-raising that investment in health is a human capital issue with long-term returns
- ❑ Development of guarantee funds to support bank lending
- ❑ (Joint) programmes from the EIB/CEB/EBRD and NPBs on health lending or other finance
- ❑ Encourage health institutions to seek ratings from the credit rating agencies
- ❑ Development of financial products with life-cycle adjusted financing/term or rolling over short-life tranches
- ❑ Enabling modification of the contracted investments (including scope, cost estimates, scheduling etc.) in defined milestones of the project



■ Strategic planning

- ❑ Assess current state of healthcare infrastructure as an input for the development of health strategies and investment plans
- ❑ Development of health strategies by countries that include also an investment plan consisting of
 - roadmaps of needs and projects,
 - estimates of associated costs and
 - possible sources of funding (including long-term funding)
- ❑ Provision of funding for adequate and detailed planning and scoping of investments
- ❑ Development of a monitoring tool for tracking changes and developments in each country regarding health needs, strategies/priorities, reforms, state of healthcare infrastructure, actual investments etc.



■ Technical assistance

- ❑ Inclusion of technical assistance in any capital developments funded by ESIF, EFSI, EIB, CEB, EBRD, NPBs etc.
- ❑ Simplification of procedures for obtaining funding – clearer rules and tools
- ❑ Stronger cross-country transfer of know-how and expertise about:
 - availability of financial sources
 - best practices in project preparation and evaluation methodologies
 - best practices in financing schemes
 - ❖ e.g. by funding training programmes for project development staff, exchange programmes, direct contact/relation with central and local governments, insurers, private stakeholders etc.