



## **Economic Crisis Threatens Access to Health and Social Services**

- **Economic programmes for cushioning the problems in healthcare largely unsuitable**
- **Shrinking GDP, rising unemployment and declining private insurance payments threaten the financing of healthcare systems**
- **Differences in the quality of healthcare for various social classes becoming considerably bigger**

The global economic crisis poses a massive threat to the stability of the public healthcare and social systems and to general access to healthcare services, warn leading experts speaking about this year's key theme of "Financial Crisis and Health Policy" at the European Health Forum Gastein (30 September to 3 October 2009), the leading health policy event in the European Union.

Empty government coffers reduce the possibility and willingness for government support of the healthcare system; declining economic output and rising unemployment in turn lead to a decline in contributions to the health insurance schemes. The problem is also intensified by the fact that the economic crisis also encourages unhealthy behavioural patterns – poor nutritional habits, smoking, alcohol, less movement. As a whole, the consequences for socially weak groups are substantially more serious and the health differences between population groups are becoming considerably greater.

"The crisis is a serious threat to the healthcare system, but the negative consequences are not inevitable," says Armin Fidler, the World Bank's chief advisor on health issues. "The problem could be efficiently countered with specific measures in the scope of the various national economic stimulus programmes." Experience from earlier crises shows that spending on general healthcare is considerably reduced during economic downturns and that afterward it takes a relatively long time before it reaches the former standard again. "Those who allow the crisis to reduce the standard of healthcare are getting into a long-term problem with potentially catastrophic consequences for the social situation," Fidler says.

Fidler basically assesses as positive, that substantial parts of the numerous national economic stimulus programmes are devoted to the healthcare sector. For example, the area of healthcare accounts for approximately 7.5 percent of the US economic stimulus package; in Germany it is ten percent of EUR 50bn. What is problematic, however, is that most of the spending will only have an impact in the long term and does not help to safeguard the current healthcare situation. Thus, in the US the development of a modern health information system certainly makes sense in the long term and is also an impulse for the IT industry, but it fails to improve the healthcare situation at this time. The same is true of the German economic stimulus package, whose healthcare component is largely allocated to the modernisation and building of hospitals. "This supports the labour market and may improve infrastructure in the long term, but it does nothing for the precarious healthcare situation during the crisis."



Thus Fidler demands that the portions of the economic stimulus programme devoted to healthcare focus primarily on safeguarding and improving the current state of healthcare with health benefits. In the process, the health sector can even finance a significant part of such programmes on its own. “The crisis should also be viewed as an opportunity to implement long overdue reforms and there is enough latitude in which cost cuts are possible without negative consequences for healthcare.”

Even possible cuts in health-oriented areas in development aid and bilateral support could have negative repercussions on industrialised nations, Fidler fears. Less funds for battling illnesses such as the new flu, bird flu, tuberculosis, AIDS or SARS also pose a potential danger to European countries.

“It is unavoidable that the financial crisis has negative effects on other areas of life and the latest studies being presented at the European Health Forum also show how dramatic these can be,” says EHFG President Günther Leiner. “But it is the task of policymakers to govern where losses can be accepted and where they cannot. In the truest sense of the word quality assurance and access to health services concerns the lives of people and for that reason there should be no question that this area is granted utmost priority. There can be cuts in the area of healthcare only as a result of rationalisation, but absolutely no cuts in services resulting as a result of rationing.

**Press Service:**

**EHFG-Press Office**

c/o MB Dialog

Thomas Brey

Tel.: +43 1 917 51 18-15

E-Mail: [ehfg@mbdialog.at](mailto:ehfg@mbdialog.at)