

PRESS POINT – HEALTH FINANCING

Thursday, 4 October 2018

Health financing was at the heart of today's EHFG press point. While no one disputes the intrinsic value of a healthy society, health spending is more often than not considered a cost rather than an investment. If health spending should be seen as an investment, we should also move towards a system that assesses health performance according to financial parameters. It is, however, difficult to clearly pinpoint the return on investment when it comes to the money spent on health. This issue represents one of the contemporary challenges faced by health and finance ministries alike.

Hans Kluge – Director of Health Systems and Public Health, World Health Organization

European health systems have to do silly things to be fit for the challenges of the 21st century. If Europe is to leave no one behind, a central aspect of Universal Health Coverage (UHC) and the Sustainable Development Goals (SDGs), health systems should focus on the three “Is”: include, invest, innovate. In the European context, “including” means protecting people from expensive out of pocket payments. Sustainable innovation and investments furthermore help to achieve better health.

Forty years after the Alma-Ata Declaration, primary healthcare is more people-centred, more cost-efficient and plays a key role in relieving the burden on hospitals.

Looking at the declaration, we can say the glass is half full – or half empty – but many innovations are right in front of us. Changing the task profiles for nurses and midwives and increasing primary healthcare can be seen as an innovation as well.

UHC is the top priority of the new WHO leadership under Dr Tedros. UHC underpins the mission of the World Health Organization (WHO) – promoting health, serving the vulnerable and keeping the world safe – and it is part of the SDGs. The heads of state approved the SDGs and Ministries of Health approved UHC as the WHO's top priority, and civil society is important to help keep governments accountable.

4-7% of health spending goes into public health, but that does not calculate the funding for health by other sectors. There is a big gap between governments' emphasis on prevention and actually funding prevention programs. If prevention is done right, the results are not as easy to see as when that same efforts go into building a new hospital.

We want to work towards a new social pact with the industry to ensure that no one is left behind. A fair price for medicines balances allowing access to all patients who need medicines and providing enough incentives for industry to continue innovation.

Martti Hetemäki - Permanent Secretary, Ministry of Finance, Finland

Finance and health need to work together.

It is key that money is allocated in an efficient way to produce good health results. We need to solve many questions related to data use, data privacy and ownership, because data can be used to efficiently allocate healthcare resources.

Finance ministries understand the importance of integrated primary care. Why do we understand that? In Finland, for example, we have UHC. We still have difficulties meeting all the needs of patients in primary care. And those unmet needs increase the burden on specialised care. To integrate health and social services is difficult, but we need to reform the healthcare system by adopting an integrated approach that does combine different services, and that allows for the integration of primary and specialised hospital services. We need to work together to achieve these goals.

If countries do not pay for primary healthcare and UHC, if they do not address health problems at their source, they are met with higher costs later, which can be prevented. Many health problems are also related to other problems like unemployment and poverty.

**Natasha Azzopardi-Muscat, Directorate for Health Information & Research,
Malta**

Health and finance need to be in dialogue. We need to distinguish financing for healthcare and financing for health. Financing for healthcare is money that goes into the provision of services, paying salaries for health professionals, etc. This opens necessary discussions on taxes, subsidies and other financing possibilities. Financing for health includes making the right political, legal, and fiscal decision to improve the health of the population. This can be done by reducing inequalities, investing in the well-being of children, providing fresh and wholesome food, and making appropriate choice around tobacco and alcohol.

The path to fair pricing of medicines is very complex and difficult. It is hard to assess how much public and how much private money goes into research. But we have underestimated the amount of public money that goes into innovation, so one of the issues we need to put on the agenda is to get a more transparent breakdown to arrive at a fair price.