



# European Integration in Health: Competition or Coordination



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## EU integration health (Art.152 and Art.95)

### Art. 152

- Public health legislation

### Art.95

- Directive 36/2005 on the recognition of professional qualifications
- Market Authorisation of Pharmaceuticals
- Third non-life insurance Directive 49/92



## European Integration: Coordination and cooperation between Health systems

- Regulation 883/04 on the coordination of social security systems
- Art. 152 of the EC Treaty: "...shall encourage co-operation between MS"



# Competition between or within health systems?

## Within the MS health systems:

- The health sector is not a normal market because it is not only driven by demand and supply, but also values and principles
- Information asymmetry between patients and health care providers
- Could competition practices work under these values without contradicting them?
- Challenges for the health systems to ensure fiscal sustainability and affordability - reforms targeting more economic efficiency
- Increased competition between public and private actors or the introduction of more and more market-style elements in healthcare in the MS



# Competition between or within health systems?

## Between the MS health systems :

- In theory: between the providers and insurances due to costs of treatments, social insurance coverage, types of services provided or safety and quality of services;
- Internal market law could foster competition



# Health systems and the EU internal market

- Although according to the EC Treaty Health systems remain within the MS national responsibilities
- They function based on relations between patients, professionals, goods, services and entities (providers, insurances), which operate in the context and rules of the EU internal market
- In the EU internal market, the fundamental freedoms of movement and competition law apply



# Health systems and the EU internal market

- Despite the specific nature of health, ECJ rulings show that all of the elements of the health system could in theory fall in the ambit of the internal market
- Provision of healthcare is considered as an economic activity
- Limitations of application of internal markets rules are possible if justified
- Derogations of grounds of public health is also possible



*Does the EU integration in health increase competition?*

*A contradiction exists between both the EU internal market and the EU health systems nature, values and goals.*

*So what can be done?*



## **Member States have the competence to decide how to organise their health systems**

- The EU promotes the exchange of information and feedback between Member States on these new provisions. The Open Method of Coordination (OMC) provides a good forum for that.
- The EU recalls and promotes the agreed overall values of universality access to good quality care, equity and solidarity.
- The EU reminds that incautious application of market mechanism could undermine these values



# Current tendencies in the EU Member States

- A report published by DG EMPL, European Commission on "Private health insurance in the European Union" of 18 May 2009
  - Some conclusions:
    - Impact of PHI on health policy objectives – effects are mixed, in many cases negative
    - There is a clear division between the newer and older Member States with regard to market development and public debate about PHI
    - Diversity of health systems and markets in the EU requires case by case approach and market evaluation



# The EU law is playing and will play a significant role in the development of the national and the European health policies

Member States need to take into account the EU law when taking decisions about their health systems reforms





## What can the EU do?

- Indeed, there is a contradiction between the internal market and health systems goals, which could cause imbalances for MS health systems.
- The freedom of movement of health professionals, for example, allows physicians from Poland to work in the UK.
- Is there a level playing field?
- Should we prohibit this or rather find incentives to retain them at home?
- The EU „Green Paper on Workforce for Health“
- [Should the EU regulate on this issue to counter balance the internal market rules?](#)



## What can the EU do?

- The EU policy in health does not aim at promoting competition between the health systems!
- Seeks to make a best use of internal market principles for patients and remove legal uncertainty
- The EU initiatives may translate into transparency on the quality, efficacy and accessibility of the national health systems as well empowerment of patients to be able to make informed choices



# European Integration in Health

- Coordination and cooperation between health systems
- Convergence and cohesion of standards
- Investments to reduce health inequalities
- Rights of patients to benefit of Europe for their health
- Common values of universality, equity, solidarity and access to all to safety and quality health care
- Market mechanisms, if carefully selected, could lead to increased health systems efficiency, but should not undermine values. It is Member States competence to decide in how far to introduce market mechanisms.
- Lessons learned from the current financial crises „ *„market economy yes, but not market society“*, in health patients needs should come first.



# The EU Health Strategy 2008-2013

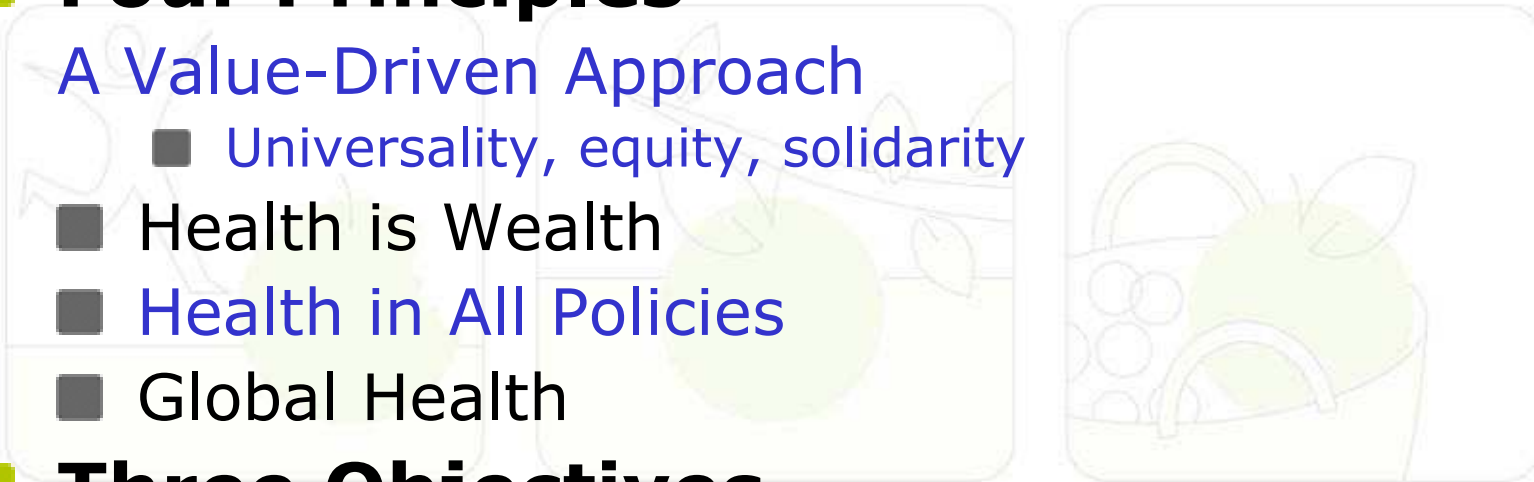
## ■ Four Principles

### A Value-Driven Approach

- Universality, equity, solidarity
- Health is Wealth
- Health in All Policies
- Global Health

## ■ Three Objectives

- Foster Good Health in an Ageing Europe
- Protect Citizens from Health Threats
- Dynamic Health Systems & New Technologies





# Implementation of the EU Health Strategy – structured cooperation mechanism

- Senior level Working party on Health in the Council
  - Discuss strategic issues and priorities
  - HIAP approach



# Improving healthcare for all in Europe



**Europe for Patients**





# Europe for Patients campaign

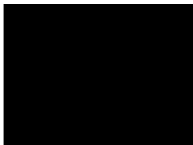
Commission launched campaign on 30/9/2008

## Aims:

- **tangible** and readily understandable communication framework for policies and actions related to EU healthcare.
- **single entry point** to the complex world of EU healthcare policies
- **coherent message** about the vision and priorities in EU healthcare for partners and stakeholders



More information on [health.europa.eu/efp](http://health.europa.eu/efp)





Proposal for a Directive on the application of patients' rights in the **cross-border healthcare**.  
(Adopted 2 July 2008)

Commission Communication and Council Recommendation on a European action in the field of **rare diseases**  
(Adopted 11 November 2008)



Green paper on the **European Workforce for Health**  
(adopted 10 Dec 08)



**Action against cancer:**  
European Platform and Report on implementation of the Cancer Screening Recommendation of 2003  
(Done 22 December 2008)



Commission Communication and Council Recommendation on **patient safety** including the prevention and control of HCAI (adopted 15 Dec 08)

Proposal for a directive setting standards of **quality and safety of human organs** intended for transplantation (adopted 8 Dec 2008)



Council recommendation on cross-border aspects of **childhood immunisation** (due 2009)



**EUROPEAN  
ANTIBIOTIC  
AWARENESS DAY**

**Prudent use of antibiotics**

2<sup>nd</sup> report from the Commission on the implementation of the Council recommendation. (Due 2009)

**European Antibiotic Awareness Day**, 18 November 2008. Managed by ECDC



# Directive on Patients Rights in Cross-border Healthcare (art.95)

1. Help patients to exercise their right to reimbursement for health treatment in any EU country ('cross-border healthcare')
2. Provide assurance about safety and quality of cross-border healthcare
3. Foster cooperation between health systems to improve healthcare for all



## The Directive also means a Fair and Equitable System

### All patients will have:

- Clarity about what they can get reimbursed and how
- Information about healthcare in other countries
- Assurances about quality and safety of care
- Assurances about getting help and compensation, if needed



# The Directive fosters cooperation between healthcare systems to improve healthcare for all

## Efficient use of resources

- Strengthening **E-Health** and improving interoperability
- **European Reference networks** (to share expertise and innovation on specialised care)
- Sharing efforts on **Health Technology Assessment**
- Easier **recognition of prescriptions** issued in other MS
- **Information on cross-border flows** – for planning





## What will be the impact:

Patients mobility remains limited but impact for individual patients is high !

No significant impact on national budgets



- **Quality and safety** of cross-border care improves
- More **clarity** for all about rules for **reimbursement** of care
- Patients have **new options to access the care they need**

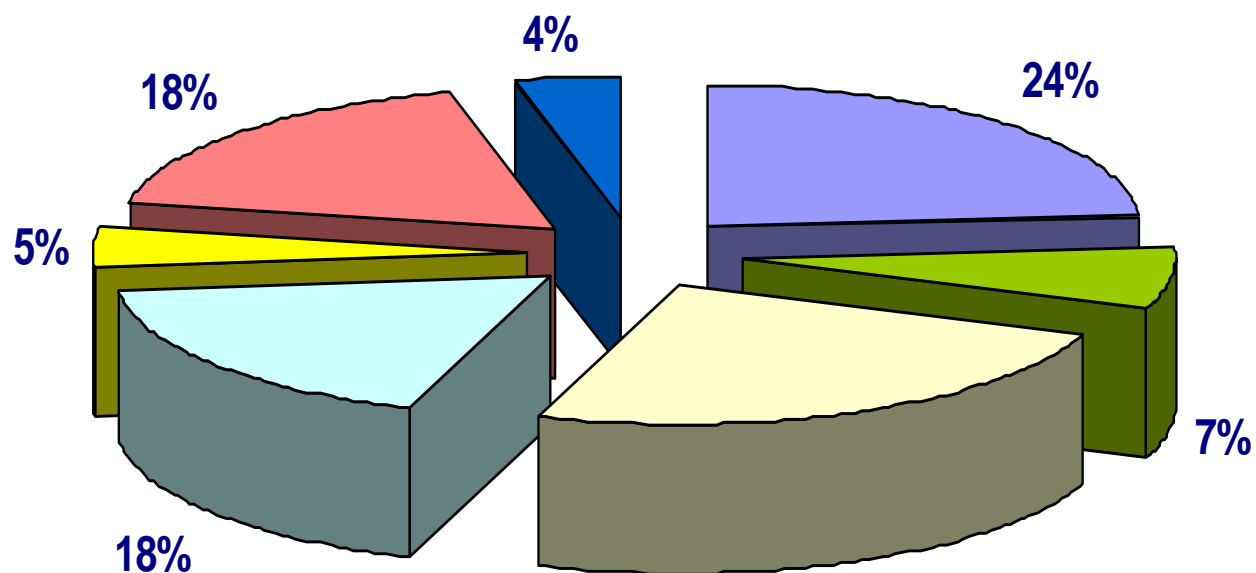


## PATIENT SAFETY: Extent of the problem?

- The UK (2000) - 10% of hospital admissions result in an adverse event each year.
- Studies in Spain, France & Denmark gave similar results.
- RAND Europe –
  - in EU Member States, between 8% and 12% of patients admitted to hospitals suffer from adverse effects whilst receiving healthcare.

# Public Consultation

## Priority ranking of Adverse Events requiring action in Member States



■ Medication-related event

■ Healthcare-associated infection

■ Surgery-related event

■ Other (Please specify)

■ Medical device or equipment-related event

■ Error in diagnosis

■ Communication problems



# Patient Safety Recommendation

## National Level:

- Staff Training
- Blame-free reporting systems
- Patient involvement

## At EU Level:

- Develop and promote research on patient safety.
- Classify, codify and measure patient safety.
- Share knowledge, experience and best practice at European level.



# Conclusions I:

- A tension between the EU internal market and the nature and goals of the health systems in the EU will continue to exist.
- Currently the internal market impacts the EU health policy in an unpredicted way- ECJ rulings.
- The health policy makers and legislators at national and EU level are in a complex situation, seeking solution to ensure the balance between:
  - the genuine role of the health systems to meet citizens need
  - the challenges of ageing, increased citizens expectation, application of innovation and technology in health care, the mounting pressure of the increased healthcare costs which could undermine the health system sustainability
  - the economic crises, which negative effects on health needs in short and long term requires decisive decisions
  - The internal market rules, which challenge the health policy making in the EU



## Conclusions II:

- We should be neither dismanteling the EU internal market, nor giving up from our values in health.
- Member Sates and the EU should find balance
- Competition between health systems in the EU might imply, but the EU health initiatives promote European integration in health trough coordination and cooperation.
- The EU health initiatives aim :
  - at convergence and cohesion between health systems, of standards and values,
  - to ensure better healthcare for all citizens in the EU, higher consideration of patients' right and choices and
  - to add value to health systems' efficiency and sustainability



**Do we need more integration in health?**

**Will the Lisbon Treaty change the paradigm between the EU law and the health policy in the EU?**



**Thank YOU!**

