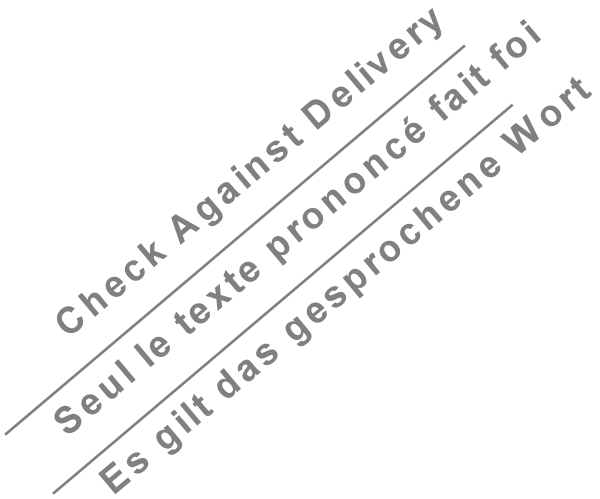
John Dalli

Member of the European Commission, responsible for Health and Consumer Policy

Commissioner Dalli delivers speech on "Is the economic crisis an opportunity for better efficiency in healthcare?"



John DALLI, European Commissioner for Health and Consumer Policy, attends the General Assembly of the European Coordination Committee of the Radiological, Electromedical and Healthcare IT Industry (COCIR)

Brussels, Belgium, 19 April 2012

COCIR GENERAL ASSEMBLY – OPEN SESSION

"IS THE ECONOMIC CRISIS AN OPPORTUNITY FOR BETTER EFFICIENCY IN HEALTHCARE?"

THURSDAY 19 APRIL 2012, 14:30 HRS

COCIR OFFICE - BRUSSELS

SPEECH

Ladies and Gentlemen,

I want to congratulate COCIR to put the impact of the ongoing sovereign debt crisis on our healthcare systems at the heart of this year's General Assembly. You ask whether the impact mainly is an opportunity for better efficiency.

Let me start on a more prudent tone. A key challenge we are facing today is to prevent the economic crisis from triggering a health crisis. This may sound dramatic, but the risk of this should not be underestimated.

It will be some years before we fully see the effects of the crisis on healthcare systems.

We know from past experience, however, that in times of crisis, health outcomes are greatly affected by changes in the resources devoted to health care.

The risk is the political temptation to make cuts in the short term which can inflict serious damage in the long term. Abandoning prevention programmes for example delivers immediate savings – but the long-term effects can be serious.

Clearly we cannot stand still. We must seize the opportunities to push reforms, to think more freely, to embrace and develop new ideas and concepts that perhaps we might not have embraced in a calmer economic climate.

There is clearly scope for us to take stock in times of difficulty and seek to engineer more efficient basic healthcare models, better designed to meet the challenges of the future.

We need to work together to find better innovative models that address the unfolding challenges – not least the ageing society.

To do this effectively, co-ordination and dialogue are needed at EU level to add value to efforts to increase efficiency; to provide economies of scale; and to make better use of expertise.

Health systems play an important role in the economy:

- Health and social work accounts for 10% of overall employment.

- The health industry holds the potential for health-related R&D to reach 0.3% of GDP.

- Health contributes to overall employability by enhancing the productivity of the workforce and offering quality jobs.

- And health investments serve as an effective safeguard against poverty.

Health should therefore be given a more prominent role in the 2012 European Semester to reflect its importance within the policy agendas of the Member States, and to reflect the potential of health towards boosting economic growth.

Innovation – and more specifically harnessing innovation for the public good – holds great promise for the future of healthcare systems.

Indeed, there is tremendous potential for such innovation and your companies have an important contribution to make – for patients, for the healthcare sector, for health professionals and for the wider economy.

A number of initiatives at European level support such innovation. For example:

- Appropriate regulation in the health sector that provides incentives for future growth whilst safeguarding patient safety;
- Increased co-operation on Health Technology Assessment to avoid duplication of research and speed up reimbursement; and

- Uptake of eHealth solutions to support health systems as they strive for better health outcomes and more efficient models.

Let me elaborate on these points.

Getting the regulatory environment right

A sound regulatory environment is an essential foundation for a thriving healthcare sector.

The field of medical devices is a good case in point. Over the past 20 years, the EU regulatory framework for medical devices has served its purpose well.

However, this legislation needs to be adapted to match present and future technical and scientific progress and remedy certain weaknesses that have come to light.

The Commission plans to present proposals for new EU regulations governing medical devices later this year.

These new regulations should deliver a more transparent regulatory system taking due account of the specificities of the sector.

They will reinforce Europe's position at the forefront of innovation in medical technology and further enhance and ensure the already high level of safety.

This latter point is of crucial importance. There can be no compromise on safety. Citizens should be confident in the safety of medical devices.

Let me briefly set out the main elements of what we intend to propose.

- The positive aspects of the current Directives will be retained – in particular its innovation-friendly character; the fact that it allows rapid access of new devices to the market; and its cost-efficiency.

- But we need to provide for mechanisms that ensure that the rules are effectively enforced across the EU, so the scope of the regulatory framework will be clarified and, in certain cases, extended.

- The control of notified bodies will be reinforced.

- The requirements concerning clinical evidence will be strengthened and clarified to demonstrate the safety and performance of a device.

- Improvements will be made to ensure timely and uniform action in the areas of vigilance and market surveillance.

- Requirements regarding traceability will also be introduced.

- Moreover, the revision of the medical devices Directives will contribute to a simplification of the regulatory environment.

  The transformation of the three main Directives and their amending and implementing Directives into two Regulations means that there will be no need for the adoption of national transposition laws, which often lead to divergences and undermine legal certainty for economic operators.

- Finally, a better definition of the obligations of economic operators will increase the clarity and consistency of the legislative framework.

PIP breast implants

Turning to recent events, everyone is acutely aware of the scandal concerning breast implants and of the fraud of a French manufacturer. This fraud went undetected for ten years and is therefore a strong call for concerted action.

Revising the current legislation will take some time to agree upon and put into place.

Because of this, I have asked the Member States to contribute to a joint plan for immediate action on the basis of the current legislation.

This plan will contribute to tighten up controls, provide a better guarantee of the safety of medical technology and begin to restore patient confidence.

The broader picture

As governments across Europe introduce cost containment measures we have to identify long-term solutions.

Co-operation on Health Technology Assessment offers such a possibility. HTA is a well-functioning tool to identify which health technologies to introduce and which to phase out. Sharing safety, effectiveness and costs analyses will help health managers and politicians make better informed choices.

Next year, we will give this co-operation a permanent structure, the network of HTA agencies. This will contribute to establishing more common approaches to assessing new health technologies, thereby bringing more transparency and predictability to European healthcare industries and patients.

e-Health

I am sure I do not need to emphasise to this audience the importance of eHealth. So allow me instead to simply share with you information on the latest developments in this field.

First, we are currently preparing the launch of the eHealth Network of National Authorities responsible for eHealth, set up under the Directive on Patients' Rights in Cross-Border Healthcare.

This network will strengthen co-operation between Member States on e-Health and promote the need for interoperability between electronic health systems.

It will provide an excellent platform for Member States to address a number of open issues related to eHealth and to speed up its uptake.

While individual projects and progress are welcome, we must aim for feasibility and sustainability on a larger scale.

The first meeting of the e-Health Network is planned for 8 May in Copenhagen.
Second, by the end of this year, the Commission will have adopted a new Action Plan on eHealth for 2012-2020.

This will develop actions to kick-start the delivery of eHealth and will encourage the sharing of best practices and measuring progress on eHealth across the European Union.

I welcome all contributions to this process and hope I can count on your commitment towards making eHealth a reality across the EU for the benefit of all citizens.

The need to redesign healthcare: EIP active and healthy ageing

Before I close, I would like to mention one of our most exciting initiatives – the European Innovation Partnership on Active and Healthy Ageing.

This represents a new, stakeholder-driven approach to support innovation throughout the entire innovation cycle and across the health and care sectors.

A key element of the Partnership is to improve the business environment and encourage cross-sectoral collaboration.

The Partnership will mobilise both the private and public sectors to translate research and innovation into products, devices, and services that respond to the needs of Europeans, ultimately turning challenges into opportunities and healthcare expenses into sound investments.

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Ladies and Gentlemen,

I have touched on just a few areas where I firmly believe that innovation can lead to a better tomorrow.

The economic crisis is painful, but if we can act together, and if we have the courage of our convictions, I am sure we can emerge stronger to not only cope but to flourish in years to come.

Thank you.

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