

John Dalli

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

Commissioner Dalli delivers speech on Scenarios for Sustainable Health Systems at the Work Economic Forum

*Check Against Delivery
Seul le texte prononcé fait foi
Es gilt das gesprochene Wort*

John DALLI, European Commissioner for Health and Consumer Policy, attends the Annual Meeting of the World Economic Forum

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WORLD ECONOMIC FORUM DAVOS

INDUSTRY PARTNERS SESSION:

SCENARIOS FOR SUSTAINABLE HEALTH SYSTEMS

FRIDAY 27 JANUARY 2012

8H15 – 10H00

SPEECH

TRANSFORMING EUROPEAN HEALTH SYSTEMS

Health systems play a key role in determining people's health. This is a clear and an obvious statement.

What is perhaps less clear, and not often recognized, is the fact that health systems are vital for the economy of a society.

Over recent decades, increased resources devoted to health systems have led to longer and better lives; and a higher quality of life and well being.

Health systems contribute to economic growth; by fostering a healthier workforce, and as a major employer of highly qualified workers.

They also drive demand for medical goods at the cutting edge of knowledge, research and innovation.

So why do we need to transform them? What are the imperatives we have to follow within the context of an economic downturn that is likely to transform much of what we hitherto have taken for granted?

We all know that healthcare costs.

The concern is that it is costing more and more; driven by growing demand for healthcare linked to ageing and patient's expectations, against serious budget constraints.

Health systems require a significant and growing proportion of national GDP – in Europe and around the world. Indeed it is worrying that health spending is growing at a faster pace than GDP.

Governments have no choice but to radically transform health systems; if they want to meet the health needs of their citizens for generations to come. This is called sustainability.

This is why in Europe we have been reflecting on solutions – very much along the lines of the levers of the project we heard about earlier - to find ways to deliver high quality healthcare to all, while keeping down costs.

I see three solutions: innovation, smart investment and health promotion.

First, when I speak about innovation as a solution, I mean innovation on how health systems are organised and run; how money is spent, how much health care is centralised into hospitals rather than decentralised into smaller centres; which equipment is used and how.

Duplication, red tape, and acquired habits can be found in all of these. This is why I fully agree with your project's conclusions: we need modern management – and accountancy - in health settings, to improve cost-efficiency.

We also need innovation to maximise the potential of our health professionals in terms of encouraging team work and skills mix, and striking the right balance between types of staff and specialisations.

By innovation I naturally mean technology too. Health technology offers great potential to provide better healthcare, to more people, in a more cost-efficient manner.

Just think of systems that enable a health centre to tele-monitor patients with chronic diseases from afar. The patients can have their indicators monitored from the comfort of their home, rather than going often to the hospital. And the doctors can save precious time.

Or think of telemedicine. It enables patients to access a highly specialised doctor – possibly in another country – without leaving their home town; and it enables a hospital to provide access to rare expertise without having to recruit a specialist in house.

Second solution now, smart investment.

Rather than spending more, we need to spend better.

We need to find ways to capitalise faster on health investment so that the pain (of spending money) and the gain (in outcomes) go hand in hand.

With most health investment, it is pain now, gain in 5 or more years. The political cash flow of health spending needs to be shortened.

We also need to find ways to organise health investments into smaller manageable instalments and use more innovative financing means.

Technology can absorb sizeable investments. This is why we must assess technology carefully to take the right decision on which technology to invest on.

Third solution, promoting good health first.

We need to re-configure health systems around promoting health and preventing illness.

Health systems should encourage and support people in taking up healthy ways of living, rather than just treating them when they are ill.

Why should we spend so much money on treating diseases that are purely preventable? Just think of all the money health systems could save if people stopped smoking.

Tobacco, alcohol abuse and obesity are some of the main causes of illness. And they are all preventable; the time has come for health systems to actually invest in health.

To conclude,

All our health systems are going through similar challenges. Let us not reinvent the wheel.

I look forward to our discussion today and to inspiring ideas to support the next generation of health systems.