



## FEANTSA Reaction to the Consultation Regarding Community Action on Health Services

**FEANTSA** is the European Federation of National Organisations working with People who are Homeless. It is a federation of over 100 organisations from 30 EU countries. Its members are mainly national or regional umbrella organisations working with people who are homeless. The aim of FEANTSA is to be/create the most effective means of ending homelessness in Europe. In 2006 Health and Homelessness was the annual theme of FEANTSA and the organisation gathered substantial input on issues such as access to health for people who are homeless from its members and researchers.<sup>1</sup> This work underpins the present response. The response will briefly cover the following points:

- **Introduction**
- **Healthcare : The Imperfect Market**
- **Vulnerable Consumers: the Inverse Care Rule**
- **Health: A Right and a Resource**
- **FEANTSA's Support for the EPHA position**
- **Question 8**
- **Question 9**
- **Conclusions / Executive Summary**

### **Introduction**

In all of the communication surrounding the present consultation, the Commission made it very clear that it is intended to be a logical follow-on from the exclusion of health care from the directive on services in the internal market, due to their specific nature and the challenges that arise from it. As the consultation also rightly notes, this initiative on services must be seen in the context of the wider challenges facing healthcare systems across the EU in light of social and demographic changes and the need to ensure the future efficiency of healthcare systems. FEANTSA is therefore concerned that this consultation has been very narrowly focused on facilitating cross-border mobility and the technical considerations to be addressed, while to some degree eschewing the wider debate on which internal market framework would be best adapted to health services and will allow them to provide equal access for equal need in the future. The Open Method of Coordination in relation to health and long-term care is certainly a valuable mutual-learning tool, but a wider consultation of all relevant actors and stakeholders is also vital in order to build up a European picture of how to take action on health services, while taking account of their specificities. It seems important to look beyond simply facilitating movement of patients and services, to examine what this means in terms of competition, for which services it might be appropriate and why.

For this reason, FEANTSA will limit itself to general comments in its response to the consultation, as well as a brief contribution on questions 8 and 9.

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<sup>1</sup> This work, including FEANTSA's European Report « The Right to health is a Human Right : ensuring access to health for people who are homeless » may be found on our website:

<http://www.feantsa.org/code/en/theme.asp?ID=2>

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## **Healthcare: The Imperfect Market**

Should market forces play a role in the financing and delivering of healthcare services? FEANTSA believes that this is a question that deserves to be thoroughly answered if an internal market framework is to be further developed and refined in relation to healthcare services. This question, and the answers coming from European citizens and member states, must be taken into account in all future action.

From a purely practical perspective, strong economic arguments have been made that the market in healthcare has none of the characteristics that would allow it to be efficiently regulated by market principles and that the present configuration of healthcare systems across Europe strongly reflects that fact. The 2004 book: "Economics of Health Care Financing: the Visible Hand"<sup>2</sup> makes a very strong case for substantial government intervention as the most efficient way of ensuring that healthcare services meet the needs of the consumers who use them. That conclusion is expressed as follows:

"the basic reasoning underlying *extensive* government intervention in health care, however, is that *none* of the ideal assumptions of the perfect market works in the care of health care . Thus market failure in the allocation of health care is so complete that extensive government intervention is more likely to result in the achievement of societal objectives than are market forces supplemented by minimal government intervention."<sup>3</sup>

One of the likely outcomes where the financing of health care is dictated by market rules is of parts of the population being without insurance coverage<sup>4</sup>, compromising their access to healthcare. This is of particular concern to FEANTSA. It would represent a worsening of the existing situation, where much of the homeless population experience difficulty accessing the healthcare that they need and clarifying their entitlements to care.

## **Vulnerable Consumers: the Inverse Care Rule**

Within the framework of the Open Method of Coordination, the European Commission organised a peer review in January 2007 on "Access to care and health status inequalities in a context of healthcare reform". The findings of that peer review are certainly relevant to the planned initiative on healthcare services and should inform it. The expert paper that underpinned the discussion examined the role of the healthcare system in relation to health inequalities and found that it has a significant role, distinct from other social determinants of health. Healthcare plays a role in population health, but access to healthcare is not evenly spread across the population. For a range of socio-economic reasons, people who are poorest tend to have the greatest healthcare needs, but also the worst access to care. This documented economic reality is known as the "Inverse care rule" and it means that "the availability of good medical care tends to vary inversely with the need for it in the population served."<sup>5</sup>

This is also well-illustrated by the health situation of people who are homeless in Europe. Even a general review of the health of people who are roofless and houseless serves to

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<sup>2</sup> Donaldson, C., Gerard, K., Jan, S., Mitton, C. & Wiseman, V. (2004): [Economics of health care financing: the Visible Hand](#), New York: Palgrave Macmillan.

<sup>3</sup> Idem, p. 29

<sup>4</sup> Idem p. 51

<sup>5</sup> Christina Masseria, LSE Health: "Access to Care and Health Status Inequalities in a Context of Healthcare reform", this should be shortly available on the Peer Review Website: <http://www.peer-review-social-inclusion.net/peer-reviews/2007>

highlight the chronic bad health and suffering that often accompanies this situation. In the case of people who are homeless, the impact of very difficult and unhealthy living conditions is worsened by problems accessing care and late recourse to medical aid leading to very bad general health. Thus, among people who are roofless and houseless, one often finds a cumulation of health problems that have become very severe and add up to a high aggregate of vulnerability across a range of areas. These are further complicated by precarious living conditions and bad nutrition.

Another important factor in the health situation of people experiencing homelessness is that the health problems they experience are usually complex and multiple. A strong agreement emerged from all the national reports of FEANTSA that this issue of multiple needs is a significant treatment problem. It also means that homeless people are highly vulnerable, as they frequently suffer from several problems concomitantly: so it might be possible that a person who is homeless might simultaneously have a physical injury, a physical illness, mental health problems and substance abuse problems.

Yet despite these severe health needs, homeless people frequently go without the care that they need. Financial and administrative hurdles often prove insurmountable and there may be a reluctance on the part of health services to engage with them. Homeless people are vulnerable consumers and are without the financial power to command a good quality service. They are at the mercy of the baseline public provisions made for them and where even a small out of pocket payment is introduced for emergency or basic primary care, this can have a very negative impact in terms of access to health.

It is clear that vulnerable groups are already living with significant health inequalities and that, as weak consumers, they cannot hope to command a better service within a more competitive framework. It is highly unlikely, therefore, that market rules will ensure a diminution of existing health inequalities. The vulnerable status of people who are homeless is further worsened by the fact that they are not informed consumers. They may be unaware of the gravity of their health situation and workers in the homeless sector often have to work to convince them of the need for care. Homeless people also report that it is difficult to access clear information about their entitlements and that they are often unsure about how they can access care.

### **Health: A Right and a Resource**

Healthcare is not a commodity like any other and its specificities must be taken into account. Health has clearly been framed as a right in many international legal agreements, including the European Charter of Fundamental Rights. What is more, the right to health also underpins many other human rights, such as the right to a life in dignity, the right to housing and the right to work. The recognition that member states must try to guarantee the highest possible standard of health to its citizens has played a central role in European activities up to now. Ensuring equal access to healthcare is one of the aims of the open method of coordination on health and longterm care and universality of access was one of the principles for EU health systems adopted by European health Ministers in the June 2006 Health Council. Thus it is clear that this focus on equal access for equal need to quality health care should remain at the heart of any activity on healthcare services. In this way, health services have a clear general interest aim that must be safeguarded.

It is also true that good health is a vital resource for the EU and that maintaining strong, equitable healthcare systems is a vital element in meeting the demographic challenges that

lie ahead and ensuring longer healthy life years for European citizens. Clearly, closer integration between health, social and employment sectors is an important area for investment and development. It will serve to reduce social exclusion and ensure that people who have experienced ill-health are supported to return to the labour market.

### **FEANTSA's Support for the EPHA position**

FEANTSA is a member of the European Public Health Alliance and fully supports the contribution to the present consultation that they have submitted, in particular the two guiding principles that:

- Any European initiative on health services must contribute towards improving the health status of people living in Europe. This means aiming for a high level of health protection, while fully respecting the subsidiarity principle and allowing Member States to organise effectively their health system. The objective should be to support accessible, financially sustainable and high quality healthcare organised on the basis of solidarity for all people living in the European Union.
- Health services are an integral element of services of general interest and this should be reflected in a comprehensive legal framework which would protect the right to health and access to healthcare, rather than just a narrow focus on facilitating cross-border mobility

### **Question 8:**

**In what ways should European action help support the health systems of the Member States and the different actors in them? Are there areas not identified above?**

#### *Data collection on health inequalities and access to health for vulnerable and excluded groups*

In all of FEANTSA's work on health of people who are homeless and on health inequalities, it is a recurring problem that there is little data on the health situation of excluded groups and on health inequalities. This is also a major barrier to improving policy-making in this area and to measuring the impact of new policy approaches to tackle health inequalities.

FEANTSA's work over the past decade has included closely examining data collection approaches to homelessness and the most effective and representative ways of measuring it. It has proved fruitful to undertake this work at European level and Commission funded studies, such as the recent study on "Measuring Homelessness" have allowed solid progress to be made in this area. This is having an impact on data collection and policy development in relation to homelessness across the EU. FEANTSA believes that the EU could similarly facilitate and drive forward the work on data collection in relation to health inequalities and access to quality care for excluded and vulnerable groups, which would help member states to progress in this area.

#### *Europe as tool to strengthen and engage with civil society*

FEANTSA's experience has shown that engagement with the EU is a good way of strengthening civil society. Working transnationally can help civil society at national level to be developed and organised. European support can allow networks to emerge and work together at national level and have a stronger stakeholder position in policy development in their country.

Many of FEANTSA's members provide health services of different kinds to their service-users and as such they are a source of expertise and experience in relation to tackling the health needs of people who are homeless. They are a relevant stakeholder and partner in health actions to target this group. This holds true outside of the homeless sector as well. Civil society actors have an important role across a range of health areas. The EU has an important role in helping them to realise their potential, where this is not already the case.

**Question 9:**

**What tools would be appropriate to tackle the different issues related to health services at EU level? What issues should be addressed through community legislation and what through non-legislative means.**

As FEANTSA has made clear in this short paper, we consider that health is a human right and that provision of healthcare is a service of general interest. As such, it is vital that the framework within which it operates allow it to reach its general interests aims and should promote equity in access to healthcare. This means that any future legal framework should take account of and safeguard these principles. It may be that legislative means would be the most effective way of addressing the specificities of healthcare services, recognising their general interest aim of promoting the right to health and equitable access to healthcare.

FEANTSA is concerned about the separation of healthcare services and social services in the consultation processes currently taking place. This seems a very artificial separation, as the cross-over between the two are very great. In the homeless sector, homeless people may for example be able to access drugs and alcohol counselling and support services, or mental health services in the hostel setting. Are such services to be classified as health or social services? There may be a strong medical dimension in outreach work to homeless people for example. Such work often brings together medical and social workers in multi-disciplinary teams. Given the range of such services, catering for vulnerable groups in particular, FEANTSA questions the utility of such a separation. It is vital that the two processes be joined-up in the Commission's working and thinking, so as to ensure the best outcomes.

**Conclusions/Executive Summary:**

- FEANTSA is concerned that this consultation has been very narrowly focused on facilitating cross-border mobility and the technical considerations to be addressed, while to some degree eschewing the wider debate on what internal market framework is adapted to health services and will best allow them to provide equal access for equal need in the future.
- From a purely practical perspective, strong economic arguments have been made that the market in healthcare has none of the characteristics that would allow it to be efficiently regulated by market principles and that the present configuration of healthcare systems across Europe strongly reflects that fact. Should market forces play a role in the financing and delivering of healthcare services? FEANTSA believes that this is a question that deserves to be thoroughly answered if an internal market framework is to be further developed and refined in relation to healthcare services.
- Healthcare plays a role in population health, but access to healthcare is not evenly spread across the population. For a range of socio-economic reasons, people who are poorest tend to have the greatest healthcare needs, but also the worst access to care.

This is also well-illustrated by the health situation of people who are homeless in Europe. It is clear that vulnerable groups are already living with significant health inequalities and that, as weak consumers, they cannot hope to command a better service within a more competitive framework. It is highly unlikely, therefore, that market rules will ensure a diminution of existing health inequalities.

- Health has clearly been framed as a right in many international legal agreements, including the European Charter of Fundamental Rights. It is also true that good health is a vital resource for the EU and that maintaining strong, equitable healthcare systems is a vital element in meeting the demographic challenges that lie ahead. Thus it is clear that this focus on equal access for equal need to quality health care should remain at the heart of any activity on healthcare services.
- FEANTSA is a member of the European Public Health Alliance and fully supports the contribution to the present consultation that they have submitted.
- **Q8:** - FEANTSA believes that the EU could similarly facilitate and drive forward the work on data collection in relation to health inequalities and access to quality care for excluded and vulnerable groups, which would help member states to progress in this area.
- Civil society actors have an important role across a range of health areas. The EU has an important role in helping them to realise their potential, where this is not already the case.
- **Q9:** - It may be that legislative means would be the most effective way of addressing the specificities of healthcare services, recognising their general interest aim of promoting the right to health and equitable access to healthcare.
- FEANTSA is concerned about the separation of healthcare services and social services in the consultation processes currently taking place. This seems a very artificial separation, as the cross-over between the two are very great. It is vital that the two processes be joined-up in the Commission's working and thinking, so as to ensure the best outcomes.

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