



EUROPEAN ACADEMY OF SCIENCES AND ARTS

Response to the

COMMUNICATION FROM THE COMMISSION

Consultation regarding Community action on health services

by

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1. Introduction

High quality health care is indeed a priority issue for European citizens, the right to healthcare is recognized as a fundamental right of the EU.

Furthermore it has to be recognized that health care is the largest market and has the greatest potential being the lead market. High quality medicine is effective and clear concepts lead to a cost reduction.

The European Academy of Sciences and Arts is focusing since years on “Strategic visions for European healthcare at the beginning of the 21st century”. This has been formulated in a report entitled “Health is Wealth”¹ to the European Parliament. The main issue is to ensure Health for All in Europe.

Health is Wealth is a patient orientated concept, which has been developed by the European Academy of Sciences and Arts and published as a report to the European Parliament. This report has been established interdisciplinary under the leadership of a practicing doctor, who understands the needs of the patient.

This report shows in a unique way the future Health Care Concept: around the patient three clusters are positioned: Medical Arts, Medical Organization and Medical Financing.

The Medical Arts follow the principles of the new paradigm in medicine, the Medical Organization and Medical Financing the principles of the market.

2. Response to your questions:

Upcoming Patients mobility is indeed indispensable for cross border provisions.

The Universitätsklinik für Herzchirurgie in Salzburg is working cross the border between Salzburg and Bavaria in a true European regional concept. My responses are out of the view of an acting cardiac surgeon who operates daily and is in contact with the demands of the patients. Since 22 years I am the director of the Universitätsklinik für Herzchirurgie in Salzburg and we operated 12.000 patients from Bavaria and Salzburg. There have been no problems occurring by the health insurances, the transfer of informations is no problem due to the modern media like e-health.

Based to this significant clinical experience and long time cooperation the nine questions can be answered based to a real clinical reality.

Question 1:

Cross border healthcare is an important issue especially in regions between two countries. It is based to the cooperation between the institutions where the provision takes place and the insurance institutes from the home country. A main prerequisite for cross border patients is the full financial reimbursement.

¹ “Health is Wealth – Strategic Visions for European Healthcare at the beginning of the 21st century, Report to the European Parliament”, F. Unger, e.a., Springer, Heidelberg, 2004

Question 2:

Concerning the question on safety, high quality can be ensured by the authorities, who monitor their clinical institutions. The efficiency is controlled by the referring physicians.

Question 3:

The medical responsibility is with the doctors who deliver healthcare and therefore controlled by the authorities by the country where the provision takes place. In our experience there have been no problems between Salzburg and Bavaria.

Question 4:

The responsibility and the safety is with the institution where the provision takes place. In case of harm the institution has to take the whole burden of responsibility.

Question 5:

A sufficient patient flow is in the regions of two member states desirable. In contracts the financial compensation has to be ensured in advance. Furthermore it leads to a harmonizing of medical provisions in border areas, it stimulates efficiency of medical provisions overall. There is a high potential for cost reduction given.

Question 6:

In our concept "Health is Wealth" there is the movement of health professionals and Health care providers discussed. The main principle is, that all medical treatments are fully compensated where it takes place in Europe. Therefore a classification of medical provisions is mandatory as well as to introduce new concepts in financing medicine. In the first step the community can foster on the classification as a basis for financing. This classification must be done by the European Medical Professionals. In this response you will find the description entitled "Cluster I and III" as key elements in our concept.

Question 7:

It is evident that patients can be treated in other parts when the medical standards are met and financed by the insurance companies. A critical issue is to be found by the referring physicians. He is responsible too in referring patients cross the border.

Question 8:

In Europe we see the Health care systems working in different qualities. There is a big gap between Central Europe and other parts. Those actions will help raising the standards which can be met in Central Europe.

Question 9:

To tackle the system 3 main actions are necessary:

- a) Classification of the medical provisions based to efficiency and evidence.
- b) The organization needs monitoring ensuring the quality. The principle of standards are an European effort.
- c) The financing is indeed a severe national task. There are many efforts necessary to introduce a harmonisation

In summarizing the 9 questions it can be stated, that in order to facilitate European wide Health Care provisions your position paper contains an indispensable step toward a Health Care Market within implication being a lead market. There will be certainly a West-East flow of the patients, in the East the provisions can be offered cheaper. But the standards in quality and care have to be met where the provisions take place, the compensation is covered by the insurances where the patients are coming from. The cross border provisions should not cover insufficient local provisions.

In overall cross border health service is feasible and desirable. There is an increasing patient mobility given. In border areas alignment of medical services leads as a logical consequence to cost reduction. We have to confess that the medical health care provisions or medical arts are like a glittering pearl which is worn by the society as a Health Care Market. This market has a magnitude of 25 % of the GNP. According the Lisbon-strategies the Health Care Market is major significant lead market. To achieve a harmonized action on health services strong endeavours are necessary and should be done in a European concept. A report of an expert group like the Aho-report on

“Health care market – a potential upcoming lead market”
is highly recommended.

3. Health is Wealth

Health is Wealth is a patient orientated concept ensuring Health for All in Europe. This report can be used as the basis for a broad and solid discussion. Around the patients three clusters are building the frame for ensuring high quality medicine: The medical arts have to define the frame of solidarity financing and ensuring healthcare. The medical organizations and financing are following the principles of a health market which is publicly and privately financed.

In the center of all endeavours stands the patient. The medical staffs serve the patients in all stages of their life, for a better outcome according the new paradigm. With innovative new and better methods, developed based on true contributions to the above mission, the industry serves the medical staff in their execution according the rules of the market. Politics and administrative services provide the financial and operational environment in which this can happen.

The future of European Health Care can only be based on the patients own responsibility for their well being in a free, but solidarity based health care market. The cost of health care delivery is now a matter for serious public discussions. The old national financing-, delivery- and execution-structures have failed to supply the best solidarity based medicine at a reasonable cost envelope. This has resulted in growing public frustration while the costs are exploding. People react angrily if they are denied access to care or services they believe they are entitled to. In many countries Healthcare is considered to be a part of social welfare and it has a very high political priority, which creates a national state-monopoly with a few private

exceptions. This tends to eliminate healthy competition and adequate compensation for outstanding medical performance. It is also a source of mismanagement and discomfort to patients. Europe is now ready to form a border free European market for Healthcare with the essential prerequisite "Health for All" as a part of our culture. This market depends on clinical leadership. Key challenges are progresses in therapy and diagnostics, which make Healthcare more and more specialized and expensive in an environment of an aging population complimented by declining birth rates. (Cluster III).

In Europe, Medicine represents up to 14 % of GNP: Cluster III. Patients are willing to invest more for their well being which is proven by the strong growth in privately financed other health markets such as wellness, para-medicine and related structures. In times of exploding health care cost politician need to stop promising the best possible health care for everybody within a non growing personal financial contribution. All health care segments are estimated to increase 20-25% of GNP. Public contributions to the costs via insurance premiums and taxes cannot grow unlimited while the working population is shrinking. The productivity potentials for costs reductions need to be quickly realized by redefining the Healthcare packages that can be provided from public funds as the level of commitment and solidarity to be given by our society. Patients will be informed of these levels. The private sector will cover any additional costs not covered by public funds and therefore will gain more importance. Both sectors will not be mutually exclusive. Young people have to be advised to care about their Health coverage of tomorrow.

Report to the European Parliament

This report is prepared for the European Parliament to initiate intensive debates on structural reforms of Healthcare in Europe by balancing issues of responsibility, solidarity, subsidiary, equity and effectiveness, competition and benchmarking. Europe demands a new comprehensive European Healthcare System to overcome national barriers and to foster greater mobility in an open market.

The European Academy of Sciences and Arts has been mandated by the European Parliament to develop critical issues on Health on an European level. This mandate led to the report "Health is Wealth – Strategic Visions for European Health Care at the beginning of the 21st century" and will be source for parliamentarian hearings to stimulate a European Health Care concept.

The European Academy with its Institute of Medicine sees this as a great opportunity to consolidate the different National models and inherited systems in an European Health Care Market (EHCM) and consequently to stimulate clinical leadership to achieve sustainable reforms. The common concern is the increasing cost of provision. Stabilizing costs in an environment of a decreasing working population is very challenging. By modernizing systems there is potential for controlling costs, the processes for which have to be identified. Most national reforms have failed due to massive political influence especially where Healthcare together with Welfare is operated as a state-monopoly.

This Strategic Vision has four mutually dependent parts: the patient is in the centre, and surrounded by clusters representing the Medical Arts, the Medical Organization and Financing.

This Strategic Vision is structured in 4 segments, which are the corner stones for establishing systems for the EHCM:

A. The Patient

There is a change in today's paradigm: The patient becomes the focal point. The patient of today is increasingly well informed and motivated to take care of himself. The patient is at the centre of all efforts, and all healthcare provisions must be constructed around him. The patient is both a consumer and a contributor to the EHCM.

B. Cluster I: Medical Arts.

The optimisation of Medical Arts and Sciences is an essential prerequisite of the Strategic Visions. This cluster focuses on the basics of diagnosis, therapy and prevention. Conservative, invasive and prophylactic principles cover the whole range of possibilities including the prediction and prevention of diseases. To use Outcome Related Medicine (ORM) as a measure of effectiveness, medical conditions have to be classified. The capacity to purchase medical services has a direct effect on the access of patients and clinicians to all therapies and diagnostics. It is necessary to monitor the effectiveness of healthcare provisions, perform quality control checks and to measure therapy effectiveness by means of health technology assessment and outcome indicators. Assessment can be done by patients, clinicians, Healthcare organisations and providers of finance. Research, development and industry play an indispensable part in developing the medical arts. Europe has to encourage and promote innovation in new therapies and diagnostics for a better life of an aging population.

C: Cluster II: Organization in Medicine

Greater effectiveness in the organisation of healthcare can be achieved by the alignment of best practices and in boosting synergies in access and quality. The main nucleus of the EHCM is that Healthcare is delivered by doctors for in- and out-patients in acute, chronic and long –term conditions. New educational concepts on healthcare provision will have to be introduced at universities and schools for nurses and paramedics. It will be essential in the future to create and to foster sustainable clinical leadership. There will be no sustainable reform in the future without a solid core of medical professionals. E-Health will play a major role in medicine for information, transfer of findings and avoiding duplication of effort. A patient's "Health literacy" will gain in importance. It is foreseen that 80% of patients will perform "self-care" actions without the involvement of Healthcare professionals.

D: Cluster III: Financing of Healthcare

Healthcare financing must be patient oriented and make use of several instruments: insurance premiums, co-payment systems, capitation, taxes, voluntary payments, out-of-pocket expenses etc. Covering Healthcare costs will need a combination of national Healthcare allocations and individual contributions to provide all citizens with equal access, responsiveness and to demonstrate fairness in financing.

Overwriting principle in health care financing needs to be "Health for All" !

Surveying Europe, a variety of systems are in operation; including the Anglo-Saxon (Beveridge) universal state centred tax-based social security system, and the continental

"Bismarck" model financed by social insurance and corporate elements (Chassard and Quintin 1992). The private sector will gain increasingly in importance. In the future co-payment systems will be unavoidable, and the methods of financing by solidarity contributions will need to be redefined.

The Three Clusters are the sides of a triangle consisting of medical arts – organization – financing, with the patient at the centre, creating a special market with special rules guided by human considerations. After each section this mutual relationship is discussed demonstrating how inter-related are the components the whole Healthcare system. Reforms of the present system can be tackled only by a comprehensive approach, gradually adapting all the clusters to the new Strategic Vision and transferred to the European Healthcare market (EHCM).

The Goals of this Strategic Vision are:

- **To provide effective Healthcare for all European citizens;**
- **To transform Healthcare from national state-monopolies to an open European market allowing mobility and better use of resources**
- **To identify potential productivity gains and cost control**
- **To identify an effective pan European financing system using expertise, effectiveness and competition to better utilize resources across Europe.**

First Step: "Health is Wealth" (Task Force 2002 – 2006)

"Health is Wealth" has been a report to the European Parliament consisting Strategic Visions for European Healthcare at the Beginning of the 21st century. This Healthcare concept is patient orientated. The nucleus of all medical care is the patient-doctor nucleus, which is embedded in three clusters: Medical Arts- Medical Organization and Medical Financing.

Medical Care and Provisions are paid by the patients and tax payers in by premiums, taxes and co-payment. This is a part of solidarity within our society. In case of medical provisions it gives everybody the security that in case of illness he receives help based to the standards in medicine. The frame of solidarity has to be defined. All medical provisions meeting the standards are totally reimbursed where the provision has been delivered. This allows a proper optimization of medical services toward a European Health Care Market.

At present Health is a national issue subsidiary in the states to the federal governments, countries and counties. Financing is a political issue and is a national task.

The Medical Arts are the central part of the provision by solidarity. Therefore the provisions have to be defined based to effectiveness and long term outcome. The classification of medical procedures comprises three classes:

Class I: high evidence and highly effective

Class II a: effective and evident

Those two parts are bases for full reimbursement.

Class IIb: less effective and less evident

Class III: no effectiveness and no evidence

Those two parts are not reimbursed by the solidarity; they are reimbursed out of the pocket.

The classification of the Medical Arts is task of the European Professional Societies. On a European level the classification can be done in an objective way avoiding national interests. With a proper reimbursement the medical services can be optimized and gives alignment of access and quality within Europe.

Presentation:

This report has been published by Springer, Heidelberg

This report has been introduced to the European Parliament, Council, Policy Centre and Commission. In the last meeting in October 2005 of all attaches for medicine the European Academy of Sciences and Arts has been asked by the commission to establish the basis for Classification. It is of enormous interest having the provisions classified, an endeavour which is welcomed by all in the field having the basis for a solid definition of medical solidarity. The classification has in consequence the basis for reimbursement and opens a Health Care Market.

Second Step: Task Force 2006 –

**Classification of all medical provisions as basis
for reimbursement and the health market**

Goal: full financing of the medical provisions, restructure of the medical organisation and health care delivery based to the optimal standards for the beneficiary of the patient summarized in a report to the European Council

Added Value: to overcome the national constraints and limitations of modern medical care. Clear classifications lead to a clear provision based to the arts.

European standards give the local doctors criteria for state-of-the-arts medicine and are basis of quality control. Clear defined standards are appreciable for the daily work and are basis for the local doing. They are of interest of patients organizations too.

This will be of indispensable for the doctors making the decisions, for the industry supplying the doctors and been motivated focusing on new concepts for the benefit of the patients.

Is has impact to the politics knowing the financial frame, for the administrations for providing budgets, for the insurances making quality control to the places where medicine is provided.

In overall it gives advantage for all medical stake holders and mainly for the patient, whom all the system has to serve.

The concept will be published as a report to the European Council and delivered to the National authorities and the Institutions of the EU

- A clear concept for Classification is a win-win situation for all partners in the field and mainly for the patient. The time has to come to an end, where the doctor is an

eternal petitioner for the patients and industry constantly convincing the authorities, that the provision is justified.

- A clear concept can help to overcome these constant constraints bringing standards and concepts to a European basis.
- A European concept can overcome all the rigid national structures and brings a new stimulus in Health Care. The European basis brings objective criteria into the field and is open for new developments too.

The goal is to develop a concept how to classify the medical provisions according

Class I

Class IIa

Class IIb

Class III

The specific aim is to develop the principles, which have to be implemented.

On June 6th, 2007 a group of experts is convoked:

The Presidents of the European Professional Societies

EMA

CP

Representatives from the industry

Eucomed

WHO

EC

EP

ECO

Health first

to formulate the principles based to the experience of some Societies.

Salzburg, January 25th, 2007

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Vorstand der Universitätsklinik für Herzchirurgie Salzburg

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