

**EHPF**  
EU  
HEALTH POLICY  
FORUM

FINAL

Recommendations on  
**Health services and the  
internal market**

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## ABSTRACT

On 5 December 2003, the European Health Policy Forum (EHPF) requested that a working group be established to examine the delivery of health services in the context of the debate on Services of General Interest (SGIs) and the draft Directive on Services in the internal market.

A number of significant developments in the area of SGIs and services in the internal market have recently taken place. The most significant developments have been the presentation of the Commission proposal for a Directive on Services in the Internal Market in January 2004 and the publication of the White Paper on Services of General Interest in May 2004.

Successive judgments of the European Court of Justice have ruled that health care delivered to a patient outside his home state is an economic activity irrespective of the type of case (in-patient or out-patient) or the type of system (reimbursement, service in kind) that afterwards will reimburse the cost of it. Therefore health care services are subjected to internal market rules. But, health care services are also critical elements of social protection and welfare systems and as such are services of general interest. Furthermore, the EU Treaty specifically states that the organisation, management, financing and delivery of healthcare are national competencies and not within the EU remit. This apparent contradiction can be explained by the fact that there is neither a clear definition at national or EU level of the concept of SGIs in the health sector nor guidance about how these services should operate.

Against this background, the EHPF outlines in the first part of this document a number of recommendations on how the specific features and goals of health services should be taken into consideration in the development of internal market legislation and in general for any initiative at EU level affecting health services.

The EHPF recommendations are:

- Ensuring that the specificity of health services is adequately reflected in any EU initiative
- Ensuring that sustainability and long-term objectives of health services are reflected in EU initiatives with an impact on health
- Ensuring that adequate consultation takes place in EU initiatives: who is consulted and how the comments are taken into account depending on the representativeness and the weight of the respondents
- Ensuring that a proper health impact assessment including health system impact assessment is performed prior to any legislative initiative
- Coordination between Commission services to ensure consistency of initiatives

The second part, the EHPF briefly comments on specific aspects of debate launched in 2003 on what type of SGIs the EU should have and on the Commission proposal for a Directive on Services in the Internal Market.

As regards SGIs, the EHPF recommends:

- Defining at EU level, health Services of General Interest, taking into account the principles of universality, accessibility, continuity, quality, affordability and financial sustainability
- Establishing, at EU level, a general framework for health Services of General Interest which allows Member States to decide on the designation, organisation and financing of SGIs
- Examining the legal status of the principle of solidarity and how it is reflected in EU law

In relation to the Commission proposal on Services in the Internal Market, the EHPF is asking for the:

- Exclusion of health services from the scope of the proposed Directive in view of examining these services within the framework of the SGIs debate
- Clarification of definitions (including “hospital care” and “services”)
- Careful examination of the proposed screening mechanism in relation to public health objectives
- Careful examination of the impact of screening mechanism on Member States competencies to organise the delivery of health services at national level
- General derogation from the country of origin principle for health services

**European Health Policy Forum  
Recommendations on health services and the internal market**

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## INTRODUCTION

The European Health Policy Forum (EHPF) is a platform set up by DG Sanco in 2001 as part of its strategy to enhance the communication with the health community and to find ways to increase their participation and their involvement in health policy developments. The EHPF which meets twice a year, gathers 45 European associations including health care providers and health professionals, health insurance bodies, industry representatives, citizens and patients organisations and NGOs active in public health.

On 5 December 2003, the EHPF requested that a working group be established to examine the delivery of health services in the context of the debate on services of general interest (SGIs) and the draft directive on services in the internal market.

In addition, on 5 December 2003 the EHPF adopted its recommendations on health and social policy, (44 EHPF organisations adopted, 2 abstained, 1 adoption with reservation).

The EHPF recommendations on health and EU social policy stated the following:<sup>1</sup>

- In the debate on reconciling national health policy with European obligations, the European Union and its Member States must take as its foundation the principles of availability, universal accessibility, acceptability and quality.
- The Intergovernmental Conference (IGC) must provide the legal basis to combine the “acquis” already included in the Treaty, in particular the *high level of social protection* and a *high level of human health*, with the right of equal access to health included in the Charter of Fundamental Rights. The goal should be promoting accessible and financially sustainable and high quality healthcare organised on the basis of solidarity.

- The Commissioner for Health should formulate a system to allow that European policies measure their impact on national health care systems in order to prioritise the principle of solidarity ahead of competition.
- The balancing of Economic and Social Policy in the context of health needs to be reflected in commission legislative proposals (European Commission – Green Paper on Services of General Interest).

- The conclusions of the ‘high level reflection group on patient mobility’ should clearly state that the principle of mobility of patients must not increase/contribute to further health inequalities.

This document will take these principles as a starting point.

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<sup>1</sup>[http://forum.europa.eu.int/Public/irc/sanco/ehf/library?l=/20031205shealthsforumsbr&vm=detailed&sb=Title\\_](http://forum.europa.eu.int/Public/irc/sanco/ehf/library?l=/20031205shealthsforumsbr&vm=detailed&sb=Title_)

# 1. BACKGROUND

The European Union Treaty sets out the activities of the Union in Article 3 establishing that these will include the “internal market characterised by the abolition, as between Member States, of obstacles to the free movement of goods, persons, services and capital”, but also “a contribution to the attainment of a high level of health protection”.

The Charter of fundamental rights of the EU adopted in Nice in December 2000<sup>2</sup>, to be incorporated into the future Constitutional Treaty of the EU<sup>3</sup>, states that “Everyone has the right of access to preventative health care and the right to benefit from medical treatment under the conditions established by national law and practices”.

In addition, Article 152 of the EU Treaty lays down that “A high level of human health protection shall be ensured in the definition and implementation of all Community policies and activities”. In the same article, the Treaty also specifically states that Community action in the field of public health shall fully respect the responsibilities of the Member States for the organisation and delivery of health services and medical care.

However, several judgments of the European Court of Justice have ruled that health care delivered to a patient outside his home state is an economic activity irrespective of the type of case (in-patient or out-patient) or the type of system (reimbursement, service in kind) that afterwards will reimburse the cost of it. Hence the Commission proposal for a Directive on services in the internal market<sup>4</sup>, put forward in January 2004, in its current format, covers health care services.

The Treaty also identifies and acknowledges the special nature of services of general economic interest, which are considered, essential to ensure the European social model. To safeguard the fulfillment of their missions the Treaty provides for the possibility of creating a special framework exempting them -partially or totally- from ordinary competition rules.

To ensure legal certainty and to allow Member States to continue to organise effectively their health care services it is essential to recognise the general interest aspects of health services within a European framework for SGIs.

A number of significant developments in the area of SGIs have recently taken place.<sup>5</sup>

The most significant development has been the publication of the White Paper on Services of General Interest on 12 May 2004<sup>6</sup> which sets out the European Commission's recommendations on how to guarantee effective SGIs at EU level.

However, it must be pointed out that there is no clear definition at national or EU level of the concept of SGIs as applied to the health sector. There is also no guidance for

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<sup>2</sup> Article 35

<sup>3</sup> Article II-95

<sup>4</sup> COM (2004) 2 final

<sup>5</sup> The consultation process has seen four main developments since December 2004:

1. The Green paper consultation process.
2. The European Parliament resolution on services of general interest of 14 January 2004 (Herzog report, A5-484/2003).
3. European Commission report on Green Paper Consultation process
4. European Commission White Paper on Services of General Interest.

<sup>6</sup> COM (2004) 374

the operation of health SGIs. It is therefore important to recognise and define the core values and criteria for health services as SGIs.

Against this background, the EHPF outlines in the first part of this document a number of recommendations on how the specific features and goals of health services should be taken into consideration in the development of internal market legislation and in general for any initiative at EU level affecting health services.

In the second part, the EHPF briefly comments on specific aspects of the Commission proposal for a Directive on Services in the Internal Market and the debate launched in 2003 on what type of SGIs the EU should have.

## 2. GENERAL COMMENTS

### 2.1 Specific features of the health sector

The internal market regulations of the EU aim in general at freeing up markets to obtain economic benefits associated with free competition and reduced barriers to trade. However, the health sector operates under specific conditions and should not be defined under trade and market criteria:

- **The enjoyment of good health and the access to healthcare are fundamental rights**

Health is a fundamental right in the legislation of the Member States and in the EU legislation. This right is also clearly recognised in Article 12 of the 1996 UN Convention on Economic, Cultural and Social Rights<sup>7</sup>. In addition, as we have seen, the access to health care is recognised in the Charter of fundamental rights of the EU adopted in Nice in December 2000 which has been incorporated to draft Constitutional Treaty.

- **Health services have a clear general interest aim**

Health services fulfil a distributional welfare goal of health care coverage that includes all populations. In all countries it is the national authorities that retain the responsibility to ensure universal accessibility (both financially and physically), sustainability and quality of health services. This is recognised in Article 152 (5) of the EC Treaty and the draft Treaty establishing a Constitution for Europe maintains the same wording in Article III-278 (7).

- **The primacy of the solidarity requirement**

Health services are a key part of national strategies aimed at ensuring a certain level of social services and health protection. Health is, in essence, a field where solidarity is necessary to cover the ill health of a minority through national tax systems or social contributions. Thus the financing of health services has a direct consequence on national budgets and plays an essential role in maintaining the balance of the EU Growth and Stability Pact.

National examples show that only a small part of the population is responsible for almost the total of healthcare or hospital costs<sup>8</sup>. Therefore, price cannot be the only factor to regulate the health care sector because treatment would be unaffordable for those who need care.

- **Health services commonly require the intervention of a third party**

The health market is not limited to the relationship between purchasers and suppliers, as for most services, rather there is usually a third party who decides to which services the patient may have access and sometimes pays for the service. This third party can be the state, the competent regional authority or health insurance bodies depending of the national system. In consequence, patients often do not pay the full cost of the services they receive.

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<sup>7</sup> [http://www.unhchr.ch/html/menu3/b/a\\_ceschr.htm](http://www.unhchr.ch/html/menu3/b/a_ceschr.htm)

<sup>8</sup> cf. Association Internationale de la Mutualité (AIM), Health protection systems today. Structures and trends in 14 countries, 2002, p. 13.



- **Patients are not ordinary consumers**

Patients are special. They are in a vulnerable position, because their health is at stake and this is not merely a commercial commodity. Despite the general trend towards the empowerment of patients, in most situations they do not themselves freely choose what health services and treatment they receive. Patients are particularly affected by information asymmetry, as they are not always in a position to assess the quality of care especially before the delivery of the service.

- **Health providers are not ordinary providers**

Health providers are required to consider and protect the interests of the patients. They therefore have a great responsibility when they deliver services. Any “after sales” claims for poor quality service are unlikely to compensate for permanent health damage or loss of life. This contrasts with other more traditional service sectors where such compensation and redress measures provide effective protection for the user.

The European institutions have widely recognised in many documents and legislative texts these specific features of health services<sup>9</sup>. Therefore it is essential that these special characteristics continue to be adequately taken into account by the EU institutions when examining health services as services of general interest or in the context of internal market legislation.

## **2.2 Adequate consultation with stakeholders**

The European Commission in its 2001 Communication “Towards a reinforced culture of consultation and dialogue”<sup>10</sup> and in the White Paper on European Governance has clearly expressed the need for adequate consultation on EU activities with particular reference to stakeholders likely be directly involved or affected by the proposed EU action. However, it was felt that during the drafting phase of the proposed Directive on Services in the Internal Market, the health sector was not adequately integrated into a formal consultation process.

In addition, when there has been a consultation by the Commission, the process has sometime lacked suitable analysis and reporting of results. For example, in advance of the White Paper on SGIs, a Commission Communication on the Green Paper on SGIs opened the process<sup>11</sup> which saw 281 submissions from a diverse range of regional, national and European organisations as well as from individuals. All 281 responses were put on an equal footing be they from individuals, representative bodies or Member States. The representativeness of each organisation was not properly considered. In addition the views expressed were reported<sup>12</sup> in a broad and not always accurate manner.

The EHPF asks the Commission to undertake in future an exhaustive consultation with stakeholders before important legislative initiatives with a more balanced and rigorous approach.

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<sup>9</sup> Report of the High Level Reflection Process on Patient Mobility and Healthcare Developments. Commission Communication on patient mobility (COM (2004) 2 final). European Court of Justice case law as for example the Müller-Fauré case (C-385/99). European Parliament in a Resolution on competition in professional services (PS-TA (2003)0572).

<sup>10</sup> COM(2002) 277 final

<sup>11</sup> COM (2003) 270 final

<sup>12</sup> SEC (2004) 326

## 2.3 Proper impact assessment of EU legislation on health

The Treaty (Article 152) requires that a high level of human health protection shall be ensured in the definition and implementation of all Community policies and actions. As stated in a number of Commission Communications<sup>13</sup>, from 2001 onwards all proposals with a particular relevance to health should "include an explanation of how health requirements have been addressed, normally by including a statement in the proposal's explanatory memorandum. The aim would be to show clearly how and why health considerations were taken into account and the expected health impact."

A proper impact assessment on health and health systems of any initiative at EU level is both a legal requirement and an essential aspect of policy-making. From the point of view of EHPF members, the Commission proposal for a Directive on Services in the Internal Market lacks of such an assessment.

The EHPF encourages the Commission to continue developing the checklist for the screening of proposals for possible health impacts set out in the DG Sanco document published in 2001 "Ensuring a high level of health protection: A practical guide". Such impact assessment should be relevant not only to the protection of the health of the individual but also to the global effects on health systems as already recognised during the high level reflection process on patient mobility.

The EHPF welcomes that the current Public Health Programme<sup>14</sup>, prioritises the development of health impact assessment methodologies and pilot projects.

### Recommendations

- **Ensuring that the specificity of health services is adequately reflected in any EU initiative**
- **Ensuring that sustainability and long-term objectives of health services are reflected in EU initiatives with an impact on health**
- **Ensuring that adequate consultation takes place in EU initiatives: who is consulted and how the comments are taken into account depending on the representativeness and the weight of respondents of the respondents**
- **Ensuring that a proper health impact assessment including health system impact assessment is performed prior to any legislative initiative**
- **Coordination between Commission services to ensure consistency of initiatives**

<sup>13</sup> Commission's May 2000 Communication on the health strategy of the European Community (COM (2000) 285 final of 16.5.2000).

<sup>14</sup> Decision No 1786/2002/EC of the European Parliament and of the Council of 23 September 2002 adopting a programme of Community action in the field of public health (2003-2008) - Commission Statements (Official Journal L 271 , 09/10/2002 P. 0001 – 0012).

### 3. SPECIFIC COMMENTS

#### 3.1 White Paper on Services of General Interest (COM (2004) 374)

This section aims at drawing the attention to a number of specific points on the White Paper, which are relevant to the ongoing debate on internal market and its influence on health services and SGIs.

##### ***Special characteristics of health services as SGIs***

The White Paper recognises fully the general interest in social and health services and it states that; “Based on the principle of solidarity, social and health services of general interest are people-centred and ensure that citizens can effectively enjoy their fundamental rights and a high level of social protection, and they strengthen social and territorial cohesion”.

This is a positive first step to establish defining characteristics of health services of general interest, however, it is considered necessary to clarify further this concept.

The following characteristics of services of general interest should be taken into account in the development of a EU wide definition of SGIs <sup>15</sup>:

- SGIs pursue the concrete implementation of fundamental rights, in particular social rights such as the right to health care, and the creation of equal opportunities, especially for people who face barriers in the access to and exercise of these rights.
- SGIs are based on particular principles, namely the recognition of the importance of human dignity, solidarity, social justice, social cohesion and welfare, social capital, and users' participation.
- SGIs respond to social needs and societal weaknesses which the market cannot address in satisfactory manner, or which may even be generated by particular market structures. Thus they represent a fulfilment of public responsibility based on the principle of general interest.
- SGIs are effective tools for the appropriate implementation of public policies in the areas of social protection, public health, non-discrimination, solidarity and the fight against poverty and exclusion at local, regional, national and European level.

##### ***Distribution of Competences***

SGIs are linked to the function of welfare and social protection and therefore are clearly a matter of national, regional and local responsibilities. The role of the Community is to promote co-operation and co-ordination in these areas. It is considered important that future measures in this area should respect this distribution of competences.

In this regard the White Paper states that; “while in principle the definition of the missions and objectives of social and health services is a competence of the Member States, Community rules have an impact on the instruments for their delivery and financing”.

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<sup>15</sup> Following the conclusions of the conference on “Social Services of general Interest in the European Union-Assessing their Specificities, Potential and Needs” Brussels, 28 and 29 June 2004.

In this context, it is important to point out that any definition of Service of General Interests should therefore allow Member States to meet public health objectives by *protecting the viability* of the delivery instruments and controlling mechanisms.

### ***Communication on social and health services of general interest***

The EHPF welcomes the Commission initiative in submitting a “Communication on Social and Health Services of General Interest in the course of 2005”, as announced in the White Paper.

However, the timing of this Communication compared to ongoing European Commission activities, such as the proposed Directive for Services in the Internal Market which is already in the co-decision process (see below), might weaken or jeopardise the impact that this Communication could have in framing Health and Social Services of General Interest at the EU level.

Clarity on the relationship between these two initiatives is urgently needed.

Recognition needs to be given, as part of the co-ordination of these initiatives, that the application of art 81,82 and 86 of the EU Treaty on competition should no result in the weakening of national labour law and national social security systems. In this respect, further examination of the European Court of Justice's 'principle of national solidarity' needs to be undertaken. According to this principle, activities based on national solidarity cannot be considered as economic activities, and consequently Governments have more scope to pursue national solidarity even where, strictly speaking, this is not consistent with the promotion of competition.

Care should be taken that “close co-operation with the Member States and with organisations from civil society”, is ensured in drafting this Communication, as the White paper itself recognises.

### ***Distinction between Services of General Interest and Services of General Economic Interest (SGEI)***

The EHPF strongly urges each Member State to recognise that the departure point for the definition of social and health services should be based on fundamental human rights. Specifically, this means an examination based on the principles of **universality, accessibility, continuity, quality, affordability and financial sustainability**.

It seems that the distinction of “economic” and “non-economic” is becoming less helpful. Providers of services of general interest, regardless of being private or public, can, in the course of their activities, carry out economic or non-economic activities. It is evident that the all-encompassing definition of what constitutes “an economic activity” is an ‘over-application’ of European Court of Justice rulings. It results in the introduction of internal market principles into sectors and policies that have been firmly excluded from EU competence by the EU Treaty.

Social and health services are based on principles of solidarity. They are organised at national, regional or local level according to subsidiarity and are not barriers to a well functioning internal market. A well-defined social market economy is, by definition, recognition of this reality.

### ***Health and the Open Method of Coordination (OMC)***

In the White Paper reference is made to the OMC in the field of health care and long-term care and to the European Commission's role to “support the reforms undertaken in the field”.

The OMC can enable valuable exchanges of best practice but it is questionable whether it is the best mechanism to “support reforms” when the definition of health at the European level and the overall aim of any reform is very far from uniform.

***The follow-up to the high-level reflection process on patient mobility***

Participation of stakeholders in the recently set up High level Group on Medical Services and Health Services must be ensured. The outcome of its work should be properly taken into account by the European Commission in relation to any initiative affecting the health sector.

**Recommendations**

- **Defining at EU level, health Services of General Interest, taking into account the principles of universality, accessibility, continuity, quality, affordability and financial sustainability**
- **Establishing, at EU level, a general framework for health Services of General Interest which allows Member States to decide on the designation, organisation and financing of SGIs**
- **Examining the legal status of the principle of solidarity and how it is reflected in EU law**

**3.2 Proposal for a Directive on Services in the Internal Market (COM (2004) 2 final)**

After achieving a successful internal market for goods at EU level, the next step is to fully implement the internal market for services. With this in mind, the Commission put forward in 2004 a proposal for a Directive on Services in the Internal Market. The proposal aims at removing unnecessary obstacles to the free provision of services and the establishment of services providers in other Member States.

The EHPF submits the following specific observations:

**Scope**

Because of its horizontal approach this proposal can have an important impact on the way health services are organised and provided at national level.

According to the proposed Directive, the term “service” means, “any self-employed economic activity, as provided by Article 50 of the Treaty, consisting of the provision of a service against consideration.” Clarity is needed in relation to this definition and the concept of SGIs and how this definition can be applied to the health sector.

Whereas health and health care services are explicitly being mentioned as falling under the scope, at the same time the Commission has indicated that it does not intend to cover non economic services provided directly by public authorities or for no remuneration in fulfilment of social, cultural, educational and legal obligations.

The Commission has also stated that the proposed Directive is not intended to deal with the question of SGIs or the question of opening up these services to competition, nor does it affect the rights of Member States to define what they consider to be SGIs and how they should function.

However, in the area of health services, this proposal does not provide sufficient clarity as health services often are integrated or closely link with public health services or national social security systems. In addition, they are increasingly provided in partnership between public and private operators under, for example, compensation schemes or through agreements between private operators and public authorities which allow patients to receive healthcare either in a public or in a private institution under the same conditions. Health services of general interest can therefore be offered by a variety of providers (public, for-profit, and voluntary not-for profit).

Furthermore, the EHPF notes that SGIs that are categorised as economic activities can fall within the scope of the proposed Directive. The European Court of Justice has defined health care services as having an economic aspect. The EHPF considers that this compounds the difficulty of distinguishing economic and non-economic services. Therefore the European Commission should carry out a thorough impact assessment on the impact of the Services Directive on SGIs which may be affected by the draft Directive.

In consequence, the exact implications of the draft Directive are difficult to assess and there could be a number of problems linked to the role and functioning of SGIs. In particular it is felt that the draft Directive could limit the policy space left for any EU initiative on SGIs.

This strengthens calls for the discussion on SGIs to be concluded and a positive legal framework on SGIs proposed (as the European Parliament has demanded<sup>16</sup>) before the Commission and Council finalise the legislative process on the draft Services Directive. This was also called for by EHPF paper on Health and EU Social Policy.

The EHPF considers that the announced communication on social and health SGIs should specify how EU internal market and competition rules should be balanced with social and public health requirements of national health policies.

### ***The local dimension of health services***

Furthermore, the EHPF would like to draw attention to the fact that in providing services, and in particular in provision of health services, the local dimension is of key importance. The Commission itself in its 2002 report<sup>17</sup> on the state of the internal market for services, identified a series of “natural” barriers namely: language differences; distance-related factors, and need for local presence to provide aftercare. In the services sector and in particular in the provision of health services, natural barriers are far more important than in the goods sector. These differences should be given the necessary consideration to avoid a simple extension of the Internal Market Strategy’s blanket approach for goods onto the services sector.

### ***Screening mechanism***

The proposal establishes a series of measures aimed to ensure the freedom of establishment of service providers in other Member States which will affect the provision of health services.

In particular, in Article 15, the proposed Directive establishes a system of screening existing national legislation, which is one of the main new aspects of this text. According to the procedure described in the proposed Directive, Member States must

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<sup>16</sup> Herzog’s report

<sup>17</sup> [http://europa.eu.int/eur-lex/en/com/rpt/2002/com2002\\_0441en01.pdf](http://europa.eu.int/eur-lex/en/com/rpt/2002/com2002_0441en01.pdf)

verify whether their legislation foresees certain requirements listed in the text (Article 15 (2)), and if any such rules are compatible with the criteria set by the proposal. According to the results of these evaluations, the Member States have the choice to abolish some of the requirements or to provide the Commission with argumentation to justify keeping their national requirements. In addition, the proposal introduces a notification procedure for all new requirements that could be covered by Article 15 (2).

The application of these two procedures, as currently described in the proposal, to health services might have undesirable consequences and could rather increase legal uncertainty, which could severely undermine the way healthcare systems are organised at Member State level. The text does not provide the necessary guarantees to ensure that health objectives and social considerations will be adequately considered in the “screening” process. Clear criteria on how to apply the procedures to health services are missing.

### ***Country of Origin Principle***

According to the principle of country of origin, a service provider who wants to supply services to clients in another Member State would, in general, be subject only to the rules and regulations of the Member State where he/she is established.

However, in order to assure public health and a well functioning healthcare system, it is important that everyone follows the rules and regulations of the Member State where the services are provided. Therefore, professionals providing health services should be subject to the regulations of the destination Member State, which should also have the right and responsibility to supervise the provider and services. Supervision from the country of origin is not realistic, and it is not in the interest of the patient.

To ensure that national health systems continue to work in the most effective way, and to ensure patient safety, service providers should always be subject to the rules of the country where the service is provided (host country rule).

### ***Derogations to the principle of the country of origin***

Derogations from this principle are covered by Articles 17-19 and apart from areas that may fall under the Professional Recognition Directives, the actual possibility of a derogation from the country of origin rules on the basis of health protection is limited.

Clarity is needed as to how these derogations from the country of origin principle would apply exactly for health services.

### ***Assumption of healthcare costs***

Article 23 deals with the ‘Assumption of health care costs’. The draft Directive has used the decisions of the European Court of Justice on specific cases which refer to specific circumstances to set out how and when prior authorisation is needed for reimbursement of healthcare costs by the home country.

If the aim was really to improve legal certainty for patients, it might have been more appropriate to integrate the outcome of the Court rulings into the modernised EC Regulation 883/2004, which provides for the traditional legal framework for ensuring access to health care outside the State of affiliation.

Furthermore, since the European Court of Justice judgements refer to exceptions rather than the general rule of how healthcare is accessed and funded, every risk of eroding national procurement systems applied for the reimbursement of healthcare costs in the context of national health systems should be avoided.

### ***Definition of hospital care***

The definition of hospital care has to be further clarified as the current wording does not seem to be based on health grounds and it makes an inadequate distinction between hospital and non-hospital care. In addition, it must be made clear that the definitions used in the draft Directive are for the purposes only of reimbursement of health costs, and should not prejudice existing definitions used in other areas.

### **Recommendations**

- **Exclusion of health services from the scope of the proposed Directive in view of examining these services within the framework of the SGIs debate**
- **Clarification of definitions (including “hospital care” and “services”)**
- **Careful examination of the proposed screening mechanism in relation to public health objectives**
- **Careful examination of the impact of screening mechanism on Member States competencies to organise the delivery of health services at national level**
- **General derogation from the country of origin principle for health services**

## **5. CONCLUSIONS**

In view of the above considerations, the EHPF concludes that in order to correctly implement the internal market, it is necessary to fully respect public health and social considerations. This was also the conclusion of the high-level process of reflection on patient mobility and health care developments in the EU and the recent follow up Commission Communication<sup>18</sup>.

**Any initiative at EU level should take due account of the specific features of the health services and adequate consultation with stakeholders and a proper impact assessment should be carried out in advance.**

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<sup>18</sup> (COM (2004) 301 final)



## **Annex 1: List of supporting organisations**

AER – Assembly of European Regions  
AESGP – Association of the European Self-Medication Industry  
AGE – European Older People’s Platform  
ASPHER – Association of Schools of Public Health in the EU Region  
BEUC – Bureau Européen des Unions de Consommateurs  
CHANGE – Coalition of HIV and AIDS Non Governmental Organisations in Europe  
EAGS – European Alliance of Patients Support Groups for Genetic Services  
EATG – European Aids Treatment Group  
EBU – European Blind Union  
ECH – European Committee for Homeopathy  
ECL – The Association of European Cancer Leagues  
EDF – European Disability Forum  
EFA – European Federation of Allergy and Airways disease Patients  
EGA – European Generic medicines Association  
EHMA – European Health Management Association  
EHN – European Heart Network  
EHTEL – European Heart Telematics  
EMA – European Midwives Association  
ENSP – European Network for Smoking Prevention  
EPF – European Patient’s Forum  
EPHA – European Public Health Alliance  
EPSU – European Federation for Public Service Union  
ESMHD – European Society for Mental Health and Deafness  
EUCOMED  
EUPHA –National Associations of Public Health for the European Public Health Association  
EUROCARE – Advocacy for the Prevention of Alcohol Related Harm in Europe  
EuroHealthNet – European Network of Health Promotion Agencies  
EUROPA DONNA – The European Breast Cancer Coalition  
EURORDIS – European Organization for Rare Disorders  
GAMIAN-EUROPE – Global Alliance for Mental Illness Advocacy Networks  
GIRP – Groupement International de la repartition Pharmaceutique  
HAI – Health Action International  
HOPE – Hospitals of EU  
IAPO – International Alliance of Patients’ Organizations  
IPPFEN – European Network Parenthood Federation  
IUHPE – International Union for Health Promotion and Education  
MHE-SME – Mental Health Europe-Santé Mentale Europe  
PCN – Standing Committee of Nurses  
PGEU – Pharmaceutical Group of European Union  
Red Cross/EU  
UEHP-CEHP – European Union of Private Hospitals- (approved with specific reservation -see: <http://forum.europa.eu.int/Public/irc/sanco/ehf/library>)  
UEMS-EUMS – European Union of Medical Specialists  
Youth Forum Jeunesse

## **Annex 2: List of abstaining or non-supporting organisations**

AIM – Association Internationale de la Mutualité  
CPME – Standing Committee of European Doctors  
ESIP – European Social Insurance Partners Association  
EFPIA - The European Federation of Pharmaceutical Industries and Associations