Social protection: health care and care for the elderly, accessibility, quality and financial viability

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PURPOSE: to examine future trends and costs for health care and care for the elderly in the European Union. CONTENT: the Lisbon European Council concluded that social protection systems - including health care systems - are an integral part of the European social model. In June 2001 the Goteborg European Council went one step further calling on the Commission to prepare a progress report on guidelines in the field of health care for the elderly. The presentation of this Communication is in response to that request, the results of which will be integrated into the "Broad Economic Policy Guidelines". According to the Communication, the EU has an overall health care system which ranks amongst one of the best in the world and is a branch of social security protection second only to retirement and survivors' pensions. Total health care spending rose from around 5% of GDP in 1970 to over 8% in 1998. Since 1999 health expenditure has returned to a level of growth higher than GDP in several European countries. One significant feature of health care in today's society is that people live longer. Average life expectancy in the EU is one of the highest in the world and is continuing to rise. In 2000, it was 74.7 years for men born in that year and 81.1 years for women born in that year. At the same time there are more elderly people. The share of the total European population older that 65 is set to increase from 16.1% in 2000 to 22% by 2025 and 27.5% by 2050. What implications do these demographic trends then have on the European Union? The Communication states that it is difficult to predict with any accuracy the exact costs of the ageing population. Nonetheless costs overall are expected to increase as a result of the demographic changes taking place. A further attribute of elderly patients is that they tend to require less from the conventional health care system and more from the "medical social" sector. In addition to an ageing population the European health care system is witnessing an overall growth in new technologies and treatment. Within this context, the Report notes that as "consumers" become more informed, educated and sophisticated about various treatments, so they begin to demand the latest medical treatments. These tend to be of the more expensive variety. The Communication goes on to highlight the diversity of national systems. Indeed, the diversity of funding and organisational arrangements is one of the main characteristics of health care systems in Europe. Common to all, however, is that public-sector funding makes up a significant proportion of health expenditure. What role then for the European Union? The Communication stresses that health care is a matter for the nation state. Member States are responsible for determining budgets, priorities and future policies orientations in health care. There are, nevertheless, a number of EU Articles and competencies which impact on overall health priorities within Europe. The more significant ones are: a) Article 28 on the free movement of goods and in this case health product goods. b) Articles 18,39,42 and 43 on the free movement of persons and their right to statuary social security systems in the Member States including health care schemes. c) Article 49 and 50 on the free movement of services - impatient and outpatient health care now falls under the classification of a service. d) Article 152 on Public Health. This Articlestipulates that the EU is committed to ensuring a high level of human health protection in the definition and implementation of all Community policies and activities. To conclude the Communication urges the adoption of three simultaneous challenges for health care and care for the elderly: 1. Access to care for everyone. 2. A high level of quality in the care provided. 3. The financial viability of health care systems. In terms of the first challenge, the Communication notes that the elderly require long-term care, which presents a special challenge both in terms of financing and as regards making the necessary adjustments on the supply side. In terms of the second challenge namely, a high level of quality in the care provided, the Communication notes that an improvement in both transparency and the quality of health care systems is needed. Lastly, regarding the third challenge, the financial viability of health care systems, the Commission advises that reforms on spending evolve at a viable pace whilst at the same time guaranteeing that adequate financing is provided for health care.