Open Health Forum 2010

Together for Health a Strategy for the EU 2020

Parallel Workshop

Positioning Health at the Centre of the post-2013 Cohesion Policy

europeanpatients' forum

Report on the outcomes of the parallel Workshop organised by the European Patients' Forum

Brussels, 29 June 2010

1. Purpose of this Report

This report has been produced with a view to outlining the main outcomes of the workshop organised by the European Patients' Forum (EPF) on the theme "Positioning Health at the Centre of the post-2013 Cohesion Policy" which was held in Brussels on June 29, 2010 in the context of the 2010 Open Health Forum.

This document builds upon the short feed-back report presented by EPF President Anders Olauson during the second plenary session of the Open Health Forum. Our aim is to raise awareness about the importance of integrating health priorities within the future Strategic Guidelines for Cohesion Policy, the key strategic document setting up spending priorities for Cohesion Policy for the period 2014-2020 expected to be proposed in late 2010/early 2011 by the European Commission.

The report integrates the main outcomes emerging during the first meeting of the Committee of the Regions-DG SANCO Technical Platform on Health which focused on using Structural Funds for Health as well as the EUREGIO III project Venice Stakeholder Meeting held earlier this year which showcased a first overview of lessons learned about health-related Structural Funds investments. Together with these two initiatives, the Open Health Forum workshop represented a concrete commitment not only towards raising awareness of the importance to include health among the list of future Structural Funds eligible investment priorities, but also towards ensuring that such investment is aligned with needs and requirements of local healthcare systems and provide an effective contribution in terms of health gains for all citizens and patients.

2. Aim and Structure of the Workshop

2.1. Purpose of the Workshop

The purpose of this workshop was to reflect and share ideas on how to better address health priorities effectively through Cohesion Policy and its main financial mechanisms, the Structural Funds. While the workshop paid particular attention to the current funding settings and lessons learnt from the past, emphasis was also made on the key challenges for the next multi-annual programming period which will cover the years 2014-2020.

The workshop was conceived as a thought-provoking exercise aimed at making a valuable contribution to the emerging debate on the future of Cohesion Policy, by stimulating the

effective exchange of views on how to turn Cohesion Policy into one of the most important drivers for reducing health inequalities between and within countries and regions and ensuring a more sustainable approach to healthcare services provision throughout the EU.

2.2. Structure of the Workshop

The workshop "Positioning Health at the Centre of the Post 2013 Cohesion Policy" was held on June 29 in the context of the 2010 Open Health Forum "Together for Health – A Strategy for EU 2020". The first part of the workshop looked at the opportunities for health investment during the current programming period. Emphasis was laid on good-practice and concrete examples of using Structural Funds for health at national and regional level. Six speakers were invited to give a presentation during the first part of the workshop (click on titles to access presentations).

Speaker	Organisation	Title of the Presentation
Prof. Jonathan Watson	Executive Director, Health ClusterNet	*What EUREGIO III project is telling us about using Structural Funds for effective and sustainable health gains*
Mr. Steve Wright	Executive Director, European Centre for Health Assets and Architecture	*Lessons learned from Structural Funds-supported capital investments*
Mr. Edmund Škorvaga	Director of EU Funds Department, Ministry of Health, Slovak Republic	*Using Structural Funds to promote better healthcare in Slovakia- The Operational Programme "Health" 2007-2013*
Ms. Agneta Granström	County Council Commissioner, County of Norrbotten, Sweden	*Using Structural Funds for eHealth – the case of Norrbotten County*
Mr. Octavian Purcarea	COCIR, the European Association of Radiological, Electrotechnical and IT Industry	*Industry challenges with regards to the use of Structural Funds for health - concrete examples from Central-Eastern European countries*
Mr. Luigi Bertinato	Regione Veneto, EUREGHA Vice-chair	*How to better coordinate local and regional authorities working in the field of Health*

The second part of the workshop looked at the future of Cohesion Policy and the role Structural Funds should play in supporting investment in health in the 2014-2020 period. The session was held in the form of a panel discussion focused around some of the issues raised by Ms Rostislava Dimitrova (DG SANCO) in her presentation opening the second session. Some core issues raised in the first session were also further discussed in the panel.

The panel was composed of the following:

Panellist	Organisation
Ms. Gabriella Fésùs	*European Commission, DG REGIO, Conception, forward studies, impact assessment*
Ms. Karin Kadenbach	*Member of the European Parliament*
Mr. Dave Wilcox	*Member of the Committee of the Regions, Derbyshire County Council, UK*
Ms. Ourania Georgoutsakou	*Senior Policy Coordinator Assembly of European Regions, Social Policy and Public Health Committee*
Prof. Jonathan Watson	*Executive Director, HealthClusterNet*

2.3. Overview of presentations

Prof. **Jonathan Watson**'s presentation was structured around three key questions: a) Why should Structural Funds be used to support healthcare? b) Which are the main opportunities for direct and indirect health investments under the current programming setting? C) What are the major challenges associated with the use of Structural Funds for health? In addressing these three key questions he provided an overview of how the Structural Funds are being used to support health investments across European regions and emphasised that the key challenge for policy makers and actors involved in Structural Funds process is to ensure that such investments lead to effective and measurable health gains.

Mr. **Steve Wright**'s presentation focused on the challenges for capital investments in healthcare against a background characterised by the shift from hospital-centric to more patient-centred model of care**.** He also shared his view on the role Structural Funds should be playing in sustaining this process, particularly in light of the economic and financial crises whose consequences will strongly impact the way these funds will be spent in the years ahead.

Mr. **Edmund Škorvaga** introduced the participants to the ERDF-supported Operational Programme Health managed by the Ministry of Health of the Slovak Republic. In his presentation he pointed out some of the lessons learned and challenges the Slovak Republic is facing in using Structural Funds for health in the future. Some of these challenges are common to all Member States, particularly to those entirely or partially entitled to receive Cohesion Policy funding under the "Convergence Objective".

Ms. **Agneta Granström** presented the case of the Norrbotten County, a sparsely populated region located in the northern part of Sweden. To overcome the constraints associated to its peripheral location, the Norrbotten administration has made extensive use of the Structural Funds to implement an eHealth strategy to give all its 250.000 inhabitants access to healthcare services "anywhere and anytime". Thanks to the support of the ERDF the Norrbotten region is now fully integrated into the largest cross-border open broadband and has implemented successful projects in cooperation with bordering regions in Finland to ensure high quality of care for patients regardless of workplace or place of residence.

Mr. **Octavian Purcarea** brought his contribution to the discussion from the industry perspective. After a short introduction defining the role of industry in the development of modern healthcare and the acknowledgement of the important role of Structural Funds in supporting healthcare investment, he provided an overview of the successful steps already accomplished and outlined the problems that the EU, governments and industry are facing in funding healthcare investment, specifically in the area of eHealth.

Mr. **Luigi Bertinato** presented the regional perspective emphasising the important role played by the regions in providing and delivering healthcare to the citizens. Regions are responsible for providing healthcare services in three quarters of the 27 EU Member States. His presentation strongly called for the full recognition of sub-national authorities as equal partners in Structural Funds, particularly when it comes to setting priorities for spending. Being closer to the citizens, regions and local authorities are in a better place to identify their

needs and respond in a more efficient manner, remarked Mr. Bertinato in concluding his presentation.

Ms. **Rostislava Dimitrova** presented an overview of the key issues of the debate on the post-2013 Cohesion Policy. She emphasised that health should continue to remain a priority for Structural Funds spending. The contribution of health investment to the achievement of the objectives of the EU2020 Strategy, to which Cohesion Policy will most likely be fully aligned, is manifest and cannot be overlooked.

3. Maximising health gains from Cohesion Policy

3.1. The relationship between Health and Cohesion Policy

Cohesion Policy is the EU's flagship policy tool to promote economic, social and territorial cohesion across countries and regions. During the current seven-year programming period (2007 to 2013) the Structural Funds, the key financial mechanisms of Cohesion Policy, will be investing some € 347 billion which makes this policy the second largest spending items in the EU budget. 62% of this financial allocation is earmarked to finance projects directly linked to the Lisbon Strategy for growth and employment.

As such Cohesion Policy represents one of the most tangible EU policies, and in terms of added value, it is a showcase for what the EU can actually bring to its citizens no matter where they live. This view has been corroborated by a recent Eurobarometer survey which confirmed that Europeans have confidence in this policy. As such Cohesion Policy is perhaps the most pertinent tool available at EU level for reducing health inequalities across and within Member States. However, only 13% of European Social Fund (one of the two Structural Funds) is actually related to directly addressing social inclusion of the most vulnerable groups.

Although the Structural Funds have not traditionally focussed on health, some countries started making large-scale use of these resources to finance major healthcare initiatives already since the early 1990s. Structural Funds were used in the early 1990s to support hospital investments in Portugal (SAUDE XXI programme) and Greece and since 2004 have become available to Central-Eastern Member States, where they are expected to make an important contribution in terms of helping renew outdated health infrastructure and developing capital and medical equipment.

The Strategic Guidelines for Cohesion Policy for the period 2007-2013 have included for the first time health as a priority for Structural Funds spending[1]. Health is also mentioned as a sub-priority under guideline "ICT for all". The explicit inclusion of this policy area among the ten top-priorities for Structural Funds interventions shows the clear acknowledgment of the contribution of health towards sustainable growth in the EU.

[1]**COUNCIL DECISION of 6 October 2006 on Community strategic guidelines on cohesion** (2006/702/EC), in "Official Journal of the European Union, No. L 291/11 of 21.10.2006.

Notwithstanding this, the relation between health and Cohesion Policy is new, full of opportunities and also potential weaknesses. Evidence from the various National Strategic Reference Frameworks (NSRFs) and related operational programmes shows that the amount of Structural Funds allocated to health is rather limited. While total healthcare expenditure in EU Member States ranges from 11% in France to 4,9% in Estonia of GDP (Data OECD, 2009 and Eurostat 2007) and approximately 10% of the working population in the EU is employed in the healthcare sector, only 1,5% (5 billion EUR) of total Structural Funds financial envelope will be invested in health during the current programming period. As mentioned in a recent report prepared by Prof. Jonathan Watson for DG SANCO this is however a "conservative" estimate which takes only into account direct health sector investment, mainly in health infrastructure, service modernisation and medical equipment[2]. This amount is more or less equal to the previous programming period (2000-2006).

According to Watson's report there are in fact three main ways Structural Funds can be used to support health. All three ways can potentially yield health benefits for European citizens.

a) **Direct**, notably healthcare infrastructure, eHealth, training, health promotion and access to services

b) **Indirect**, sectors where a positive impact for health is expected, mainly employment and urban/rural development policies

c) **Non-health sector investments** with potential added value in terms of health gains affecting the social determinants of health (almost any areas from innovation to environment)

All three approaches appear in operational programmes funded by both the European Regional Development Fund (ERDF) and the European Social Fund (ESF). In addition, there is potential for investment and/or impacts from the European Agricultural Fund for Rural Development (part of the Common Agriculture Policy), particularly with regards to measures supporting stable local economies.

3.2. Challenges to maximising heath gains from Structural Funds

Despite the inclusion of health in the Strategic Guidelines and in the various national and regional ERDF and ESF operational programmes there was widespread agreement among healthcare stakeholders participating in the workshop that we are not exploiting all the opportunities for health investment through the Structural Funds. This in turn means lower health gains for European citizens. It is clear that the health sector is starting behind other sectors in using Structural Funds and also suffers to a much higher extent than other sectors from the consequences of the negative economic climate and financial instability.

Some of the reasons for this low uptake of Structural Funds for Health were raised by the various speakers and were further discussed during the workshop.

[2] Watson, J. "Health and Structural Funds in 2007-2013: Country and Regional Assessment", 2010. The full report can be accessed through the following link:
http://ec.europa.eu/health/health_structural_funds/docs/watson_report.pdf

A. There is no clear strategy for Structural Funds intervention in the area of health at European as well as national and regional level

At EU level there seems to be diverging interests between different Directorates General of the European Commission. While DG REGIO tends to be an outfit for dispersing money, regardless of whether that is for health, energy or innovation, historically, DG SANCO has not been involved in decisions on Structural Funds investments in the health sector. In approaching the issue we should, however, bear in mind the following elements:

Firstly, EU competences in the area of health remain limited.

Secondly, and perhaps even more importantly, Structural Funds implementation is rather decentralised, meaning that responsibility for resource allocations across main priority areas lays with competent national (and in certain context, regional) authorities.

Hence, a partial explanation for the lower uptake of Structural Funds for health is to be found at national and sometimes at regional level. In this respect, lack of experience and capacity on the part of the health sector about Structural Funds processes has been identified. On the other hand, non-health actors, particularly those in charge of negotiating and planning Structural Funds programmes as well as managing authorities tend not to see health as using significant Structural Funds and thus they do not engage with the health sector. This is a problem which needs to be urgently addressed if we are to implement a "Health in all Policies" approach in the future programming period.

On the basis of the foregoing considerations the following recommendations were made:

- DG SANCO should continue its engagement on Cohesion Policy and dialogue effectively with DG REGIO and DG EMPLOYMENT on using Structural Funds as a source of support for health sector investments
- There is a need for more evidence and good practices to allow a more efficient use of Structural Funds for health. Health actors have to be able to demonstrate that health fits well within regional development policies
- There is a need to overcome political and competitive tensions at all levels
- National/regional health ministers should be more pro-active in promoting the use of Structural Funds for and investment in health. Opportunities exist, but to disclose them there must be clear willingness and commitment from health authorities involved in the Structural Funds process.

B. Health continues to be regarded as a cost and not as a value by policy makers and as such it represents a burden for public budgets

The health sector needs to learn how to make and present an economic case that shifts health spending from the cost line in budgets to the investment line. We need particular emphasis on the following: return on investment, added value, disinvestment to reinvest.

The key question we should all ask ourselves is how health sector investment can deliver added value beyond service provision. During the workshop it was remarked that there is already consistent evidence which shows that investment in health lead to significant economic benefits for our societies. As explained in one of the resources which Mr. Steve Wright referred to in his presentation such economic benefits are threefold[3]:

First of all, health services are clearly important because they have a direct impact on population health and thus indirectly on the productivity of the workforce and national wealth.

Secondly, the health sector also matters because it represents one of the most important economic sectors and one of the largest service industries.

Last but not least, the performance of the health sector affects the competitiveness of the overall economy via its effect on labour costs, labour market flexibility and the allocation of resources.

The need to focus on all three dimensions will become more critical as the impact of the economic crisis is already triggering a reappraisal of health investment priorities. Competition for Structural Funds will get harder with more emphasis on value for money assessment and outcome evidence. In this regard, the economic crisis should be used as an opportunity for a more critical assessment of current and future healthcare investments which need to be consistent with strategically integrated sustainable healthcare systems. There is a huge consensus among health stakeholders that Structural Funds should be playing a pivotal role in sustaining this process and delivering change.

As a consequence of the economic crisis Member States could increasingly resort to Structural Funds as a source of support for healthcare investments. Considering such a scenario the key challenge is to ensure that Structural Funds for health are used efficiently and bring about concrete benefits for citizens and patients. The need for managing authorities to adopt evidence-based and outcome-oriented approaches to Structural Funds investment in healthcare was strongly emphasised. That said, the availability of co-financing may be subject to different decision making criteria e.g. availability of Public Private Partnership funding involving the commercial banking sector.

The following recommendations were made in this area:

- There is a need to move beyond a narrow economic focus on cost-efficiency to the more relevant question of how to achieve more added value, particularly for capital investments
- Health systems and actors involved should not conceive themselves only as service providers, but as economic actors. This reflects the stewardship role of health systems as defined in the WHO Tallinn Charter (2008)

[3] Bernd Rechel, Stephen Wright, Nigel Edwards, Barrie Dowdeswell, Martin McKee, *Investing in hospitals of the future*, World Health Organization, on behalf of the European Observatory on Health Systems and Policies, 2009.

- National and regional authorities have to develop capacity to link health to economy and social development: need for integrated approach
- There is a need to adopt conditionality towards evidence-based, innovative, transformative projects which addresses real needs
- We need to produce more evidence about the impact of health on economic development by creating new "health indicators". This could be achieved for instance by public via call for tenders under the Public Health Programme
- We need to improve indicators for assessment of the impact of health-related investment from Structural Funds at different stages (ex-ante, ongoing and ex-post) to be able to show the concrete benefits Cohesion Policy can bring to citizens and patients as well as to demonstrate the European added-value of such investments.

C. HEALTH IS ONLY RARELY INTEGRATED INTO SUSTAINABLE DEVELOPMENT STRATEGIES AT NATIONAL AND REGIONAL LEVEL

Linked to the previous point there is the need to avoid a fragmented approach to healthcare. When it comes to investing in health we need to avoid isolated projects disconnected from a wider and comprehensive regional strategy. It has been observed that too often Structural Funds tend to support a variety of health-related projects which are nothing more than add-on investments not linked to any plan or strategy (master plan). Moreover, even when a strategy exists the problem is how to put it into practice and translate it into projects that bring added-value to citizens and patients.

It has been observed that for many reasons such integrated frameworks are easier to achieve at regional level. It has also been observed that, although the needs and expectations of citizens and patients from healthcare services are common, regional health systems and needs do not necessarily correspond to national ones. Structural Funds need taking into account the diversity of European territories and healthcare systems. Collected evidence for EUREGIO III suggests that applicants for Structural Funds find it difficult to bridge between local needs and EU policy objectives. Projects are often adjusted to fit EU criteria rather than be designed to produce the transformational change often implicit in EU policy shifts.

It is important to bear in mind that when it comes to implementing Structural Funds programmes the "one size fits all" approach does not work. Member States and regions have different starting points, different needs and are faced with different challenges. While it is important to ensure coherence between the health dimension of the Structural Funds and priorities set at EU level, the Structural Funds process needs more flexibility to address needs and priorities at regional and local level.

During the workshop we heard of a good example of a European region using Structural Funds to support an all-comprehensive strategy aimed at setting up new ways to deliver healthcare services through eHealth. Since the 1990s Sweden's Northern region, the County of Norrbotten, has embarked upon a strategy for promoting a more sustainable way of

delivering public services through innovation, particularly in the area of healthcare. The Norrbotten administration has always considered eHealth as an integral part of the regional growth policy and therefore as a tool to foster sustainable development in a region confronted with major territorial disadvantages.

Various regions all around Europe have successfully implemented pilot activities, particularly in the area of eHealth and telemedicine, most of which have been supported by either the Structural Funds or mainstream EU funding programmes. In most cases, however, these initiatives have remained limited in scope and scaling up in other regions has been rather limited. This again means poorer health gains from EU funds allocated to health. It has been observed in this respect that Structural Funds should support the scaling up of existing good practices and pilot activities, particularly in the area of eHealth.

While at European level it is important to find new approaches and funding models to delivering Structural Funds programmes, the major challenges and recommendations identified in this area for national and regional health policies are the following:

- Creating conditions that stimulate sustainable growth
- Effectively align healthcare investments with sustainable development through an integrated national/regional master plan
- Translating existing strategies into valuable projects that generate health gains and making smart use of Structural Funds to sustain this process
- Making sure that such strategies meet the needs, requirements and expectations of local patients and citizens and deliver better healthcare for all
- Getting the balance right between investing in health prevention and patient-centred disease management
- Structural Funds should support the smooth shift from hospital-centric to dispersed technology-intensive chronic disease management and elderly-oriented models of care. Involving all actors, particularly the patients, carers and all healthcare professionals, in this process is a fundamental prerequisite for ensuring that new models of care are accepted and trusted by all users
- There is a need for capacity-building for regions and regional local health authorities, exchange of good practices, particularly through cross-border initiatives (these are actually major areas in which Euregio III project is currently working).

D. More complementarity between the European Regional Development Fund and European Social Fund needs to be achieved

One of the key challenges that Member States are facing is to ensure the effective complementarity between ERDF and ESF operational programmes.

It was remarked that while the "so-called" mono-fund approach (requiring that all operational programmes be financed only by one fund, i.e. either the ERDF or ESF)

introduced in the current programming period with a view to helping develop more transparent procedures for both managing authorities and eligible applicants, has in many respects complicated rather than simplified processes.

This is particularly evident when it comes to financing horizontal activities such as health and education and training, to mention but a few, where investments into human capital and infrastructural measures are equally indispensable and indeed complementary to each other.

The area of coordination of health related ERDF and ESF interventions has become a very challenging exercise for Member States. This is particularly evident in the area of e-Health where investments in new technologies and applications (through the ERDF) should be strategically complemented by ad-hoc training for healthcare professionals and patients (through the ESF) if we are to maximise health gains, but this is not always happening.

The key recommendations that were made during the workshop are the following:

- Ensuring more synergy between ERDF and ESF, but also between the latter and other EU funding streams by allowing cross-financing (currently allowed in certain circumstances)
- Investigating new ways to deliver horizontal priorities such as Health through the Structural Funds as the current systems are not efficient. The challenge is to identify and set up new models without creating confusion amongst applicants as well as duplication of activities
- An integrated approach within the European Commission is needed (coordination and coherence between DG SANCO, DG Digital Agenda, DG REGIO, DG EMPLOYMENT, Member States and Regions etc).

E. Review the Structural Funds process side

Evidence has shown that funding models and processes can have a significant and predisposing impact on projects and hence on outcomes[4]. There is large consensus among stakeholders that Structural Funds process needs to be improved and streamlined. During the workshop a number of issues were raised and discussed.

Structural Funds-supported investment is too often based on outmoded and obsolete thinking. Evidence from the 2000-2006 and 2007-2013 period shows that in some cases it takes up to 10 years from idea generation to audit sign-off[5]. Priorities under the current programming period were set in 2005-2006 while some investments will only start in 2015 (because of the N+2 rule) when the actual needs of the healthcare sector may be completely different. Moreover, current programmes were drafted in a completely different economic climate with a view to sustaining growth and not to cushioning the impact of an economic

[4] Bernd Rechel, Stephen Wright, Nigel Edwards, Barrie Dowdeswell, Martin McKee, *Investing in hospitals of the future,* quoted.

[5] EUREGIO III (2010) *The Venice Stakeholder Event: learning lessons about health-related Structural Fund investments.* Brussels, EUREGIO III (http://www.euregio3.eu/news/show/venice-stakeholder-event-report-is-published/)

turmoil and supporting and accelerating the recovery. The crisis and ongoing financial instability has dramatically changed some of the key economic and policy determinants and Member States have realised that certain priorities and practices they had set and foreseen in 2005 no longer suit current needs, nor do they accommodate the new economic climate and are calling upon the European Commission to allow more flexibility in the delivery of Structural Funds programmes.

If the Structural Funds process does not allow flexibility in project management and spending the danger is that outmoded and obsolete products are delivered when the outside world has changed much faster and demands different types of investment. This again means living down to patients' and citizens needs, requirements and expectations and thus poorer health gains.

The industry has remarked that a number of positive steps towards more streamlined procedures for eligible applicants have been already successfully accomplished, such as diminishing the co-funding requirements and the recent modification of procurement framework, there are a number of challenges that need to be addressed in order to ensure that Structural Funds investment effectively matches the needs of the healthcare system. In this context it was suggested that authorities in charge of Structural Funds management should:

- focus on projects with long-term vision and ensure more coordination
- avoid too detailed and technical tenders that risk to be obsolete due to the pace of innovation in technology and could favour specific providers
- further change the procurement framework to make it more streamlined (procurement procedures are too lengthy (up to 4 years) and too often transparency is not ensured (tender published only in local language);
- diminishing the co-funding requirements
- simplify the application process and support for building proposals for eligible beneficiaries

While these issues are particularly sensitive to the private sector, most of them concern all categories of final beneficiaries.

Structural Funds programmes tend to concentrate exclusively on ensuring that resources allocated are spent on time, within budget and with due probity. As a consequence they often lack a clear vision on the effective needs of the citizens and tend to avoid risky, but potentially high-value investment projects, because of danger of de-commitment.

Beneficiaries usually tend to seek the most effective route to access funds while funders (i.e. both the European Commission and managing authorities) appear to be mostly interested in ensuring that the money is duly spent. Ensuring that Structural Funds deliver successful results requires also overcoming the trade-off between the two parties.

The key challenges for policy makers at European and national-regional level in this area are the following:

- Ensure more flexibility in both planning and implementation phase regarding changing circumstances, priorities and objectives while ensuring effective absorption capacity
- Moving from process based (i.e. focused on spending) to output and outcome based Structural Funds approach. The key challenge is to identify realistic and measurable process and outcome indicators
- Ensuring full commitment and involvement of all relevant stakeholders to make sure that Structural Funds are addressing real needs.

F. WHO SHOULD BE SETTING HEALTH PRIORITIES

The workshop has clearly called for a more collaborative and supportive approach in the delivery of Structural Funds. To be successful and meet citizens' expectations Cohesion Policy needs to be developed in full partnership with all stakeholders. Everyone involved can influence priorities and content.

It was pointed out that health priorities should be driven by the people who are actually using healthcare services. It is important that strategies for future Structural Funds investment enable the full recognition of user's needs and demands at all stages of the Structural Funds programmes lifecycle. Meeting citizens' expectations requires the meaningful association and involvement of all partners in all Structural Funds' programmes phases, from planning to implementation, monitoring and evaluation. According to art. 11 of the general Regulation governing the Structural Funds[6], Member States are now required to set up more extensive partnership mechanisms including any appropriate non-governing body. However, the Structural Funds Regulations contain no precise instructions on how to actually operationalise this partnership thus leaving the final interpretation of this principle to Member States' own discretion. A recent report has shown that the application of the partnership principle, particularly with regard to associating the non-governing sector, remains a challenging exercise for Member States[7].

On the other hand it was remarked that Structural Funds programmes and priorities for health investment should not be limited to addressing national public health trends, but should also allow the integration of regional health systems. To bring effective benefits to the citizens Structural Funds need to accommodate local needs and respond to local challenges. Involving all actors, not only at EU and national level, but also, and perhaps more importantly, at sub-national level is a fundamental prerequisite for ensuring the alignment between real needs and Structural Funds operation is effectively achieved at all levels.

- Strengthening partnership mechanisms, particularly at sub-national level, could help better shape Structural Funds strategies by enabling the effective recognition of both user needs and requirements of local healthcare systems. Specific resources under "Technical Assistance" envelopes should be allocated to support partnership

[6] COUNCIL REGULATION (EC) No 1083/2006 of 11 July 2006 laying down general provisions on the European Regional Development Fund, the European Social Fund and the Cohesion Fund, in O.J. L 210/25 of 31 July 2006.
[7] Polverari L and Michie R (2009), *New Partnership Dynamics in a Changing Cohesion Policy Context*, *IQ-Net Thematic Paper*, 25(2), Glasgow.

- Need to better link the objectives of the operational programmes to regional indicators and regional health objectives.

4. Health and Cohesion Policy in a 2013+ perspective

In 2014 Cohesion Policy will enter a new phase, the fifth since the inclusion of this policy area in the Single European Act in 1986 and the launch of the first programming period in 1989. Although there is still a long way to go before the entry into operation of the new programming phase the debate on the future of Cohesion Policy has already started. Setting new priorities, reforming the regulations and planning the Structural Funds for a new programming period is a complex and lengthy process. In order to ensure the smooth transition from one programming period to the next, it is necessary, therefore, to start off planning well in advance.

Time-frame for the adoption of the legislative framework and national documents for Cohesion Policy 2014-2020

- October/November 2010: Publication of the Fifth Cohesion Report by the EC
- Autumn 2010: EC initial paper on the multi-annual financial perspectives 2014-2020
- Early 2011: EC's draft proposal for the new Strategic Guidelines for Cohesion and launch of the open consultation with Stakeholders (expected closure summer 2011)
- Early 2011: EC's proposals for the new Regulations governing the Structural and Cohesion Funds
- Spring-Summer 2011: EC proposal for a Regulation on multiannual financial framework for the period 2014-2020 (replacing the current inter-institutional agreement reached in 2006)
- Late 2011/Early 2012: Commission's final proposal on the Strategic Guidelines for Cohesion Policy 2014-2020 submitted to the Council
- From mid-2011: Member States to start drafting the NSRF and OPs
- Late 2012: adoption of the Regulation on the multiannual financial framework 2014-2020 Mid-2013: adoption of Strategic Guidelines for Cohesion Policy 2014-2020 and the new Regulations governing the Structural and Cohesion Funds by the European Parliament and the Council
- Late 2013-2014: Adoption of the various NSRF and OPs: new Cohesion Policy framework in force.

The proposal for the new Strategic Guidelines for Cohesion Policy is expected to be issued by the Commission later this year right after the publication of the 5th Cohesion Report. Proposals for the new Regulations are expected in mid-2011. The publication of the new legislative proposals will be followed by long negotiations between the Commission, the Council and the European Parliament (which has been granted more competence in this area by the Lisbon Treaty). A compromise on the new texts is unlikely to be reached before mid-2013 as a great deal of decisions will depend on the inter-institutional agreement on the next multi-annual financial perspectives which will set up the next long-term EU budget

spending priorities. An initial paper on the subject is expected to be presented in September by the Commission and a preliminary Council meeting should take place during the Belgian Presidency.

4.1. Who should benefit from Cohesion Policy and how should we allocate resources?

Throughout the last two decades the role of Cohesion Policy has changed considerably. Originally conceived as a mechanism to support the socio-economic convergence of Europe's poorest and lagging regions and compensate them for the negative effects brought about by the Common Market, Cohesion Policy is now a policy whose main objective is to foster growth and jobs in all European regions. As from 2007, with the launch of the forth programming cycle, all territories across the EU are covered under either the Convergence or the Competitiveness and Employment Objective. This notwithstanding the huge bulk of Structural Funds continues to target lagging regions falling under the Convergence objectives, i.e. regions with a per-capita GDP not exceeding 75% of the EU average.

There seems to be la strong consensus that, while focus should be on poorest and territorially disadvantaged regions, Cohesion Policy should continue to be a policy for all regions. In the workshop it was discussed that the way Structural Funds are allocated should, however, be adjusted so as to include additional indicators other than per-capita GDP, including health-related indicators. Such indicators should also reflect the need to restructure the organisation and delivery of health services.

4.2. Health as a priority for Cohesion Policy

Looking at the post-2013 perspective the key issue is whether health will remain a priority under the future funding period. Currently there seem to be many competing priorities for a potentially smaller amount of money. This means that competition for Structural Funds will get harder with more emphasis on value for money assessment and outcome evidence.

Moreover the Commission is oriented towards the full-alignment of Cohesion Policy with the newly agreed long-term strategy for smart, sustainable and inclusive growth, the so-called EU2020 Strategy. Health is however not explicitly mentioned in this strategy. This makes it difficult to predict whether Cohesion Policy will be investing in health in the future programming period and if so to what extent.

Different scenarios are possible:

a) Health will continue to be featured as a priority for Cohesion Policy

b) Health will exist as a sub-priority under a number of other priorities for Cohesion Policy investment

c) Structural Funds will no longer be used to invest in health.

Although it is indeed a difficult period to predict what the focus and structure of Cohesion Policy and Structural Funds might be, the second one seems to be the most likely scenario. However with concerted action it might be still possible to add a "health theme" to the

Commission's proposal for Strategic Guidelines. We need however to demonstrate that health is crucial to the achievement of EU2020 objectives.

As Ms. Dimitrova showed in her presentation, health can perfectly fit under all EU2020 overarching themes, notably smart, sustainable and inclusive growth.

Inclusive growth
Reduce Health Inequalities
Empower citizens – Health literacy and information to patients
Smart growth
E-Health and Telemedicine
User-oriented healthcare
Health innovation – demand side driven innovation of processes and technologies
Sustainable Growth
Healthy ageing – focus on health promotion and diseases prevention ; improve HLY;
Skilled and sustainable health workforce
Transformation of health systems to adapt to challenges and optimal use of resources
Cross border healthcare

This shows that not only is health relevant to the EU2020 Strategy, but it is also crucial for the achievement of its central objectives. As the main policy (and financial) instrument available at EU level for delivering the EU2020 Strategy, Cohesion Policy should therefore integrate a clear strategy for health investment and include this policy area among the top priorities for Structural Funds spending for the 2014-2020 programming period.

It has also been remarked that the key challenge will be to make sure that the strategic alignment between the Europe 2020 strategy and the Structural Funds allows for the full recognition of local needs and priorities. As health is one of the key responsibilities for regional authorities in the majority of Member States, regional authorities shall have the opportunity to use Structural Funds for supporting healthcare investment in line with priorities and needs of their healthcare system.

There is a certain consensus that Structural Funds should increasingly be used to reduce health inequalities across Europe to ensure fair and equal access to healthcare services for all citizens and patients regardless of where they live. An ad-hoc Briefing on this topic being produced as part of the WHO/European Commission Equity Project supports this[8]. The Committee of the Regions (CoR) believes that this should be actually one of the key objectives of Cohesion Policy that should be reflected in the future programming setting. This approach has been recently endorsed during the launching event of the new CoR-DG SANCO Technical Platform on Health held in Brussels on June 11, 2010. There are however problems of measurability in this area. We need to build realistic evidence of Structural Funds (potential) contribution to reducing health inequalities. To do that we need a solid set of indicators, EU wide databases with comparable data. Specific indicators are needed also to effectively evaluate health gains from Structural Funds. Added-value must not only be maximised, but it shall also be effectively demonstrated.

[8] Watson J (in press) *Opportunities for health systems to influence the use of Structural Funds to reduce health inequities in the EU.* Copenhagen, WHO Regional Office for Europe, 2010.

4.3. Cohesion Policy as an opportunity to turn the "Health in all Policies" approach into practice

In line with the goal of the 2010 Open Health Policy, the workshop also looked at how better integrate the principle of "Health in all Policies" into Cohesion Policy.

Adopted as a main Health theme by the 2006 Finnish Presidency the Health in All Policy (HiAP) approach (revised under the Spanish Presidency to be 'Health and Equity in All Policy') is based upon the idea that since Health is determined to a large extent by factors outside the health area, an effective health policy must involve all relevant policy areas. The intention is for health concerns to be an integral part of all policies at EU, national and regional level, including the use of impact assessments and evaluation tools.

In his report to the second plenary session, President Anders Olauson of EPF remarked that Cohesion Policy is one of the most tangible EU policies, and in terms of added value, it is a showcase for what the EU can bring to people's lives. As the key financial mechanisms of Cohesion Policy, Structural Funds represent the appropriate tool to put into practice, implement and test the Health in all Policies approach. But the key question is how.

We have seen that various Member States and regions have already made significant efforts to integrate a "Health in all Policies" approach in their Structural Funds programmes by including Health considerations in various sectoral programmes and developing specific health-related indicators for evaluating impact and outcomes of these programmes.This, however, seems to represent the exception rather than the rule. At the same time it is very important to distinguish between program indicator (this could be more sofisticated and evaluated by trained evaluator) and project indicator (have to be very clear and easily measurable by the final beneficiary).

During the workshop we heard of some interesting attempts made by some Member States at including "Health in all Policies". In the current programming period the Slovak Republic is the only country having adopted a specific sectoral operational programme for Health (covering all country except Bratislava which is not eligible for Convergence assistance). Setting up a specific operational programme for Health in other countries in the future programming period should be investigated. Likewise, as in several Member States Structural Funds are implemented regionally (usually one ERDF and one ESF programme), we should investigate whether and how best to integrate a specific health priority within regional operational programmes.

In the current programming period Greece has tried to use Structural Funds for implementing their national health strategy, by integrating specific health priorities and/or measures within horizontal operational programmes (the national ESF programme and the national ERDF programme for Knowledge Society and Innovation), but this approach is not working. The Health-related priority of the Greek ESF operational programme has attained very low absorption level and consequent de-commitment risks. In part, this is because health services can still be unsure about seeking to access funding that does not have a 'health' label.

The way to factor "Health in All Policies" through the Structural Funds could be to effectively integrate health considerations in all other sectoral operational programmes (health mainstreaming) through health assessment of all programmes. We have a concrete example of how this works in practice in EU gender policy.

Structural Funds offer many opportunities but because of fragmentation and different programmes responding to different implementation structures it is difficult to achieve complementarity. We should therefore investigate new ways to ensure a more integrated approach to Structural Funds, including more synergy between ERDF and ESF. It has been suggested that such integration should be achieved at the appropriate level whether national, regional or sub-regional. In this respect, merging the ERDF and ESF into one single funding instrument has also been suggested, even though it is highly unlikely to happen in the next programming period.

To avoid fragmentation it is absolutely necessary that:

a) health priorities, measures and considerations respond to a common strategy

b) complementarity is ensured in practice through strong coordination from the Ministry of Health acting in partnership with all relevant stakeholders and the establishment of effective communication channels with other line ministries and managing authorities in charge of other sectoral and horizontal programmes

c) the health strategy is effectively linked to national/regional development plans.

Health gains can be attained also from non-health sector investment. DG SANCO has recently launched a tender aimed at investigating and providing concrete evidence on how health gains can be generated from non-health sector investments. It is hoped that this activity will provide usable knowledge to inform decision-makers on how better to derive health gains from Structural Funds.

Conclusions

Structural Funds provide a window of opportunity for changes in the delivery of healthcare throughout the EU and can really contribute to health gains. In order to successfully exploit these opportunities and bring added value to all citizens and patients these Funds have to be used wisely.

Despite the inclusion of health in the Strategic Guidelines and in the various national and regional ERDF and ESF operational programmes there is a widespread agreement among healthcare stakeholders participating in the workshop that we are not exploiting all the opportunities for health investments through the Structural Funds. One of the main lessons we have learnt is that using Structural Funds to invest in health, in fact, does not necessarily lead to health gains. Moreover health gains and added value must be not only maximised but also effectively demonstrated.

Future health investment will need, therefore, to show demonstrable impact over the longer term, but we also need to develop suitable indicators to evaluate impact and outcomes both health-related programmes and projects.

Despite of the fact that health policy falls by and large within the competence of Member State, the EU could play a very important role in fostering the dialogue in areas such as innovation, best practises, strategies for reducing health inequalities and promoting more patient centred healthcare investment, new trends and challenges in the health sector. The EU should play a very active role in setting up good quality health indicators to be used by all the Member States and to ensure effective benchmarking.

Health investments have the most impact when they are effectively integrated into a coherent regional master plan and strategically geared towards the needs of citizens and patients.

The role of the health sector has changed significantly over the last decade. Health systems and actors involved in healthcare planning and delivery should not conceive themselves only as service providers, but also as economic actors. We have seen that not only can health contribute to regional development in many ways, but it can also help make this development much more sustainable in the future. The capacity of national and regional authorities to establish links between health and economic and social development will be a crucial challenge for both the healthcare sector and non-health actors.

Today health is a separate priority for Cohesion Policy, tomorrow it is likely to be not. Currently there seem to be many competing priorities for a potential smaller amount of money. Structural Funds should continue to invest in health, recognising increasing demand and burden of chronic disease and ageing. One of the key challenges in this respect will be actually to get the balance right between investing in health prevention and patient-centred disease management.

The workshop has demonstrated that not only is health relevant to the EU2020 Strategy, but it is also crucial for the achievement of its central objectives. As the main policy (and financial) instrument available at EU level for delivering the EU2020 Strategy, Cohesion Policy should therefore integrate a clear strategy for health investment and include this policy area among the top priorities for Structural Funds spending for the 2014-2020 programming period.

This is why it is extremely important that the role of health is effectively recognised and reflected in the next Strategic Guidelines for Cohesion Policy. Concerted action is therefore imperative. All stakeholders involved must work together to advocate for positioning health at the very centre of the post 2013 Cohesion Policy.