

BIAC ACTIVITY UPDATE

HEALTH CARE TASK FORCE

January –December 2011

ABOUT BIAC

The Business and Industry Advisory Committee to the OECD (BIAC) was constituted in March 1962 as an independent organization officially recognized by the OECD as being representative of business and industry. BIAC's members include the industrial and employers' organizations in the OECD Member countries as well as a number of observers and associate expert group members.

In the framework of its consultative status with the OECD, BIAC's role is to keep the OECD informed of the private sector's response to different policy options. BIAC offers business and industry an excellent opportunity to participate in inter-governmental discussions on policy issues, thus giving the business community a chance to shape the development of long-term policies in OECD countries.

The OECD work on health care is intended to provide governments with the analytical basis to develop health care policies that are both effective and economically efficient. This work includes health care performance reviews, data collection, projections, as well as policy analysis in different areas related to health. The BIAC Task Force on Health Care Policy contributes to the broad range of OECD activities to ensure that business considerations are adequately reflected.

This report provides an update on the main activities of the BIAC Task Force during the first half of 2011 as well as a short overview of future OECD events.

BIAC SECRETARIAT

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BIAC TASK FORCE LEADERSHIP

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GlaxoSmithKline (United Kingdom)

Dr. Hasan Kus, MD
Anadolu Medical Center (Turkey)

Dott. Alberta Sciachi
Italian Association of Private Hospitalisation
(Italy)

Ms. Kalliopi Spyridaki
SAS (United States)
(until December 2011)

COMMITTEE ACTIVITIES IN 2011

BIAC co-sponsors OECD's 50th anniversary event on health reform

To celebrate 50 years of health reform, the OECD and BIAC hosted a one-day high-level conference on 22nd June that focused on addressing the challenges of ageing and multiple morbidities. Organized on the occasion of the 50th anniversary of the OECD, the conference brought together over 100 senior policymakers, business experts and academics.

Led by Ms. Nicole Denjoy, Chair of the BIAC Task Force on Health Care Policy, BIAC highlighted the business case for greater collaboration with governments to generate improved health outcomes and greater efficiency in the future.

Ms. Denjoy chaired the conference session that explored the overall challenge of ageing and multiple morbidities. Sanofi CEO Christopher Viehbacher, chaired the afternoon session on innovation, partnerships and multiple morbidities.

Business, as contributors to health budgets, employers of older workers, and providers of goods and services, has a vested interest in reducing the overall cost burden, while increasing efficiency and quality of health care. Close co-operation with governments will help incentivize the business community to make the necessary investments today that will yield the solutions needed for tomorrow.

Some of the areas needing modernizing, and where business can provide considerable expertise, include financing and payment systems, human resource policies, and innovation and partnership approaches; three of the major issues addressed during the conference.

The conference, which was formally co-sponsored by BIAC, provided an excellent opportunity to highlight BIAC's pro-active contribution to the OECD work on health care. In addition to providing two high-level session chairs and a strong delegation of business experts, BIAC facilitated and contributed two academic background papers

to the conference and hosted a cocktail to mark the anniversary event.



BIAC looks forward to future opportunities to provide business input to OECD work in the area of ageing.

For more on the OECD conference: www.oecd.org/health/50yearconference



Key business recommendations for meeting the challenges of ageing

In its submission to the OECD 50th anniversary conference, BIAC called upon the Organization to address active ageing as a horizontal priority for the OECD, in which the Health Committee, in addition to other parts of the OECD, should pay an active role.

Specifically related to health, BIAC recommended to:

- Encourage active ageing and address the complexities of managing multiple morbidities by seeking close cooperation and partnership with the private sector;
- Better manage costs by rewarding results and seeking ways to improve efficiencies;
- Consider medical workforce and skills strategies to support active ageing while aligning human resource policies to the new demographic realities;
- Foster innovation for health promotion, disease prevention and treatment as well as other innovative approaches that improve the lives of older citizens.

BIAC's submission to the conference can be found online: www.biac.org/policygrp/profile-health.htm

ICT for a smarter health and wellness future

A major BIAC delegation participated in the OECD/NSF workshop on “building a smarter health and wellness future”, which was held in Washington on 15-16 February. Key issues discussed included the expanding needs of health and social systems, greater patient empowerment, opportunities provided by new smart models of care, and specific actions to build a smarter health and wellness future.

One of the key conclusions of the workshop was that portable technology and M-Health can deliver significant social benefits. These technologies can increase patient access to health services and information, patient empowerment and self-care and improve the way health professionals deliver health services, particularly for chronic disease prevention and management. The workshop outcomes point to the need for a multi-

stakeholder policy framework to create the conditions for sustainable and scalable M-Health and to accelerate innovation in this area.

Some of the issues raised by experts at the workshop are already taken forward by the project “ICT for a silver economy”, which aims to further explore how smart technologies can be leveraged to innovate services and address the challenges of ageing societies.

BIAC has also been involved in discussions on health ICT and privacy and has provided detailed comments on the occasion of the June consultation with the OECD Health Committee. The BIAC talking points for the consultation are available on our password-protected website (click [HERE](#)).

New work on the economics of prevention

Over the last few years, BIAC had been actively involved in OECD work on prevention, which resulted in a publication on obesity and the economics of prevention, the main findings of which were presented to Health Ministers when they met in October 2010.

In December 2010, the OECD Health Committee approved the establishment of a new expert group on prevention. A first expert meeting took place on 31 March - 1 April, which was intended to collect comments on future work in the following areas: the prevention of harmful use of alcohol, enhancing OECD’s modeling capabilities, and early diagnosis of chronic diseases. BIAC provided initial comments on the issues of health literacy and the prevention of harmful alcohol use during the June consultation and will follow up with more detailed input as the project further develops.

New work on pharmaceutical pricing and innovation

In 2008, the OECD Health Committee published its report on “Pharmaceutical Pricing Policies in a Global Market”, to which BIAC had actively contributed. Further to a proposal by the UK, the OECD is now embarking on new work in this area. The primary objective would be to document policies and experiences among OECD countries, especially on policies used by member countries to reward value and innovation in pharmaceutical pricing and reimbursement policies. The main output of the project is expected to be a comparative analysis of the value-based pricing policies adopted in a sample of selected countries.

During the June consultation with the OECD Health Committee, BIAC mentioned that in principle the proposed research could make a useful contribution and underlined its interest in being closely involved in the further development of the project. Further details will be discussed at an expert meeting in February 2012.

Mental health

Mental disorders account for one of the largest and fastest growing categories of the burden of disease with which health systems must cope. Moreover, many mild to moderate mental disorders are under-diagnosed and untreated, meaning that a significant proportion of the population suffering from mental ill health remains hidden. Mental disorders also account for a significant share of health spending. Given the large burden of the disease and the variations in financing, delivery and outcomes, there is considerable interest in how to measure the performance

of the mental health system in an objective way.

It is in light of these challenges that the OECD launched a new project in January 2011, which currently has two main work streams: (1) conducting reviews of evidence and best practices in key policy areas; and (2) building and applying a framework for assessing mental health system performance, particularly value-for-money. The report is expected to result in a publication on what makes a high-performing mental health system based on the evidence available. BIAAC will be actively involved in this project, providing input both from the perspective of implications for employers and solutions provided by specific industries.

In parallel, the OECD Employment, Labor and Social Affairs Committee is working on mental health issues in the workplace, recognizing that mental illness is a growing problem in society and is increasingly affecting productivity and well-being in the workplace.

Enabling innovation in biomedicine and health technology

While the OECD Health Committee is taking the lead in the area of health policy, health issues are being addressed in several OECD policy groups. The OECD Working Party on Biotechnology has carried out important work related to innovation in biomedicine, including on the following issues: health research infrastructures; intellectual property rights, collaborative mechanisms and knowledge markets; health research infrastructures; as well as on regulatory policies that affect the approval and uptake of new technologies and new business models for bringing health products to market. The 2010 synthesis report on biomedicine and health innovation provides a review of some of the main

lessons and policy messages that have emerged from this significant body of work. Further work is envisaged in the areas of innovative governance and personalized medicine and global public health.

At the initiative of BIAAC experts, members of the Working Party on Biotechnology also participated in a meeting in June to discuss the possibility of using Alzheimer's disease as an integrated case study through which to continue work in biomedicine and health innovation. In light of the significant health and economic impacts of the disease, a workshop was organized to discuss issues by which to approach innovative governance and biomedicine through the lens of Alzheimer's disease.

BIAAC contributes to discussions on OECD's long-term strategy on health

On the occasion of the December consultation with the OECD Health Committee, BIAAC used the opportunity to provide strategic input to the discussions on OECD's future program of work on health. Recognizing the importance of both remaining flexible and responding to a longer-term strategy, BIAAC highlighted the following overarching considerations: As an economic organization, the OECD should focus on its specific added-value as compared to other international organizations. The long-term strategy should be seen in the context of health-related work across the OECD and reflect the horizontal nature of health. A good balance should be maintained between work on communicable and non-communicable diseases, while giving due attention to mental health issues.

In addition to the over-arching priorities put forward at the October 2010 OECD Health Ministerial, BIAAC offered strong support for the proposal for future work on health and

active ageing; a more systematic effort to foster innovation and identify innovative new approaches to address common health challenges; further work on the critical role of ICT; as well as increased focus on education and health literacy. However, BIAC cautioned against the use of taxes to influence unhealthy behavior, underlining that taxes impose administrative burdens and have not proven to be effective at reducing overweight or obesity.

OECD Governance Committee to look at health expenditure

In 2011, the OECD Working Party of Senior Budget Officials created a new network on health expenditures, which focuses on the fiscal sustainability of public health and long-term care. The Network on Health Expenditures brings together health budget examiners, who will work in close coordination with the OECD Health Committee to address the consequences of increasing health and long-term care expenditures, in particular for economic growth, public finances and solidarity arrangements. The network seeks to identify appropriate solutions for the challenges faced by member countries, through international comparison and exchange of good country practices, drawing on work from the OECD committees on health, on economic policy and on public governance.

While the meeting of the network did not include business participation, BIAC expressed its interest in contributing to discussions on health expenditure during the December consultation with the OECD Health Committee. Business is greatly concerned about the challenges to our health systems and the implications of rising non-wage labor costs for companies' competitiveness and

economic growth. At the same time, business should be seen as being part of the solution by developing innovative approaches for sustainable health care systems, fostering efficiency improvements, and addressing the urgent health challenges we are facing. BIAC also underlined that the rising costs of diseases and "chronic conditions" (including also mental diseases, such as Alzheimer and brain disorder) to our economies must be taken into account in future discussions in this area.

Physical activity key for health and well-being

OECD Health at a Glance 2011 has highlighted the significant increase in obesity rates. In more than half of OECD countries, 50% or more of the population is now overweight. To tackle this challenge, many OECD countries are now intensifying efforts to promote a culture of active living.

BIAC has consistently underlined the importance of physical activity in the context of prevention and health promotion, and used the opportunity of the December consultation to provide a detailed briefing on the links between physical activity and health by a member representing the International Health, Racquet and Sports Club Association. Recognizing the escalating costs due to the rise of non-communicable diseases, individuals should be encouraged to accept personal responsibility for their own health through active practice of primary prevention. Sports and physical activity should be considered an integral part of a healthy lifestyle. The positive, direct effects of engaging in regular physical activity are particularly apparent in the prevention of several chronic diseases, including, for example, cardiovascular disease, diabetes, obesity as well as certain mental health issues.

UPCOMING MEETINGS 2012

Please note that this is a provisional list and that some dates might be subject to change.

30-31 January

International Benchmarking of Health Information Technologies (WPIE)

13 February

Meeting on Competition for Hospital Services (hosted by the Competition Policy Committee but Health Committee members will be invited to attend)

13-14 February

Health Spending by Disease Experts Group

20-21 February

Expert Group on Pharmaceutical Pricing and Innovation

5-6 March

Waiting Times Expert Group

26-27 March

Mental Health Expert Group

9-10 May

HCQI Meeting

11 May

Joint Meeting with The Working Party on Security and Privacy

25-26 June

11th Health Committee Meeting

13-14 September (tbc)

Health Workforce Planning and Management

10-11 October

Health Accounts Meeting

11-12 October

Health Data Correspondents Meeting

15-16 November

HCQI Meeting

3-4 December

12th Health Committee Meeting

OECD PUBLICATIONS

Providing and paying for long-term care

As life expectancy increases, ever more people want help in order to be able to live their lives to the full for as long as possible. How will demographic and labor market trends affect the supply of family, friends and care workers available to the elderly? Will public finances be threatened by the future costs of care? What should be the balance between private responsibility and public support in care giving? This book addresses these and other important questions related to long-term care.

OECD Health Data 2011

OECD Health Data 2011, released on 30 June 2011, offers the most comprehensive source of comparable statistics on health and health systems across OECD countries. It is an essential tool for health researchers and policy advisors in governments, the private sector and the academic community, to carry out comparative analyses and draw lessons from international comparisons of diverse health care systems.

Health at a Glance 2011 – OECD Indicators

The 2011 edition of Health at a Glance presents the most recent comparable data on key indicators of health and health systems across OECD countries. For the first time, it also features a chapter on long-term care. Other chapters focus on health status, non-medical determinants of health, health workforce, health care activities, quality of care, access to care, and health expenditure and financing. It presents data for all 34 OECD member countries. Where possible, it also reports comparable data for major non-OECD economies.