

May 2008

## *Speaking points*

### **Draft program of work of the OECD Health Committee**

BIAC strongly recommends a horizontal approach in addressing health-related issues. Horizontality is needed for addressing any issue of the healthcare sector. Fiscal and social costs of health care are rising. Increased taxes and social security premiums will undoubtedly lead to excessive burdens on productivity and weaken the economy. It is therefore essential to permanently optimize the health system.

BIAC would like to underline the importance of a long-term strategy for health care issues since this sector requires stable resources and visible long-term prospects. It is important that the OECD not replicate the work done at the WHO, the EU, FAO or other institutions. Instead, it should use its unique capabilities for addressing the main economic issues of the health sector adding value to on-going debates.

Some noticeable efforts have been made in this direction. However, BIAC has the feeling that *health policy* as embraced by the OECD has in some instances been too opportunistic in its choice of work themes. It is important that future activities focus on selected major issues, allowing the OECD to build a solid reputation of competency and knowledge in these areas. The goal should be that OECD becomes the indisputable expert in certain strategic issues.

While BIAC welcomes the progress achieved over the last two years, the adoption of a two-fold approach will give the work of OECD strength and coherence.

- Analysis and evaluation in parallel with the improvements in the quality and quantity of data will give the work of the OECD coherence, which can help to build the reputation of the Organization in the health sector.
- The list of the issues in the program of work should be revised using a more conceptually consistent classification. To do so, *quality* should not be treated at the same level as *organization and human resources*. It is the improvement in *human resources* and *organization* which will improve the *quality* of the care.
- At the same time, *globalization* will impact the efficiency of health systems.

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- The ranking of the issues in the future work program should be done according to how time-critical they are from the point of view of their potential for leverage (the potential for improvement).

BIAC would like to suggest three key issues, which need to be addressed urgently.

### **The first critical issue is Human Resources**

It is a critical issue because decisions made now will impact the health system in 5–10 years. Many countries lack sufficient medical staff. The OECD and Governments have already lost too much time and we have repeatedly asked for an urgent decision on the human resource issue. It has a major potential for improvement because the rate of exploitation of health infrastructures is conditioned by the existence of skilled people.

It represents an issue which conditions access to health care. Lack of physicians and nurses creates waiting lists that people with greater financial resources can avoid by using private health care. At this very moment, hundreds of thousands of people suffer from the lack of skilled resources. BIAC suggests that the human resource issue be comprehensively addressed and not only through some angles, which will not bring about solutions (study of one category of staff, role of the staff in one category of care).

### **The second critical issue is innovation**

It is a critical issue because improving the health sector through innovation is the only way to reduce costs and to improve quality of care and service. Innovation is key in all the aspects of the health system:

- in the provision of innovative health service
- in private and public funding schemes
- in drug and devices medicines
- in the organization of medical facilities

Three challenges need to be addressed:

- how to create permanent incentives for innovation
- how to improve the conditions for the implementation of innovation
- How to encourage wider consumer access to innovative healthcare technologies

The OECD should be the place where innovative solutions in health care are promoted. The OECD would be the ideal place for questioning the future of financing schemes and should propose various scenarios and solutions for the next decades.

Innovation in organization should be facilitated, for example, through the use of ICT and the adoption of innovative organization and definition of roles. ICT is an extremely powerful tool and is constantly innovating. But the health sector seems to encounter some difficulties in adopting and implementing ICT.

It is commonly admitted that innovative products and services are needed for addressing the existing and coming challenges. But the funding system is not innovation friendly and many barriers remain when it comes to implementing an innovative medical service or product.

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How to improve innovation while fulfilling the safety requirements is a question that will need to be addressed.

Financing is also an issue in which innovation and change is urgently required. This challenge should be addressed in a forward looking manner, since it requires both a clear vision of the evolution of expenses and the consideration of potential scenarios in healthcare funding.

**The third critical issue should be monitoring the performance of health systems.**

While the two first priorities focus on the means, the last one focuses on the objectives and the steering of health systems. Through many databases, the OECD has developed an incomparable set of indicators describing the health sector. Moreover, it is presently undertaking work specifically intended to produce data on efficiency.

In this context, BIAC suggests to:

- (1) Complete and use those databases for enhancing decision making processes and improving the monitoring of the health sector. Data should be usable for actions. General data do not facilitate solution finding.
- (2) Undertake work on the monitoring and the governance of the health system

The decision making process in the health system should go beyond the use of health technology assessment and should take a holistic view.

It becomes urgent to address the validity of the organization scheme of the health system and to question the role of public administration and the way patients, citizens and health providers are involved. The governance of the health system should be questioned as a logical consequence of the development of the database.

BIAC suggests the following themes:

- How to increase patients' involvement and responsibility for their health?
- How to encourage competition and continuous improvement?
- How to improve the decision making process as well as the management of operations in the health system?
- How to increase the steering capabilities of governments, including the implementation of health care reforms and public health policies?

BIAC looks forward to making a constructive contribution to these discussions.