OECD DEPUTY SECRETARY-GENERAL DE GEUS HIGHLIGHTS THE GROWING IMPORTANCE OF HEALTH IN OECD COUNTRIES’ POLICY AGENDAS

Good health is necessary for individuals to flourish as citizens, family members, workers and consumers. Therefore, improving health is a key concern of OECD societies, as it can contribute to higher economic growth and improved social welfare.

Health outcomes have improved radically over the past decades in all OECD countries. Today, people enjoy longer and healthier lives. But, population ageing, technological innovation and growing expectations for better co-ordinated and patient-oriented health services have put more emphasis on the performance of health systems. It is vital to ensure both that patients get value for money and that health system improvements will continue into the future.

Globalisation raises many challenges for health systems in today’s increasingly linked world. The external impact of domestic health policies, for example in the areas of pharmaceutical pricing policies and international recruitment of health professionals, must be evaluated. And improving global health standards to meet the targets set by Millennium Development Goals is one of the main global policy challenges of our time for donors, and for the international community as a whole.

On-going OECD work on health, as reflected in Health Update, can help policy makers to develop and implement sound health policies that respond to both domestic pressures and global challenges. This will help our Member countries to build high-performing health systems that are financially sustainable, deliver high-quality health and long-term care services, encourage choice and innovation, and protect vulnerable population groups in both developed and developing countries.

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INTRODUCTION
This newsletter offers up-to-date information on OECD health-related activities. It is mainly intended for OECD delegates who are already familiar with OECD work. We hope that it is also informative for the wider health community.

RELEASE OF HEALTH AT A GLANCE 2007
Health at a Glance 2007 - OECD Indicators was released in mid-November. The fourth edition of this OECD flagship publication presents the latest comparable data and trends on different aspects of the performance of health systems in OECD countries. It provides striking evidence of large variations across countries in indicators of health status and health risks, as well as in the inputs and outputs of health systems. For the first time, Health at a Glance also includes indicators on quality of care.

Each indicator in the book is presented in a user-friendly format, consisting of charts illustrating variations across countries and over time, brief descriptive analyses highlighting the key findings conveyed by the data, and a methodological box on the definition of the indicator. A statistical annex provides information for most indicators, presenting time series as far back as 1960. The publication’s main basis, OECD Health Data 2007, is the most comprehensive set of statistics and indicators for comparing health systems across the 30 OECD member countries.

Besides the English and French versions, the 2007 edition of Health at a Glance will be translated into German, Japanese and Korean.

Website: www.oecd.org/health/healthataglance


Contact: Gaetan Lafortune (Health at a Glance)
         Marie-Clemence Canaud (Health Data)

THE QUALITY OF CARE IN OECD COUNTRIES HAS IMPROVED BUT THERE IS STILL A LONG WAY TO GO
Since 2001, the OECD HCQI project has assembled a set of indicators on the effectiveness and safety of health systems. This provides policy makers with insights into the relative performance of health systems in relation to specific aspects of health care quality and helps them to assess the effectiveness of health care. The OECD has made a conscientious effort to ensure the comparability of HCQI data across reporting countries and over time. The Health Division is now working in partnership with national experts and other international organisations -- including the EU and WHO -- to extend the set of indicators to mental health, patient safety, consumer responsiveness and primary care.

Health at a Glance 2007 provides, for the first time, comparative data on Health Care Quality Indicators (HCQI) on prevention, acute care, cancer care and chronic care in 29 OECD countries.

The publication offers the following key highlights:

First, longitudinal data suggest that the quality of care provided in the 29 OECD countries covered by the study is improving. For example:

- The average case fatality rate for ischemic stroke has declined by more than one percentage point from 10.8% to 9.6% across reporting countries over the period 2000-2005. The wide adoption of thrombolytic treatment and the introduction of dedicated stroke units to treat these patients in many countries explain improvements.

- The average five-year relative survival rate for cervical and colorectal cancer has improved by approximately 2 to 4 percentage points since the mid-nineties, across participating countries.

Second, there is considerable variation in outcome indicators across countries, suggesting that no single country sets a ‘benchmark’ in health care quality. For example:

- Japan has the highest five-year relative survival rates for colorectal cancer (69.5% for men and 64.6% for women), but the five-year relative survival rate for breast cancer and cervical cancer is below the average for the 19 reporting OECD countries.

- Finland has one of the lowest in-hospital case-fatality rates for both ischemic stroke (6.2%, compared to an average of 10.6% for the 23 reporting countries) and hemorrhagic stroke (12.5% compared to an average of 25.1% for the 23 reporting countries). However, the in-hospital case fatality rate for acute myocardial infarction (11.1%) exceeds the average of 10.3% for the 24 reporting OECD countries.

- The in-hospital case-fatality rate following acute myocardial infarction in Mexico (24.5%) is nearly five times higher than that for New Zealand (5.4%).

- The retinal exam rate for people aged 18-75 years with diabetes in the United Kingdom
(83.4% of the diabetic population) is almost twice that of France.

Third, OECD countries have an unprecedented opportunity to learn from each other. Investment in research and analysis of the differences in HCQI across OECD countries will help policy makers to address quality shortcoming in the future.

**Website:** [www.oecd.org/health/hcqi](http://www.oecd.org/health/hcqi)  
[www.oecd.org/health/healthataglance](http://www.oecd.org/health/healthataglance)

**Publication:**


**Contact:** Sandra Garcia Armesto  
Niek Klazinga  
Ian Brownwood

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**IMPROVING PATIENTS’ SAFETY**

Patient Safety is high on the political agenda in the OECD member states. The OECD HCQI project has identified this among the areas in which comparative indicators should be developed. In 2004, an expert panel researched indicators covering five core domains of patient safety: i) hospital-acquired infections; ii) sentinel events; iii) operative and post-operative complications; iv) obstetrics; and v) other care-related adverse events. The panel agreed on a list of 21 indicators deemed as suitable for international comparison given their importance and scientific soundness.

The HCQI project set up a patient safety subgroup. At its first meeting in Dublin in June 2006, the group addressed three issues: (1) getting patient safety data systems on the international policy agenda; (2) developing a work plan for improving patient data systems and international comparability of patient safety data; and (3) linking data to action to improve safety. Discussion at the meeting and a separate OECD survey on patient safety data availability made it clear that no international database on patient safety exists, very limited data are comparable across countries, and even when such data are available, other factors inhibit their use for international benchmarking.

As a next step the OECD Secretariat and the HCQI experts Group adapted hospital administrative data systems for assessing and comparing patient safety across member countries. Several countries, notably the United States, have experience with calculating patient safety indicators (PSI’s) from their hospital databases, but international comparisons are scarce because, among others, of differences in coding in the international classification of diseases used by countries (ICD-9 and ICD-10). The OECD Secretariat commissioned the development of a manual on how to calculate the various PSI’s in a national hospital database using ICD-9 or ICD-10 codes. The manual was piloted for validation in Australia, Canada, Germany, Spain, Sweden, U.K. and the U.S. Preliminary analysis shows that most of the results in the pilot countries are comparable to the rates reported in the U.S. over the past years. Final results of the pilot test and a background report summarising the evidence on validity in the U.S were discussed at the meeting of the Patient Safety Subgroup on October 24th. The discussion will guide data collection on PSI’s in 2008.

The prospect of having internationally comparable indicators on patient safety has become more realistic. While much work remains to be done, there is now both policy interest and ongoing research on patient safety. The work of the patient safety subgroup in the OECD HCQI project will provide for the first time an international set of comparable data on patient safety.

**Website:** [www.oecd.org/health/hcqi](http://www.oecd.org/health/hcqi)

**Publication:**


**Contact:** Niek Klazinga  
Sandra Garcia Armesto

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**REVISION OF THE SYSTEM OF HEALTH ACCOUNTS’ MANUAL**

The OECD System of Health Accounts (SHA) manual 1.0 was published in 2000. Over time, the methodological framework proposed in the manual has become widely accepted, as shown by the large and growing number of OECD and non-OECD countries that use SHA standards for compiling data on health expenditure and financing. Evolving demands on health accounts data and unresolved issues -- such as the lack of adequate methods for output and price measurement, the boundary between health and long-term care, and the boundary of public health -- point to the necessity for further methodological developments. The development process, jointly undertaken by OECD, Eurostat and WHO, is expected to result in a draft SHA 2.0 manual at the end of 2009.

The revised SHA Manual aims to provide a refined conceptual framework and a revised and expanded version of the International Classification for Health Accounts in order to: i) improve the comparability of health expenditure data across countries and over time; ii) provide better information for assessing the performance of health systems; and iii) provide better

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information on the role of the health sector within the national economy.

The revision process for the SHA manual is based on three guiding principles.

The first principle for the revision is an appropriate and agreed programme of work. The draft programme of work (available on the SHA revision website) sets out a proposal for all units to be included in the new manual, the content and key points of the units, and a division of coordination activities amongst the three organisations.

The second principle of wide consultation involves all stakeholders engaged in producing and utilising national health accounts such as national organisations, health ministries and statistics agencies, international organisations, national accounting networks and individual experts. As SHA 2.0 is expected to serve as a global standard, one of the key challenges is to ensure that SHA 2.0 is equally suitable for low, middle, and high-income countries. As part of the consultation process, a webpage (hosting all documents for the revision, announcements and deadlines) and an Electronic Discussion Group (EDG) have been set up.

The third principle of a specific framework for cooperation agreed between OECD, Eurostat and WHO, will collectively ensure appropriate outcomes for the revision within the agreed time frame.

The main thrust of the three guiding principles is to ensure a successful, smooth and transparent revision process that has broad support in the international statistical and health policy community.

**Website:** [www.oecd.org/health/sha/revision](http://www.oecd.org/health/sha/revision)

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**ESTIMATING OUTPUT-BASED HEALTH-SPECIFIC PURCHASING POWER PARITIES**

In order for international comparisons of health expenditure to be meaningful, reliable and internationally comparable measures of health care outputs are needed. In order to do so, purchasing power parities (PPPs) should be specific to health care commodities and services, and based on a volume-measurement approach.

The recently established OECD Task Force on health-specific PPPs endorses the approach proposed by the US National Academy of Science to “select about 15 to 40 diagnoses chosen randomly in proportion to their direct medical treatment expenditures and use information from retrospective data claims databases to identify and quantify the inputs used in their treatment and to estimate their costs”. The current compilation of health specific PPPs uses an input-price approach in hospitals. In other health sectors, e.g. doctor consultations and pathology tests, market prices are more readily available. For this reason, the initial development of output-based PPPs focuses on hospital services.

The volume measures to be used for estimating PPPs can be computed directly and the costs of different medical procedures provide the weights for computing a volume index of medical treatments. In order to identify, measure, and value hospital products, three options could be used, each involving different strengths and weaknesses:

- **Per patient.** A case of hospitalisation is cost unit. A profile of care and a profile of costs is estimated “bottom-up” at patient level. A similar approach was proposed and used in the HealthBasket project funded by the European Union and proved to be feasible and well accepted. However, the approach is expensive and presents a high variability of unit costs per case among countries; it is based on standard cost, which needs an ad hoc data collection to feed the system; comparisons within- and across-countries are not representative.

- **Per diagnosis or procedure category.** The output is defined as simple aggregations of codes: each inpatient case is assigned to a category on the basis of a list of codes that correspond to the disease or intervention. An example is provided in the Hospital Data Project funded by the European Union. The project aims to maximise the statistical comparability of hospital activities, using data routinely collected by countries and mapping tables to ICD-9-CM codes. A major limitation is that the project focuses only on the product identification and measurement phases, and the match of the product categories with the costs incurred to provide those services is not within its scope.

- **Per group (e.g., Diagnosis-Related Groups).** The DRGs system represents a classification of hospital activity (i.e. case-mix) based on relatively homogeneous cases. Each inpatient case is assigned to a DRG on the basis of the diagnoses, procedures, age, and discharge disposition information available in the minimum basic data set for acute inpatient care. Despite their widespread use and availability of case-mix measurement, two problems may limit cross-country comparability of the unit (average) cost per product. First, different countries use different classification rules and the final products might not be directly comparable. Second, costing methodology applied might present differences among countries, such as variations in the
inclusion and exclusion of cost items, and differences in the allocation keys used.

The next meeting of the Task Force on Health-specific PPPs will discuss the best way to identify, measure and value hospital products.

**Website:**  [www.oecd.org/health/sha](http://www.oecd.org/health/sha)

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**THE IMPACT OF WORK STATUS AND WORKING CONDITIONS ON MENTAL HEALTH**

The project on mental health and the workplace has been conceived against a rising concern about mental health problems among the working population in OECD countries, particularly in relation to changes in the workplace. The changing nature of work with just-in-time delivery, different forms of contracting and less job security are often cited as sources of work-related stress that are behind increasing mental health problems. In addition, moves from employment to disability due to mental health problems are becoming more frequent in several OECD countries. However, robust evidence about how trends in employment and working conditions are affecting mental health is still insufficient, particularly because other determinants could have an impact on mental health.

The study provides a comparative assessment of the impact of work status and working conditions on mental health among the working-age population. Its objectives are to understand whether being employed or returning to work is beneficial for mental health, especially for those who already suffer from a longstanding illness or disability. Care will be taken to evaluate which working conditions might be damaging to mental health.

Data from national health surveys will document changes in the underlying rate of mental illness. Working conditions surveys will also be used to study the correlations between changes in the mental health of workers and working conditions. An empirical analysis of longitudinal micro-datasets will be performed to test: 1) whether work might have beneficial effects for mental health, as opposed to the alternative of being unemployed or remain out of the labour force; and 2) the impact of changing working conditions on people's mental health. Finally, the policy implications of the effect of work status and working conditions on mental health will be discussed by simulating the impacts of changes in the composition of the labour force and changes in the share of non-standard employment or working conditions on mental health prevalence.

The results of the study will be presented at the Working Party on Employment in March 2008 and the final paper will be published as part of the OECD Employment Outlook in June 2008.

**Contact:** Ana LLENA NOZAL

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**THE OECD INTERNATIONAL MIGRATION OUTLOOK PRESENTS NEW DATA ON HEALTH PROFESSIONALS’ MIGRATION**

The 2007 edition of the OECD International Migration Outlook includes a special chapter analysing recent migration flows and policies for health workers in OECD countries. The analysis was based on data on the stock of doctors and nurses by country of training/birth.

OECD countries have few specific migration programmes targeting health professionals. Bilateral agreements do not play an important role so far. Yet, most OECD countries do have special provisions to facilitate the migration of the highly skilled in general, including health professionals.

On average, about 11% of employed nurses and 18% of employed doctors in the OECD were foreign-born circa 2000, but the size of the foreign-born health workforce varies considerably across OECD countries, partly reflecting general migration patterns, notably of the highly skilled. About half of foreign-born doctors or nurses working in OECD countries are located in the United States, almost 40% in Europe and the remainder in Australia and Canada. The distribution by country of origin, however, varies significantly across the OECD and intra-OECD movements tend to be important.

The main origin countries are the Philippines and India. Filipino-born nurses and Indian-born doctors each represent about 15% of all immigrant nurses and doctors in the OECD, while the United Kingdom and Germany are the second and third most important origin countries. Caribbean countries and a number of African countries, notably Portuguese and French-speaking, but also Sierra Leone, Tanzania, Liberia and to a lesser extent Malawi, have particularly high emigration rates of doctors. For some of them this is combined with very low density of doctors in the home country, highlighting a very worrying situation for the health sector in these countries. On the other hand, for large origin countries such as India or China, the important numbers of health professionals working overseas, do not seem to have particularly affected domestic density, at least at an aggregated level.

While there is a legitimate concern about the
consequences of migration on origin countries, especially for lower income countries, the results show that the global health workforce crisis goes far beyond the migration issue. Indeed, the health care sector’s needs for human resources in developing countries, as estimated by the WHO at the regional level, largely exceed the numbers of immigrant health workers in the OECD, implying that international migration is neither the main cause nor would its reduction be the solution to the worldwide health human resources crisis.

However, two key qualifying arguments should be taken into consideration. The first relates to the fact that international migration contributes to exacerbate the acuteness of the problems in some particular countries. Second, since 2000, migration flows of health professionals have increased. If they have mainly affected the main source countries like Philippines and India, they have also involved some African countries as well as central and eastern European countries. The rates of emigration of doctors and nurses recorded over the past 5 years or so would not be sustainable for the health systems in some developing countries if it were to continue at this pace.

Website: www.oecd.org/els/migration/imo


Contact: Jean-Christophe Dumont
Pascal Zurn

OECD-WHO HIGH LEVEL FORUM ON HEALTH WORKFORCE POLICIES AND MIGRATION

A joint OECD-WHO High-Level Forum (HLF) on Health Workforce and International Migration will be held on 18-19 March 2008 in Geneva. This meeting, hosted by the Swiss Government, will provide a forum for policy makers and senior officers from higher- and lower-income countries to discuss the role of health workforce policies, particularly migration, in addressing current and future needs for health professionals. The meeting will take into account the increasing interdependence and mobility of health professionals across countries and consider what works best to address ensuing challenges and trade-offs.

This event will sum up and conclude the two-year OECD project on health workforce and international migration. The project investigates the main factors determining changes over time in the employment of doctors and nurses in OECD countries, and the role played by migration and other health workforce policies. A special chapter of the 2007 International Migration Outlook on health workforce migration (see above) concluded the first phase of the project (see above). A second paper analysing health workforce policies in OECD countries and their interaction with migration will serve as background for discussion at the March 18-19 HLF. Country case studies (the U.K., U.S., France, New Zealand, Canada) will also be released.

Website: www.oecd.org/health/workforce

Contact: Pascal Zurn
Jean-Christophe Dumont

PHARMACEUTICAL PRICING AND REIMBURSEMENT POLICIES IN SWEDEN

Retail prices for pharmaceuticals in Sweden are relatively low in comparison to other European OECD countries; the result of low mark-ups in the distribution chain and no VAT for prescribed medicines.

Recent reforms have helped Sweden restrain pharmaceutical expenditures, following a period of double-digit growth in the 1990s. Pharmaceutical expenditure per capita in Sweden is lower than the OECD average. Only five OECD countries devote less of their national income to pharmaceuticals. Sweden has been able to curtail pharmaceutical spending, while maintaining relatively high ex-factory prices and quick regulatory and reimbursement approval times.

Sweden introduced a new pricing and reimbursement scheme in 2002. Its main features are the use of cost-effectiveness analysis for determining the reimbursement status of new pharmaceuticals and mandatory substitution of the lowest-cost generic alternative. The use of cost-effectiveness analysis in reimbursement decisions helps to relate the reimbursement price paid to the social value of the product, but does not necessarily result in the lowest possible price, nor does it guarantee the best value in the light of new evidence emerging ex post. The introduction of retrospective reviews of pricing and reimbursement decisions would strengthen the pricing and reimbursement scheme’s cost-effectiveness approach.

The generic substitution aspect of the new policy has enabled Sweden to achieve fairly high penetration of generic drugs into the market in terms of volume, with a relatively low share of the total value of the market. However, the requirement that pharmacies substitute the lowest-price listed drug risks undermining the competitiveness of the generic industry; only a few large providers may be able to maintain significant inventories during periods when their...
products are not the lowest-priced. The government would do well to monitor the industry to ensure a healthy level of competitiveness.

The Swedish pharmacy monopoly, Apoteket, is unique among OECD countries. Low retail and wholesale margins may be partly attributable to the monopoly’s existence, but pharmacy density is lower than elsewhere and other factors further limit consumer convenience. Consumer welfare would likely increase by opening the retail market for over-the-counter drugs (which are normally not reimbursed) to competition.

These main findings from the review of Swedish pricing and reimbursement policies considered only their domestic impact. In addition to this report, two new OECD Health Working Papers on pharmaceutical pricing and reimbursement policies in Switzerland and Slovakia have been released since the May 2007 issue of Health Update, which reported on Canada and Mexico. A case study on Germany will be released later this year.

The cross-national and global impacts of pricing and reimbursement policies are at the core of the larger work of the two-year OECD study on pricing and reimbursement policies, which is in its final stage. Following the final experts’ meeting in September 2007, which discussed the draft final report from the project, and the OECD Health Committee discussion of the main conclusions and policy implications of the project in mid-November, the final report from the project will be published in early 2008.

**Website:** [www.oecd.org/health/pharmaceutical](http://www.oecd.org/health/pharmaceutical)

**Publications:**

**Contact:**
- Elizabeth Docteur
- Pierre Moïse
- Valerie Paris

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**PHARMACOGENETICS**

A new Report on Pharmacogenetics: Opportunities and Challenges for Health Innovation and Care will be available in Autumn 2007. The report examines the challenges facing pharmacogenetics across the health innovation cycle and into the clinic. The report reviews the impact to date of pharmacogenetics on both pharmaceutical R&D and clinical care. It concludes that the widespread adoption of pharmacogenetics is not yet guaranteed. Governments have a role to play in creating an “enabling” environment.

Pharmacogenetics can improve the drug discovery process. It is useful in both identifying and validating new drug targets. In clinical trials, pharmacogenetics can help stratify patients who respond to a new potential medicine appropriately, adversely or not at all. It can also improve the quality and efficacy of the medicines ultimately developed. In clinical care, pharmacogenetics may enable doctors to prescribe more effective interventions and improve their use of evidence-based medicine. Pharmacogenetics can help identify those individuals most likely to benefit from a therapy and those most likely to have an adverse reaction, allowing doctors to optimise treatments for individuals.

But, in 2007 the number of pharmacogenetics-based diagnostics on the market is still limited, with less than a dozen products commercially available. A number of scientific, regulatory, and economic challenges need to be overcome if pharmacogenetics is to be taken up more widely by health care systems.

Public policy and coordinated international action may be necessary to: (1) validate biomarkers; (2) run the prospective studies necessary to apply pharmacogenetics to existing medicines; (3) create the incentives to apply pharmacogenetics broadly in the drug development process; (4) increase transparency about how pharmacogenetics will be accepted by regulatory authorities; (5) understand the economic and health impacts of pharmacogenetics on health care systems; (6) educate and make information available to health care providers about pharmacogenetic essays, their interpretation and treatment options.

**Website:** [www.oecd.org/sti/biotechnology](http://www.oecd.org/sti/biotechnology)

**Upcoming Publication:**
- Pharmacogenetics: Opportunities and Challenges for Health Systems

**Contact:**
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**MEDICINES FOR EMERGING AND NEGLECTED INFECTIOUS DISEASES – POLICY COHERENCE FOR DEVELOPMENT**

The OECD held a High-Level Forum in June 2007, at Noordwijk-aan-Zee in the Netherlands, on “Medicines for Neglected and Emerging Infectious Diseases: Policy Coherence to Enhance their Availability”. Participants at the HLF, which
OECD COUNTRIES AGREE GUIDELINES ON QUALITY ASSURANCE IN MOLECULAR GENETIC TESTING

In May 2007, OECD member countries adopted Guidelines for Quality Assurance in Molecular Genetic Testing. The Guidelines offer Principles and Best Practices for the quality assurance of molecular genetic testing offered in a clinical context. They seek to assist OECD and non-Member countries in developing and introducing appropriate quality assurance procedures to:

- Improve the research models to better prioritise and accelerate R&D in infectious diseases.

The Forum was organised in collaboration with the government of the Netherlands as a joint project of the OECD Directorate of Science, Technology and Industry and the Development Co-operation Directorate, with cooperation from the Development Centre. There was close collaboration with the WHO and WHO/TDR in its planning, and it is hoped the NMA will be a useful input to deliberations at the WHO Intergovernmental Working Group on Public Health, Innovation and IP.

On 26 November 2007 a workshop will be held in Paris in collaboration with the International Aids Vaccine Initiative to solicit government views on a study of policies to incentivise private-sector research and development in AIDS vaccines.

**Website:** [www.oecd.org/sti/biotechnology/nma](http://www.oecd.org/sti/biotechnology/nma)

**Publications:**

**Upcoming publications:**
- Innovation Strategies and Policy Options for Increasing Availability of Medicines for Emerging and Neglected Infectious Diseases.
- Policy Coherence for the Availability and Accessibility of New Medicines for Neglected Infectious Diseases, The Development Dimension Series.

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OECD endorsed by participants at a meeting on Aid

The concept of “Health as a tracer sector” was promoted and asked to be informed of the results of this promotion process, including information on the implementation of the guidelines as well as on their impact. They are an important contribution to international soft-law and practice. The Guidelines are available on the web (in English, French, Japanese; Chinese version forthcoming).

The OECD Council agreed the Guidelines should be promoted and asked to be informed of the results of this promotion process, including information on the implementation of the guidelines as well as on their impact. They are an important contribution to international soft-law and practice. The Guidelines are available on the web (in English, French, Japanese; Chinese version forthcoming).

**Website:** [www.oecd.org/sti/biotechnology](http://www.oecd.org/sti/biotechnology)

**Publications:**

**Contact:** Benedicte Callan

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**HEALTH AS A TRACER SECTOR TO MONITOR PROGRESS ON AID EFFECTIVENESS**

The concept of “Health as a tracer sector” was endorsed by participants at a meeting on Aid Effectiveness in Health which took place at the OECD (December 4, 2006) and was jointly organized by the Development Co-operation Directorate (DCD/DAC), the Development Center, the World Health Organization (WHO) and the World Bank (see “Aid effectiveness in health”, page 13 of Health update No 3 – May 2007). This December meeting built on an existing significant body of work related to aid effectiveness in health:

- The three High-Level Fora on the Health Millennium Development Goals (MDGs) and the Scaling-up For Better Health initiative, co-piloted by the WHO and the World Bank, which demonstrated the need for more predictable and sustainable financing and more harmonized and coordinated aid within country-led health plans;
- 17 Best-practice principles for Global Health Partnerships (GHPs) activities at country level which derive from the Paris Declaration and were endorsed by the Boards of major GHPs;
- the "Three Ones" (One agreed HIV/AIDS action framework, one national HIV/AIDS coordinating authority, one agreed country-level HIV/AIDS system for monitoring and evaluation) proposed by UNAIDS and endorsed by the international community in 2005;
- innovative financing mechanisms including the International Finance Facility on immunization and Unitaid which provide additional, predictable and sustainable sources of funding for specific activities;
- Harmonization for Health in Africa (HHA), a regional initiative co-sponsored by the WB, African Development Bank (AFDB), Unicef, WHO-AFRO and United Nations Population Fund (UNFPA) which aims to provide country demand-based joint additional technical assistance and serve as a learning regional platform on ways to scale-up for better health in Sub-Saharan Africa (SSA).

Following the December 2006 event, a meeting of the OECD in May 2007 discussed the next steps and workplans for partners to develop Health as a “tracer” sector, in light of the upcoming Third High-Level Forum (HLF) on Aid Effectiveness in Accra (September 2-4, 2008). The WHO and the World Bank adopted a joint work plan which includes several countries and analytical studies regarding feasibility of additional fiscal space and donor constraints in the provision of long-term development assistance. The Aid Effectiveness Division will play an active role in the collective work on health as a tracer sector and in leading the preparation for the Accra meeting on aid effectiveness in health.

The Third HLF on aid effectiveness will be a key
opportunity to communicate preliminary outcomes from initiated country work, recent evolutions and ongoing initiatives which are directly related to the Paris Declaration agenda. Most particularly, it should highlight new trends such as the renewed interest and support for health systems strengthening, the provision of more predictable and sustainable financing, attempts to increase alignment of donor aid within country cycles and systems, results-based financing approaches, practical tools to improve coordination and harmonization in specific areas such as HIV/AIDS. Accra will also offer a special opportunity to report on significant initiatives such as the launch of the International Health Partnership (IHP) and the ongoing discussion of an IHP+ work plan for the 8 Heads of Health Agencies (WHO; WB; Global Fund to fight AIDS, Tuberculosis and Malaria, GFATM; UNAIDS; GAVI Alliance, Unicef, UNFPA, the Gates Foundation) which aims to put into the practice the Paris Declaration, with a first group of seven countries to benefit from strengthened coordination and harmonization of donor aid and scaling-up activities.

Website: [www.oecd.org/development/globalforum](http://www.oecd.org/development/globalforum)

Contact: Elisabeth Sandor

**NEWS ON OTHER ONGOING HEALTH-RELATED PROJECTS**

This section lists other on-going health-related projects, as well as reports published since the May 2007 issue of this newsletter.

**OECD HEALTH DIVISION**

Work by the Health Division includes analytical ([www.oecd.org/health/analyticalprojects](http://www.oecd.org/health/analyticalprojects)) and data projects ([www.oecd.org/health/dataprojects](http://www.oecd.org/health/dataprojects)) relating to measuring and analysing health-system performance. Readers may be interested in:

**The Economics of Prevention.**

Work on this project continues along 4 streams. A conceptual framework paper will be published by the end of 2007. Analyses are being conducted on health survey data from a selection of member countries to assess determinants, trends for risk factors relating to diet, physical activity, overweight and obesity. Returns from a questionnaire survey of national policies on nutrition and physical activity and their impact will be analysed starting in November 2007. Finally, original cost-effectiveness modelling work on preventive interventions on nutrition and physical activity will be developed with the WHO.

Website: [www.oecd.org/health/prevention](http://www.oecd.org/health/prevention)

**Contact:** Franco Sassi
Jeremy Hurst

**Improving health-system efficiency through the use of ICT**

Following a first meeting of experts in 2007, the project has entered the implementation phase and involves two work streams to describe and assess: i) the indicators for monitoring and benchmarking use and adoption of ICTs; and ii) the drivers and incentives for ICT adoption within the health sector. The project is implemented at two levels: (a) a synthesis of information in the published literature and national studies, and (b) a focussed set of in-depth studies in selected countries.

Website: [www.oecd.org/health/ICT](http://www.oecd.org/health/ICT)

Contact: Elettra Ronchi

**Long-term care**

The OECD Health Division is undertaking several work streams to address pressures on long-term care systems, including: i) data collection on long-term care recipients; ii) a report on the long-term care workforce; iii) a report on healthy ageing policies to promote the prevention of old-age disability. Furthermore, work is underway to improve the System of Health Accounts (SHA) in light of revisions to the concept, definitions and data sources for long-term care expenditure.

Website: [www.oecd.org/health/longtermcare](http://www.oecd.org/health/longtermcare)

Contact: Gaetan Lafortune (Data collection) Francesca Colombo (LTC workforce) Howard Oxley (Healthy ageing) Sandra Hopkins (SHA)

**Other relevant publications since May 2007**


**SCIENCE AND TECHNOLOGY**

The Biotechnology Division is involved in several health-related projects under the work streams of Biotechnology, Innovation and Health; Genetics and Genomics; and Intellectual Property. Information on these activities is available on [www.oecd.org/sti/biotechnology](http://www.oecd.org/sti/biotechnology). Readers may be interested in:

**Counterfeiting and piracy of pharmaceuticals**
The OECD report on Counterfeiting and Piracy of Pharmaceuticals is in publication. The next issue of Health Update will summarise main findings.

**Contact:** Christina Sampogna

### EDUCATION DIRECTORATE

#### Relevant publications since May 2007


### THE ECONOMICS DEPARTMENT

#### Relevant publications since May 2007


### THE INTERNATIONAL FUTURES PROGRAMME

As part of the two-year project *The Bioeconomy to 2030: Designing a Policy Agenda*, the IFP is preparing projections of the future of biotechnologies in health, agriculture, and industry. Conclusions and policy recommendations will be drawn from this work in early 2008.

**Website:** [www.oecd.org/futures/bioeconomy](http://www.oecd.org/futures/bioeconomy)

**Contacts:** Anthony Arundel
David Sawaya
Michael Oborne

### ENVIRONMENT DIRECTORATE

#### Health Activities by the Environment, Health and Safety Programme

The Environment, Health and Safety Programme has several activities related to the impact on health. An update on main events, activities, and new publications is given regularly in the newsletter *Environment, Health and Safety News*, available at the Chemical Safety portal ([www.oecd.org/env/health](http://www.oecd.org/env/health)) and the Health portal ([www.oecd.org/health](http://www.oecd.org/health)). Among the most relevant activities for readers of Health Update:

- **Safety of novel foods and feeds** (Contact: Mar Gonzalez; website: [www.oecd.org/biotrack](http://www.oecd.org/biotrack))
- **Safety of Manufactured Nanomaterial** (Contact: Peter Kearns, Mar Gonzalez, Noriko Oki; website: [www.oecd.org/env/nanosafety](http://www.oecd.org/env/nanosafety))
- **Health-related chemical testing** (Contact: Laurence Musset; Patric Amcoff, Nathalie Delrue, Anne Gourmelon, Mio Takenadavis; website: [www.oecd.org/env/testguidelines](http://www.oecd.org/env/testguidelines))

#### Valuation of environment-related health impacts with a focus on children.

Work on the valuation of children's health includes surveys in three OECD countries (United Kingdom, Italy and the Czech Republic) to estimate the health benefits associated with the reduction of a specific environmental risk factor. The surveys would be based on a willingness-to-pay approach. The surveys will be implemented in early 2008.

**Website:** [www.oecd.org/env/social/envhealth/verhi](http://www.oecd.org/env/social/envhealth/verhi)

**Contact:** Pascale Scapecchi
Nick Johnstone

### ENDNOTE: A BRIEF GUIDE TO THE OECD

The Organisation for Economic Co-operation and Development (OECD) is an intergovernmental organisation with 30 member countries. Its principal aim is to promote policies for sustainable economic growth and employment, a rising standard of living, and trade liberalisation. Sustainable economic growth balances economic, social and environmental considerations.

OECD member countries discuss and develop both domestic and international policies. The organisation analyses issues, recommends actions, and provides a forum for countries to compare experiences, seek answers to common problems, and work to co-ordinate policies.

The Council of OECD is the highest decision-making body of the Organisation. Its members are the Ambassadors of the member countries to OECD. It is chaired by OECD’s Secretary-General. Once a year, it meets at the level of Ministers from member countries. Amongst other things, the Council decides on the annual OECD budget as well as the content of the programme of work. In addition to the Council, around 200 specialised Committees and other bodies (Working Parties, Working Groups, and Task Forces) undertake the OECD’s programme of work. Member countries’ governments nominate participants to the groups.

The main OECD bodies with health-activities are:

**OECD, 2 rue Andre-Pascal, 75775 Paris Cedex**

OECD Council

Committee for Scientific and Technological Policy (CSTP)
- Working Party on Biotechnology
- Working Group on Human-Health-Related Biotechnologies

Economic and Development Review Committee (EDRC)

Economic Policy Committee (EPC)
- Working Party 1

Environment Policy Committee (EPOC)
- Working Party on National Environmental Policies
- Working Group on Economic Aspects of Biodiversity

Health Committee
- Health Accounts Experts and Correspondents for Health Expenditure Data
- Health Care Quality Indicators Experts
- Health Data National Correspondents

Chemicals Committee (Joint Meeting of the Chemicals Committee and the Working Party on Chemicals, Pesticides and Biotechnology)
- Working Party on the Safety of Manufactured Nanomaterials
- Working Group for the Harmonisation of Regulatory Oversight in Biotechnology
- Working Group of National Coordinators of the Test Guidelines Programme
- Working Group on Good Laboratory Practice
- Working Group on Chemical Accidents
- Task Force for the Safety of Novel Foods and Feeds

HEALTH-RELATED OECD PUBLICATIONS

Publications
Health-related books, e-books, and CD-ROMs can be purchased through the online OECD Bookstore at http://www.oecdbookshop.org. Select the Subject Social Issues/ Migration/ Health from the menu. A list of Key Health Publications is also available at www.oecd.org/health/keypublications.

Working papers and Technical papers
- Health Working Papers make available health studies prepared for use within the OECD: www.oecd.org/els/health/workingpapers

- Health Technical Papers contain methodological studies, statistical analysis, and empirical results on measuring and assessing health care and health expenditure: www.oecd.org/els/health/technicalpapers

- Environment, Health and Safety Publications contain documents related, among others, to chemical accidents, biotechnology and the safety of novel foods and feeds, testing and assessment: http://www.oecd.org/env/health

- Economics Department Working Papers include, among other topics, studies that addressed the economics of health systems: http://www.oecd.org/eco/Working_Papers

- The Social, Employment and Migration Working Papers disseminate selected studies prepared for use within the OECD: http://www.oecd.org/els/workingpapers

- The Development Centre Working Papers present studies on developing countries: http://www.oecd.org/dev/wp

Newsletters
- OECD Health Update: http://www.oecd.org/health/update
- DELSA Newsletter, on work by the Directorate for Employment, Labour and Social Affairs: http://www.oecd.org/els/newsletter
- OECD Biotechnology Update covers OECD activities related to biotechnology: http://www.oecd.org/biotechnology

Policy briefs
Summarise economic and policy challenges related to OECD work. Health-related briefs are available at: www.oecd.org/health

HEALTH ONLINE
- The OECD’s portal: http://www.oecd.org
- The OECD’s health portal, presenting OECD health-related: http://www.oecd.org/health
- The OECD’s country portal, for example, www.oecd.org/australia
- OECD Divisions working regularly on health:
  - The Health Division http://www.oecd.org/els/health
  - The Biotechnology Division: http://www.oecd.org/sti/biotechnology
  - The Environmental Health and Safety Division (Chemical Safety):
Information on health-related work administered by other Divisions is available from the OECD health portal and/or the relevant Division’s portal. Users can select themes that interest them most through MyOECD, accessible at the top right-hand corner of the OECD Homepage.

To receive an email alert for OECD Health Update:

1. Register with MyOECD or log in to MyOECD if you already have an account.
2. Make sure the “Health” theme is checked under your profile, then “Submit”
3. Under “Newsletters”, select “OECD Health Update” (second page of the registration).

To unsubscribe from MyOECD, send an email to OECDdirect@oecd.org and type “Unsubscribe” in the subject field.

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Guidelines on chemical testing

Sandra HOPKINS (ELS/HD)
Revision of the System of Health Account manual
Health-specific Purchasing Power Parities

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Economic valuation of children’s health

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Mio TAKENADA (ENV/EHS)  
Guidelines on chemical testing

Seppo VARJONEN (STD/PASS)  
Health specific Purchasing Power Parities

Pascal ZURN (ELS/HD)  
Health workforce planning and migration

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**FUTURE EVENTS ON HEALTH ISSUES**

- OECD/IAVI Workshop on Infectious Diseases, Paris, France, 26 November 2007 (Contact: Bénédicte Callan).
- High-Level Forum on Health Workforce Policies and Migration, Geneva, Switzerland, 18-19 March 2008 (Contact: Jean-Christophe Dumont and Pascal Zurn).
- The 2nd meeting of Experts on ICT, Paris, France, 19-21 March 2008 (Contact: Elettra Ronchi).
- The 14th Meeting of the Meeting of the Task Force for the Safety of Novel Foods and Feeds, Paris, 8-10 April 2008 (Contact: Mar Gonzalez).
- The 2nd meeting of the Task Force on Output-based Health Specific Purchasing Power Parities (PPPs), Dates to be determined, (Contact: Seppo Varjonen, Luca Lorenzoni).

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