DIRECTORATE FOR EMPLOYMENT, LABOUR AND SOCIAL AFFAIRS
HEALTH COMMITTEE

PROPOSAL FOR A 2010 MEETING OF HEALTH MINISTERS

4th meeting of the Health Committee

To be held Wednesday 10 December and Thursday 11 December 2008
OECD Conference Centre, 2 rue André-Pascal, 75016 Paris

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Note by the Secretariat

1. Health Ministers first met at the OECD in 2004. In the programme of work and budget (PWB) for 2009-10 (see DELSA/HEA(2008)10/PART2), a proposal was made for Ministers to meet to take stock of what has been accomplished since then and set out guidelines for future health work under the auspices of the Committee. The mandate of the Health Committee is coming to an end in 2011, and this gives a further reason why Ministerial advice on the future direction of OECD work would be welcome. The purpose of this note is to consult the Committee on various practical aspects for the holding of the meeting of Ministers. The first decision that needs to be taken is to confirm that the Committee does want to hold such a ministerial. This decision by the Committee would of course have to be confirmed by the OECD Council in due course.

2. The second main decision that the Committee needs to take at this meeting is on what theme or themes it would like to see discussed at the meeting.

3. The note also proposes a timetable for the preparation of the agenda, issues note, communiqué or Chair’s summary, and background documentation for the Ministerial.

4. Delegates are asked to:

   • CONFIRM their previous decision to hold a meeting of Health Ministers in 2010
   • SUBMIT this proposal to Council for approval
   • AGREE the broad themes that should be addressed in the meeting
   • AGREE on the timetable for the preparation of the meeting.
PROPOSAL FOR A MEETING OF HEALTH MINISTERS

Introduction

5. Delegates discussed the possibility of holding a Health Ministerial at their meeting in May 2008. As a result of this discussion, the following item was included in the PWB proposals for 2009-10:

Health Ministers will convene in the first half of 2010 to discuss issues pertaining to Improving National Health Systems in a Global Economy. A background report, drawing on key elements of work of the Committee since the 2004 Ministerial, would be prepared. The specific topics for discussion will be decided by the Committee based on the evolution of work in 2008. Health policy issues with cross-national externalities, including trade in health services and health workforce training and retention issues, are possible candidates. Furthermore, it is expected that the preliminary results from work to evaluate efficient health-system performance (...) will point to particular institutional characteristics with a bearing on the question of how value for money can be improved through structural reform.

6. This proposal has been included in the proposed PWB for 2009-10. The purpose of this note is to seek guidance on a number of practical issues, regarding timing, topics to be discussed, and procedures to be followed in preparing the meeting.

7. The OECD Council is ultimately responsible for taking the decision to hold a Ministerial meeting or not. The procedure is that the Committee should agree on the principle of holding a meeting which it then submits to the OECD Council for approval.

8. Delegates are asked to confirm their decision to hold a meeting of Ministers, and to pass this proposal to the OECD Council for approval.

Timing

9. It is proposed that the meeting be held in the second quarter of 2010. In discussing whether they agree with this proposal, delegates may care to take the following into account:

- The Employment Labour and Social Affairs Committee had been intending to hold a meeting of Labour Ministers in 2010. However, because of the financial crisis, which is expected to lead to a sharp worsening of labour market conditions, this meeting has been brought forward to the third quarter of 2009 (probably September), subject to the agreement of Council. This removes one possible obstacle to holding the meeting of Health Ministers in 2010, as the wider spacing of meetings will put less strain on the Secretariat.

- The previous meeting of Health Ministers in 2004 was held back-to-back with the OECD Ministerial Council Meeting (MCM). These meetings are generally held in the second quarter of each year. The Committee may wish to consider whether a similar approach should be taken for the 2010 meeting. In making such a decision, two points should be borne in mind: first, that MCM attendees tend to be from either ministries of finance and/or of trade. If the Health
Ministers were to meet at the same time as the MCM, the agenda would need to reflect the interests of the finance or trade ministers as well. There are, of course, a number of areas where interests do overlap (e.g. the efficiency and cost of systems of health care; trade in health services, etc). Second, a degree of uncertainty would be introduced into the preparations, as the MCM agenda is rarely finalised until a few months before the meeting is held, in order to ensure that it reflects current political concerns. An alternative way of interacting with the MCM would be to hold the meeting of Health Ministers prior to the MCM. The outcomes of the MCM would then be reported to the MCM, if the agenda of the MCM warrants it.

10. **Delegates are asked to agree to holding the ministerial meeting in the second quarter of 2010, and to indicate whether the idea of holding it back-to-back with the MCM should be explored further.**

**Issues for Ministerial discussion**

11. As quoted above, the proposal in the PWB includes several possible issues which could form the basis of a ministerial discussion, but the Committee is free to decide that other topics would be more suitable. The following issues would seem possible candidates, bearing in mind that a fruitful discussion by Ministers could only focus on 2 or 3 of them. Delegates will be asked to select their preferred topics via the EDG after the meeting:

1. **Health System Efficiency**

12. Health systems are always being asked to achieve better outcomes for a given level of resources (or, equivalently in analytic terms but very different politically, to achieve a given level of outcomes but using less resources). Sometimes better outcomes are nothing to do with the health care system itself, but rather depend on e.g. lifestyle behaviour, education, pollution and income levels of the country. But some specific characteristics of health systems may contribute more to efficiency (appropriately defined, to reflect the diverse goals of health systems, including those relating to distributional issues and the responsiveness of the system) than others, and it is around these that Ministers might have a useful debate. By the time of the meeting of ministers, work will have been completed which not only will separate out socio-economic influences, but will allow assessment of the efficiency effects of the public-private mix in financing and provision of health care, the degree of competition among health coverage schemes and providers, payment systems, the degree of decentralisation in health care decision making, and the extent of patients’ choice.

13. One additional reason why this issue might appeal to ministers is that it has clear links to the effects of the current economic crisis on the financial sustainability of health systems. The Organisation is currently reorienting its entire work programme to respond to the needs of countries in responding to the crisis. The latest forecast by the Organisation is that in Q2 of 2010, when Health Ministers might meet, unemployment is projected to be at its peak, of well over 9% in the Euro area (a level last experienced in 1994), and over 7.5 percent in the United States (the highest level since 1984).

14. A very plausible scenario is therefore that at the time when health ministers are meeting, they will be under heavy pressure to reduce the costs of health care. This is a familiar story to health policymakers, and risks being an unwelcome one. An assessment of what is known about health care efficiency might help Ministers justify expenditures by well-documented evidence of returns on investment and value for money in what will be a difficult budgetary environment. That said, even where health policies can be shown to be highly effective, the state of public finances is likely to be such that continuous increases in public health expenditure of 2-3% per year, as has been the case in the recent past, will not be tolerated. If the meeting were to be held back-to-back with the MCM, this topic might be a good one for Health and Economics/Finance ministers to discuss together. Countries might wish to devote further
resources to this issue before the meeting, if it is to be a theme. Some elements of this work would be undertaken jointly with the Economics Department.

2. Prevention

15. There is rising concern about the expected growth in the burden of chronic diseases in OECD countries, particularly in relation to changing lifestyles. Countries are also concerned about distributional issues, with life-style choices differing sharply across social groups, leading to large health disparities across the population. For a long time, countries have focused on enhancing the treatment and management of non-communicable diseases, but in the past 5 years most governments in the OECD area have adopted broad strategies to try to alter people’s behaviour to prevent the conditions from occurring in the first place, often in collaboration with the private sector. However, the opportunity cost of resources used by governments to promote lifestyle changes may be high, and governments have not been able to count on a sound evidence base concerning the impacts to be expected from such interventions. In addition, most governments have not engaged in open discussions of possible rationales for intervention.

16. These issues were discussed by OECD Ministers at their last meeting. The OECD carried out a project on the economics of prevention focusing on the prevention of chronic diseases that are linked to unhealthy diets, sedentary lifestyles and obesity (DELSA/HEA(2008)13). OECD ministers may wish to take stock of the vast amount of new evidence that has become available since the previous ministerial meeting, both concerning the economics of prevention in general and the health and economic impact of lifestyles and obesity in particular, in order to discuss new strategic directions in the prevention of chronic diseases.

3. The health care workforce

17. OECD countries are facing significant pressures to respond to the growing demand for health workers. They face several options to respond to possible looming shortages, namely: expanding training, encouraging better retention and more efficient management of the health workforce, improving productivity and recruiting international workers. These options are not without cost and each raise different policy dilemmas, both at national level (e.g., the impact on educational budgets and on the workforce quality standards) and at international level (e.g., the impact on origin countries with low starting health professional densities). The OECD has examined these issues in a joint project with the WHO on health workforce and international migration, culminating in a synthesis volume The Looming Crisis in the Health Workforce (OECD, 2008), and in the OECD-WHO Dialogue on health working and International Migration (Geneva, 20-21 October 2008).

18. Attracting and retaining a sufficient number and mix of different health workers will remain a key concern in all OECD countries. Partly because of better data availability on the medical profession, a number of questions concerning the most adequate number and efficient skill mix of nurses remain unanswered. During the 2009-2010 PWB, the Committee will undertake a project on promoting a more efficient management of the nursing workforce which will further increase the information available as background to a discussion by Ministers.

4. Making more effective use of ICT

19. Today the range of possible applications of information and communication technologies (ICT) in the health sector is enormous. The technology has improved, to the extent that implementation can result in care that is higher in quality, safer, and more responsive to patients’ needs, at the same time as being less demanding on scarce resources. Advocates point in particular to the potential reduction in medication errors as a critical advantage.
In the past few years, however, some scepticism has set in about whether or not these much-touted benefits and savings can be realised. Evidence on the effectiveness of such investments is often not available, or fails to confirm that gains are as significant as hoped for. Governments have to judge the appropriate level of spending on health ICTs. Without solid evidence on which to base decisions, spending on health ICTs has become a matter of opinion and often a political gamble. The main policy issue that Ministers could discuss is whether the large public investments in health ICTs (running in some countries into the billions of euros) are paying off or not? If outcomes are unsatisfactory, can they learn from one another as to how such investments should be planned and how can they best achieve the desired efficiency and quality gains?

5. **Long-term Care**

Ageing and demography will pose pressures on the quality and financial sustainability of health and long-term care systems. The reasons why are well known: higher life expectancy and fertility declines; a growing number of dependent elderly; reductions in the supply of informal caregivers and changes in family structures; shrinking cohorts of native-born low-skilled workers in OECD countries. There are likely to be pressures on the recruitment and retention of long-term care workers into their jobs, possibly leading to a rise in wage levels. There is a growing quest for better quality and standards of care, also adding to cost pressures. There is a need to cope with the additional demands imposed on the so-called sandwich generations – those who are squeezed in between taking care of their children and providing for their elderly parents – and to reconcile work with family and caring obligations.

The OECD has investigated issues relating to long-term care at several times already in the past (e.g., OECD, 2005, Long-term care for Elderly People). A new activity addressing the long-term care workforce and the financial sustainability of long-term care systems is proposed for the 2009-2010 PWB (DELSA/HEA(2008)14). These issues appear to be of broad interest to different Ministries – health, social policy and economy. They can be brought to the fore as a topic in itself, or in the context of discussing the prospects for the health workforce, or new and emerging approaches to achieving financial sustainability in health and social systems; or again in the context of a discussion of prevention and healthy ageing.

6. **Making health care reform happen**

Realising health-care reforms is not easy. There are powerful vested interests; losers squeal louder than winners cheer; governments are often mistrusted and not seen as neutral arbiters; ideas that look good on paper fail to be implemented; the long lead-in to major reforms can mean that opposition parties become governments, and so on. None of these problems are exclusive to the health care system, of course. Member countries have repeatedly asked the OECD Secretariat to put more effort into understanding how to do reform, rather than focussing just on the case for reform. For that reason, the Organisation is currently undertaking a project ‘Making Reform Happen’ in order to identify the do’s and dont’s of reform. A Chapter will be prepared on health care reform for publication during 2009. Ministers may well value an opportunity to exchange experiences on such issues.

**Delegates are invited to make additional suggestions and to indicate their two or three preferred topics.**

The topics can be packaged to reflect various themes. For example, if delegates were to wish to have health care efficiency as a primary theme for the meeting, but also wanted to address IT issues, the latter could be discussed from the point of view of their potential contribution to improving the efficiency of health care systems. If the future of the health care work force was chosen, then perhaps the role of eHealth systems could be discussed from the point of view of whether they can reduce the stress on...
‘pressure points’ in the health care workforce. In general, having a single over-arching theme for the meeting would help focus discussion and attract attention from the media.

26. Further, one key issue is the length of the meeting. Most OECD Ministerial meetings last for either 2 (i.e. a morning and an afternoon) or 3 main sessions. But in addition, a working lunch or dinner is quite usual (but not both, as OECD experience is that Ministers value informal contact time). Some of the topics mentioned above (e.g. Making Reform Happen) might well work better in the more relaxed setting of a meal. Another possibility for such a discussion might be the work on Health Care Quality Indicators. The last meeting of Ministers specified work on HCQI as one of their main priorities. An update on progress – and blockages to further progress – might not justify a full session of the ministerial, but could certainly stimulate a discussion over dinner, for example.

27. **Delegates are invited to indicate how long they think the Ministerial should last and what topics might be suitable for a working lunch or dinner.**

**Improving the relevance of OECD work on health**

28. Ministerial meetings provide an opportunity for countries to reflect on the medium and long-term role of the Organisation in helping them identify and implement policies which better respond to the needs of their populations. As part of the preparation for the Ministerial, it is proposed that countries be invited to give feedback to the Secretariat on the health topics that the Organisation could undertake work on in the future that would be of most use to them (e.g. development of comparative information, country-specific reviews, analysis of specific issues, exchange of views, policy recommendations) and on how best to deliver this work (e.g. targeting high-level policy makers in capitals, or providing the background information upon which countries could draw when need arise).

29. Ministers might also give the Organisation mandates for future work (recognising of course that the PWB is decided by the OECD Council and such mandates cannot commit the Council to funding any of them). For example, the previous ministerial gave the Organisation mandates for work on health data, the SHA, HCQI and a range of health care policy issues. During the next year, countries will be asked to indicate their priorities for the strategic issues which the Organisation should be addressing over the next 5 years or so. These could be general – further work on prevention, or on health care efficiency, etc. They could also be more specific. For example, the HCQI work is stalled in some areas because of inadequate information due to inadequate tracking of patients, which in turn is related in part to issues of patient confidentiality. Ministers might want to ask the OECD to get the Health Committee to work with the Working Party on Security and Information Policy to develop guidelines to help countries balance the competing needs for information and privacy.

**Timetable for preparation of the Ministerial**

30. On the assumption that the Council will agree in principle to the holding of a health Ministerial, there will be three meetings of the Committee before the Ministerial takes place. Decisions on Organisation will take place according to the following timetable:

31. **Q1-Q2 2009**

- Survey of Member countries via the EDG asking for the 2-3 topics to be addressed at the Ministerial

32. **May 2009 Committee Meeting**
33. November 2009 Committee Meeting

- Agreement on Chair and bureau for the meeting. Delegates would be asked to nominate Ministers before the summer, allowing time for consultations to take place on the acceptability of the Chair and bureau.
- First draft of Issues Paper. This would provide some key facts and arguments that will help keep the ministerial discussions focused.
- First draft of Communiqué (or Chair’s summary, if this is preferred to a formal Communiqué).
- Partial draft of analytic report
- Initial discussion of mandates. Subsequent to the meeting, delegates would be asked to rank possible mandates according to their importance, in order to ensure that only key, high priority issues are retained.

34. Between November 2009 and April 2010, the EDG would be used to advance the discussions on the following issues:

- Finalisation of Issues Paper
- Finalisation of Communiqué
- Final draft of analytic report

35. April 2010 meeting of the Committee

- Final discussion of mandates
- Resolution of any outstanding matters relating to the ministerial.

36. Delegates are invited to comment on this timetable.