

AmCham Healthcare Committee

24/06/2020

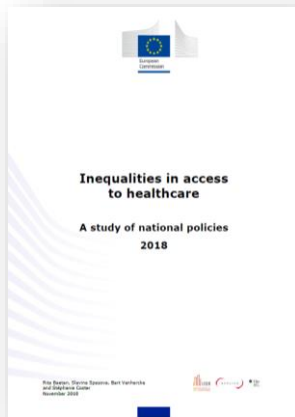
Ruslana Toncheva - Country Director Janssen & Konstantinos Papagiannis - Managing Director MSD
Co-Chairs of HCC



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How did BG Healthcare progressed from October 2019?

- Underinvestment in the health system
- Regional disparities in health services
- Availability of health professionals
- Informal and out-of-pocket payments
- Limited availability of voluntary health insurance



- The effectiveness of the health care system in Bulgaria remains low in comparison to other Member States
- Limited progress in healthcare investments
- Access to HC is limited due to an uneven distribution of scarce resources
- On average 1 person in 10 does not have health insurance (14 % of population is not insured)
- Out of pocket payment is highest in EU (46,6 % vs.15.8%)
- Nurses per 1000 inhabitants is the second lowest



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Effectiveness

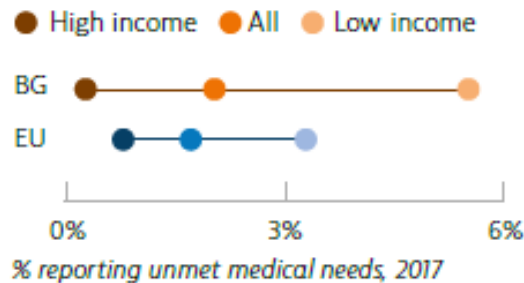
Both preventable and treatable causes of mortality are among the highest in the EU, indicating a large scope for improving disease prevention and the effectiveness of care. A lack of data on key indicators hampers the monitoring of care quality.



Age-standardised mortality rate per 100 000 population, 2016

Accessibility

Although self-reported unmet needs are at the lowest level since 2008, low-income groups are more heavily affected. High levels of OOP spending, and lack of health insurance for a significant proportion of the population, are the main barriers to accessibility.



Resilience

The financial sustainability of the health system is challenged by a heavy reliance on private expenditure as well as the shrinking working-age population that contributes to the revenue base of social health insurance. Efforts to improve efficiency by reorienting service delivery and resources away from hospitals have proven difficult.



COVID-19 highlighted even more the issues in healthcare system

COVID-19 put an additional burden on the Bulgarian health system, already characterised by limited accessibility stemming from low public financing, limited health insurance coverage, a low number of nurses, and an uneven geographical distribution of health workers. There is therefore scope for strengthening the overall resilience, accessibility and capacity of the Bulgarian health system. Providing more care (general and specialist) in ambulatory settings, also with use of teleconsultations, would release hospitals, while testing and treatment should be available for all, independently of health insurance status. Proper access to health workers and their services should be ensured over the whole territory. Integration of primary, long-term and community care is crucial for the elderly and the most vulnerable groups.



Key issues impacting financial sustainability in BG health care

- ❖ Aging populations
- ❖ Increasing numbers of people with chronic, long-term conditions (non-communicable, preventable and treatable mortality the highest than Eu average)
- ❖ Costly infrastructure
- ❖ Rising labor costs and staff shortages
- ❖ Growing demand for broader ecosystem services & even geographical coverage
- ❖ Predictable budgeting
- ❖ Outdated healthcare systems



EU recommendations post COVID - a new pharmaceutical strategy by June 2020 will be published

- **Greater access and availability of pharmaceuticals to patients.** Review incentives and obligations for market launch & continuous supply of products. Promote regulatory/administrative simplification and overall transparency in the sector.
- **Ensure affordability of medicines for patients and health systems sustainability.** Support (non-legislative) EU cooperation (for example funding & resources) on evaluating cost effectiveness, measuring added therapeutic value, P&R, procurement practices etc.
- **Enable innovation for unmet medical needs, harness the benefits of digital and emerging science and technology, reduce the environmental footprint.** Support breakthrough innovations through timely approval and market access.

Important to note that Spain managed to use the European Regional Development Funds to support its healthcare system:

Spain was allowed to 'reconfigure' European Regional Development Funds to allocate them to the healthcare system, resulting in a €3.2bn increase of resources to the Spanish regions' healthcare budget.' On May 7, it was agreed that the Spanish regions will be able to allocate to health expenditure the portion of 2014-2020 ERDF funds that were neither previously budgeted nor implemented. This may be relevant for other countries, especially those that are likely to struggle with their healthcare systems and economies post-due to COVID, e.g. Greece, Italy, Poland, Romania, Baltics.

The Commission is also working on the future economic recovery fund. the Commission will want to focus on “a climate-neutral, digitalised and resilient” economy. Allocation of the money to countries based on “the severity of the economic and social impacts of the crisis”



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Bulgarian Healthcare – Cost or Investment?

1. Health growth = Economic growth
2. Secret to a long life = More money for healthcare
3. The ? richer spend more = The ? poorer die sooner
4. Healthcare spending ≠ Healthcare investment



Outcome of our last meeting



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Summary of the meeting of AmCham healthcare committee- 15.10.2019

AmCham Healthcare Committee



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Main priorities of the Healthcare committee

Discussion : Healthcare is seen as a cost and not as an Investment. The good story of HC is not seen around stakeholders and Society and added value is not visible. Need to change the perception and demonstrate the good story on Investing in HealthCare.

In addition Healthy workforce is addressing the demographic crisis / and it has been proved that contributes to productivity, GDP growth and society wellbeing. HealthCare needs are increasing and future needs will increase more as people live longer and R&D is delivering strong innovation. In order to support HC funding we need to highlight the value we get as society and economy as well as understanding where Funding will come from

Therefore two main priorities/objectives were defined by the committee:

Our Strategy / priorities going forward set in 2 Major Pillars as below.

1. HealthCare as Investment
Present/ change perception to Healthcare as an “INVESTMENT” and not Spending
2. Drive Proposals on how to meet Future needs on HealthCare Funding



In order to drive those 2 Priorities forward 2 Taskforces to work on the main objectives

1. Taskforce Policy /communication group (Brief Overview)

Create our Story on the HC through short concise and straight forward messages

- Work on project which is providing proofs on the socioeconomical and political benefits of healthcare investment
- Work on building as well a good reputation of healthcare industry as local contributor with high added value
 - Diagnosis / Treatment , Prevention, Lifesaving products*
 - Employment , taxes*
 - Investment in Medical education etc...*
- Propose a communication/implementation strategy

2. Taskforce – Funding Proposals Group – (Brief Overview)

- Identify proposals that can be proactively communicated to stakeholders for additional or alternative funding in healthcare- two type of sources – *savings(e.g price erosion/ LOEs/ improved system efficiency , digitalization); additional funding (increase Sin taxes, creation of innovation fund etc.)*

Identify short term solution that can be embraced by stakeholders - as well as long term strategy for sustainable healthcare system (3-5 years)



Next Steps and action Plan

- Agree on Leaders of taskforces
- Nominate teams to work on Taskforce across industry
- Define Next meeting of Committee
- Each Taskforce to define a Project charter
- Agree on steps and Deliverables



**Thank you for your
attention!**



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