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# Economic Sustainability of Health and Care Systems

## EuroNet MRPB Policy Document

### Policy Small Working Group

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## **Executive Summary**

Healthcare systems globally face growing financial, demographic, and operational challenges that threaten their sustainability. Key issues include economic strains due to rising healthcare costs, demographic shifts leading to increased chronic disease prevalence, and resource pressures from global health emergencies like pandemics and climate change. Access disparities, particularly for vulnerable populations, further compound these challenges by limiting access to preventive care and exacerbating health inequalities.

Ageing populations in high-income countries drive demand for long-term care (LTC), which is financially burdensome due to high resource needs. Healthcare models are increasingly unsustainable under current funding structures, especially as costly new technologies raise standards and expectations for care. Additionally, inefficiencies, waste, and low-value clinical practices inflate costs without improving outcomes. Defensive medicine and redundant administrative processes contribute to this strain.

EuroNet MRPH emphasises the need for immediate, coordinated policy action to build resilient healthcare systems. Proposed actions focus on promoting economic sustainability through innovative digital health solutions, reducing waste, and enhancing workforce training and distribution. Internal initiatives include educating members on economic impact and preventive care, while external efforts encourage partnerships with international agencies and advocacy for digital inclusion, efficient resource allocation, and Responsible Innovation in Health frameworks.

To address systemic barriers, it is essential to foster innovation, streamline operational practices, and monitor resource use. These actions should aim to ensure that healthcare systems remain equitable, adaptable, and sustainable in delivering high-quality care.

## **Introduction**

Healthcare systems worldwide are under growing pressure, as they are facing increasing challenges that could impact their ability to remain financially sustainable in the years to come.

They also have to deal with accessibility and equity issues, which can be regional, local, and socio-economic disparities. Inequalities due to barriers for vulnerable populations are not adequately addressed and create significant obstacles to healthcare because they shape individuals' ability to access services, the quality of care they receive, and their overall health outcomes. These inequalities emerge from a range of factors, such as economic inequalities, geographic isolation, and systemic discrimination, which combine to limit access to care and exacerbate cycles of poor health outcomes in vulnerable populations such as low-income groups, rural or underserved communities, and ethnic minorities. These populations, which often are already facing higher health risks, are less likely to have access to preventive services like routine check-ups, vaccinations, or early screenings.

The consequent delay in treatment often results in more complicated health issues that are harder to treat and more costly, putting additional strain on both the patient and the healthcare system.

Another key challenge, particularly in high-income countries, is the demographic shift caused by the rapid ageing of the population. This trend has led to a dramatic increase in the prevalence of chronic diseases such as diabetes, cardiovascular diseases, and dementia. As people live longer, the need for ongoing medical treatment, rehabilitation, and long-term care (LTC) services continues to rise (1). This increasing demand for long-term care services is particularly worrisome for healthcare systems already grappling with financial limitations, as LTC is resource-intensive, requiring not only medical care but also social support, caregiver assistance, and often institutional care over extended periods. The demand for these facilities and services is outpacing the capacity of many healthcare systems to provide them, and the current models of funding and delivery in just as many countries is not enough to absorb this rising demand (2).

Moreover, Global Health emergencies like pandemics, climate change, and sociopolitical issues place economic pressure on national healthcare systems by increasing resource demands and creating new health risks. These challenges further threaten healthcare sustainability and require coordinated policy and international action (3).

The lack of available resources and adequate funding in some countries severely reduces the capacity of healthcare systems to provide necessary care. <sup>4</sup> This shortfall compromises the ability to meet growing healthcare demands.

Shortages of healthcare workers and inadequate planning impact both the delivery of timely and effective care and the well-being of the healthcare workforce, while inflation and market pressures cause rises in costs of drugs, devices and services related to healthcare, affecting both public budgets and affordability of care for individuals (5–7).

Scientific research leads to the adoption of innovative clinical technologies that are effective in enhancing patient health, but raise significant concerns regarding affordability and access, which may exacerbate existing disparities in healthcare and raise issues for the sustainability of the system.<sup>8</sup>

Furthermore, modern continuity of care models, patient-centred, characterised by a multidisciplinary and multi-professional approach at different levels: hospital, intermediate and primary care, are very effective in improving patients' outcomes, but could require more resources.

Innovation leads to better quality of care, satisfaction and evolving expectations of healthcare users. As new technologies and practices are introduced, raising quality standards implies higher costs. Sometimes the ways in which new health technologies are financed, developed and brought to market render health systems increasingly inequitable and unsustainable.

Healthcare systems' financial sustainability is also heavily burdened by waste in clinical practices, especially in potential areas of low clinical value care (9)

These may include overuse of diagnostic testing, overprescription of medications or unnecessary prolonged hospital stays (10), Healthcare professionals often contribute to this issue through the practice of defensive medicine, ordering unnecessary tests and treatments not to the patient's benefit, but to mitigate legal risks (11).

The problem of sustainability of healthcare systems is worsened by deficits in the governance of institutions, agencies and organisations, exacerbated by an insufficient level of coordination and a lack of adequate training of healthcare professionals in the core competencies for exploiting essential public health functions.

## **EuroNet MRPH position**

EuroNet Medical Residents in Public Health believe that economic sustainability is a priority issue for countries' health and care systems, requiring urgent action and effective strategies in the short and long term. It is important to take advantage of this historic period of change in the European region after the pandemic to build resilient and sustainable health systems that are able to withstand the long term, shaped by the changes that society and the economy are developing, and prepared to respond to foreseeable and unpredictable health emergencies without interruptions in the continuity of essential health services, especially for fragile populations.

We, as part of the future workforce involved in the delivery of essential public health functions, believe that we must participate in this process of health system strengthening by proposing innovative ideas and developing those competencies for public health functions that current and future health and care systems are experiencing or will need to develop in line with their evolution and strengthening.

## Call to Action

Our position emphasises the need to define actions at both internal, addressed to our members, and external level, addressed to governments, institutions and other organisations. To promote the sustainability of healthcare systems, it is necessary to support defined policy choices and the implementation of effective strategies tackling the various aspects and issues of our healthcare systems. Capacity building and awareness-raising campaigns are fundamental to shape the behaviours of the different stakeholders involved in reaching the goal: policy makers, public health experts, health professionals and citizens, while research and innovation are central to finding effective solutions to the issues that threaten the economic sustainability of healthcare systems. We also underpin the importance of specifying the areas in which these actions should be taken.

## Internal Actions

- Education and training:
  - Organise workshops and trainings for Euronet members addressing economic sustainability of health and care systems, such as:
  - Workshop on: "Workforce Planning and Sustainability": addressing workforce shortages and retention issues, with a focus on cost-effective planning in human resources; group discussions on policy changes to improve workforce stability and retention; exercises on human resource management (task shifting, skill-mix optimization,...).
  - Seminar on: "Economic impact of Preventive Care": practical data analysis examples on how preventive care (vaccination, screening, lifestyle and environmental interventions) can decrease healthcare costs.
  - Seminar on: "Policy and Regulatory Strategies for Economic Sustainability in Healthcare": policy approaches for reducing waste and inefficiency in healthcare spending, cross-country comparisons of health policy effectiveness and their regulation of pharmaceutical and medical device costs.
  - Workshop on: "Economic Sustainability Policies": simulation game on regulatory decision-making and sessions to create policy proposals for hypothetical crisis scenarios (epidemics, pandemics, wildfires...).
- Increase awareness:
  - Promote thematic days and events involving experts from various centres and disciplines, such as health economists and environmental scientists: for instance  
“The waste in health sector day” with examples of waste in healthcare facilities which could be reduced and “The environmental sustainability of hospitals day” organised in collaboration with local health services and environmental organisations.
- Collaboration and research:
  - Promote research projects in the field of economic sustainability of healthcare systems through collaborations with medical centres, universities, regulatory agencies and other networks. For example, it would be important to address the improvement of healthcare processes through the reduction of waste, the theme of innovation in the healthcare sector or the de-implementation of low clinical value practices.

## External actions

- Organise awareness-raising campaigns, educational trainings and events targeting health professionals and managers to promote the following actions:
  - The selection of interventions that are both clinically effective and cost-efficient. Regular audits and clear, evidence-based guidelines should promote accountability of healthcare providers, ensure that they adhere to best practices and promote more efficient resource allocation (12,13).
  - The utilisation of innovative digital health tools (e.g., telemedicine, electronic health records, and AI diagnostics), which can streamline services and workflows, reduce unnecessary in-person visits, and cutting down on resources use (e.g., paper, energy, and travel), ultimately minimising healthcare providers and patients costs and environmental impact. However, vulnerable populations, such as those in rural areas, low-income communities, or with limited digital literacy, may lack access to the technology or infrastructure needed to benefit from digital health advancements. Ensuring that these groups are not left behind requires deliberate investment in digital inclusion, including support for these digital health tools (14,15)
  - The reduction of economic and resource waste in healthcare which is crucial for the sustainability of healthcare systems. Two priorities should be cutting down on unnecessary tests and procedures, which not only inflate costs but also expose patients to avoidable risks, and optimising administrative processes, as excessive bureaucracy and inefficiency drive up operational expenses without contributing to better patient outcomes. Systems to monitor these inefficiencies includes implementing clinical decision support systems (CDSS) to ensure evidence-based care, using health information technology to track resource use, and conducting regular audits of clinical and administrative practices (16,17).
- Collaborate and strengthen partnerships with international organisations like ASPHER (Association of Schools of Public Health in the European Region), the EC (European Commission), the WHO (World Health Organisation) and other institutional stakeholders to advocate the following:
  - Implementation of strategic interventions focused on pharmacoeconomics analyses and Evidence Based Interventions that take into account long-term savings for the sustainability of healthcare systems. Cost-utility analysis should be preferred to those that consider only the available budget, in consideration of the lived years free from disease gained by the population (18–20).
  - Adoption of guidelines, policies and training on systems capacities and capabilities for health threats and emergencies, developed by international agencies especially after the pandemic period, and production of operations plans together with strengthening of system structures to improve prevention, preparedness, response and recovery to reduce the impact of various health risks (21–23).
  - Increase of available resources by countries to adequately fund system capacities such as infrastructures, human capital, operational efficiency and research, in particular in clinical, technological, economic and administrative fields.

- Development of innovative strategies and solutions to guarantee the provision of healthcare services and ensure a high-quality standard of care (24). This requires making risky decisions and investing in disruptive innovations that may balance the lack of resources while maintaining the sustainability of the healthcare sector.
- Adaptation of healthcare workers education planning and distribution across various specialisations and geographic areas: for example, regarding medical specialists, strategic plans are needed, informed by a thorough analysis of healthcare needs. While in some countries there is a push to increase the number of general doctors graduating from universities to meet growing healthcare demands, this approach risks creating imbalances in the healthcare workforce. A lack of proper planning could lead to an oversupply in some areas while leaving critical shortages in others, particularly in specialised fields or underserved regions (25).
- Monitoring of policies related to research, innovation, and economic sustainability which is essential to make sure that healthcare systems evolve in line with modern needs. Monitoring efforts can include performance indicators that assess the adoption of innovative practices, the integration of new technologies, and the efficiency of resource utilisation. Regular evaluations, feedback loops, and transparent reporting are key to identifying areas for improvement and ensuring that policies not only promote innovation but also enhance the long-term economic sustainability of healthcare systems. The ultimate goal should be real-world improvements, without compromising financial stability or patient care.
- Improved integration of information systems and communication between health services, hospitals and primary care, as well as of the public and private sector, reflecting the current state of the art of hybrid healthcare systems and modern care models that provide continuity of care for patients through a multi-professional approach at different levels and at different stages of the natural history of the disease to reduce waste in healthcare and improve efficiency (26).
- Streamlining of privacy legislation and strengthening collaborations and common vision, acting at local and national policy and regulatory levels
- Foster transversal innovation:
  - Innovative digital health tools (e.g., telemedicine, electronic health records, and AI diagnostics) can streamline services and workflows, reduce unnecessary in-person visits, and cut down on resource use (e.g., paper, energy, and travel), ultimately minimising healthcare providers and patients costs and environmental impact. Ensuring that vulnerable populations or groups with limited digital literacy are not left behind requires deliberate investment in digital inclusion, including support for these digital health tools (27).
  - Organisation and administrative innovations can improve healthcare quality standards and population health outcomes by reducing healthcare waste (Muda), thus maintaining the system sustainable. For example, process reengineering is a strategic management approach, which overhauls and redesigns existing organisation's processes to enhance efficiency and effectiveness (17,28).

- Technological innovation can have a wide impact on the sustainability of the system, so it is important to adopt policy frameworks and principles that try to conciliate science and innovation processes with societal values in a multi-professional approach (29,30)
- Advocate frameworks such as the Responsible Innovation in Health (RIH) framework, to encourage collaborative effort in which stakeholders commit to clarifying and fulfilling a set of ethical, economic, social and environmental principles, values and requirements when designing, financing, producing, distributing, using and discarding socio-technical solutions to address the needs and challenges of healthcare systems in a sustainable way (31).
- Promote continuous quality improvement in the healthcare sector through its seven dimensions: efficacy, patient safety, efficiency, equity, timeliness and patient-centredness.

The importance of sustainability-oriented innovation systems for the economic stability and sustainability of healthcare systems is extreme and public health and scientific progress should consider all these (32–34).

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