



Charité Berlin
World Health Summit

Today's Science – Tomorrow's Agenda | October 23rd - 26th, 2011

Key Messages

Health Economics & Management



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General

World Health Summit 2011: Today's Science – Tomorrow's Agenda

The World Health Summit is the annual conference held by the 'M8 Alliance of the Academic Health Centres and Medical Universities' together with the National Academics. It is one of the world's foremost gatherings of leaders from academic medicine, governments, health-related industries and non-governmental organizations to exchange views on the most pressing global health challenges. After a highly successful inaugural conference in 2009, on the occasion of the 300th year anniversary of the Charité - Universitätsmedizin Berlin, and a likewise effective following Summit in 2010 the World Health Summit is now being held annually. The main objective of the World Health Summit, meanwhile, is to address key challenges regarding medical research, global health and health care delivery with the aim of shaping the political, academic and social agendas.

Bringing together all stakeholders involved in health research and health care, the World Health Summit presents an unprecedented opportunity for constructive interactive partnerships. There is an urgent need for a cross-sectored approach and multidisciplinary research to unleash the power and creativity of academic medicine and to involve societies, governments and industries. By close collaboration in analyzing today's science and by extensively sharing international experiences and debating, we will be able to structure tomorrow's agenda.

The M8 Alliance

The 'M8 Alliance of Academic Health Centres and Medical Universities' is a collaboration of academic institutions of educational and research excellence that recognizes responsibility to improve global health and works with political and economic decision makers and civil society to develop science-based solutions for health challenges worldwide. This inter-national network gives the World Health Summit an outstanding academic background. The M8 Alliance acts as a permanent platform for framing future considerations of global medical developments and health challenges. The M8 Alliance promotes the translation of research progress from the laboratory to the bedside and to populations, the transformation of our present medical care systems treating sick people to a true "health care system" with effective prevention of diseases and the transition of health-related solutions and adaptation in our rapidly changing living conditions, including demographic changes, urbanization, and climate change as priority areas of research.



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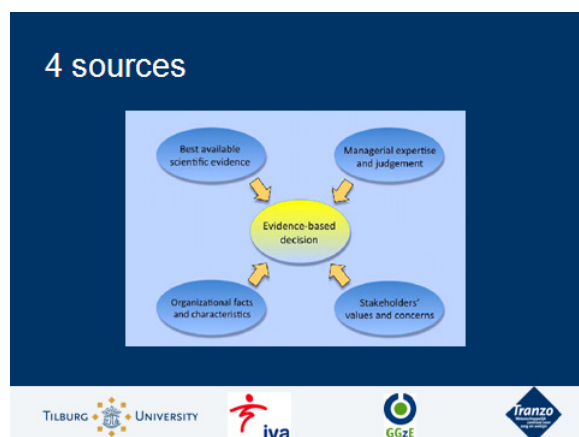
Health Economics and Management

As in evidence-based medicine where the scientific method is applied to medical practice, the current and best evidence should also be used in public health policy and management decision-making. In order to achieve better outcomes evidence based medicine and evidence based management should be implemented together. Furthermore, health care reforms worldwide are directed towards the goal of better outcomes for lower costs. In this context, prevention is seen as a key factor. However, many health care reforms in countries such as the Netherlands have not led to the envisioned cost reduction. Finally and most important, during times of economic crisis it has become crucial for long-term sustainability that countries in general and especially in the developing world do not respond with major cuts in health care spending. Investment in health has to be further supported and the pharmaceutical industry can help by giving discount and cutting prices.

From Evidence Based Medicine to Evidence Based Management

*Ecole des Hautes Etudes en Santé Publique
European Health Management Association*

Management is a discipline which remains mainly apart from empirism and experimentation. In healthcare, management as a discipline should take advantage and inspiration from epidemiology and biostatistics. Evidence based medicine has profoundly reshaped modern medical practice, so will Evidence based public health policy and management. Evidence based public health policy and management is a raising discipline. As best outcomes in healthcare and public health are often associated with strong coordination, appropriate management practices in healthcare may improve health outcomes. It is time to jointly implement evidence based management and evidence based medicine to provide better service to patients and better health to the population. To introduce Evidence based management in practice, it has to be incorporated within master and postmaster education. Evidence based management approach needs development in research in collaborative groups in a similar way as within medicine (e.g. Cochrane collaboration).





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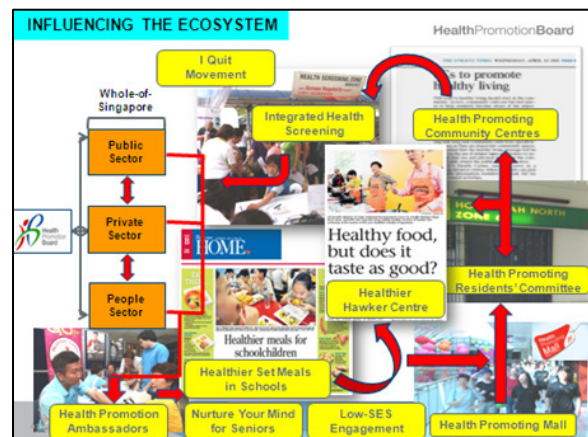
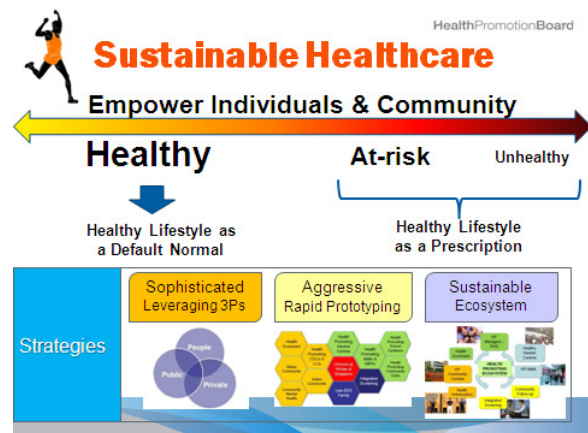
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Global Perspectives on Health Care Reforms

Johns Hopkins Bloomberg School of Public Health
Peking Union Medical College

Countries around the world are struggling to afford rising health care costs, leading many to consider various reforms to slow the growth in future health care spending. Many are emphasizing the important role of health care providers in improving the value of care delivered throughout the health care system. Chinese public hospital reforms initiated in 2009 include optimizing resource allocation and reforming the management system and governance mechanisms. Dutch healthcare reform is in its early days for passing final judgment, but it seems clear cost reduction is not one of them. In the U.S., with the implementation of the 2010 Affordable Care Act, safety net providers must adapt to their new role in health care system by capturing the market for newly insured low income patients while adjusting to the loss of direct subsidies and meeting new requirements to provide higher quality patient care. Moreover, two public payment reforms in the U.S. – the Medicare Shared Savings program for Accountable Care Organizations and a bundled payment pilot program – aim to incentivize providers to reduce inefficiencies in care delivery. English policymakers have experimented for 20 years with giving general practitioners budgets with which to purchase specialist care for their patients, with the intention of reducing unnecessary referrals and encouraging preventative measures. In Singapore, resources from the people, private and public sectors are being drawn together into an integrated solution for preventive health to achieve better health outcomes. Taken as a whole, countries have

been implementing various reforms with varying objectives and results.





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Austerity Measures and Healthcare

MSD SHARP & DOHME

As a large number of developed countries are going through a major financial crisis, budgets need to be balanced and healthcare spendings are a potential victim of cost-cutting efforts.

Investing in healthcare is an important pillar of our economic development and future growth. Rather than seeing health expenditures as costs, governments should focus on the relation between health outcomes and economic growth.

Some governments have clearly ring-fenced healthcare from their austerity measures, such as the UK. At the OECD Health Ministerial at the end of 2010, the health ministers from developed economies called for not jeopardizing healthcare by cutting public health expenditures.

The situation nevertheless calls for drastic measures and the pharmaceutical industry is ready to contribute to this effort. Through price cuts and discounts, pharmaceutical companies have already contributed more than 7 billion euros of savings in the five European countries most severely hit by the financial crisis.

However, the pharmaceutical industry's contribution should be proportionate with its share of healthcare expenditures, which, on average, is between 10 to 15% of total healthcare costs. Unfortunately, what we see today is that pharmaceutical expenditures are disproportionately targeted for cost savings.

Medicines bring tremendous value to healthcare systems and pharmaceutical innovation is one of the key contributors to

health gains and life expectancy increases in the last 60 years. The industry is also a source of high value jobs and is one of the largest net contributors to the EU external trade balance (52 billion euros).



Lastly, we should not forget that the cost of healthcare is insignificant compared to the cost of disease. The cost of disease will grow and challenge government budgets, with or without additional reductions in the cost of innovative medicines.

Investing in health is key for the sustainability of our economic model, in particular as our countries face a major demographic challenge.



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