

HIGHLIGHTS FROM THE REPORT

Health economy reporting: a useful tool for evidence-based investments for health and development

A case review from Germany

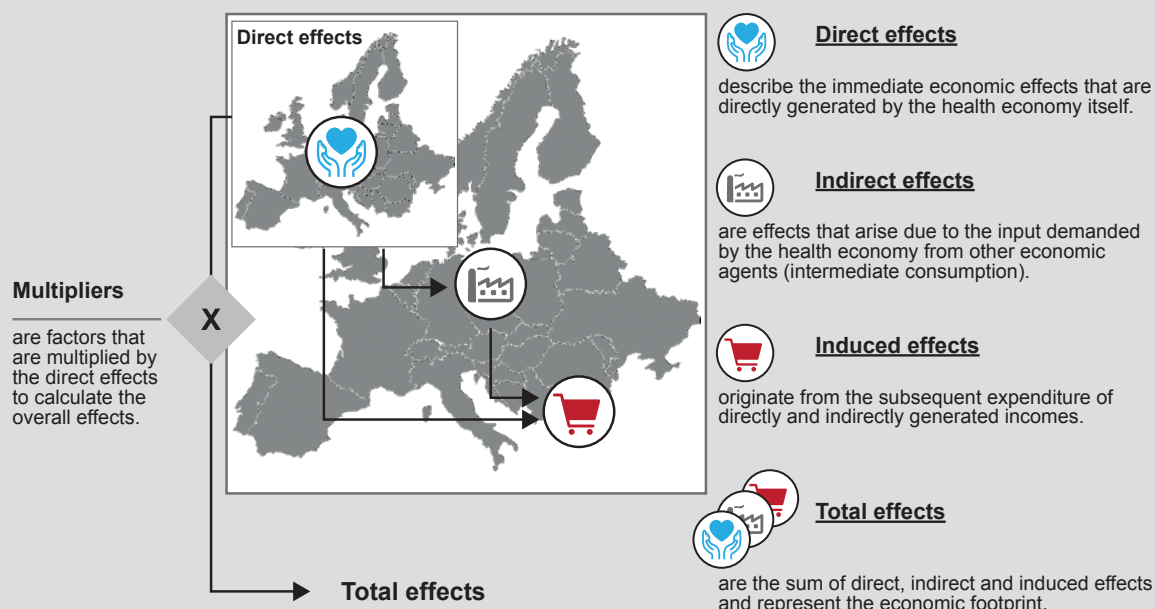


Health and inclusive and sustainable growth

The health sector is a key economic sector, job generator and driver of inclusive economic growth. Adequate health investments promote inclusive and sustainable economic growth.

Health economy reporting summarizes the direct, indirect and induced gross value added (GVA), employment and foreign trade effects of the health economy. It also includes multipliers – factors multiplied by the direct effects to calculate the total effects.

The economic footprint of the health economy



Source: adapted from Schwärzler & Legler, 2017.¹

Aims of health economy reporting

Health economy reporting aims to:

- optimize the impact of health investments on sustainable and inclusive economic growth in implementing the 2030 Agenda for Sustainable Development,² building on the WHO European strategy and policy framework for health and well-being, Health 2020;³
- improve and enhance health workforce investments to stimulate and guide job creation in order to reduce the shortfall of health workers by 2030, as recommended by the High-Level Commission on Health Employment and Economic Growth;⁴
- support the achievement of universal health coverage (UHC) by improving health system performance through action on service delivery, health financing and governance, as advocated by the International Health Partnership for UHC 2030.⁵

1 Schwärzler MC, Legler B. Der ökonomische Fußabdruck der Gesundheitswirtschaft in Deutschland nach ESVA 2010. Analyse der volkswirtschaftlichen Bedeutung für Wirtschaftswachstum, Arbeitsmarkt und Außenhandel 2000 bis 2015 [The economic footprint of the German health economy according to ESA 2010. Analysis of the economic importance for economic growth, labour market and foreign trade 2000 to 2015]. Munich: Wirtschaftsforschung GmbH; 2017.

2 United Nations General Assembly. Transforming our world: the 2030 agenda for sustainable development. A/RES/70/1. New York (NY): United Nations; 2015.

3 Health 2020. A European policy framework and strategy for the 21st century. Copenhagen: WHO Regional Office for Europe; 2013.

4 Working for health and growth. Investing in the health workforce. Report of the High-Level Commission on Health Employment and Economic Growth. Geneva: World Health Organization; 2016.

5 International Health Partnership UHC2030. Healthy systems for universal health coverage – a joint vision for healthy lives. Geneva: World Health Organization and the International Bank for Reconstruction and Development / The World Bank; 2017.

Key inputs

Implementing health economy reporting requires the following key inputs:

- statistical data from national accounts, based on the European System of Accounts (ESA) as the statistical standard, providing the macroeconomic statistical framework;
- statistical data from health expenditure surveys, based on the System of Health Accounts (SHA) as the statistical standard, defining and accounting for the consumption, provision and financing of health products and services.

Successful implementation of health economy reporting also requires the involvement and collaboration of ministries of health, ministries of economics and national statistical offices.

Key outputs

Health economy reporting yields the following key outputs, a selection of which are shown on the exemplary dashboard:

- direct, indirect and induced gross value added and employment impacts and multipliers, along with foreign trade impacts of the health economy, aggregated for the health economy and for countries overall, and disaggregated for selected health economy segments and geographic regions;
- interlinkages within health economy segments and between the health economy and the overall economy and other sectors;
- employment trends within the health economy, overall, and disaggregated for selected segments and regions;
- the patterns and trends of privately financed consumption within the health economy.

Key results

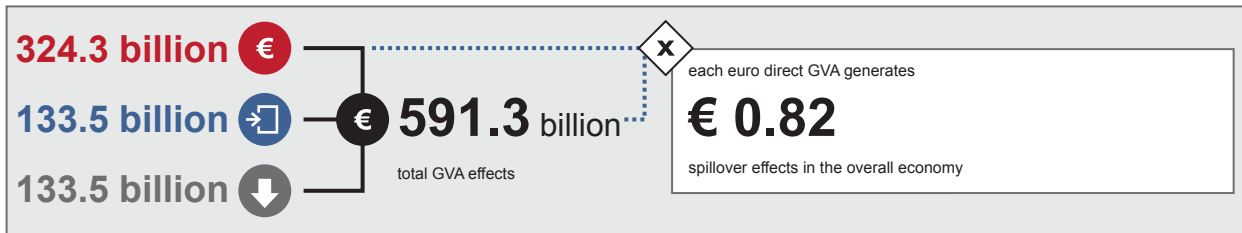
Health economy reporting provides a structured approach for governments and the public and private sectors to understand the scope and impact of the health economy as a starting point for planning and evaluating its strategic role for health and for sustainable and inclusive economic growth.

By maintaining the balancing conditions and concepts of national accounts, health economy reporting analyses trends and patterns of the health economy within the overall economy and compared to other economic sectors, including at national and subnational levels, for the overall health economy and selected segments, at specific points in time as well as over time.

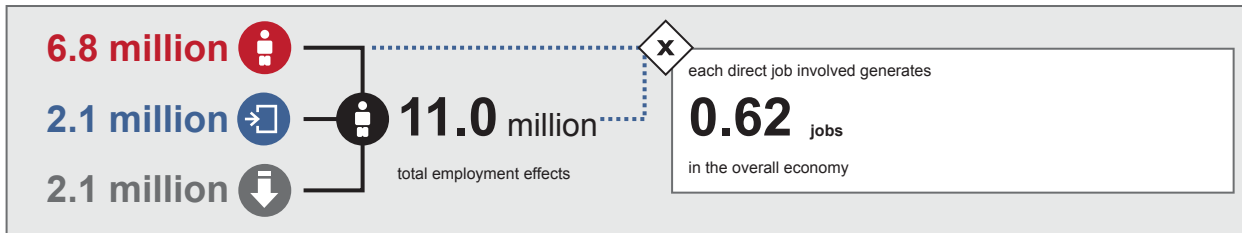
Health economy reporting enables priority-focused investments for health and development through coherent action across the whole of government and the whole of society to address the growing public health, inequity, economic and environmental challenges facing Member States of the WHO European Region.

Selected outputs from health economy reporting: exemplary dashboard⁶

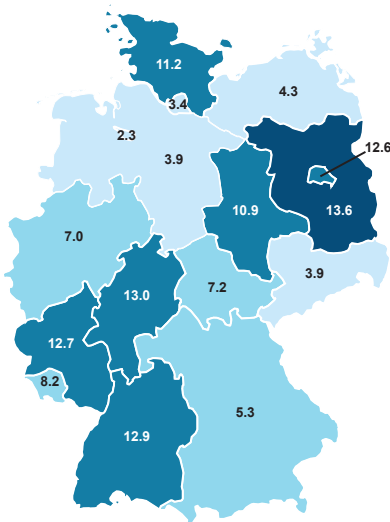
Gross value added, total effects and multipliers



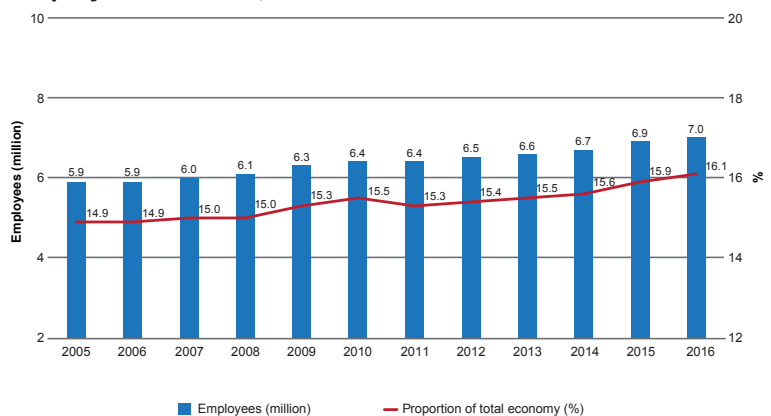
Employment, total effects and multipliers



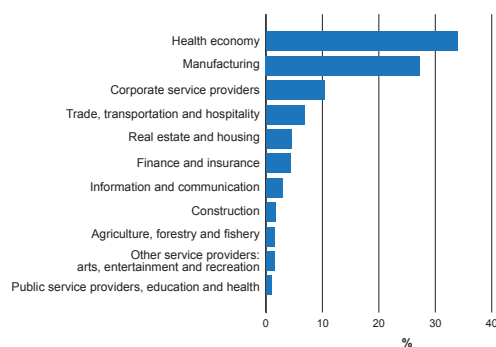
Foreign trade contribution (%), by region



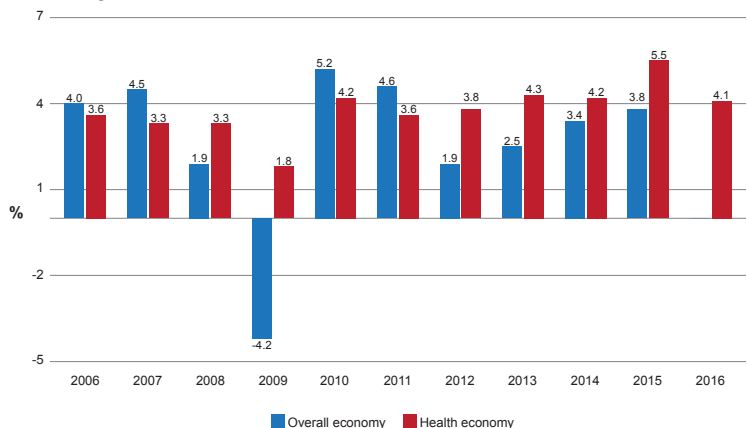
Employment effects, over time



Sectoral supply chain inputs (%) to the health economy



Gross value added contribution compared to overall economy, over time



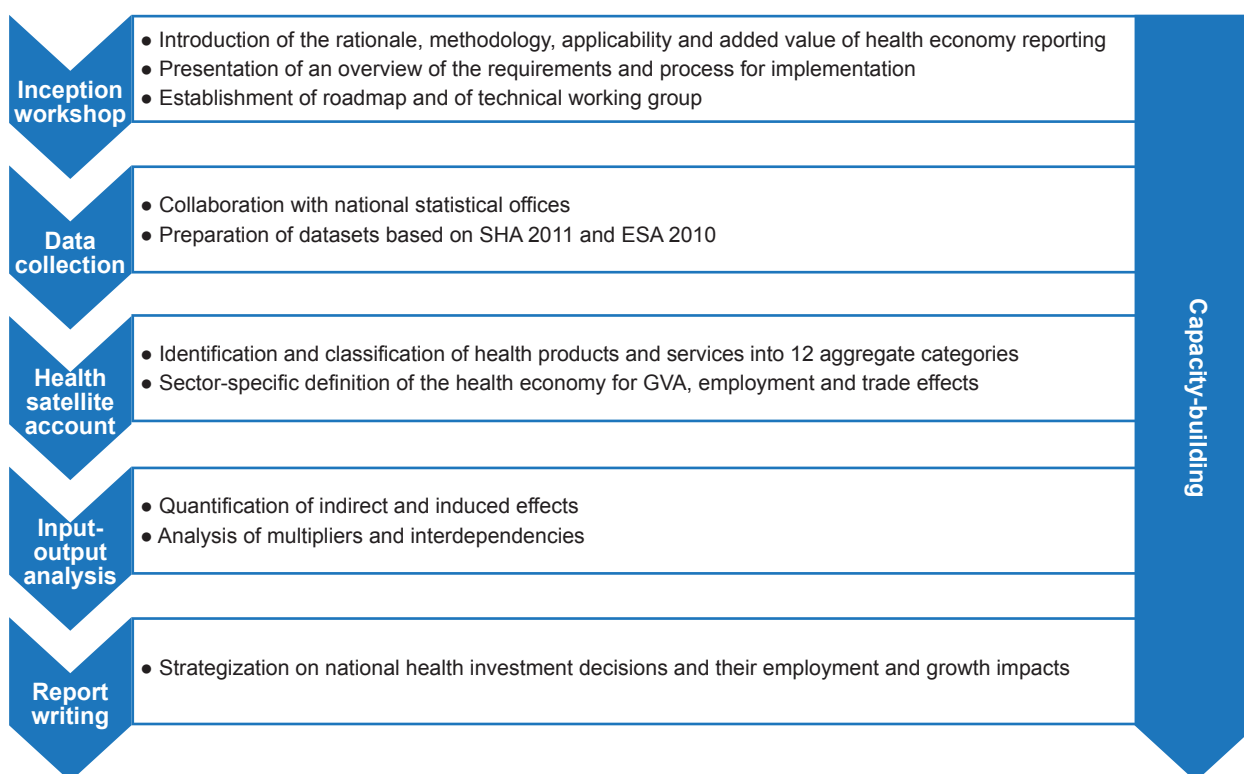
⁶ This dashboard serves purely illustrative purposes in showing selected outputs from health economy reporting. For the context and sources of the data shown here, please refer to Werling E, Hamelmann C, Henke KD. Health economy reporting: a useful tool for evidence-based investments for health and development. A case review from Germany. Copenhagen: WHO Regional Office for Europe; 2017 (Investment for Health and Development Review).

Recommendations

As a practical approach for implementing the 2030 Agenda for Sustainable Development by building on Health 2020, countries in the WHO European Region who want to implement health economy reporting can draw on extensive experience and existing methods and tools. Health economy reporting can be applied at national and subnational levels.

Implementing health economy reporting with full national ownership requires capacity-building in parallel to train key national and/or regional stakeholders. A modular approach to implementation and capacity-building can be adapted to the specific requirements at subregional, national and subnational levels.

Implementation process for health economy reporting



Main report



Werling E, Hamelmann C, Henke KD.

Health economy reporting: a useful tool for evidence-based investments for health and development. A case review from Germany.

Copenhagen: WHO Regional Office for Europe; 2018
(Investment for Health and Development Review).

Office for Investment for Health and Development

The Office for Investment for Health and Development in Venice, Italy, is the centre of excellence of the WHO Regional Office for Europe in the thematic areas of social and economic determinants of health, health equity and investment for health in the context of the 2030 Agenda for Sustainable Development. It also coordinates the WHO European Regions for Health Network and the Small Countries Initiative. It aims to generate and disseminate cutting-edge knowledge and to assist the Member States of the WHO European Region by building strong partnerships and networks with governments, the public and private sectors, academia and think tanks, and a broad range of civil society stakeholders. The Office was established in 2003 through a Memorandum of Agreement between the Government of Italy, the Veneto Region and the WHO Regional Office for Europe.



**World Health
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