



Spitzenverband

**Comments by the
National Association of Statutory
Health Insurance Funds
from 24.08.2016**

**to the Public Consultation on the
European Pillar of Social Rights**

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I. Introduction

The German National Association of Statutory Health Insurance Funds (GKV-Spitzenverband) welcomes, in principle, the goal of achieving renewed convergence of high-level social security in the Member States of the European Union (EU). A high degree of social protection and the removal of social and health inequalities in all Member States is the basis for long-term, political cohesion in the Union.

A common goal must be the creation of healthcare and long-term care systems whose ability to function well is secured for the future. The Member States carry the responsibility for this. In Germany, the legislature specifies the framework conditions for health policy. The task of fulfilling these conditions falls to the system of self-government. Self-government in the healthcare and long-term care insurance funds and their respective associations involves the direct participation of employee and employer representatives. It is a powerful system that is clearly demarcated from either purely governmental or purely private-sector allocation.

The EU supports and complements the policies of Member States in areas where it makes sense to have a common approach. Systematic comparisons and the voluntary exchange of experiences between the Member States can help them to learn from one another and to modernise the healthcare and long-term care systems in Europe. Suitable instruments for doing this are already available to the EU. Systematic comparisons must be based on meaningful data; their methodology must be continuously refined; they must be transparent; and they must be more open for those involved in health policy to participate. However, the Pillar of Social Rights as a reference framework for screening performance does not appear to be suitable for the area of health and long-term care.

The European Commission's goal for the European Pillar of Social Rights is also to achieve a deeper and fairer Economic and Monetary Union. The Commission has stressed the importance of principles which encourage competitiveness, increase participation in the labour force, maintain the sustainability of public finances and ensure the resilience of economic structures. The GKV-Spitzenverband recognises both the importance of a country's economic performance for its social security system as well as the system's importance for a strong economy. However, fiscal and economic growth aspects should not stand at the forefront of health and long-term care policy, but rather the focus should be on access to health and long-term care services as well as their quality and efficiency in order to benefit patients and contribution payers.

In the following comments, the GKV-Spitzenverband expresses its opinions regarding the areas of workplace health promotion, healthcare, sickness benefits and long-term care. The Member States face challenges in all of these areas, some of which they share in common. However, the majority of these challenges are quite different and essentially should be addressed at national level. In the opinion of the GKV-Spitzenverband, there is no need for fundamental changes to EU law concerning healthcare and long-term care. In order to ensure the effectiveness of provisions which coordinate social security systems, explicit rules regarding the risk of long-term care must be included in the provisions.

The GKV-Spitzenverband represents all 117 statutory health and long-term care insurance funds in Germany and, thus, the interests of more than 70 million insured persons and contribution payers when dealing with politics and healthcare providers. It advises the German parliaments and ministries under current legislative procedures and has a statutory responsibility to look after the interests of German healthcare and long-term care funds with regard to supranational and cross-national organisations and institutions. The GKV-Spitzenverband is a member of the European Social Insurance Platform (ESIP) via the German Social Insurance (DSV).

II. Questions for the consultation

On the social situation and EU legal “acquis”

1. What do you see as most pressing employment and social priorities?

In the event of an illness or the need for long-term care, more than 70 million people with statutory insurance in Germany can rely on the fact that they will receive a high level of quality, economically-efficient care as well as the ability to enjoy the benefits of medical progress regardless of their financial status. People with statutory insurance in Germany are also well insured when abroad in Europe and thus can benefit from Europe’s open borders. The priority for the German statutory health and long-term care insurance funds is to maintain and further develop this strong and successful system.

Furthermore, a common goal must be to future-proof the ability of health and long-term care systems to function, as well as to ensure there is efficient health and long-term care across all of Europe. In a Europe without borders, this is also in the interest of German patients and contribution payers. In the European Union there is a logical delineation of responsibilities for health and long-term care policy. The Member States are responsible for structuring and financing their health and long-term care systems. The European Union has only a complementary and supporting function.

The European Union promotes social justice and social protection, social and territorial cohesion, and solidarity between the Member States. An aim of the European Single Market, in the form of a social market economy, is to contribute to full employment and social progress. A high degree of social security and the removal of social and health inequalities in all Member States is the basis of long-term, political and economic cohesion in the Union.

The creation of a common market with free movement of persons, goods and services is a key objective of the European Union. The increased mobility of persons within the EU and the ageing population mean that the topic of long-term care in a cross-border context is gaining in importance. The proposal by the European Commission to amend regulations concerning the coordination of social security systems in the area of long-term care is certainly to be welcomed. The current principle that all costs for long-term care benefits be borne by the Member State in which the concerned person has their health or long-term care insurance represents a good basis. To maintain this approach, certain provisions in terms of services and benefits for long-term care

should be made which take into consideration the development of new services and benefits in the individual Member States (for example, services to help caregivers).

Furthermore, in conjunction with the proposed amendment of the regulations concerning coordination of social security systems, provisions regarding foreign postings and multiple employment must be revised. In addition, control measures to ensure compliance with deadlines and the enforcement of claims for settling expenses must be introduced.

2. How can we account for different employment and social situations across Europe?

The European Union is contractually obliged to take into account aspects of social and health policy in all policy areas. This also applies to initiatives for policies concerning the Single Market, competition and trade. Given the major economic and social challenges being faced, this must not be relativized. In this regard, there must be a social and health impact assessment which examines new laws proposed by the European Commission and their effect on the statutory health and long-term insurance system and on health policy. The European Commission must carry out this impact assessment and make the results transparent. In a further legislative process, the European Parliament and Council should take into account social and health consequences as part of its deliberations and proposed amendments.

Common learning and coordination processes are important steering instruments in a European Union that is growing ever closer. As part of the European Semester, the European Commission annually reviews the budget and reform plans of the Member States; the aim is to secure national budgetary discipline and competitiveness. The European Union's reports and recommendations also discuss the topic of health and long-term care policy. However, irrespective of a general assessment of the EU's recommendations, fiscal and growth aspects should not be at the forefront of health policy, but rather access to health services, their quality and efficiency and, thus, the benefits for patients and contribution payers.

Systematic comparisons such as the Open Method of Coordination (OMC) or the Health Systems Performance Assessment (HSPA) serve to implement common European objectives in health and long-term care policy. In the view of the German statutory health insurance, systematic comparisons can contribute to learning from one another and modernising the health and long-term care systems in Europe. They must be based on meaningful data; their methodology must be continuously refined; they must be transparent; and they must be more open for those involved in health policy to participate. Common learning and coordination processes must not lower social and health standards or lead to a stalemate in health policy.

Peer reviews should be increasingly used for the health and long-term care sectors. The aim of peer reviews is the better exchange of best practices which promote mutual learning processes regarding approaches to policy and practice as well as facilitate bilateral transfer and improve its effectiveness. Peer reviews normally take place as seminars in the host country with experts from three to four peer-review countries together with representatives from the European Commission and European interest groups. The host country's practice example is presented, results are collected, documented and disseminated, so that other countries can make use of this.

3. Is the EU "acquis" up to date and do you see scope for further EU action?

In the opinion of the German statutory health and long-term care insurance, there is no need for fundamental changes to EU law in the areas of healthcare and long-term care. The rights of insured persons and patients in the event of illness or long-term care are comprehensively and clearly regulated by the Regulation on the Coordination of Social Security Systems, by the Directive on Patients' Rights in Cross-Border Healthcare, and by national law. Persons insured by the German statutory health and long-term care funds can rely on high-quality care when needed and are also insured when in other European countries.

In order to ensure the effectiveness of the Regulation on the Coordination of Social Security Systems, it must be continually improved and developed. This particularly applies to rules regarding foreign postings and multiple employment as well as control measures for meeting deadlines and enforcing claims for settling expenses based on the Regulation. Furthermore, explicit rules for the risk associated with long-term care must be incorporated into the regulations. In particular, the singularity of the risk of long-term care compared to risk in the area of health, as well as the development of new benefits and services for long-term care in the individual Member States should be taken into account.

On the future of work and welfare systems

4. What trends would you see as most transformative?

between 1 and 3 choices

- X Demographic trends (e.g. ageing, migration)
- X Changes in family structures
- New skills requirements
- X Technological change

- Increasing global competition
- Participation of women in the labour market
- New ways of work
- Inequalities
- Other

Demographic trends and developments in population structures

With demographic trends and changes to the size and structure of the population, there come diverse social, political and economic challenges which also affect the German statutory health insurance system. Numerous expert reports assume there will be an increase in the prevalence of chronic diseases. However, the question remains whether demographic development will be accompanied by a significant increase in morbidity. Predictions about the consequences of demographic change will continue to be heavily dependent on the assumptions chosen. Thus, the debate over these consequences should be carried out prudently and in a solutions-oriented manner. For German healthcare, it is expected that the proportion of older people with geriatric requirements and the number of people with multimorbidity will increase in the future. In addition, demographic trends will have regional effects and thus effects on care requirements. Whereas the population in urban areas will continue to grow, in rural areas the population is expected to decrease.

Demographic change is not necessarily associated with increasing costs for healthcare. For example, the European Commission in its Ageing Report 2015 assumes that there will only be a moderate demographic effect on the financial viability of healthcare. Thus, in terms of the fundamental financial viability of healthcare, it is important to at least determine that there will be no significant impact.

Other factors are much more likely to have a sustainable impact on the expenditure structure of the German statutory insurance system, such as the supply of care, developments in medical technology, growth in compensation and supplier-induced volumes, and political decisions. For example, this is attested to by the significant increase in hospital services in the past years. Only a third of additional services and benefits can be explained by demographic factors.

Demographic change, the ageing population and the increase in chronic-degenerative diseases is associated with an increase in the need for long-term care. Forecasts show that the number of people in need of long-term care in Germany will increase to 3.4 million by 2030. The increase in

the number of very old people is associated in particular with an increase in the number of people suffering from cognitive impairments and dementia.

Changes in family structures

In addition to demographic trends, changes in family structures represent the second major challenge facing social long-term care insurance. At the moment, more than 1.76 million people are cared for at home. Of these, 1.18 million people are cared for exclusively by family members. The dissolution of traditional family structures, the trend towards single and childless households, and social change with an increasing number of women in the workforce all mean that the potential to provide informal care is decreasing while at the same time demand for it is increasing. It is forecast that the need for professional carers will have doubled by 2030.

Technological change

Technological change is increasingly affecting digital communication and applications in health and long-term care. The creation of a technological foundation is essential for urgently required medical application in the German healthcare system. The highest priority for the German statutory health insurance funds is to ensure there is a telematic infrastructure that links the IT systems of medical practices, pharmacies, hospitals and health insurance funds with one another and which allows a system-wide exchange of information. This infrastructure should be the single network for the transmission of medical data within and between service sectors.

Technological change poses a particular challenge to the German statutory health insurance funds in the form of the development of new, patented medicinal products which represent a significant proportion of the sharp rise in pharmaceutical expenditure and thus, impact the financial viability of health systems in Europe (see Question 12).

5. What would be the main risks and opportunities linked to such trends?

Demographic trends and developments in population structures

Given the trends described above, the question for the German health care system is how comprehensive, high-quality healthcare can continue to be guaranteed against this backdrop of structural change. In particular, healthcare in rural areas is facing a major challenge in terms of this. This must be addressed at both federal and state level in conjunction with the healthcare system's self-government.

Long-term care also faces challenges related to the trends described above, particularly regarding the further improvement of the quality of nursing care. This requires meaningful indicators in order to identify problem areas and to initiate improvements in quality. The need to improve

quality comparisons between institutions based on solid research is a particularly significant challenge. Special effort must also be made to effectively link the internal quality management of service providers and institutions with external quality assurance.

Given the increasing number of people who require care and a generally assumed lack of healthcare specialists, one of the key challenges in long-term nursing care is to recruit and retain suitable staff. Given the freedom of movement in the European Single Market, the recruitment and retention of healthcare and nursing specialists is a joint challenge. The EU Directive for the Recognition of Professional Qualifications has established appropriate conditions which ensure diverse and suitable access to health and nursing care professions. In order to respond flexibly to changing needs in nursing care, the competence spectrum for nursing staff should be further developed by merging the previously separate nursing courses. Thus, the German legislature intends to combine the previously separate training courses for elderly care, healthcare, nursing care and paediatric nursing care into one.

Technological change

At European level, there is an opportunity to tap into potential, to jointly analyse problems when digitalising healthcare and to learn from one another. Regarding the development and implementation of digital applications healthcare and long-term care insurance funds must not be considered solely as payers. They should be included with other stakeholders in drafting the contents of digital projects, particularly in order to be able to assess the benefits and risks of new applications. This is the only way that beneficial technological change in the health and long-term care sector can occur and find wide acceptance. To do this, double structures between the Member States and the EU must be avoided and a clear delineation of competences must be adhered to.

In terms of the EU-wide Electronic Exchange of Social Security Information (EESI) and within the framework of the Regulation on the Coordination of Social Security Systems, the social insurance providers should, in the future, exchange information faster and more securely based on optimised data collection and control. This affects, for example, the status of insured persons, such as posted workers, retirees, tourists or students, who make use of services abroad. Linking the IT systems of the social insurance providers in the Member States with the European Commission's proposed system will place very high demands on the national IT systems for data exchange and data processing, and result in significant effort and costs for the conversion. Against this background, the German statutory health insurance calls for a system solution that is limited to essential functions. Furthermore, the system should use a mature and well-engineered overall system architecture that takes into consideration national requirements and thus results in a solution that saves resources.

6. Are there policies, institutions or firm practices – existing or emerging – which you would recommend as references?

For examples of strategies and good practices at national level and the role of the health and long-term care insurance funds, see Questions 4 and 5 as well as the answers to the individual domains.

On the European Pillar of Social Rights

7. Do you agree with the approach outlined here for the establishment of a European Pillar of Social Rights?

- I strongly agree
- I agree
- I disagree
- I strongly disagree

According to the European Commission, the pillar should complement existing social rights through the detailed description of a series of important principles that are a common feature across the social policy of all Member States. It should act as a compass for renewed convergence, as a reference framework for screening performance of Member States and as a driver of national reform. The pillar is not intended to establish new rights.

In principle, the GKV-Spitzenverband welcomes the goal of renewed upward convergence of social security in the Member States. However, the Pillar of Social Rights does not appear to be suitable for the areas of healthcare and long-term care. The Member States are responsible, in particular, for determining healthcare and long-term care policy, for financing and organising their healthcare and long-term care systems, and for medical and nursing care. The European Union has clearly outlined responsibilities. Their activities should ensure a high degree of health protection as well as support and complement the Member States. The primary responsibility of Member States for health and long-term care policy follows the principle of subsidiarity. This principle is highly valued both at national and European Union level. It involves, at first, solving issues autonomously at the place where they occur. Only when joint action is necessary, does the EU get involved.

Goals of the Pillar

The European Commission's aim with the European Pillar of Social Rights is to achieve a deeper and fairer Economic and Monetary Union. The principles of the Pillar are important for encouraging competitiveness, for increasing participation in the labour force, for ensuring the long-term viability of public funds and for guaranteeing the resilience of economic structures. An appropriate minimum level of social security is also necessary.

The German statutory health insurance acknowledges the importance of a country's economic performance for its social security system and particularly for statutory health and long-term care insurance. The GKV-Spitzenverband also acknowledges the importance of this social insurance branch as a sector with significant potential for maintaining and growing the workforce as well as its contribution as a stabilizing factor in times of economic instability. However, fiscal and economic growth aspects should not stand at the forefront of health and long-term care policy, but rather the focus must be on access to health and long-term care services, their quality and efficiency and, thus, the benefits for patients and contribution payers.

Challenges and principles

An assessment of the challenges described by the European Commission and the proposed principles in the individual domains follows below. It is clear that a significant proportion of the challenges described by the European Commission do not apply equally to all Member States. In areas where the German statutory health insurance agrees with the analysis of the European Commission, it is the national legislature or institutions of self-government authorized by it who are able to and must address these challenges. In the opinion of the GKV-Spitzenverband, the role of the European Union in the area of health and long-term care policy consists of using and improving existing instruments for systematic comparisons as well as ensuring the exchange of good practices and proven solutions between Member States.

Instruments

In terms of using minimum standards, reference criteria and the proposed performance screening, the GKV-Spitzenverband refers to existing instruments to implement common European objectives for health and long-term care policy, as well as their methodological limitations (see also answers to Questions 2 and 10).

8. Do you agree with the scope of the Pillar, domains and principles proposed here?

	I strongly agree	I agree	I disagree	I strongly disagree
1. Skills, education and life-long learning	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
2. Flexible and secure labour contracts	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
3. Secure professional transitions	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
4. Active support for employment	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
5. Gender equality and work-life balance	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
6. Equal opportunities	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
7. Conditions of employment	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
8. Wages	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
9. Health and safety at work	<input type="radio"/>	<input type="radio"/>	X	<input type="radio"/>
10. Social dialogue and involvement of workers	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
11. Integrated social benefits and services	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
12. Healthcare and sickness benefits	<input type="radio"/>	<input type="radio"/>	X	<input type="radio"/>
13. Pensions	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
14. Unemployment benefits	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>

15. Minimum income	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
16. Disability benefits	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
17. Long-term care	<input type="radio"/>	<input type="radio"/>	X	<input type="radio"/>
18. Childcare	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
19. Housing	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
20. Access to essential services	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>

Are there aspects which are not adequately expressed or covered so far?

It is the view of the German statutory health and long-term care insurance funds that there are no aspects which have not been sufficiently expressed or covered.

9. What domains and principles would be most important as part of a renewed convergence for the euro area?

(Please select maximum 5.)

- 1. Skills, education and life-long learning
- 2. Flexible and secure labour contracts
- 3. Secure professional transitions
- 4. Active support for employment
- 5. Gender equality and work-life balance
- 6. Equal opportunities
- 7. Conditions of employment
- 8. Wages
- 9. Health and safety at work
- 10. Social dialogue and involvement of workers
- 11. Integrated social benefits and services
- 12. Healthcare and sickness benefits

- 13. Pensions
- 14. Unemployment benefits
- 15. Minimum income
- 16. Disability benefits
- 17. Long-term care
- 18. Childcare
- 19. Housing
- 20. Access to essential services

Comments:

No comment

10. How should these be expressed and made operational? In particular, do you see the scope and added value of minimum standards or reference benchmarks in certain areas and if so, which ones?

The German statutory health and long-term care insurance believes that systematic comparisons can assist with learning from one another and contribute to modernising health and long-term care systems in Europe. The Open Method of Coordination (OMC) and the Health Systems Performance Assessment (HSPA) are existing tools for implementing common European goals regarding health and long-term care policy. Systematic comparisons must be based on meaningful data; their methodology must be continuously refined; they must be transparent; and they must be more open for those involved in health policy to participate.

Previous experience has shown that significant methodological problems exist when comparing data because of system differences that have developed over time; this will most likely remain the case for healthcare in the future as well. It is true that the situation for comparing health and long-term care systems in terms of their comprehensiveness, depth and quality of data has improved. However, the data situation for a European-wide comparison is still inadequate. The data required for determining indicators is either not available or the quality of the data varies. Existing data cannot be compared due to differences in the delineation of criteria.

In terms of comparability and in order to maintain an adequate and system-neutral picture of social security systems, there must be strict requirements for selecting indicators and a differentiated number of valid indicators must be found. Subjective questionnaires and the use of emo-

tional indicators should be avoided. In principle, the establishment of indicators should follow the policy objective and not the other way around.

The large differences between EU health and long-term care systems mean that the fundamental methodological problems associated with these differences remain. The result is that transnational comparisons will always be tainted regarding their accuracy and reliability. In order to avoid false conclusions, interpreting the results of systematic comparisons should take into account each country's circumstances before policy conclusions are drawn at the relevant national level.

The GKV-Spitzenverband is sceptical of the European Commission's use of minimum standards as a means of putting the principles of the Pillar into practice. In addition to methodological problems with determination and measurement, it is feared that EU-wide standards will result in a focus only on minimum standards. In addition, there is the issue that such social and health policy standards must reflect the complexity of national systems and as such could not be applicable across Europe.

Common European standards for health and long-term care services will not help reach the goal of operationalising the principles in the areas of health and long-term care policy. Ensuring quality and safety in healthcare and long-term care is a responsibility of the Member States. This takes into consideration the expertise of the healthcare partners. Setting different standards and establishing parallel structures via the European Committee for Standardization (CEN) can lead to legal uncertainty. Ultimately, it is feared that agreeing on common European service standards which apply to very different health and long-term care systems in terms of structure and performance in the Member States will lead to a decline in the level of quality and security. In contrast, when it comes to medicinal products and medical devices, the European Union has a responsibility to establish high standards in quality and safety.

Detailed comments by domain

If you wish to provide detailed comments on any of the domains, please select one or more from the list below and fill the table(s) and comment box(es) underneath.

- 1. Skills, education and life-long learning
- 2. Flexible and secure labour contracts
- 3. Secure professional transitions
- 4. Active support for employment
- 5. Gender equality and work-life balance

- 6. Equal opportunities
- 7. Conditions of employment
- 8. Wages
- X 9. Health and safety at work
- 10. Social dialogue and involvement of workers
- 11. Integrated social benefits and services
- X 12. Healthcare and sickness benefits
- 13. Pensions
- 14. Unemployment benefits
- 15. Minimum income
- 16. Disability benefits
- X 17. Long-term care
- 18. Childcare
- 19. Housing
- 20. Access to essential services

In the following, the GKV-Spitzenverband makes comments regarding workplace health promotion, healthcare, sickness benefits and long-term care. However, in all of these areas, the Member States are, more or less, faced with very different challenges which should be addressed, on the whole, at national level. In the opinion of the GKV-Spitzenverband, there is no need for fundamentally new EU rules in the area of health and long-term care.

9. Health and safety at work

	I strongly agree	I agree	I disagree	I strongly disagree
Do you agree with the challenges described?	<input type="radio"/>	X	<input type="radio"/>	<input type="radio"/>
Is the principle addressing those challenges in the right way?	<input type="radio"/>	<input type="radio"/>	X	<input type="radio"/>
Should the EU act to put in reality this principle?	<input type="radio"/>	<input type="radio"/>	X	<input type="radio"/>

Do you have other comments or additional suggestions? For instance: how to address these challenges in the right way? How should the EU act to put in reality this principle?

All EU Member States are faced with the challenge of protecting and promoting the health of employees. The GKV-Spitzenverband agrees with the European Commission that new forms of work and the ageing population have led to new challenges. The tasks of workplace safety and workplace health promotion will become more complicated and demanding.

In keeping with the principle proposed by the European Commission, protection against potential risks in the workplace is already a statutory mandate in Germany. Protection against work-related health hazards is the responsibility of employers; they are advised, supported and monitored by the German statutory accident insurance institutions and the occupational health and safety inspectorate. Employers also receive support from the German health, accident and pension insurance providers (workplace integration management). Finally, the German pension insurance system provides insured employees who are in particularly hazardous occupations with medical services in order to maintain their ability to work. Targeted support, including for small enterprises, as called for by the European Commission, is a practical and effective approach.

Furthermore, the statutory health insurance funds in Germany offer companies and employees a wide spectrum of different services and assistance when organizing and implementing measures for workplace health promotion. Activities of the health insurance funds include consultation on the design and structure of health-promoting work, assisting employees to lead a healthy working and private life, and networking and advising companies as part of company networks in cooperation with employer organisations. Content and qualitative requirements for all German health insurance funds are mandatorily defined in the GKV Guidelines for Prevention.

Due to recent reforms, the German health insurance funds are obligated to expand their services for workplace health promotion. In particular, there should be better support for small enterprises. In addition, the legislature has mandated that the quality of prevention and health promotion must be improved and that there must be better cooperation between the umbrella organisations of statutory health, accident, pension and long-term care insurance when providing services through the creation of a national prevention conference.

The EU can provide a framework for the exchange of experiences regarding national initiatives and activities in areas which are of high relevance to health policy. A good example of this is the Joint Action on Mental Health.

12. Healthcare and sickness benefits

	I strongly agree	I agree	I disagree	I strongly disagree
Do you agree with the challenges described?	<input type="radio"/>	<input type="radio"/>	X	<input type="radio"/>
Is the principle addressing those challenges in the right way?	<input type="radio"/>	<input type="radio"/>	X	<input type="radio"/>
Should the EU act to put in reality this principle?	<input type="radio"/>	<input type="radio"/>	X	<input type="radio"/>

Do you have other comments or additional suggestions? For instance: how to address these challenges in the right way? How should the EU act to put in reality this principle?

The key challenges described by the European Commission do not apply to the German statutory healthcare system. The European Commission quite rightly refers to the ageing population and the high costs of treatments. The German statutory healthcare funds expect that insurance contributions will increase in the coming years. However, it is the opinion of the German statutory health insurance that the impact of demographic changes on the financial viability of healthcare systems should not be overemphasised, rather it should be rationally analysed (see Question 4).

Financial viability of the healthcare system

The GKV-Spitzenverband also believes that securing long-term, stable financing of statutory health insurance requires reform at national level. There is a gap between development of the revenue base and the significant dynamic growth of health expenditure. In order to guarantee the resilience of the German healthcare system and its financial viability, additional structural reforms are necessary, particularly in terms of expenditure. Due to the fact that this deals with a public service, governmental regulations are needed in addition to market competition in order to reduce overcapacity and to optimise interfaces in healthcare.

An example of the high treatment costs mentioned by the European Commission is the cost of medicinal products. Costs for these have been increasing significantly for years. In 2014 alone, expenditure by the German statutory health insurance funds rose by just under 3 billion euro to more than 35 billion euro. A major factor is the trend in expenditure for patented preparations, which now represent approximately 53 per cent of all expenditure on medical products. The German Act on the Reform of the Market for Medicinal Products has created an instrument for cost-effective and efficient care with innovative medical products. It requires manufacturers to subject new products to an early evaluation of their additional benefit after they have been placed on the market. Based on this, the GKV and manufacturers negotiate a refund amount. Therefore, this is a good example of an improvement to the efficiency and effectiveness of healthcare systems as called for by the European Commission. In order to maximise potential, it must be made possible to perform a benefit assessment on medical products that are already on the market. In addition, the negotiated refund should apply from the first day of a product being placed on the market.

Cost-effective care, health promotion and disease prevention

In their preliminary outline, the European Commission has stressed the role played by health promotion and disease prevention for the resilience and financial sustainability of health care systems. In addition to investing in hospital care, the German statutory health insurance also invests in maintaining the health of their insured members. The services offered by the German statutory health insurance funds cover a broad spectrum of preventive and health-promoting services including primary prevention via immunization; comprehensive early-detection programmes for children, adolescents and adults; and tertiary prevention services such as support for self-help or patient training courses for the better management of chronic diseases. For many years, the German health insurance funds have invested in improving health conditions in communities, day-care centres, schools and companies. As a result of the Preventive Healthcare Act of 2015, these efforts will only be further improved and better coordinated in the future.

The aim of the work done in prevention is to improve the quality of life of insured persons. However, there are no significant cost savings to be expected from prevention work, as suggested by the European Commission. Increased efficiencies in healthcare are far better suited for this. The German health insurance funds have been in competition for years in order to improve the quality of healthcare. In order to have cost-effective and financially sustainable healthcare, this competition must also take place on the part of the healthcare providers.

Access to healthcare

The European Commission has called for every person to have timely access to high-quality preventive and curative healthcare, and that the need for health care should not lead to poverty or financial strain. The GKV agrees with this objective.

The extensive social rights that are regulated by compulsory insurance in the German statutory health insurance system which insures approximately 90 per cent of the German population against the risk associated with an illness, together with obligatory contractual agreements for insurers, means that the principle of "insurance for everyone" has largely been realised in Germany. In addition to this, there are statutory provisions for private health insurance funds and entitlements for vulnerable people to have their insurance contributions paid by the social welfare institutions. These ensure that, in principle, every person in Germany has access to adequate, high-quality and targeted healthcare. This includes preventive healthcare.

The European Commission has stated that high treatment costs and long waiting times play a substantial role in people not receiving access to medical care. This analysis does not apply to the German statutory insurance funds. In the German healthcare system, 70 million people covered by statutory insurance can rely on the fact that they will receive high-quality, economically efficient healthcare and can benefit from medical progress regardless of their financial status.

The fundamental principles of the German statutory healthcare insurance system are the principle of solidarity and principle of benefits in kind. The solidarity principle guarantees that every insured person receives adequate, targeted and economically-efficient medical services which they require, regardless of their income, the amount of their insurance contribution or their morbidity risk. Thus, the need for medical care does not lead to poverty or financial strain.

In the view of the GKV-Spitzenverband, waiting times for patients in Germany do not cause any fundamental problems regarding healthcare. In order for a person with statutory health insurance to quickly make an appointment with a specialist, the German legislature has specified that Ap-

pointment Service Centres must be established. Patients must now receive an appointment with a specialist within four weeks.

Sickness benefits

The European Commission is asking for all employees, regardless of their employment contract, to receive sickness benefits of an appropriate size in the event of an illness. Employees in Germany are entitled to continue receiving their salary from their employer for the period of time that they are unfit for work up to a total of six weeks. One of the standard benefits offered by the German statutory health insurance is to pay a sickness benefit to their policyholders in the event that they are unfit for work or are receiving necessary hospital care but are no longer being paid by their employer. The aim of sickness benefits is to allow the patient and their financial dependents to maintain their previous standard of living and to restore their health and capacity for work as much as possible.

Self-employed persons with statutory health insurance can also insure themselves against loss of income due to illness through their healthcare fund. Generally speaking, people who are self-employed in Germany have private health insurance as part of Germany's dual health insurance system and as such self-employed persons are more likely to have access to sickness benefits from a private health insurance fund. There is no obligation to have income-loss insurance. If necessary, people who are fit to work receive assistance to cover their living expenses in the form of basic security benefits for jobseekers. People who are not fit to work receive social benefits.

Role of the EU

Responsibility for defining health policy as well as financing and organising health services and medical care is carried by the Member States. The European Union has clearly outlined responsibilities. Their activities should ensure a high degree of health protection as well as support and complement the Member States, for example, through the exchange of good practices.

The European Union has additional powers in the areas of medicinal products and medical devices. Medicinal products are authorised at European level, medical devices are placed on the market based on EU law and common safety and quality standards are specified.

In terms of medicinal products, the German statutory health insurance and its European cooperation partners have formulated requirements at European level. These joint demands include that research and development of medicinal products which are of particular interest for public health should be supported by public funding first and foremost. The central role of the Health Technology Assessment (HTA) for market access and pricing of medicinal products should be strength-

ened. This can be done through support from the EU, for example, through exchanging information and experiences as well as through developing transparent evaluation instruments. Ultimately, the institutions in the Member States who are responsible for pricing and reimbursements should be strengthened. Member States who want this should be able to consider voluntary cooperation regarding price negotiations and the procurement of medical products. Increased transparency in the EU is another concern of the European health insurers, particularly with regard to clinical trial data, research and development costs, as well as costs and expenditure for medical products.

The European Union can also play an important role in this area. When working together on benefit assessments, procedures must comply with the requirements set by German social law and maintain the high German standards and criteria for assessments. Price negotiations must continue to be a national responsibility so that the unique characteristics of a country's healthcare system can be taken into consideration.

In the event of an illness during a temporary stay in another European country, the European Health Insurance Card (EHIC) allows people with statutory insurance to have access to all benefits in kind that are medically necessary, based on the type of service and the expected duration of stay. The GKV-Spitzenverband believes that this card must be further developed in order to improve its acceptance. Healthcare providers must also be made more aware of their duty to accept the EHIC. In addition, other means of visual identification should be included on the card in the form of a photo. Showing the exact start and end date for the card's validity period would also make it easier to allocate costs for services provided on the basis of the EHIC.

Settling healthcare costs incurred abroad with the institution that the person is insured with must be made more effective. The European Union must protect the financial interests of contribution payers and establish additional control instruments for meeting deadlines and for billing and enforcing claims.

In 2011, the Directive on Patients' Rights in Cross-Border Healthcare expanded the options for insured persons via coordination regulations. It provides patients with a comprehensive exchange of information via contact points. Since 2013, the GKV-Spitzenverband's German Liaison Agency Health Insurance - International (DVKA) has been actively involved in this task. The website www.eu-patienten.de was created to provide an information platform for patients and healthcare providers regarding cross-border healthcare between Germany and other EU countries.

17. Long-term care

	I strongly agree	I agree	I disagree	I strongly disagree
Do you agree with the challenges described?	<input type="radio"/>	<input type="radio"/>	X	<input type="radio"/>
Is the principle addressing those challenges in the right way?	<input type="radio"/>	<input type="radio"/>	X	<input type="radio"/>
Should the EU act to put in reality this principle?	<input type="radio"/>	<input type="radio"/>	X	<input type="radio"/>

Do you have other comments or additional suggestions? For instance: how to address these challenges in the right way? How should the EU act to put in reality this principle?

The GKV-Spitzenverband agrees with the European Commission that the ageing population will be accompanied by an increase in the number of people who require long-term care and increased demand for long-term care services. This affects both home-based and facility-based services. The increase in the number of very old people is particularly associated with an increase in the number of people suffering from cognitive impairments and dementia.

However, when looking at the situation in Germany, the GKV-Spitzenverband cannot agree with the European Commission’s statement that there are insufficient long-term care facilities. The requirements set by the statutory service guarantee for long-term care in Germany are being met by the German long-term care insurance funds. Basically, the supply of home-based and facility-based care is more than sufficient.

Long-term care is primarily financed by social long-term care insurance (SPV) based on a person’s care needs. In the event that insufficient funds are available for the long-term care needed, social welfare covers the gap by subsidising the required services.

Therefore, the GKV-Spitzenverband is of the view that German social long-term care insurance system permanently guarantees access to suitable long-term care services under financially viable conditions both at home and in nursing facilities. As such, the European Commission’s first principle that there be access to quality, affordable long-term care services provided by adequately qualified professionals, including home-based care, is guaranteed by the German system.

The aim of the European Commission's second principle is to have adequate access to long-term care services under financially sustainable conditions. The financial sustainability of the German long-term care system has been guaranteed through various reforms since long-term care was first offered. Legal reforms have also affected the configuration, quality and scope of services. Through a series of reforms, the national legislature has expanded and improved the services offered by long-term care insurance. In the future, the individual support needs for every single person, particularly with regard to cognitive and psychological limitations, will be taken more into consideration. At the same time, quality assurance in long-term care has been further improved.

The contribution rate for German social long-term care insurance will be increased at the start of 2017. Current estimates state that the revenues and reserves of German long-term care insurance are sufficient to finance the improvements mentioned above until 2021 and thus guarantee financial sustainability.

The GKV-Spitzenverband welcomes the European Commission's proposed amendments to the Regulation on the Coordination of Social Security Systems in the area of long-term care (see Questions 1 and 3).