

ESI Funds for health investments

Polish national workshop

Warsaw
30th July 2014



Workshop agenda

Part I (10:00 – 12:00)

- ▶ Introduction of participants
- ▶ Presentations of project outputs
- ▶ Introduction of critical success factors

Part II (13:00 – 13:30)

- ▶ Clarification of ESIF implementation structure in Poland

Part III (13:30 – 15:00)

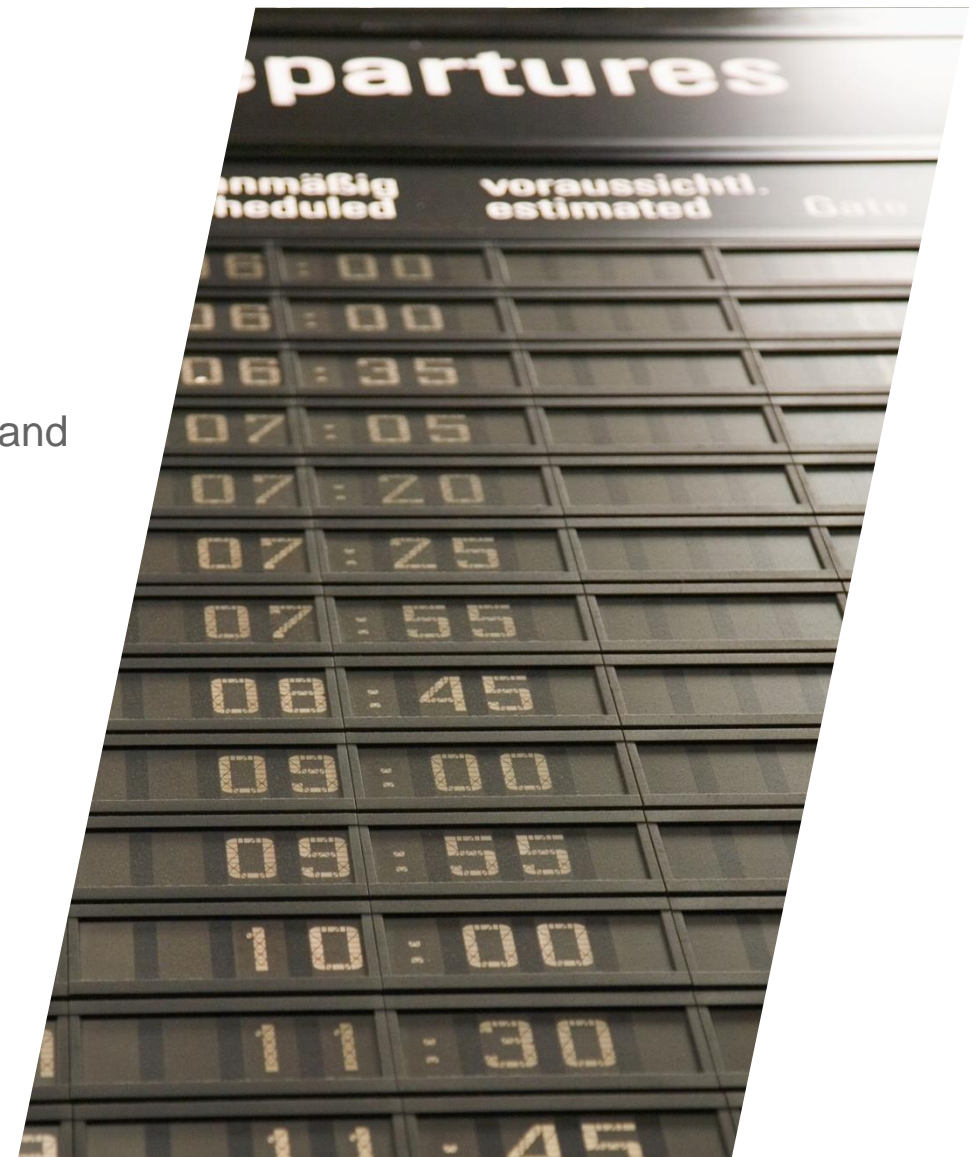
- ▶ Introduction of health context in 2014-2020 programming period
- ▶ Discussion on effective role of MoH in the new programming period and its organizational set up

Part IV (15:00 – 15:45)

- ▶ Group activity

Part V (15:45 – 16:00)

- ▶ Workshop closing and feedback



01 Introduction of workshop participants



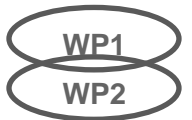
02 Project and workshop objectives

[Project introduction and disclaimer]



Project objectives

- ▶ **Provide assistance to Member States (MS) with ESI Funds use and their better management in the field of health**
- ▶ Help MSs to be more successful and effective in using ESI funding as part of their overall health investment strategy
 - ▶ Give information on **lessons learned** from funding health in the previous programming period and **derive guidance** for the programming period 2014 - 2020 based on it
 - ▶ Develop **managerial and technical tools** to facilitate the use of ESIF for investment in health
 - ▶ Help **establish a partnership** between the **Ministries of Health and managing authorities** of OPs (especially if the Ministries of Health do not act as intermediate bodies) and inform them about their **roles and cooperation** possibilities towards effective investment



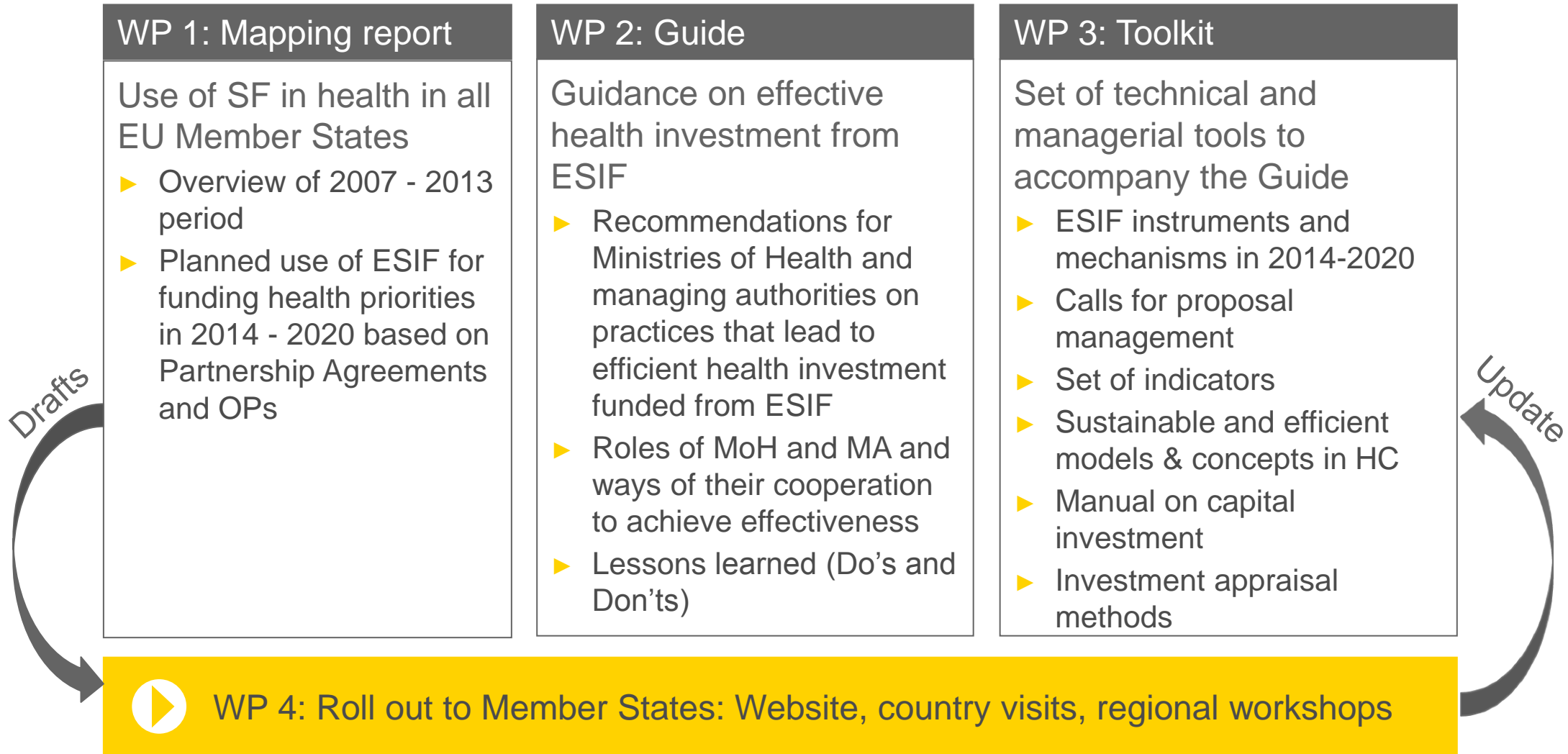
Project objectives

Disclaimer

- ▶ Please be aware that the workshop (as well as the project itself) are **NOT part of the negotiations between the Commission and the Member States**
 - ▶ EY has been contracted by DG SANCO, not DGs directly involved into negotiations
 - ▶ EY provides consultations based on its professional judgment, analysis of documents and analysis of situation in all Member States
 - ▶ Information provided in the project outputs and in this presentation should serve as supportive material for discussion and reflection
 - ▶ Suggestions presented further do not reflect the Commission's position, but EY's professional opinion and good practice examples gathered during this project

The presentation **does not reflect the Commission's position** and the way implementation of ESIF will be finally delivered is still being negotiated with the European Commission

Project outputs



Workshop objectives

- 1. Inform the workshop participants about project outputs (Guide and Toolkit) and get their feedback on the outputs**
 - ▶ Presentation of the main project outputs
 - ▶ Discussion about best practice examples and participants' experience with selected topics
- 2. Discuss the effective role of the Ministry of Health (MoH) in supporting effective use of ESI Funds for health investments and development of health care system as a whole**
 - ▶ Roles and competencies of MoH to support effective use of ESI Funds in health
- 3. Share principles of effective coordination in implementation of multi-level development plans in health**
 - ▶ Sharing of information on effective coordination mechanisms and concepts
 - ▶ Discussion on the situation in Poland and possible set up of coordination mechanism(s)

03 Project outputs

[EY outputs introduction]



WP1 Mapping report

Mapping report

▶ Objective:

- ▶ Give a **complete picture of health investment** under Structural Funds / ESIF in EU Member States for the period 2007 – 2013 and the period 2014 – 2020 (planned actions)
- ▶ Provide **entry information** for the Guide, the Toolkit and the Roll-out phase

▶ Activities:

- ▶ Collect information on health investment under SF made in 2007 – 2013 in individual Member States, including total allocations of SF for health investment and examples of concrete projects
- ▶ Interviews with MAs / Ministries of Health representatives on past investment as well as future priorities
- ▶ Analysis of draft Partnership Agreements when available
- ▶ Analysis of draft operational programmes when available

▶ Deliverable:

- ▶ **Report summarizing areas of health investment** under SF / ESIF, identifying main categories of investment in 2007 – 2013 and main priorities for 2014 – 2020
- ▶ **Country sheets** describing health investment in individual Member States

- ⇒ The mapping report is still in a draft version and updated on an ongoing basis – based on developments in negotiations with the EC and information gathered during national workshops.
- ⇒ The final version shall become publically available on February 2015.

WP2 Guide for effective ESIF investments in health

Guide

▶ Objective:

- ▶ Elaborate a practical Guide for Member States' authorities that will enhance effectiveness of investment in health in the programming period 2014-2020

▶ Activities:

- ▶ **Analysis of a set of case studies** on health investment
- ▶ **Interviews** with managing authorities and Ministries of Health on successful and even unsuccessful projects and their experience
- ▶ Identification of **critical success factors**
- ▶ Summary of **lessons learned** (Do's and Don'ts)
- ▶ Design of a set of **recommendations**

▶ Deliverable:

- ▶ Recommendations on practices that lead to efficient setup of actions in health area financed from ESI Funds under the new programming period 2014 - 2020

- ⇒ The guide is a live document updated based on expert reviews and information gathered during national workshops.
- ⇒ The final version shall become publically available on December 2014.

Guide for effective ESIF investments in health

Structure

Part I: Theoretical background	Part II: ESIF programming & implementation	Part III: Lessons learned
<ul style="list-style-type: none">▶ Today's EU health systems<ul style="list-style-type: none">▶ Challenges▶ Sustainable concepts▶ Health funding in 2014 - 2020 PP<ul style="list-style-type: none">▶ Funding principles▶ Health actions under thematic objectives	<ul style="list-style-type: none">▶ Models of MoH involvement in the operational programmes<ul style="list-style-type: none">▶ Intermediate body▶ Subject matter expert▶ MoH involvement in OP delivery:<ul style="list-style-type: none">▶ Calls for proposals▶ Projects preparation and delivery▶ Evaluation & monitoring	<ul style="list-style-type: none">▶ Main causes of investment inefficiency▶ Recommendations in areas considered as critical success factors based on case studies, interviews and EY's experience▶ Case studies summary

WP3 Technical toolkit

Technical toolkit

▶ Objective:

- ▶ Develop a set of tools supporting the national authorities in achieving sustainable and effective investments in health under ESI Funds, which accompany the Guide

▶ Deliverable:

- ▶ Set of documents providing a technical advice on key issues related to investments in health under ESI Funds

▶ Technical areas covered by the Toolkit:

- ▶ Introduction of 2014 – 2020 instruments & mechanisms and evaluation of their relevance for health area
- ▶ Reference checklist on calls for proposals for officials involved in managing 2014 – 2020 funding in health
- ▶ Useful indicators for objective evaluation of projects/actions in healthcare
- ▶ Compendium of new concepts and models in healthcare
- ▶ Capital investment management manual
- ▶ Appraisal techniques and evaluation of their relevance for health investment evaluation

- ⇒ The Toolkit documents are still in a draft version, open to updates based on information and MS requirements identified during national workshops.
- ⇒ The final version shall become publically available on December 2014.

WP3 Technical toolkit

1/6

Categorization of instruments and mechanisms for 2014-2020 PP

Instruments

- ▶ Forms of support under ESIF
 - ▶ Grants and prizes
 - ▶ Financial instruments
- ▶ Specific territorial approaches to development under ESIF
 - ▶ Integrated approach to territorial development (CLLD, ITI, Integrated Sustainable Urban Development)
 - ▶ European Territorial Co-operation
- ▶ Community programmes
 - ▶ Horizon 2020
 - ▶ Health Programme

Mechanisms

- ▶ Funding mechanisms
 - ▶ Delivering the Europe 2020 strategy goals
 - ▶ Synergies, coordination and complementarities
 - ▶ Thematic concentration
 - ▶ Strong result orientation
 - ▶ Performance reserve based approach
- ▶ Cohesion policy principles
 - ▶ Concentration
 - ▶ Programming
 - ▶ Partnership
 - ▶ Additionality

Management of calls for proposals

- ▶ Preparation of an indicative timetable for calls
 - ▶ OP Performance framework, milestones values
 - ▶ Absorption capacity
 - ▶ Synergies and complementarities
- ▶ Set-up and public announcement of individual calls
 - ▶ Use targeting on specific health themes
 - ▶ Raise awareness among health subjects about funding possibilities
- ▶ Evaluation of calls
 - ▶ Reassessment and update of calls timetable and their focus

Project applications assessment

- ▶ Assessment process
 - ▶ administrative check
 - ▶ eligibility check
 - ▶ quality assessment
- ▶ Design of quality assessment criteria
 - ▶ Impact on cost-efficiency and sustainability
 - ▶ Capacity to reduce inefficiencies in access to care and health status
 - ▶ Need for the project (relevance)
 - ▶ “Value for money”
 - ▶ Feasibility
- ▶ Risk analysis
- ▶ Selection of projects for funding
- ▶ Award of funding

WP3 Technical toolkit

3/6

Set of indicators for final evaluation of action

Indicators in ESIF context

- ▶ Operational Programmes indicators
 - ▶ Financial indicators
 - ▶ Output indicators
 - ▶ Result indicators
- ▶ Requirements on Output indicators
 - ▶ Common output indicators
 - ▶ Programme specific output indicators
- ▶ Requirements on Result indicators
 - ▶ Responsive to policy
 - ▶ Normative
 - ▶ Robust
 - ▶ Data collection possible in timely manner

Indicators to evaluate ESIF health action

- ▶ Indicators per main categories of health actions eligible for ESI funding*
 - ▶ eHealth
 - ▶ Health infrastructure & community based care
 - ▶ Access to healthcare
 - ▶ Health workforce
 - ▶ Prevention, promotion and healthy aging
 - ▶ Health status

* Indicators based mainly on existing indicators monitored by:

- ▶ Eurostat
- ▶ DG Sanco (European Community Health Indicators - ECHI)
- ▶ National statistical offices

WP3 Technical toolkit

Compendium of (new) concepts and models

Use of information technologies	Clinical and prescription guidelines and models	Population-oriented concepts	Other
<ul style="list-style-type: none">▶ eHealth concepts<ul style="list-style-type: none">▶ Electronic health records▶ ePrescription▶ Telehealth & mHealth▶ Networking and knowledge sharing	<ul style="list-style-type: none">▶ DRG model▶ Cost-effective use of medicines▶ Deinstitutionalization<ul style="list-style-type: none">▶ Cost-effective path of care▶ Community-based care, personalized medicine and long-term care	<ul style="list-style-type: none">▶ Active and healthy ageing▶ Health promotion and prevention▶ Patient empowerment	<ul style="list-style-type: none">▶ Medical tourism▶ Cross border care

WP3 Technical toolkit

Manual on capital investment

Strategic investment guide

- ▶ **Capital investment planning**
 - ▶ Strategy identification
 - ▶ Financial planning
 - ▶ Project definition
 - ▶ Risk management
- ▶ **Capital investment implementation**
 - ▶ Ministry as an Intermediate Body
 - ▶ Preparing Project Requests and Call for Proposal
 - ▶ Reviewing and Prioritizing Project Requests
 - ▶ Implementation
 - ▶ Ministry as a beneficiary
 - ▶ Project request preparation
 - ▶ Investment implementation
- ▶ **Capital investment sustainability**

Categorization of financial mechanisms

- ▶ **Other sources of funding apart from ESIF**
 - ▶ Loans / Guarantees
 - ▶ Equity / Venture Capital
 - ▶ Initiatives of EC
 - ▶ JESSICA
 - ▶ JEREMIE
 - ▶ JASPERS
 - ▶ JASMINE
 - ▶ Combinations of the instruments
 - ▶ PPP

WP3 Technical toolkit

Investment appraisal

General principles of economic appraisal

Key process steps:

1. Problem identification & definition
2. Definition of alternatives for problem solution
3. Assessment of costs and benefits
 - ▶ List all the costs and benefits
 - ▶ Quantify/describe all the costs and benefits
 - ▶ Converse data into value of resources
4. Calculation which will strongly depend on the type of economic appraisal
5. Decision-making

Investment appraisal techniques

- ▶ Quantitative assessment techniques applicable to health investments
 - ▶ Cost Benefit Analysis (CBA)
 - ▶ Option Appraisal (OA)
 - ▶ Cost Consequence Analysis (CCA)
 - ▶ Cost Effectiveness Analysis (CEA)
- ▶ Qualitative assessment techniques applicable to health investments
 - ▶ Cost Utility Analysis (CUA)
 - ▶ Health Impact Assessment
 - ▶ Health Technology Assessment (HTA)

WP5 Online platform

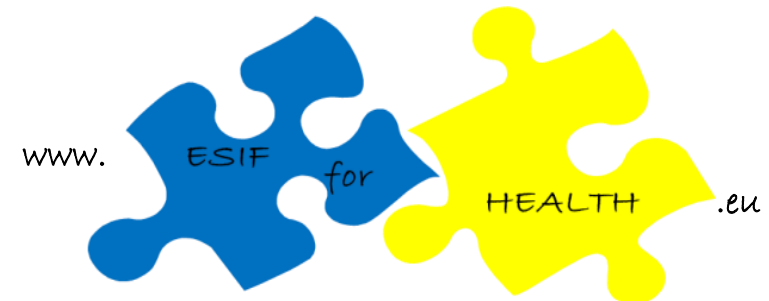
Online platform (webpage)

► Objective:

- Develop an online platform supporting the roll-out phase by allowing widespread dissemination of the deliverables and tools developed

► Deliverable:

- A single point providing all the necessary information about funding of health from ESIF in 2014-2020 and the most up-to-date versions of project outputs



- ⇒ Like other project outputs, the webpage is still customized and refined on an ongoing basis.
- ⇒ Official public release is expected on October 2014 giving access to the most up to date versions of outputs presented.

03 Critical success factors

[Topic covered by the project outputs]



Guide for effective ESIF investments in health

Critical success factors



Critical success factors

Discussion topics

Q1: Based on introduction of critical areas, where do you think are Polish:

- i. Strong areas
- ii. Weak areas

Q2: Would you name any other critical success factor that has not been mentioned here and is worth mentioning?

Critical success factors

Strategy development

Problems

- ▶ **Lack of real public health strategy**
 - ▶ Absence of clearly defined priorities
 - ▶ Investments are not focused on achievement of clear objectives (duplicities and overlapping of funding)
 - ▶ Investments do not generate any tangible results (there are no health gains and no improved cost efficiency of health sector)
 - ▶ Unsustainability of the investments
 - ▶ Lack of project progress or project disruption in case of changes in political environment
- ▶ **Lack of coordination** in strategy development
 - ▶ On various levels of public administration
 - ▶ For different types of health care (outpatient x hospital care; primary x specialized care)
 - ▶ On cross-regional and cross-border level

Recommendations

- ▶ **Develop an overarching public health strategy** based on evidence and centered around a patient oriented approach *[Ministry of Health]*
- ▶ **Coordinate the strategy-making process with stakeholders to make the strategy broadly accepted** and relevant *[Ministry of Health]*
 - ▶ Identify & involve **stakeholders**
 - ▶ Know other existing and developing strategies
- ▶ **Ensure balanced and complementary approach** to maximize investment effects *[Ministry of Health]*
 - ▶ Infrastructure development
 - ▶ Human resources development
 - ▶ Prevention and health promotion campaigns
- ▶ **Identify financial resources and select priorities to be financed from ESIF** *[Ministry of Health, Managing Authorities]*



Inefficient use of public resources
Obstacles to systemic changes

Example of insufficient strategy development Hungary, programming period 2007 - 2013

Context

- ▶ The use of ESIF for health infrastructure in Hungary in PP 2007-2013 was the largest of all EU Member States (approx. 1,3 bn. EUR allocated over the 7 years, which represents 5,5 % of whole ESIF allocation)
- ▶ Lack of strategic planning in the field of health and coordinative management of resources
- ▶ Political instability contributed to insufficient funding coordination

Consequences

- ▶ Spending driven approach in preference for **project lacking evidence base**, rather than a strategic one taking into account sustainability considerations
- ▶ **Insufficient attention given to health gains** when deciding on where to direct the funding
- ▶ Lack of coordinative management function caused inefficiencies in a way that **projects** addressing various levels of care provision are **not complementary** and loose (at least partially) their benefits
- ▶ **Potential effects limited by insufficient coordination** of Structural Funds projects and other development efforts, on regional level **no strategy planning**:
 - ▶ Investments into regional hospitals were not coordinated with investments in outpatient primary care
 - ▶ Infrastructure investments in specialized oncological centers were not coordinated with development of regional hospitals

Critical success factors

Partnership building

Problems

- ▶ **Insufficient involvement of relevant partners** in development of **strategies**:
 - ▶ Health care strategy
 - ▶ Partnership Agreement
 - ▶ Operational programmes
- ▶ Insufficient involvement of **all relevant partners**
 - ▶ Public
 - ▶ Experts
 - ▶ Foreign partners
- ▶ Shortcomings in **management of partners in implementation of strategies, programs and projects**
 - ▶ Insufficient consultation and information sharing processes set-up
 - ▶ Unclear roles and responsibilities
 - ▶ Inflexible decision-making process



High risk of delay or refusal of a program / project realization

Limitation or blocking of expected outcomes

Recommendations

- ▶ Gain **wide range of relevant partners in preparation of key strategic documents** through their careful identification and invitation *[Ministry of Health]*
- ▶ Introduce **formalized system for cooperation** among partners, which will be consensually adopted *[Ministry of Health]*
 - ▶ Clearly delimit the **roles and responsibilities** of individual partners
 - ▶ Decide on the **decision making process**, favouring flexible forms ensuring at the same time wide acceptance
- ▶ All key decisions and changes consult with partners and try to **find consensus** *[Ministry of Health]*
- ▶ Designate a **responsible for stakeholder management** *[Ministry of Health]*
- ▶ Learn to understand **individual partners' and group of stakeholders' needs** *[Ministry of Health]*

Critical success factors

Capacity building

Problems

- ▶ **Lack of qualified human resources** for efficient programme implementation at the Ministry of Health, especially when it plays the role of intermediate body:
 - ▶ Inadequate knowledge of relevant OP(s)
 - ▶ Inadequate skills in project and financial management
 - ▶ Lack of experience with health strategies implementation
 - ▶ High fluctuation rate of employees
- ▶ **Lack of information and guidance for applicants and beneficiaries**
 - ▶ Insufficient information about publishing a call for proposals among potential health sector applicants
 - ▶ Insufficient support of applicants in the phase of project preparation and implementation

Insufficient absorption capacity



Limited quality and value added of funded projects

Possible ineligibility of projects

Recommendations

- ▶ **Secure qualified and skilled MoH capacities** capable to support managing authorities in the area of health expertise [*Ministry of Health*]
- ▶ **More extensive use of technical assistance resources for education** [*Managing Authority, Ministry of Health as an Intermediate Body*]
 - ▶ Standard staff education
 - ▶ Preparation of standard educational plans for capacities of Ministry of Health, MAs, intermediate bodies in the field of: Structural Funds, health policy, project and financial management
 - ▶ Exchange of experience and cooperation with foreign partners
- ▶ **More active role of MoH in building absorption capacity** among potential beneficiaries [*Ministry of Health*]
- ▶ Personal contact with beneficiaries and the staff of intermediate body/managing authority [*Ministry of Health*]

Critical success factors

Financial planning

Problems

- ▶ Insufficient detail of a **project business case**
- ▶ Inappropriate use of various **techniques for financial planning and investment appraisal**
 - ▶ Cost-benefit analysis, cost-effectiveness analysis
 - ▶ Health technology assessment
 - ▶ Health impact assessment
- ▶ **Incorrect evaluation of project applications** for funding where even project applications with insufficient detail and low value added of investments were accepted for funding
- ▶ **Project costs overruns** which might seriously threaten project sponsor's ability even to finish the project
- ▶ **Problems with ensuring project sustainability** in case the operational costs during the sustainability phase were not planned for or identified properly

Recommendations

- ▶ Require use of **evidence-based approach**:
 - ▶ Put emphasis on detailed and evidence based needs assessment
 - ▶ Support benchmarking where possible
- ▶ **Clearly set the main principles of financial planning and investment appraisal** *[MA, possibly MoH as an Intermediate body]*
- ▶ Set **criteria for project applications** evaluation and selection to ensure only **financially realistic, achievable and cost-efficient projects** are supported *[MA, possibly MoH as an Intermediate body]*
- ▶ **Monitor the financial performance data** periodically to be able to identify any possible problems in time *[MA, possibly MoH as an Intermediate body]*
- ▶ **Ensure capacities with adequate knowledge and expertise** in the field of financial planning of health projects and health investment appraisal methods through the capacity building process *[Ministry of Health]*



Failure to achieve expected benefits
Support of unsustainable projects

Critical success factors

Procurement management

Problems

- ▶ **Too complex and frequently changed** procurement laws, **disparities** across OP
- ▶ **Erroneous procurement** (typically in case of health instrumentation / technology purchases):
 - ▶ **Discriminatory** conditions
 - ▶ Not enough **specific conditions**
- ▶ Unsuitable **scope of the tender**
 - ▶ Too broadly defined contract, combining unrelated items (excludes specialized suppliers)
 - ▶ Subdivisions of contract
- ▶ **Insufficient knowledge and experience** with public procurement of contracting authorities and suppliers
- ▶ **Insufficient support of beneficiaries – contracting authorities** from the side of administrative capacities of managing authorities / intermediate bodies



Delays in project implementation
Ineligibility of expenses
Disruption of project implementation
Loss of unrecoverable funds

Recommendations

- ▶ Define **clear, concise and easy-to-follow** programme-specific **procurement rules**, coordinated across all country's Ops [*Managing Authority*]
- ▶ Provide **administrative support to beneficiaries** acting as a contracting authority in form of guidebooks, templates, forms, tutorials and trainings [*MA, possibly MoH as an Intermediate Body*]
 - ▶ Set up sufficient administrative capacity Consider **ex-ante reviews of tender specifications** if sufficient expert capacities are available
- ▶ **Engage health care experts** (as well as IT experts, engineers etc.) **in preparation and/or review of the technical specifications** [*MoH as beneficiary, possibly even as an Intermediate Body, MA*]
- ▶ Require estimated value in an evidence-based manner, supported by market research and involve experts to consider the usual market prices [*MoH as an Intermediate Body*]
- ▶ Avoid subdivision of related items into separate tenders, but do not link large contracts with various components into one tender [*MoH as an Intermediate Body*]

Example of consequences of erroneous procurement Slovenia – „eZdravje“

Context of the project

- ▶ National eHealth project has been implemented in 2007-2015
- ▶ Procurement of technological implementation of eHealth portal funded from ESF

Main problems

- ▶ Procurement took significantly **longer than expected**
- ▶ **Scope of the tender** defined **too broadly**, which excluded potential smaller and specialized suppliers
- ▶ **Scope of the tender** was **not specific enough**, or on the contrary too discriminative with focus on a single technology to deliver services
- ▶ **Insufficient involvement of IT stakeholders** in formulating procurement rules
- ▶ **Preliminary checks of tender specifications** delayed significantly procurement due to **insufficient capacities** delayed significantly
- ▶ Main tenders were **legally challenged**

 Implementation of the project of major national importance is delayed with increased costs.

Critical success factors

Evaluation and monitoring

Problems

- ▶ **Lack of data or their insufficient quality** to monitor progress made
- ▶ Unclear definitions of indicators and resulting **inconsistency in data** makes it **impossible to evaluate the real impact of the intervention**
- ▶ **Untargeted support** or support of **measures, which do not lead to objective achievements**
- ▶ Inner **inconsistency of supported measures**
- ▶ Inexistent **identification of causes** of negative consequences and of insufficient outcomes of interventions
- ▶ Insufficient **information for qualified decision-making**



Lack of information for projects evaluation and for better results achievement of interventions in future.

Recommendations

- ▶ **Involve Ministry of Health** representatives and other health care expert **into the monitoring committee** *[Managing Authority]*
- ▶ Select **relevant and unambiguous indicators** for monitoring *[Managing Authority with MoH, possibly MoH as an Intermediate Body]*
- ▶ Use evaluation not only for OPs, but also for assessment of:
 - ▶ Health strategies
 - ▶ OPs' priority axes and calls for proposal relevant for health
 - ▶ Health programs and projects*[Managing Authority with MoH]*
- ▶ Improve the **quality of evaluators** *[MA, possibly MoH as an Intermediate Body]*
- ▶ **Set up the objectives of each evaluation**, relevant timing and methods; evaluation should take place **in all stages of the investment process** *[Managing Authority with MoH, possibly MoH as an IB]*
- ▶ Design **measures** to take **in reaction to the evaluation results** *[Ministry of Health]*

Critical success factors

Investment sustainability

Problems

- ▶ **Higher operational costs** than expected in investment planning:
 - ▶ Too high treatment costs for using the new technologies and equipment
- ▶ **Insufficient pool of patients** requiring treatment with the new thus more expensive equipment
- ▶ **Medical personnel not properly trained** to use new equipment, eHealth and treatment and diagnostic methods
- ▶ **Investments do not reflect the current mid- and long- term trends** in health care
- ▶ Little attention is given to **health promotion and prevention programs**

Recommendations

- ▶ Measure and monitor sustainability of health investment before its implementation [*Managing Authority with MoH*]
 - ▶ **Assess future operating costs** of investment actions
- ▶ Prioritize investment actions according to their sustainability - **include “sustainability” into project selection criteria** [*Managing Authority with MoH*]
- ▶ Assess sustainability in terms of availability of qualified and adequately trained **human resources** [*Managing Authority, possibly MoH as an Intermediate Body*]
- ▶ Promote projects aimed at:
 - ▶ Monitoring healthcare effectiveness
 - ▶ Adopting healthcare guidelines and standards (i.e. for prescriptions)
 - ▶ Reduction of unnecessary use of specialists
 - ▶ Health prevention and promotion

Good practice example

Sustainable investment in Finland

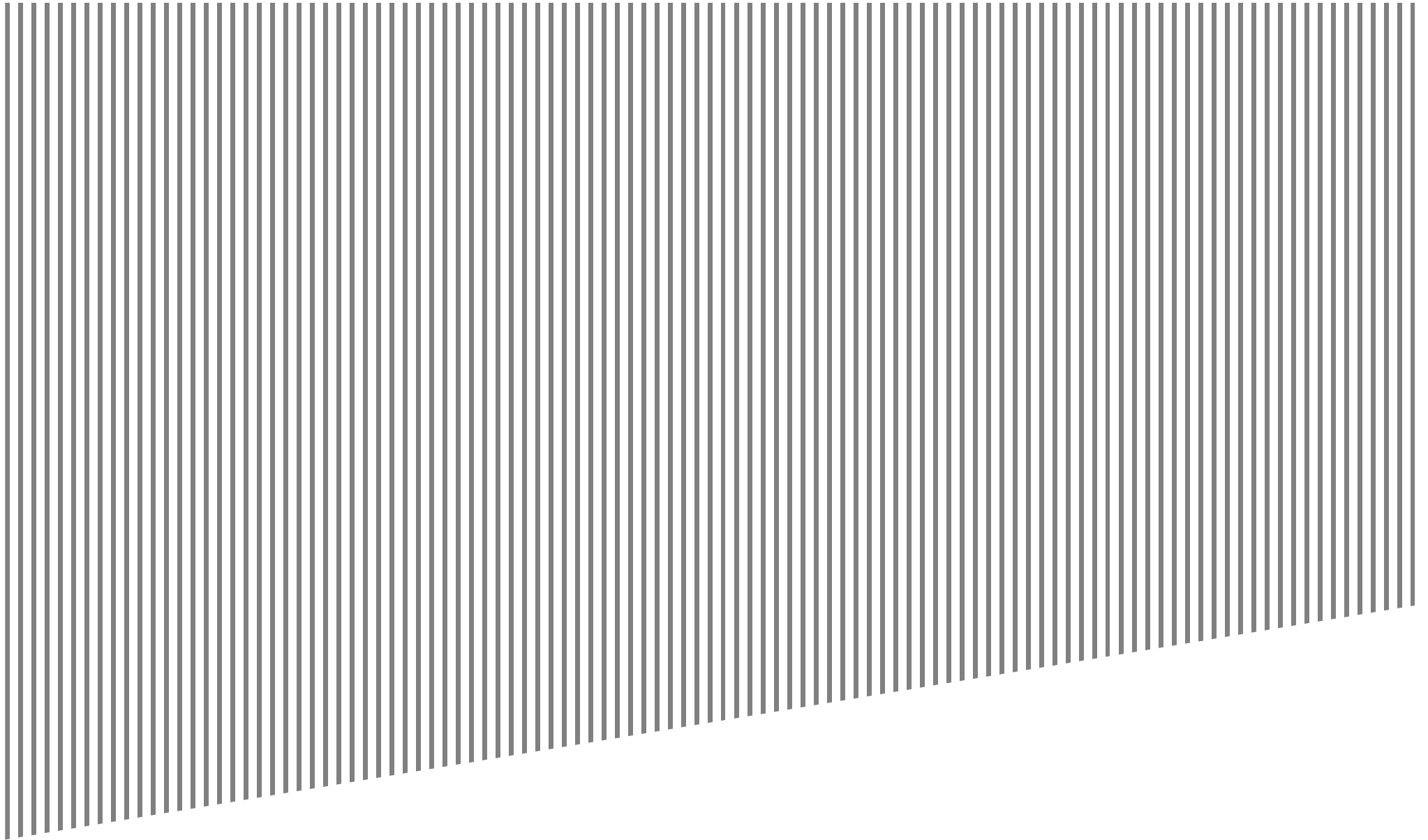
- ▶ Finnish population over 75 years is expected to double by 2030 causing the current health system financially unsustainable
- ▶ With the help of ERDF funding, an innovative and far reaching health reform model has been developed with following objectives:
 - ▶ Save at least 10 % in current operating costs of the acute hospital service
 - ▶ Double the numbers at present of the delivery of a 'care for elderly' service with no increase in operating (staff) costs
- ▶ Key components of reform:
 - ▶ Integrate **special / acute and primary care and some social services**
 - ▶ **Reorganize service structures within hospitals** to improve effectiveness and efficiency
 - ▶ Rebuilding age care residential accommodation to provide **better support and promote healthy ageing**
 - ▶ Improve **rehabilitation services**
 - ▶ Invest in **illness prevention** wherever possible

Critical success factors Q&A



LUNCH BREAK

12:00 – 13:00





04 Specifics of ESIF implementation structure in Poland

[EY understanding]

2014-2020 factual background

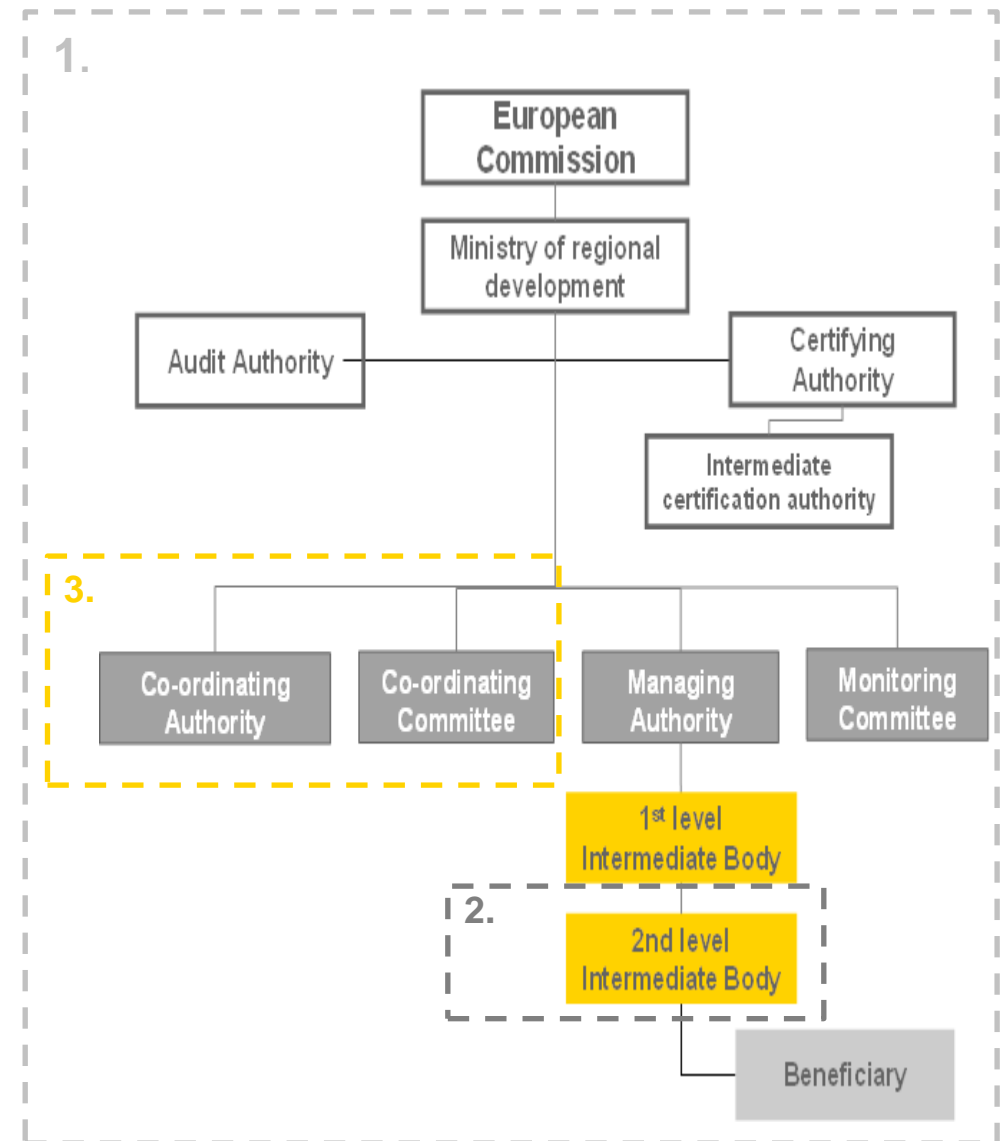
Poland specifics


- ▶ There are six national Operational Programmes
 - ▶ Within two of them MoH acts as a 2nd level Intermediate Body for priorities concerning health:
 - ▶ Operational Programme Infrastructure and Environment
 - ▶ Knowledge Education Development Operational Programme
- ⇒ *Implementation of national health care priorities*
- ▶ Besides that, there are **16 regional Operational Programmes** (ROPs) focused on regional development needs
 - ▶ We assume that ROPs also reflect some health issues addressing regional needs & specifics

... getting to know more about the Polish implementation structure of OPs

Key areas of our interest:

1. General introduction of ESIF implementation structure (MAs, IBs, Certifying Authority, Audit bodies etc.)
2. Clarification of the multi-level Intermediate body system
3. Introduction to existing coordination tools/mechanisms in between development & implementation of OPs



A low-angle, close-up photograph of a person's legs and feet as they walk across a thin tightrope. The person is wearing dark trousers and light-colored, flat shoes. The background is a clear, bright blue sky. The image is slightly blurred, emphasizing the precarious nature of the activity.

05 Health context in 2014-2020 programming period

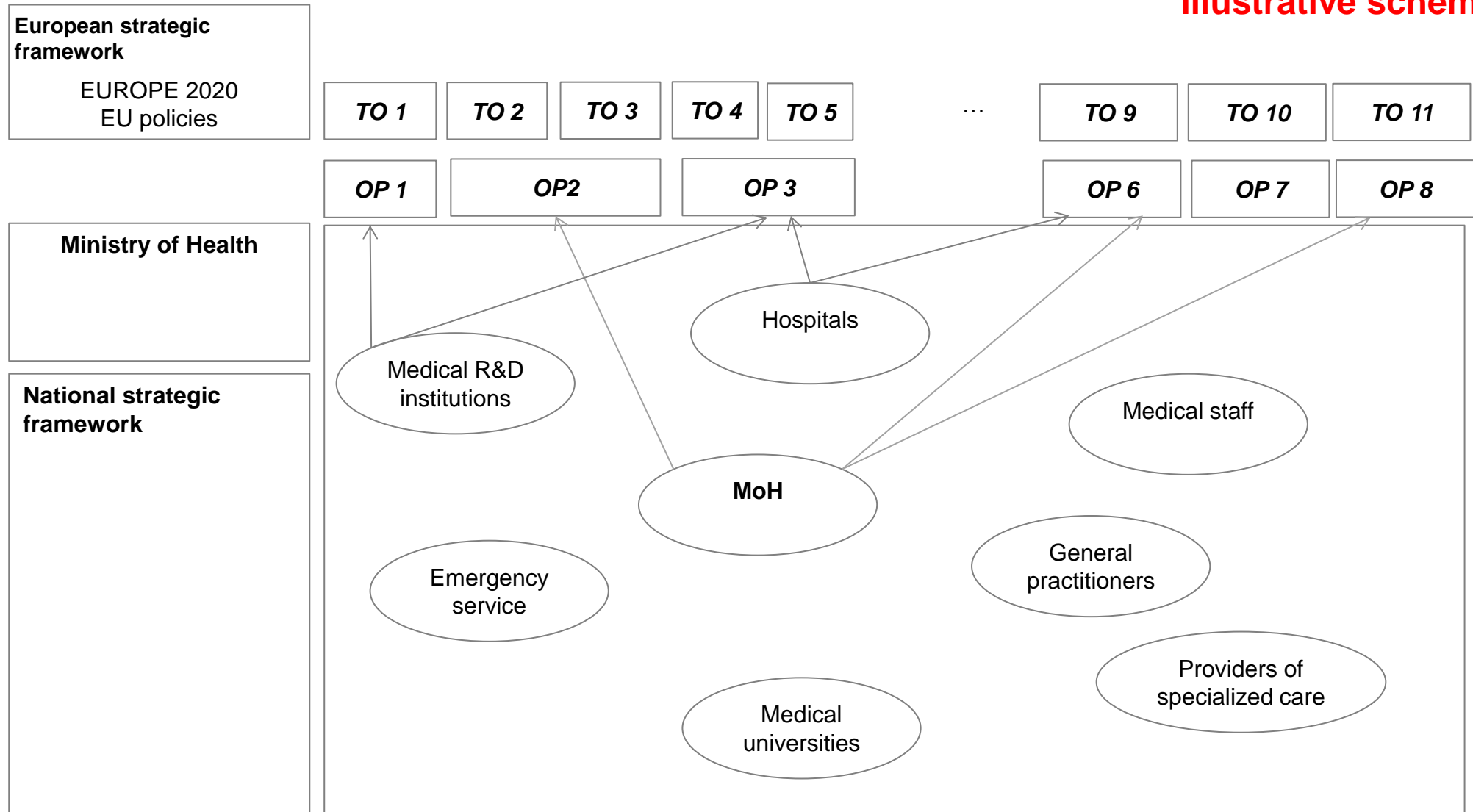
[Topic covered by the project outputs]

- ▶ Health is eligible for funding under 2014 – 2020. However there is no thematic objective exclusively dedicated to health.
- ▶ Health related issues could be identified in most of the 11 thematic objectives
 - ▶ **Direct investments**
Investments directly targeted on health care (HC) issues and reforms; within direct investments MoH is usually formally involved in implementation.
 - ▶ **Indirect investments**
Investments not directly targeted on HC, but health care subjects might apply for funding from them; MoH usually has no formal competencies in implementation of this group.

2014-2020 health context

Scheme of 2014-2020 health investment framework

Illustrative scheme



The aim of this project is to **support Ministries of Health to maximize utilization of ESIF opportunities for health care** under legal conditions (EC Guidelines, 3E) and with respect to Europe 2020 as well as national strategic framework (incl. Partnership Agreement).

Health issues reflected under thematic objectives

1/2

Name of Thematic Objective		Indicative health investment areas
TO1	Strengthening research, technological development and innovation	<ul style="list-style-type: none"> ▶ Innovation in health ▶ Research in development of new detection methods and treatments ▶ Collaborative research in rare diseases
TO2	Enhancing access to and use and quality of ICT	<ul style="list-style-type: none"> ▶ Use of uniform electronic health care information system ▶ Creation of legal basis for e-Health ▶ Improvement of IT Tools for coordination of response to health threats ▶ Development of ICT based solutions and services for needs of an ageing population
TO3	Enhancing the competitiveness of SMEs	<ul style="list-style-type: none"> ▶ Support SMEs' businesses addressing the needs of old people, or 'age-friendly' businesses (e.g. providing personalised care, assisting in functional physical or cognitive decline, improving old people's health literacy), including senior start-ups and entrepreneurship
TO4	Supporting the shift towards a low-carbon economy in all sectors	<ul style="list-style-type: none"> ▶ Support energy efficiency of health care facilities ▶ Assisting low-income communities and the elderly with energy efficiency improvements
TO5	Promoting climate change adaptation, risk prevention and management	<ul style="list-style-type: none"> ▶ Creation of early warning systems and health care investments for disasters and climate-related events and adaptation ▶ Investments to reduce flooding of health care facilities
TO6	Preserving and protecting the environment and promoting resource efficiency	<ul style="list-style-type: none"> ▶ Investing in waste sector management to support protection from dangerous medical waste
TO7	Promoting sustainable transport and removing bottlenecks in key network infrastructures	<ul style="list-style-type: none"> ▶ Improve connectivity (e.g. through infrastructure) and mobility to enhance access to health services ▶ Gain health benefits through enhanced safety levels of transport networks ▶ Support greener infrastructure to reduce obesity and create healthier lifestyles, particularly for the youth
TO8	Promoting employment and supporting labour mobility	<ul style="list-style-type: none"> ▶ Supporting adequate and qualified health workforce in all areas through adaptation and training and promotion of labour mobility ▶ Active and healthy ageing measures ▶ Health and human capital - supporting employment through healthy workers ▶ Promotion of healthy life style and disease prevention ▶ Supporting healthy and safe working conditions and prevent work-related injuries

Health issues reflected under thematic objectives

2/2

	Name of Thematic Objective	Indicative health investment areas
TO9	Promoting social inclusion and combating poverty	<ul style="list-style-type: none"> ▶ Active inclusion improving employability ▶ Integration into the labour market of people with disabilities, mental disorders, chronic disease ▶ Enhancing access to affordable, sustainable and high-quality services, including health care (reducing inequalities in terms of health status) ▶ Equitable access to affordable care and medication ▶ Promote active involvement of patients and their empowerment ▶ Access to acceptable standards of housing and hygiene ▶ Investing in health and social infrastructure ▶ Contributing to cost-effectiveness and sustainability of health systems ▶ Supporting specialization and concentration of hospital care ▶ Transition of hospital based care to community based care ▶ Strengthening of primary and ambulatory care ▶ Deinstitutionalization of long-term care, after care and mental care / home care strengthening
TO10	Investing in skills, education and lifelong learning	<ul style="list-style-type: none"> ▶ Tertiary education delivering workforce sufficient in numbers as well as in qualification, reflecting the shortages of certain specializations (i.e. General Practitioners) ▶ Adjustment of education system to deliver sufficient nursing staff (sufficient numbers as well as with sufficient qualification to provide certain types of care independently) ▶ Lifelong training to adjust workforce skills – eHealth, new treatment and diagnostic methods
TO11	Enhancing institutional capacity and efficient public administration	<ul style="list-style-type: none"> ▶ Capacity building in health administration: actions to support institutional and management capacities of health administration ▶ Actions to increase efficiency of health administration in particular to design and deliver health system reforms and increase its efficiency, quality and sustainability ▶ Actions to enhance cross border cooperation of MS in health area

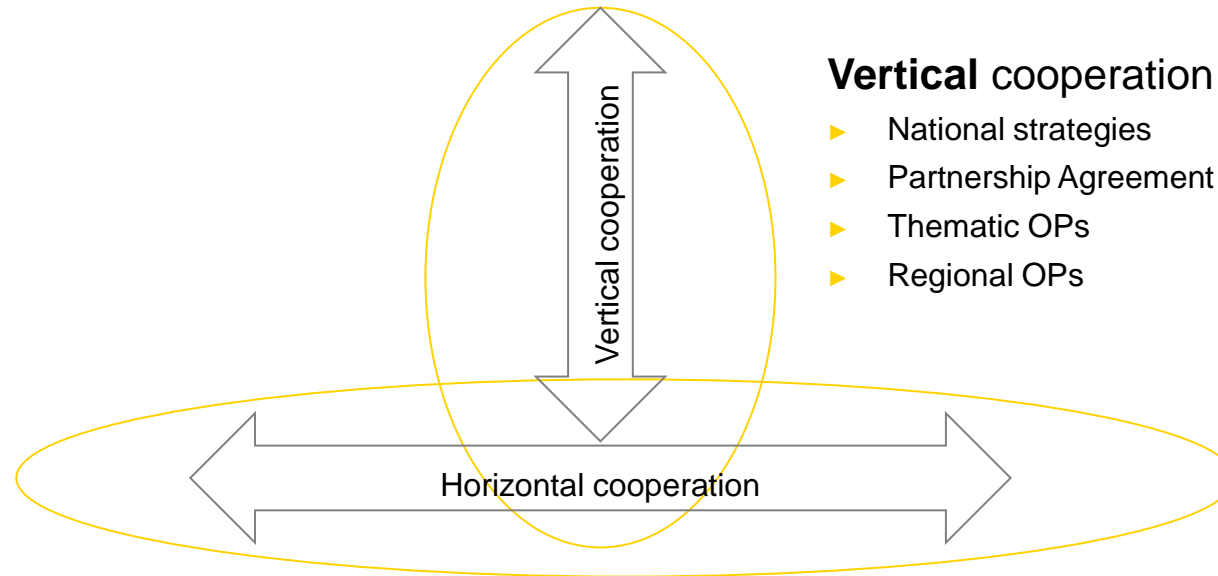
2014-2020 health context

Coordination concept

- ▶ To maximize utilization of ESIF funding opportunities and avoid inefficient and double financing, **active coordination with other institutions in the ESIF implementation structure is essential**

Horizontal cooperation

- ▶ Across related thematic OPs
- ▶ Across regional OPs



Vertical cooperation


- ▶ National strategies
- ▶ Partnership Agreement
- ▶ Thematic OPs
- ▶ Regional OPs

- ! With existing six national and 16 regional Operational Programmes coordination of investments becomes crucial

2014-2020 health context

Coordination concept

- ▶ Coordination *in the narrow sense* of the word:
 - ➡ Coordination of MoH and MAs / IBs of OPs that include direct investment in health care ➡ Coordination across the implementation structure
- ▶ Coordination *in the broad sense* of the word means:
 - ➡ Cooperation of MoH and MAs / IBs of all OPs (including indirect investments in health care) ➡ Health care system coordination
- ▶ Effective coordination is based on “a win-win concept”
 - + **Ministry of Health**
 - ▶ Ensure additional funding for health care sector
 - ▶ Ensure effective implementation of health care priorities
 - + **MAs of existing Operational Programmes**
 - ▶ Absorption capacity strengthening
 - ▶ Mitigation of risk of ineligibility of investments

A person is walking on a tightrope against a clear blue sky. The person is wearing a dark jacket and dark pants. The tightrope is a thin, dark line. The person's feet are visible, and they are balancing on the rope. The background is a solid, clear blue sky.

06 Effective roles of MoH in the 2014-2020 programming period

[Topic covered by the project outputs]

Roles of the Ministry of Health in 2014-2020

I. Coordination of health care system development

1. Subject matter expert in ESIF implementation structure
 - ⇒ **To ensure health care will utilize ESIF funding opportunities**
2. Coordinator of strategic health investments in regions
 - ⇒ **To ensure equal access to appropriate health care services across all regions**

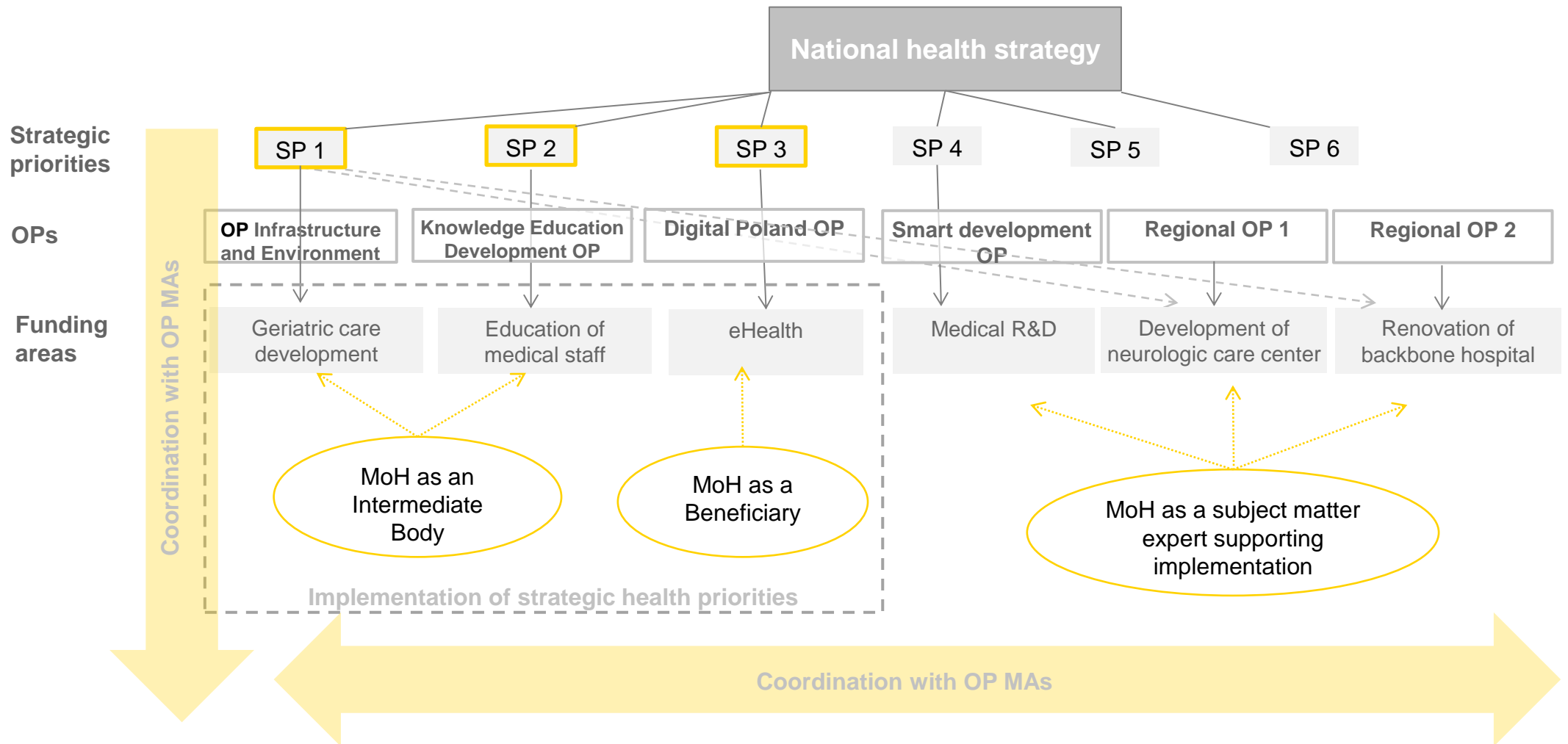
II. Coordination across implementation structure

3. Intermediate body
 - ⇒ **To ensure proper performance of activities delegated by MAs**
4. Beneficiary
 - ⇒ **To perform health care projects of a strategic importance**

Roles of the Ministry of Health in 2014-2020

Schematic overview

Illustrative scheme



I. Coordination of health care system development

MoH as a subject matter expert

Phase	Possible roles & responsibilities of MoH as a subject matter expert
Programming phase	<ul style="list-style-type: none">▶ Elaboration of health care strategy / strategies (ex ante conditionality)▶ Identification of what investments in health are eligible under thematic objectives and investment priorities supported under set Ops▶ Cooperation on the Partnership Agreement / OPs design▶ Open discussion with managing authorities of OPs with identified direct and indirect health investment possibilities on possible involvement of MoH in implementation of the OPs (IB / expert support etc.; shall be formalized in e.g. delegation agreement, memorandum)
Implementation phase	<ul style="list-style-type: none">▶ Ensure health institutions are not excluded from relevant calls▶ Help with absorption capacity building via mobilizing relevant health care institutions▶ Possibly support applicants in preparation of project applications▶ Possibly provide expertise during project applications assessment▶ Provide an expertise during monitoring of projects performed by health care institutions (administrative control, on the spot control)▶ Provide an independent expertise in evaluations
Winding up	<ul style="list-style-type: none">▶ Evaluate development in health care system as a whole▶ Lessons learned

I. Coordination of health care system development

Coordinator of strategic health investments in regions

- ▶ This role reflects implementation structure with many independent regional subjects

Phase	Possible roles & responsibilities of MoH as a coordinator
Programming phase	<ul style="list-style-type: none">▶ Initiate and set up coordination platform and involve regional authorities▶ Familiarize regional representatives with health care priorities and their impact on regional level▶ Discuss regional development needs/priorities and find mutual agreement on future development in each region▶ Identify regional priorities to be funded under PAs managed by MoH [support health care system reform] and priorities to be funded by ROPs [mitigating regional disparities]
Implementation phase	<ul style="list-style-type: none">▶ Keep active involvement of regions in coordination structures▶ Moderate sharing of experience and support cooperation of regions▶ Gather information about projects realized in the regions and monitor developments in each region/in the system as a whole
Winding up	<ul style="list-style-type: none">▶ Evaluate development in health care system as a whole▶ Lessons learned

Case study #1

Coordination of health care system development

Illustrative scheme

▶ **Two levels of coordination:**

- ▶ Thematic
- ▶ Regional

▶ *Two welcome opposing tendencies:*

- ▶ **Specialized care distribution** across the country **requires proper coordination to avoid concentration of similarly focused centers in one region** while omitting the other areas. Coordinator should take into account geography and probability of particular disease emergence, while
- ▶ **Community-based care or primary care should be developed in all regions / voivodeships.** Coordinators should monitor that all the regions are covered by primary care centers.

	Mental care <u>specialized</u> centers	Mental care <u>community</u> centers	Mother / child care	Specialized neurological centers
Voivodeship 1		✖	✖	✖
Voivodeship 2		✖	✖	
Voivodeship 3	✖	✖	✖	
Voivodeship 4		✖	✖	
Voivodeship 5	✖	✖	✖	
Voivodeship 6		✖	✖	✖
Voivodeship 7	✖	✖	✖	
Voivodeship 8		✖	✖	

Case study #2

Development of specialized neurological centers

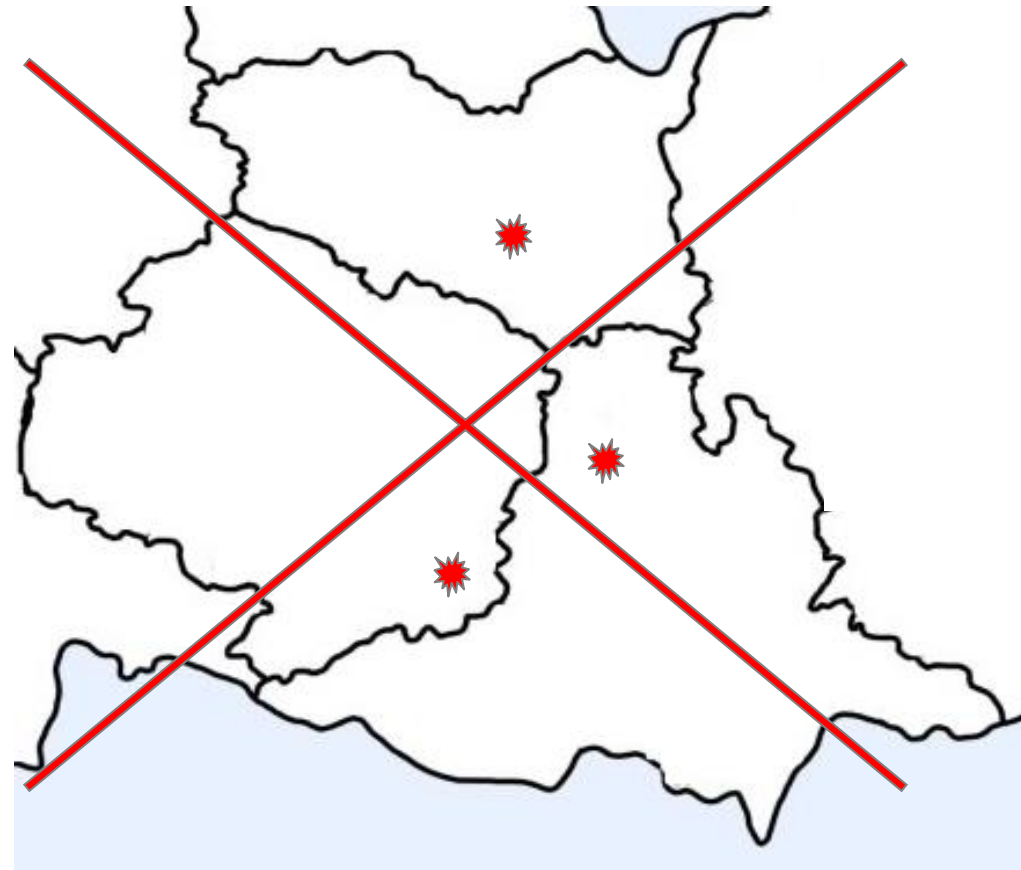
Illustrative scheme

SITUATION:

- ▶ Three illustrative regions are developing specialized neurological care centers without coordination
- ▶ Each of the regions builds its own specialized neurological center, buys expensive equipment, attracts specialized medical staff

RESULT:

- ▶ Three specialized centers in relatively small area compete with each other
- ▶ Small area cannot fulfill the number of patients required so as the specialized centers are sustainable
- ▶ High risk of ineligibility of expenses if funded from ESIF



Legend:

- ★ Location of specialized neurological center

Case study #2

Development of specialized neurological centers

Illustrative scheme

SITUATION:

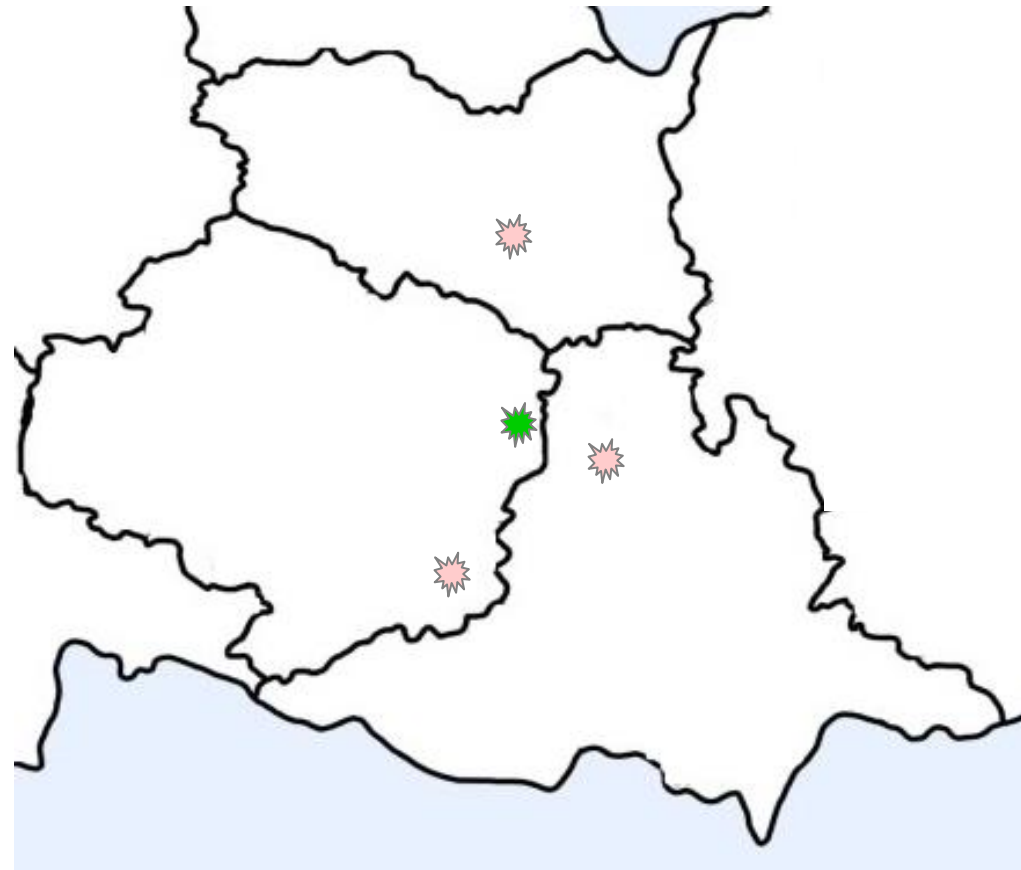
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RESULT:

- ▶ Three specialized centers in relatively small area compete with each other
- ▶ Small area cannot fulfill the number of patients required so as the specialized centers are sustainable
- ▶ High risk of ineligibility of expenses if funded from ESIF

SOLUTION:

- ▶ One highly specialized center for three neighboring regions in the area easily accessible for inhabitants of other two regions
- ▶ Complex approach counting on geographic location, existence of similar specialized centers in nearby location and probability of particular disease emergence



Legend:

- ▶ Optimal location for specialized neurological center

II. Implementation structure of respective OPs

MoH as an Intermediate body

Phase	Possible roles & responsibilities of MoH as an intermediate body
Programming phase	<ul style="list-style-type: none">▶ Identification of which priorities from the national public health strategy are in line with the thematic objectives and investment priorities supported under set Operational Programmes▶ Active negotiations with the relevant Managing Authorities on investing in health and competencies of MoH as an IB (shall be formalized in delegation agreement)
Implementation phase	<ul style="list-style-type: none">▶ Preparation of calls for proposals and indicators▶ Assessment of project applications and selection of projects▶ Preparing and signing Grant Agreements with beneficiaries▶ Project implementation monitoring▶ Verification of application for payments▶ Procurement control▶ Conducting/participating on the on-spot controls of projects▶ Other activities based on delegation of duties set by the respective MA
Winding up	<ul style="list-style-type: none">▶ Closing of Operational Programmes

II. Implementation structure of respective OPs

MoH as a beneficiary

Phase	Roles & responsibilities of MoH as a beneficiary
Programming phase	<ul style="list-style-type: none">▶ Mapping of health investment possibilities under thematic objectives and within national OPs▶ Preliminary negotiations with Managing Authorities of OPs from which MoH expects to apply for money
Implementation phase	<ul style="list-style-type: none">▶ Development of evidence-based project, proper financial planning and consideration of project sustainability▶ Preparation of project applications that comply with all requirements▶ Proper project team set up▶ Main responsibility lays in proper project implementation (public procurement, change management, fulfillment of indicators etc.)▶ Securing of continuity of project implementation and continuity of human resources▶ Ensuring the coherence of individual project with national strategic frameworks▶ Possible coordination with other departments in MoH (other institutions)
Winding up	<ul style="list-style-type: none">▶ Sustainability of projects

A nighttime photograph of a cityscape, likely Dubai, featuring the illuminated Burj Khalifa in the upper left and a multi-lane highway with light trails in the center. The scene is lit with warm yellow and white lights from buildings and streetlights.

07 Possible organizational structure supporting MoH's roles

[EY's professional opinion]

Organizational set up

Good practices identified

1. Coordinator of health care system development

- i. **Specialized department at MoH** dealing with horizontal and vertical coordination of investments in health = hereinafter indicated as a department for coordination of health strategy implementation
- ii. **External coordination platform** bringing together the above mentioned department with representatives of regions to ensure horizontal cooperation = hereinafter indicated as a coordination committee

2. Implementation structure of respective OPs

- i. Function of Intermediate Body in responsibility of **department solely focused on EU Funds** implementation and management = hereinafter indicated as a department for EU Funds
- ii. Implementation of projects financed from ESIF (beneficiary) in responsibility of relevant departments or eventually Project management office (PMO)

The above mentioned **roles should be institutionally detached** and shall not overlap

Coordinator of health care system development

i. Department for coordination of health strategy implementation

- ▶ Coordination body in the structures of the MoH
- ▶ Should be a part of strategic department or be closely linked to this department
- ▶ Main competencies & responsibilities:
 - ▶ Development of health care strategy/individual action plans
 - ▶ Mapping of health issues covered by other OPs
 - ▶ Coordination with other MAs in the areas resulting from initial mapping
 - ▶ Negotiation about involvement of MoH in implementation of OPs in 2014 - 2020 programming period
 - ▶ Ongoing coordination of activities among other MAs and especially with regions

[formally in the Coordination committee, informally on an ongoing basis]



Political support and mandate given to this department is very important factor to be able to effectively fulfil the role of a coordinator of the whole health care system development.

Coordinator of health care system development

ii. Coordination committee

- ▶ Composition of the Coordination committee:
 - ▶ Chaired by representatives of MoH [Department for coordination of health strategy implementation]
 - ▶ Representatives of regions [Bodies responsible for HC in the regions, ROP MAs]
- ▶ Main competencies & responsibilities:
 - ▶ Agrees on health priorities and specific form of implementation of health priorities on regional level
 - ▶ Reviews investments to be supported in each region regarding the priorities agreed and categorize investments:
 - ▶ Strategic investments of national importance [to be further reviewed and approved by the Committee; sources of funding needs to be further coordinated]
 - ▶ Investments of regional importance [remains in competency of regions; funding solely from ROPs]
 - ▶ Coordinates implementation of projects of national importance
 - ▶ Evaluates and monitors progress towards agreed strategic objectives



Body coordinating overall quality and efficiency of implementation of health care development needs and improvement of health care system across all the regions.

Implementation structure of respective OPs

i. Department for EU Funds (Intermediate Body)

- ▶ Intermediate body responsible for implementation of activities delegated on it by a respective MA (based on Delegation Agreement)
- ▶ This department should be independent on other departments
- ▶ Competencies & responsibilities*:
 - ▶ Consultations to applicants
 - ▶ Managing of calls for proposal
 - ▶ Assessment of project applications and selection of projects
 - ▶ Absorption capacity building
 - ▶ Cooperation with beneficiaries
 - ▶ Monitoring of projects (incl. administrative and on the spot controls)
 - ▶ Coordination with MA on other related activities (evaluations, reporting etc.)



Department responsible for performance of activities delegated by MA (related to health care direct investments). Specific competencies always depend on negotiations with Managing Authority.

* Specific competencies of the IB always depend on negotiations with Managing Authority in each country.

Implementation structure of respective OPs

ii. Beneficiary

- ▶ Two possible approaches based on complexity and number of projects managed
 - i. Single projects could efficiently be managed by relevant departments
 - ii. In case of complex projects/higher number of projects PMO could support effective implementation

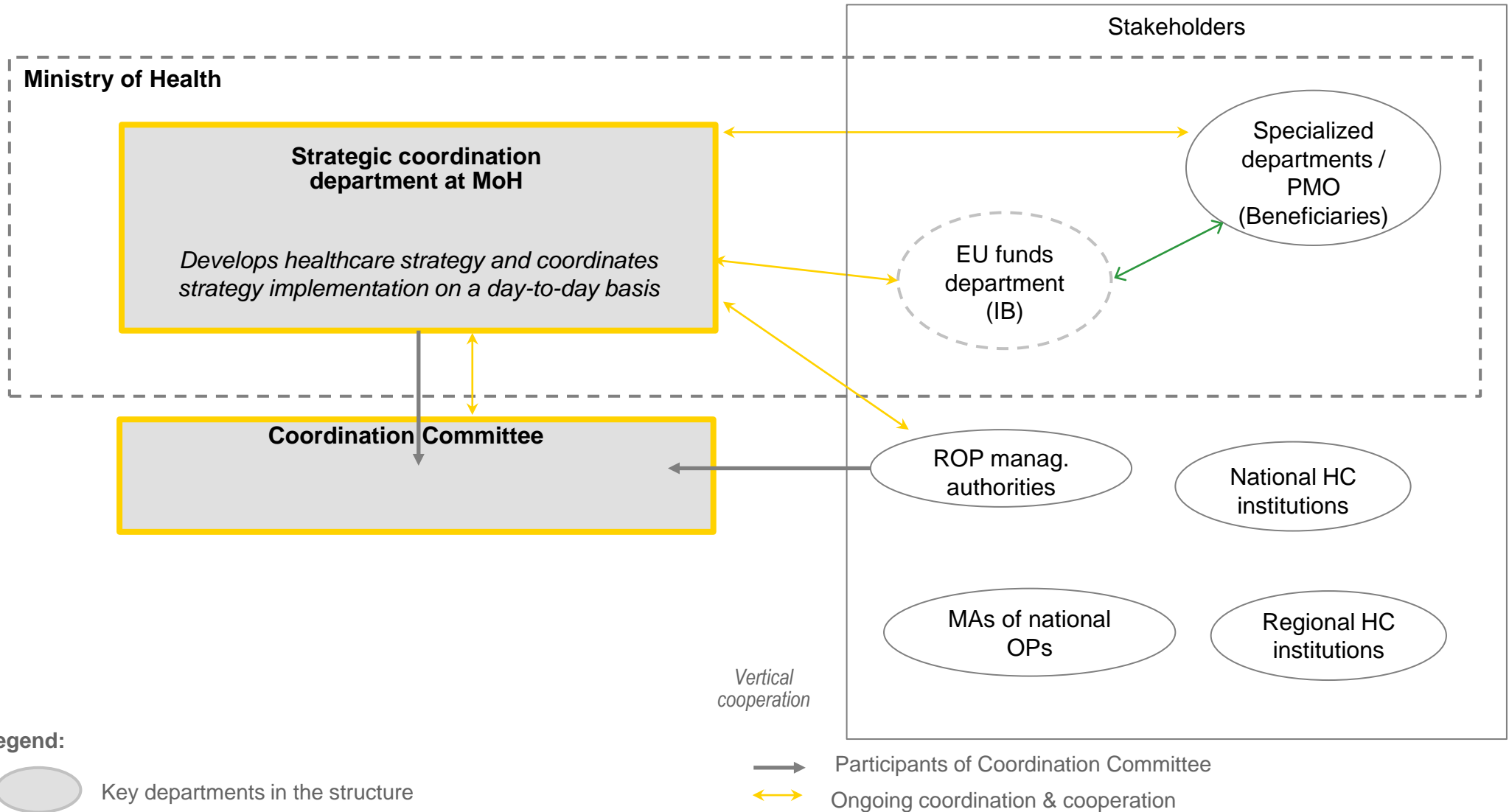
Project Management Office

- ▶ Supports implementation and application of centralized management standards
- ▶ If involved also in projects implementation, it could bring cost and time savings thanks to concentration of management and administrative capacities in one department
- ▶ Simplifies coordination and monitoring of investments and projects in health

! Relevant project management capacities are critical factor regardless the form of organizational set up

Example of possible organizational platform

Illustrative scheme



Legend:

○ Key departments in the structure

→ Participants of Coordination Committee
 ↔ Ongoing coordination & cooperation



08 Group activity

Group activity

- ▶ Activity objective:
 - ▶ Define key areas for cooperation between MoH and regional Managing Authorities to efficiently ensure development of health care system in Poland
- ▶ Activity description:
 - ▶ The activity is designed for **two groups**:
 - ▶ Group 1: Representatives of the **Ministry of Health**
 - ▶ Group 2: Representatives of **regional Managing Authorities**
 - ▶ Each group shall develop a **list of priorities that they find useful to be assigned to the Coordination Committee**, i.e.
 - ▶ Group 1: **What are the areas/priorities addressed by regional OPs you find essential to be coordinated on national level?**
 - ▶ Group 2: **What are the areas/investment priorities you find appropriate to be coordinated by national level?**
 - ▶ Based on presentation of each group's, we expect to open discussion on competencies and effective agenda of the Steering Committee
- ▶ Timing:
 - ▶ 15 minutes to discuss group solutions
 - ▶ Cca 30 minutes for presentation & discussion

Discussion on group activity results





09 Feedback and conclusion



Discussion on possible follow up

What are the possible follow up activities to the session today?



Thank you for your participation!



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