

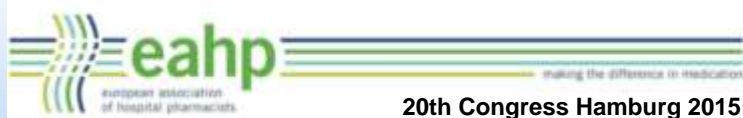
Crisis and Health

Portugal

Lessons learned

## Financial sovereignty and a fading European Public Health

Constantino Sakellarides



Crisis and Health

Portugal

Lessons learned

Conflict of interest: Nothing to disclose

Constantino Sakellarides

## Questions

1.

Is there evidence that severe and abrupt rise in unemployment, indebtedness and poverty are likely to affect health?

2.

Are there indications that national and European authorities have undertaken health impact assessment exercises in order to anticipate the health effects of “economic and financial adjustment programs”, in the countries where these programs were implemented?

### Portugal highlights

Total population (est. 2013): **10.7 millions**

% population over 65 y (2013): **18.7%**

GDP per capita (USD c PPP 2013): **26.178**

Life expectancy at birth (2013): **80.1years**

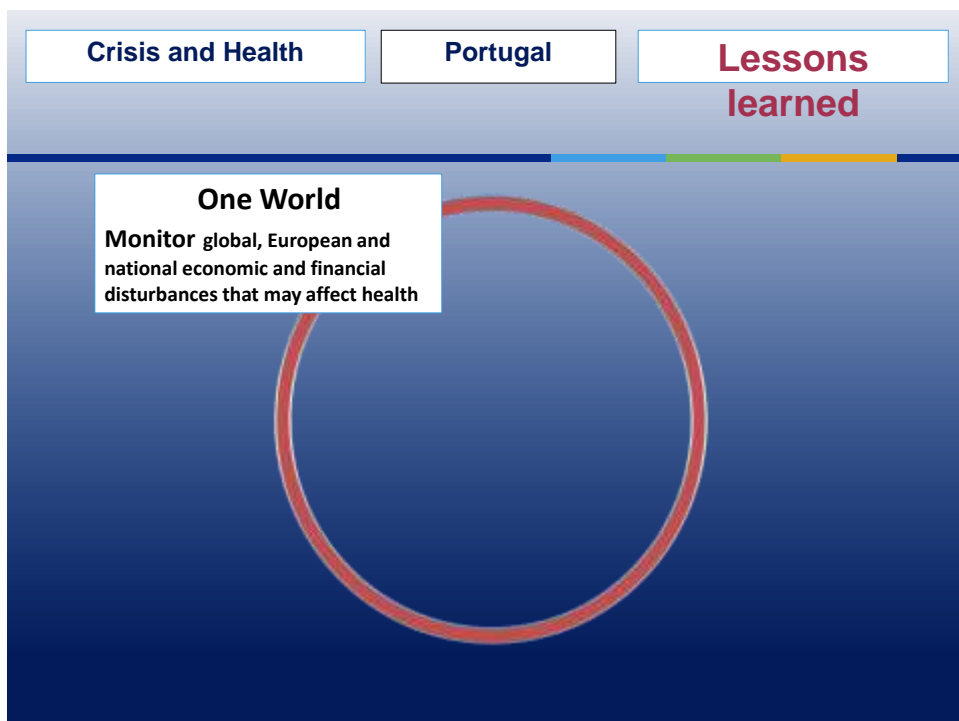
Infant mortality (2013): **3.4**

**Well developed National Health Service (since 1979)**

**On-going innovative primary health care reform**

**Strong public health tradition**



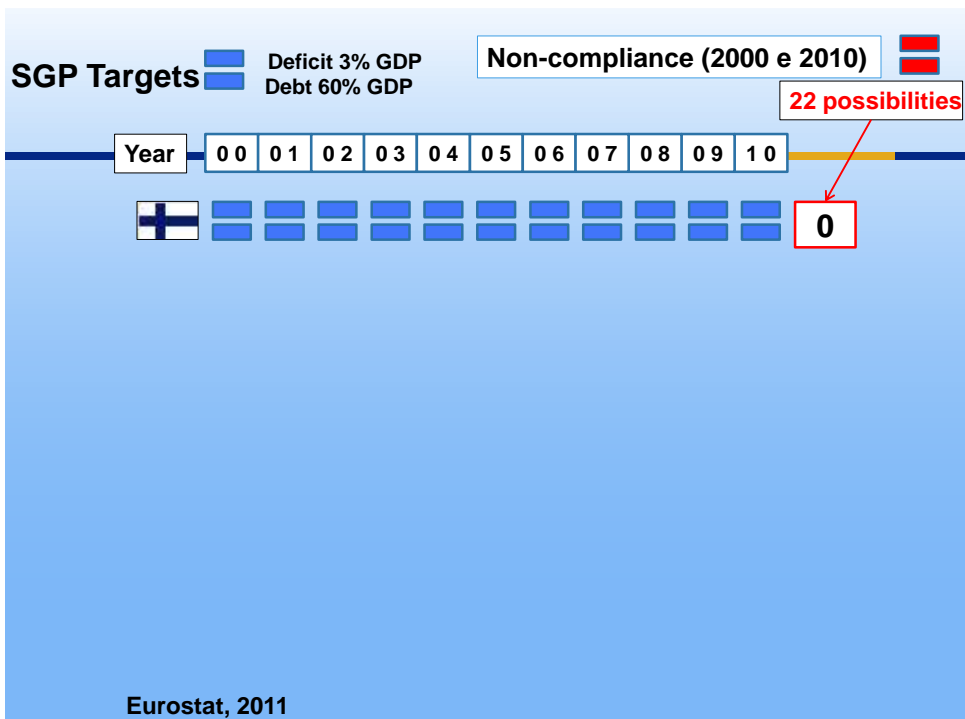


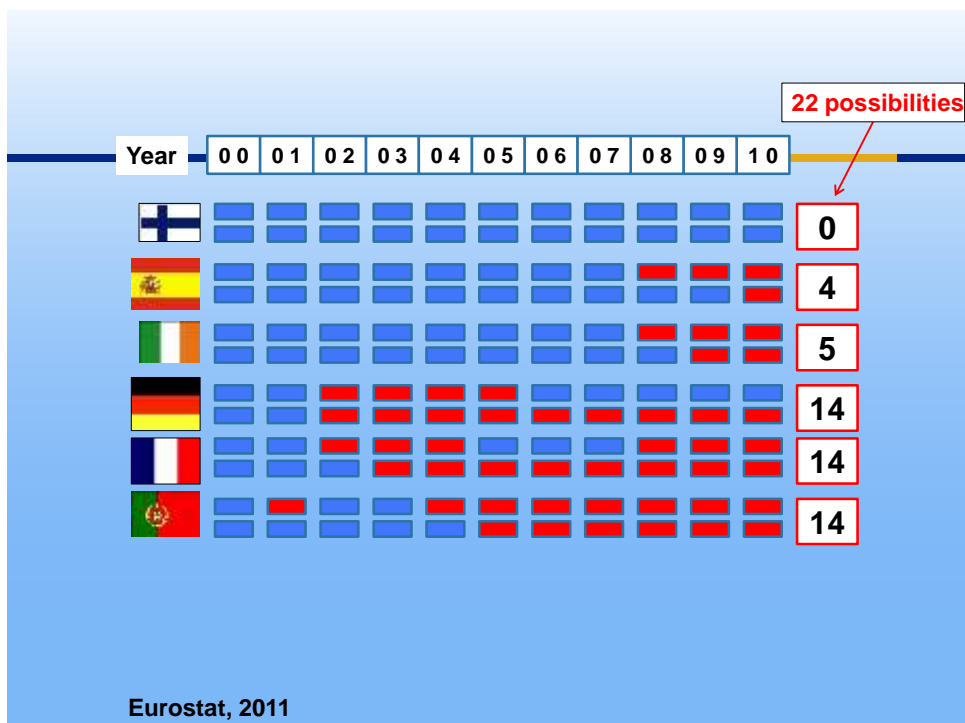
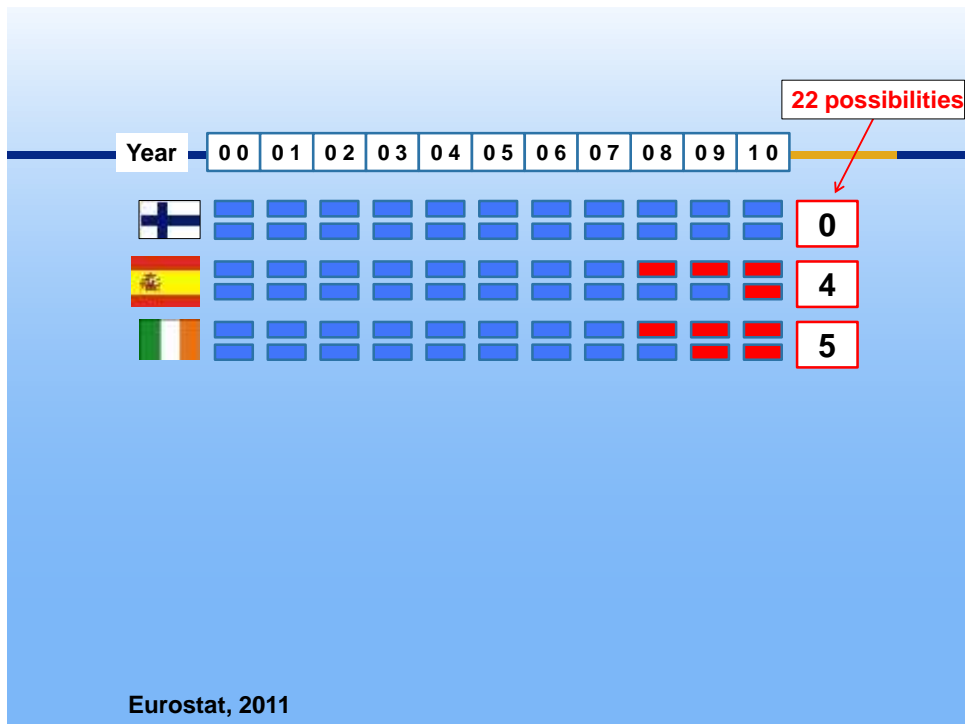
Crisis and Health

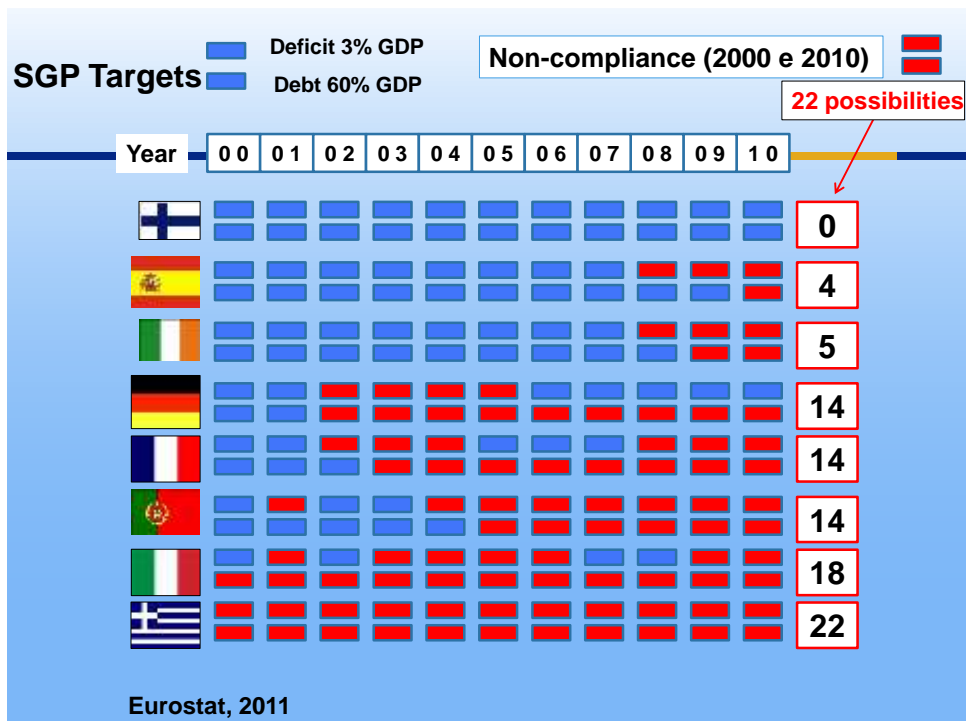
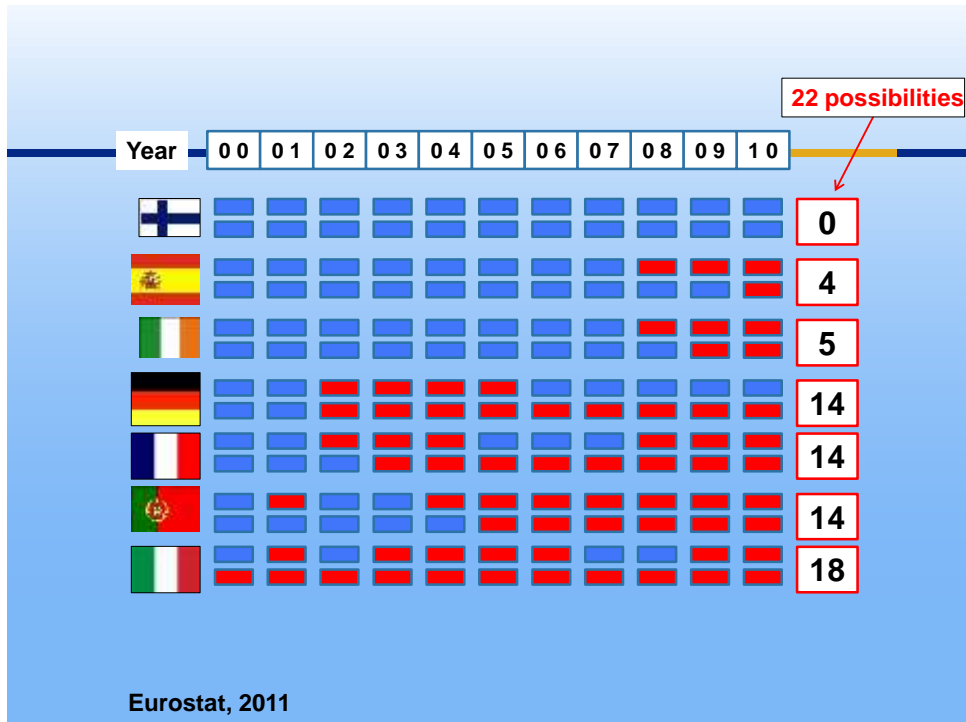
Portugal

Lessons learned

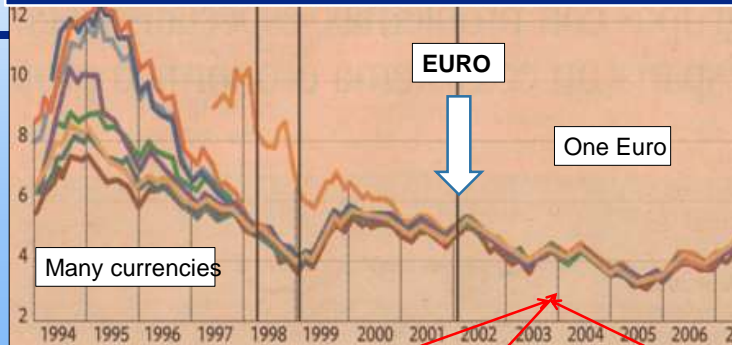
## Observations on financial and economic health determinants







## Sovereign debts 10 years interest rates



Convergence

### GLOBAL RISKS

Easy credit  
New financial  
Complex products

### EURO ZONE RISKS

Lack of economic coordination  
Lack of common fiscal policies  
Imperfect Central Bank  
EURO revaluing against the Dollar

### PORTUGUESE RISKS

- Low 2000-2007 economic growth  
(economic model; Euro architecture)  
- External borrowing did not result in a more competitive economy and fairer society

## Sovereign debts 10 years interest rates



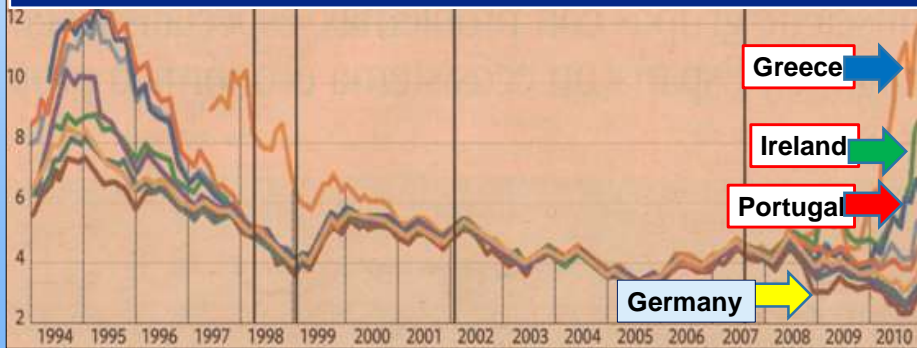
Convergence

Divergence

### GLOBAL RISKS

### EURO ZONE RISKS

### PORTUGUESE RISKS

**Difficulties in refinancing public debts****Sovereign debts 10 years interest rates****Crisis and Health****Portugal****Lessons learned**

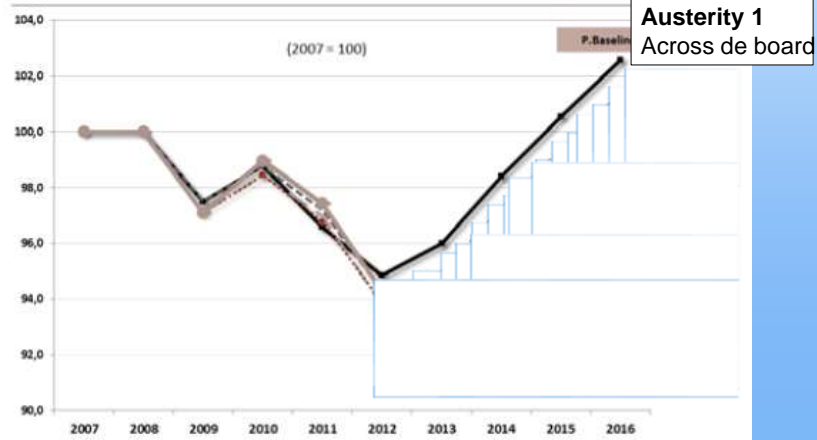
Portuguese “Economic and financial  
Adjustment Program”

2011



Conselho das Finanças Públicas 2013

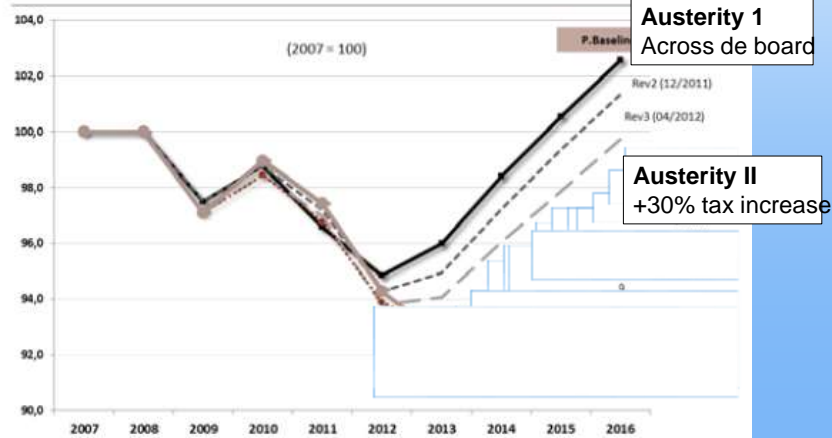
## Portugal: GDP estimates 2011(constant prices)



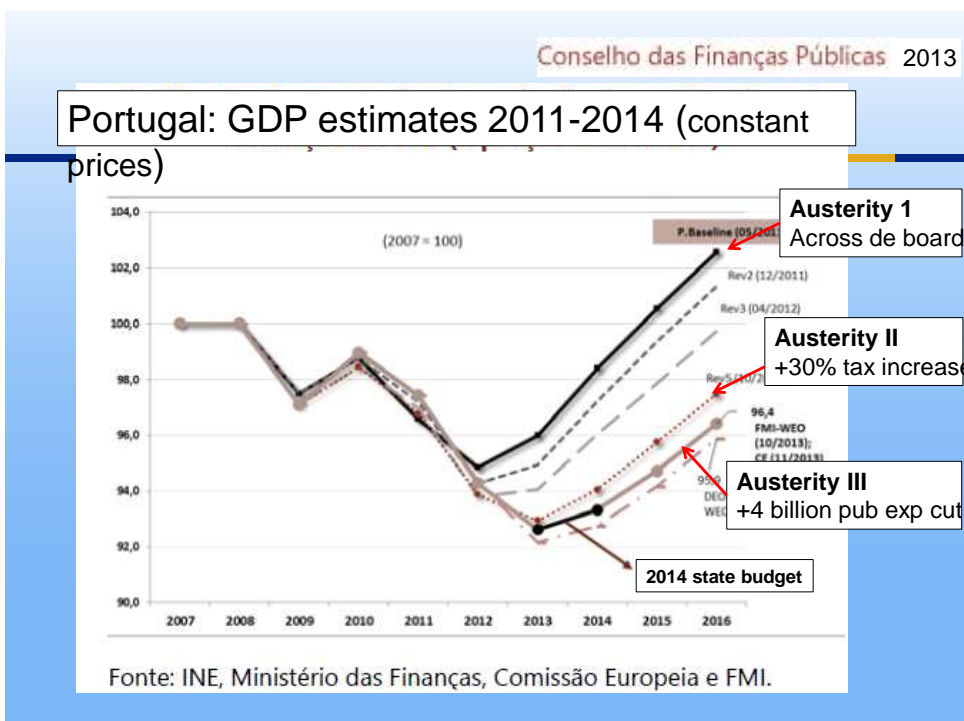
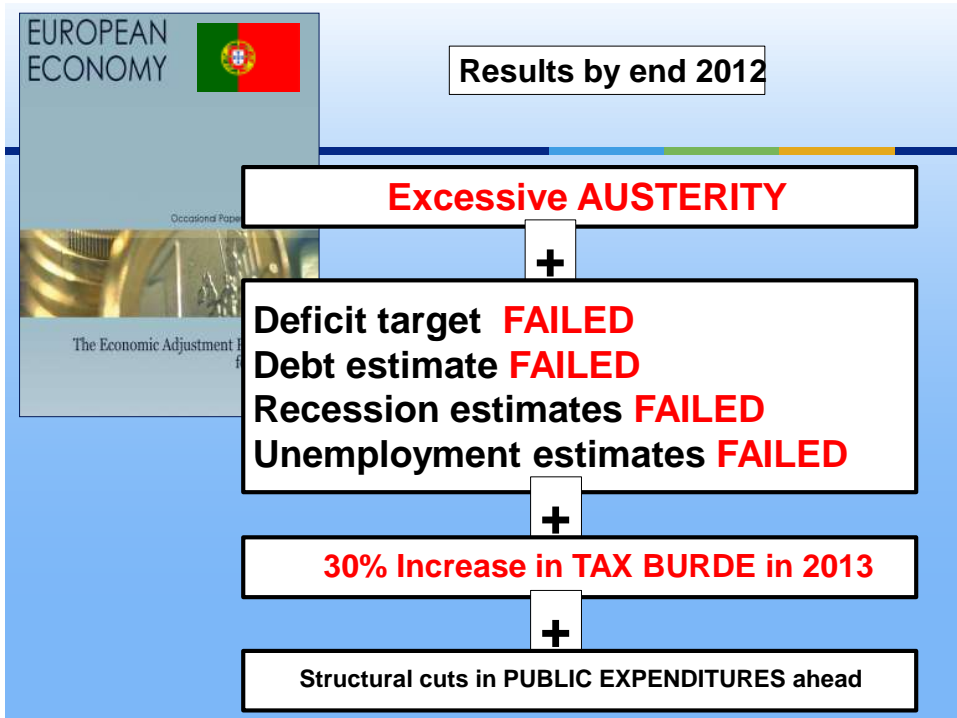
Fonte: INE, Ministério das Finanças, Comissão Europeia e FMI.

Conselho das Finanças Públicas 2013

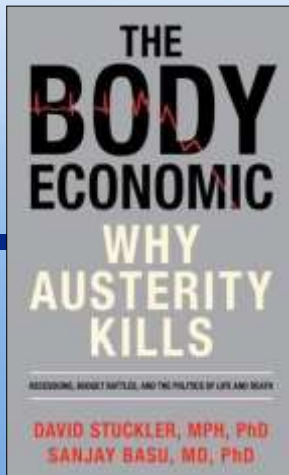
## Portugal: GDP estimates 2011(constant prices)



Fonte: INE, Ministério das Finanças, Comissão Europeia e FMI.



May 2013



*"Had the austerity **experiments** been governed by the same rigorous standards as clinical trials, they would have been **discontinued** long ago by a board of medical ethics ...*

*The side effects of the austerity treatment have been severe and often deadly. **The benefits of the treatment have failed to materialize.***"

EUROPEAN  
ECONOMY

**There was been a strong commitment by the Portuguese Government to implement AP and to complement it with additional policy initiatives**

Occasional Papers 79 | June 2011



The Economic Adjustment Programme  
for Portugal



### J.C. Juncker on Greece (March 2012) President of Euro Group

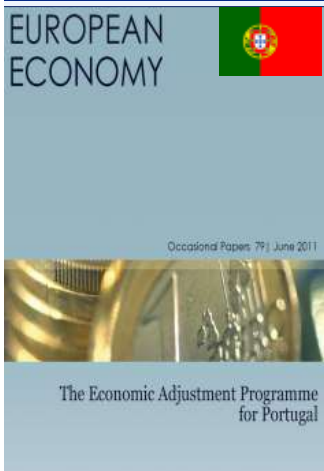
(...) Too much focus on financial adjustment; **Too little focus on economic growth**

(...) this strategic failure explains the **deep recession** observed (- 15% GDP)

(...) **there was not enough openness to look for alternative solutions**

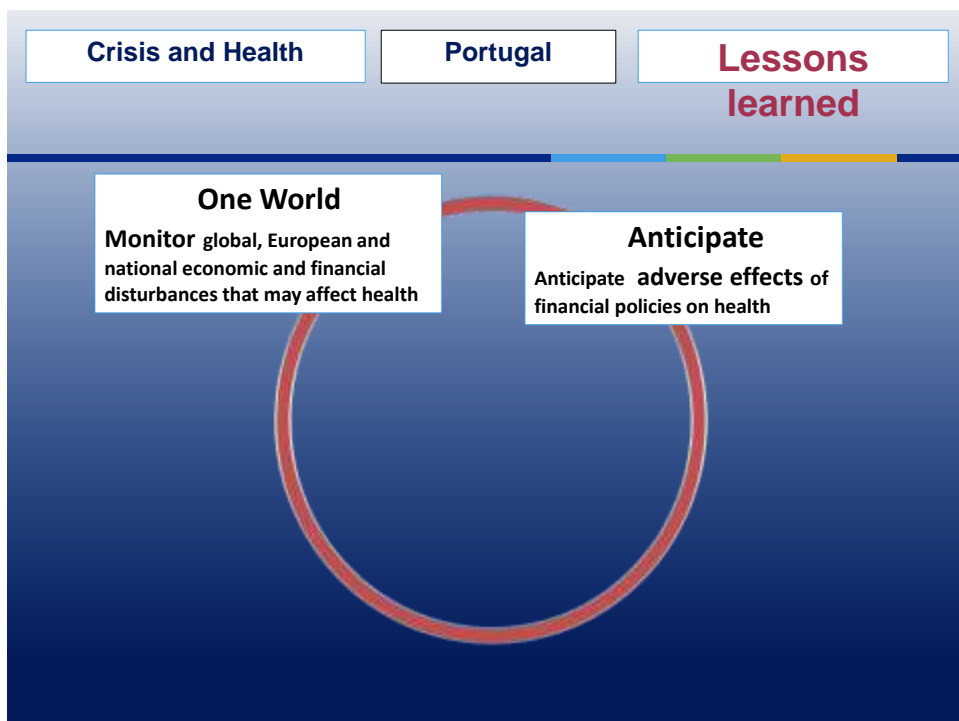
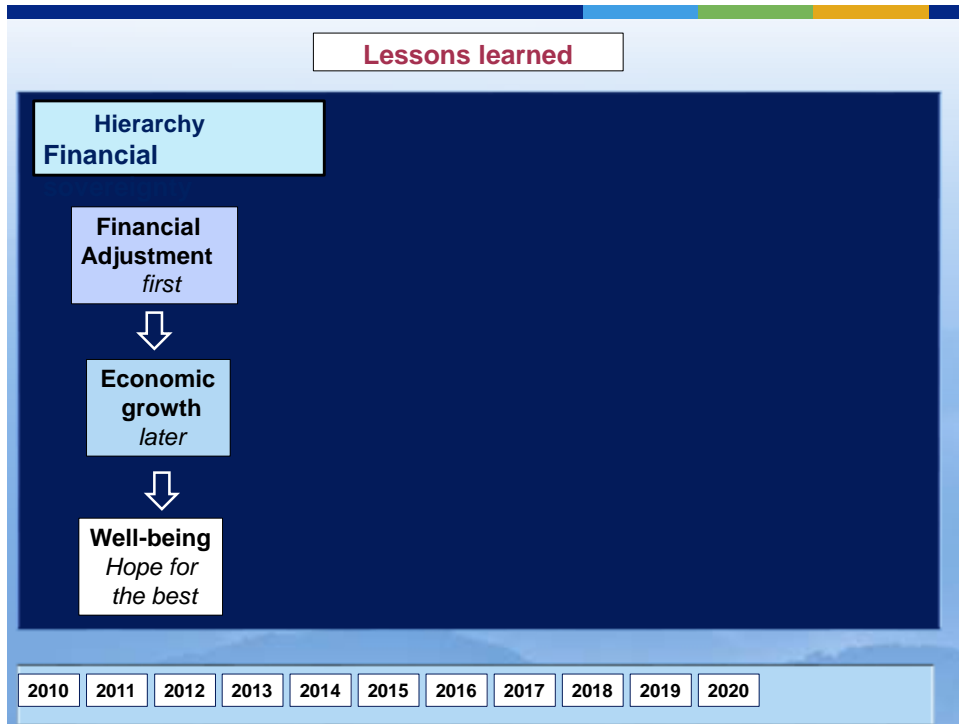
*Interview with Kathemerini, Athens, March*

2012



### Critical appraisal of Adjustment Program design

- Based on a **flawed narrative crises determinants**;
- Unsupported by **empirical evidence and management of change theory**;
- **“Acultural”**: “external surgery” into a **social fabric**;
- **Part of short term financial agenda** – poor on economics and oblivious of any social protection consideration;
- **Unrelated to necessary concomitant European adjustments**;
- **Unrealistic intensity and time frame.**



Crisis and Health

Portugal

Lessons learned

## Anticipate health effects of financial crisis

**Maastricht Treaty, 1992**  
Health protection in all policies

**Lisbon Treaty, 2007**  
“Social clause”



COMMISSION OF THE EUROPEAN COMMUNITIES

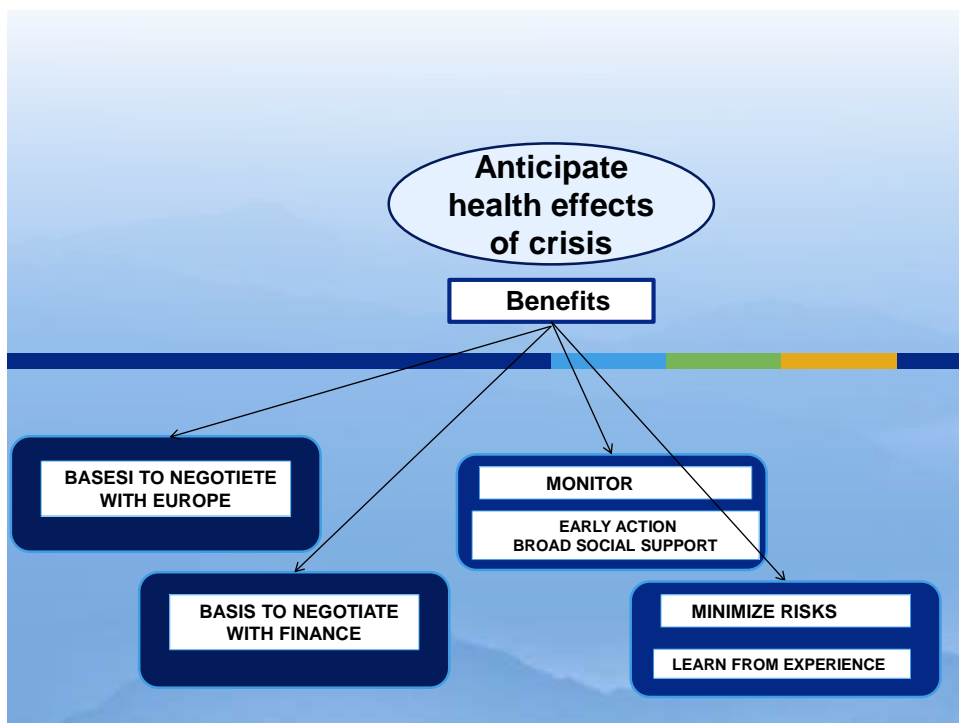
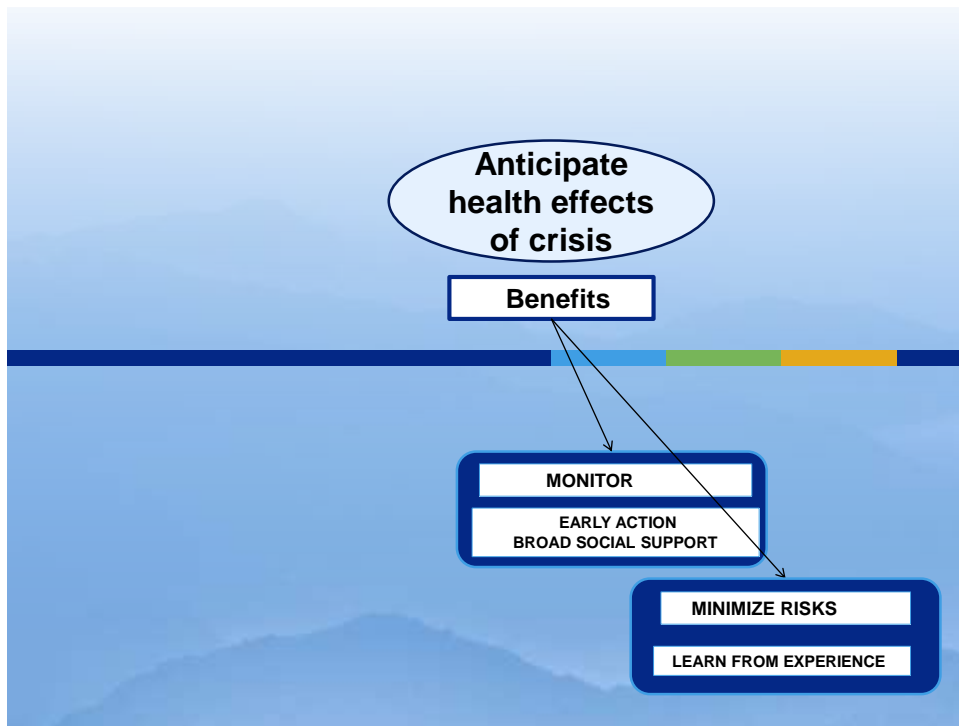
WHITE PAPER

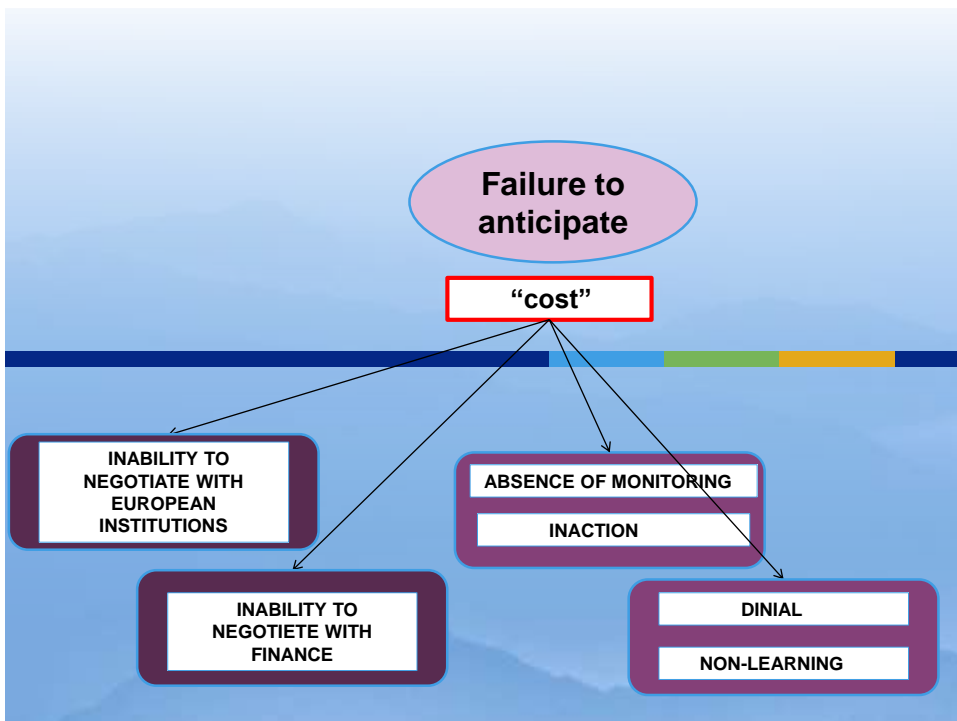
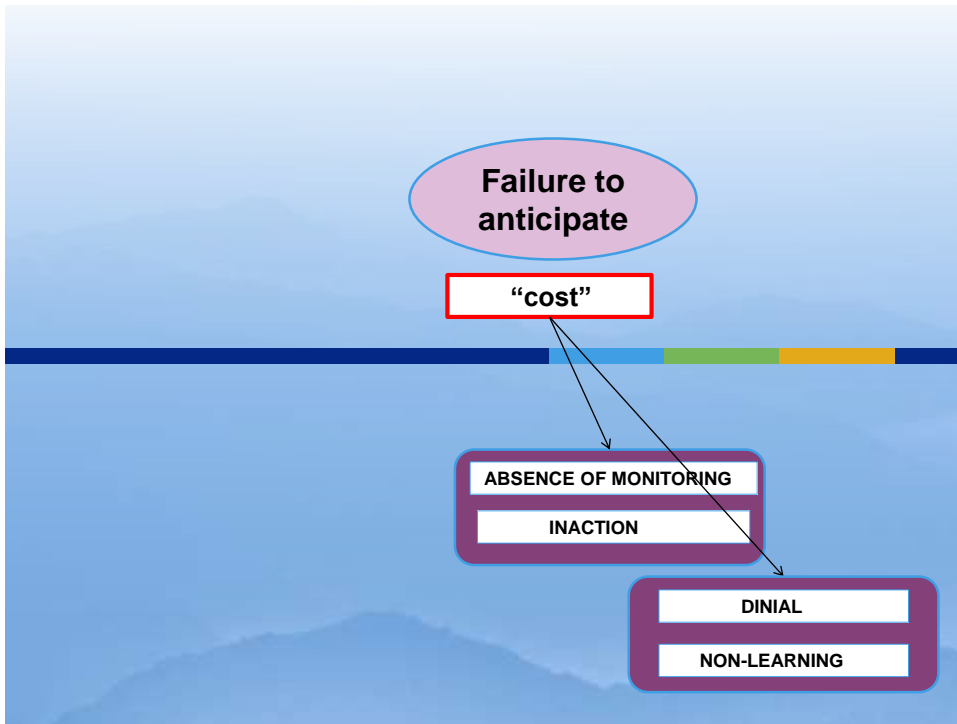
Together for Health:  
A Strategic Approach for the EU 2008-2013

**Principle III: Health in All Policies**

**WHO Tallinn Charter 2009**  
The need to analyse the health impact of other policies









## CASE STUDY

The impact of  
the financial crisis  
on the health system  
and health  
in Portugal



... There is no indication  
**that social and health implications were anticipated or considered**  
in designing and adopting austerity programs,  
including the Portuguese AP.

**These omission have far reaching consequences**

**Crisis and Health**

**Portugal**

**Lessons  
learned**

### One World

**Monitor** global, European and  
national economic and financial  
disturbances that may affect health

### Anticipate

Anticipate **adverse effects** of  
financial policies on health

### Report

Promote **objective, independent**  
Reporting of the health effects of  
financial policies

Crisis and Health

Portugal

Lessons learned

## Social impact

Unemployment: September 2010 to February 2012



ILO, 2012



**Crisis and Health**      **Portugal**      **Lessons learned**

Selected health effects

## EUROPEAN ECONOMY



### Health service austerity

Occasional Papers 79 | June 2011



The Economic Adjustment Programme  
for Portugal

#### - **Public Budgets:**

Cuts on National Health Service budget

#### - **Professionals:**

- Salary cuts
- Increased work load
- Worsen working conditions
- Leaving public services to early retirement, to private sector, to migration

#### - **Patients**

Increased user charges

**Crisis and Health**

**Portugal**

**Lessons learned**

Selected health effects

**Mental Health**

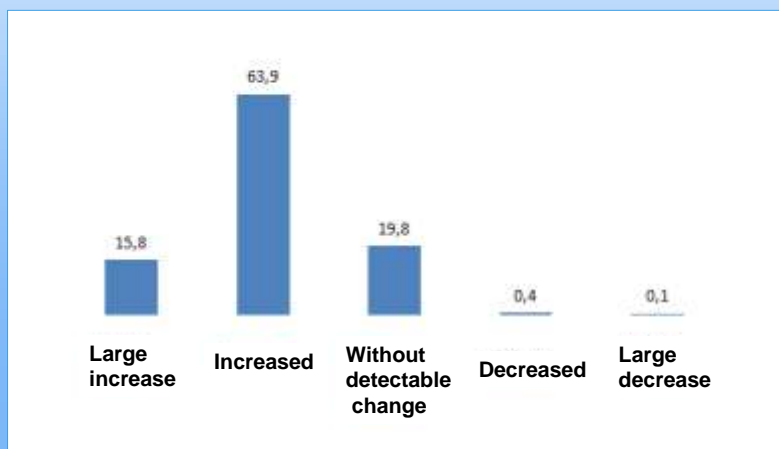
## On-line survey of PHC professionals views on "Crises and Health"

**Date:** May 11th and 31st.

**Target population:** 1661 members of the Association of "Family Health Units"

**Response:** 878 valid answers (53%).

**Depression** Family Health Unit professionals - **79,7%** respondents say there is an increase in depression on users



Portuguese Health Systems Observatory (OPSS), 1<sup>st</sup> Semester 2012

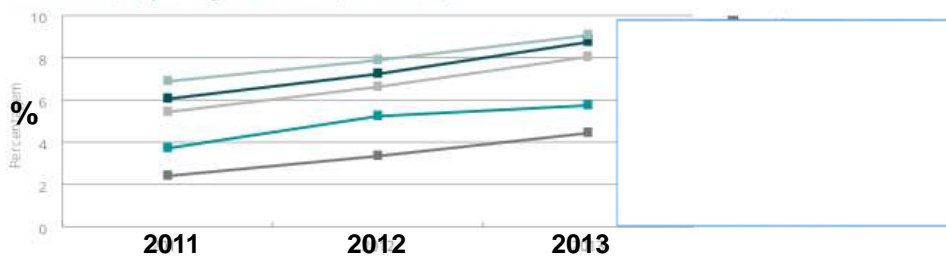
### Depression on GP records

Northern district of Portugal (population 244.836)

	Depression attempts		Suicide	
	M	W	M	W
2011	1555	7180	40	93
2012	2027	9405	54	137
	30%	31%	35%	47%

M. Barbosa, 1<sup>st</sup> semester 2013

### Depression prevalence in Portugal by Region



Fonte: SPMS, SIARS, 2014



Ministry of Health, 2<sup>nd</sup> semester 2014

Source: Saúde Mental em Números, DGS (December, 2013)

Crisis and Health

Portugal

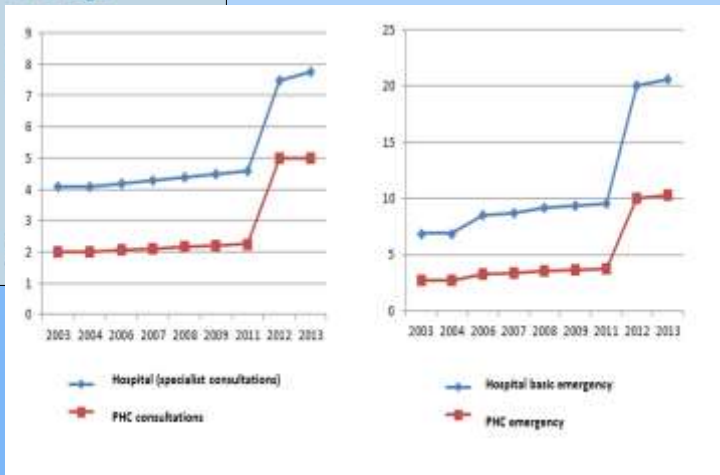
Lessons learned

## Selected health effects Health Services

CASE STUDY

### Evolution of user charges in Portugal (2003-2013)

The impact of  
the financial crisis  
on the health system  
and health  
in Portugal



CASE STUDY

Prepared April 2013

Updated/reviewed August 2013

The impact of the financial crisis on the health system and health in Portugal

Constantino Sakellariades  
Luís Castelo-Branco  
Patrícia Barbosa  
Hélida Azevedo

**Doubling user charges at a time of severe economic and social crisis** is certainly a questionable decision from a health protection perspective

**User charges “reduce the use of low and high value health services in almost equal measure”** (European Observatory on Health Systems and Policies, 2013; Thomson, 2013; Evans *et al*, 1993; Glassman and Chalkidou, 2012).

World Health Organization  
European Observatory on Health Systems and Policies

CASE STUDY

The impact of the financial crisis on the health system and health in Portugal

**Disaggregated local information**


The issue **is not** whether current financial policies have an impact on health and health care ...

**... But what segmented of the Portuguese populations is affected:**

- The poor: elderly, **children exposed to poverty**
- Those that are experiencing **abrupt impoverishment**,
- The **unemployed**, their families and those at high risk of unemployment

World Health Organization





Contents lists available at ScienceDirect

## Health Policy

journal homepage: [www.elsevier.com/locate/healthpol](http://www.elsevier.com/locate/healthpol)

Health Policy (2015),  
<http://dx.doi.org/10.1016/j.healthpol.2014.12.015>

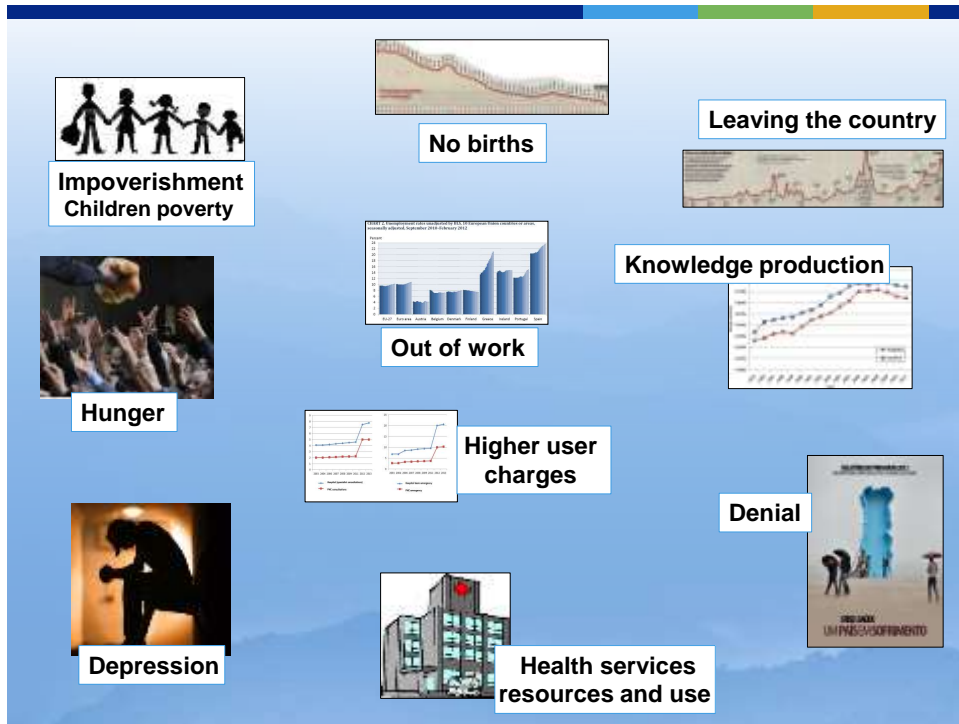
### The Great Recession in Portugal: Impact on hospital care use

Julian Pereiman<sup>a,\*</sup>, Sónia Felix<sup>b,c</sup>, Rui Santana<sup>d</sup>

- ▣ A 3.2% higher rate of discharges was observed after 2009. **Urgent stays increased** by 2.5%, **while elective in-patient stays decreased** by 1.4% after 2011.
- ▣ Increase in total and urgent cases may reflect **delayed out-patient care and health deterioration**;
- ▣ Reduced volume of elective stays possibly signal a **reduced capacity**;
- ▣ Shorter stays may indicate **either efficiency-enhancing measures or reduced quality**.

BMJ blog commentary by a young Portuguese GP, recently immigrated to the UK (August 2013)

- ▣ .... *It was becoming increasingly harder to work as a GP in Portugal, and my motivation was dwindling.*
- ▣ *Recently, many computers at my GP practice were broken ...even if the computer worked ... there was not enough toner in the printer ... for the first time, I had to buy paper to print out prescriptions and exam requests ...*



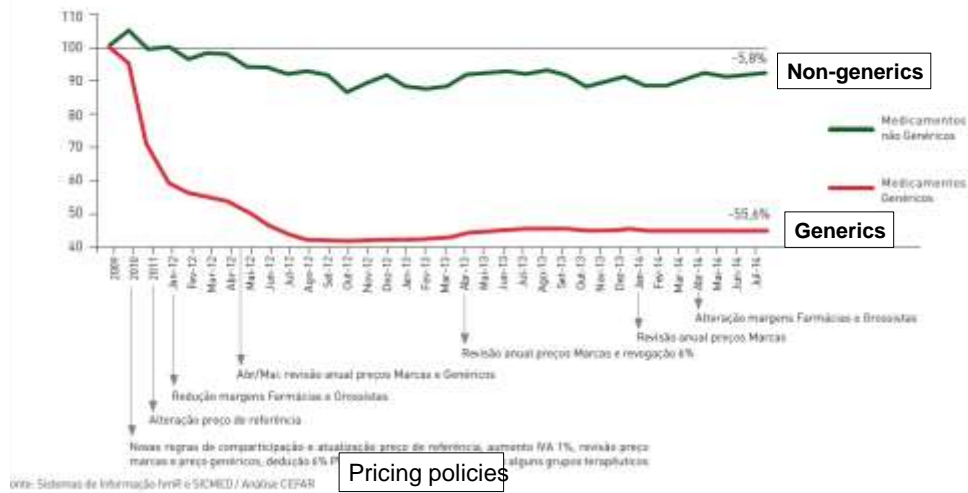
**Crisis and Health**

**Portugal**

**Lessons learned**

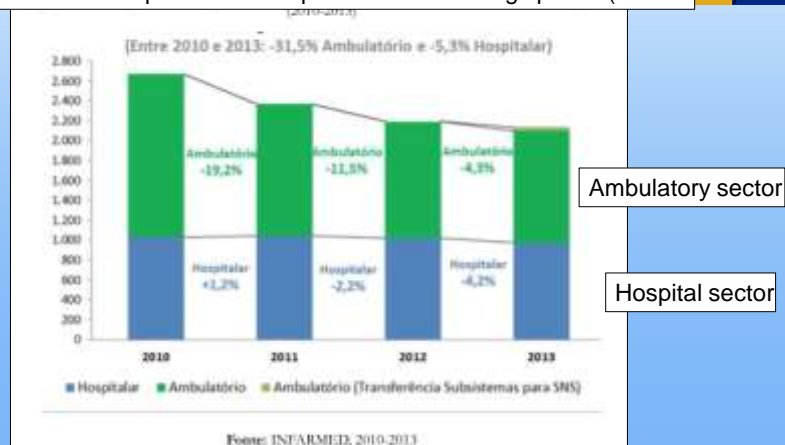
Health effects  
Positive aspects

Evolution of pharmaceutical drugs prices (2009-2014)



Source: ANF, 2015

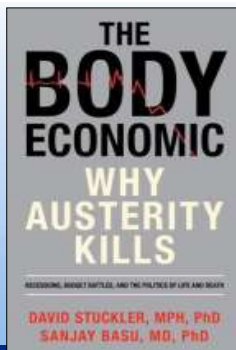
Evolution of NHS expenditure with pharmaceutical drugs prices (2010-2013)



Portuguese Health Systems Observatory (OPSS), 2014

**Crisis and Health****Portugal****Lessons learned**

Health effects  
Reporting or denial?

**May 2013**

Severe and abrupt austerity options  
do not improve the economy ...

... seem uninterested to assess  
their impact in health and health  
services

(and ignore or devalue these effects  
when they occur).

THE LANCET

HEALTH IN EUROPE SERIES, 2013

**Financial crisis, austerity, and health in Europe**

Marina Karanikolos, Philipa Mladovsky, Jonathan Cylus, Sarah Thomson, Sanjay Basu, David Stuckler, Johan P Mackenbach, Martin McKee

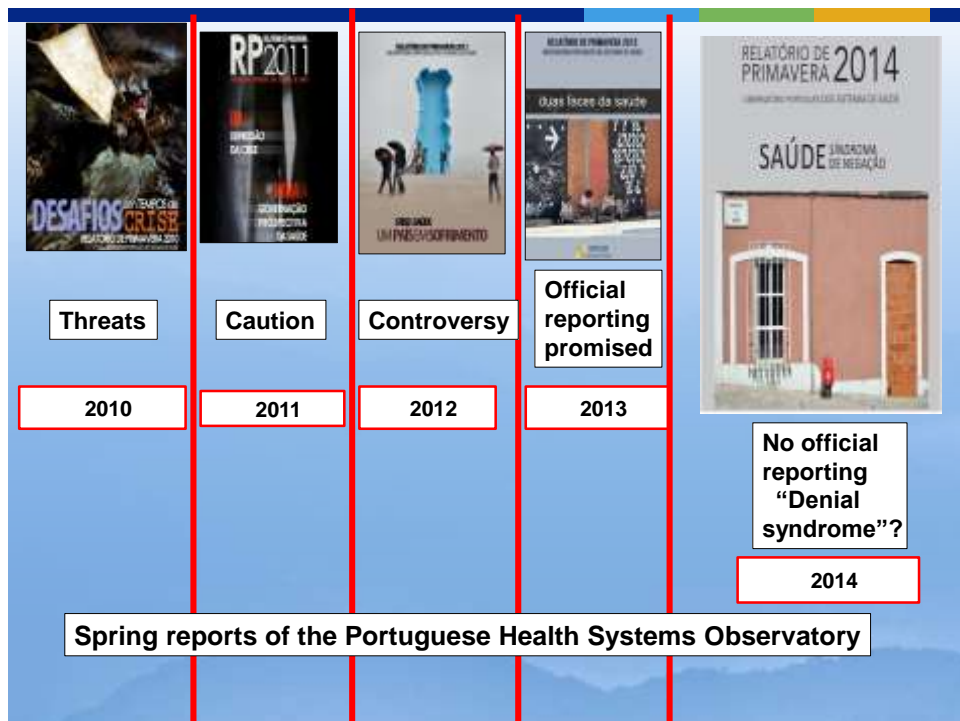
Policy decisions about how to respond to economic crises have pronounced and unintended effects on public health, **yet public health voices have remained largely silent during the economic crisis.**

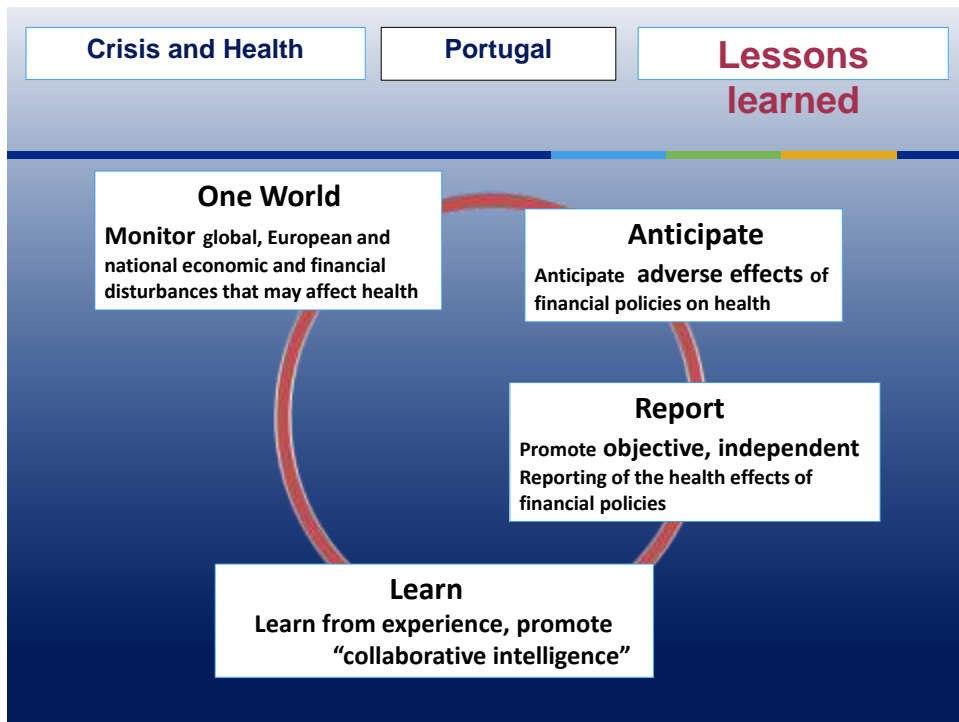
THE LANCET

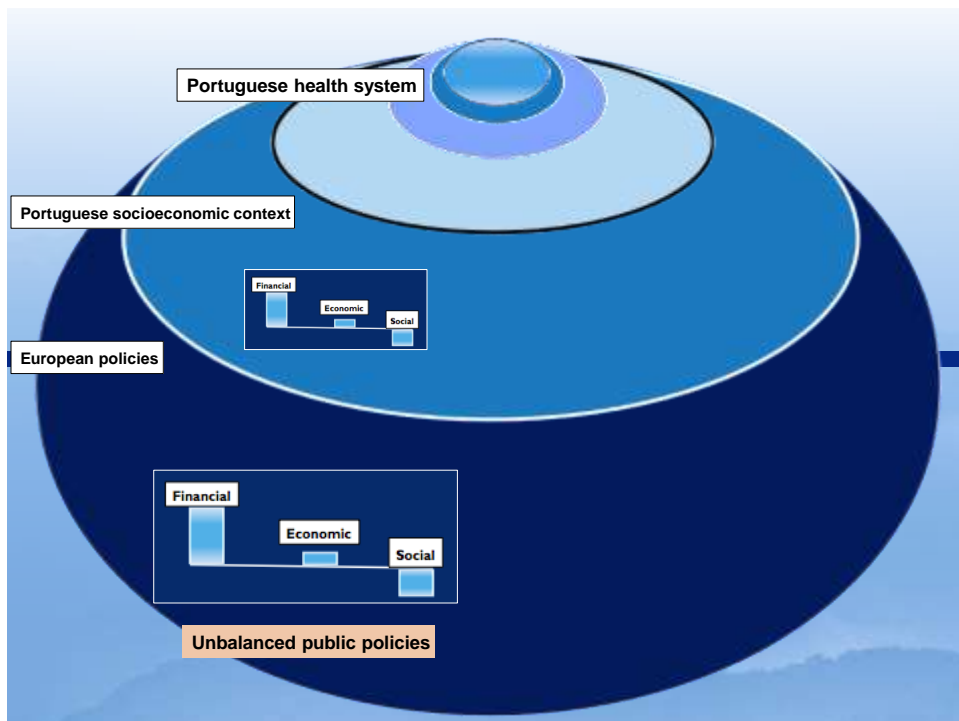
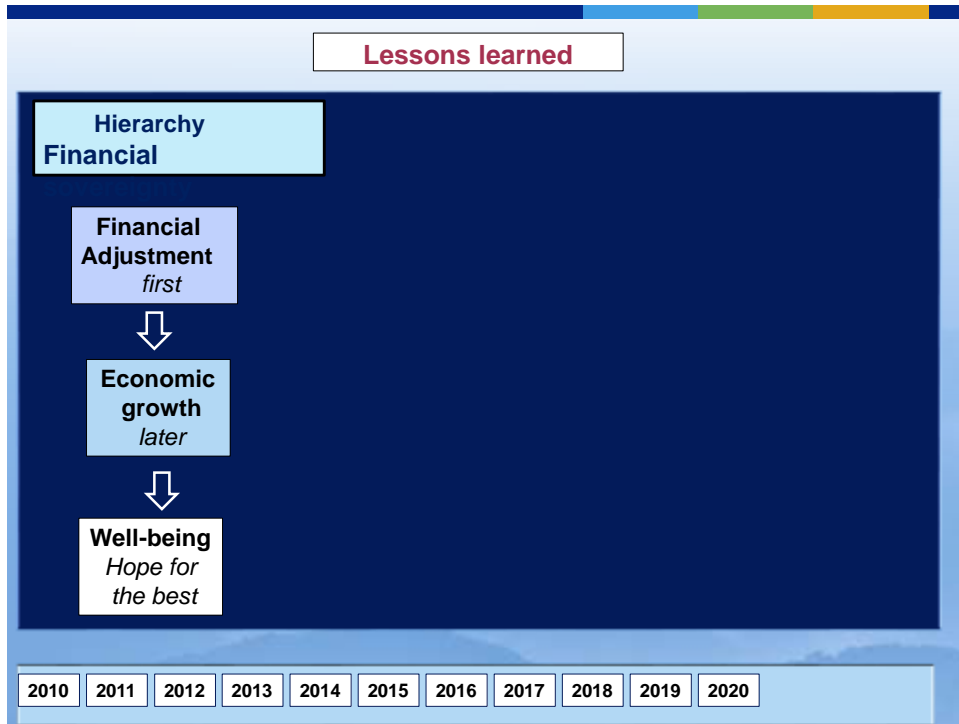
HEALTH POLICY 2014

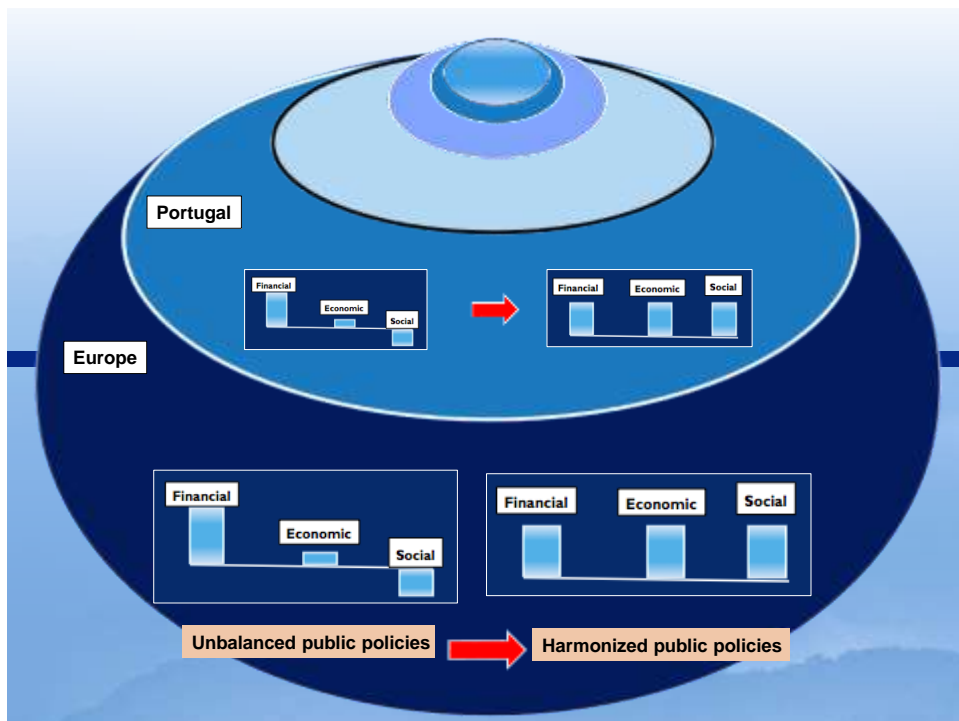
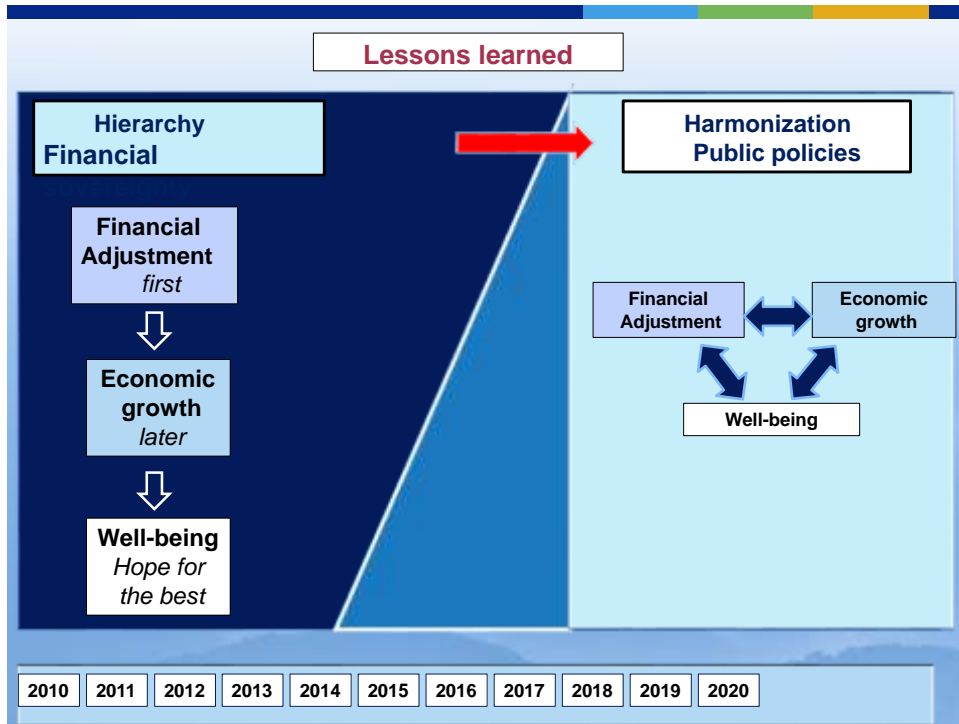
**Greece's health crisis: from austerity to denialism**

Alexander Kentikelenis, Marina Karanikolos, Aaron Reeves, Martin McKee, David Stuckler

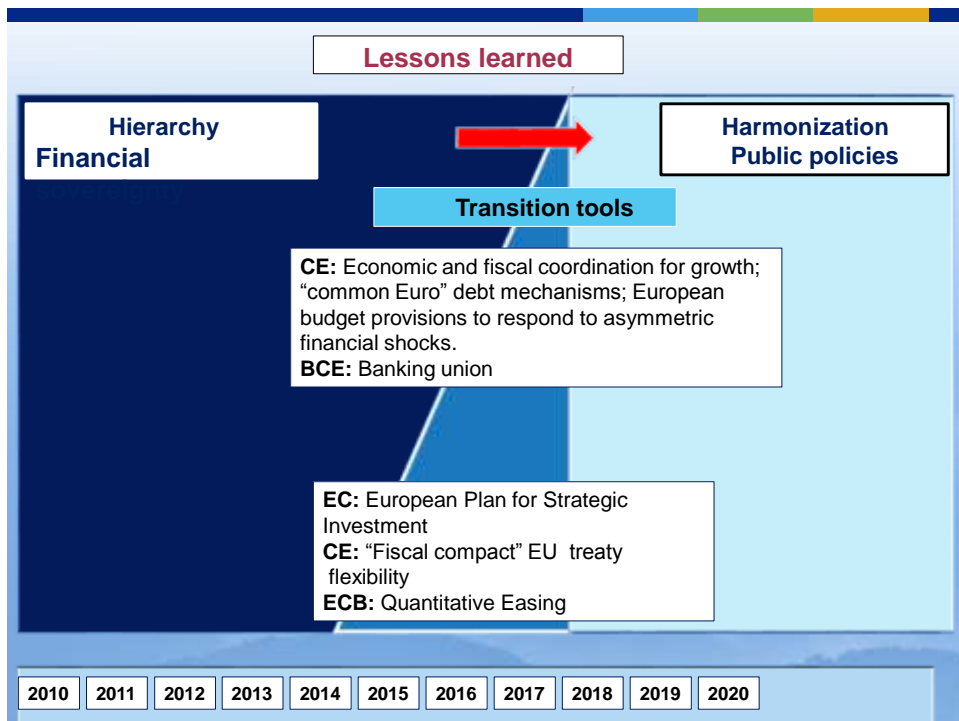
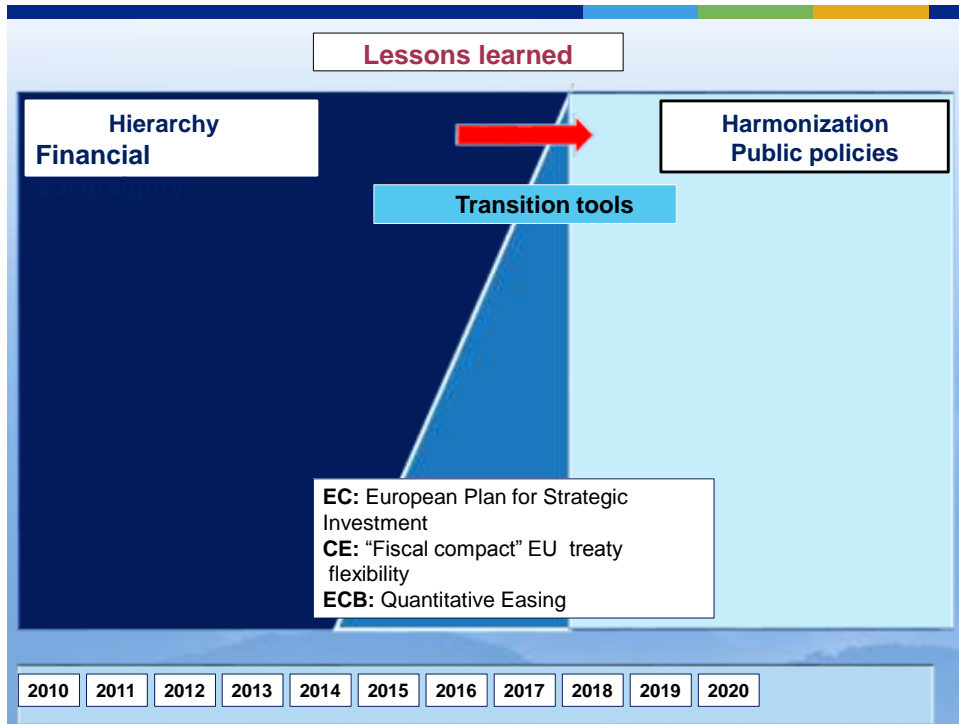


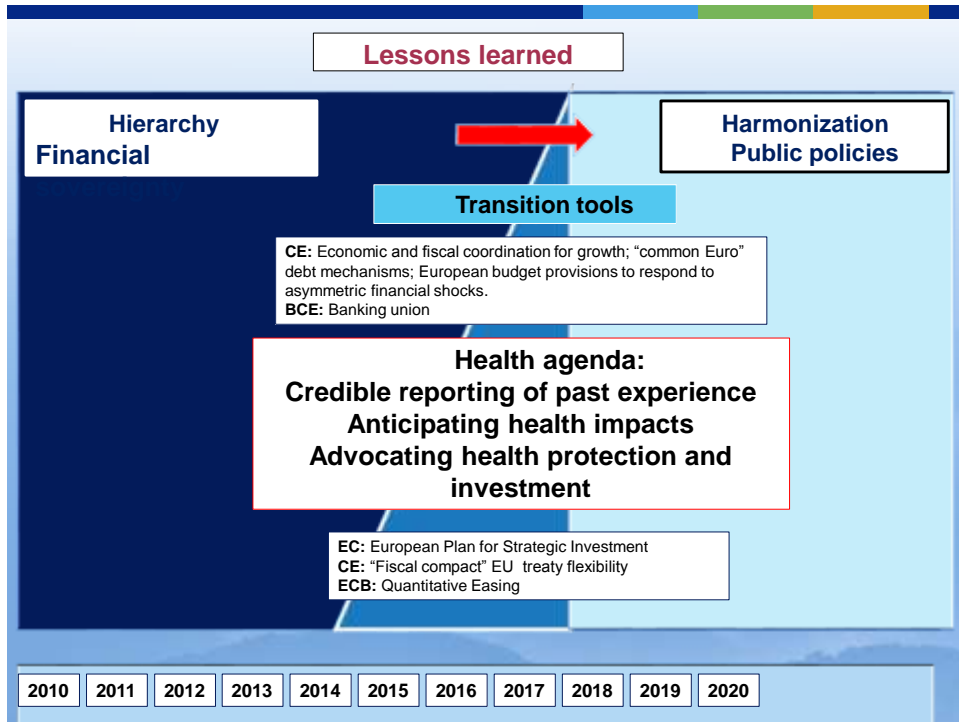












### Questions and answers

1.  
Is there evidence that severe and abrupt rise in unemployment, indebtedness and poverty are likely to affect health?
2.  
Are there indications that national and European authorities have undertaken health impact assessment exercises in order to anticipate the health effects of “economic and financial adjustment programs”, in the counties where these programs were implemented?

### Questions and answers

1.  
Is there evidence that severe and abrupt rise in unemployment, indebtedness and poverty are likely to affect health? **YES**
2.  
Are there indications that national and European authorities have undertaken health impact assessment exercises in order to anticipate the health effects of “economic and financial adjustment programs”, in the counties where these programs were implemented? **NO**