



Contract for a Healthy Future

The MedTech industry in 2015

***“European health systems
have achieved great success
but are now generating even
greater concern”***

Future-proofing Western Europe’s healthcare

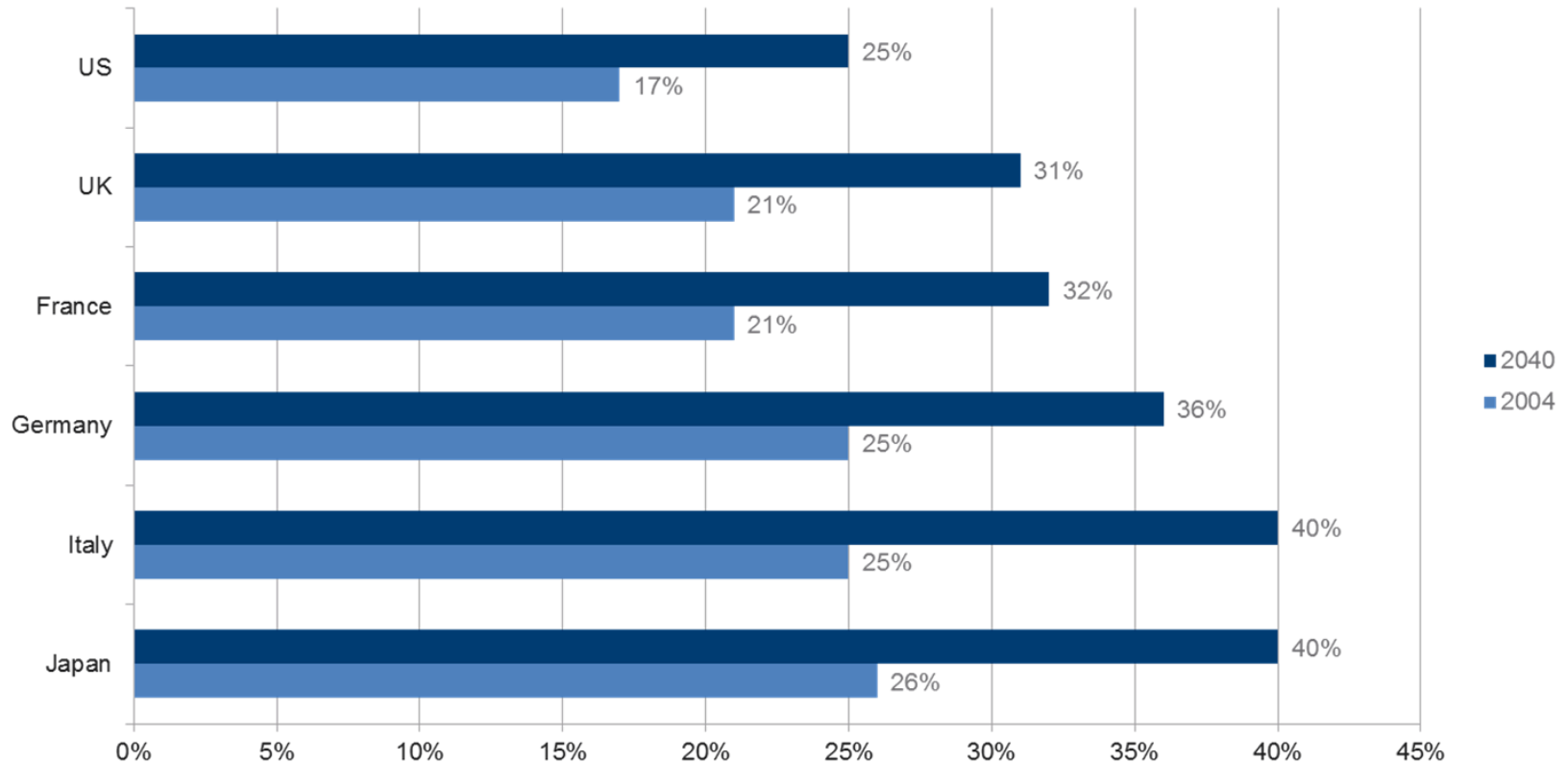
Economist Intelligence Unit, October 2011

Content

1. Crisis or Trend?
2. Implications for the healthcare sector
3. The changing course of the MedTech industry
4. Everybody has a role to play

Demographics driving demand for healthcare

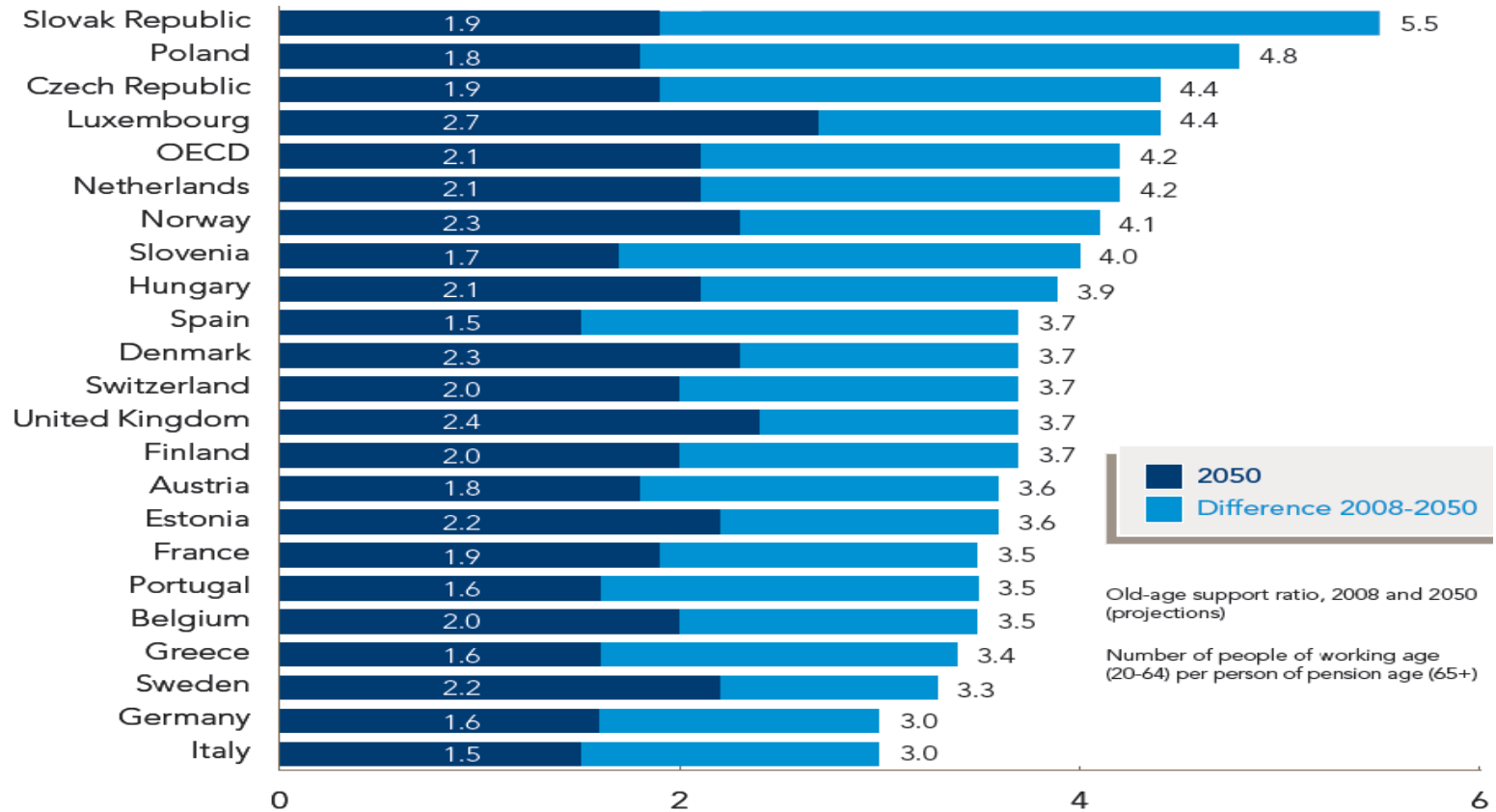
% of Population Over 65 Years of Age



Source: The Silver Book: *Chronic Disease and Medical Innovation in an Aging Nation*
Partnership for Solutions 2004, *Chronic Conditions: Making the case for ongoing care*

Working versus pensioned population (65+)

2050 ← 2008



Shortage of health workers in the EU

  Directorate-General for Health & Consumers

Shortage of health workforce in the EU

- By 2020: approximately **1.000.000*** health workers missing
- This means that almost **15%** of the necessary care will not be covered
- The figure of **1.000.000** **doubles** if long-term care and ancillary health professions are taken into account

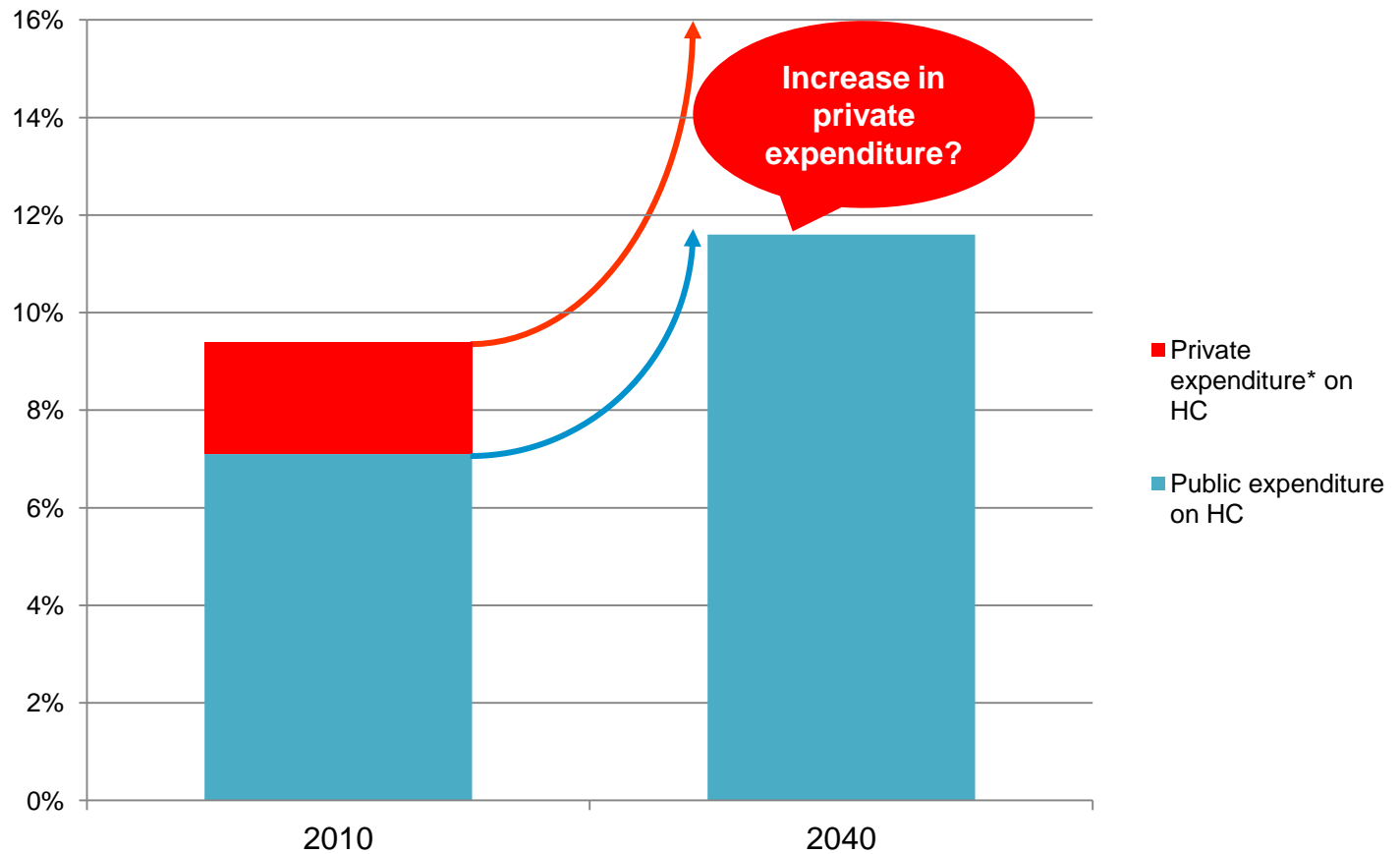
* Commission estimates

3

Source:
Directorate-
General for Health
& Consumers
31 May 2011

Public and private expenditure on healthcare in Europe

Public healthcare spending as % of GDP in European Union 27



* Private expenditure for 2009, EU27 (except Bulgaria, Cyprus, Latvia, Lithuania, Malta, and Romania)

Source: European Commission, EPC; OECD, Eucomed calculations

“If Europe wants its citizens to be healthy...it must innovate more to deliver better healthcare, to more people, in a more efficient manner”

John Dalli, EU Commissioner for Health

26 September 2011, Parliament Magazine

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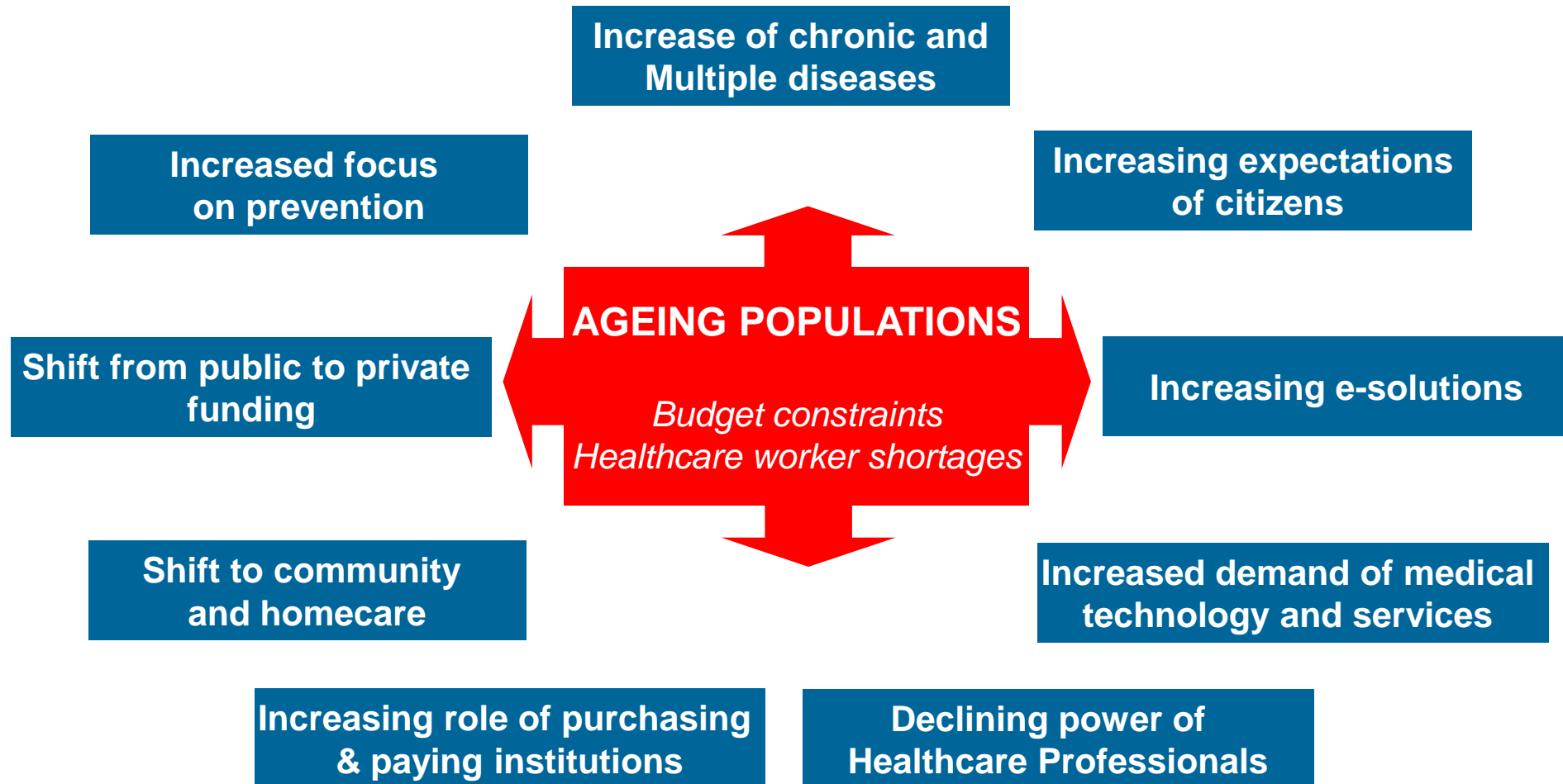
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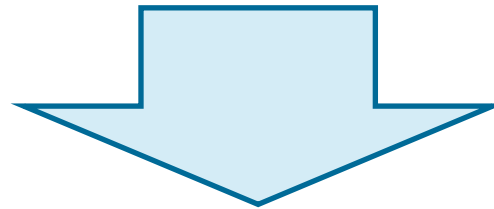
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Ageing populations are driving change in healthcare



Healthcare models need to change

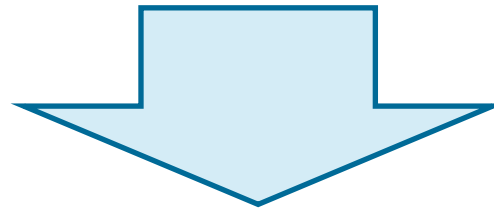
- **Better health**
- **More people**
- **Constrained budgets**
- **Fewer carers**



New approach in healthcare management models

Future healthcare models

- Integrate patients as active players to *improve health and limit increase in demand*
- Address the entire patient pathway to *reduce treatment costs*
- Overcome silo-budgeting of healthcare to *reward health outcomes*



Increasing productivity and cost efficiency of healthcare systems will become key focus for payers and policy makers

“The medical technology industry recognises that the current business model is coming to the end of its lifecycle”

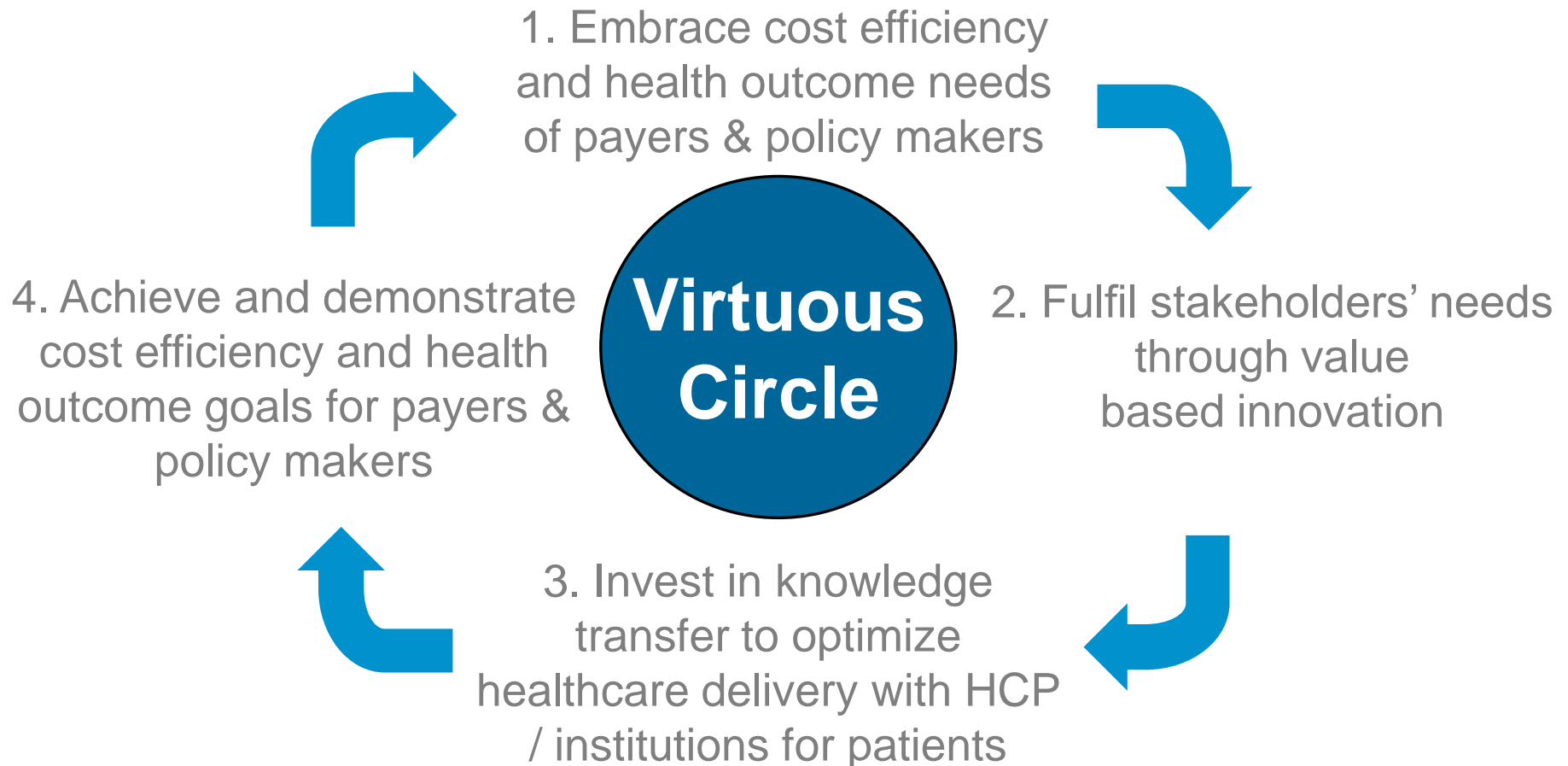
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Eucomed, October 2011

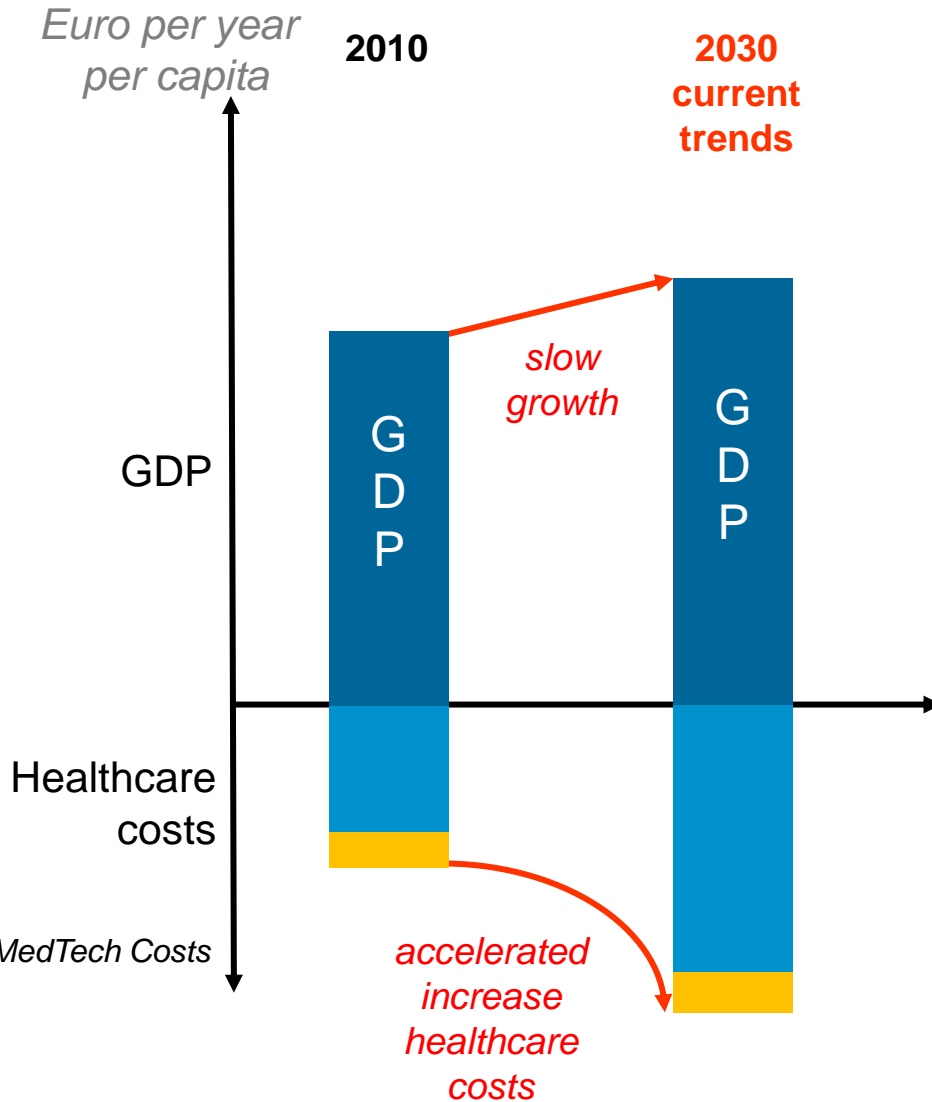
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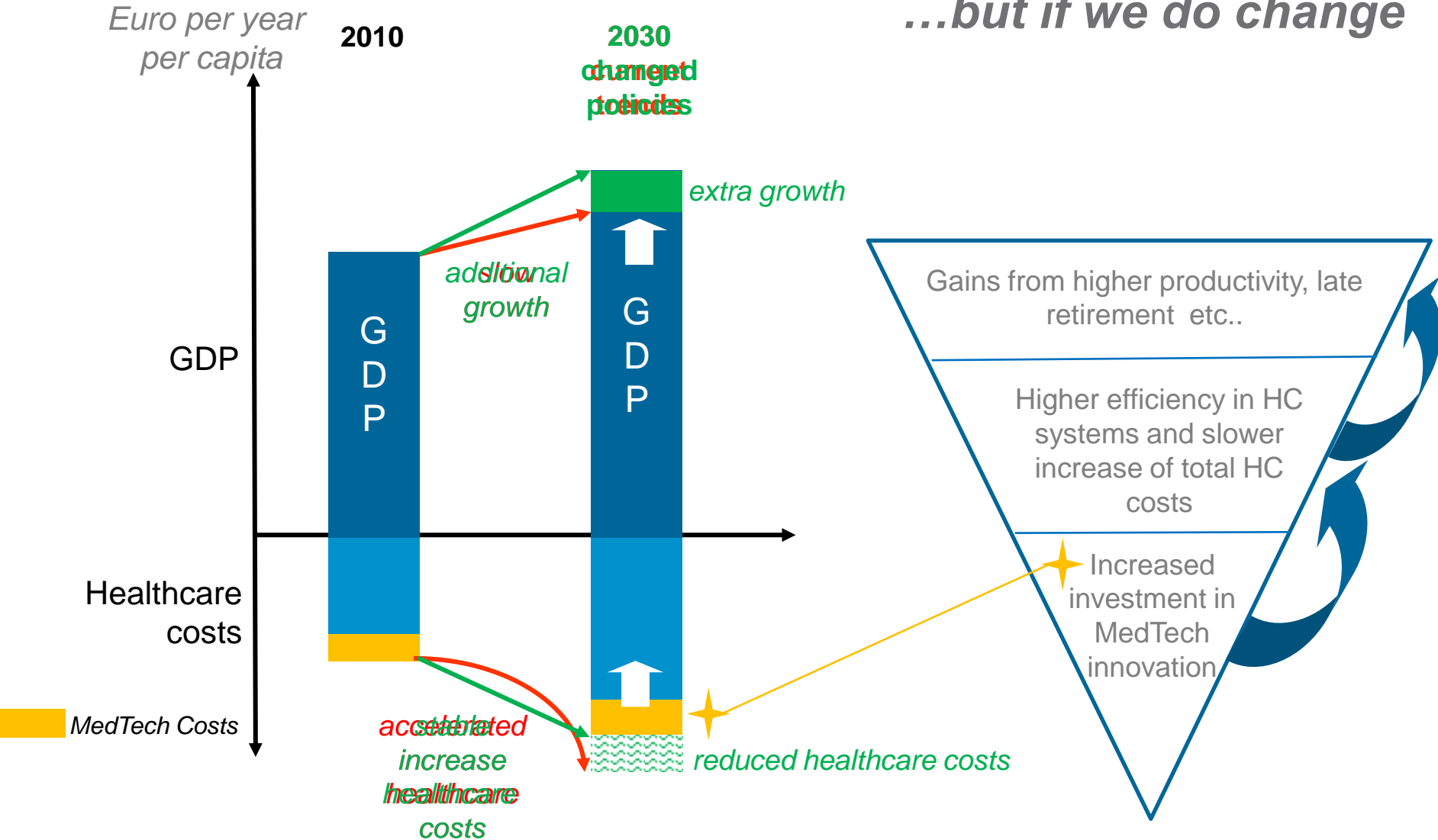
Changing our mind-set and business model



If we don't change...



...but if we do change



The Contract for a Healthy Future – what we will do

1. Acknowledge the need for **change**
2. **Embrace**, achieve and demonstrate cost-efficiency and health outcome needs of payers and policy makers
3. Fulfill stakeholders' needs through **value-based innovation**

The Contract for a Healthy Future – what we will do

4. Invest in **knowledge transfer** to optimise healthcare delivery, with healthcare professionals and institutions for patients

5. Provide medical technology innovations that ensure sustainable, **accessible** healthcare and healthy ageing

6. Require our members to sign the **Eucomed Value Charter** by 2015

“If Europe wants its citizens to be healthy...we need innovation in products, services, organisation, delivery and financing”

John Dalli, EU Commissioner for Health

26 September 2011, Parliament Magazine

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The Contract – what you can do

Policy Makers

- Foster **access** to new technology
- Build better **cost models** and end silo-based budgeting

Payers

- Achieve health productivity and efficiency by **prioritising value** not price
- Reward innovations which **address the challenges** facing society

Healthcare professionals

- See **technology as an enabler** of change
- Embrace the **power of patients** and other stakeholders in health decision-making

Healthcare institutions

- Work **together** for productivity
- Embrace bold changes to **how care** is delivered

Patients

- Play a more active role in managing their **own care**
- Be **open** to new care models and settings

***“Change is never easy but it
is imperative.***

The status quo has to go”

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Eucomed, October 2011