Abstract of advisory report:

[The Future of Dutch Healthcare: A Study]

[(Verkenning Zorg voor de Toekomst, 2020)]

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1 Urgency, questions and underlying assumptions

Urgency of the problem: growing pressure on healthcare system

The Dutch healthcare system is based on the principle of solidarity. Its standard of performance is good and it is accessible, affordable and of good quality. Pressure on the system is growing, however. The Council recognises the urgency of this issue. Healthcare is already under stress and the strain will only increase in the medium and long term. Healthcare professionals face heavy workloads and regulatory pressure. There are serious staff shortages in some healthcare sectors, raising concerns about the quality and continuity of patient care.

The staff shortages are expected to grow in the years ahead. A shortfall of 80,000 healthcare workers has been forecast for the year 2022, 60,000 of which will be in nursing, treatment and home care. A shortfall of this kind will put growing strain on the accessibility and availability of care.

The rising demands made on the healthcare system mean that economic forecasts hold out little prospect of improving public purchasing power in the medium to long term. The expectation is that any limited growth in real wages will be largely offset by a surge in the cost of financing the healthcare system in particular. This limits the margin in company- and sector-level collective bargaining for improving the incomes for working people at all levels of society. At the same time, however, healthcare workers' wages must be competitive to ensure that jobs in the sector remain appealing.

Long-term forecasts suggest a doubling of spending on healthcare. The demand for care is rising sharply, partly due to the ageing of the population, while the growth of the labour force is levelling off. Expenditure on healthcare is rising faster than government revenue. The demand that healthcare is making on the labour market will also increase, from almost 1.4 million workers now to more than 2 million in 2040. Moreover, while there is a growing need for informal forms of care, the number of people who can provide such care is falling sharply. In the longer term, the question is whether healthcare can remain affordable, but also how it can be organised and remain available, and, in turn, how it can remain accessible and of good quality.

In interpreting and explaining such forecasts, it is important to remember that they outline possible future trends while assuming that policy remains unchanged. The question is where to find scope to ensure the long-term viability of the healthcare system so that everyone who needs care in the future can receive it.

The questions addressed by the Council

In the light of the above, in mid-2018 the Ministers of Health, Welfare and Sport asked the Council to study the long-term affordability of healthcare in the Netherlands. The cost of sustaining the system threatens to squeeze out other major outlays and puts pressure on purchasing power. The key question for the ministers is how we can ensure

that everyone will continue to receive the care they need in the future. This will require a shared understanding of how to meet the growing and changing demand for care and support in the future, and how to control healthcare expenditure. The ministers also asked the Council to address, in specific terms, the impact of rising healthcare expenditure on the Dutch economy and our labour market in particular, its socio-economic implications for the principle of solidarity on which our healthcare system is based, the boundaries within which healthcare and healthcare expenditure may evolve over the coming decades and, finally, whether there is any added value to imposing politically defined standards on expenditure growth and/or on the pressure that healthcare places on the labour market, whether such standards can help to control healthcare expenditure, and how public support for such standards can be secured and embedded institutionally.

The ministers also asked that the Council explore the full breadth of care and consider the relationship between healthcare and other domains, for example education, the labour market, housing, spatial planning and enterprise in the Netherlands. The Council was to ensure broad engagement from society in this process and coordinate its work with the study being carried out by the Scientific Council for Government Policy (WRR) on the same topic.

Council focus on sustainability
The Council has opted to take a broad and integrated view of the sustainability of the healthcare system by looking at its long-term viability. In doing so, it has considered various aspects of the healthcare system as interrelated and interwoven components. This means looking more broadly than affordability alone, in the sense of controlling (collective) healthcare expenditure. Affordability must be regarded in conjunction with quality and accessibility. As the Council has stated in previous advisory reports, healthcare expenditure, the healthcare labour market and the actual work of healthcare must be considered in relation to one another. Good-quality care, an adequate number of healthcare professionals and controlled expenditure are essential to the pursuit of affordable and accessible care. This is about the importance of healthcare for the welfare of society going forward, where support for and the solidarity of the healthcare system, the healthcare labour market, and the organisation of healthcare all converge.

Procedure: dialogue session, working visits and analyses
To prepare for the study, in 2019 the Council organised a dialogue session on 'the autonomy of healthcare professionals' with some 70 professionals active in various healthcare sectors. It also paid a working visit to a hospital under the theme 'the right care in the right place' and to a healthcare organisation where businesses, knowledge institutions and healthcare professionals are cooperating to improve the lives of people with disabilities by delivering technological innovations. The WRR joined the Council's committee as an observer.

In addition, the Council analysed a number of factors relating to the projected rise in healthcare expenditure, i.e. support for the healthcare system, solidarity in the healthcare system, a review of the policy aimed at controlling healthcare expenditure, instruments for controlling healthcare expenditure, forecasts of healthcare expenditure over the coming decades, the autonomy of healthcare professionals, the digital transformation in healthcare, waste in healthcare, and preventive healthcare.
The findings of the dialogue session and working visits have been factored into the analyses and have contributed significantly to the conclusions and considerations set out in Chapters 7 and 8 of this study. The minutes and reports are given in the appendices.

2 Summary of analyses

The value of healthcare for Dutch society
The Council observes in Chapter 2 that the Netherlands has a good-quality and easily accessible healthcare system that delivers a solid performance, but that the system is under growing pressure. The public is proud of the healthcare system and there is strong public support for the principle of solidarity in healthcare. However, people are also worried about the growing waiting lists, staff shortages and healthcare costs. There

is no doubt that the high level of spending is counterbalanced by many benefits. Healthcare makes an important contribution to Dutch society, the labour market and the economy by improving the quality of life, labour productivity and the employment participation rate.

Healthcare expenditure and financing
Healthcare expenditure, the subject of Chapter 3, rose over an extended period but appears to have stabilised or even declined slightly in recent years. This trend is attributable in part to the success of cost control measures, but also to an acceleration in economic growth. Various instruments have been used in recent decades to control the rising cost of healthcare. Many of these measures focus on price, volume, budget, market regulation and cooperation (or a combination of the above). While these policy instruments are often aimed at curbing expenditure growth, it is important to note that their impact is often temporary because their unforeseen spill-over effects often meet with public resistance. As a result, constant monitoring and adjustment are required while keeping an open mind to new instruments.

Forecasting the demand for care and healthcare expenditure
Chapter 4 surveys forecasts of the demand for care and expenditure on healthcare in the decades ahead. The forecasts show that the demand for care will rise sharply over the next two decades, with healthcare expenditure doubling in the same period.

Factors behind this growth are rising prosperity and incomes, demographic trends and in particular the ageing of the population, improvements in technology and high labour intensity in the healthcare sector. There are various issues associated with the ageing of the population: more people with chronic diseases, more loneliness among the elderly, and more stress-related health problems among younger people, workers and informal caregivers. According to international forecasts, projections concerning the rising demand for care and higher healthcare expenditure in the Netherlands are consistent with general forecasts for other countries.

3 Four main conclusions

Main conclusions
After reviewing the conclusions and considerations of the individual chapters, the Council has arrived at four overarching conclusions addressing the following topics: continuous reflection on which forms of care are and are not covered under the basic health insurance package; a long-term and consistent commitment to primary and secondary prevention; a well-organised digital healthcare infrastructure; and a system in which healthcare professionals have more autonomy. These topics have something in common, i.e. the better they are organised, the fewer problems arise in terms of the accessibility, quality and affordability of care.

Controlling expenditure is an ongoing process: we must continue to work towards appropriate care
As noted in Chapter 4, we must allow for the fact that healthcare expenditure will continue to rise in the future. Chapter 5 explains that we can mitigate this rise by pursuing the same path as in previous decades, i.e. by critically examining which care is appropriate and worthwhile enough to maintain coverage under the basic health insurance package (both in a cure/care setting and within the boundaries of the municipal healthcare services), which forms of care can be added or removed, whether our healthcare practices are sufficiently evidence-based and worthwhile, and whether we can take a smarter approach to organising care. This will remain necessary because circumstances in society are constantly changing and because past experience has shown that no one solution remains effective over a longer period.

In addition, the Council suggests that the transfer and replacement of care must be coordinated more efficiently. This will require not only finding workable solutions for the (in some instances assumed) financial and organisational barriers within and between healthcare domains but also removing any financial or other incentives for shifting the responsibility for care onto other domains. The Council also believes that it will in many

cases only be possible to identify the right regional or sector-specific organisational or financing models if there is more legal and financial scope for collaboration, experimentation and mutual learning.

The chapter concludes with reflections on the active management of the basic health insurance package and how to encourage an approach that facilitates 'the right care in the right place'; proper use of care and appropriate care; coordination of supra-regional and theme-driven cooperation in connection with the transfer of care between domains; removal of the barriers between domains and of any financial incentives for shifting the responsibility for care to other domains; scope for experimentation with new organisational and financing models; and encouragement of cooperation in the municipal healthcare domain.

Towards integrated, cohesive and decompartmentalised prevention
Prevention efforts generate a high return on investment in terms of both health and societal benefits, including a higher employment participation rate, higher productivity levels and fewer socio-economic disparities in health outcomes. Therein lies its enormous public value. There is no reason not to capitalise on this value, a point that is discussed in more detail in Chapter 6. Prevention is not a panacea for rising healthcare expenditure, however. Preventive healthcare mitigates the demand for care, but that demand and the associated expenditure are not eliminated entirely when people live healthier lives for longer. Many of the benefits of prevention do not in fact accrue to the healthcare system.

The same is true of the delivery of preventive healthcare: many prevention activities are already taking place outside the healthcare domain. That will need to happen even more frequently in the future, something that calls for a broad approach to prevention that encompasses multiple policy domains, including education, employment, wellbeing, and work setting and living environment. Integrated prevention of this kind requires closer cooperation, not government and professional compartmentalisation.

To maximise the considerable added value of prevention for public health and wellbeing, employment participation and productivity, a long-term outlook, long-term financing and government perseverance at national, regional and local level are essential. The point, after all, is to modify individual and collective behaviour, societal norms and values, and interventions in the social and physical environment.

This chapter concludes with considerations concerning the long-term outlook for prevention, the empowerment of local communities and integrated prevention programmes focusing on work, housing, public safety and debt; the school as an important locus of physical activity, health and wellbeing for children and adolescents; work as one of the most important domains for prevention (first of all by ensuring a safe and healthy working environment, curative and preventive occupational health and safety, and second by pursuing individual and collective vitality policies); and finally, the structural financing of prevention efforts with scope for private investment.

Take advantage of digital transformation opportunities
Healthcare would benefit greatly if the digital transformation were firmly embedded in the core processes involved in its organisation. That is the topic of Chapter 7, which discusses a broad spectrum of innovations of direct relevance to patients and healthcare professionals, such as apps and wearables, and those taking place behind the scenes of healthcare organisations, including the use of artificial intelligence to support professionals and patients. The benefits are still uncertain and largely contingent on the form that the digital transformation will take, but if successful, it will likely result in better and available care for patients, more professional autonomy, less regulatory pressure and better quality work for healthcare professionals, and better quality and continuity of care for healthcare organisations. The success of the digital transformation in healthcare and its ability to deliver real benefits going forward also depend on having a sound IT infrastructure in the healthcare sector.

This means pushing forward with the Electronic Health Record. If there is insufficient progress or no tangible result in the first half of a new government term in office, an alternative should be prepared and implemented in good time, encompassing the development and introduction of a nationwide mandatory system for the entire healthcare sector. The Council is signalling to all the stakeholders involved, including IT companies, that they must commit to making rapid progress on facilitating secure and easy data transfer in the interest of healthcare professionals. Once data transfer has been streamlined within the current healthcare system, the logical next step is to look at how data can be used more widely for new applications, for example in AI and big data. A regulatory framework is also to manage this process; the Council would refer in this context to the Finnish Act on Secondary Use of Health and Social Data.

To take full advantage of the benefits of the digital transformation, we must overcome the 'not invented here' syndrome. Good examples of innovative projects in healthcare should be rapidly scaled up nationwide and made the standard. This requires a more active role on the part of all stakeholders in healthcare, in the case of professional associations so that they can incorporate best practices into their guidelines and work with them on the ground, in the case of the National Health Care Institute through its Care Evaluation and Appropriate Use programme, and in the case of health insurers by pursuing active procurement with differentiation in coverage. Supra-regional and theme-based cooperation can also help to speed up the standardisation of proven examples of quality care for patients.

The digital transformation can only be accomplished if all the stakeholders – innovative companies, healthcare providers, healthcare professionals and patients – work together. Technological innovation is impossible without social innovation, which can circumvent problems in many other areas of care. Assuming that the Dutch healthcare system will need to deliver more care with a smaller number of healthcare professionals, digital support will be required to help them meet the demand for care. That is why it is important to involve healthcare professionals in designing digital solutions. At present, that is often not the case. While it is true that there are some good and encouraging projects under way, too many are not being scaled up, a process that requires more coordination by government.

In conjunction with this, training programmes should better prepare healthcare professionals for the far-reaching impact of the digital transformation on their main work activities so that they receive the best possible digital support for their work.

This chapter concludes with considerations regarding the direction and coordination of the digital transformation; how to push forward with the EHR; scaling up and continuing best practices and guidelines for 'the right care in the right place' and appropriate care; commitment to supra-regional and theme-based cooperation; getting all actors to overcome the 'not invented here' syndrome; and finally, incorporating the digital transformation into the training and on-the-job learning of healthcare professionals, with a particular focus on groups in society that are finding it difficult to adapt to the digital transformation.

Towards a stable healthcare market with more autonomy for healthcare professionals
Working in healthcare and the healthcare labour market are the subjects of Chapter 8. Various segments of the healthcare sector are facing sizeable staff shortages at the moment, and these are expected to increase in the future. While the influx of new healthcare professionals is growing, in part thanks to the labour market campaigns waged by various healthcare and government organisations, the sector is still experiencing a major exodus of people. Healthcare workers face a heavy workload and the position of the healthcare professional is itself under pressure. They also have to contend with considerable regulatory pressure, have little leeway to arrange their work as they see fit, spend a lot of time on administrative tasks, and have little autonomy to apply their professional skills and expertise and exercise their professional judgment. All this has resulted in a heavy workload, a high rate of sickness absenteeism and high staff turnover levels, driving professionals into self-employment. System overhauls and policy

initiatives often aggravate the problem inadvertently. The fact that healthcare professionals can only exercise limited autonomy is a long-standing issue stemming from the way in which we have organised our healthcare.

Good-quality care, however, demands that healthcare professionals are accorded a fully-fledged position specifically in their relationship with their patients. Safeguarding that position requires meeting a number of conditions, as the Council previously outlined. The relationship between patients and healthcare professionals benefits when the latter can apply their experience and skills at their discretion, when they have access to favourable employment terms and good working conditions, and when they can exercise autonomy and control over their own work. That calls for a structural approach that goes beyond current initiatives. Efforts must be made to build a system based on trust in our healthcare professionals, in which they are able to exercise professional autonomy and to make time for patients and colleagues, and in which they are appreciated for their work. Building this system involves working in consultation with healthcare professionals, healthcare providers and patients.

Budgetary and other policies must be stable over a longer period to facilitate good employment practices and leadership, and to retain healthcare workers and offer them more certainty. Full-time or near full-time jobs and combining jobs should be actively supported, but that is only possible if we simultaneously consider the broader cultural and institutional aspects of the labour market and the practical obstacles that healthcare professionals and organisations come up against. Healthcare professionals need to be better prepared for the far-reaching changes in their work. Special attention should be devoted to the digital transformation, to cooperating and organising care across healthcare boundaries, with a particular focus on cultural diversity in the group of healthcare professionals and patients, not only for those who already work in healthcare but also for those being trained by incorporating these dimensions into the curricula for healthcare educational programmes.

More will be required of informal forms of care in the coming years, even though the group of people who deliver this care is growing smaller. There must therefore be firmer support for informal forms of care, especially for people who combine working in the healthcare sector with delivering informal care. The Council will study this issue in greater detail, in response to the Minister's request for advice of 24 February 2020 on how best to support working informal caregivers.

This chapter concludes with considerations regarding giving healthcare professionals more autonomy and reducing regulatory pressure on them; preparing healthcare professionals better for radical changes in their work (including the digital transformation); policy and financing stability for healthcare; sustainable employability of healthcare professionals; having enough traineeships and trainee supervision in healthcare; working towards full-time or near full-time jobs in healthcare and the conditions necessary to achieve this; properly managing the rise of self-employment in healthcare; and finally, supporting good employment practices and leadership and scaling up good practices.

Final considerations

Consistent, long-term policy and cooperation

In the Council's view, all of the foregoing conclusions offer opportunities worth harnessing. These efforts will improve the long-term sustainability of the healthcare system, especially if commitment to the relevant policy can be sustained over multiple government terms. This calls for commitment on the part of all parties in the healthcare sector – from healthcare professionals, from the national government, from local authorities, from healthcare providers, from healthcare insurers, and from healthcare entrepreneurs. All stakeholders need clarity over the longer term.

Sustainability, labour market, organisational capacity

At the same time, the Council observes that the demand for care will rise sharply over the next few decades. If healthcare continues to be organised as it currently is, it will

not be sustainable over the longer term. The problem is primarily an organisational one and a labour market issue. This means that the long-term sustainability of healthcare will require linking different policies and connecting the labour market and the digital transformation; it also means finding the right way to match the supply of and the demand for care and ensuring cooperation at local, regional and national level.

Further thought
Finally, the Council notes that there are a number of issues related to the long-term viability of the healthcare system that require further thought. These are issues that touch on the governance of healthcare, which the Council interprets as encompassing such concepts as organisational capacity, decompartmentalisation, cooperation and regionalisation. If the healthcare system is to take a smarter approach to organising care by cooperating across legal, regulatory and sector boundaries, then it is advisable to consider how this new approach will affect relationships between the cooperating parties and what is needed to support and structure that desired cooperation.

One of the issues at stake is how to deal with the demographic consequences of an ageing and dejuvenating population in the longer term. In the forecasts, the ageing of the population is an important factor behind the growing demand for care and rising expenditure on healthcare. Care for the elderly is a societal issue that extends beyond the financing of elderly care and the associated labour market. The growing demand for care among the elderly is driving up expenditure, and there will not be enough people in the coming decades to meet the ever-expanding need for staff resulting from this growing demand. The options for dealing with these issues examined in this study have implications for healthcare governance that must be given further consideration. Also meriting further consideration are the financing issue, potential new forms of accommodation and care (numbers of units and residential arrangements) that bridge the gap between living at home while receiving care and living in a nursing home, and spatial planning.

Such issues also play a role in youth care, where access and availability are under growing strain. Patients, care professionals, care providers and local authorities face limited accessibility, high implementation costs and financial shortfalls. These issues raise questions about the governance of youth care. How should relationships between the cooperating parties be structured, and what is needed to support and organise the right care for our young people? The Council will examine the possibilities.

A major effort is needed to ensure the long-term sustainability of the healthcare system so that everyone who needs care in the future can receive it. That effort must be consistent, vigorous and sustained over many years, and must be undertaken in cooperation with all stakeholders in the healthcare system and beyond. A broad social coalition of parties will need to be assembled to initiate this process of transition.

Corona crisis

The Council carried out the study in 2019 and completed it in early 2020. At the time of publication, we are still in the midst of battling the coronavirus pandemic. The top priority at this moment is to protect public health and to treat and care for those infected with the virus. The questions underpinning this study have not been rendered obsolete or irrelevant by the coronavirus crisis. In the Council's view, the analyses, conclusions and considerations concerning the various issues remain unaltered and in fact have even become more pertinent in certain respects. In the face of this crisis, we are seeing the public, businesses and healthcare organisations adopting a variety of similar practical initiatives meant to address these issues. The coronavirus crisis has shown us in the most urgent way imaginable how vulnerable certain groups are in our society and in our healthcare system, and where our institutions display weaknesses. A further question is how well our society and our healthcare system can and should prepare for future crises. How do we handle the dilemma between acute and scheduled care? And how should we organise the healthcare and collective prevention

infrastructure? While the Council considers these issues important, it does not feel that the time is ripe to ask these questions and draw conclusions. An assessment of this kind must be postponed until a later date.

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