

Making the link: Improving Health and Health Equity through Strong Social Protection Systems

POLICY
PRÉCIS

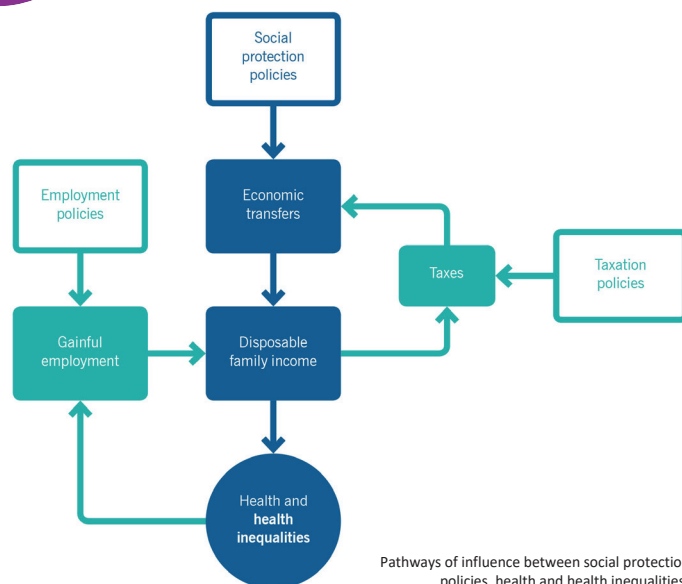
The Situation

Social protection systems are systems, which help people meet needs in life and protect against risks. Those needs and risks can be associated with parental and caring responsibilities, sickness, healthcare, disability, old age, housing, unemployment, and social exclusion. Examples include **social assistance** and **social insurance**, as well as emerging **minimum** and **basic income schemes**. These are 'safety nets', and ways to reduce relative poverty and income inequalities. Social protection measures can also include **investments in creating healthy, resilient and equal societies and communities**.^{1,2,3}

Social protection is linked to our health and care needs from birth to old age. Equally, our health status affects our ability to contribute to social protection systems, and society as a whole. Healthier populations can more easily financially support themselves, their families, and their communities. Poor health reduces people's chances for quality employment, decreases productivity, and contributes to premature retirement – reducing income into old age. **Poor health is closely associated with the risk of falling into poverty and social exclusion.**

Young people, part-time and precarious workers, carers and older people are particularly at high risk of poor health linked to poverty and deprivation.⁴ Health inequalities are the differences in health between different groups of people which are avoidable by reasonable means.

“Social welfare spending is as important [as healthcare budgets], if not more so, for population health”⁷



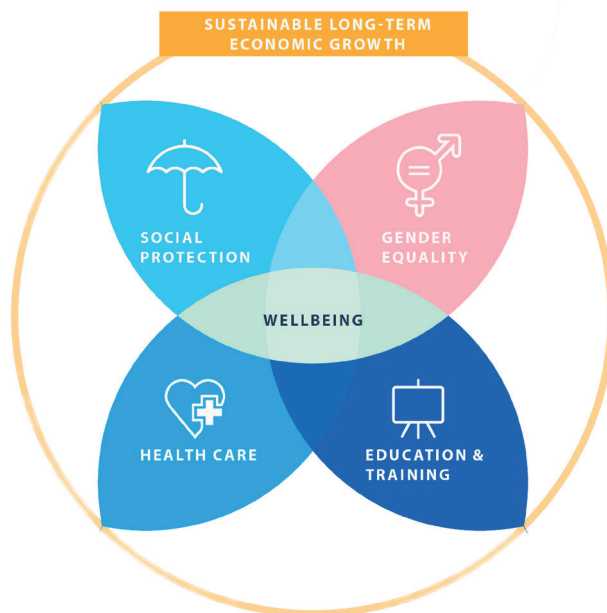
On average, 35% of health inequalities are "due to systematic differences in risk and exposure to income insecurity and the lack or inadequacy of social protection."⁵

Ensuring an adequate level and distribution of social protection over the life-course and according to need is an effective way to reduce health inequalities.⁶ An analysis of investment in health

and social protection in 25 European countries found that it also encouraged short- and long-term growth.⁷ Strengthening social protection will be crucial for a sustainable and just economic recovery from the COVID-19 pandemic.⁸ When designing social protection schemes, evidence has highlighted the importance of the

principle of proportionate universalism - universal services delivered at a scale and intensity proportionate to need.⁹

In the last decades, spending on social protection has varied across EU countries.⁹ Overall expenditure on social protection averaged 28% of GDP in the EU in 2016 and increased by just over 2% over the period 2005-2016.¹⁰ As a consequence of short-term austerity measures in public spending, in the aftermath of the 2008 economic crisis in Europe,¹¹ the financial capacity of social protection and health systems has been weakened.¹² Linked with increased privatisation of health care, population ageing and rising levels of chronic diseases,¹³ these developments have contributed to an increase in poverty, affecting 86 million people, including almost one in four children living in the EU.¹² Changing eligibility requirements, including for people in non-standard work contracts, mean people are “falling through the gaps”, leading to delays and income losses, increased financial insecurity, and worse physical and mental health.¹⁴



15

EU Policies and Programmes

Social protection has been an important part of European social models for a long time. At the European level, several mechanisms exist:

- The **European Pillar of Social Rights (EPSR)** is a set of 20 principles and rights covering equal opportunities and access to the labour market, fair working conditions, and social protection and inclusion. It covers quality universal curative and preventive health, long-term care, and social services as well as the “right to adequate minimum income ensuring a life in dignity at all stages of life, and effective access to enabling goods and services”. Progress is measured with the ‘**Social Scoreboard**’.
- The EPSR influences the **European Semester** (Europe’s fiscal, economic and social policy coordination mechanism) and EU budget priorities, contributing to EU Resilience and Recovery plans, programmes and funds, including under the **Next Generation EU**.
- **EU funds and programmes** focusing on health and social investments include the **European Social Fund Plus (ESF+)**, with an **Employment and Social Inclusion (EaSI)** strand and **EU Child Guarantee**.
- The **EU 2016 Joint Report on Health Care and Long-Term Care Systems and Fiscal Sustainability**¹⁶ (plus 2019 country updates¹⁷) laid out challenges and opportunities for European health and long-term care systems from social investments perspectives. It recommended ensuring fiscal sustainability of systems through “cooperation between those who finance and those who organise care”, including for better health promotion and disease prevention. Those challenges now need to be addressed in the context of COVID-19.
- **Council Recommendations on Access to Social Protection for Workers and Self-Employed** (2019) commit Member States to extend the coverage of social protection systems to ensure that “no one is left behind and that everybody has the right to adequate benefits if they fall ill, have an accident or enter parenthood, become unemployed or retire”.¹⁸
- The **EU Social Protection Committee** is an advisory policy committee to the Ministers in the **Employment and Social Affairs Council (EPSCO)**.¹⁹ It aims to achieve EU goals in the area of social policy, namely for social protection and inclusion, pensions, health- and long-term care, including in a context of the **European Semester** annual cycles. It prepared **Council Conclusions on Strengthening Minimum Income Protection to Combat Poverty and Social Exclusion in the COVID-19 Pandemic and Beyond**.²⁰

UN and International Approaches

- WHO Europe's **2019 Health Equity Status Report and Policy Tool** recommend investing in “policies that ensure basic income security and reduce the adverse health and social consequences of poverty over the life-course”.²¹
- WHO Europe's report **Universal basic income policies and their potential for addressing health inequities**⁸ steers countries to help protect people from increased economic pressure while lifting conditionalities, to increase the impact of other welfare policies, such as education and health, and to re-incentivise employment and savings.
- **UN Coalition for Social Protection** and the **ILO** lead a **Social Protection Floor Initiative**, promoting a minimum package of essential services (including access to healthcare) and social transfers, facilitating the enforcement of economic, social and cultural rights for the vulnerable. **UN/G20's Social Protection Floors Recommendation no.202** reaffirmed that “persons in need of health care should not face hardship and an increased risk of poverty due to financial consequences of accessing essential health care”.²² Combining preventative, promotional and active measures, benefits and social services is recommended.

Making it Happen

Many countries are exploring changes to social protection systems to promote good health and health equity, support the recovery from COVID-19, and reach the Sustainable Development Goals.

Finland

In Finland between 2017-2018, 2,000 randomly selected recipients of unemployment benefits were paid €560 **of a monthly basic income**. They were under no obligation to seek employment, and the payment did not reduce if they found a job. Results published in May 2020 show the scheme had minor positive impacts on beneficiaries' likelihood of securing employment, particularly families with children. More significantly, the scheme had a positive effect on mental health and wellbeing.²³ Participants had a better perception of their economic security and reported increased opportunities for social participation and autonomy.²⁴ The COVID-19 pandemic has attracted renewed interest in the idea of basic income.

Slovakia

The **Act on Assistance in Material Needs** scheme provides minimum income protection.²⁵ It includes five benefits: material needs benefit, activation allowance, protection allowance, allowance for a dependent child, and housing allowance. Beneficiaries are required to participate in labour market activation measures and a public works scheme. The Act was amended in April 2019 to introduce a regular indexation mechanism and

an increase benefits (except the housing allowance) of an average of 5%. Further improvements could be made by increasing benefits by more than 5%, reviewing eligibility criteria, and considering the number of children per household. Given the importance of living conditions on health outcomes, housing allowance could also be increased.²⁶

Scotland

Scotland aims to create an ‘economy of wellbeing’, in which health and reduced inequalities are central.²⁷ It has designed a **Triple I tool**, which aims to help national and local decision makers invest in policies and interventions with the largest impact on health and health inequalities, including in the field of income-based policies (taxation, benefits, minimum wage, etc.). Triple I tool models the potential impact of policies on overall population health and health inequalities by measuring the following outcomes: premature deaths, years of life lost, and hospital stays.²⁸ This makes Scotland one of the few countries in which anti-poverty and health-related rationales are at the centre of such interventions. The initiative is driven by a strong coalition between local government and the public health sector.⁸

Pathways to Progress

RECOVERY

- Several proposed programmes and funds within the EU Budget (MFF 2021-2027) could lead to progress from 2021. These are the new EU Health Programme (**EU4Health**), **InvestEU's** social investments window, the EU research and innovation fund (**Horizon Europe**), the new **resilience and recovery plans** linked with the **European Semester** and **Social and Cohesion Policy Funds**.
- The European Commission has been implementing the **EU Youth Guarantee** and has proposed a new **EU Child Guarantee** to ensure rights, protection and equal opportunities for young people.²⁹ Those should be developed and implemented locally, nationally, and at EU level. The guarantee can improve various socio-economic determinants of children's health and wellbeing, including health services, nutrition, housing, education and social inclusion support. Investments in protection against adverse childhood experiences, (poverty and social exclusion) are fundamental.
- Renewed EU approaches for active ageing, people from migrant and refugee communities and with chronic conditions are anticipated and needed, as identified through **Joint Action on Chronic Diseases CHRODIS PLUS**.³⁰

DECENT and HEALTHY WORK

- The European Commission has launched a renewed **EU Skills Agenda** to support digital, green and social transitions through recovery from the COVID-19 pandemic.³¹ This offers major opportunities for health, care, and social systems and their employees to develop. It can also help people across social gradients to gain life-long skills, including health and digital literacy, which are key to achieving decent work and creating fairer, healthier communities.

- For a sustainable recovery, the EU, Member States, and regions need to take forward legislation and agreements on good jobs for all, improving work/life balance, and fair working conditions. This includes gender and pay equity, and protecting and promoting safety and wellbeing at work. It should be addressed from training through to active retirement.³²

SOCIAL SUSTAINABILITY

- The '**economy of wellbeing**', a policy priority championed by the Finnish Presidency of the Council of the EU in 2019, is a policy orientation and a governance approach which aims to put people and their wellbeing at the centre of policy- and decision-making.³³ This prioritisation is an opportunity for much-needed investment in both European economies and the people and assets that drive them.
- The **2030 UN Agenda** and its universal SDGs recommend joint approaches towards full implementation of goals on healthy lives and wellbeing for all (SDG3), poverty eradication (SDG1), inequality reduction (SDG10), and inclusive and sustainable growth, decent and productive employment for all (SDG8).
- The EC Communication **Building a Strong Social Europe for Just Transitions** sets out an Action Plan to implement social rights, presenting EU initiatives to link social protection and health, proposing an EU **Unemployment Benefit Insurance Scheme**, reinforced **Youth Unemployment Initiative**, and a consultation on **Minimum Income**.
- Overarching, integrated and ambitious long-term European strategy promoting equity and wellbeing, poverty reduction, and social inclusion can offer guidance towards inclusive and sustainable economic recovery, stability and growth; and environmental protection by implementing the initiatives under **European Green Deal**; and a fair digital transformation to achieve ambitions set out in a **Europe Fit for the Digital Age** political priority.^{34,35}

For more information, visit www.EuroHealthNet.eu

EuroHealthNet is the European Partnership for improving Health, Equity and Wellbeing. We are active in policy, practice and research. Our unique focus is on reducing health inequalities through action on the social determinants of health, integrating sustainable development goals, and contributing to the transformation of health systems. The main members of the partnership are authorities and statutory bodies responsible for public health, health promotion and disease prevention at national, regional and local level. For further information and references visit www.EuroHealthNet.eu.

Published: October 2020



THE PUBLICATION OF EUROHEALTHNET POLICY PRECIS IS SUPPORTED BY THE EUROPEAN COMMISSION, THROUGH THE PROGRAMME FOR EMPLOYMENT AND SOCIAL INNOVATION (EASI 2014-2020). THIS PUBLICATION DOES NOT NECESSARILY REFLECT THE POSITION OR OPINION OF THE EUROPEAN COMMISSION.

Printed on recycled paper



EuroHealthNet

FOOTNOTES

- 1 WHO (2015). Health 2020: Social Protection and Health. Synergy between sectors: fostering better social and health outcomes. [online] Available at: https://www.euro.who.int/_data/assets/pdf_file/0019/324631/Health-2020-Social-protection-and-health-en.pdf
- 2 ILO (2017-2019). World Social Protection Report. [online] Available at: https://www.ilo.org/wcmsp5/groups/public/-dgreports/-dcomm/-publ/documents/publication/wcms_605078.pdf
- 3 ILO (1952). Social Security (Minimum Standards) Convention 102. [online] Available at https://www.ilo.org/dyn/normlex/en/f?p=NORMLEXPUB:12100:0::NO:P12100_INSTRUMENT_ID:312247
- 4 Lundberg O, Dahl E, Fritzell J, Palme J, Sjöberg O. (2016). Social protection, income and health inequities. WHO Europe Page 9. [online] Available at <https://tinyurl.com/yyoxy8d>
- 5 WHO Europe (2014). Review of social determinants and the health divide in the WHO European Region: final report. [online] Available at: <https://tinyurl.com/y6evelgw>
- 6 Boyce, T., Brown, C. (2019). Economic and social impacts and benefits of health systems. WHO Europe. [online] Available at: https://www.euro.who.int/_data/assets/pdf_file/0006/395718/Economic-Social-Impact-Health-FINAL.pdf
- 7 Stuckler, D., Basu, S., McKee, M. (2010). Budget crises, health, and social welfare programmes. BMJ, [online] Available at: <https://www.bmj.com/content/340/bmj.c3311>
- 8 Haagh, L., Rohregger, B. (2019). Universal basic income policies and their potential to a healthy, prosperous life for all. WHO Europe. [online] Available at: https://www.euro.who.int/_data/assets/pdf_file/0008/404387/20190606-h1015-ubi-policies-en.pdf?ua=1
- 9 Eurostat (2020). Social Protection Database. [online] Available at: https://appsso.eurostat.ec.europa.eu/nui/show.do?dataset=spr_exp_sum&lang=en
- 10 European Commission (2019). Social protection expenditure and its financing in Europe. [online] Available at: <https://ec.europa.eu/social/main.jsp?catId=738&langId=en&pubId=8253&furtherPubs=yes>
- 11 WHO Europe (2014). Economic crisis, health systems and health in Europe: impact and implications for policy. [online] Available at: <https://tinyurl.com/y5nqs5qn>
- 12 UN Europe and Central Asia (2020). COVID-19 and social protection in Europe and Central Asia. [online] Available at: <https://tinyurl.com/y3bgc4>
- 13 Scaratti, C. et al. (2018). Mapping European Welfare Models: State of the Art of Strategies for Professional Integration and Reintegration of Persons with Chronic Diseases. IJERPH, 15(4), p.781.
- 14 OECD (2020). Supporting livelihoods during the COVID-19 crisis: closing the gaps in safety nets. [online] Available at: <https://tinyurl.com/y5rmth9> [Accessed 3 September 2020]
- 15 Council of the European Union (2018). Infographic - The Economy of Wellbeing: going beyond GDP. [online] Available at <https://www.consilium.europa.eu/en/infographics/economy-wellbeing/>
- 16 European Commission (2016). Joint Report on Health Care and Long-Term Care Systems & Fiscal Sustainability. Volume 1. [online] Available at: https://ec.europa.eu/info/sites/info/files/file_import/ip037_vol1_en_2.pdf
- 17 European Commission (2019). Joint Report on Health Care and Long-Term Care Systems and Fiscal Sustainability – Country Documents 2019 Update [online] Available at: <https://tinyurl.com/y6f2p49b>
- 18 Council of the European Union (2019). Council conclusions on access to social protection for workers and self-employed. [online] Available at: <https://tinyurl.com/y5qvww5e>
- 19 European Commission (2020). Employment, Social Affairs & Inclusion. [online] Available at: [https://ec.europa.eu/social/main.jsp?catId=758#:~:text=Peer%20reviews%20Social%20Protection%20Committee,Social%20Affairs%20Council%20\(EPSCO\),&text=The%20SPC%20uses%20as%20its,in%20the%20social%20policy%20area.](https://ec.europa.eu/social/main.jsp?catId=758#:~:text=Peer%20reviews%20Social%20Protection%20Committee,Social%20Affairs%20Council%20(EPSCO),&text=The%20SPC%20uses%20as%20its,in%20the%20social%20policy%20area.)
- 20 Council of the EU (2020). Council Conclusions on Strengthening Minimum Income Protection to Combat Poverty and Social Exclusion in the COVID-10 Pandemic and Beyond. [online] Available at: <https://data.consilium.europa.eu/doc/document/ST-9241-2020-INIT/en/pdf>
- 21 WHO Europe (2019). Health Equity Policy Tool. [online] Available at: https://www.euro.who.int/_data/assets/pdf_file/0003/403608/20190527-h1005-policy-tool-en.pdf
- 22 ILO (2012). R202 - Social Protection Floors Recommendation, 2012 (No. 202). [online] Available at: https://www.ilo.org/dyn/normlex/en/f?p=NORMLEXPUB:12100:0::NO::P12100_ILO_CODE:R202
- 23 Zeballos-Roig, J. (2020). Finland's basic-income trial found people were happier, but weren't more likely to get jobs. World Economic Forum. [online] Available at: <https://www.weforum.org/agenda/2020/05/finlands-basic-income-trial-found-people-were-happier-but-werent-more-likely-to-get-jobs/>
- 24 Kangas, O., Jauhiainen, S., Simanainen, M., Ylikännö, M. (2020). Suomen perustulokokeilun arviointi. Sosiaali- ja terveysministeriö. [online] Available at: <https://julkaisut.valtionevosto.fi/handle/10024/162219>
- 25 European Commission (2020). Slovakia – Material Need Assistance. [online] Available at: <https://ec.europa.eu/social/main.jsp?catId=1127&langId=en&intPagelId=4769>
- 26 Gerbery, D. (2019) New reform of the minimum income scheme in Slovakia: slight improvements, but further steps needed. ESPN. [online] Available at: <https://ec.europa.eu/social/BlobServlet?docId=22046&langId=en>
- 27 Scottish Government (2020). Health and wellbeing as fundamental as GDP. [online] Available at: <https://tinyurl.com/y5m9o4zm>.
- 28 Public Health Scotland (2019). Informing Interventions to reduce health inequalities (Triple I). [online] Available at: <https://tinyurl.com/y4gpg78s>
- 29 European Commission (2020). Child guarantee for vulnerable children. [online] Available at: <https://ec.europa.eu/social/main.jsp?catId=1428&langId=en>
- 30 CHRODIS PLUS (2017-2020). [online] Available at: <http://chrodis.eu/>
- 31 European Commission (2020). European Skills Agenda for Sustainable Competitiveness, Social Fairness and Resilience. [online] Available at: <https://ec.europa.eu/social/BlobServlet?docId=22832&langId=en>
- 32 European Commission (2020) State of the Union 2020. Letter of Intent to President David Maria Sassoli and to Chancellor Angela Merkel. [online] Available at: https://ec.europa.eu/info/sites/info/files/state_of_the_union_2020_letter_of_intent_en.pdf
- 33 Council of the European Union (2019). Council Conclusions on the Economy of Wellbeing. [online] Available at: <https://www.consilium.europa.eu/en/press/press-releases/2019/10/24/economy-of-wellbeing-the-council-adopts-conclusions/>
- 34 EU Alliance for Investing in Children (2020). Call for Action for a comprehensive, sustainable Europe 2030 strategy with a strong social dimension. [online] Available at: <https://tinyurl.com/y4c7rqsw>
- 35 European Commission (2019). A Europe Fit for the Digital Age. [online] Available at: https://ec.europa.eu/info/strategy/priorities-2019-2024/europe-fit-digital-age_en