

July 2018

European Semester: Thematic Factsheet - Social Protection and Cohesion

The thematic factsheets are written by the European Commission. Its aim is to provide cross-country information on economic or social challenges, useful policies to address them, and examples of good practice in core policy areas of the European Semester.

This summary sheet encompasses information about the following sub-topics: inequalities, health systems, and social inclusion.

More information can be found [here](#).

1. Inequalities

- The **effects of the economic crisis on Europe** have been profound, and putting considerable strain **on social protection systems**.
- Inequality has risen in a majority of Member States, triggering concerns both for the sustainability of growth and for social cohesion.

2. Health Systems

- The health systems of EU Member States are a crucial part of Europe's high levels of social protection and cohesion.
- **Health systems in EU are varied** and reflect different societal choices.
- Over the last decade, European health systems have faced similar growing common **challenges**:
 - European population is ageing and more exposed to multiple chronic diseases;
 - Costs of innovative technology and medicines increase and put a burden on public finances;
 - Health professionals are unevenly distributed;
 - Access to healthcare is not equally distributed.
- The **European Pillar of Social Rights** adopted in April 2017 states in **Principle 16** that everyone has the right to timely access to affordable, preventive and curative healthcare of good quality.
- The 'health and social work' sector is the sector which saw the largest rise in employment in recent years with over 2.6 million new jobs (the sector is a major source of employment).
- Within the health and social sector, **the increase in jobs was distributed as follows**:
 - in the 'human health' sub-sector: 960 500 new jobs, accounting for 36% of the new jobs created in the whole sector;
 - in the 'residential care' sub-sector, 946 500 new jobs, 35% of the total;
 - in 'non-residential social work'; 776 700 new jobs, 29% of the total.
- here are **skills mismatches** both in the nature and the distribution of skills across health professions.
- Member States with a relatively high share of private health expenditure are Bulgaria (46% of total health expenditure), Greece (above 41%), Cyprus (54%), Latvia (44%), and Malta (43%).

- Member States with the highest share of health expenditure funded by the government are the Czech Republic (83%), Denmark (84%), Germany (85%), Luxembourg (83%), the Netherlands (81%), and Sweden (84%).
- In 2015, **public expenditure on health amounted to 7.8% of GDP in the EU** as a whole. Eight **Member States** have a **health expenditure-to-GDP ratio equal to or above the weighted EU average**: Belgium, Denmark, Germany, France, the Netherlands, Austria, Sweden and the United Kingdom. The **Member States with the lowest share of public health expenditure** were Cyprus and Latvia (3.5%), and below 5% were Bulgaria, Estonia, Lithuania, Hungary, Poland, and Romania.
- In four out of five European countries less than 5% of the population reported levels of unmet needs for medical examination.
- To **address the challenges**, the following appropriate **policy levers** were identified:
 - Promoting independent living and supporting the delivery of health and long-term care services at home and in the community rather than in institutional settings, when appropriate;
 - Promoting healthy ageing and preventing physical and mental deterioration of people with chronic conditions.
- Bulgaria, Estonia, Malta, Austria and Poland addressed substantial reforms to strengthen primary care and better coordinate with hospital and specialized care. In addition, Sweden also allocated increased funds to improve the accessibility of healthcare services.

3. Social Inclusion

- Fighting poverty and social exclusion has been included in the **Europe 2020** strategy.
- The **rate of poverty or social exclusion has decreased** to the level it was before the 2008 financial crisis. In **2016**, around 118 million people, or 23.5% of the European population, were at risk of poverty or social exclusion, while in **2012** the proportion of persons at risk of poverty or social exclusion in the EU was at almost 25%.
- Poverty dynamics also vary across age groups and population background. A few groups in the society appear the **most vulnerable**: young people, children, **people with disabilities**, the unemployed and third- country nationals.
- **People with disabilities** are also significantly **more at risk of poverty or social exclusion**. Among people with disabilities in the EU, 30.2% (31 million people) were at risk of poverty or social exclusion in 2015, significantly more than for those without disabilities (20.8%). This **risk increases with the severity of impairment**, reaching 36.7% of persons with severe disabilities in the EU in 2014.
- Evidence shows that the most vulnerable children (e.g. children from low-income families or families that are furthest from the labour market, children with disabilities) generally participate less.
- in some Member States the gap in life expectancy between poor people and the well-off reaches 10 years. **Particular attention is needed for people in vulnerable situations**, such as older people and people with disabilities. By **ensuring that such people have access to health services as close as possible to their community** (including in rural areas), institutionalisation can be avoided.