Towards a European Pillar of Social Rights

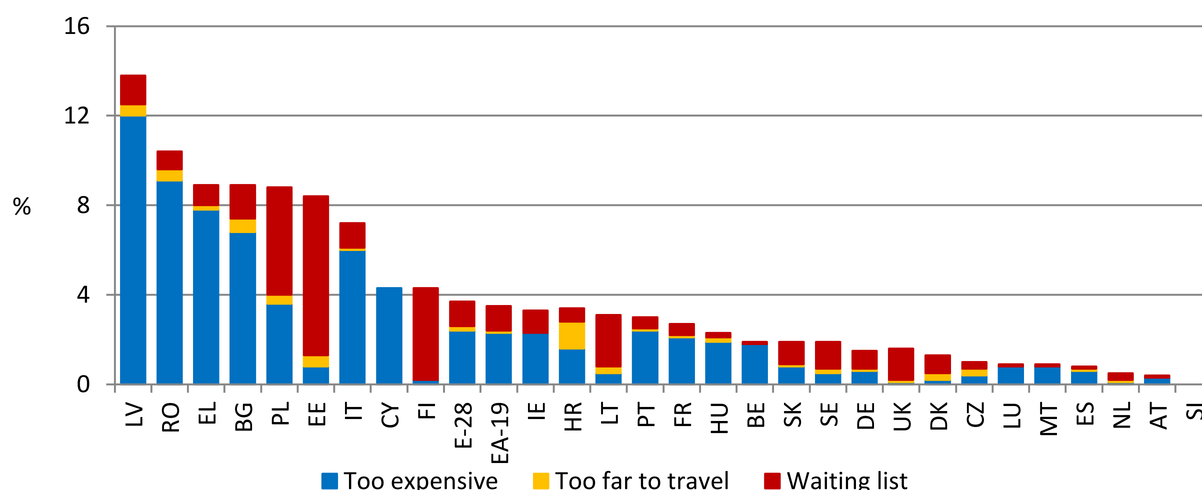
HEALTHCARE AND SICKNESS BENEFITS

Being able to receive quality treatment for ill-health and benefit from preventative health measures is essential for a person to fully participate in society. Moreover, sickness benefits can provide workers with adequate income protection during periods of illness when they are unable to work. These benefits can also be joined up with measures aimed at their rehabilitation and re-entry into employment. Delivering the care and benefits needed entails that health and benefit systems safeguard their fiscal sustainability and constantly ensure they are accessible, cost-effective and able to cope with changing environments.

Challenges

Potential barriers to people's access to healthcare include: financial, administrative, geographical, legal, cultural and organisational. Universal access to quality healthcare must be ensured in a context of rising demand and constrained public budgets. Cost pressures on health systems increase as a consequence of population ageing, lifestyle, new costly treatments and increased patient expectations. Public spending on health care is rising across the EU and the trend is likely to continue.[1] To be both equitable and sustainable, health systems have to continuously seek to improve their cost-effectiveness.

Figure 1: Self-reported unmet need for medical examination by reason, 2013, % of population



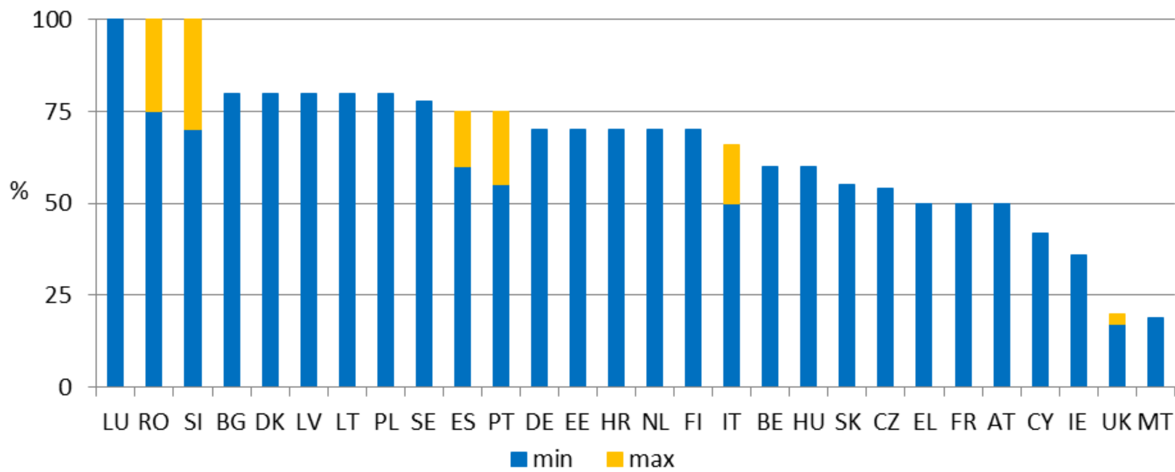
Source: Eurostat, EU-SILC. Note: Reasons: too expensive or too far to travel or waiting list.

One core challenge to workers' access to sickness benefits during periods of illness is to ensure an adequate replacement of foregone income, and a sufficient duration of sick leave with benefits, while containing cost within

[1] The 2015 Ageing Report: http://europa.eu/epc/pdf/ageing_report_2015_en.pdf.

sustainable levels. For long-term illness there are additional issues of avoiding that people slide towards disability benefits and securing adequate access to rehabilitation and labour market re-insertion. Social dialogue, in accordance with national practices, as well as legislation should play a role in regulating the right to sickness leave and to wage continuation or receipt of benefits during sickness.

Figure 2: Sickness Benefit Replacement Levels, EU28, 2015[2]



Source: MISSOC 2015.

Ensuring universal and timely access to quality healthcare, including rehabilitation, prevention and health promotion, is also important for economic growth, since a healthier population will bolster labour market participation and improve labour productivity.

Situation at EU level

The Charter of Fundamental Rights recognises in Article 35 the right of access to medical treatment and preventive healthcare under the conditions established by national laws and practices. The Treaty sets out in Article 168 TFEU that a high level of human health protection shall be ensured in the definition and implementation of all Union policies and activities. EU legislation deals with coordination of healthcare rights and relevant social security entitlements[3] when people move from one Member State to another and with the safety and quality of health products and services in the cross-border context. The EU also provides cooperative tools to support the Member States such as exchange of best practices, or the establishment of guidelines and indicators. It is for Member States to determine the financing, organisation and delivery of healthcare and sickness benefits. The Employment Guidelines emphasise the need to improve the quality, accessibility, efficiency and effectiveness of health care systems, while safeguarding sustainability.[4]

Situation in the Member States

Health systems are organised in different ways across the EU. Although Member States agree on the overarching values of universality, access to good quality care, equity and solidarity, gaps in universal and equitable access to good quality healthcare are evident, as shown above.

[2] Rates vary by length or type of illness in ES, PT, IT, RO, SI and UK. Earnings-relation is capped in DK, CZ, EE, ES, FR, HU, SE and SK. The nominal benefits in IE, MT and UK are depicted as replacement rates for a single person with average earnings. Supplements for dependents in EL, FR, IE, IT, MT and PT are not included in the graph.

[3] Regulation (EC) No 883/2004 on the coordination of social security systems.

[4] Council Decision 2015/1848 of on guidelines for the employment policies of the Member States for 2015.

In relation to access to healthcare, Member States differ on population coverage (the percentage of those entitled to healthcare), on the set of health services and products to which access is provided, as well as on whether and by how much patients/users need to contribute to healthcare costs. Examples of recent initiatives to extend access to healthcare include the case of Ireland, where free access to general practitioners for children under 6 and seniors above 70 was introduced, and France, where the third-party payment has been extended to all statutory health insurance beneficiaries.

As concerns sickness benefits, all Member States provide sick leave with pay of sickness benefits for workers on standard contracts. But workers on atypical contracts and the self-employed are mostly not included in mandatory coverage. The right to income replacement during illness - and to return to work when recovered - can be based on labour law, industrial relations and legislation. Employment contracts of some categories of workers (for example employees and civil servants) stipulate the right to paid sick leave. Some countries make it mandatory for employers to pay wages or benefits during initial periods of sickness. When employer obligations expire, social insurance takes over. Benefit conditions differ in terms of coverage, waiting days, duration, replacement levels, supplements for dependents and control mechanisms. As shown above, replacement levels range from 20 to 100 percent, while in the majority of countries they are at or above 60 percent. The duration is 12 months in half of the Member States and six months or less in about a third, whereas in four countries it extends beyond 18 months.

International dimension

The European Social Charter recognises the right to healthcare and to medical assistance.[5] The ILO *Social Security Convention* provides for medical care of a preventive or curative nature and includes the right to sick leave with pay of sickness benefits. The ILO *Medical Care and Sickness Benefits Convention* provides for sickness benefits at 60% of previous earnings, maximum 3 waiting days and a duration of no less than 52 weeks plus equal treatment of national and non-nationals. The International Covenant on Economic, Social and Cultural Rights refers to everyone's right to the highest attainable standard of physical and mental health including through accessing safe, quality and affordable health services. The 2030 Agenda for Sustainable Development underlines the need to "achieve universal health coverage, including financial risk protection, access to quality essential healthcare services and access to safe, effective, quality and affordable essential medicines and vaccines for all".

[5] The European Social Charter is a Council of Europe treaty which was adopted in 1961 and revised in 1996.