

# Financing Health Promoting Services

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Balancing Investment for Wellbeing and Health Equity  
in the Context of COVID-19, 22 October 2020

# Thinking outside the box



## E-GUIDE FOR FINANCING HEALTH PROMOTING SERVICES

COVID-19, as well as other diseases, require serious investments in prevention and health promotion. This e-guide illustrates a spectrum of approaches to mobilise resources to finance the delivery of such health promoting services that benefit health and wellbeing for all.

START

<https://health-inequalities.eu/financing-e-guide/>

# Central objectives of the E-Guide

1. To illustrate how to mobilise resources, and
2. To show ways to strengthen health promotion and disease prevention services



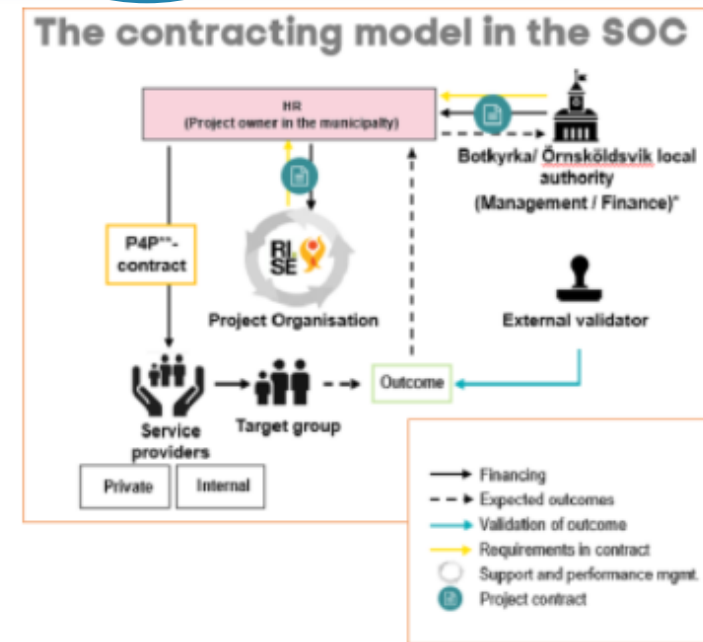
# How to navigate the E-Guide: topics



**Social outcomes contracting** (SOC), also known as outcome funds, is a novel mechanism for investment in health promoting services. SOC is a contract in which payments are made only when pre-agreed social (or health-promoting) outcomes are achieved by the funded programme or organisation.

SOCs are different to a *'payment-by-outputs'* approach and **social impact bonds** (SIBs). The most significant difference is the **inclusion of the investor in the development stage**. SOC helps participating organisations to align their incentives to achieve social outcomes, while also saving public expenditure due to their focus on prevention and generating return on investment.

The **benefits of an outcome-based contract model** come forth from its approach to public-service management that seeks to improve value and impact. Payment mechanisms can differ, as arrangements can include a proportion of upfront or activity-based payment that is not contingent on the achievement of a specified outcome. Some form of upfront payment or 'fee-for-service' has the potential to make the scheme more attractive to providers and investors. This is because the fee can be used to help start-up costs and reduces the risk they take on in agreeing to the contract.



# How to navigate the E-Guide: case studies



## The Prioritisation Framework for public health investments – Public Health England

The Prioritisation Framework is an excellent example of investing and disinvesting to make improve the use of existing resources. To learn more about this method, visit investing & disinvesting. ...



## Health insurance funds – Combined Lifestyle Interventions in the Netherlands



## Social outcomes contract for a preventive and healthy workplace in Sweden














## Social impact bonds finance the Activate program in Canada



## Ethical financing label in France

### Resources & Tools

-  [About this e-Guide](#)
-  [InvestEU & Other Funds](#)
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# Social Impact Bonds

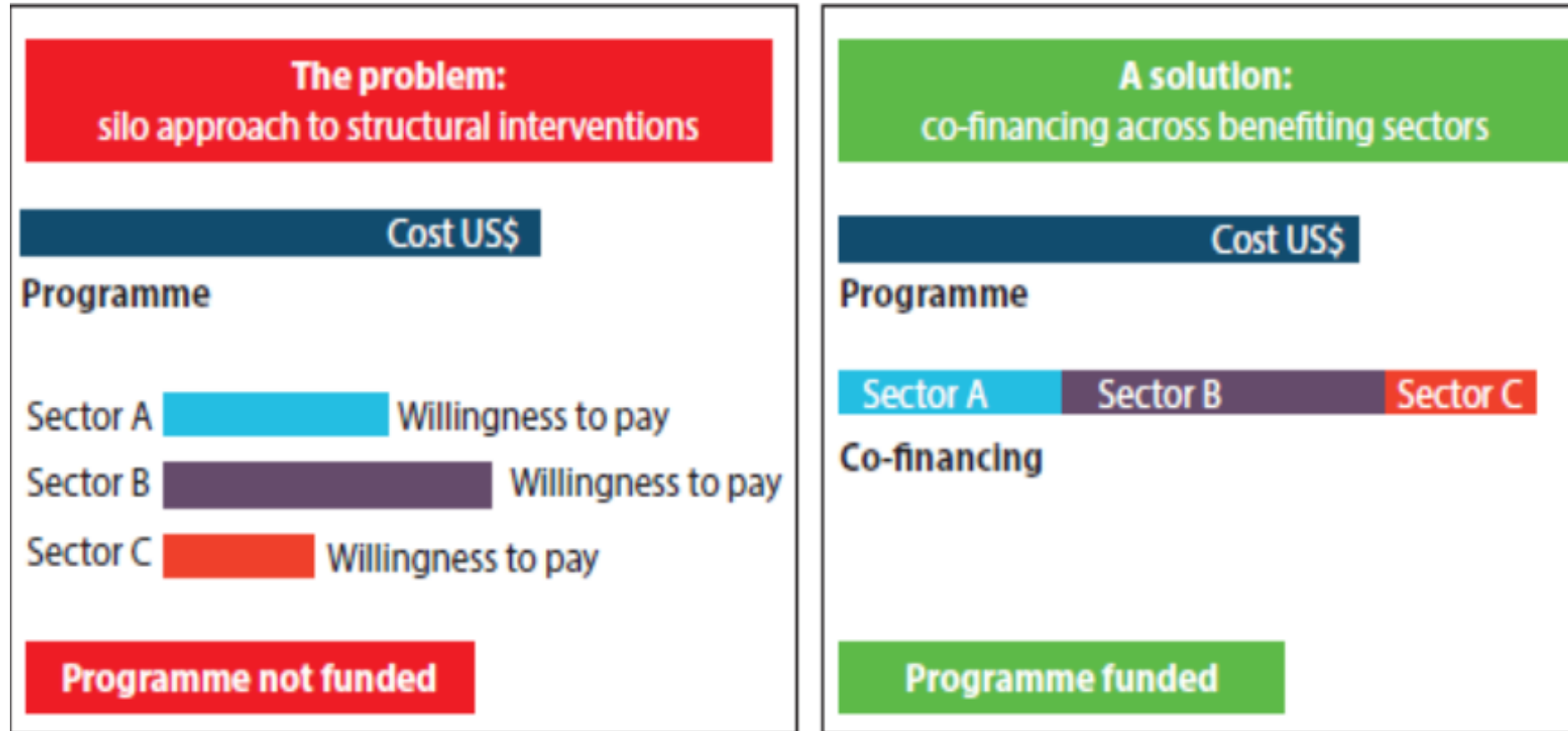
## Reduction in Loneliness, Worcestershire, UK

- Reconnections connects older persons with a volunteer or case worker who supports them for over 6-9 months to re-engage with interests and social relationships.
- Costs around £750-800 per participant
- **Investors provided £650,000** in up-front capital - £565,000 as debt and £85,000 as equity.
- The first two years were loss making. As impact has grown the service is now able to pay returns.
- Expected to deliver more than **£3 million worth of savings** to the public sector over 15 years.

Social impact investing is “payment by Results”, including:

- **Social Impact Bonds**
- **Social Outcomes Contracting**

# Beyond the health sector: Joint Budgeting



Silo-approach to financing versus the cross-sectoral co-financing approach (United Nations Development Programme, 2019)

# Disinvestment

## The Prioritisation Framework, PHE

- A priority setting tool for public health investment decisions in **England**
- A **platform to aid local authorities to make decisions regarding budget allocations** in a structured and transparent manner
- Consists of **eight essential steps** (e.g., defining criteria, gathering evidence) which can be spread over several workshops
- **Brings together stakeholders** from each programme under consideration

Disinvestment:

Reallocation of resources and better use of existing assets



## Final messages

- Explore new sources of finance
- Employ new ways of problem solving beyond traditional models
- Contribute a case study to the E-Guide
- Join us tomorrow for EuroHealthNet's financing webinar

# THANK YOU

## Contact us

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## Follow us



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