WifOR white paper "Healthy Returns: A Catalyst for Economic Growth and Resilience"

Sustained political will required

The current white paper "Healthy Returns: A Catalyst for Economic Growth and Resilience"(1) advocates strategic investment in healthcare as essential infrastructure for promoting economic growth and social resilience. It was produced by the WifOR Institute, although it is pointed out on page 2 that although this study was funded by Johnson & Johnson, all analyses and conclusions were developed independently by WifOR.

>> Based on the latest scientific research, this paper confirms that the arguments for investing in healthcare are not new, but that there is still a lack of a coherent investment framework that bridges the gap between healthcare priorities and economic decisions. The paper also argues that health must be treated as a core infrastructure and proactively financed in order to generate economic, social and human returns.

It identifies five areas for investment in which health acts as an economic driver and multiplier for the health sector, but also for a country's overall economy. These investable areas include human capital, labour productivity, relief for caregivers, innovation, competitiveness and resilience, and fiscal and social stability. To realise this value, the paper identifies four policy levers for change: 1. Focus on optimising domestic resources,

2. Promoting smart health investments through a cross-government and cross-sector approach

3. Promoting early disease intervention to ensure healthy societies and economies, and

4. Enabling high-quality innovation to achieve optimal patient outcomes.

In order to seize the opportunities that arise and achieve healthy returns through the four policy levers for change, WifOR researchers believe that "sustained political will and consensus among all stakeholders are required, as well as

strategies that are tailored to local conditions, focus on the patient and are consistent with global and local health goals."

Practical, groundbreaking steps for policymakers to move from policy to implementation include measuring the impact on the health economy as a basis for decision-making, promoting cross-sector collaboration, using health impact assessments, introducing investment frameworks, promoting growth-enhancing reforms, prioritising early interventions, and committing to sustainable, responsible health spending.

According to the white paper, seven practical guidelines should serve as a framework for policymakers in the countries – in particular for the ministries of finance, health, labour and trade. The aim should be to treat

health as an essential pillar of social resilience, competitiveness and long-term growth, and to find new ways to create fiscal space and incentives for early interventions in health as a key infrastructure. The central message is that "health should be viewed as a fundamental economic factor that requires proactive financing in order to achieve economic, social and human returns."

According to WifOR, achieving this requires a coherent investment framework to align health priorities with economic decisions, with a focus on early interventions in areas with a high disease burden such as cancer, neurological disorders and mental health.

According to the study, failure to make strategic investments in health results in significant direct, indirect and hidden costs that undermine individual well-being and economic stability. The white paper also states that neglecting healthcare leads to massive economic damage, which can be divided into three categories: direct, indirect and hidden costs. While direct medical costs (e.g. for cancer treatment) are obvious, indirect costs due to productivity losses – for example, in the case of mental illnesses such as depression – already amount to around one trillion dollars annually worldwide. Hidden costs are particularly severe, for example in the case of dementia, which often silently burdens families and communities with enormous care costs.

According to WifOR, a continuous strategy across the entire life cycle is needed to meet these challenges:

- Primary prevention (e.g. vaccination programmes) prevents the onset of disease and offers a high return on investment – in low-income countries, every dollar invested yields up to £54 in economic benefits.
- Secondary prevention aims at early detection, which, in the case of cancer, for example, not only dramatically increases the chances of survival but also avoids costly late-stage treatment
- Tertiary prevention and chronic disease management enable those affected to continue participating in social and professional life despite their illnesses.

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