

Executive Summary

Achievements and advances in health and healthcare are a major success story of the past two centuries. However, this success has come at a cost, with healthcare expenditure outstripping GDP growth for decades across the Organisation for Economic Co-operation and Development (OECD) countries. Given the main reasons for rising health expenditures, it is unlikely that focusing solely on improving healthcare supply efficiencies will lead to sustainable health systems in the future. Instead, societies must look outside the traditional institutions, processes and people, known today as the healthcare system, to a broader emerging *health system* that this report proposes.

In today's economic climate, many governments are targeting healthcare expenditure for cost-cutting as part of broader austerity programs. A discussion on long-term sustainability therefore is timely to ensure that short-term priorities do not damage long-term value. Health system leaders need to think for the future, expanding the group of responsible stakeholders and breaking from the status quo to deliver high quality, full-access, affordable, sustainable health services.

Over the past year, the World Economic Forum, in collaboration with its Partners and McKinsey & Company, engaged over 200 health system leaders, policy-makers and experts in an ambitious global effort to provide a long-term and holistic analysis of sustainable health systems. The central question: what could health systems look like in 2040?

Looking to the future helps to improve the decision-making of today. A longer-term perspective provides an intellectual space devoid of current constraints, vested interests or immediate concerns, and enables us to focus on what really matters. Focusing 30 years ahead, the important trumps the urgent.

Participants used a set of complementary methods, including visions, strategies, critical uncertainties and scenarios. This report presents the thoughts of leading experts and decision-makers on the future of health systems, highlighting the learning and key messages derived. The aim is to equip policy-makers and business leaders around the world with tools, processes and insights to drive the discussion in their own organizations and countries.

Visions

A diverse group of health system leaders across five countries was asked to describe their ideal health system in 2040. Their visions are remarkable in their consistency. The preferred health system of the future is strikingly different from the national healthcare systems of today, with empowered patients, more diverse delivery models, new roles and stakeholders, incentives and norms. The country workshops revealed common themes across system archetypes and national borders: creating a financially sustainable health system requires a major re-orientation towards value and outcomes, the involvement of a broader set of stakeholders in a more effective governance structure, and greater engagement and responsibility of patients and citizens.

Strategies

With the visions in mind, participants suggested strategic options to achieve those aspirations. From the conversations, three major themes emerged:

- **Embrace data and information to transform health and care.** We are entering the age of precision medicine, fundamentally challenging the past practice of medicine. Improved data and information are beginning to change the way that health systems operate and make decisions, a transformation that can be enabled by faster and more productive adoption and integration of these data

- **Innovate healthcare delivery.** While the boundaries of medicine exist at the limits of science, the healthcare delivery model is firmly stuck in the past. Health systems can rise to the challenge of a 21st century disease mix, breaking the traditional delivery mould and creating space and opportunity for innovation to deliver better professionals, better outcomes and better value
- **Build healthy cities and countries of the future.** To achieve a sustainable health system for the future, societies must reshape demand for health services, reducing the disease burden by helping people to stay healthy and empowering them to manage their health. Health systems can encourage people to develop healthier habits, incentivize healthier consumption and develop an environment and infrastructure that facilitate population health

Critical uncertainties

Future health systems will be influenced by a number of factors outside the control of health system leaders. Through over 100 interviews and workshops, six critical uncertainties that might significantly reshape the context in which health systems form and operate were identified:

- **Attitudes towards solidarity:** Will solidarity – the willingness of individuals to share the population's health risks – increase, decrease or be conditional upon certain factors?
- **Origins of governance:** Will power and authority be predominantly located at the national, supranational or local level?
- **Organization of the health innovation system:** Will innovation come from within or outside the existing system? What will be the level of funding? What will be the types of innovation produced?
- **Access to health information:** Who will take responsibility for collecting and analysing health data? Will people give their consent for their personal data to be used?
- **Influence over lifestyles:** To what degree will active influence over individual lifestyles be accepted and implemented?
- **Health culture:** Will healthy living be a minority choice, a civic duty or an aspiration?

Scenarios

As the critical uncertainties demonstrate, health systems very different from those of today are highly plausible in the future. It will be important for policy-makers and industry leaders to be mindful of this when reflecting on strategies.

Scenarios are not forecasts or preferences, but plausible stories about the future. They depict relevant and divergent possibilities, providing a rich context for improving decision-making in the present.

Three scenarios were developed: Health Incorporated, New Social Contract and Super-empowered Individuals. The scenarios provided a key insight – efficiency gains are necessary to move health systems towards greater sustainability, but are insufficient alone.

In **Health Incorporated**, the boundaries of the health industry are redefined. Corporations provide new products and services as markets liberalize, governments cut back on public services and a new sense of conditional solidarity emerges.

In **New Social Contract**, governments are responsible for driving health system efficiency and for regulating organizations and individuals to pursue healthy living.

In **Super-empowered Individuals**, citizens use an array of products and services to manage their own health. Meanwhile, corporations compete for this lucrative market and governments try to address the consequences.