

HEALTHCARE: A Vital Component of Global Infrastructure



Why Should We Care about the Classification of Healthcare?

- **Healthcare as Infrastructure Already the Standard Internationally:** Most foreign health officials already view healthcare as infrastructure
- **Exclusion from Infrastructure Agenda Starves Healthcare of Resources:** Excluding healthcare from infrastructure limits the flow of public and private sector funding into healthcare
- **Better Alignment with Economic Policy:** Recognizing healthcare as infrastructure increases the likelihood of aligning macroeconomic and sectoral policies
- **Increased Support/Funding by MDBs:** The mandate of Multilateral Development Banks (MDBs) focuses on support for infrastructure as “sustainable” investments. This can and should include healthcare including hospitals
- **Healthcare as Growth Driver:** Healthcare infrastructure directly contributes to, or detracts from economic and recovery- before, during and after C19

What is Healthcare Infrastructure?

- **Physical facilities** including hospitals, clinics, equipment, and support facilities for R&D
- **Education & training systems**- so-called “soft infra” determines success and failure very often
- **Healthcare IT systems:** Healthcare IT systems can include maintenance, management, and sharing of electronic health records, referral management, and tele-medicine
- **Healthcare advice and consulting**
- **Healthcare Insurance and Reimbursement:** Frameworks and actors are critical.
- **Regulatory framework** that ensures effective insurance products, and credible healthcare services meeting minimal quality criteria:
 - Entails a public or private regulatory approval or licensing framework
 - Requires effective enforcement authority and capability
- **Integrated Care Pathways:** To ensure hospital sustainability and improve outcomes, patient pathways through primary, secondary, and tertiary healthcare systems need to be integrated

Why Should USG Promote Healthcare Infrastructure Abroad?

- **Increase U.S. Healthcare Exports:** U.S. healthcare industry is a world leader --support will increase exports in multiple sectors
- **Expand Exports of Complementary Services/Goods:** Growth in healthcare exports means growth in exports of complementary services/goods
- **Strengthen Bilateral Ties:** Helps build/strengthen bilateral relationships by helping countries address public policy goals
- **Boost Global Health Security:** Strengthening healthcare systems supports global health security goals
- **Critical to be Politically Neutral:** Healthcare should and often does stand above political fray. To be credible, those efforts should be share between all US political parties.

Multiple Industries within Healthcare Infrastructure



How Can USG Support Healthcare as Infrastructure?

- **Persuade MDBs:** Use USG shareholder interest to persuade MDBs to include healthcare in infrastructure proposals, and include hospital systems as key infrastructure investments
- **USG Coordination and Consistency:** Greater coordination across USG (e.g., interagency international infrastructure working group) on healthcare as infrastructure
- **Diplomatic Engagement:** Diplomatic engagement with foreign governments about the importance of healthcare to economic growth
- **Advocacy:** Department of Commerce advocacy on tenders/contracts/procurements

Why Now?

- **U.S. Needs to Catch Up:** The European Bank for Reconstruction and Development has already begun treating healthcare as infrastructure. U.S. rivals (e.g., China's AIIB and China's BoR initiative) have now formally started doing healthcare infrastructure during Covid-19. The US has been slowed by traditional definition of infra (dams, power, road, etc)
- **MDBs Recognize Need for Quality Healthcare:** MDB officials have begun to realize that healthcare is an important part of a country's infrastructure even if their policies have not yet completely changed
- **Foreign Officials Receptive:** More and more countries are learning that investment in healthcare, like investment in education, pay dividends in the future
- **Country Decision-Making:** Countries need to deal with tactical needs during C19, but want to ensure these investments are durable, break down traditional disease barriers.
- **Build Back Better World.** Political momentum supports the shift- and now.

CONTACT INFORMATION



DR. TREVOR GUNN

+1 202 442 3655

Trevor.Gunn@Medtronic.com

**VICE PRESIDENT,
INTERNATIONAL RELATIONS
MEDTRONIC, INC.
WASHINGTON, DC**

**ADJUNCT PROFESSOR
SCHOOL OF FOREIGN
SERVICE (IBD, CERES)
GEORGETOWN UNIVERSITY**

**FOUNDER / CHAIR
USA HEALTHCARE ALLIANCE
US-AHA.COM (USAHA)**