



STANDARD LIFE HEALTHCARE

Private Medical Insurance – can it be sustained?

Mike Hall, 10th November 2004

The future for PMI – all gloom?

- People won't want PMI if the NHS improves?**
- New drugs will make it unaffordable?**
- Older people will place too heavy a burden on insurers?**

New therapies and an ageing population

- **Expensive drugs that people have to take for their lifetime**
- **By 2025 around 1/3 of the population will be a pensioner**
- **By 2015, 1/3 of all diseases could be treated with gene therapy**
- **These are issues for ALL health services**
- **We need a proper debate on funding**

An ageing population

- **Is an ageing population a bigger consumer of health resources?**
- **We consume healthcare in the first and last months of life**
- **Why should increased demand for healthcare spell the end for PMI?**
- **Ageing will be a greater challenge for the NHS**

New therapies

- **We already see some expensive courses of treatment with new drugs**
- **PMI is not designed for long-term health maintenance**
- **What is the best way of getting these resources to patients?**
- **Need to educate patients about the cost of their consumption**
- **This will allow a proper discussion about how to deal with new therapies**

Cost containment options for PMI

- **New providers offering new ways of working**
- **Standardised procedures to drive down costs**
- **Explore options with different clinicians if quality can be guaranteed**
- **Educating patients about their options**
- **A greater range of PMI packages**

The future for PMI

- **A reformed PMI: cost containment and added value healthcare solutions addressing wellness**
- **We need an honest debate about funding to face these challenges effectively**
- **How will we deal with a shrinking tax base and increased demand for healthcare?**
- **PMI has an important part to play in the future of UK healthcare**



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