

Private Insurance as a Supplement to the Publicly Funded Health System

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Health Care/Health Cost Indicators in the E.U. and Some CEE Countries

	E. U.	Czech Rep.	Hungary	Poland	Romania
Life Expectancy at Birth					
Males	74.9	71.6	64.9	69.7	67.0
Females	81.2	78.3	75.6	78.0	74.2
Infant Mortality (Per 1000 Births)	4.9	4.1	9.2	8.1	18.6
Health Care Expenditures (\$ Per Year)					
Germany	2700	350	300	200	<100
U.K.	1500				
Portugal	800				
Greece	800				



Future Cost Projections

Health Coverage

- The Cost of Professional Care**
- Capital Costs**

Will approach E.U. levels within 5-7 years.

For a country like Poland to get to the lowest E.U. expenditure levels that could translate into a budget increase of \$20-25 billion!!!



Private Insurance in the CEE Today

- **Access-Primary Care, Specialists, Hospitals**

- **Service**

- **Quality**

Lack of Coordination with the public system.



Types of Private Health Coverage

- **Financial Coverage of the consequences of illness**
 - **Hospital Related Payments**
 - **Dreaded Disease Coverage**
 - **Accidental/Loss of Function**
 - **DRG Based Payments**
- **Financial Coverage of the Cost of Medical Care**
 - **Indemnity Payments Based on Fee Schedules**
- **Provision of Health Care Through the Collection of Premium**
 - **Delivery System Based Insurance**
 - **Addresses some Present Needs of Access and Quality**



Workplace Based/Occupational Medicine

Opportunities

- **Present Efforts-Regulatory Episodic Exam (“Health Check”) Efforts**
- **No Incentive For Employers to Improve Workplace Health**
- **Privatization Opportunity Through**
 - **Workers’ Compensation Type Insurance (Estonia!)**
 - **Development of Employer Based Clinics and Coverage**
 - **Improved Productivity and Reduced Absenteeism**



Challenges for the Future

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- **Finding The Resources**
 - **Defining The “Basket of Services”**
 - **Defining, Regulating and Creating an “Investor Friendly” Environment For Health Care, Capital/Investment**
 - **Coordinating Mandatory Public Coverage With Private Health Care Insurance**