

Medical Travel



Rethinking Healthcare in a Global Market

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Rethinking Health Care in the Global Market

By Ori Karev

The globalization of health care is underway.

The new global citizen, whose work and life transcends borders, is driving a transformation in how health care is being delivered worldwide. Supporting this informed global health care consumer, other economic realities are fueling what will be a major shift from national to global approaches in health care delivery. These include innovations in medical technology, the free movement of capital, strong economic pressures on individual countries to re-invent their health care systems, and an open, collaborative approach to prevention and treatment.

We are already moving towards a border-neutral system of health care that freely shares medical knowledge and technology. A network of medical professionals and facilities that adhere to global best practice standards will help ensure quality and efficiency of service regardless of the country and facility in which care is provided. Health care funders will continue to innovate methods to serve health care needs through competition, risk pooling, mandatory insurance, wellness incentives and public sector funding.

As health insurance carriers that serve the new global citizen, it's our challenge to understand, embrace and lead the global health care market's evolution.

The Old Paradigm of Health Care

A global approach to health care is essential because the old paradigm is facing increasing challenges. Individual countries' per capita health care expenditures have risen dramatically in the past 15 years, yet their health care systems have not succeeded in delivering care to all citizens. In the U.S., where health care spending as a percentage of GDP is the highest in the world, many U.S. citizens have limited if no access to health insurance. Meanwhile, European Union countries, whose health care spending as a percentage of GDP is lower than that of the U.S., are striving to effectively manage costs while facing the challenge of providing timely access to care.

Creating a New Vision for Global Citizen-Driven Health Care

The mechanisms for delivering global health care must be established in a systematic way, not as ad hoc solutions—some promoted by providers and others by stakeholders. Individual consumers around the world have access to an enormous pool of knowledge. They are researching their conditions and making decisions on *what* treatments are needed and, more importantly, *where* they will be provided. Individuals are searching outside their present health care systems for better answers, and are willing to travel and pay for them.

The elements shaping a new paradigm for global citizen-driven health care include:

- The mobility of the global health care consumer. The reality is that many people no longer live exclusively in their native country. A large number of people are expatriates or third country nationals who live and work outside their country of citizenship. This trend will likely increase,

with the largest markets in Western Europe, the Middle East, North America and East Asia. The U.S. alone is experiencing an unprecedented surge in incoming visitors, which can be attributed to the strength of key non-U.S. currencies and other factors. As more people move around the world for work assignments, both temporary and permanent, they will need a system of health care that matches their needs.

- The rise of global medical travel and associated medical insurance. While medical travel in the past was associated with spa treatment and cosmetic surgery, today more than 100 hospitals worldwide are Joint Commission International (JCI) accredited, and more are building massive presence in low-cost high-quality environments. Accordingly, both providers and insurers are gearing up to meet an increase in medical travel for an expanded list of procedures. Recognizing the benefits of these changing market forces, insurers are offering more domestic products with foreign treatment riders, and more critical care treatment and long term care options. Unfortunately, the U.S. Medicare system is still mostly U.S.-centric (with some minor emergency exceptions). Its future role in the global health care market is still unknown.
- Language and culture. To facilitate the rapid exchange of innovation, English is increasingly becoming the *lingua franca* of medicine. At the same time, an increase in migration to Europe and the U.S. from Latin America, Asia and Africa is causing policymakers and health care providers to incorporate the diverse viewpoints of medical and technological professionals who have trained and gained practical knowledge outside their country.

Traditional funding methods for health care are being challenged. Globally, out of pocket spending is straining the health care consumer's personal budget regardless of whether their country has universal or non-universal health care coverage. In the U.S., employers and government are reviewing the viability of employer-health benefits programs. Governments are seeing increasing expenses; as a result they are shifting health care delivery and management to private providers. We are moving, inexorably, to major shifts in funding both from a public policy and individual perspective.

What will be the role of the healthcare and travel insurance industry during this period of transition? As medical travel insurers, we need to also shift our role from that of market creator to market participant; seeking services internationally and marketing them locally.

Will the new paradigm of global health care simply emerge organically from these trends? Or will it be shaped thoughtfully, optimizing health care for all of the world's citizens? I advocate for the latter. Thought leadership for the transition to a truly global health care system is resident in the private industry that has insured, managed and administered health care for over a century. We have the knowledge, the technology, the scope, and the ability to drive efficiency and ensure quality outcomes. The challenge is to anticipate rapidly changing consumer requirements and be fully prepared to deliver the products and services that meet these needs. This is an exciting opportunity. An opportunity to improve a critical aspect of people's lives on an unprecedented scale. This is why we are in business.

About the author:

***Ori Karev** is the CEO of UnitedHealth International, a UnitedHealth Group company. In this capacity, he is responsible for leading UnitedHealth International's growth and advancing its position as the leading global health and Well-being Company. Under his leadership, Ori ensures that the company actively pursues its local and global potential in its various market segments: global health insurance, third-party administration, health care management consulting and global health solutions for leading benefit plan sponsors. Mr. Karev holds a BA in Political Science and Labor Studies, an MBA in Finance and International Marketing and a Juris Doctor degree in Law. He is a member of the legal bar of the states of New York and Connecticut.*

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