



International Association for the
Study of Insurance Economics

Études et Dossiers

Etudes et Dossiers No. 320

**4th Geneva Association Health and Ageing
Conference on**

“Chronic Conditions and Insurance”
Vienna, 6 – 7 November 2006

&

**4th Congress of the European Union
Geriatric Medicine Society**

**Special session on
“The Financing of the Longevity Risks”**
Geneva, 24 August 2006

December 2006

Working Paper Series of The Geneva Association

© Association Internationale pour l'Etude de l'Economie de l'Assurance

The Geneva Association Working Paper Series “Études et Dossiers” appear at irregular intervals about 10 - 12 times per year. Distribution is limited.

The “Études et Dossiers” are the working paper series of The Geneva Association. These documents present intermediary or final results of conference proceedings, special reports and research done by The Geneva Association. As they contain work in progress or summaries of conference presentations, the material must not be cited without the express consent of the author in question.

Layout & Distribution: Valéria Kozakova

The Role of Insurance Companies in Preventing Chronic Conditions

Peter Eichler



4th Geneva Association
Conference on Health and
Ageing

- Chronic conditions
health insurers' nightmare in both:

- underwriting and
- risk bearing



preventing strategies seem to be essential



4th Geneva Association Conference on Health and Ageing

However: Does prevention save money?

What is prevention?



4th Geneva Association Conference on Health and Ageing

- Different answers:

1. Detecting hidden diseases (in a curable state)

Note:

- a healthy person is a person without sufficient medical examination



4th Geneva Association Conference on Health and Ageing

- avoiding one disease means acquiring another in the future (mortality is still about 100%)
- growing life expectancy necessarily means undergoing more (costly) diseases
- preventive medicine (screening) itself is expensive



4th Geneva Association Conference on Health and Ageing

- ➔ there is little evidence about costefficiency of widespread screening measures
- ➔ there are other reasons (gaining lifetime, quality of life, avoiding pain and grief)



4th Geneva Association Conference on Health and Ageing

2. Wellness

has become a touristic notion, very often a passive concept, not necessarily healthy activities



okay for tourist industry, may serve as an incentive



4th Geneva Association Conference on Health and Ageing

3. Health Promotion

sufficient evidence that lifestyle (physical activity, nutrition, stress management) is the main driver for acquiring or avoiding chronic conditions



4th Geneva Association Conference on Health and Ageing



4th Geneva Association Conference on Health and Ageing

It will be very costly for this couple to reach an age of 80 years

(assuming that there will NOT exist an inexpensive, miraculous pill...)



4th Geneva Association Conference on Health and Ageing



health promotion (= stopping
pandemic adiposity) will become a
question of survival for our health
system, even our economies



4th Geneva Association Conference on Health and Ageing



certainly this is not an issue for
health insurers only:

a national/Euopean action plan
would be required



4th Geneva Association Conference on Health and Ageing

- What can be the contribution of insurers?
 - a. Information
 - what is healthy/unhealthy/reliable...
what can be done, where, at what price



insurers can be a neutral and
credible source of information



4th Geneva Association Conference on Health and Ageing

- changing mentality
we are responsible for our health, there is no
„miraculous pill“
- deliver an unpopular message in a
positive way



4th Geneva Association Conference on Health and Ageing

b. Motivation

- creating a bad conscience („you must not“), pointing out „risk factors“... doesn` t work well; showing opportunities, protective factors, making possible to feel well... is more effective



4th Geneva Association Conference on Health and Ageing

- but „preaching“ is not enough:
positive incentives are necessary



4th Geneva Association Conference on Health and Ageing

- c. Providing concrete personal action plans and instruments
 - what should and could be achieved, what has to be done, how can it be integrated in every day's life



4th Geneva Association Conference on Health and Ageing

- accompanying people by offering activities and programs, increasing compliance through regular, personal contact



4th Geneva Association Conference on Health and Ageing

- Examples of tools
 - website
 - brochures on issues like nutrition, physical activities, mental fitness
 - medical call center
 - lectures
 - seminars



4th Geneva Association Conference on Health and Ageing

- network of personal trainers
- network of medical check-up providers (in different levels)
- cooperation with fitness centers
- network of wellness hotels



4th Geneva Association Conference on Health and Ageing

- network of test centers for „fitness profile“
= standardized physical test including:
 - ECG
 - body mass index
 - spinal examination
 - etc...scored (1.000 points can be achieved)

- mobile test unit for „fitness profile“



4th Geneva Association Conference on Health and Ageing



- programs for corporate clients



4th Geneva Association Conference on Health and Ageing

- Examples of financing and creating products
 - privileged and discounted access to those tools by creating a „club“
 - accessory products offering choices between medical check-up, personal training, wellness hotel or



4th Geneva Association Conference on Health and Ageing

- more sophisticated: offering
 - fitness profile
 - medical check-up
 - wellness hotel
 - personal training
 - incentives for compliance: discount on premium or wellness hotel



4th Geneva Association Conference on Health and Ageing

- Pilot projects: offering
 - cash premium discount for having passed the fitness profile (double amount for successful test)

➔ those who comply get a bonus

➔ those who don't comply pay for those who comply (tools and discounts)