



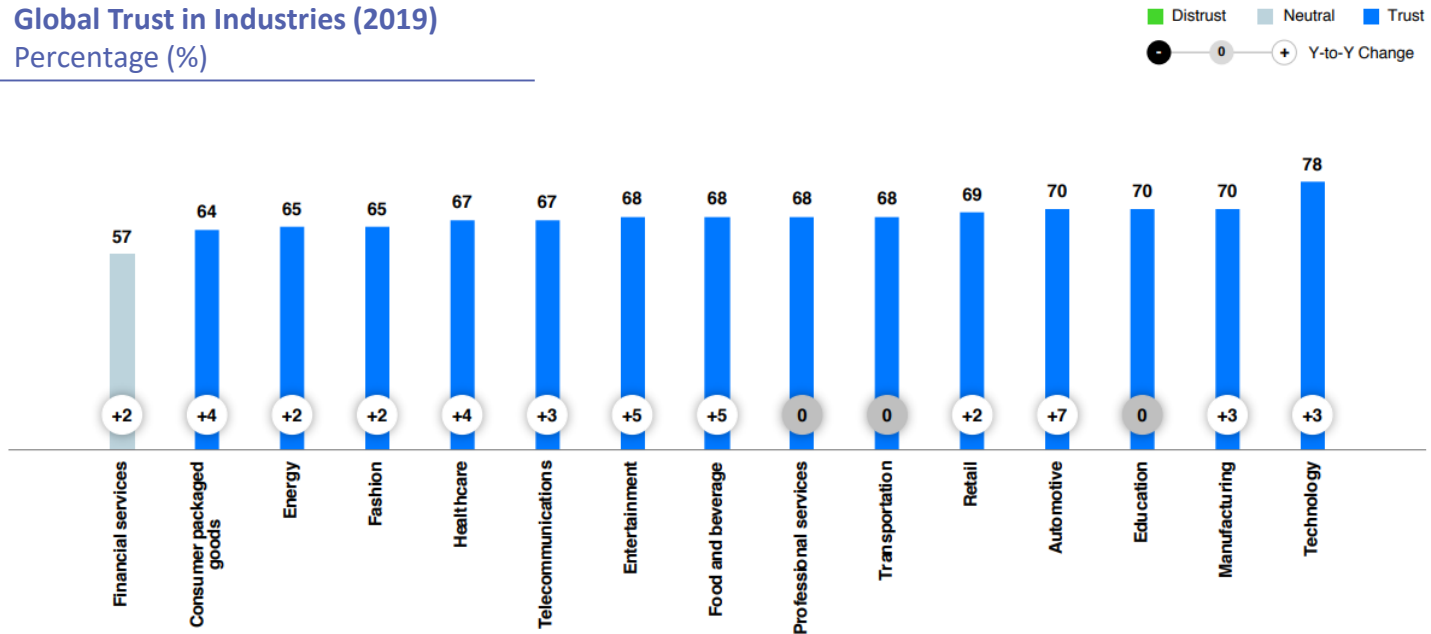
The Future of Health

(Insurance)

17 October 2019
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What is the problem?

Global Trust in Industries (2019) Percentage (%)



- Although trust in the financial services is growing, insurer's remain the least trusted with consumer confidence ranked as neutral
- As health insurer's, a large portion of what we underwrite is in protecting our members, the patient, at a time in their life where they are most vulnerable and needing security
- So the question we should be asking is *"How do we move from insuring our members to protecting them?"* which is a fundamental shift in the way we've always worked, but with the lack of trust, will they allow us to do this?

What we are seeing

New Customer Profile

- More demanding of unique experiences
- More empowered due to shared technology - tech savvy
- Require transparency – social media
- Greater interest in wellness, sustainability, climate change, all things green, crowd funding etc.

Changing Disease Profiles

- From critical to chronic
- Infectious vs. non-communicable
- Increase life span vs. decreased health span
- Rapid compressed death vs. prolonged palliative care
- Behavioural economics, lifestyle

Current Reimbursement Model

- Fee-for-service vs. value-based care
- Outcomes based
- Quality care is more cost effective
- Paper based
- Fragmented systems
- No standardisation



Rising Health Costs

- Medical inflation
- Aging population
- Higher levels of obesity
- Precision and personalised medicine
- Resource & skills constraint – the brain drain

Technology Advances

- Artificial intelligence
- 3D printing
- Blockchain
- Voice recognition
- Virtual/ augmented reality
- Internet of things
- Big data
- Drones
- Robotics
- Biometrics
- Gene Editing
- Collaborative tech

Regulation & Security

- As data becomes more valuable, protecting it will be key
- Clinical innovations, digital interconnectivity and market complexity will need new government policies, regulatory oversight and risk management
- Sláintecare

What we know

- **Technology is driving disrupting innovation in healthcare**
 - Data proliferation via sensors & high-end technology, creating a minefield of controlled & governed data
 - Growing relevance of machine intelligence
 - Advent of digital therapeutics and treatment
 - Decentralisation of care delivery
- **Data and evidence driven digital ecosystems are forming**
 - Opportunity to drive behaviour change
 - Creating the ability to share insights
 - Generates the potential to substantially impact health outcomes at affordable costs

* 2007 - 2016

Source: Health Insurance Summit, September 2019; Amsterdam; Avramakis, E., Beyond Health - How Customer Centric Ecosystems are Impacting Insurance, Swiss Re Institute, Zurich; Beaver, L., 2018, Big Tech in Healthcare, How Alphabet, Amazon, Apple and Microsoft are shaking up healthcare, Business Insider, <https://www.businessinsider.com/alphabet-amazon-apple-and-microsofts-influence-in-healthcare-2018-7?r=IS&IR=T>; www.evaluate.com/vantage/articles/data-insights/venture-financing/rise-and-rise-corporate-venture-arms; DCAT Value Chain, Insights, 2019



Irish Life
health

What we know

- **A healthcare shake up on the way**

- Amazon.care
- Apple - watches and mHealth
- Google & Alphabet - Oscar Health investment, Verily Life Sciences, Google Cloud Platform
- Microsoft Genomics and Healthcare NExT

- **Venture Capital investment has increased***

- Oncology and immunotherapy lead the way with 184 rounds
- Medtech follows with 101 rounds
- There is growing interest in rare diseases and technologies like gene therapy
- Big pharma's are getting into the market with multi-billion dollar deals

* 2007 - 2016

Source: Health Insurance Summit, September 2019; Amsterdam; Avramakis, E., Beyond Health - How Customer Centric Ecosystems are Impacting Insurance, Swiss Re Institute, Zurich; Beaver, L., 2018, Big Tech in Healthcare, How Alphabet, Amazon, Apple and Microsoft are shaking up healthcare, Business Insider, <https://www.businessinsider.com/alphabet-amazon-apple-and-microsofts-influence-in-healthcare-2018-7?r=IS&IR=T>; www.evaluate.com/vantage/articles/data-insights/venture-financing/rise-and-rise-corporate-venture-arms; DCAT Value Chain, Insights, 2019

Where to next?



- Eco-Systems of public-private providers, payers and market disruptors are using a *smart health* community approach to collectively and collaboratively drive innovation, leveraging off their specific skills & core business competencies.
- The future of work will be shaped to *alleviate clinician workload* & improve work/life balance based on what can be automated (AI, robotics), where the work done (telemedicine, virtual consultations, remote monitoring) and who can do the work?
- Both of these should *increase access* and affordability, improve quality, and lower costs through more efficient delivery models.
- *Customer centricity* will be key – healthcare is not a one size fits all but re-establishing trust is critical for success

Thank you

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The views expressed in this presentation are those of the presenter