

Prevention is in our DNA

Given high demand and rising claims incidence, embedding prevention into private medical insurance (PMI) is helping to manage costs and deliver better health outcomes, writes VitalityHealth Distribution Director Athos Rushovich.

In recent years, we've seen a surge in demand for private medical insurance (PMI) and a shift in public attitudes to private healthcare more broadly.

At the same time, the overall health and wellbeing of the population has been under strain, adding additional pressures to our public and private healthcare systems.

All this means we're living through turbulent times from a health perspective in the UK, and this will have profound implications on the provision and costs of healthcare over the coming years.

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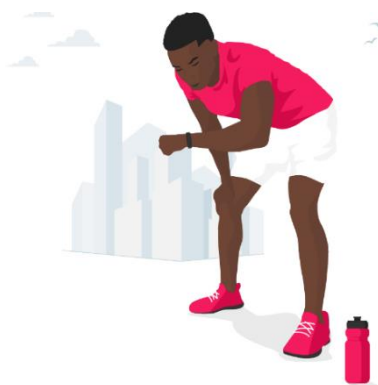
- Athos Rushovich, Distribution Director, VitalityHealth



An unhealthy nation

We have an ageing population¹. Meanwhile, increasing rates of ill-health – caused in large part by modifiable lifestyle-risks – are set to push the number of people living with a major illness to 9.1 million by 2040². That's one in five of the adults in the England.

The rise in preventable illness, which now makes up almost half of the UK disease burden, is of particular concern.



Our latest Britain's Healthiest Workplace data highlights that in 2023 over a third of UK workers were physically inactive, over half were eating an unhealthy diet, with almost a quarter obese and 58% overweight. Overall, 96% of UK workers are now living with at least one lifestyle or clinical risk³.

The cost of ill-health – to healthcare providers and the UK economy – is enormous. The NHS spends around 40% of its annual budget on non-communicable diseases⁴, with illnesses related to obesity alone costing as much as £6.5bn⁵.

Meanwhile, with record numbers now out of work due to ill-health, the cost to the UK economy of lost productive time due to employee absenteeism and presenteeism stands at £138 billion³.

The challenge of sustainability

The health pressures we're experiencing and wider economic forces, combined with developments in advanced new diagnostics and treatment, are helping to push up costs and medical inflation.

The key challenge the industry is therefore grappling is maintaining the sustainability of products at a time of high demand, a topic we explored on our recent Forward Thinking webinar.

This is about delivering efficiencies, whilst still delivering the best benefits and health outcomes for consumers. In this context, the case for prevention has arguably never been clearer.



Prevention has always been at our core

While It’s positive to see growing awareness of prevention in the PMI industry, this is a journey Vitality has been on since the beginning.



By focusing greater resources on preventing illness from arising in the first place, as well as implementing better early detection measures, we can sustainably manage the costs of providing world-class healthcare.

We see this evident in our claims data, with those who are most active are almost 30% less likely to be hospitalised⁶.

It’s getting increasingly recognised within the wider healthcare sector too. A recent Times Health Report, drawing upon Vitality data, highlights a range of preventative measures amongst a series of recommendations for improving the NHS.

Prevention must be end-to-end

Recognising the importance of prevention is one thing. For measures to be truly effective they must be integral to a healthcare proposition, and more than just an afterthought or bolt-on.

At Vitality, prevention is in our DNA and has always been a core part of how we approach the long-term sustainability of our PMI offering.

Indeed, our entire unique Shared Value Insurance model is built around the concept that a focus on prevention helps drive better results for members, improves claims experience and means that our pricing methodology is less impacted by external factors.

Equally important, though, is that prevention isn’t just seen through a narrow focus of just helping people to get fit or eat better.

It’s about delivering a complete end-to-end preventative strategy: before, during and after claim. One that emphasises early detection and screening of illness, through to appropriate rehabilitation and recovery pathways, whilst supporting people to improve their lifestyle risks.



The evidence is clear



The effectiveness of this approach is clear to see through Vitality's claims experience and the data we've built up over the years.

Early detection through improved screening for conditions like breast cancer, for example, is helping to improve treatment outcomes and survival rates. Despite significant increases in breast cancer claims at an earlier age (one in three are for women under 50⁶), by intervening earlier we're able to bring down healthcare costs later down the line.

For increasingly common conditions like mental health, where we've seen a 500% increase in Talking Therapies treatments since 2015, earlier intervention is also having a big impact⁶.

Despite the surge in demand, actual mental health costs have reduced by 32% since 2019, with Talking Therapies preventing members from requiring further, more extensive psychiatric care⁶.

Elsewhere, more effective, personalised interventions are helping to address lifestyle risks that are often the significant drivers of chronic conditions and healthcare costs.

Incentivisation is key

By facilitating positive behaviour change through healthy habits, through a programme of nudges and incentives, our members are making improvements to their physical activity, nutrition or smoking and obesity levels.

Whilst measures like Next Best Action are helping people to reverse people's diabetes, lose weight or quit smoking⁶.



Many of these interventions exist long before care is needed. By focusing on preventative measures earlier, we can manage downstream costs and help ensure the continued sustainability of services alongside more streamlined access to digital care.

Through this, not only do our members do better, but we benefit as an insurer and society is healthier as a result, at a time when this is more needed than ever.

¹ Our ageing population - The Health Foundation

² Health in 2040: projected patterns of illness in England - The Health Foundation

³ Britain's Healthiest Workplace 2023, Vitality

⁴ Together we can revolutionise the NHS through individual responsibility - GOV.UK (www.gov.uk)

⁵ Government plans to tackle obesity in England - Department of Health and Social Care Media Centre (blog.gov.uk)

⁶ Britain's Healthiest Workplace 2023, Vitality