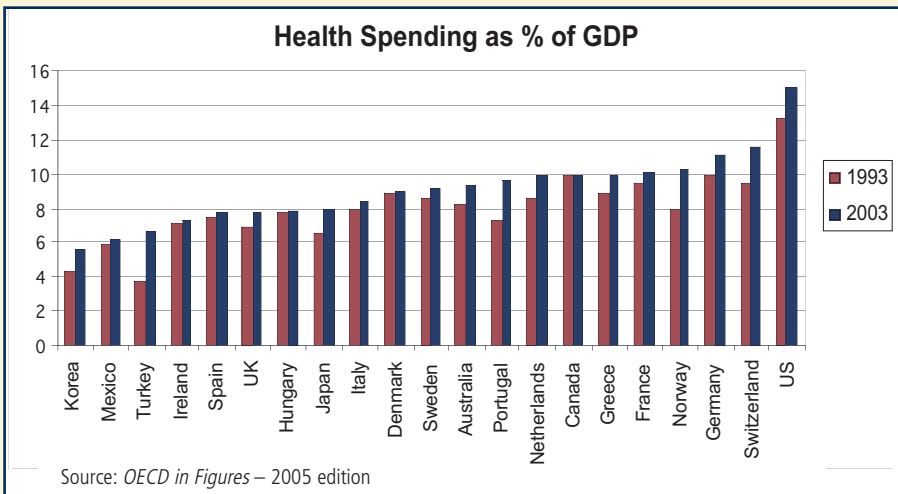


### Globalization and Healthcare

Nearly \$4 trillion is now spent annually on healthcare worldwide, and the amount is increasing. Ten years ago there were only three countries where healthcare spending exceeded 10 percent of the gross domestic product (GDP). Today there are eight. Healthcare spending is increasing in every area of the world and it is increasing, in most places, faster than the general rate of inflation. The key drivers are clear:

- Aging population
- Advances in technology
- Growing middle class in emerging economies
- Increased usage of medical services
- Increased usage of medicines
- Widening focus on liability

Healthcare and its costs are a major social and economic issue across the globe.



### Contact

For more information about the Willis International Healthcare Survey, please contact Renato Cassinelli at +1 212 804 0576, [renato.cassinelli@willis.com](mailto:renato.cassinelli@willis.com).

### A Consistent Response

How are organizations that buy health insurance plans responding? To answer that question, the Willis Employee Benefits Practice recently conducted an internal survey of our own international healthcare leaders. Fourteen countries representing all major geographical regions and including 1600 group clients covering 1.1 million

lives were surveyed during August and September of 2006. We identified more than 20 distinct service tools and resources we offer and asked: what do our clients need and want? Topics addressed included administration, eligibility, claims services and analytics, consulting and actuarial services, communications, and care management.

Healthcare marketplace conditions are unique in every country and for every organization. We found, however, a surprising consistency in our survey response. Four of the service tools and resources we examined stood out.

- **Claims Reporting and Analysis** – Organizations are aware that a disciplined and comprehensive analysis of their claims history, coupled with a clear understanding of the healthcare environment, can potentially help them influence behavior patterns, healthcare utilization and the well-being of their employees.
- **Wellness and Disease Management** – The early identification and treatment of certain diseases, or even the change in habits of the insured population, can play a dramatic role in containing company costs and improving the quality of life for employees.
- **Employee Communication** – Effective communication by the employer to its employees regarding the importance of the healthcare issue – both for the individuals and for the survival of the enterprise – can effectively impact the way employees utilize health plans and help steer employees toward healthier behaviors.
- **Benchmarking** – Companies want to understand the local marketplace; they want to know what their peers and competitors are doing and how local healthcare providers interact with insurance carriers and TPAs.

## Taking Action

Companies in every market surveyed are realizing that they can help mitigate the trends that contribute to medical inflation by taking key steps.

- Educate employees on plan utilization
- Review plan designs and engage employees in the process
- Attempt to improve employees' health through implementation of wellness programs
- Institute proactive chronic disease management
- Partner with healthcare carriers in auditing fraud, errors and eligibility
- Encourage regular dialogue between healthcare providers and healthcare carriers

In some countries, these steps are new; in others they are not. In either case, implementation is not easy. The role of a healthcare broker or consultant can be critical. In fact, it is often necessary for such a partner to take an active leadership role if organizations are to achieve optimal quality and cost outcomes in the selection and implementation of their healthcare programs.

## US Client Survey

The Willis Employee Benefits Practice also undertook a client survey in the summer of 2006 on wellness and disease management in the United States. The survey focused on three themes: management support, return on investment and early adopters/future interest. Below are some highlights.

- Eighty-three percent of respondents strongly or somewhat agree that their organization's leadership is committed to improving employee health.
- Sixty-two percent strongly or somewhat agree that employees understand the connection between their health and premiums.
- Sixty-two percent strongly or somewhat agree that their management believes an employee's lifestyle behavior should be linked to that employee's healthcare expenditure.

For more information about this survey, please contact Anjanette Simone at +1 404 224 5132, [anjanette.simone@willis.com](mailto:anjanette.simone@willis.com).

## The Willis Employee Benefits Practice

The Willis Employee Benefits Practice offers a comprehensive variety of insurance brokerage, employee benefits consulting and human resource support services to organizations of all types and sizes. Headquartered in New York, the practice spans 110 countries and has a dedicated staff of more than 1,500 Associates, of which two-thirds are located outside the United States.

