

# M<sup>c</sup>GRIGOR news headlines

Everything you need to know from October, 2020

## INTERNATIONAL HEALTH INSURERS

### Zurich to acquire HealthLogix & HealthInsite

Zurich Insurance Group has announced that it will acquire digital health and wellbeing service providers, HealthLogix in Australia and HealthInsite in South Africa, to expand its Zurich LiveWell health and wellbeing operation. The companies, jointly known as HLX, will be acquired from the founders. They offer a range of mobile applications and web-based health and wellbeing solutions for corporate employees and retail customers. These solutions promote improved engagement and productivity. They also help the monitoring of behavioural change challenges that reduce lifestyle risk, along with a sophisticated rewards system and personalised content around physical, mental, financial and social health.

### Vitality Group adds DarioHealth's tools to its benefits

Vitality Group has added DarioHealth's digital chronic condition management tools to its Gateway Flex benefits marketplace. The move follows a partnership between the two companies which aimed to improve Dario's presence in the self-insured employer market

## Editorial

Please find our latest insights taken from the news and other articles we have digested throughout October.

In response to requests from clients to widen our topics, we have added in some extracts on new areas: Employee Benefits, healthcare services for seniors and wellbeing trends. Thank you for making this process more interactive - do please continue, it's great to know what is on your radar.

Best wishes,  
Rhiannon

### Macif, Generali & CVC to join bidding war for Aviva's French business

Reports suggest that mutual insurer Macif and a consortium consisting of Generali and investment firm CVC Capital Partners are readying their bids for an acquisition of Aviva's business in France, which includes health insurance.

### AXA PPP healthcare officially becomes AXA Health

AXA PPP healthcare announced its decision to re-brand as AXA health last year. Now its Health On-Line, Health Services/ICAS UK and AXA PPP healthcare brands will unify under the new name. As a result, the company will be simplifying its business structure and legal entities.



## Swiss Re joins **global health coalition**, opens up **data & analytics platform**

Global reinsurer Swiss Re has joined a global coalition that aims to better predict and prevent outbreaks, epidemics and pandemics by leveraging data and analytics. The Trinity Challenge members include the likes of Google, Microsoft and Facebook, GlaxoSmithKline, McKinsey & Company, the Gates Foundation, the University of Cambridge and Imperial College London. The coalition was established to help develop ideas and tools that can be harnessed to help tackle the three stages of infectious disease emergencies: identification, response and recovery. Parallel to its participation in The Trinity Challenge, Swiss Re has integrated COVID-19 related health, economic and social data into a single platform called the Risk Resilience Centre. The platform has been designed to provide access to rich data on COVID-19 by integrating global data from over 100 sources

## Bupa launches **stand-alone business proposition**

A stand-alone health insurance proposition for businesses has been launched by Bupa to give employees access to a broad range of health services and expert advice on an outpatient basis to detect problems, diagnose symptoms, and provide support. As well as covering diagnostic tests, consultations, treatment and therapies, Bupa Balance, will enable individuals to get support and advice for long-term conditions such as diabetes and heart problems.

## Forbes ranks Bupa **one of the world's best employers**

Bupa has been ranked as one of the world's best employers in Forbes' annual list, which rates their employees satisfaction on Covid-19 responses; gender equality and social responsibility.

# HEALTH SERVICES COMPANIES

## Press Ganey acquires **Doctor.com** and majority stake in **Binary Fountain**

Press Ganey, a care-quality services firm best known for distributing patient satisfaction surveys, has announced the expansion of its market-leading health care consumerism platform with the acquisitions of Doctor.com and a majority equity stake in Binary Fountain. These acquisitions create the largest health care consumerism platform in the industry that offers an unmatched opportunity for health systems and providers to drive digital patient acquisition, retention, and reputation management strategies that will deliver new levels of growth and loyalty. By bringing both companies' online reputation management tools in-house, Press Ganey aims to combine patient feedback and online acquisition into a single digital platform.



# EMPLOYEE BENEFITS

## Pacific Prime Employee Benefit Survey 2020:

With a decreasing average of time spent at a company, employee benefits are more important than ever. Pacific Prime's 2020 survey provides insight into the top global employee benefits trends in 2020.

**The six key trends are:**

### 1. Refinement and reassessment of group health insurance

When it comes to the top employee benefit, it's hard to imagine anything ever replacing medical coverage. Health insurance coverage is an essential benefit that all employees expect, and with rising medical costs, it's easy to see why. The cost of healthcare continues to rise every year, dramatically exceeding the general inflation rate. With the ongoing COVID-19 pandemic, this benefit gives employees peace of mind since they know they can access medical services without spending more than they can afford.

### 2. Adoption of technology

The new generation of employees is familiar and comfortable with technology. They're the generation that's grown up with mobile phones, laptops, digital apps, and information available on-demand. Consequently, they'll expect employers to use technology as well, such as HR tools and applications. There are many benefits of HR technology, ranging from tailored experiences and flexible employee benefits to allowing employees to take charge of their own benefits choices.

### 3. Mental health benefits

The stigma surrounding mental health seems to finally be reducing, with more mental health benefits being offered by companies. The US alone has witnessed a 26% increase in companies offering benefits such as Employee Assistance Programs (EAPs), mental health coverage, and more. In 2019, 9 out of 10 organizations offered this benefit. With lockdowns and social distancing measures due to the COVID-19, employees are experiencing more stress and anxiety, making the need for mental health benefits more important than ever.

### 4. Family-friendly benefits

Employees would rather work for companies that support them throughout different stages of life, by offering benefits that help them balance their work and family responsibilities. Family-friendly benefits such as paid parental leave, paid bereavement leave, and childcare benefits are valued, and organizations that offer these benefits are preferred.

### 5. Flexible working arrangements

Due to the pandemic and its repercussions, the world witnessed the largest remote work shift in history. Employees across the globe had to work from home, whether they had experience with it before or not. However, this trend was merely accelerated by COVID-19 since the trend has been growing for some time. As a matter of fact, millions of people were already working remotely before the pandemic. With greater control over work-life balance and increased productivity, it's easy to see why employees prefer flexible working arrangements like flexible hours or four-day workweeks. So much so that 76% of workers would be more willing to stay with their current employer if they offered flexible hours.

### 6. Financial wellbeing

Economic uncertainty has certainly triggered employees' desire for financial benefits. Many employees believe that stress interferes with work, and the majority of them believe that financial benefits could be the key. As the name suggests, financial wellbeing is an emotional state that results from financial security. Some of the most popular financial benefits include student debt relief, pension schemes, and loans.



## Mental wellbeing is most sought-after benefit among UK SMEs

A quarter of UK SMEs are keen to introduce mental wellbeing support within the next six months, according to research from WorkLife, which showed it is the most offered benefit by smaller businesses.

Health and fitness discounts, such as gym membership and yoga classes and discounted health insurance and services, such as dental care, were third most popular, being offered by 24% of firms surveyed. The least popular benefits are free financial guidance and shopping discounts, which are offered by just 23% of SMEs.

## UK Study shows ROI of £7.27 for EAPs

A new study from the Employee Assistance Professionals Association (EAPA) has set out to calculate the financial value of EAPs in relation to their impact on employee absence, presenteeism and productivity in businesses. The analysis takes in 2,000 calculations made via the EAPA's UK ROI calculator since the beginning of 2019, representing the anonymised information of four million employees. The figures show that for every £1 spent on an EAP, UK employers see an average ROI of £7.27, whatever the size, company, sector, geographical location or service used. This compares with an ROI of £5 for every £1 spent on tactics for supporting employee mental health in general proposed by the Deloitte report, Mental health and employers: the case for refreshing investment, earlier this year.

## HEALTH TECH

An untapped market for digital health innovation exists among seniors hoping to age 'in place'

Aging in Place is defined as "the ability to live in one's own home and community safely, independently, and comfortably, regardless of age, income, or ability level," per the CDC's definition. A new report from Rock Health says there is a "unique window of opportunity" for digital health innovation to support seniors as they age. As older adults continue to adopt technology, digital health technologies will play an important role in helping them age in place, a new report from Rock Health predicts. Older adults' interest in aging in place paired with their growing use of technology presents investors and entrepreneurs with an opportunity for innovation. The report identified several spaces that offer potential opportunities for digital health developments, including technology targeting loneliness and social isolation, services that address the social determinants of health, devices that connect patients with accessible healthcare, and programs that support caregivers.

## Who will be the winners in the future of digital healthcare?

Digital disruption in healthcare is here, but the open question remains, who will be the winners in the new world order? Start-ups, big tech, and retail are all contenders. Rock Health Consulting explores what each of these types of players has to offer and how incumbents can respond.

## Medical Solutions reveals strong virtual GP usage among young adults in 2020

Medical Solutions (UK's #3 telehealth player) analysis of its usage data from January to August 2020 has shown that more than a third (36%) of its virtual GP services have been utilised by those under 30 years old, with a further 28% aged 30-39. Medical Solutions observed over 300% increase in patient demand at the peak of the pandemic, yet only a relatively small proportion of appointments in 2020 to date have been Covid-related (less than 5%). Instead, dermatology (16%, vs 12% in 2019) and orthopaedic/MSK (12%) were the most common reasons for seeking medical advice.



# GENERAL ARTICLES

## Global healthcare benefit costs to increase by more than 8%

Global healthcare benefit costs are set to increase by more than 8% globally, according to research by Willis Towers Watson. The 2021 Global Medical Trends Survey, which surveyed 287 medical insurers operating in 76 countries, found that the most impacted territories are Latin America with a 14% increase and Middle East and Africa with a 10% increase. The cost of private medical insurance (PMI) in the UK continues to increase year on year, with an increase to 6% in 2020 and a predicted increase of 7% in 2021. The study also found that this will range from a 5% increase in Europe to a 13% increase in America.

## People buying private healthcare continue to grow younger

UK Customers taking out private health insurance are getting younger. The average age of those investing in Private Medical Insurance (PMI) has fallen to its lowest level since last September, according to ActiveQuote. The average age of policy holders investing in health insurance through ActiveQuote dropped to an all-time low of 42.1 in August 2020, compared to an average of 45.6 in September 2019, with 44% of people contacting ActiveQuote since the beginning of the year to enquire about PMI, generally under the age of 35.

## Two fifths of consumers 'changed mind' about insurance 'due to Covid' according to ReMark's Global Consumer Study

Remark's 7th annual Global Consumer Study (GCS) into life and health insurance has found that younger people, in particular Generation Z, are the age group most influenced by Covid-19 and its associated health and mortality risk. The survey, of 10,000 people across 18 countries, found that this age group (born between 1996 and 2015) expressed the strongest views, with 51% saying their attitudes had changed towards the value of insurance in light of the pandemic compared to 22% of Baby Boomers. Countries classed as growth markets were also found to be influenced most by the crisis, with 82% of people in India changing their attitudes towards insurance compared to 13% of Germans, for example.

## Cross-border collaborations lead to data sharing efforts during COVID-19

Panellists at the World Health Summit discuss lessons learned from international collaborations during the pandemic. When it comes to tackling a pandemic, global collaboration and data sharing are key, according to speakers at the World Health Summit. Digital tools have come to centre stage over the last year and app-based contact tracing tools, telemedicine visits and remote patient monitoring technologies have now become mainstream.

## 5 'modifiable' health risk factors rack up 27% of US healthcare bill, and 'significantly' less claims come from those who engage in healthier lifestyles

A study published by The Lancet has revealed that health risks which can be improved by engagement with healthier lifestyles were linked to more than \$730bn of healthcare spending in the US in 2016. The research by Vitality Group and the Institute for Health Metrics and Evaluation (IHME) found the costs were largely due to five risk factors, which include overweight and obesity, high blood pressure, high blood sugar, poor diet and smoking. US healthcare spending on these factors alone reached 27% of the \$2.7trn total in 2016, the study revealed. The findings come at the same time that Vitality UK data shows that claims were significantly lower across the main claims categories for those who had engaged with a healthy and active lifestyle, to reach a higher Vitality status, during the same period.

