



FUTURE FORCE #3

POLARISED PROVISION – TIERED HEALTHCARE COVERAGE

Healthcare is increasingly polarised, between the haves and have nots. There is rising economic inequality across the world.

This is a macro trend that was well entrenched prior to the Covid-pandemic, has been accelerated by it and will continue into the future as those on low-incomes are disproportionately impacted by rising inflation and living costs as the global economy continues to struggle over the short-medium term for a variety of reasons outside of their control.

At the same time, there is increasing pressure on public healthcare budgets for a number of structural reasons that are hard to resolve in the short-medium term. This is leading to a gap between supply and demand in the publicly funded part of the health sector, often resulting in longer waiting times and lower service levels.

In some markets, the promise of free & universal access to primary care is now inconsistent across the whole country, with different states, regions or counties having different levels of provision or service levels, leading to accusations, for example in the UK and Spain of something of a postcode / state lottery, where the service levels you get or time you will wait for care differs widely across the country.

As a result of these pressures, those on above average incomes are increasingly turning to private healthcare options, enabling enhanced access, treatment and care options for those who can afford it. These pressures are increasingly leading to a 2 or 3 tier system being in operation in many mature markets around the

world, particularly those where demand is only likely to increase further due to an ageing population. This will likely lead to a more tiered system of healthcare, not just for patients, but also in terms of physicians and other staff, who might opt for more lucrative careers outside the publicly funded healthcare system.

As a result in the next 5-10 years we are likely to see the viability of free & universal access to healthcare come under increasing threat. This is due to a perfect storm of demographics (more people and an ageing population), rising costs (and coverage) of healthcare, the increasing range of diseases and conditions covered by the system and key staff / skills shortages in many areas. This will all occur at a time of overwhelming pressure on public health budgets in what looks to be a period of slow economic growth and rising inflation over at least the short-medium term.

With this as the context, universal health care and the expanding welfare state will hit tipping point with the gap widening between supply and demand and the development of an increasingly tiered system of access and care. There will likely be a significant growth in high-end providers and touchpoints to cater to those who desire and can afford to bypass the state welfare system and the bureaucracy / queues and uncertainty involved in it.

FORCES IN ACTION



Private healthcare boom adds to fears of two-tier system in UK
[\(The Guardian\)](#) →



Healthcare Consumerism will shape the medical field in years to come - Patient Empowerment
Top Industry Trends
[Intelligence\)](#) →

NUMBERS IN ACTION

1 in 6

people are now prepared to go private rather than waiting and the proportion of UK healthcare spending now going on private healthcare has tripled in the last 40 years.

[\(British Medical Association\)](#)

100m

additional people living in extreme poverty as a result of the pandemic. Extreme poverty rose globally in 2020 for the first time in 20 years.

[\(2022 Deloitte Global Health Outlook\)](#)



30,000

patients waiting more than 12 hours from decision to admission in the British NHS in July 2022, over 65 times the number of people waiting that long 3 years earlier, while 332,000 have been waiting over a year for treatment or an operation, 13 times the comparable number in May 2020.

(British Medical Association)



Hybrid Healthcare Models Are Meeting More People Where They Are With Human-Centered Care

(Well + Good)