

UK Government's response clarifies levels of state contribution to long term care

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Growing confidence that public/private LTC partnership can work in the UK- says Swiss Re Life & Health

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Swiss Re Life & Health in the UK considers that the government's response to the report of the Royal Commission on Long Term Care (LTC) heralds better, more enduring partnerships with the private sector in the funding and provision of healthcare. "Providers of long term care products will see this as the start of a more positive relationship," says Peter Barnett, Health and Welfare Strategy Unit at Swiss Re.

"We are now beginning to get a much clearer picture of the levels of state contribution and there is a need for a concerted information campaign to clarify the solutions that the industry has to offer to help resolve this pressing national problem.

The public's limited appetite for LTC products up until now may reflect affordability or lack of confidence. The provision of nursing expenses by the NHS will bring down the cost of insurance and the proposed consultation process on product regulation, following the report of the Treasury Committee on LTC Investment Products, will raise confidence."

Recent Swiss Re Life & Health research showed that 97% of respondents agreed that funding long term care is an important issue for the entire country and there is an increasingly positive attitude from the public towards private provision.

Adds Peter Barnett, "We don't expect the full picture to be clear for some months because a series of complementary LTC initiatives are still under consideration by various government departments. But, when fully implemented, the NHS Plan will have a significant impact on care for the elderly. The recognition by government that it is 'understandable that some people may want to set aside some monies to safeguard against possible care cost' in old age gives hope for a more realistic approach to the problem in the future."

In broadly welcoming both the long term care proposals and Labour's new NHS Plan, Swiss Re believes that the life and health industry must now grasp the opportunities for public/private partnerships.

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