



ACERH

AUSTRALIAN CENTRE FOR ECONOMIC RESEARCH ON HEALTH

SEMINAR/OCCASIONAL SERIES

26th September 2007, 10:00am

E.S. Myers Lecture Theatre, The University of Queensland
3rd floor, Mayne Medical School Building
Herston Road, Herston

How can we make individual health insurance affordable for the high-risks in a competitive insurance market?

Prof. Wynand van de Ven
Professor of Health Insurance
Department of Health Policy and Management
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THE SPEAKER

After studying mathematics Wynand P.M.M. van de Ven (1950) wrote his thesis "Studies in Health Insurance and Econometrics" at Leiden University. Since 1986 he is professor of Health Insurance at the Department Health Policy and Management, Erasmus University Rotterdam. In his lectures he pays attention to the way health insurance can contribute to achieving both efficiency and equity in health care. His current research activities have a strong relation with the procompetitive reforms of the Dutch health care system. Key words of his research interest are: managed competition in health care, competitive health insurance market, adverse selection, moral hazard, (prevention of) cream skimming, risk-adjusted premium subsidies, competition policy, managed care and priority choices in health care. He has experience as a member of the board of directors of a sickness fund and two hospitals and has served as a consultant for several health care organizations. As a visiting consultant he has studied the (restructuring of the) health care systems in Chile, Ireland, Israel, New Zealand, Poland, Russia, South Africa and Sweden. In recent years he has played a key role in setting up the European Risk Adjustment Network. He is Programme Director of the Master Health Economics, Policy and Law at Erasmus University and Chair of the Arrow Award Committee.

(ABRIDGED) ABSTRACT

Consumer choice of health insurer provides the insurers with incentives for efficiency, but also with incentives for risk rating. This raises the question: How can we make individual health insurance affordable for the high risks in a competitive insurance market? A system of subsidies is a straightforward way to do so, but what is the best form of subsidies?

The goal of this paper is to analyze several forms of subsidies and the tradeoffs they involve.

As a case-study we focus on the experiences in the Netherlands, which is the first country in the world that has implemented a National Health Insurance (intended to be) based on Managed Competition in the private sector (the Enthoven-model, 1978).

PARKING

Parking is available in the multi-storey car parks adjacent to the Royal Brisbane and Women's (RBWH) and Children's (RCH) Hospitals. The RCH car park is convenient to the venue. (Paid metered parking is also available at \$1.20 per hour on the circular drive of the Mayne Medical School building.)

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