



Reaction & Commentary

The Future of Healthy: Cross-sector investments

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DRAFT

Summary

- Better economic evidence can lead to better-informed investment decisions for children, youth, and families
- Multi-stakeholder collaboration is key factor for success
- But the challenges remains **how** to create net beneficial, sustainable interventions

Three fundamental believes:

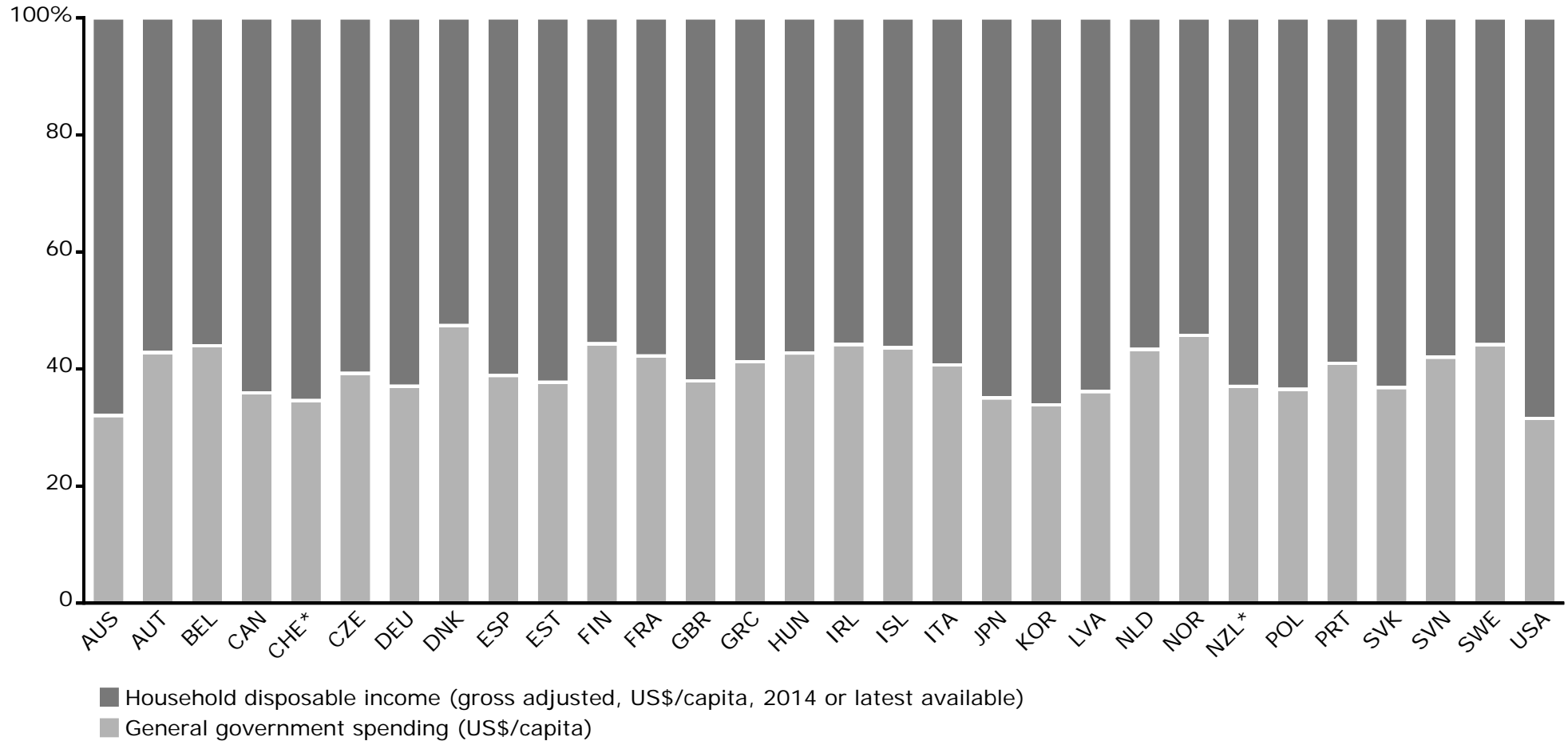
- 1 Private sector has a key role to play
- 2 Align societal with financial benefit to ensure Health is a positive business case
- 3 Create ecosystems of health to start a demand/ supply engine for health



1 Private sector has a key role to play

HOUSEHOLD DISPOSABLE INCOME > GENERAL GOVERNMENT SPENDING

Ratio of per capita household disposable income to general government spending



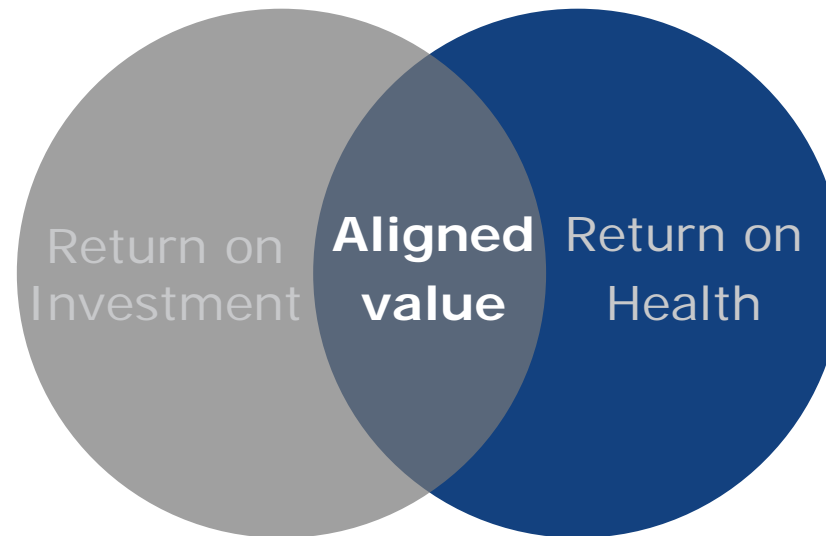
*Household disposable income data from 2013

Source: OECD; Bain analysis



2 Align societal with financial benefit to ensure Health is a positive business case

FINANCIAL BENEFIT

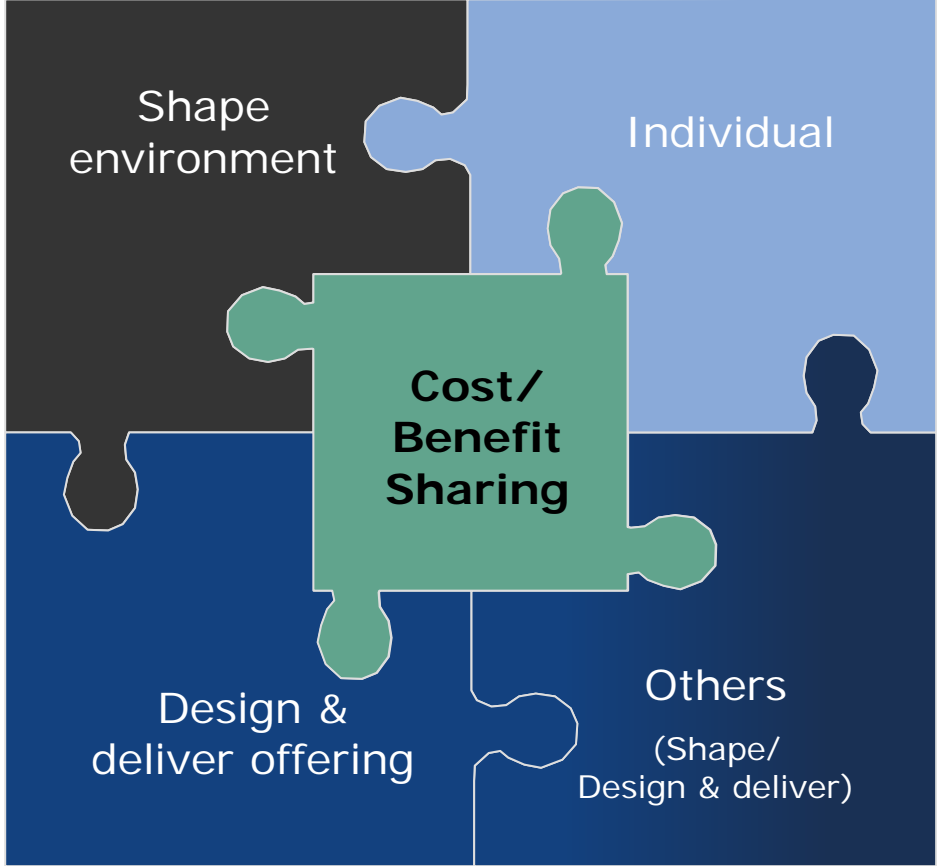


SOCIETAL BENEFIT



2

Where benefits are not naturally aligned, shaping the environment can ensure fair cost/ benefit sharing



Source: World Economic Forum/ Bain



2 Example: Naya Jeevan (Pakistan)



What is being done

- Co-financed catastrophic health insurance for informal domestic workers and their families in developing countries
- Corporations contribute to healthcare costs of informal employees of their officers and managers

Partners

- Corporations and corporate officers/ value chain intermediaries
- Benefits for corporations: decreasing health risks to their own staff and improving productivity

RoH

- Health insurance means access to better healthcare and health for otherwise uninsured individuals and their families
- At the end of 2013, provided 25,190 people across 83 corporate sponsors with health insurance

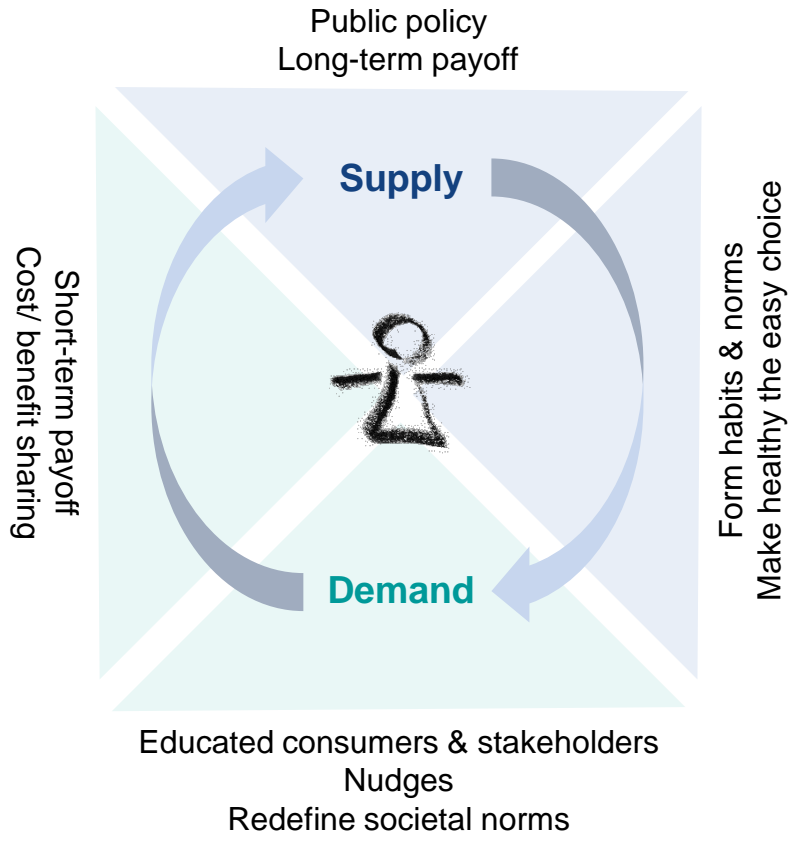
RoI

- Short-term financial payback
- Long-term/indirect financial payback: protect health and higher productivity of executives



3

Create ecosystems of health to start a demand/ supply engine for health



AREAS FOR ACTION

- 1 Build demand from consumers
- 2 Create incentives for businesses/ governments
- 3 Raise awareness of impact bonds



3

Potential investment opportunities in health across different business sectors

KEY INFLECTION POINTS FOR HEALTH

		Healthy pregnancy	Balanced nutrition in childhood	Health enabling environment	Minimum level of education /health literacy	Adequate vaccination	Healthy body weight	High compliance rate with treatment	Adequate social engagement	Sense of self-efficacy
Consumer products/retail	●		✓	✓	✓		✓			
Healthcare	◐	✓				✓		✓		
Industry goods, services & transportation	◐			✓			✓		✓	
Media	◐	✓	✓	✓	✓			✓	✓	✓
Private equity/ financial services	●		✓	✓	✓	✓	✓	✓		
Social & public sector	●	✓	✓	✓	✓	✓	✓	✓	✓	✓
Technology/ telecommunication	●			✓	✓		✓	✓	✓	✓

Food with healthy formulations addressing health demand

Safe roads

Impact bonds for workplace and community health

Projects/businesses to curb pollution in developing countries

Health education in curriculum of schools/ universities

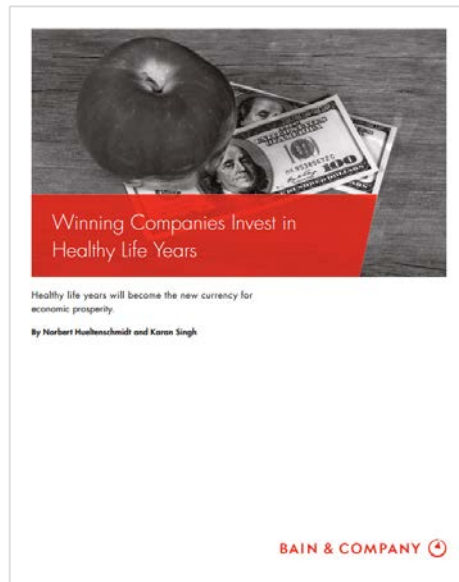
Infrastructure to collect, integrate and analyse health data

Innovation to increase compliance rate and increase sales

Personalized health impact prediction of certain actions

Source: Bain analysis

Publications



- World Economic Forum/ Bain
 - How to Realize Returns on Health (2016)
 - Maximizing Healthy Life Years – Investments that Pay Off (2015)
- Available on <http://www.weforum.org>
- Bain
 - Winning Companies Invest in Healthy Life Years (2016)
- Available on <http://www.bain.com>



Any questions?

