

Wireless Healthcare

Long Term Problem or Long Term Opportunity?

Fifty years ago a man considered himself lucky if he saw his seventieth birthday. In those days working out how to fund healthcare was a relatively straight forward, back of the envelope, calculation. Starting work after leaving school and stopping work at 65 a person accumulated approximately 49 year's of National Insurance (NI) contributions. This paid for their healthcare up to the age of sixteen and a pension when they retired. It also covered any healthcare they required between the day they started work and the day they died. Anything left over provided a pension, and healthcare, for the person's wife – who, on average, lived five years longer than her husband.

The books balanced because people who suffered prolonged bouts of illness during their working lives – and claimed on the National Insurance scheme - usually died before well before their seventieth birthday.

Fit – but not for work

The world has changed significantly in fifty years. More people go on to further education and start work in their late teens or early twenties. Working lives are shorter with some people retiring as early as 55. Improved working conditions, diets, rising standards of living - and early retirement itself - have pushed men's life expectancy up to 75 and women's up to 85.

It should have been obvious that 35 years of NI contributions would not cover the cost of a lifetime's healthcare and provide a pension to cover 20 years of retirement. The ensuing crisis was masked by economic growth, increasing number of women joining the workforce and, more recently, a stock market boom that inflated pension funds. A slide in the value of stocks and shares during 2001 and 2002 has focussed attention on a problem that has been growing steadily more acute for two decades – namely who will pay for pensioner's long-term care?

At a Glance

The need for technology to eliminate bed blocking presents an opportunity for investors and IT vendors.

The market for ehealth systems to provide care for the elderly could be worth £1.5 billion per annum.

However, only if the government encourages NHS Trusts and local authorities to work together and if manufacturers can produce sophisticated low cost solutions.

Inside the full report: -

Overview of the long-term care sector.

Financial and technical challenges facing players in the ehealth market.

Profiles and analysis of DOC@HOME, Roke Manor Research and Tunstall Telecom.