A study on private health insurance system in some developed countries and its implications.

The importance of health insurance is emerging day by day due to the progress of aging society and the continued upward trend in medical costs but the role of private health insurance is bound to be limited under public health insurance system. This study give us a few suggestions on private health insurance operations and the product development of private health insurance.

First, the role of private health insurance under public health insurance system could be played well, if private insurers are allowed to contract with health care providers. Private health insurer also help to suppress the medical bill with an appropriate policy such as the permission to contract with doctors.

Second, it is not easy to apply the operating system of each country’s health care to ours. That is why the development of private health insurance products is limited to the expansion of coverage and benefit. However, if the aforementioned contract with medical providers and insurance companies are allowed, it is not difficult to introduce a great of insurance products using the contract.

Third, the diversification of private health insurance products is constrained by many factors, but there is some room for the development of products with the coverage expansion. Insurance products for alternative medicine in European countries could be an example.

Finally, competition among private health insurers could be introduced on condition that all private health insurer should offer an
compulsory health insurance coverage which set by an national institution. It may solve the trad-off problem between the financial status and the coverage expansion.