

Healthcare in Bermuda



KPMG in Bermuda recently welcomed Dr. Mark Britnell, Chairman and Senior Partner of KPMG's Global Health Practice to the island. Dr. Britnell was the keynote speaker at the Bermuda Chamber of Commerce AGM luncheon on April 6, 2017 where he delivered a speech based on his award winning book "In Search of the Perfect Health Care System." Dr. Britnell also hosted two roundtable discussions and held meetings with key stakeholders in Bermuda's healthcare sector including representatives from the Ministry of Health, the Bermuda Health Council ("BHeC"), Bermuda Hospitals Board, Bermuda Cancer and Health, Argus and BF&M insurance companies and the island's general practitioners.

Our current healthcare system faces some significant challenges.



Bermuda spends **\$11,102** per person on healthcare annually.



Life expectancy is **77 years** versus the **OECD average of 79 years**.

With an increasingly aging population, an overweight and obesity rate of 75% and the limited patient bed capacity at KEMH, it is clear that our attention needs to turn to how to improve health outcomes. Implementing strategic healthcare reforms, including reducing the cost of healthcare, are essential to achieving better outcomes.

Recent studies published by the BHeC indicated that Bermuda spends \$84m per year on overseas healthcare. This does not take into account the additional personal expenditure on accommodation, transportation and

food, nor does it account for the estimated \$3.8m which is lost on productivity during these overseas visits.



Bermuda is **second only to the USA** in terms of healthcare cost per person.



75% of Bermuda's adults are overweight or obese.



\$84m per year spent on overseas care.

We have set out below some of the key themes emerging from the roundtable sessions and meetings, and would like to thank all participants for their valuable contributions to these discussions.

Roundtable suggestions as to how an improved healthcare system can be achieved included:

1. Amend the regulation of health service providers.
2. Enable investment in long-term care facilities for the elderly.
3. Elevating the level of training and experience of care givers.
4. Optimize the use of care facilities in Bermuda so that patient care is matched to facility specialisms.
5. Cost containment – including better claims processing and coordination with insurers to limit unnecessary diagnostic procedures and publish screening guidelines.
6. Improve supply-side management of medical care and technologies to efficiently meet demand.

A summary of Dr. Britnell's recommendations on how to improve Bermuda's healthcare system are detailed below:

1. Investigate further the case mix of overseas care versus on-island treatment to optimize the delivery of care and repatriate treatment to Bermuda where is clinically and financially beneficial to do so. Run a global tender process to attract leading global healthcare institutions (e.g. USA, Canada or UK) to Bermuda.
2. Consider the introduction of capitated or bundled funding for primary care to focus on achieving health outcomes along with a value-based payment system.
3. Improve the perception of healthcare quality in Bermuda through reporting of quality measures. Encourage greater practitioner focus on quality and outcomes through training and performance metrics.
4. Consider how adjustments in Bermuda Hospitals Board's employment structure, performance assessment, and remuneration could encourage greater attention by practitioners on delivering improved healthcare outcomes, managing risk, and patient satisfaction.
5. Build IT systems around processes by the utilization of a unique patient identifier code and supplement this with electronic access to patient records and medical data.
6. Assess whether there are opportunities to create efficiencies in the procurement of pharmaceuticals and the delivery of laboratory services, which would reduce costs.

Contact us:

For more information on how KPMG in Bermuda can help, please contact one of our industry specialists:



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