



STATEMENT from John Wight, President and CEO of BF&M Limited
2 May, 2019

STARTS

- We agree there is an urgent need to make healthcare more affordable and accessible to all Bermudians.
- We agree with the Minister of Health that the Standard Premium Rate (SPR) for the mandated package of insurance or to HIP or FutureCare is not going up in 2019. It is the distribution of the SPR that is changing.
- To be clear, the Mutual Reinsurance Fund (MRF) is embedded in clients' Standard Premium Rate and we collect it on behalf the Government, passing it on for Government to fund aspects of health care. It is a fact that, as part of the changes to the distribution of the Standard Premium Rate, the MRF is increasing by 225%.
- The proposed Government reform is an exercise in reallocating funds and capping hospital funds, and fails to address the real drivers of the cost of healthcare in Bermuda – the third most expensive per capita in the world. Premiums will continue to increase as a result of our ageing population and the growing number of adults with chronic conditions
- We have an obligation to explain to our customers why their premiums are increasing. In our renewal letter to our clients, we explained that a number of factors impact their premium, including rising health care costs, overall claims experience, as well the Government's proposed changes to the distribution of Standard Premium Rate.
- We think there is a better way to address the problems in our health system, which we would like to discuss with Government.
- We are committed to working with Government to develop thoughtful, comprehensive health care reform that achieves our shared goals of stabilizing costs, increasing accessibility, and driving better health outcomes.
- We want to work together with the Government to develop thoughtful, comprehensive health care reform that achieves our shared goals of stabilizing costs, increasing accessibility, and driving better health outcomes. We are in the process of presenting to Government viable alternatives and we are hopeful that those discussions will result in thoughtful solutions.

ENDS

BF&M Limited