

Better healthcare contributes to a stronger and healthier global population and improves the economic conditions of nations

- Innovations in healthcare technology and advances in medical treatment improve health outcomes for people around the world and spur economic growth, delivering savings to individuals, governments and healthcare systems.¹
- Healthier societies are more productive ones. Due to improved healthcare, people can stay in the workforce longer and continue contributing to the economy.²

ENHANCING PATIENT CARE AROUND THE WORLD

- When governments and their development partners spend money on preventing illness and promoting good health, they help to reduce the cost of curing people when they get sick – by up to \$700 million globally per year for child survival alone.³
- An investment of \$10 per person annually in proven, community-based public health programs could save the United States more than \$16 billion within five years—a \$5.60 return for every \$1 invested.⁴
- Expanding health insurance coverage, delivering better preventive and chronic care, and focusing on community prevention is more effective at saving lives and money than implementing any one of these strategies alone.⁴

THE IMPACT OF THE GLOBAL HEALTHCARE ECONOMY

- Healthcare accounts for almost \$6 trillion of \$63 trillion in 2010 global GDP and is expected to grow to \$8.5 trillion by 2015.⁵
- Healthcare industries are responsible for roughly \$250 billion of the \$1.1 trillion global investment in scientific research and development. They are the world's largest and fastest-growing job-producers, and most prolific creators of small and medium enterprises.⁶
- In 2011, health expenditure across the globe was allocated as follows: 62% to inpatient care and outpatient care combined; 20% to medical goods; 12% to long-term care; and the remaining 6% on collective services, such as public health and prevention services and administration.⁷
- Healthcare is a vital part of the global economy, with an estimated 59.2 million employed by the sector across the globe.⁸
- Cost-effective and efficient health expenditure can increase the quantity and the productivity of labor by increasing healthy life expectancy.⁹

¹The White House. September 2009. A Strategy for American Innovation: Driving Towards Sustainable Growth and Quality Jobs.

<http://www.whitehouse.gov/administration/eop/nec/StrategyforAmericanInnovation>

²ACOEM Guidance Statement. January 2009. Healthy Workforce/Healthy Economy: The Role of Health, Productivity, and Disability Management in Addressing the Nation's Health Care Crisis: Why an emphasis on the Health of the Workforce is Vital to the Health of the Economy.

http://www.acoem.org/uploadedFiles/Healthy_Workplaces_Now/Healthy%20Workforce%20-%20Healthy%20Economy.pdf

³World Health Organization. 2009. Investing in Maternal, Newborn and Child Health. <http://www.who.int/pmnch/topics/investinginhealth.pdf>

⁴Trust for America's Health. February 2009. Prevention for a Healthier America: Investments in Disease Prevention Yield Significant Savings, Stronger Communities. <http://healthiamericans.org/reports/prevention08/Prevention08.pdf>

⁵World Health Organization. Global Health Expenditure Atlas. <http://www.who.int/nha/atlas.pdf>

⁶Alliance for Healthcare Competitiveness. 2012. White Paper. Towards a Global Health Market: Stronger Growth, Better Health. <http://healthcare-competitiveness.com/wp-content/uploads/sites/6/2013/08/AHC-Policy-Paper-Toward-a-Global-Health-Market.pdf>

⁷OECD. 2013. Health at Glance. <http://www.oecd.org/els/health-systems/Health-at-a-Glance-2013.pdf>

⁸World Health Organization. Counting health workers: definitions, data, methods and global results. http://www.who.int/hrh/documents/counting_health_workers.pdf

⁹Commission, Directorate-General for Economic and Financial Affairs. December 2012. The Quality of Public Expenditures in the EU, European Economy, Occasional Papers 125.

http://ec.europa.eu/economy_finance/publications/occasional_paper/2012/pdf/ocp125_en.pdf

GLOBAL DEMAND FOR HEALTHCARE

- Annual global spending on medicines will reach nearly \$1.2 trillion by 2016.¹⁰
- U.N. figures show the proportion of the world's population over 65 years old is set to more than double by 2050, to 16.2% from 7.6% currently.¹¹
- Since 2004, the global medical technology market increased by more than 50% to nearly \$250 billion and is expected to grow in the coming years.¹²
- The U.S. healthcare industry is expected to grow from 15.6 million jobs in 2010 to 19.8 million jobs in 2020 – 13% of all jobs. By 2020, it is predicted that the United States will be spending 1 out of every 5 dollars earned on healthcare.¹³
- By 2020, the spending power of the global middle class is expected to reach \$35 trillion a year, up from \$21 trillion in 2009. More than 80% of this growth is expected to occur in the Asia Pacific.¹⁴
- In the U.S., the demand for primary care or family doctors is expected to grow by 14% by 2025. Driven by an aging population and increased access to health insurance.¹⁵

HEALTHCARE INVESTMENTS

- In 1971, less than two and a half percent of GDP was spent on healthcare in China. Life expectancy was less than 62 years old, and only one doctor served more than 1,100 people. Today, health expenditures have doubled to more than 5% of GDP – and with it, life expectancy has increased to more than 71 years and growing.¹⁶
- Russia has allocated approximately 186 billion rubles (\$6 billion) for the development of their domestic pharmaceutical industry.¹⁷

TRADE AND THE HEALTHCARE SECTOR

- “Despite the global and U.S. economic downturn, the medical device and pharmaceutical industries continue to thrive as two of the few U.S. manufacturing sectors with a trade surplus. In fact, over the past ten years, exports of medical devices increased from almost \$25 billion to nearly \$45 billion, while imports increased from less than \$25 billion to just more than \$35 billion,” remarked U.S. Food and Drug Administration Commissioner Margaret Hamburg.¹⁸
- Pharmaceutical products represent the best trade balance for high technology industry sectors in the EU. In 2012 pharmaceutical industry generated a positive trade balance of more than €54.4 billion, by far leading other high technology industries like power generating machinery, tele-communication or electrical machinery.¹⁹
 - The pharmaceutical industry makes a critical contribution to innovation, sustainable employment and value added products and services, and is Europe’s leading commercial contributor to positive trade balances.¹⁹

¹⁰ IMS Institute for Healthcare Informatics. The Global Use of Medicines: Outlook Through 2016.

http://www.imshealth.com/deployedfiles/ims/Global/Content/Insights/IMS%20Institute%20for%20Healthcare%20Informatics/Global%20Use%20of%20Meds%202011/Medicines_Outlook_Through_2016_Report.pdf

¹¹ United Nations Department of Economic and Social Affairs Population Division. Population Dynamics. www.un.org/esa/population/.

¹² Food and Drug Administration. FDA Commissioner Margaret Hamburg remarks at 2011 Export-Import Bank Annual Conference. <http://www.fda.gov/NewsEvents/Speeches/ucm257975.htm>

¹³ Georgetown University. June 21, 2012. Healthcare. <http://cew.georgetown.edu/healthcare>

¹⁴ OECD. January 2010. The Emerging Middle Class in Developing Countries, Working Paper No. 285. <http://www.oecd.org/development/pgd/44457738.pdf>

¹⁵ Dall, T.M., Gallo, P.D., Chakrabarti, R., West, T., Semilla A.P., & Storm, M.V. Health Affairs. November 1, 2013. An Aging Population And Growing Disease Burden Will Require A Large And Specialized Health Care Workforce By 2025. <http://content.healthaffairs.org/content/32/11/2013.abstract?sid=9b5d9f8e-638a-41c7-8b79-240427c271d5>

¹⁶ Central Intelligence Agency. 2012. The World Fact Book. China National Bureau of Statistics. Ministry of Health, Health Statistical Yearbook. <https://www.cia.gov/library/publications/the-world-factbook/geos/ch.html>.

¹⁷ Asia-Pacific Economic Cooperation. 2012. Transcript of Vladimir Putin Q&A during 2012 APEC CEO Summit. <http://www.apec2012.ru/news/20120907/462942656.html>

¹⁸ Food and Drug Administration. 2011. 2011 Export-Import Bank Annual Conference. <http://www.fda.gov/NewsEvents/Speeches/ucm257975.htm>

¹⁹ EFPIA. 2013. The pharmaceutical Industry in Figures: Key Data http://www.efpia.eu/uploads/Figures_Key_Data_2013.pdf