

## NOWHERE TO HEAL THE GROWING LUXURY OF MEDICAL COVER IN LEBANON

### THE PROBLEM

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Amidst Lebanon's economic crisis, it has become unaffordable for most people to get sick. Even before the financial crisis, about half of Lebanon's population was not covered for health care, whether private or public. Yet the alarming lack of coverage even extends to most people with insurance. State-run schemes, including the National Social Security Fund (NSSF), can no longer afford to cover overwhelming medical costs in foreign currency. Households now face grim choices for their ill relatives, staring down financial ruin or fighting illness unassisted.

### ONLY PORT IN A STORM?

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To make matters worse, private health insurance – the country's sole remaining source of basic healthcare coverage – has become even more exclusive than ever. Before October 2019, an elderly couple needed to pay almost double the minimum wage to be insured against basic hospitalisation costs; that burden has risen to around 17 times in 2022. Indeed, Triangle's calculates Lebanese private insurers have increased their profit margins by at least 25% from pre-crisis levels. To be sure, basic coverage is treated as a luxury product.

### MITIGATING CATASTROPHE

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The private health insurance sector, despite its glaring deficiencies, offers the only viable option for ensuring basic access to healthcare. The government must regulate insurance companies to expand coverage under private schemes, including those held by professional syndicates and orders. One key demand should be greater product flexibility, allowing consumers to pur-

chase lower levels of insurance in line with their spending power. For example, cheaper products could have higher deductible amounts, reduce special coverage, or restrict medical networks available.

Insurance providers should invest in enhanced market monitoring tools to improve their underwriting performance, allowing companies to understand their customer bases with precision. In tandem, the state should also introduce an expert independent committee to study anti-competitive practices amongst insurers and reduce taxes on insurance products, which currently drive up premium rates.

### A BASIC RIGHT, FINALLY

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Ultimately, Lebanon has no long-term alternative to implementing a comprehensive universal healthcare system, which at last consolidates Lebanon's fragmented health sector. With this system in place, private insurers can assume their proper market role: a luxury, supplementary product for consumers who are willing to pay extra for specialised care. Only then can Lebanon credibly claim to treat access to healthcare as a basic human right, as opposed to a plaything of the privileged few.