



Funding innovation under pressure: examining the role of commercial health insurance in Europe

Expanding access to innovative medicines through commercial health insurance in three public payer-dominated markets

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Introduction

Health systems across Europe are under growing pressure. The combination of tightening public budgets, ageing populations, and the growing burden of non-communicable diseases has resulted in increasing concern about the financial sustainability of healthcare delivery.ⁱ Payers across Europe, such as national health insurance funds and government bodies responsible for financing medicines, have trialled a range of cost containment measures to manage growing pharmaceutical budgets. However, the impact of these measures has been mixed, often creating trade-offs between economic efficiency and patient access to innovative treatments.ⁱⁱ The limits of the public system are being interrogated, necessitating closer examination of commercial health insurance's role in expanding access to innovative medicines, such as Chimeric Antigen Receptor T-cell (CAR-T) therapies.

Commercial health insurance (CHI) covers a set of health services financed primarily through private, non-income related payments, or premiums, made to an insurer. It accounts for 20% of health spending in Europe. CHI can be primary, substitutive, duplicative, complementary, or supplementary to public health insurance. Each model has different implications on access equity, efficiency, and time to access.

Taxonomy of commercial health insurance models

CHI Models	Individuals without public coverage			Individuals with public coverage	
	Primary	Substitutive	Supplementary	Duplicative	Complementary
	No public health insurance available or eligible	Individuals entitled for public coverage opt out for CHI and are exempt from contributing to public system	Covers additional medicines and services not covered by the primary form of insurance	Provides the same services as the public system but focuses on faster access and greater comfort; not exempt from contributing to public health insurance	Covers all or part of the residual costs not otherwise reimbursed by the public payor (e.g., co-payments)

How CHI interacts with public coverage today

The UK, Germany, and Switzerland were identified as representative examples in Europe that illustrate how CHI can interact differently with public systems, ranging from Germany's substitutive model to Switzerland's complementary insurance, to the UK's supplementary coverage in a universal system. Although these models are dominant in each market, multiple CHI models often coexist. Our study focuses on whether and how CHI expands access to innovative therapies, such as CAR-T therapies.

Our findings show that two coverage types effectively expand access to care: complementary coverage lowers patient cost sharing, and supplementary coverage addresses gaps in public reimbursement of services and medicines. We also find that where public coverage is broad (Germany), CHI can reinforce and mirror public access. Where public coverage is selective or inconsistent (UK, Switzerland), CHI is emerging as a route to earlier or broader access, though structural barriers can limit its role:

- Germany:** Germany has a statutory health insurance system, with CHI providing a substitutive coverage option for eligible individuals who opt out of the statutory system,

ⁱ European Social Insurance Platform (ESIP), Medicine Evaluation Committee (MEDEV). Trends in pharmaceutical expenditure. 2024 Oct.

ⁱⁱ Stadhouders N, Kruse F, Tanke M, Koolman X, Jeurissen P. Effective healthcare cost-containment policies: A systematic review. Health Policy. 2019 Jan;123(1):71-79

currently constituting approximately 11% of the population.ⁱⁱⁱ Gaps in the statutory healthcare budget in Germany have been the subject of recent concern, with major payer DAK-Gesundheit stating in January 2026 that statutory payers should expect to face a €12 billion gap in their budget in 2027.^{iv} All 6 EMA-approved CAR-T therapies are covered under CHI, due to regulations requiring CHI plans to provide at least equivalent coverage to the statutory system.^v

- **UK:** The National Health Service (NHS) provides healthcare for all residents and remains the dominant access route for medicines, with CHI accounting for a small (6%) but growing share of expenditure.^{vi} Recently, gaps in public reimbursement and delays in access to high-cost therapies have begun to incentivise some insurers to extend coverage into specialised areas, resulting in faster and/or broader access to medicines than possible through the NHS.^{vii} Select insurers, such as Bupa, offer coverage of CAR-T therapies approved by the Medicines and Healthcare Products Regulatory Agency on the basis of prior authorization criteria, including a funding request form that physicians must submit.^{viii}
- **Switzerland:** Switzerland offers a hybrid model, consisting of compulsory basic insurance delivered by private insurers on a non-profit basis, combined with voluntary complementary CHI that provides enhanced services or access to medicines not covered in the basic package. Whilst private insurers can offer additional medicines that are not covered by basic insurance, rising premium costs constrain CHI uptake.^{ix} This has led some stakeholders to argue that shifting low-volume high-cost medicines to CHI, where the market is more competitive, would allow for greater sustainability in the basic insurance system.^x There is limited evidence of CHI coverage of CAR-T therapies, but insurers may participate in tariff agreement negotiations with hospitals and manufacturers to obtain temporary reimbursement outside of DRG funding.^{xi}

iii Statista. 'Anzahl der Mitglieder und Versicherten der gesetzlichen und privaten Krankenversicherung in den Jahren 2021 bis 2024'. 2025. Available at: <https://de.statista.com/statistik/daten/studie/155823/umfrage/gkv-pkv-mitglieder-und-versichertenzahl-im-vergleich/> [Accessed January 2026]

iv APM Market Access. 'German major payer DAK alarmed about impending €12 billion hole in healthcare budget'. 2026. Available at: <https://www.apmmarketaccess.com/story/18799/95548/> [Accessed January 2026]

v IQVIA. 'EFPIA Patients W.A.I.T. Indicator 2024 Survey'. 2025. Available at: <https://www.efpia.eu/media/oeganukm/efpia-patients-wait-indicator-2024-final-110425.pdf> [Accessed January 2026]

vi Office for National Statistics. 'Healthcare expenditure, UK Health Accounts: 2023 and 2024'. 2025. Available at: <https://www.ons.gov.uk/peoplepopulationandcommunity/healthandsocialcare/healthcaresystem/bulletins/ukhealthaccounts/2023and2024> [Accessed January 2026]

vii NHS. 'The Royal Marsden Private Care becomes the first in the UK to treat multiple myeloma patients with CAR-T cell therapy'. 2025. Available at: <https://www.royalmarsden.nhs.uk/private-care/news-and-blogs/royal-marsden-private-care-first-uk-treat-multiple-myeloma> [Accessed January 2026]

viii Bupa. 'List A: Advanced therapies covered by your policy – August 2025'. 2025. Available at: <https://www.bupa.co.uk/~media/files/site-specific-files/brochureware/sites-for-healthmanagement/list-a-advanced-therapies> [Accessed January 2026]

ix von Wyl V, Beck K. Switzerland. In: Sagan A, Thomson S, editors. Voluntary health insurance in Europe: Country experience [Internet]. Copenhagen (Denmark): European Observatory on Health Systems and Policies; 2016.

x <https://civitas.org.uk/content/files/switzerland.pdf> [Accessed January 2026]

xi Litvinova Y, Merkur S, Allin S, Angulo-Pueyo E, Behmane D, Bernal-Delgado E, et al. Availability and financing of CAR-T cell therapies: A cross-country comparative analysis. *Health Policy*. 2024;149:105153.

How CHI's role might evolve in Europe and beyond

Unprecedented geopolitical and policy developments imply a potentially significant shift in the role of CHI going forward. Across Europe, there is a concern that the US's Most Favoured Nation (MFN) reference pricing model could result in delayed or reduced access to innovative medicines within reference countries and Europe as a whole.^{xii} In other regions, we observe increasing government interest in CHI, such as China's first Commercial Insurance Innovative Drug List.^{xiii}

There is a need to better understand the success factors driving CHI's role in expanding access to innovative medicines, especially technologies like CAR-T therapies. This evidence can guide policy incentives that enable CHI to play an impactful and constructive role, even in public payer-dominated markets. Several questions require further investigation:

- **Market readiness:** To what extent do gaps in public reimbursement create opportunities for CHI to play a role in access expansion?
- **Insurer readiness:** Is the CHI market structured in a way that enables and incentivizes insurer coverage of high-cost therapies, while ensuring affordability for enrollees?
- **Health system readiness:** Do insurers have access to the data and clinical infrastructure needed to make coverage decisions and deliver covered benefits?

^{xii} Grueger J, Martin K, Sullivan SD. Referencing Drug Prices of Other Countries May Not Sustainably Lower Prices in the United States: Lessons From Europe. *Value Health*. 2025 Sep;28(9):1305-1308

^{xiii} Zhang L, Ma W, Zheng C, Song J, Sun Q, Yin J. Quantitative evaluation of China's commercial health insurance policies based on the policy modeling consistency index model. *BMC Health Serv Res*. 2025 May 19;25(1):717