

Our vision is an attractive, sustainable and growing Stockholm region with freedom for its residents to shape their lives and make active decisions.

Health Impact Bond
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Region Stockholm Treasury
IHE Forum, April 22nd 2022


Trends, challenges and costs



Global trends in health care

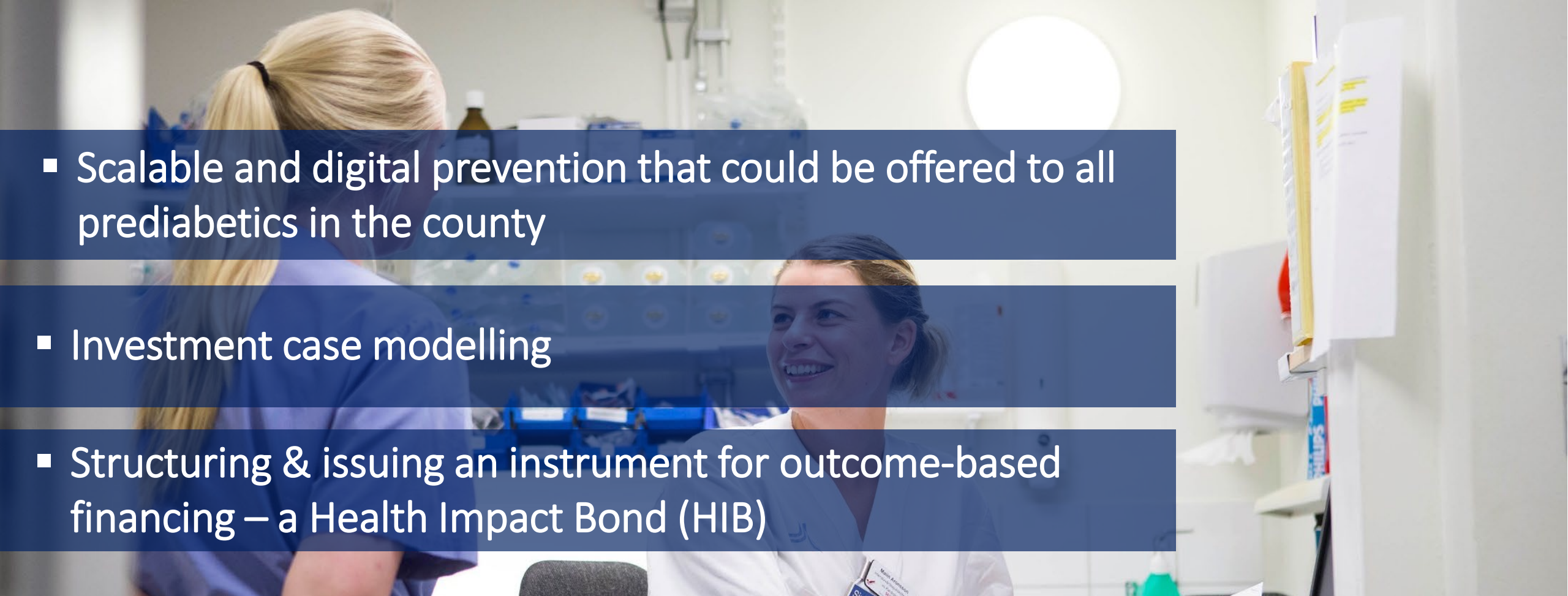
- Increasing costs for health care due to:
 - Elderly population
 - Increased costs for medicines
 - Inefficient business models
- Most money is spent on the treatment of sick patients when more money is needed to be spent on prevention.

Cost of diabetes for Region Stockholm



5% of yearly health care budget
2.5bn SEK 2017

Region Stockholm's Prevention Methodology for more efficient steering and financing of prevention efforts

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- A photograph of two healthcare professionals in a clinical setting. One is a blonde woman in blue scrubs, seen from the back, and the other is a woman in a white lab coat smiling. The background shows medical equipment and a bright circular light.
- Scalable and digital prevention that could be offered to all prediabetics in the county
 - Investment case modelling
 - Structuring & issuing an instrument for outcome-based financing – a Health Impact Bond (HIB)

This is how the type 2 diabetes prevention programme works



Sleep



Nutrition



Stress



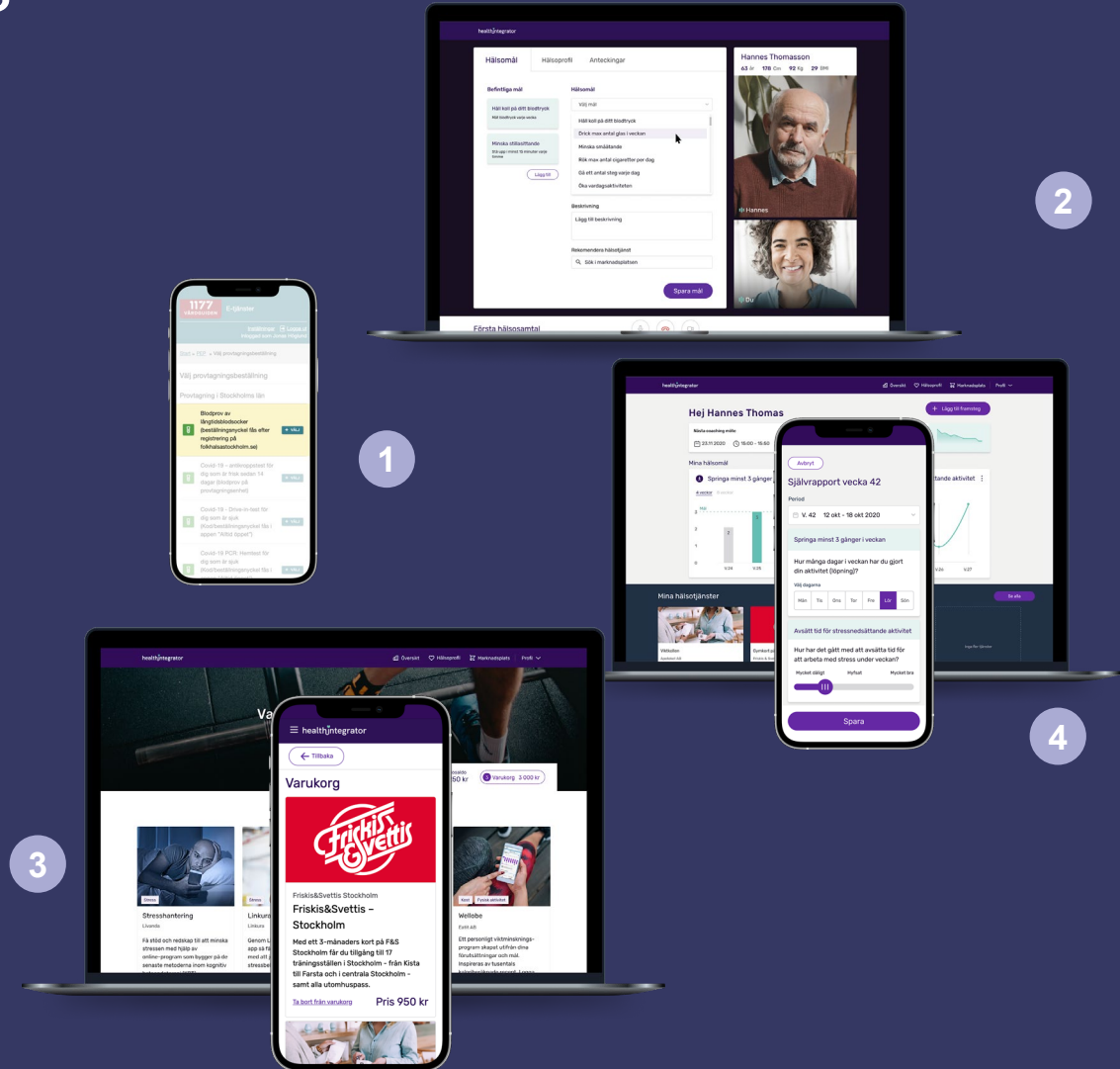
Physical activity

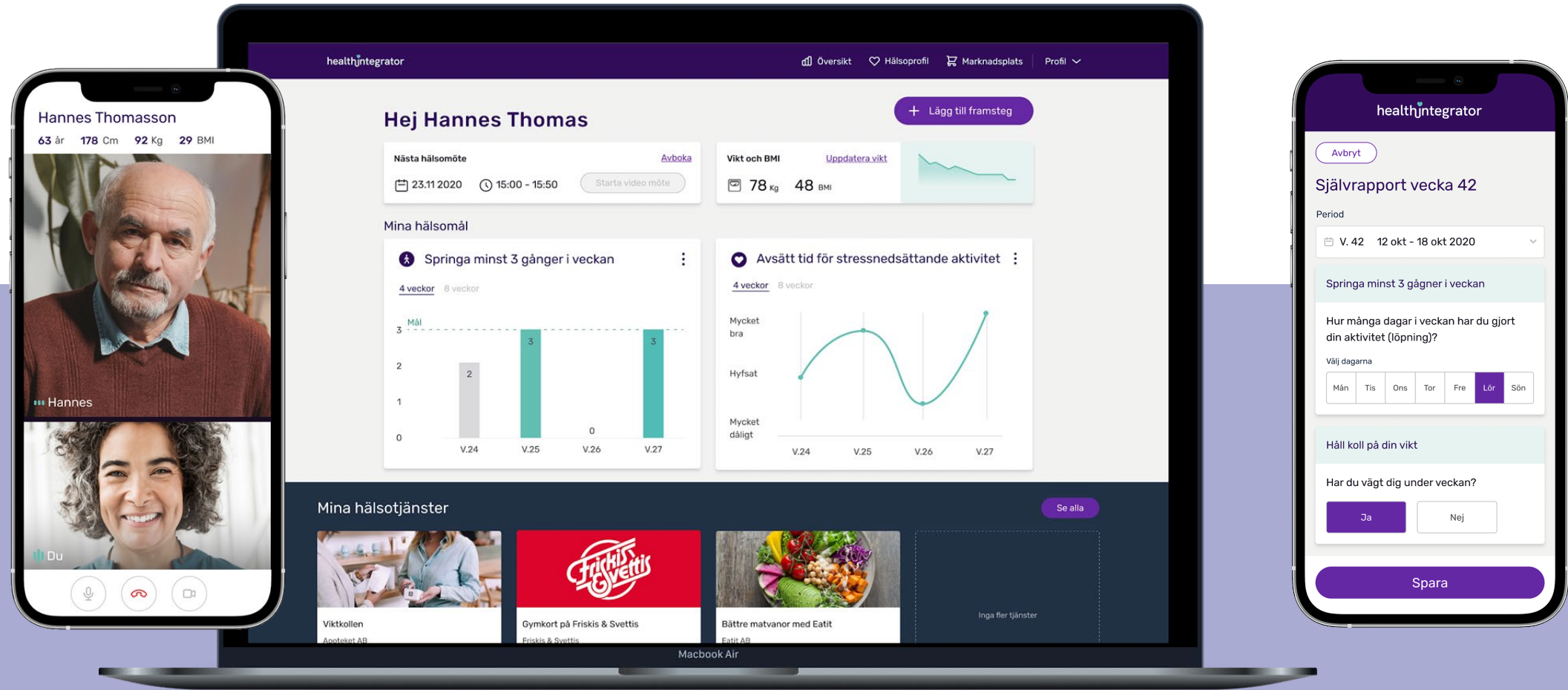


Alcohol habits

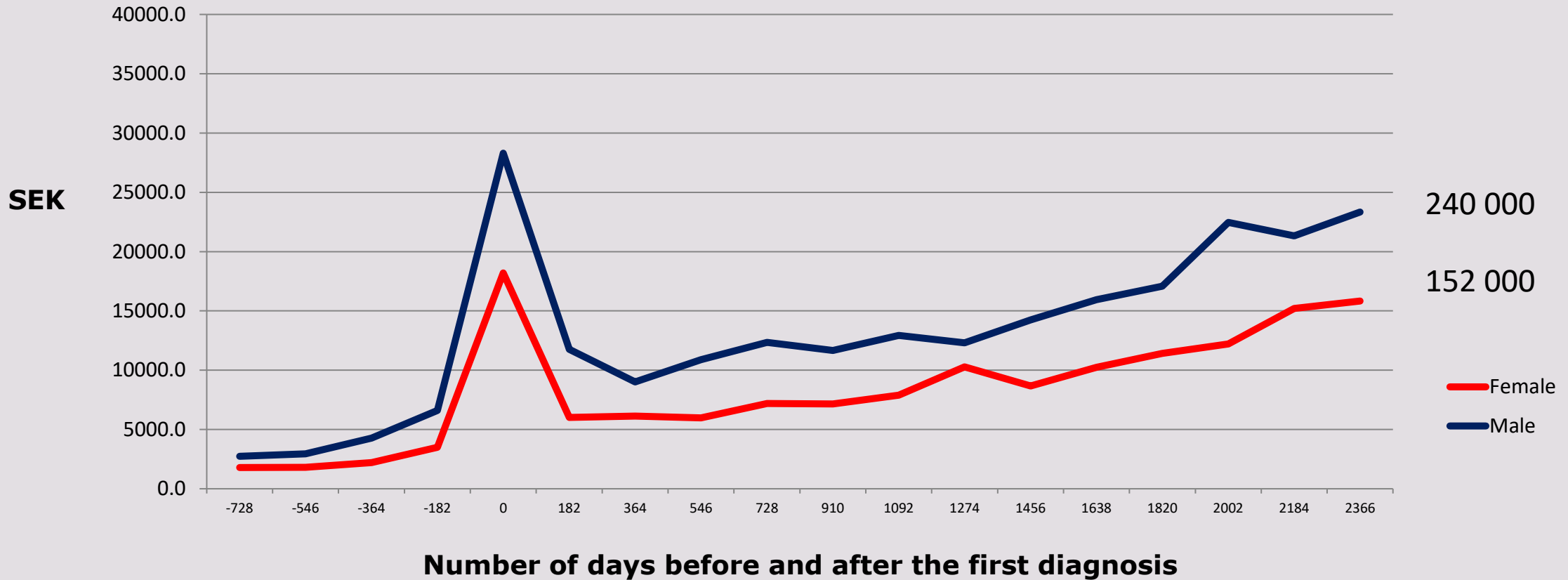


Smoking habits





Cost of overconsumption of diabetes related healthcare for patients with type 2 diabetes in Region Stockholm



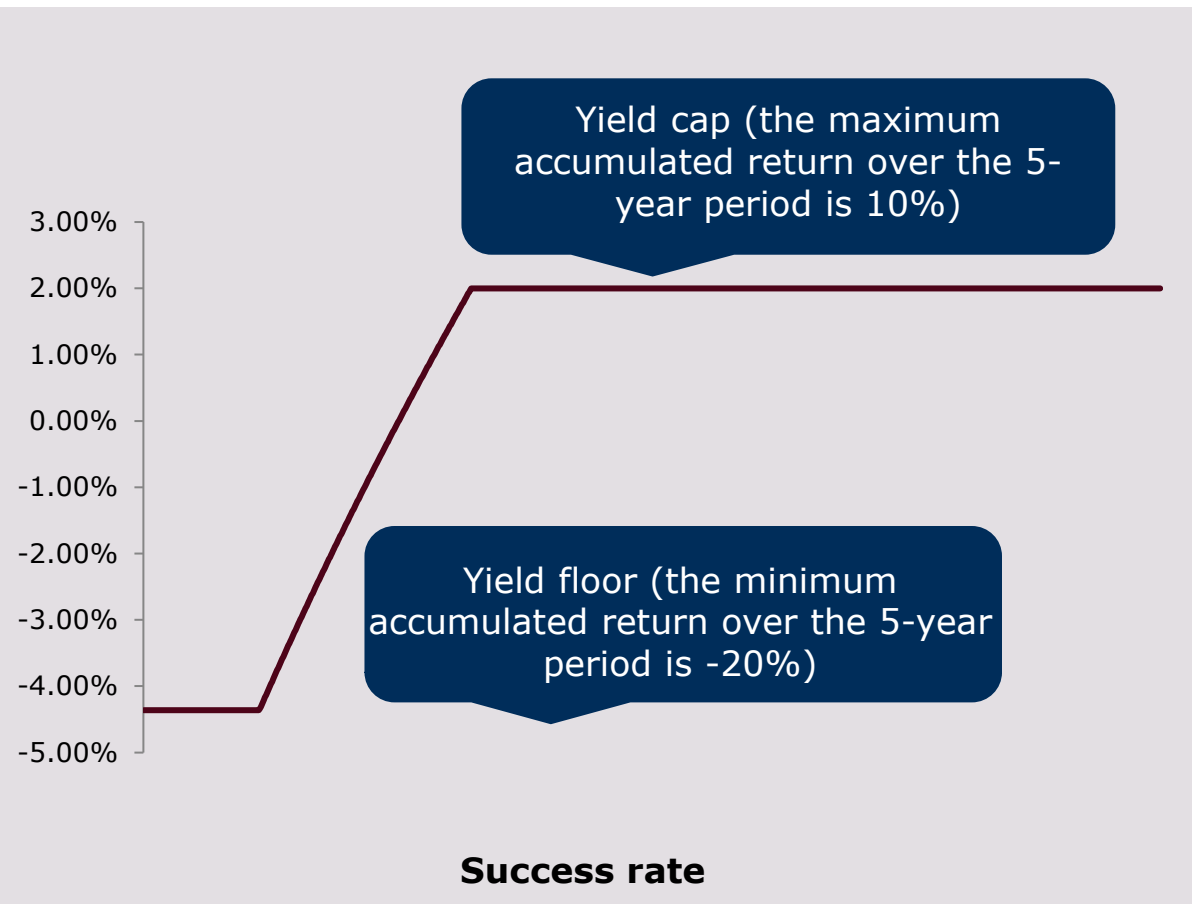
Region Stockholm first to issue a Health Impact Bond

Short fact about the Health Impact Bond

- Amount: SEK 30m
- Maturity: 5yr
- Investor: Skandia
- Intermediator: SEB
- Interest: based on the outcome of a diabetes type 2 prevention
- Use of proceeds: the proceeds from the bond will be used to finance a prevention programme for 925 prediabetic individuals in Stockholm County
- A project forum is held 4 times/year with representatives from Region Stockholm, Skandia, SEB and Health Integrator



Investor yield (p.a.) at different success rates



Advantages of the Health Impact Bond

- A unique funding model that enables large-scale prevention.
- Can be a model for similar initiatives, making it easier to enable investments of large amounts of capital in other diabetes projects or within other health areas.
- “What’s measured will be done”
- Risk-sharing with external investors, who receive a return based on the outcome of the prevention.

Health Impact Bond: target group, inclusion & evaluation

Target group

- 50-60 years
- 925 pre-diabetic individuals included (67% female & 33% male)
- Average weight: 97 kg
- Average BMI: 33,5

Inclusion criteria

- People interested in participating was asked to answer the scientifically proven questionnaire of FINDRISK online to evaluate risk level
- For those with a high risk level, a blood sample was drawn to establish prediabetic stage (HBA1c 42-47)

Evaluation

- Every year participants will be measures on the following values:
 - a) Weight
 - b) Waist circumference
 - c) HBA1c (blood sugar)

Impact success: As long as the participants HBA1c value are within normal range i.e below 42, the participant's risk is to be regarded as in line with the non-diabetic population and the saving to be regarded as 50% (initial risk level) of the total over consumption cost of diabetes related care.

What is the outcome after 6 months*?

42%

Are already out of the the risk zone of diabetes. 41 mmol HbA1c or lower.

99,9%

Retention rate - 770 users so far and only a few dropouts

61%

Have already improved their HbA1c levels

78%

Already experience a positive improvement of quality of life

Bringing Stockholm forward together

Read more about the Health Impact Bond on:
<https://www.sll.se/om-regionstockholm/Information-in-English1/Investor-relations/health-impact-bond/>