



Export Growth Potential for U.S. Healthcare Companies

Alliance for Healthcare Competitiveness represents America's leading healthcare employers, both for-profit and non-profit, from global companies to small businesses. AHC seeks to promote American job growth and competitiveness by opening global markets to U.S. healthcare exports.

Export Growth and Job Creation: Massive and expanding global markets are creating dramatic export opportunities for U.S. healthcare companies. Opening foreign markets to U.S. healthcare products and services will generate American jobs while helping to achieve national export goals set by the President.

Global Market Opportunities: While the data below is significant, these figures take on added importance when seen in the context of the rapid privatization of healthcare markets, aging societies and developing countries that are building healthcare systems from scratch. These forces will combine to further drive the growth of global healthcare markets.

- The global healthcare market is approaching \$5 trillion in public and private spending, less than half of which is in the US.
- From 2005-2012, private healthcare expenditures in countries such as Australia, India and Indonesia are all expected to experience double digit growth rates, which is significantly higher than the predicted growth in the U.S.
- There are currently approximately 75 million Asians above the age of 65 in the developing Asian world- more in Japan and Korea. By 2025, this number will reach 165 million.
- In 2000 the developing nations including, India, China, and the ASEAN countries, comprised about 15 % of the global economy. By 2013 they will increase by 10 % to be 25 % of the global economy.
- While the Japanese government covers all medical treatments, patient co-pays have recently increased from 20 % to 30 %, leaving patients seeking increased insurance to cover the difference in cost.





China Example:

- The Chinese government plans to have universal healthcare and equal access to public services for its 1.3 billion people by 2020.
- China's annual expenditure on healthcare is expected to triple over 10 yrs, between 2008 and 2018.
- Reform plans outlined by the Chinese government include plans to building 2,000 county hospitals - one for each region- and 29,000 town hospitals.
- In 2007, the market size for medical devices in China was estimated at \$11.2 billion, and is forecast to reach \$20.6 billion by 2012.
- About 75% of medical devices currently used in Chinese medical and healthcare institutions were produced before 1980. This underscores both the need and potential for future market growth as old devices are increasingly being replaced by new ones.
- China is now among the top five in worldwide drug markets in terms of overall size.
- Pharmaceutical sales in China are forecasted to grow at double-digit rates and reach \$28.3 billion by 2010. Rising per-capita drug expenditures, supported by strong economic growth, will further feed market gains.

Opportunity and Job Creation:

Healthcare companies generate large numbers of American jobs. Expanded exports will support more job creation in this sector.

- If current trends continue, 30% to 40% of all new jobs in the US created over the next 25 years will be in healthcare.
- America's healthcare sector is vital to our economy, generating increasing numbers of good jobs – even through the recession – adding 631,000 new jobs since the recession began.
- 10 of the 20 fastest growing occupations are healthcare related.
- In 2008, total employment in America's healthcare sector was 14.3 million.





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- Between 2001-2006, 1.7 million new jobs were added in the health-care sector.
- America's healthcare industry leads the world by virtue of superior technology, advanced logistics and IT, sophisticated and ethical management practices, strong intellectual property, and a highly educated workforce – positioning this sector for sustainable growth in the long term.

