

Mike Izzard believes the FSA will use its current staff to channel its attention on retail finance

PMI must keep up with the future of regulation

by Aamina Zafar

The private healthcare industry needs a major overhaul to prepare for the future, a former chairman of the Association of Medical Insurance Intermediaries has warned.

Mike Izzard, managing director of Premier Choice Healthcare, said the private medical insurance industry should be prepared for a stricter FSA in the near future.

He believes the City watchdog will use its current workforce to channel all its attention on retail finance products.

This comes as the government announced the FSA would be dismantled with the majority of its power given to a Bank of England subsidiary.

He said: "There is a worry the FSA will be diluted by the Bank of England, which will take on the macro-prudential regulation. But I think the FSA will keep the same number of people at the moment and metamorphose to look primarily at the retail sector, so its focus on healthcare will be more intense."

The private medical insurance industry would have to improve its standards in order to meet the FSA's requirements,

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Mike Izzard, managing director of Premier Choice Healthcare



he added.

He said: "A good NHS needs a good private healthcare sector. No one questions how effective private hospitals are.

"A lot of private specialists want to earn good money but only work three days a week and

that culture has got to change."

He raised his views during the AMII conference in Coventry, where Philip Wright, head of Munich Health, predicted the NHS would limit the services it offers for free and therefore private healthcare would

play a greater role in completing treatments.

He said this came as fewer people are working to support the baby boomers.

He added: "We are hanging on to a market that is not going anywhere. The NHS was not designed to pay for everything all the time, something has got to give in the next 10 years. Someone is going to say there is a set amount of core services that one can provide through taxation. Health insurance could be used to fill in the gaps of the NHS."

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Moret sees 1m Sippes in five years

There will be 1m Sippes and 1m workplace Sippes by 2015, John Moret has predicted.

Speaking at the Henry Stewart Sipp and Retirement Conference in London, Mr Moret, director of marketing for Suffolk Life, said change was afoot in the pensions industry.

He told delegates: "By 2015, I predict there will be 1m Sippes and a similar number of workplace Sippes, there will be less than 50 Sipp providers and a quarter of all Sippes will be 'execution only'."

"I believe that more than 50 per cent of Sipp assets will sit on platforms and the requirement to buy an annuity at age 75 will have gone. Despite this, pensions simplification will remain a pipedream.

"Change is in the air and the pensions industry is likely to change significantly in the next three to five years for many reasons. Politically, we've already seen proposals to change annuity compulsion, public sector pensions and state pensions, and potential changes to annual contribution limits. These will help to align those reaching retirement age be they in the public or private sector."

He said change was being



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