



## **FICCI –Virtual Health Insurance Conference 2020**

### **“Innovation for Bridging the Gap”**

19<sup>th</sup> August 2020

#### Draft Conference Program

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| 10:30 am – 11:15am  | <b>INAUGURAL SESSION</b>   |
| 11:15 am – 11:30 am | <b>Tea Break</b>   |
| 11:30 am–12:45 pm   | <b>SESSION – 1: OPD FINANCING FOR OUT-OF-POCKET EXPENSES</b>   |
|                     | <p>In the current scenario, out-of-pocket medical expenses account for 62% of all healthcare costs in India. Unfortunately, most health insurance policies in the Indian market cover hospitalization expenses and this limits the scope of cover for Out-Patient Department (OPD) expenses, which many customers felt is necessary against the minor health issues faced on an everyday basis.</p> <p>Though these medical costs are minor compared to hospitalisation expenses, they tend to accumulate over a period that can result in a huge financial loss. An OPD cover provides protection against these financial threats faced by policyholders.</p> <p>Ongoing Covid-19 crisis has again highlighted the need to relook at OPD cover. Inclusion and promotion of screening and vaccination are imperative. The other very important development in this regard is MCI issuing Telemedicine Practice Guidelines in last week of March, there could not be more opportune time than this. These guidelines will help realize the full potential of advancements in technology and enable access and affordability for customers.</p> <p>The session would throw light on ways to enable the uptake of OPD products in India given the large - scale expenditure on out-of-pocket expenses. Moreover, the panellists would also deep dive and delve on the constituents of OPD cover, and answer questions such as - what’s in it for the customer? - Network access, convenience, tax benefit if insurance funded, economies of scale benefit and quality of network.</p> |
|                     | <p><b><u>Key Takeaways / Expected Outcomes</u></b></p> <ul style="list-style-type: none"> <li>• <b>OPD Product Design &amp; Pricing</b> – Current market products, sub limits, restricted network and standalone vs rider or embedded in IPD plans.</li> <li>• <b>Benefit Delivery:</b> Challenge of network creation since its very fragmented and the high chances of fraud &amp; abuse in the absence of an organized network.</li> <li>• <b>Technology platform for managing customer experience</b> – Delivery management, obtain structured data, single platform for provider and payer, master management of medicines, ICD, LOINC.</li> <li>• <b>Regulatory challenges and tax scenario</b> - Savings products not allowed, the power of engagement and wellness at the primary care stage, GST of 18% and high distribution costs make the value proposition weak for customers</li> <li>• <b>How can start-ups help address one of these solutions?</b></li> </ul>  |



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| 12:45 pm – 1:00 pm | Break   |
| 1:00 pm -2:15 pm   | <b>SESSION – 2: TECHNOLOGY FOR CLAIM SETTLEMENT</b>   |
|                    | <p>India’s health insurance industry is evolving rapidly, however, certain features exist in the market that undeniably hampers the progress including the adverse claim settlement experience, which is one of the most important aspects of an insurance policy. Usually, the clients find it difficult to understand the terms and conditions associated with the policies due to which false claims are made. On the other hand, companies are unable to fulfil that claims which further leads to trust issues. These issues could be effectively addressed by adapting technological solutions within the industry.</p> <p>The session will focus on the gaps in building trust in health insurance, through better claims performance. Specifically, how to:</p> <ul style="list-style-type: none"> <li>(a) Increase the proportion of cashless claims</li> <li>(b) Reduce discharge time for cashless claims</li> <li>(c) Reduce settlement time of reimbursement claims</li> <li>(d) Prevent unwarranted cost escalation by hospitals</li> <li>(e) Design policyholder communication and product design for better claims settlement</li> </ul> <p><b><u>Key Takeaways / Expected Outcomes:</u></b><br/> Ideas to improve claim performance across all the dimensions listed above. Specifically, ideas that are scalable and supported by technology. The industry would also identify the most pressing issues in claims with an aim to prioritise the initiatives.</p>    |
| 2:15 pm – 2:30 pm  | Break   |
| 2:30 pm – 3:45 pm  | <b>SESSION – 3: FRAUD AND RISK MITIGATION TO IMPROVE AFFORDABILITY</b>  |
|                    | <p>In the current landscape, approximately 60% of the population incurs out-of-pocket expenditure for health care, creating the gaps in affordability, as insurance benefits and awareness is lacking. Those who know about it, face affordability issue in paying the premiums. Insurers also face challenges in bringing down the cost due to two main associated reasons, Risk and Fraud.</p> <p><b>Risk:</b> There is lack of adequate data on medical history of customers as well as disease patterns and related information. Thus, all existing/prospective insurance customers are in the same risk pool, restricting proper categorization of customers and limiting the ability to offer differential pricing based on the actual customer profile. Furthermore, there is also a risk of anti-selection with customers expecting their medical expenses to rise seeking to buy health insurance.</p> <p><b>Fraud and Abuse:</b> Frauds, both at the time of underwriting and claims, lead to higher claims outgo for the insurers, which has a negative impact on the pricing of insurance policies. On the other hand, there is no regulation on hospitals to standardize pricing and procedures for healthcare, leading to high bargaining power of the hospitals in MOUs with the insurers. The risk is further accentuated in India due to lack of a defined provider network thus making it very difficult for Insurers to control and manage the level of fraud.</p> |



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|         | <p><b><u>Key Takeaways / Expected Outcomes:</u></b></p> <p>Insurers need to work in collaboration with the larger ecosystem including hospitals, diagnostics, TPAs, etc., leveraging data and technology to build solutions to curtail fraud and ensure better risk management. Following measures will be deliberated by the panel members:</p> <p><b>Risk Management</b> - Data Aggregation and Standardisation, Advanced Analytics, Mandating Customer Participation, Prevention and Care Management and Product Innovations</p> <p><b>Fraud Control</b> - Leveraging Big Data, Technology led Solutions, Database of Frauds and Suspected Frauds, Leveraging the pre-negotiated package rates under Ayushman Bharat Scheme, Monitoring /Auditing the Claim Investigation Agencies and Creating a Standardized Treatment and Cost Protocol.</p> |
| 3:45 pm | Close  |