



South East Asia in Focus

What's New in Health

AUGUST 2023 EDITION

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Welcome to our newsletter focused on the health insurance market in South East Asia. This edition covers news and developments for the year through 30 June 2023.

We trust you find this edition informative. As always, we look forward to receiving your feedback, questions or comments.



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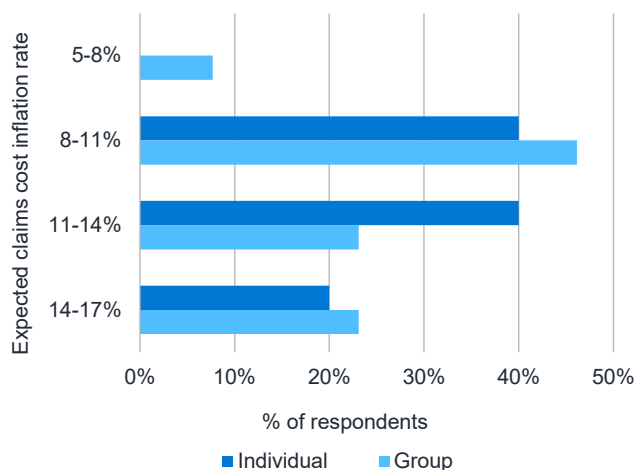


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INDONESIA

Market Survey

EXPECTED INDONESIA MEDICAL CLAIMS INFLATION RATE IN THE COMING 12 MONTHS



Source: Milliman survey¹ (2023)

Market News

NEW PRODUCTS

- PT Asuransi Allianz Utama Indonesia launched SmartHealth Enterprise, a group health insurance product catering to micro, small and medium enterprises (MSMEs) in Indonesia. The policy covers hospitalisation services and, depending on the plan chosen, additional benefits such as maternity, dental and optical coverage. Only five participants (with at least one employee) are necessary to be eligible for the plan.
- PT Asuransi Jiwa BCA launched a new health insurance product, 'BCA Life Perlindungan Kesehatan Ultima,' with an annual limit of up to IDR 15 billion, which can be further increased up to IDR 45 billion by purchasing a 'Limit Booster.' Policyholders are able to customise the coverage area from Indonesia to worldwide (excluding the United States). Claims of benefits outside of the coverage area will be subjected to a proration factor. The benefits provided are wide-ranging and include but are not limited to hospitalisation, surgery, dialysis and death coverage.
- PT Prudential Life Assurance and PT Prudential Sharia Life Assurance have launched PRUSolusi Sehat Plus Pro and PRUSolusi Sehat Plus Pro Syariah, respectively, two yearly renewable health policies with similar policy features sold by different entities. Insurance benefits include various inpatient and outpatient treatments that are mostly reimbursed on an as-charged basis, including telehealth consultations.

The plans offer a no-claim bonus in the form of an increased annual limit of 10%, up to a maximum of a 50% increase. Numerous plans are offered, allowing policyholders to customise their coverage area and annual limits. Two riders are available alongside both plans: PRUSolusi Sehat Saver lowers the policy premium by introducing a deductible component, while PRUSolusi Sehat Limit Booster allows policyholders to increase the annual limit of their policy.

- PT Asuransi Jiwa Sequis Life has introduced Sequis Q Infinite MedCare Series Plan Lite, a yearly renewable health rider that is renewable up to the age of 100. This rider provides coverage for hospitalisation services up to IDR 10 billion, with medical expenses covered on an "as-charged" basis without any cash payment from the policyholder. The plan offers three options, allowing policyholders to tailor their coverage area and annual limit.
- PT Tokio Marine Life Insurance Indonesia launched two new health products, Hospital & Surgery Rider and TM Optima Health Hospital & Surgery. The prior is a medical rider to their unit-linked policies, while the latter is a standalone product. Both products provide comprehensive benefits such as hospitalisation and surgical benefits with no waiting period. A wide variety of plans are available, allowing customers to customise the benefit coverage, geographical coverage, annual limit, deductible and co-insurance.
- Bank Rakyat Indonesia (Persero) Tbk, in collaboration with PT Asuransi BRI Life, launched Professional Group Health (PGH), a group health product for employees and their families, with no minimum age limit. The minimum number of participants is 25, and premium payments can be made annually or at regular intervals (quarterly, monthly, etc.). In addition to hospitality and surgical benefits, optional coverage for death, permanent disability and critical illness can be added to the plan as well.

DISTRIBUTION CHANNEL

- PT MNC Life Assurance partnered with insurtech platform PasarPolis to market two of its products through its application. The first product is a secondary payer product aimed at employees who have existing health insurance but would like secondary insurance for additional limits or benefits. The second product provides group health insurance aimed at small and medium enterprises (SMEs). This collaboration aims to provide easy and convenient access to health insurance as the application is fully digital with a simple approval process.

INSURERS' INITIATIVES

- Alodokter, an online healthcare platform, has partnered with PT FWD Insurance Indonesia (FWD Insurance) to elevate the quality of healthcare received by FWD Insurance customers. Through this partnership,

- Alodokter’s API (application programming interface) will be integrated into the FWD MAX mobile application so that FWD Insurance’s customers can seamlessly access Alodokter’s features. This includes checking the schedules and availability of doctors and making doctor appointments all within the application.
- PT Asuransi Astra Buana partnered with PT Mitra Keluarga Karyasehat Tbk (Mitra Keluarga) to introduce an e-appointment feature for policyholders of its group health insurance, Garda Medika. Policyholders can make online appointments through the Garda Mobile Medcare application to access cashless medical services across Mitra Keluarga’s network of 18 hospitals. This value-added service is expected to be expanded to other hospital provider networks in time.

INSURTECH

- Rey, an insurtech brand owned by PT Vertika Technologies Nusantara, has expanded its offering with a new group health product. The product, Rey For Business, has a low minimum requirement of five employees to suit the needs of SMEs. With monthly premiums starting from IDR 150k each month, the coverage provided includes inpatient benefits, outpatient benefits and optional additional benefits for maternity, dental, optical and medical checkups. Policyholders get access to Rey’s suite of features and services that existing individual customers enjoy. This includes:
 - ReyCard: a membership-cum-debit card that allows cashless visits without panel restrictions.
 - ReyCare: a telehealth feature with an online prescription function.
 - ReyFit: a wellness programme that utilises Google Fit to offer rewards to policyholders for maintaining a healthy lifestyle.
- PT Insurtech Technologies Indonesia (Aman) has raised IDR 18 billion (\$1.2 million USD) in pre-seed funding, led by Global Founders Capital and Trihill Capital. Aman is a technological platform that combines insurance, human resources and healthcare. It aims to streamline the administration and claim process for insurance benefits that companies provide for their employees.

REGULATORY UPDATES

- Indonesia has now made it compulsory for short-term foreign workers to have health insurance coverage. This requirement has previously only applied to long-term foreign workers. Employers are required to purchase the insurance online prior to hiring a foreign employee. The price of the insurance depends on the duration of stay in the country. Benefits provided include mortality, hospitalisation services and emergency medical evacuations.

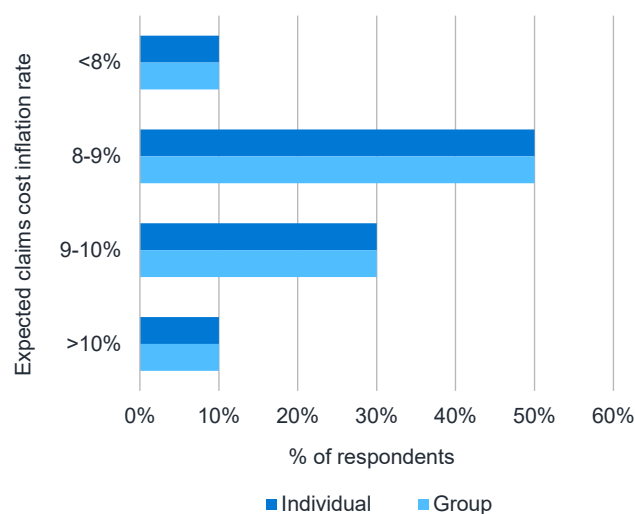
NATIONAL HEALTH INSURANCE SCHEME UPDATES

- Starting 1 September 2023, expenses related to COVID-19 patients will no longer be covered by the state through the Ministry of Health and will be borne by BPJS Kesehatan (Healthcare and Social Security Agency). This follows the lifting of the COVID-19 emergency status by the World Health Organization (WHO). Thus, COVID-19 patients who are not registered as BPJS members will need to cover their treatment costs independently.
- The government has implemented changes to increase the capitation service fees that health centres, clinics, and practitioners will receive from BPJS Kesehatan. This modification is outlined in the Peraturan Menteri Kesehatan Nomor 3 Tahun 2023, officially announced on 9 January 2023, with the aim of improving healthcare services quality for JKN (National Health Programme) participants, doctors and healthcare facilities.
- The government aims to eliminate BPJS Kesehatan contribution classes I, II and III and will introduce the Kelas Rawat Inap Standar Jaminan Kesehatan Nasional (KRIS JKN), a standard class across all hospitals beginning 1 January 2025. Currently, the government’s focus is on standardising inpatient rooms among hospitals. Hence, from January 2023 to July 2025, hospitals must align their class 3 inpatient rooms with the 12 government criteria provided.

THAILAND

Market Survey

EXPECTED THAILAND MEDICAL CLAIMS INFLATION RATE IN THE COMING 12 MONTHS



Source: Milliman survey¹ (2023)

Market News

NEW PRODUCTS

- FWD Insurance has launched an online comprehensive health insurance product, Easy E-Health. Coverage includes hospitalisation and surgical treatments, pre/post-hospitalisation outpatient treatment and death benefits. Customers can purchase the plan online and receive instant coverage. Policyholders are eligible for a 10% discount on their premium payment for the following year should there be no claim in the current year.
- TMBThanachart Bank has partnered with Prudential Life Assurance Thailand to introduce TTB Easy Care Plus, a health insurance that provides coverage for up to five family members. Family members share the same coverage limit for both inpatient and outpatient benefits, which are up to THB 5 million and THB 2,500 per visit (maximum 30 visits per year), respectively. For eligibility purposes, the definition of family includes people with close relationships and LGBTQ+ families.
- Rabbit Life introduced 'Health Smile,' a health insurance product targeting employees who have existing group health insurance. Depending on the annual limits of the existing insurance, customers can select the level of deductible, when purchasing the product, to lower the premium amount. This allows policyholders to increase their insurance coverage against large medical bills cost-effectively.
- FWD Thailand introduced the Modular Series, riders that provide customers with the flexibility to customise their benefit coverage to best fit their needs. The riders offered are: 'Health Family Sharing,' which allows customers to extend their medical coverage benefit limits to family members or loved ones, including spouses and LGBTQ+ partners, and 'Mind Strength,' which provides comprehensive mental health coverage for both inpatient and outpatient treatments.

INSURERS' INITIATIVES

- AIA Thailand has launched its new flagship app, 'AIA+', which provides customers convenient access to the wellness features from AIA Vitality and the online policy servicing feature from AIA iService within a single application. The app is equipped with a new biometric health scan feature, utilising artificial intelligence to track key health indicators such as BMI, blood pressure and stress level through the camera of mobile devices.
- Dhipaya Insurance has partnered with Cariva, a health tech company, to leverage the latter's artificial intelligence (AI) know-how to develop innovative health products. Born out of this partnership is a system that links health data from various sources to conduct an initial health evaluation by utilising an AI system (AI Symptom Checker). For health issues detected, medical professionals can be consulted through a telemedicine channel. Risk-based premium rates for individual policyholders can be priced using the system as well.

- Cigna has partnered with iStrong, a mental health consultation service provider, to extend mental health benefits to its customers. Cigna policyholders can seek telehealth consultations via the Cigna Anywhere application and enjoy discounted pricing for iStrong's in-person services.
- Muang Thai Life Insurance launched MTL Fit, a wellness application, to promote a healthy lifestyle amongst their customers and the general public. Policyholders and non-policyholders alike can access the main feature of the app, which is a health scoring system where users are encouraged to improve their scores through physical challenges. Furthermore, policyholders can enjoy MTL Fit Rewards, a rewards programme that allows premium discounts to be redeemed upon completion of weekly challenges.
- Krungthai AXA launched 'KTAXA IPD Pre Approval', a health care service that aids policyholders in planning medical treatment in advance with leading hospitals and physicians and knowing the out-of-pocket expenses upfront. The process of prior authorisation is sped up, allowing for speedier hospital admission and discharge.

DISTRIBUTION CHANNEL

- Generali Thailand partnered with Kiatnakin Phatra Bank to distribute their accident and health products digitally via the KKP MOBILE application. At launch, there will be three products offered, including KKPGEN PREFERRED HEALTH, a health insurance with inpatient benefits and optional outpatient benefits. Insurance premiums start at THB 23 per day on average.

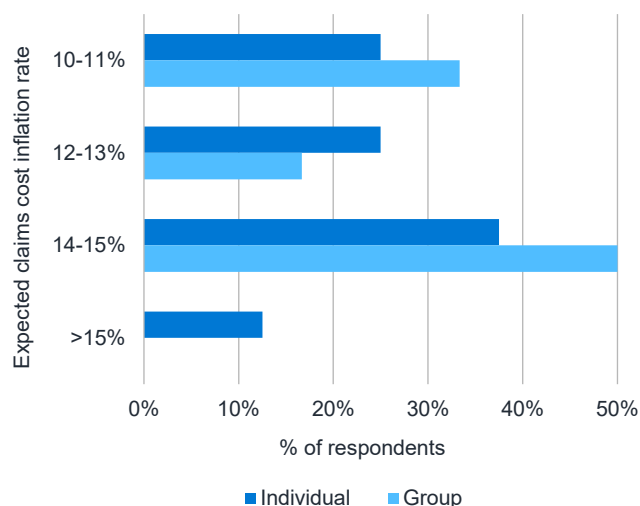
INSURTECH

- Prudential has partnered with True Digital Group Co. Ltd. to provide telemedicine benefits to Prudential's customers. Policyholders can access features such as digital consultations, making consultation appointments and recording health data via the MorDee application, developed by True Digital.
- AXA and CoverGo have partnered to refine AXA's health insurance ecosystem in Thailand. This collaboration aims to improve coordination with hospitals and reduce time spent on document handling by utilising CoverGo's insurance platform. The modular design offers insurers flexibility within their current systems and can be seamlessly expanded into a comprehensive health insurance system. Moreover, the claims module allows for digital submission and evaluation of claims, leading to quicker payment processing. By utilising digital methods for claims handling and processing, the platform aims to minimise instances of fraud, waste and abuse while also presenting opportunities for up-selling and cross-selling different AXA products.

MALAYSIA

Market Survey

EXPECTED MALAYSIA MEDICAL CLAIMS INFLATION RATE IN THE COMING 12 MONTHS



Source: Milliman survey¹ (2023)

Market News

NEW PRODUCTS

- FWD Takaful Berhad (FWD Takaful) recently unveiled FWD Medical Care+, an affordable online health takaful plan that delivers extensive medical coverage in case of hospitalisation or surgery. FWD Medical Care+ provides customers with the flexibility to select either full coverage or a deductible option based on their financial capacity. There are two available plans: Medical Plus, with an annual limit of RM 50k, and Medical Pro, with an annual limit of RM 150k. These plans include a unique restoration benefit that allows the annual limit to be replenished once in a lifetime if it gets exhausted. Monthly premiums for FWD Medical Care+ start at RM 48.58.
- FWD Takaful introduced FWD SpecialMed, an online medical plan targeted at persons with disabilities (PWD) who have mild to moderate levels of learning disability. Disabilities covered include attention deficit hyperactive disorder (ADHD), intellectual disability (ID), autism spectrum disorder, dyslexia and Tourette syndrome. Two yearly renewable plans are offered with annual limits up to RM 50,000 and RM 100,000, respectively, with no lifetime limit. The main benefits are medical care (hospitalisation, surgical and emergency accident outpatient treatment) and post care (post-hospitalisation treatments and a subsidy of up to RM 2,000 for rehabilitation and therapy). This is FWD's second product designed for people with learning disabilities, with the first one being FWD SpecialCare Direct, a term joint-life product.

- Zurich Malaysia introduced two new medical riders, targeting different segments of the individual market. The riders, MediAfya and Zurich Infinite Care, are takaful and conventional riders, respectively. MediAfya is designed to address accessibility issues by providing basic medical coverage with a minimum of 10% co-takaful capped at RM 1,000 per year to keep premiums low. Additional benefits such as cash allowance and waived co-takaful are provided for admissions to semi-government or government hospitals. On the other hand, Zurich Infinite Care is a customisable product comprising three plans with multiple deductible options to appeal to a wider audience. Product features include an 'inflation shield' that automatically increases the annual limit by 20% every five years and no claim bonus rewards, in the form of premium discounts of up to 30%, for not making claims in the preceding years.
- Tune Protect Life introduced their flagship product SME EZPAY, a group health product for a minimum of five to a maximum of 250 full-time employees. Benefits on offer are group term life, group medical and group outpatient clinical, which can be customised to fit organisational budget requirements. The product comes with a health rewards programme named Active8, which rewards employees with an additional annual limit based on their health metrics, including BMI and cholesterol.

INSURERS' INITIATIVES

- AIA Malaysia has introduced the Mental Health Solution, a new offering under its Total Corporate Solution, a comprehensive group insurance solution for corporate clients. Offered in partnership with the digital mental health platform Thoughtfull, insured employees can access digital resources and coaching for mental wellness, along with coverage for mental health issues.
- Allianz has partnered with Speedoc to include two new illnesses coverage under Allianz Care@Home, the home monitoring medical services offered to Allianz's Individual Hospitalisation & Surgical customers. The plan will now cover cellulitis and gastroenteritis on top of the coverage for dengue and COVID-19 provided at launch.

MERGER AND ACQUISITIONS (M&A)

- Italian insurer Generali has completed the acquisition of majority stakes in the AXA-Affin joint ventures in Malaysia. Generali has acquired 70% of AXA Affin Life Insurance (49% from AXA and 21% from Affin) and 53% of AXA Affin General Insurance (49.99% from AXA and 3% from Affin). Both entities write a substantial amount of medical business, including medical riders and stand-alone products. Generali intends to merge MPI Generali Insurans Berhad, a wholly owned subsidiary, and AXA Affin General Insurance. Post acquisition and the subsequent merger, Affin Bank will hold 30% of both the life and general insurance business. Both entities will eventually be operated under a single unified brand, 'Generali Malaysia.'

- Hong Kong's FWD Group Holdings entered the Malaysian life insurance market by acquiring a 70% stake in Gibraltar BSN Life from US insurer Prudential Financial Inc. FWD has been operating in the Malaysian market since March 2019 as a family takaful operator. The acquisition allows the insurer to create a full-service offering in Malaysia, providing both family takaful and life insurance products. Post acquisition, Bank Simpanan Nasional (BSN) will continue to retain a 30% stake in Gibraltar BSN Life.

INSURTECH

- PolicyStreet launched Digital Human Resources Portal to streamline insurance processes for SMEs. Users are able to consolidate group medical insurance policies from various insurers on a single platform for easier management. Claims data and insights are available for HR managers' viewing and analysis on the portal, while also allowing PolicyStreet to offer customised group medical insurance plans tailored to fit organizational needs before the next renewal period.
- Digital insurer DearTime, the first life insurer in the Bank Negara's Fintech Regulatory sandbox, has officially launched, offering medical insurance, amongst a range of five easy-to-understand products, through its mobile application. The medical insurance, underwritten by DearTime, is available to individuals aged two weeks old to 55 years old and is renewable up to the age of 70. At launch, DearTime had approximately 300 hospitals on its panel.
- HealthMetrics Sdn Bhd, an employee healthcare benefits platform provider, has made a strategic investment in PT. AA International Indonesia, which operates Across Asia Assist (AAA) Indonesia, is a prominent third-party administration (TPA) company in Indonesia with a presence in Malaysia and Singapore as well. This partnership will enable HealthMetrics to expand its commercial member base to over two million across its group of companies. The company is now preparing for its upcoming Series B funding round, on the heels of the successful Series A funding round in 2020, where HealthMetrics raised US \$4.3 million.

REGULATORY UPDATES

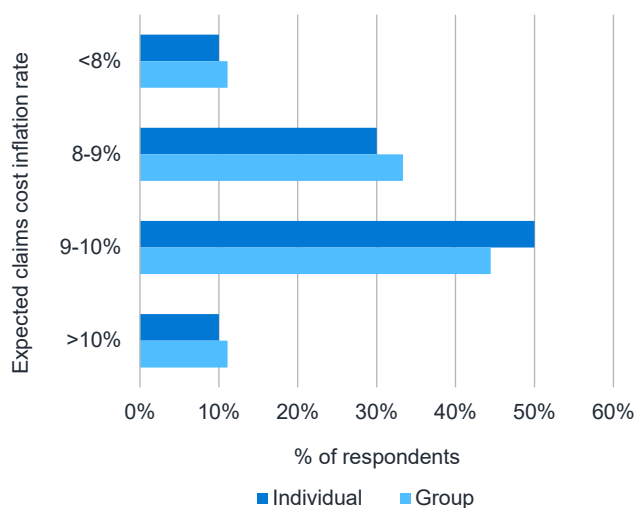
- The Ministry of Health (MOH) is expected to table the Health White Paper in Parliament, which proposes the implementation of a national social health insurance programme. The Health White Paper is aimed at reforming the Malaysian health system to ensure it remains sustainable and resilient. A key focus of the paper is addressing healthcare financing, with a specific proposal to develop a comprehensive national health insurance scheme.

- Bank Negara Malaysia has issued the Exposure Draft on Medical and Health Insurance/Takaful Business. The exposure draft aims to update the requirements and guidance for licensed insurers and takaful operators that carry on medical and health insurance/takaful (MHIT) business to ensure that such business remains sustainable in the long term. Among the proposed requirements are standardising definitions, tightening conditions for renewal refusals, and imposing a minimum co-payment level and a maximum commission limit.

SINGAPORE

Market Survey

EXPECTED SINGAPORE MEDICAL CLAIMS INFLATION RATE IN THE COMING 12 MONTHS



Source: Milliman survey¹ (2023)

Market news

NEW PRODUCTS

- DocDoc partnered with QBE to launch Group Medical Prestige, a group health insurance plan specifically tailored for SMEs with an admissible group size of five to 50 employees. The product offers a wide range of room and board options alongside an option to include dependents in the coverage. Policyholders get access to DocDoc's AI-powered platform to receive convenient in-person primary care and personalised data-driven specialist recommendations.
- Singlife launched Cancer Cover Plus, a cancer coverage plan that acts as a supplementary product to existing medical insurance plans (e.g., integrated shield plan and riders). This product is designed in response to changes to integrated shield plans, where only cancer treatments on the MOH's Cancer Drug List (CDL) will be covered, with individual claim limits for cancer drug treatments. The plan enables policyholders to not only remain

covered when such individual claim limits have been exceeded but also reimburse treatments that are not on the CDL as well. Cancer treatments covered include outpatient cancer drug treatment and services, Proton Beam Therapy and Cell, Tissue and Gene Therapy, with an annual coverage limit of up to S \$1.5 mil.

INSURERS' INITIATIVES

- Prudential Singapore introduced its newest app, Business@Pulse, designed for its SMEs customers to provide employees with a convenient way to manage their group insurance. At launch, the app allows employees easy access to insurance policy information and submit and track claims anytime, anywhere. Features that are in the pipeline include a medical e-card and a clinic locator to assist policyholders to locate nearby panel clinics.
- HSBC Life introduced a new feature, Health Scan+, in its health and lifestyle app HSBC Life BenefitsPlus. Health Scan+, powered by NuraLogix Corporation, is a health assessment tool, which utilises facial diagnostic technology to capture ambient light reflected from facial skin and identify variations in blood flow. An AI engine will then process the data to provide the key biometrics of the user, such as resting heart rate, cardiac workload and blood pressure. Health Scan+ will highlight metrics that are potentially concerning and provide actionable insights to improve the well-being of the user.
- AIA Singapore (AIA) and WhiteCoat Holdings Pte. Ltd. (WhiteCoat) partnered to launch the Think Well programme, providing end-to-end digital mental healthcare solutions covering mental wellbeing through to mental health therapy. Embedded within all of AIA's corporate outpatient plans, the service leverages WhiteCoat's omnichannel platform and network of mental health professionals to provide complimentary, synchronous text-based mental health coaching services to policyholders. Think Well represents the latest initiative launched under the AIA-WhiteCoat partnership that started in 2019 to provide telehealth services with straight-through insurance claims processing to customers.

INSURTECH

- MiyaHealth, a healthtech startup in Singapore has raised an additional undisclosed sum after it raised S \$6.5 million in their pre-Series A funding in February. MiyaHealth suite of products includes:
 - MiyaPatient, a patient navigation platform.
 - MiyaPayor, a platform that aims to reduce costs for payors by utilising AI-driven claims processing, provider network management and predictive analytics.
 - MiyaProvider, an upcoming product for improving patients' experiences in hospitals and clinics.

- Singapore-based mental health startup ThoughtFull raised US \$4 million in a pre-Series A round. The round was led by Sheares Healthcare Group, a wholly owned subsidiary of Temasek. The startup partners with insurers such as AIA Malaysia, FWD Hong Kong and Thailand to make mental healthcare more accessible to both corporate employers and individuals.
- DocDoc has partnered with AON to offer data-enabled group health insurance solutions to AON's clients across Asia, starting with Singapore. The solutions are to be offered to employers via insurers to provide employees with personalised data-driven specialist recommendations. The goal of the collaboration is to improve on prevailing methods of health insurance provision through automation and personalisation.

REGULATORY UPDATES

- The MOH published the private sector's hospital fee benchmarks. The new benchmarks recommend a hospital fee range for 29 common surgical procedures and medical conditions. Private hospital bills can be classified under two categories—hospital fees and doctor fees. MOH has updated the benchmarks for doctor fees that were previously published as well to reflect inflationary adjustments. Doctors who have established patterns of exceeding the benchmarks will be written up by MOH. The next review for growth in cost will take place in three to five years' time, coinciding with the usual fee benchmarks review cycle.
- MOH will implement a more progressive subsidy framework for its healthcare services in phases starting 1 September 2022, by revising its means-testing method. The means-test process will be streamlined according to the per capita household income data handled by the Central Provident Fund. Drugs listed under the Standard Drug List will be subsidised according to their household income instead of the current flat rate of 50%. The new subsidies will be targeted mostly towards the lower-income group with subsidies ranging from 50%-75%.

NATIONAL HEALTH INSURANCE SCHEME UPDATES

- All Integrated Shield Plan (IP) insurers have agreed to expand the list of specialists that patients can access. Called the extended panel, it is currently available to all policyholders with IP riders except for those with NTUC Income and Singlife, for whom it becomes effective as their contracts are renewed from April 2022.
- MOH announced transitional support measures in light of changes to healthcare financing for cancer drug treatments. From 1 September 2022 onwards, Medishield Life and Medisave will only cover treatments that are on the CDL. Patients with MediShield Life only who have started their treatment before 1 September 2022 will receive additional financial support for their current course

of treatment. Additionally, eligibility for drug subsidies through the Medication Assistance Fund (MAF) at Public Healthcare Institutions (PHIs) will be expanded.

- Premiums for IPs will remain unchanged for the next two years for all policyholders in an effort to keep cancer treatment affordable following the introduction of the CDL. Insurers will not change premiums for IPs until 31 August 2024. Any necessary premium adjustments due to claims experience can only be done beginning September 2024. Additionally, IP riders will be redesigned to provide coverage for treatments not on the CDL from April 2023.
- MOH announced an increase to the MediShield Life claim limit for cancer drug services to S \$3,600 from 1 April 2023. The claim limit for such services, previously set at S \$1,200 was introduced on 1 September 2022 as part of a slew of changes made by MOH to keep cancer drug costs down. The upward revision is based on feedback that the previous limit had not been adequate.

OTHERS

- Singlife with Aviva announced that the company has rebranded as Singlife, effective from 1 January 2023. This change comes after the merger between insurtech startup Singlife and Aviva Singapore on 1 January 2022 and is aimed at cementing its identity as a Singapore-grown company.

Market news

NEW PRODUCTS

- Manulife Vietnam and VietinBank partnered to launch "Max - Sống khỏe", a health insurance with an annual limit of up to VND 2 billion. All three plans on offer have a three-year term, with annual premiums starting from VND 560k. Customers can purchase the product through the VietinBank iPay app, VietinBank's e-banking application.
- PTI Ho Chi Minh, a member company of Post Office Insurance Corporation has formed a strategic partnership with Affina Vietnam Co., Ltd to leverage the latter's technology platform for digital insurance administration. This collaboration introduces two distinct product lines: Benefits One for individual customers and Benefits Elect for SMEs. Benefits One offers comprehensive individual health insurance with seamless online management, from registration to claim submission. Children as young as 30 days old can be independently insured. Benefits Elect provides customised insurance plans and convenient online management to SMEs.
- Sun Life Vietnam has introduced "Sống chất" a highly customisable health insurance for individuals and families. Customers can choose from five insurance plans that offer differing geographical coverage and annual limits. In addition to inpatient treatment, optional benefits that can be added to the plans are outpatient treatment, dental treatment and maternity care. By adding family members to the plan, unused limits can be transferred among family members to allow members who have exceeded their personal limit to continue to be reimbursed by accessing the unused limit of other family members. This feature applies to both the inpatient and outpatient benefits.
- Bao Viet Insurance, Vietnam's largest health insurer, has partnered with Vietnam Maritime Commercial Joint Stock Bank (MSB) to develop a digital bancassurance distribution channel. The first product resulting from this partnership is M-CAREYOU, a digital health insurance that is accessed through an online platform developed by MSB. Standard benefits include hospitalisation and surgical, while optional benefits include outpatient, dental, maternity and death. All policyholder transactions, from premium payment to claim settlement, are processed entirely on the online platform.

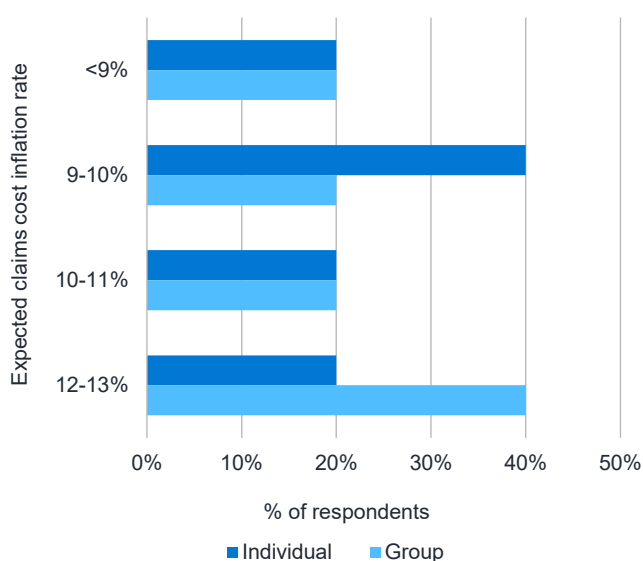
INSURER'S INITIATIVE

- Insmart Joint Stock Company (Insmart), the largest third-party administrator in Vietnam, has entered into a strategic partnership with The Malaysia Healthcare Travel Council. Through this collaboration, Vietnamese healthcare travellers holding insurance policies from Insmart's network of insurer providers will be able to access seamless medical treatment coverage, with direct billing being offered at selected private healthcare facilities in Malaysia.

VIETNAM

Market Survey

EXPECTED VIETNAM MEDICAL CLAIMS INFLATION RATE IN THE COMING 12 MONTHS



Source: Milliman survey¹ (2023)

MERGER AND ACQUISITIONS (M&A)

- Military Insurance Corp (MIC), a major health insurer, has received fresh foreign capital. PYN Elite Fund, a Finland investment fund, has raised its stake in MIC from 4.99% to 5.29%. Post transaction, PYN Elite Fund becomes the second largest shareholder in MIC after its parent company, Military Commercial Joint Stock Bank, with a 68.4% shareholding.

INSURTECH

- LivWell Asia, a top Vietnamese insurtech, has launched One Health, which offers SMEs and startups in Vietnam an affordable employee health benefits solution. It bundles corporate health insurance at competitive prices with sought-after perks like gym memberships, telemedicine and nutrition services. This offering targets affordability for micro-SMEs and startups, assuring fixed premiums without initial medical underwriting. The programme also features a tailored health super app, delivering insurance, financial services and wellness incentives.

DISTRIBUTION CHANNEL

- IZlon24, a pocket insurance application, was officially launched by Ideal Life Consultancy Joint Stock Company. Designed as a one-stop solution, the application enables users to satisfy all their insurance needs, from product selection and providing ease of comparison, making premium payments, managing insurance plans and making reimbursement claims. Partner insurers include major health insurance players such as Bao Viet and Bao Minh.
- VIB Bank has unveiled MyVIB 2.0, the next generation of their digital banking application, featuring an enhanced user experience for purchasing health insurance directly within the application. The updated version offers a seamless process to acquire five insurance plans from MSIG Vietnam, with comprehensive details on the policy terms available within the application. Users can conveniently manage their insurance policies through the application, including options to edit and supplement information as needed.

REGULATORY UPDATES

- The Ministry of Finance has issued a draft circular concerning life and health insurance contracts. The draft aims to safeguard consumer interest by improving the transparency of insurance products. Proposed standards include ensuring that the insured parties, coverage scope, and covered risks, as well as the rights and obligations of both the insurer and the policyholder, are communicated clearly and transparently to policyholders in promotional materials and policy documents.

NATIONAL HEALTH INSURANCE SCHEME UPDATES

- Vietnam's National Assembly approved an increase in the minimum basic wage ('base salary'), which took effect 1 July 2023. The base salary regime impacts many industries and fields in Vietnam, including the national health insurance programme. As a result of this change, individuals may experience an increase in their health insurance contributions. Additionally, healthcare benefits that are tied to the base salary will see a corresponding increase in the benefit limit.
- Vietnam Social Security (VSS), the administrative body for the national health insurance scheme, issued Decision 3618/QS-BHXH, laying out new guidelines for healthcare facilities for reimbursement claims from the national health insurance fund. The tightening of guidelines signifies efforts from the VSS to combat waste and abuse in the system, such as prescribing needless tests and overcharging.

HONG KONG

Market news

NEW PRODUCTS

- AXA Hong Kong has launched MediEnhancer Supplement (MediEnhancer), exclusively offered to selected AXA medical insurance policyholders. Customers may choose two notional levels, either three or five times the associated Medical Plan's annual premium. The notional amount is used to calculate the premium and cash value of the product. Customers enjoy up to 4% p.a. guaranteed returns on the cash value, which will be used to pay for the premium of the attached medical plan at subsequent renewals till exhaustion.
- FWD launched vTheOne Medical Plan (vTheOne), a plan certified under the Voluntary Health Insurance Scheme (VHIS) with an annual benefit limit of up to HKD 20 million. The plan offers customisability in terms of geographical coverage and deductible level. vTheOne provides customers with cash benefits under specific circumstances to provide additional support to customers, such as when confined in ICU for at least three consecutive days in Hong Kong or undergoing a major or complex surgical procedure. Also, an additional benefit limit of up to HKD 2 million is provided to policyholders undergoing prescribed non-surgical cancer treatment, kidney dialysis, and organ or bone marrow transplants. Policyholders are entitled to no claims premium discounts of up to 25% depending on the number of consecutive policy years with no claims from the insured persons.

INSURERS' INITIATIVES

- Bupa (Asia) Limited has partnered with CoverGo, a no-code insurance SaaS platform, to enhance its health insurance ecosystem in Hong Kong. Through adopting CoverGo's insurance APIs, Bupa aims to accelerate customer onboarding, introduce tailored products expeditiously, boost sales via new channels and elevate user experiences for all health insurance stakeholders.
- Manulife Hong Kong has upgraded its Cashless Day Surgery eService, the fully digitised cashless service for day surgeries. Key enhancements for the service include an increase in categories of surgeries covered to over 70 types of major day surgeries, an expansion of the specialist network to over 300 specialists across eight major specialties and increasing the number of day surgery centres that are accessible to 80.
- MSIG Hong Kong has partnered with Intellect, a mental health tech company, to provide mental wellbeing support to its employees under their medical plan. MSIG Hong Kong's SME Group Medical Insurance policyholders can access Intellect's mental health platform, which is a 24/7 mental healthcare system that offers access to coaches and counsellors, crisis support and guided journal programmes delivered through a mobile application.
- FWD Hong Kong and CUHK Medical Centre (CUHKMC) have partnered to streamline medical claims experience by launching a digital pre-authorisation platform, which aims to offer customers an efficient, paperless, and cashless medical claims process. When eligible individuals covered by FWD's designated medical plan seek medical consultation at CUHKMC, a request for cashless claims pre-authorisation will be submitted directly to FWD through the platform. The application and review process will be expedited using technology-enabled streamlined procedures, enabling FWD to complete the assessment within one working day. Upon approval, an email containing the letter of guarantee and the pre-approved eligible guaranteed amount will be sent to the hospital, doctor and FWD's insurance agent to facilitate cashless hospital admission.
- HSBC Life has invested USD 20 million in AI to modernise the firm's technology to deliver an improved experience for its medical insurance policyholders. One notable improvement is that the time required for reimbursing online medical insurance claims has been slashed from five days to just five minutes.
- AXA, partnering with EC Healthcare, unveiled the first AXA medical centre in Hong Kong, which is located in the World Trade Centre at Causeway Bay. AXA customers can enjoy preferential access to the services provided without the need for pre-authorisation. The centre offers services such as body checks, vaccinations, preventive medicine, and nutritional counselling provided by on-site medical professionals.
- The "AXA Designated Endoscopy and Day Surgery Centre" was launched at the Entertainment Building in Central. Jointly set up by AXA and EC Healthcare, the centre provides preferential access to services at this new centre to AXA customers without requiring any pre-authorisation. The centre is staffed by a team of specialists in surgery and gastroenterology and hepatology, providing services from initial consultation and examination to surgery.
- Sun Life Hong Kong launched eSunPro, a healthcare service platform that provides value-added services ranging from diagnosis to post-treatment care to their customers with eligible medical and critical insurance plans. Among the services provided are:
 - Comprehensive genome profiling for policyholders diagnosed with a tumour.
 - Secondary medical consultation, either physically or virtually, through AdvicePro.
 - A 24-hour hotline to assist clients with doctor appointments and referrals.
 - Pre-authorisation service for cashless admissions.
 - Psychological support sessions for policyholders and their immediate family members in the case of a cancer or stroke diagnosis.

OTHERS

- Since the beginning of 2022 to the end of March 2023, there have been at least 23 medical insurance premium rate increases from at least 11 insurance companies, of which 10 are voluntary health insurance plans, with an increase of up to 26%. The main reason for the increase in medical insurance rates is medical inflation, fuelled by the increase in the prices of private wards, surgical fees, medication and medical devices, as well as the increase in demand for private healthcare due to an aging population and an increase in foreign patients.

PHILIPPINES

Market news

NEW PRODUCTS

- BPI AIA, a bancassurance joint venture between AIA Philippines and Bank of the Philippine Islands (BPI), has introduced Health Essentials, a health insurance plan for SMEs providing employees with medical benefits similar to those extended by health maintenance organisations (HMO). The plans are highly customisable, allowing outpatient benefits, maternity benefits, dental benefits and an annual physical exam to be added to the base plan, which includes inpatient benefits. Enrolment requires at least 10 members, with dependents of employees eligible to be insured as well.

INSURERS' INITIATIVES

- Sun Life Philippines announced a new HMO policy, expanding the eligibility for enrolment as qualified dependents to include same-gender, domestic and common law partners under its medical and health plans. This move is in line with Sun Life's commitment to provide healthcare benefits that prioritise diversity, equity and inclusion.
- AXA Philippines (AXA PH) has released new features of its digital application, Emma by AXA PH. Health policyholders can now easily request a guarantee letter and access MedNetwork, the online database of doctors and medical institutions accredited by AXA PH. Additionally, Global Health Access policyholders can seamlessly file their claims for over-the-counter vitamins via the platform.

MERGER AND ACQUISITIONS (M&A)

- AIA Group Limited has fully acquired MediCard Philippines in a deal alleged to be valued at over US 350 million. MediCard is a leading HMO in the Philippines, providing health insurance and healthcare services to individual and corporate members through 1,000 partner hospitals and clinics. AIA expects the acquisition to bring in new products, customer segments and distribution capabilities.

DISTRIBUTION CHANNEL

- Etiqa Philippines will form an exclusive bancassurance partnership with the Philippine Bank of Communications (PBCOM), allowing PBCOM to distribute Etiqa's life and non-life products to its clients. The partnership will take place in two phases, comprising of a six-month pilot phase followed by a 15-year regular phase. Etiqa Philippines is the second largest group health insurer in the Philippines, with over 1,600 accredited hospitals and clinics nationwide.

INSURTECH

- Kwik.insure has launched an affordable monthly-billed healthcare policy, KwikCare Health Subscription. The plan targets unserved individuals such as freelancers and MSMEs. Customers may renew the plan monthly without any lock-in period starting from ₱ 995 per month with protection up to ₱ 150,000. The policies are underwritten by Etiqa, allowing policyholders to tap into Etiqa's network of over 2,000 hospitals and clinics.

NATIONAL HEALTH INSURANCE SCHEME UPDATES

- The Philippine Health Insurance Corporation (PhilHealth) is set to increase coverage for outpatient haemodialysis from 90 sessions to 156 sessions in 2023, part of the state health insurer's effort to enhance benefits provided to the Filipino population. The increased coverage is based on the standard medical practice of three dialysis sessions per week for chronic patients. The change was slated to come into effect in August 2023.

- Citing socioeconomic challenges, The Office of the President announced the suspension of PhilHealth's premium rate hike. Premium contributions were scheduled to increase from 4% to 4.5% in 2023 under the Universal Health Care Act.
- PhilHealth will introduce an improved mental health package for Filipinos this year. Currently, the state insurer covers up to ₱ 7,800 for in-patient psychiatric care. The proposed new package will expand coverage to outpatient mental health specialist care, and potentially teleconsultations as well.
- PhilHealth is pilot testing a capitation funding model wherein primary care providers are paid in advance for each registered patient under its care. The new funding scheme will be implemented in public health facilities in Bataan, Guimaraes, Quezon, South Cotabato and Baguio City. In collaboration with local government units and private healthcare providers, seven primary care networks will be set up. ₱ 1.2 billion is projected to be disbursed across the seven primary care networks involving 2.3 million residents.

KEY APPOINTMENT

- Emmanuel Ledesma Jr. has been appointed as the acting president and CEO of PhilHealth.

MILLIMAN INSIGHTS

Pharmacy Briefing

FDA APPROVALS AND LAUNCHES IN THE UNITED STATES

- **Hemgenix (etranacogene dezaparvovec)** is approved as an adeno-associated virus vector-based gene therapy to treat adults with Haemophilia B, carrying a list price of US 3.5 million.
[Read more](#)
- **Rezvoglar (insulin glargine-aglr)** is approved as the second interchangeable biosimilar insulin, the first being *Semglee*, to the long-acting insulin *Lantus*.
[Read more](#)
- **Legembi (lecanemab)** is approved as a treatment to slow progression of Alzheimer's disease.
[Read more](#)
- **Sunlenca (lenacapavir)** is approved as a twice-yearly treatment for multi-drug resistant human immunodeficiency virus (HIV).
[Read more](#)

FDA APPROVALS AND LAUNCHES IN THE UNITED STATES (CONTINUED)

- **Briumvi (ublituximab-xiiy)** is approved for the treatment of relapsing forms of multiple sclerosis.
[Read more](#)
- **Paxlovid (nirmatrelvir co-packaged with ritonavir)** is approved as an oral treatment for mild-to-moderate COVID-19 in adults at high risk of progression to severe COVID-19.
[Read more](#)
- **Jesduvroq (daprodustat)** is approved as the first oral treatment for anaemia caused by chronic kidney disease for adults on dialysis for at least four months.
[Read more](#)
- **Mounjaro (tirzepatide)** is approved as a dual-targeted treatment for Type 2 diabetes.
[Read more](#)

Featured Article

COVID-19 AND MEDICAL UNDERWRITING PRACTICES FOR LIFE AND HEALTH INSURANCE

This white paper, written by Milliman consultants, delves into current clinical understanding and research on the health implications of both acute Covid and long Covid, along with the adaptation of health and life insurers in product design, underwriting and claims management. The paper also includes the survey results of life and health insurers of various countries on changes in their underwriting processes to allow for potential additional risks from long Covid. You can read the paper [here](#).



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