



South East Asia in Focus

What's New in Health

SEPTEMBER 2024 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 2024.

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



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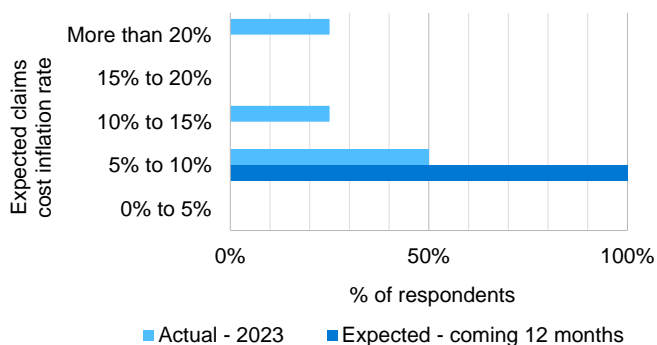
HONG KONG

Market Survey

We surveyed insurers in Hong Kong on key topics related to their individual medical portfolios.

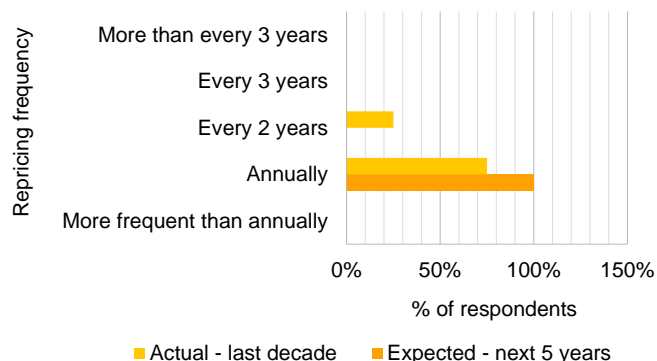
MEDICAL CLAIMS INFLATION RATE

Medical inflation experienced by respondents in 2023 ranged from 5% to over 20%, but is expected to be between 5% and 10% in the coming 12 months.



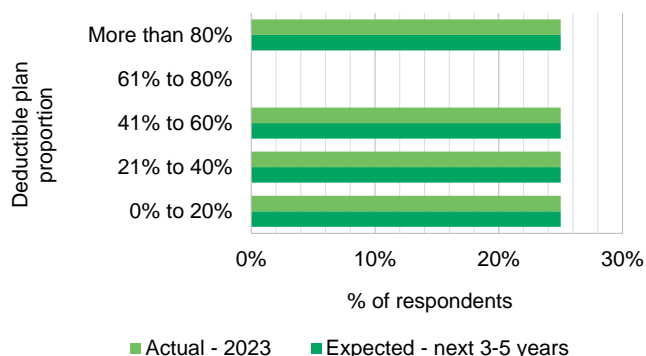
MEDICAL REPRICING FREQUENCY

While respondents have been repricing at least every two years, all respondents expect to reprice every year in the next five years.



MEDICAL DEDUCTIBLE PLANS

All respondents expect to maintain the proportion of deductible plans in their portfolios, which varies significantly across respondents.



Market News

NEW PRODUCTS

- Blue Insurance (Blue) launched dental protection for Hong Kong citizens, covering dental clinics in nine cities in Guangdong Province of the Greater Bay Area and in more than 80 cities in the Mainland due to the increasing trend of Hong Kong citizens seeking medical treatment in the Mainland.
- AXA Hong Kong and Macau (AXA) introduced Better She, a health management program designed to support women as they navigate the physiological changes during the menopausal period. The program provides a range of services from health check-ups, gynecological consultations, and symptom relief treatments for mental health support.
- Cigna Healthcare Hong Kong launched Cigna HealthFirst Elite 360 Medical Plan. The plan provides comprehensive and 360-degree total health protection, from prevention, diagnosis, and treatment to recovery. Personalized health assessment is available at designated medical centres and a one-on-one follow-up recovery program is provided by Cigna Care Managers.
- Bowtie introduced a new Voluntary Health Insurance Scheme (VHIS) rider, expanding its suite of coverage options, including annual health check-up (as recommended by a doctor) and full reimbursement for the selected medical packages without having to go through the usual process of applying for cashless settlement, making it more hassle-free for policyholders to handle medical expenses.
- FWD Hong Kong launched a new VHIS vFamily Medical Plan, which includes optional benefit for current and/or future children of the insured to be covered with no health underwriting.
- Blue Cross (Asia-Pacific) Insurance announced the launch of two new products: Blue Cross Elite Combo and Blue Cross Love Yourself VHIS Plan. The former introduces a groundbreaking concept of “multiple plans in one single policy, same coverage period, and effortless management.” The latter allows flexible adjustment of the deductible and offers an affordable, value-for-money choice of medical protection for young adults.

INSURERS' INITIATIVES

- AXA and UMP Healthcare (UMP) have formed a strategic partnership to provide cross-border medical and healthcare services to customers by incorporating UMP's Mainland clinics into AXA's medical network. Eligible customers can enjoy cashless services at designated Mainland clinics. The service is to fulfill the medical needs of Hong Kong residents living and traveling to the Mainland and provides convenient and premium cross-border medical services for Greater Bay Area customers.

- Prudential Hong Kong (Prudential) has collaborated with the Hong Kong Integrated Oncology Centre and Zhongshan Chenxinghai Hospital of Integrated Traditional Chinese and Western Medicine to launch the "Cross-Border Cashless Cancer Treatment Service" in the Greater Bay Area.
- Manulife Hong Kong and CUHK Medical Centre have expanded their partnership to offer a cashless preapproval service for over 300 all-inclusive hospital packages, including endoscopic and surgical procedures, provided by CUHK Medical Centre. Upon obtaining preapproval, Manulife customers with selected medical plans can now access these hospital packages without paying up-front.
- Sun Life Hong Kong has expanded its healthcare solutions in the Greater Bay Area by extending its cashless arrangement service in Mainland China to nearly 2,000 hospitals.
- HSBC Life has invested USD 20 million in artificial intelligence (AI) to modernize 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 has partnered with Prosper Health to expand its medical network and healthcare services in Mainland China. This is to provide cross-border healthcare services for eligible AXA Employee Benefits members with hospitalization coverage.
- Prudential has formed partnerships with seven local hospitals and medical institutions. Eligible customers who require surgical intervention after seeking treatment at designated clinics will be referred to the collaborating hospitals for follow-up care. The clinics will seek Prudential's preapproval for related medical costs and bill Prudential directly.

INSURTECH

- AXA is collaborating with CoverGo to increase the speed to market by using a new digital platform supported by CoverGo. The platform's application programming interface (API)-driven approach allows easy integration with AXA's existing system to facilitate future digital transformation.
- Bupa Hong Kong launched its health app, Bupa Health, which makes use of AI to give personalized experience for users, offering analysis of their physical and mental health via the AI HealthShot facial screening and leading simple workouts by AI Fit PT function.

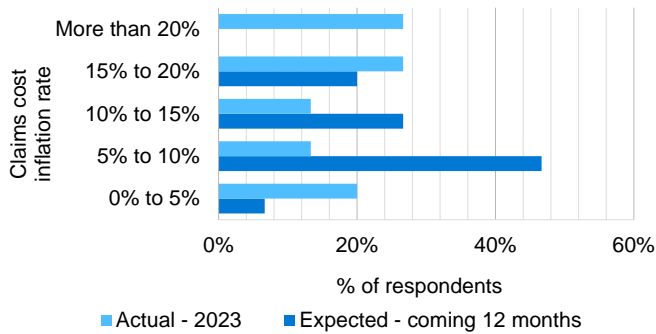
INDONESIA

Market Survey

We surveyed insurers in Indonesia on key topics related to their individual medical portfolios.

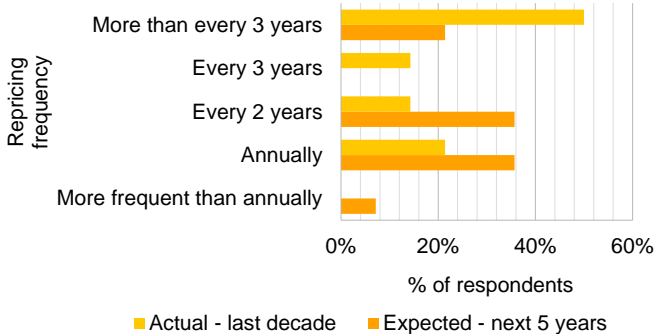
MEDICAL CLAIMS INFLATION RATE

Most respondents experienced medical inflation in excess of 15% in 2023 but expect lower medical inflation in the coming 12 months.



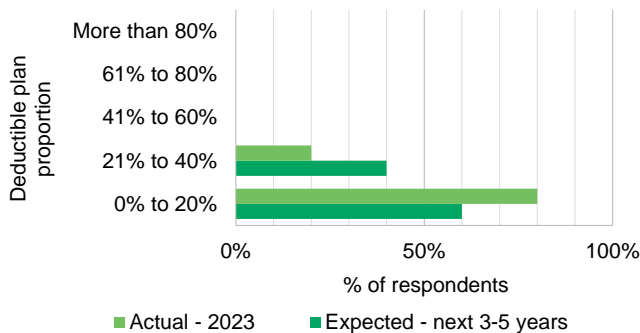
MEDICAL REPRICING FREQUENCY

In the past, respondents have been repricing infrequently, but most insurers expect to reprice every one to two years moving forward.



MEDICAL DEDUCTIBLE PLANS

Slightly less than half of the respondents expect deductible plans to make up a significant proportion of their portfolios in the next three to five years.



Market News

NEW PRODUCTS

- PT Prudential Life Assurance (Prudential Indonesia) and PT Prudential Sharia Life Assurance (Prudential Syariah) launched PRUWell Medical and PRUWell Medical Syariah. These comprehensive health protection products address medical inflation by featuring the claims-based pricing mechanism. Participants can earn premium discounts of up to 20% upon renewal if no claims are made. The plan offers inpatient coverage and various additional services through the PruPriority Hospitals Network. It also includes pre-hospitalization and post-hospitalization costs, such as telehealth services in Indonesia and in Malaysia and telehealth services in Singapore for cancer treatments, as well as coverage for traditional care, physiotherapy, speech therapy, psychiatric and psychological care, and other treatments.
- PT AIA Financial has launched AIA Health X, which offers medical coverage with annual benefits limits up to IDR 5 billion for inpatient, outpatient, and critical illness care throughout Asia, excluding Singapore, Hong Kong, and Japan. AIA Health X features a unique "X-Factor" that adjusts premiums based on individual claims. Additionally, policyholders who integrate their coverage with the AIA Vitality program can receive up to 10% off their annual premiums, based on their AIA Vitality status, with a monthly membership fee of IDR 50,000.
- PT Asuransi Jiwa Sinarmas MSIG Tbk launched SMiLe Medika Ultimax (SMUAX), an affordable insurance product with comprehensive benefits. With an annual premium starting at IDR 1,610,000, SMUAX offers comprehensive inpatient care coverage. Key features include room upgrades if inpatient facilities are full and extended protection for insured individuals even when staying abroad for over three months. This plan aims to provide peace of mind and extensive coverage both within Indonesia and internationally, depending on the chosen plan.
- PT AXA Mandiri Financial Services introduced Asuransi Mandiri Flexi Proteksi, designed to help customers manage financial risks. With premiums starting at IDR 200,000 per month, this product offers life and medical protection, coverage for 77 critical conditions, flexible premium payments, and a premium return of up to 120% of the total basic premium if no claims occur during the insurance period.
- PT Asuransi Jiwa Inhealth Indonesia (Inhealth) has launched My Care Ultimate to supplement the National Health Insurance (JKN) program for BPJS Kesehatan participants. This product offers benefits like upgrading inpatient class, inpatient daily compensation, medical evacuation and repatriation services, ambulance coverage, and other supplementary benefits on top of the BPJS cover.

- PT Asuransi Jiwa Astra has launched AVA Group Medical Protection, designed to simplify insurance benefits for micro, small, and medium businesses, ensuring comprehensive coverage for their employees. With a minimum participation of just three people and a maximum of 100 people, this new suite of health insurance products includes essential coverage such as hospitalization and surgical expenses. Optional benefits like outpatient care, maternity coverage, and dental care are also available, all at affordable annual premiums starting from IDR 10 million. AVA Group Medical Protection is available in the form of inner limit and as-charged products.
- PT Asuransi Allianz Life Indonesia introduced Allianz Flexi Medical, a new product aimed at providing essential health protection for young individuals, particularly Gen Z, as they begin their journeys toward financial independence. Allianz Flexi Medical offers affordable premiums starting from IDR 430,000 per month and extensive benefits, including annual coverage of up to IDR 20 billion. The Flexi Benefit feature provides coverage for inpatient services, intensive care unit (ICU) care, surgical procedures, and critical illness care, along with a Flexi Benefit balance of up to 20% of the premium for outpatient claims. The product also offers additional benefits, including 12 mental health and/or nutrition consultations through the HaloDoc application, Expert Medical Opinion and Medical Assistance. Through Medical Assistance, policyholders can receive benefits including medical evacuation reimbursement, hospital admission support, up to USD 1,000 reimbursement for post-illness recovery costs, emergency repatriation for family members, and more.
- PT AXA Insurance Indonesia launched SmartMedicare, a comprehensive health insurance product for families. It offers a range of benefits, including overseas medical treatment, cashless claim payments, transferable health benefits between family members, and pregnancy coverage. Customers can choose from six health benefit plans, with coverage ranging from Indonesia to the entire world. Available for individuals up to 80 years old, SmartMedicare also includes benefits like traditional Chinese medicine, physiotherapy, teleconsultation, and home care.
- PT Asuransi BRI Life has partnered with PT Bank Rakyat Indonesia Tbk (BRI) to offer a comprehensive one-stop solution for BRI customers seeking early protection at their branch offices. This collaboration introduces Asuransi Mikro Proteksi Aman Sejahtera (PIJAR) to BRI's micro, retail, and corporate customers, featuring highly affordable premiums starting from IDR 100,000 to IDR 200,000 annually. PIJAR offers extensive protection, including hospitalization coverage, reimbursement for surgical costs, death benefits, and permanent disability benefits. Customers can benefit from a maximum daily hospital benefit for up to 90 days per year. Claims can be easily processed by reimbursement at any BRI branch office.

INSURERS' INITIATIVES

- Prudential Indonesia and Prudential Syariah have launched PruPriority Hospitals, a service innovation designed to enhance the efficiency of inpatient claims processing. This initiative includes an agreement with 142 hospitals and healthcare facilities across 20 provinces to pre-estimate treatment costs that can accelerate the verification process for medical treatments. As a result, customers can be discharged without waiting for the final guarantee letter, allowing them to return home to recover sooner.
- Inhealth has partnered with RS Pelni to launch an Executive Lounge at its hospital in Jakarta. This collaboration aims to enhance the service experience for Inhealth's customers by offering exclusive benefits such as information resources, complaint handling, integrated service management, and other convenient facilities.
- Allianz Asia Pacific and the Global Institute for Tomorrow (GIFT) have launched the Ascent 2030 initiative, focusing on improving healthcare for Indonesia's remote island communities. In collaboration with doctorSHARE, Allianz and GIFT are exploring the development of the Hospital Ship concept to provide services to islands in Indonesia that lack adequate health facilities. The study aims to offer recommendations for making the Hospital Ship implementation more accessible, high-quality, and sustainable.
- PT Lippo General Insurance Tbk (LGI) has introduced new digital features within its health insurance services via the eBenefit Health app. The LGI Employee Assistance Program (EAP), in collaboration with Naluri.Life, a wellness and fitness service provider, provides mental health support services. The application also offers OP365, a subscription-based telemedicine service that allows customers to consult professional doctors online. LGI has partnered with Good Doctor Technology Indonesia to facilitate the OP365 service, emphasizing convenience and accessibility in healthcare delivery.

DISTRIBUTION CHANNEL

- PT Sampo Insurance Indonesia has partnered with PT Bank Mayapada International, Tbk to offer six comprehensive insurance products designed to protect both business owners and individuals from various financial risks. These products include health insurance and Worldcare insurance, focusing on providing extensive health coverage. The Healthcare+ product is tailored for business owners, allowing them to extend protection to their employees, with a minimum requirement of three employees. The Worldcare insurance is available for customers seeking medical care and treatment abroad.

- PT Asuransi Astra Buana, through Garda Medika, has launched the Garda M-Klinik and Express Appointment features to address the growing demand for accessible, prompt, and convenient healthcare services. Garda Medika offers queue-free outpatient care through the Garda Mobile Medicare application, allowing participants to schedule doctor appointments at their preferred times without waiting in line. In addition, the Garda M-Klinik is available to partner companies of Garda Medika. This on-site clinic can be set up within company premises, providing employees with convenient access to health checks without needing to leave their workplace.
- Alodokter, a digital health platform in Indonesia, has partnered with several health insurance firms to enhance telemedicine services, including PT BNI Life Insurance, PT Sampo Insurance Indonesia, PT Asuransi Jiwa Sequis Life, PT Asuransi Jiwa Central Asia Raya, and more. This collaboration allows policyholders to consult with doctors conveniently from any location. Moreover, the prescription delivery process has been streamlined, ensuring medications are delivered directly to patients' homes. Alodokter also collaborates closely with Indonesia's major third-party administrators (TPAs), Admedika and Fullerton, to simplify administrative procedures and ensure improved oversight and transparency for all stakeholders.

INSURTECH

- BUPA Global Health, partner of PT Sunday Insurance Indonesia, has collaborated with Optik Melawai and Global Excel Indonesia, as their TPA, to offer a cashless optical benefit for BUPA Global Health customers in Indonesia. This strategic collaboration aims to enable cashless transactions for frames, eyeglass lenses, and contact lenses while also providing high-quality eye examinations by experts at all Optik Melawai branches in Indonesia.

MERGERS AND ACQUISITIONS (M&A)

- PT Asuransi Jiwa IFG (IFG Life) has acquired an 80% stake in Mandiri Inhealth. This strategic move includes purchasing 60% shares from PT Bank Mandiri (Persero) Tbk (BMRI), 10% from PT Kimia Farma Tbk, and 10% from Indonesia Financial Group, establishing IFG Life as the largest life and health insurance provider in Indonesia. This acquisition is expected to strengthen the life and health insurance sectors through consolidated efforts and enhanced cross-selling opportunities, ultimately boosting market share for both IFG Life and Mandiri Inhealth.

NATIONAL HEALTH INSURANCE SCHEME UPDATES

- With the implementation of the new Kelas Rawat Inap Standar (KRIS) scheme, participants of BPJS Kesehatan will be still able to upgrade their health services with a top-up option through Asuransi Kesehatan Tambahan (AKT). This program is legally supported by Undang-Undang Nomor 40 Tahun 2004 Pasal 23, Undang-Undang Nomor 17 Tahun 2023, Peraturan Presiden Nomor 59 Tahun 2004, and Peraturan Menteri Kesehatan Nomor 3 Tahun 2023. Outpatient services can also be upgraded from nonexecutive to executive levels, with a maximum limit of IDR 400,000. For inpatient care starting from class II, any difference between hospital rates and INA CBG rates will be covered through the AKT mechanism.

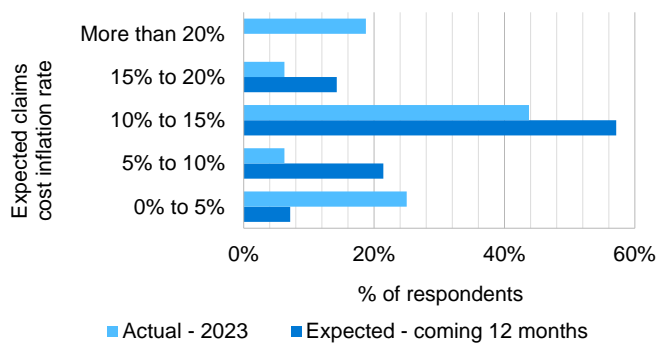
MALAYSIA

Market Survey

We surveyed insurers in Malaysia on key topics related to their individual medical portfolios.

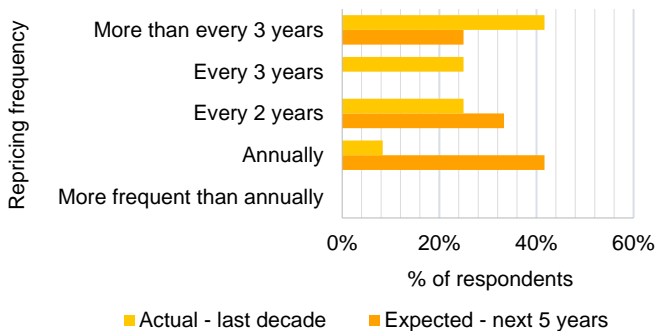
MEDICAL CLAIMS INFLATION RATE

Respondents expect medical inflation over the next 12 months to be lower than what they experienced in 2023, although the majority still expect future inflation to be 10% to 15%.



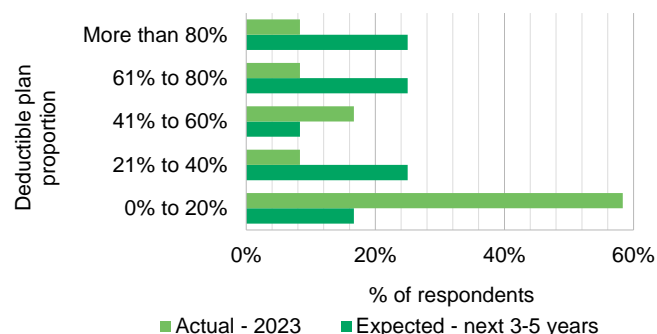
MEDICAL REPRICING FREQUENCY

Some respondents have been repricing infrequently in the past but most have plans to reprice every one or two years moving forward.



MEDICAL DEDUCTIBLE PLANS

Almost 60% of respondents had a low proportion of deductible plans in their 2023 portfolios, but they expect higher proportions of deductible plans in their portfolios in the next three to five years.



Market News

NEW PRODUCTS

- AIA Malaysia launched the SMART Option in August 2023 as a cost-saving feature within its medical insurance products. This option offers at least a 20% premium discount for policyholders who follow the "SMART Journey" to visit network providers who are part of a designated network under this option. This pathway involves visiting a SMART clinic (GP), then a SMART specialist, and finally receiving treatment at a SMART hospital if needed. By adhering to this process, policyholders only pay a MYR 500 deductible per disability. However, skipping steps (e.g., not using SMART facilities) results in the policyholder paying a MYR 500 deductible plus a 20% copayment, capped at MYR 20,000 per disability.
- Prudential Malaysia launched the Prumillion Med Active plan in July 2024, aimed at making medical insurance more affordable. This product is designed with an "Active Pricing" model, which offers policyholders an instant 15% premium discount. The plan includes a no claims benefit of up to MYR 1,000 annually, no annual limit on medical charges with the coinsurance option, and comprehensive cancer coverage. Premiums adjust based on claims—minor claims under MYR 5,000 result in a slight temporary increase, while larger claims lead to a more significant hike, with premiums gradually decreasing if no further claims are made.
- Manulife MediShield, designed for young adults, offers affordable life and medical insurance with premiums starting at MYR 100 per month, providing comprehensive coverage including death, total and permanent disability (TPD), and medical expenses.
- Tune Protect Life's FLEXIOne offers customizable medical coverage starting at MYR 5 per month for young individuals. Using an AI-powered assistant named Tracy, customers can tailor plans to include up to MYR 150,000 in annual medical coverage, focusing on affordability and flexibility.

DISTRIBUTION CHANNEL

- TNG Digital, in partnership with AIA Malaysia, has launched Insure360 on its Touch'n Go eWallet platform. This service provides comprehensive health insurance options including critical illness and medical insurance, accessible without a medical examination. Users can customize their insurance plan or choose a bundled option.

INSURERS' INITIATIVES

- FWD Insurance Berhad has teamed up with Bank Simpanan Nasional to introduce Qaseh Bakti Plus, a microinsurance product targeting underserved B40 households in Malaysia. It offers affordable hospitalization income replacement and includes daily hospital cash and death benefits.

- Zurich Malaysia has partnered with AEON Bank Malaysia to enhance financial inclusion through Syariah-compliant solutions that protect both personal and financial health. In May 2024, they offered micro-protection products specifically tailored to meet the needs of the underserved population.
- Malaysian Re has signed memorandums of understanding (MOUs) in April 2024 with China Pacific Property Insurance Company (CPIC) and with Kumpeng Insurance Broker Company to develop health and medical insurance products in Malaysia. The partnership will focus on innovative solutions, particularly in cancer precision medicine treatment, leveraging CPIC's expertise and Kumpeng's brokerage capabilities.

INSURTECH

- Zurich Malaysia, Senang.io, and Bank Islam have introduced digital Takaful solutions via the Be U by Bank Islam mobile application. The first product, Microtakaful for Gig Workers, offers on-demand services, medical coverage, and a user-friendly in-app claims system tailored for gig economy workers.
- Doctor Anywhere (DA), a healthcare technology firm based in Singapore, has forged a new partnership with Allianz Partners, known for business to business to consumer (B2B2C) insurance and assistance. The goal of this collaboration is to deliver extensive telehealth services to Allianz's international health members across Singapore, Malaysia, Thailand, and the Philippines in South East Asia.

MERGERS AND ACQUISITIONS (M&A)

- Great Eastern Life Assurance and Great Eastern Takaful Berhad have announced their intention to acquire 100% of the shares in both AmMetLife Insurance and AmMetLife Takaful Berhad. The proposed acquisition includes establishing 20-year bancassurance and bancatakaful agreements to distribute life insurance and family Takaful products through AMMB's banking subsidiaries, AmBank (M) Berhad and AmBank Islamic Berhad, across Malaysia.

REGULATORY UPDATES

- Bank Negara Malaysia had issued a new guideline for the medical and health insurance/Takaful (MHIT) business, aiming to ensure sustainability and affordability of the MHIT business. These updates aim to address significant developments in managing MHIT business, which has seen significant increases in the utilization of medical services and the magnitude of claims. Key updates in the policy document include the introduction of a minimum copayment requirement, the establishment of a central medical claims data platform, detailed requirements for repricing policies and procedures, revised product disclosure sheets, a

requirement for insurers to conduct needs-based assessments prior to providing any product recommendations, and a prohibition on concluding sales through the telemarketing channel.

- The Malaysian Ministry of Health (MOH) is proposing a national health insurance scheme funded by contributions from employees, employers, and the government. This initiative aims to diversify healthcare financing, making it sustainable and equitable. The plan, which follows a shared responsibility model, seeks to address the limitations of existing programs like the Peka B40 health screening and the Madani Medical Scheme, which are deemed unsustainable. The MOH is also exploring other funding methods, including increased government allocations and the use of zakat and donations.

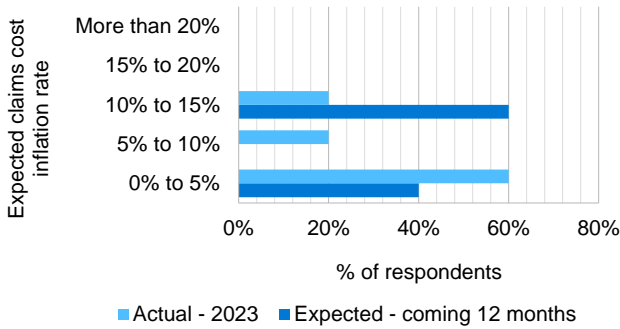
PHILIPPINES

Market Survey

We surveyed insurers in the Philippines on key topics related to their individual medical portfolios.

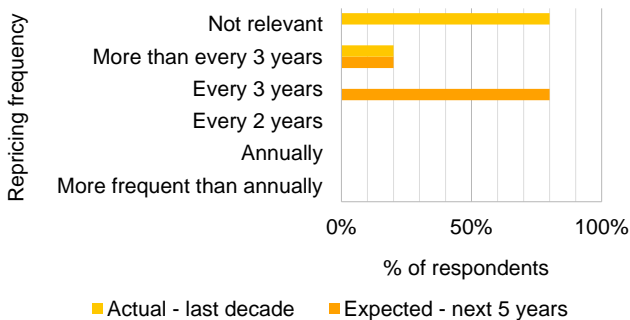
MEDICAL CLAIMS INFLATION RATE

Most respondents experienced medical inflation of 0% to 5% in 2023, but some expect it to be higher in the coming 12 months.



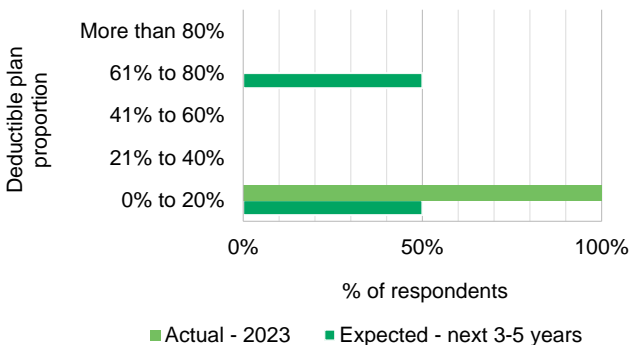
MEDICAL REPRICING FREQUENCY

Most of the respondents have not repriced their medical products, but they expect to start repricing at least once every three years moving forward.



MEDICAL DEDUCTIBLE PLANS

Half of the respondents expect deductible plans to make up a significant proportion of their portfolios in the next three to five years.



Market News

INSURTECH

- The finance app GCash has collaborated with trusted insurance companies to launch a new feature selling affordable insurance products called GInsure. The initiative aims to make insurance more accessible and convenient through GCash's platform, enabling users to easily purchase and manage policies directly from their mobile phones. It offers a wide range of product options, such as health, critical illness, travel, property, motor, etc. For example, it offers health protection in partnership with Singlife Philippines, covering COVID-19, dengue, and accidents.
- Uno Digital Bank and Singlife are collaborating to leverage digital banking platforms in order to offer accessible and cost-effective health insurance options, addressing the need for affordable healthcare coverage in the Philippines.

MERGERS AND ACQUISITIONS (M&A)

- Hive Health, a digital health insurance startup founded in 2021 by Harvard and Stanford alumni, has acquired Health Plan Philippines, Inc. (HPPI), a leading health maintenance organization (HMO) service provider in the Philippines. The acquisition aims to merge HPPI's extensive provider network and experience with Hive Health's technology and data-driven approach to enhance healthcare services. Hive Health offers comprehensive health plans and a digital platform for easier management of care, covering a wide network of hospitals and doctors nationwide.

NATIONAL HEALTH INSURANCE SCHEME UPDATES

- The Philippine Health Insurance Corporation (PhilHealth) introduced a mental health benefits package for outpatient services in October 2023, aligning with the Mental Health Act. This new package, announced during the launch of the Philippine Council for Mental Health Strategic Framework for 2024-2028, includes consultations and support services, with benefits up to PHP 16,000 annually for individuals aged 10 and above. The initiative, in partnership with the National Centre for Mental Health, aims to improve access to mental healthcare and reduce stigma nationwide. PhilHealth encourages mental health facilities to seek accreditation to expand service accessibility.

The city government of Mati and PhilHealth have signed an agreement to provide mental healthcare packages to members. This partnership marks the first of its kind in the Philippines, allowing Mati City to expand its mental health services. The PhilHealth mental health package, which began in October 2023, offers benefits ranging from PHP 9,000 to PHP 16,000 per patient. Mati's community-based mental healthcare facility, initiated by the local government, has become the third in the

country contracted by PhilHealth for outpatient mental health services, and it is the first of its kind to achieve this recognition.

- PhilHealth has increased its benefit package for heat-related illnesses by 30%, effective from February 14. The package now covers PHP 8,450, up from PHP 6,500, and includes hospital charges and attending physician fees. Under the Universal Healthcare Law, all Filipinos who are PhilHealth members can avail of these benefits, provided they seek treatment at accredited health facilities.
- PhilHealth has announced increased benefit packages for neonatal sepsis and bronchial asthma in acute exacerbation due to their significant impact on Filipino health. These changes came into effect on May 1, 2024, aiming to improve access to healthcare for those affected by these conditions.
- Stella Quimbo, senior vice chairperson of the House Appropriations Panel, advocated for keeping Philhealth's premium rate at 4% of a member's monthly salary. She argued that PhilHealth, expected to generate PHP 173 billion from premiums, is overcharging its members given its significant income from premiums, Congressional appropriations, and the low out-of-pocket spending average of 50% in South East Asia. Despite a legal provision for a rate increase to 4.5% in 2024, President Ferdinand "Bongbong" Marcos Jr. has deferred this, maintaining the 4% rate.

KEY APPOINTMENT

- Prudential Life UK has announced the appointment of Sanjay Chakrabarty as its new CEO, effective February 1, 2024. He has over 26 years of experience in the banking and insurance sectors across Asia and has been with Prudential since 2014, recently serving as the CEO of Prudential Cambodia and leading the Cambodia-Laos-Myanmar Hub.

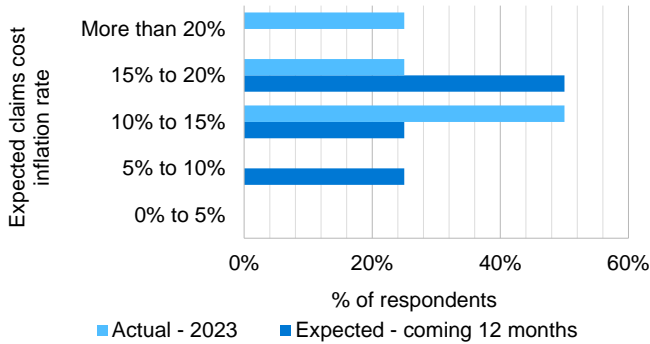
SINGAPORE

Market Survey

We surveyed insurers in Singapore on key topics related to their individual medical portfolios.

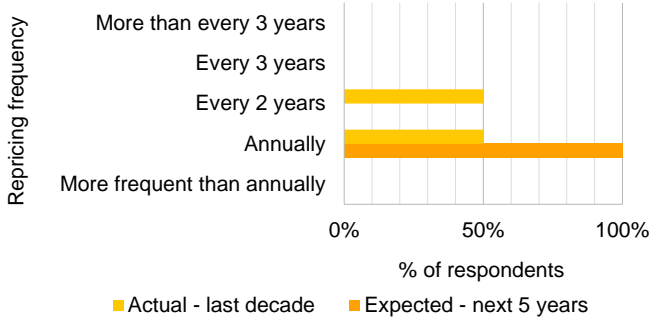
MEDICAL CLAIMS INFLATION RATE

Respondents experienced a medical inflation rate of at least 10% during 2023, and medical inflation is expected to be lower, between 5% and 20% in the coming 12 months.



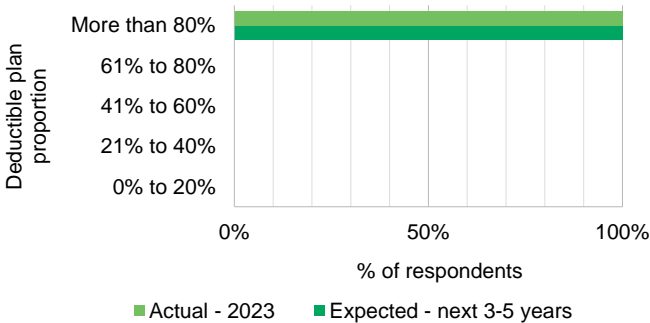
MEDICAL REPRICING FREQUENCY

In the past, respondents have been repricing every one to two years, but all respondents now expect to reprice annually going forward.



MEDICAL DEDUCTIBLE PLANS

Respondents have a high proportion of more than 80% deductible plans in their portfolios in 2023 and expect it to remain the same in the next few years.



Market News

NEW PRODUCTS

- Income Insurance has launched the SNACK Self Care Pack, the industry's first standalone mental wellness insurance plan, available through the SNACK by Income mobile application for a monthly subscription of SGD 9.90. This plan offers subscribers access to psychiatric consultations and psychotherapy sessions without the need for inpatient hospitalization, aiming to improve accessibility to mental healthcare and encourage early treatment.
- Singapore Life Limited (Singlife) has partnered with Doctor Anywhere (DA) to launch DA Healthwise Plus, a tailored health subscription plan for self-employed individuals and gig workers. Key features include low-cost general practitioner (GP) consultations, specialist video calls, and flexible pay-per-use options. The initiative seeks to offer self-employed individuals benefits similar to those available to corporate employees, enhancing their health and well-being.
- Singlife has introduced the Singlife Dementia Cover, the first insurance policy in Singapore specifically designed for individuals diagnosed with dementia and other mental health conditions. The policy provides annual financial support, including a lump-sum payout for conditions like depression or anxiety and coverage for medical expenses related to accidental injuries. The product also offers discounted healthcare services such as GP consultations and comprehensive health screenings aimed at early detection of diseases.

INSURERS' INITIATIVES

- FWD Singapore has partnered with MHC Asia, a medical benefits administrator and healthcare technology platform, to launch FWD HealthFirst, a value-added service on top of any existing protection cover. FWD Healthfirst provides customers and their family members with free teleconsultations and cashless consultation access to over 600 panel clinics within the MHC network at preferred rates for medical services. Medicine delivery is also available at a preferred rate.
- Prudential Singapore implemented PRUShield EasySwitch from September 1, 2023, to December 31, 2023, allowing Shield Plan policyholders to switch from their current plans with other insurers to Prudential's PRUShield policies, bypassing standard underwriting processes. Eligible individuals can switch by answering just three health questions. This program recognized the inception date of the existing Shield policy, potentially waiving waiting periods for certain conditions based on the previous policy's duration.

- Sun Life has announced that selected high net worth (HNW) clients will have access to PinnacleCare's bespoke private health advisory services. The services include a significantly reduced rate for PinnacleCare's Premier Access program, and a two-hour virtual consultation with Dr. Miles Varn, Chief Medical Officer of Sun Life U.S. and CEO of PinnacleCare.
- Singlife has formed a new partnership with IHH Healthcare Singapore (IHHS) to improve its healthcare solutions. Through this collaboration, Singlife's customers will gain direct access to IHHS's wide network of clinics and medical services without requiring prior authorization. Parkway Cancer Centre, which is under IHHS, will also be added as the newest medical provider in Singlife's enhanced healthcare offerings.

MERGERS AND ACQUISITIONS (M&A)

- Income Insurance is in advanced discussions with Allianz about a potential partnership, which includes a pre-conditional voluntary cash general offer by Allianz to purchase at least 51% of Income Insurance shares at SGD 40.58 per share, valuing the deal at approximately SGD 2.2 billion. While this is subject to regulatory approval from the Monetary Authority of Singapore (MAS), Allianz will become one of the largest Shield providers in Singapore after acquiring Income Insurance.
- Sumitomo Life has fully acquired Singlife for SGD 4.6 billion, making it a wholly owned subsidiary and one of the largest insurance deals in South East Asia. Singlife, a major player in Singapore's medical insurance market, will continue its existing operations and management structure without any changes. This acquisition is expected to be finalized in Q1 2024.

NATIONAL HEALTH INSURANCE SCHEME UPDATES

- The Singapore Ministry of Health is conducting a study, expected to be completed by 2024, on making Integrated Shield Plan (IP) insurance fully portable. This initiative aims to address policyholders' concerns about switching insurers for better premiums or benefits, which is currently hindered by preexisting conditions where policyholders may lose cover for preexisting conditions upon switching insurers. The study, announced in 2021, seeks to tackle issues such as insurers phasing out plans or altering doctor panels, which have led to policyholder grievances.
- Singapore's basic health insurance plan, MediShield Life, is undergoing a review that could lead to increased premiums as the scheme is adjusted to provide more comprehensive coverage against large medical bills and to include new groundbreaking treatments. The review includes potentially raising claim limits for hospital stays and surgeries and expanding outpatient care coverage. It would also explore ways to address the high costs of cancer treatments by considering coverage for cell,

tissue, and gene therapy products (CTGTPs), which are typically very expensive. The government intends to ensure any increased premium can be fully covered by MediSave and is considering additional premium subsidies or MediSave top-ups for specific groups to keep the scheme affordable. The review's outcomes will be shared in the second half of 2024, with assurances that no one will lose coverage due to an inability to afford premiums.

- The Ministry of Health has published a comparison of Integrated Shield Plan premiums across all Shield insurers for each corresponding ward type. Data published for the first time by MOH shows that premiums and coverage can vary significantly, even for plans pegged to the same ward class, because both coverage and price are determined by the insurer. For the private hospital plans, the difference in the lifetime premium between the cheapest and the most expensive plans can go up to SGD 89,000. For public hospital plans, the difference is more than SGD 50,000 for Class A coverage and about SGD 35,000 for Class B1.

KEY APPOINTMENT

- Prudential has named Arjan Toor as the new CEO of its health business, based in Singapore, as part of a significant strategic business transformation. This transformation aims to reposition Prudential for growth and innovation, particularly in its health sector. Toor, who brings over 27 years of experience from roles at Cigna Europe and ING, will oversee operations across 24 markets. He succeeds Andrew Wong, who is moving on to nonexecutive opportunities.

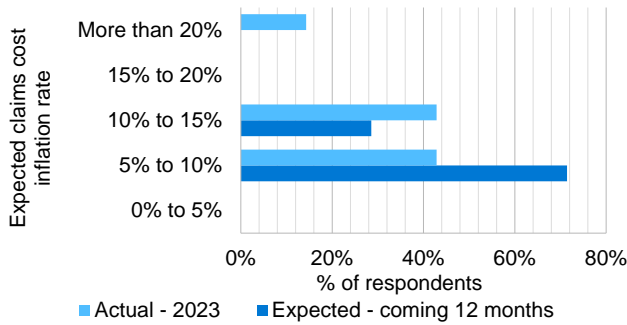
THAILAND

Market Survey

We surveyed insurers in Thailand on key topics related to their individual medical portfolios.

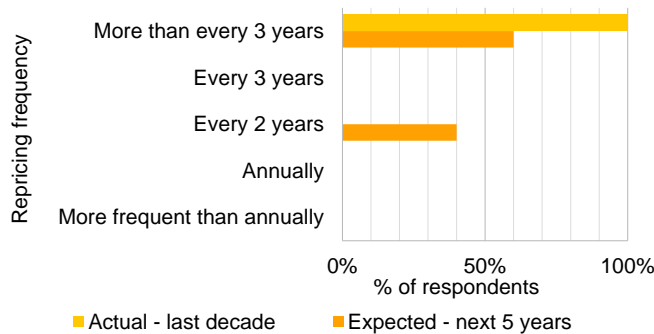
MEDICAL CLAIMS INFLATION RATE

In 2023, most respondents experienced medical inflation rates between 5% and 15%, and a majority expects a decrease in medical inflation over the next 12 months.



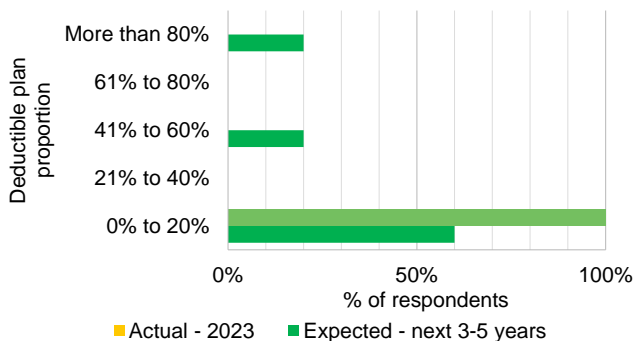
MEDICAL REPRICING FREQUENCY

All respondents have repriced infrequently in the past, but some expect to reprice more frequently in the next five years.



MEDICAL DEDUCTIBLE PLANS

Approximately 40% of respondents expect to increase a proportion of deductible plans in their portfolios compared to their 2023 portfolio.



Market News

NEW PRODUCTS

- Allianz Ayudhaya General Insurance (AAGI) and Bangkok Dusit Medical Services (BDMS) have introduced Exclusive Care @BDMS, offering two health plans for middle-class professionals and company employees. The plans provide annual coverage of THB 1.5 million and THB 5 million, covering actual medical expenses, room fees up to THB 7,000 per day, a 10% premium refund for no claims, and a 10% family policy discount for two or more people. Lifetime renewal is available.
- The Health Ju Jai IPD+OPD product from Muang Thai Life Assurance (MTL) offers three packages (S, M, L) with comprehensive health coverage until age 99. It includes inpatient (IPD) coverage, with standard single rooms nationwide, and outpatient (OPD) coverage, with expenses fully covered up to THB 500,000 per disability and THB 30,000 per year for OPD. Premiums start at THB 999 per month. Additionally, the company has partnered with AIS, a mobile phone network provider, to provide discounts for AIS customers.
- Ocean Life has developed a new rider called Ocean Life Supreme Health, which offers extensive coverage of up to THB 100 million per policy year, with all charges covered. No upfront payment would be needed at network hospitals and clinics. The Platinum plan also provides coverage options in Thailand, Asia, or worldwide (excluding the United States and its territories).
- Chubb Life Insurance has launched the Medical and Surgical Health Premium Extra Rider, which provides extensive coverage for healthcare expenses. It offers up to THB 30 million per year for both IPD and OPD care. Where a critical illness is diagnosed, the coverage doubles up to THB 60 million per year. Furthermore, it also covers annual health check-ups, vaccinations, dental care, and rehabilitation services alongside specialized continuous home healthcare services.
- Bangkok Life Assurance has launched a health insurance product specifically designed to support modern medical treatment and diagnostics. It offers coverage plans of THB 100 million and THB 200 million, including annual health check-ups and genetic testing for proactive health management and early disease detection. The insurance also covers vaccination services, alternative medical treatments like acupuncture and chiropractic care, and comprehensive dental care as well as outpatient mental health services.
- Allianz Ayudhya Assurance (Allianz) has launched two new IPD health insurance products called Superior Health and Savvy Health. Superior Health is specifically tailored for the family segment, offering monetary benefits of THB 2/5/10 million and providing worldwide hospital coverage (excluding the United States). Additionally, Superior Health provides a discount for

family purchases (two or more people) and allows for deductible options. Savvy Health is designed to target newly employed individuals with sum insured options of THB 250,000/500,000/750,000.

DISTRIBUTION CHANNEL

- Bangkok Bank has collaborated with AIA to launch Be Together For Health, a product that provides coverage for inpatient and emergency medical expenses, with additional coverage in case of death. It has been available through the Bangkok Bank mobile banking channel since March 1, 2024. Key features include unlimited annual medical treatment and premiums starting from just THB 16 per day.
- Generali Life Assurance formed an exclusive partnership agreement with the Tisco Group to offer debt protection and health insurance products exclusively to customers of Tisco Group's hire purchase and vehicle pawn services.
- BDMS Wellness, a unit under BDMS, has partnered with a Chinese company to focus on preventive medicine, aiming to attract Chinese visitors seeking healthcare in Thailand. BDMS Wellness plans to expand its preventive health services to cater to foreigners from high-potential markets. It has identified China and the Middle East as key regions for the wellness and healthcare business.

INSURERS' INITIATIVES

- Thai Life has launched the My Wellness Vital Scan feature into its mobile application. This AI-based face-scanning service offers health checks for users aged 13 and above, evaluating nine aspects of health: stress level, facial skin age, heart rate, respiratory rate, blood pressure, waist-to-height ratio, body mass index (BMI), abdominal subcutaneous fat index (ABSI), and overall health score. It also provides personalized health recommendations based on the results.
- MTL has partnered with Thai Nakarin Hospital through the MTL Health Buddy project to offer benefits such as special room rates, a 10% discount on medications (excluding specialized drugs), complimentary visits and souvenirs for inpatients, free transportation home after discharge within 10 kilometres with one day's notice, and reserved parking with advance notification.

INSURTECH

- FWD Life Insurance launched the Smart Hospital for Insurance Customers project, which involves a preauthorization process for medical expense coverage using digital health technology through the My B+ application by Bangkok Hospital. Customers can verify their coverage before treatment by comparing anticipated medical costs with the benefits provided by their policies. This helps them plan their treatment and estimate any out-of-pocket expenses if the costs exceed the covered amount.

- Ocean Life Thailand has partnered with Farm Care Group Limited, a specialist in online pharmacy services, to successfully develop and integrate an OPD claims system without requiring up-front payment through a medical or telepharmacy platform. Customers covered under both individual and group OPD insurance can now access medical and pharmacy consultations via Line. This service includes online pharmacy consultations with access to over 650 pharmacy network outlets nationwide in Thailand. Once consultations are completed, medications can be delivered directly to homes within one to two hours (subject to service availability in the area).
- Allianz has launched My Doctor, a telemedicine service provided by My Doctor Clinic. This service aims to assist customers with outpatient health insurance coverage who have nonemergency medical conditions and prefer not to travel to hospitals. Customers can consult doctors via video call, allowing doctors to diagnose, prescribe medication, and deliver it directly to the customers.

NATIONAL HEALTH INSURANCE SCHEME UPDATES

- Thailand's universal healthcare scheme (UHS) will cover complications arising from surrogacy pregnancies starting from conception until at least 30 days postpartum. The amendment to the surrogacy law, expected to pass in Q3 2024, aims to address health issues related to pregnancy and childbirth. Developed by the Department of Health Service Support and the Office of the Insurance Commission, the bill will be reviewed by multiple committees before becoming law.

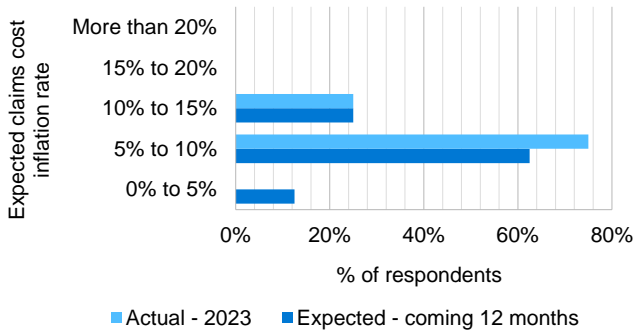
VIETNAM

Market Survey

We surveyed insurers in Vietnam on key topics related to their individual medical portfolios.

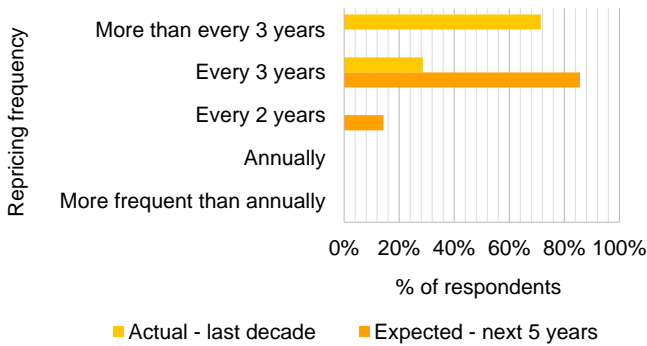
MEDICAL CLAIMS INFLATION RATE

Most respondents faced medical inflation of 5% to 10%, while some of them expect it to be lower in the coming 12 months.



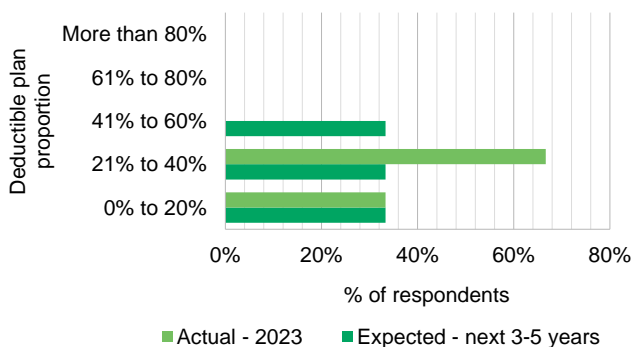
MEDICAL REPRICING FREQUENCY

In the last decade, respondents had reprices infrequently, but most expect to increase the frequency to every two to three years in the next five years.



MEDICAL DEDUCTIBLE PLANS

One-third of the respondents expect to increase the proportion of deductible plans in their portfolios in the next few years.



Market News

NEW PRODUCTS

- On July 15, 2023, BIDV Insurance Corporation (BIC) and the Bank for Investment and Development of Vietnam (BIDV) launched BIC Smart Care, a health insurance product for BIDV's high-end customers. It includes three flexible plans with total coverage up to VND 2 billion, covering VND 400 million for inpatient and VND 100 million for outpatient treatments, as well as salary compensation during inpatient treatment and optional maternity benefits, without copayments or deductibles. Customers enjoy cashless services at over 200 affiliated high-class hospitals and clinics nationwide and can manage claims through the BIC Online application, BIDV SmartBanking, or the mybic.vn website.

INSURER'S INITIATIVE

- Dai-ichi Life Vietnam (DLVN) has collaborated with several medical facilities to provide inpatient, outpatient, and dental care guarantee services for its healthcare and global healthcare insurance products, enhancing customer convenience. Insured customers who seek treatment at these facilities receive assistance with hospital fee guarantee procedures. If the guarantee is approved, DLVN directly settles the bill with the facility. Otherwise, customers pay up-front and can later claim this back from DLVN.
- On April 9, 2024, in Hanoi, Pacific Cross Vietnam (PCV) and BeDental formalized a partnership to expand PCV's direct billing network to over 559 medical partners nationwide. This collaboration allows PCV policyholders to access dental services at BeDental clinics without up-front payments, providing peace of mind and reducing the financial burden of healthcare expenses.

NATIONAL HEALTH INSURANCE SCHEME UPDATES

- The Ministry of Health (MOH) is collaborating with Vietnam Social Security and the Ministry of Labour, Invalids, and Social Affairs to ensure that every tuberculosis patient receives health insurance coverage.
- According to MOH's draft circular on the direct payment of costs for drugs and medical supplies covered by the compulsory health insurance, insured patients will be able to claim health insurance for expenses related to drugs and medical supplies prescribed by doctors but not dispensed.
- The Ministry of Health is introducing a supplementary voluntary health insurance package for individuals already covered by compulsory health insurance. This new package aims to enhance existing coverage by offering additional benefits, reducing out-of-pocket expenses, and covering services not included in the compulsory insurance, thereby providing more comprehensive health coverage for those who opt into the voluntary scheme.

- A draft amendment to the Health Insurance Law has been proposed, aiming to cover health insurance payments for the early diagnosis and screening of six diseases: cervical cancer, breast cancer, diabetes, high blood pressure, hepatitis C, and hepatitis B, with a priority on cervical and breast cancers. This focus on early detection is intended to significantly reduce treatment costs compared to diagnoses made at later stages.
- A proposal has been made to amend the Health Insurance Law to include coverage for special nutritional products and pasteurized donor breast milk.
- Vietnam Social Security was the first organization to integrate with the Vietnamese national population database, successfully authenticating over VND 96.8 million demographic records and providing insurance benefits to VND 86.9 million individuals. This integration has enabled the use of chip-based citizen identity cards and the VNeID application for health insurance procedures, achieving full implementation across medical establishments and facilitating over VND 92 million health insurance information lookups. The introduction of biometric authentication and the VssID-Digital Social Insurance application, in collaboration with the Ministry of Public Security, has streamlined administrative processes, reduced paperwork, and improved the efficiency of medical and insurance services.

KEY APPOINTMENTS

- Ms. Nguyen Phuong Anh has been appointed to the position of General Director at Generali Vietnam. She possesses extensive expertise in both professional and operational aspects, along with deep market knowledge, exceptional leadership skills, and a customer-centric mindset.
- Mr. Anantharaman Sridharan has been appointed to the position of CEO of FWD Vietnam Life Insurance Company Limited, effective August 1, 2023. He joined FWD Philippines in 2015 and has held various key roles, including CEO of FWD Vietnam in 2016, CEO of FWD Indonesia, and Group Chief of Agency Distribution.



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