

[]

[]

What's a MUTUAL



[]

cost control in mutuals

how mutuals make insurance WORK for the POOR



Case of Uplift Mutuals

cost control in mutuals

how mutuals make insurance **WORK** for the **POOR**



Case of Uplift Mutuals

Kumar Shailabh

Health Insurance in India

One of the most **bleeding portfolios** in insurance offering

Premiums rise almost every year

How will the poor PAY?

Govt. Subsidy seems to be the only way

SO WHY IS HEALTH INSURANCE BLEEDING

Is it wrong pricing ?

We don't have enough data?

Is it the fraud and moral hazard of the related parties involved?

Is it the wrong risk selection?

Is it misselling by the SALES?

EXCLUSIONS AND CLAIM REJECTIONS ARE NOT EXACTLY SAVING THE DAY

One Question- if Health Insurance already has so many problems

how do we make it work for the poor or as they say in business, "small ticket size"



Mutuals working in the Health MICROINSURANCE space

Pure Claims Ratio 60-80%

Renewal rate 70-98%

Frauds by policyholders- almost non existent

Ticket size- 150-250Rs/person/year

Clients get to vote on what should be excluded and rejected!

No Govt subsidy!

Slum dwellers and villagers as policy holders

How is it being done???

Too many variables in Health Insurance - but the questions for the poor remain the same

they should pay for it

they should not commit fraud

they should get value for
money

they should renew it

So how did we go about ?

We realized that health insurance is more about health care management and people's attitude towards it

We needed to make a change in that

If people understood that everybody loses in the long term by cheating each other ,we stood a chance

the Mutual model gave us the needed vehicle

and certain tweaking

The Learning curve

Design product that matches paying capacity and needs

Reduce asymmetries in information

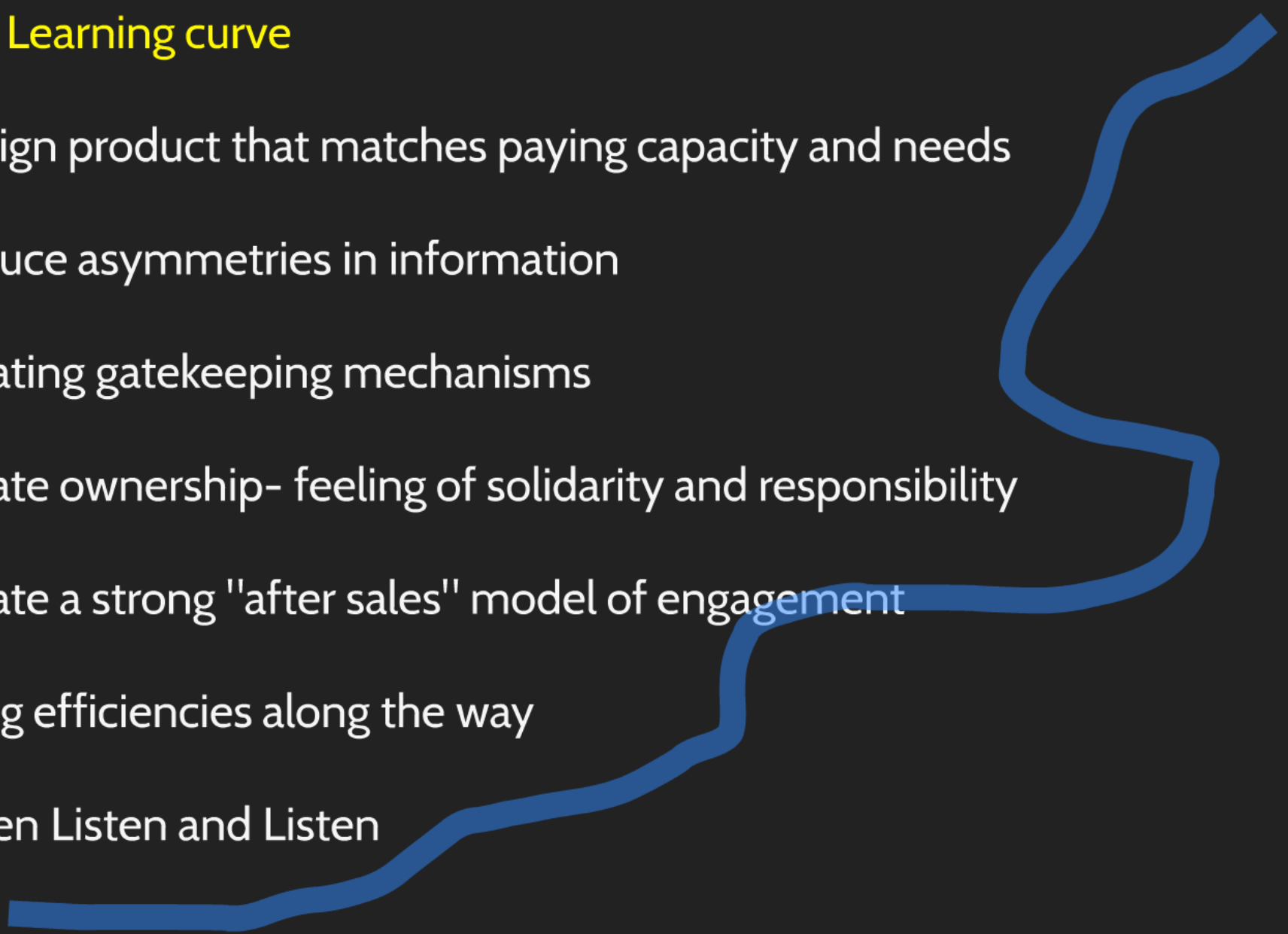
Creating gatekeeping mechanisms

Create ownership- feeling of solidarity and responsibility

Create a strong "after sales" model of engagement

Bring efficiencies along the way

Listen Listen and Listen



What's a MUTUAL

where clients of risk pooling are also the owners of it-
similar to a cooperative model

based on solidarity and self responsibility

focus on member needs and sustainability

profit and loss sharing

26-30% of the world insurance market belongs to
mutual and coop insurance



Product Design

Based on capacity to pay and listening of the needs

Based on understanding of risk sharing

Validate contributions, cover, exclusions

Differentiate between claims and other expenses

Make understand the need of sublimits

Make them understand how the choice of health care provider affects the viability of the fund



Reduce Asymmetries of Information

Where to go

the right doctor?

the right treatment?

the right cost?



Humara Doctor



All Be Well OPD



Network Providers

Create Gatekeeping Mechanism

OPDs in Slums

Referral system

Preventive and Promotive Health Practices

Usage based Payout



All Be Well OPD



Preventive Camps



Network Providers



Humara Doctor

Create Ownership and after sales engagement



Risk Pooling and Product Validation



Monthly Claims Management and Member Education

Bring efficiencies along the way

Constantly reduce turn around times

Review processes periodically seek feedback

Data based decision making

Keep transparency and discuss with the clients

Use technology



YouTube

Challenges

Knowledge of and support for Mutuals

Regulatory Oversight

Initial Investments in mutual infrastructure

and the future

Scaling up

Product Innovation

Process Innovation

the learning is on