



# 5<sup>th</sup> Capacity Building Seminar on Health Care Insurance

## Pricing Strategy For Affinity Channel

### Presenter:

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**Disclaimer:** *The views and opinions expressed here do not necessarily state or reflect those of my Company*

# Agenda

- Ecosystem
- Points to consider before the pricing exercise
- Challenges

# Ecosystem

- Group platform, non employer-employee
- Partner profile (Bank/NBFC/Credit Card issuing Company/MFI/NGO etc.)
- Voluntary scheme (Similar to Retail Health products)
- Scheme (Indemnity/Fixed benefit)
- Policy period
  - Non credit linked: Health (One year) and Personal Accident (Upto one year)
  - Credit linked: Health and Personal Accident (Upto 5 years)

# Points To Consider Before Pricing Exercise

- Assess the scheme design and Underwriting practice proposed
- Assess the relationship between Group Partner/Administrator and its members
- Profile of Group Partner & members
- Selling mechanism – who will sell and how
- Size of the Group Partner and future growth
- Additional points for Rural population:
  - Ease of treatment facility
  - Credit linked Vs Non Credit linked

# Challenges

- Claim assumptions (Similar as Retail Products ?)
- Lower waiting period request for Indemnity Health scheme (PED/specific illness waiting period)
- Can employees of the Group Administrator participate in the scheme ?
- Lower Initial wait period/survival period request for Fixed benefit scheme
- While selling Critical Illness product, can 'sum insured/loan' multiplier vary by member within the same group ?
- Age/Family size agnostic premium rate
- Multiple Sum Insured options for the customer
- Request for no Medical Underwriting

# Q & A