

MI is a long term market, requires patience investment and winning of trust of the BOP market- Relationships are critical

What is the future of CHI in the terms of scale and sustainability in comparison to Indian Government schemes like RSBY

Lets understand that RSBY scale is also a factor of subsidies apart from the smart card technology-its a good distribution innovation



It will have the same set of issues with which commercial insurance is riddled with-it will make health care and premiums costly in the long run

Sustainability is not a issue here

Solidarity Works only with Responsibility



They validate the product-premium, coverage the exclusions Choose Health services and decide on Claims



Why COMMUNITY based health insurance makes better sense

Why COMMUNITY based health micro insurance makes better sense

Experiences from UPLIFT MUTUALS

6th International MicroInsurance Conference
Manila 9-11th Nov 2010

kumar shailabh

Health Insurance Scenario in India

...ving line of business
...insurers

...at 35 % annually in the
...to reach



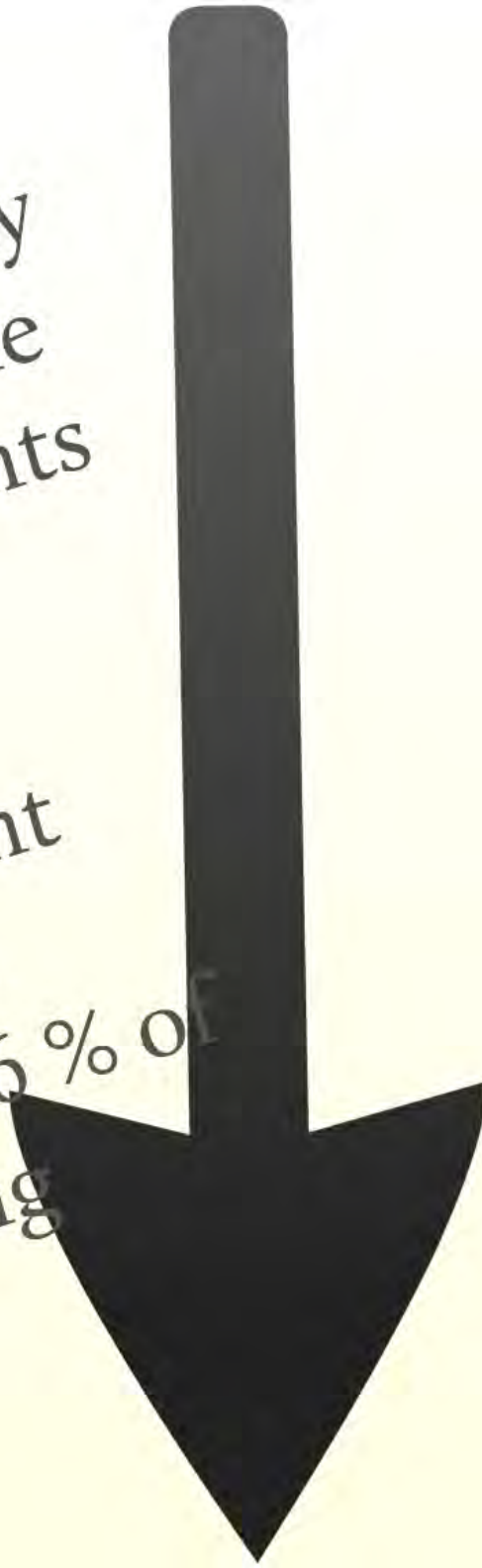
Fastest-growing line of business
for general insurers

Growing at 35 % annually in the
last decade to reach

Rs 8,300 ,00,00,000 in 2009-10*

14% of the
is covered under any
health insurance -some
due to RSBY enrolments

out of pocket
expenditure is the dominant
component of health care
spending accounting for 76% of
total health care spending



But only 10-14% of the population is covered under any form of health insurance -some change due to RSBy enrolments

And the out of pocket expenditure is the dominant component of health care funding accounting for 76 % of total health care spending (FY2006)**.

Health insurance, is witnessing loss ratios (claims paid over premium received) running in excess of 120%

Rise in premiums on the card

Health Insurance has traditionally been a bleeding portfolio

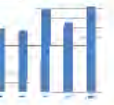
Will he be able to pay?

Why Health Insurance will continue to bleed

- Health is a highly complex and an unattractive risk to cover
- Transfer of health risks to an Insurance company increases consumption of care and leads to moral hazard
- A patient's bill jumps as soon as the provider knows he/she is covered by health insurance.
- This kind of overbilling results in Underwriting losses and eventually lead to premium rise making it costlier by the day

TO RISKER: HOW TO ACCEPT IT?

By Managed Loss Ratio based on pure premiums





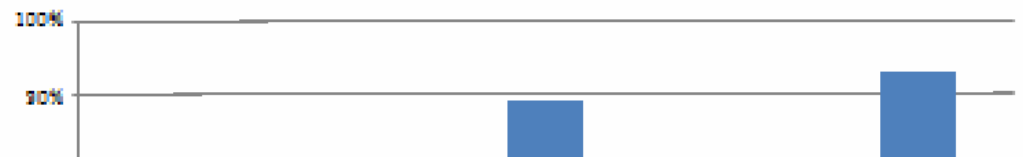


Will he be able to pay?

COMMUNITY MANAGED RISK RATIOS in UPLIFT

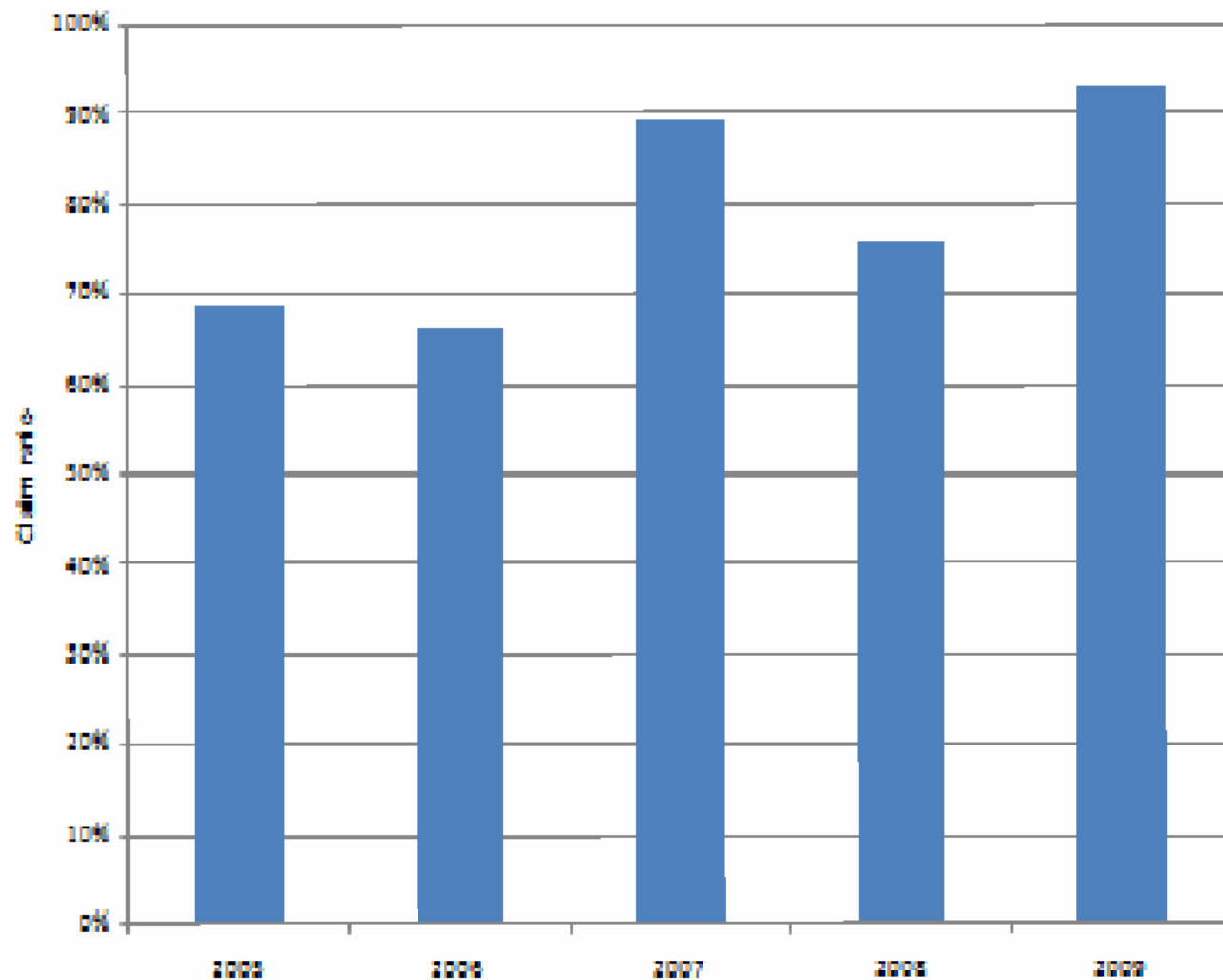
Community Managed Loss Ratio based on pure premiums

Claim ratio 2005 - 2009



Community Managed Loss Ratio based on pure premiums

Claim ratio 2005 - 2009



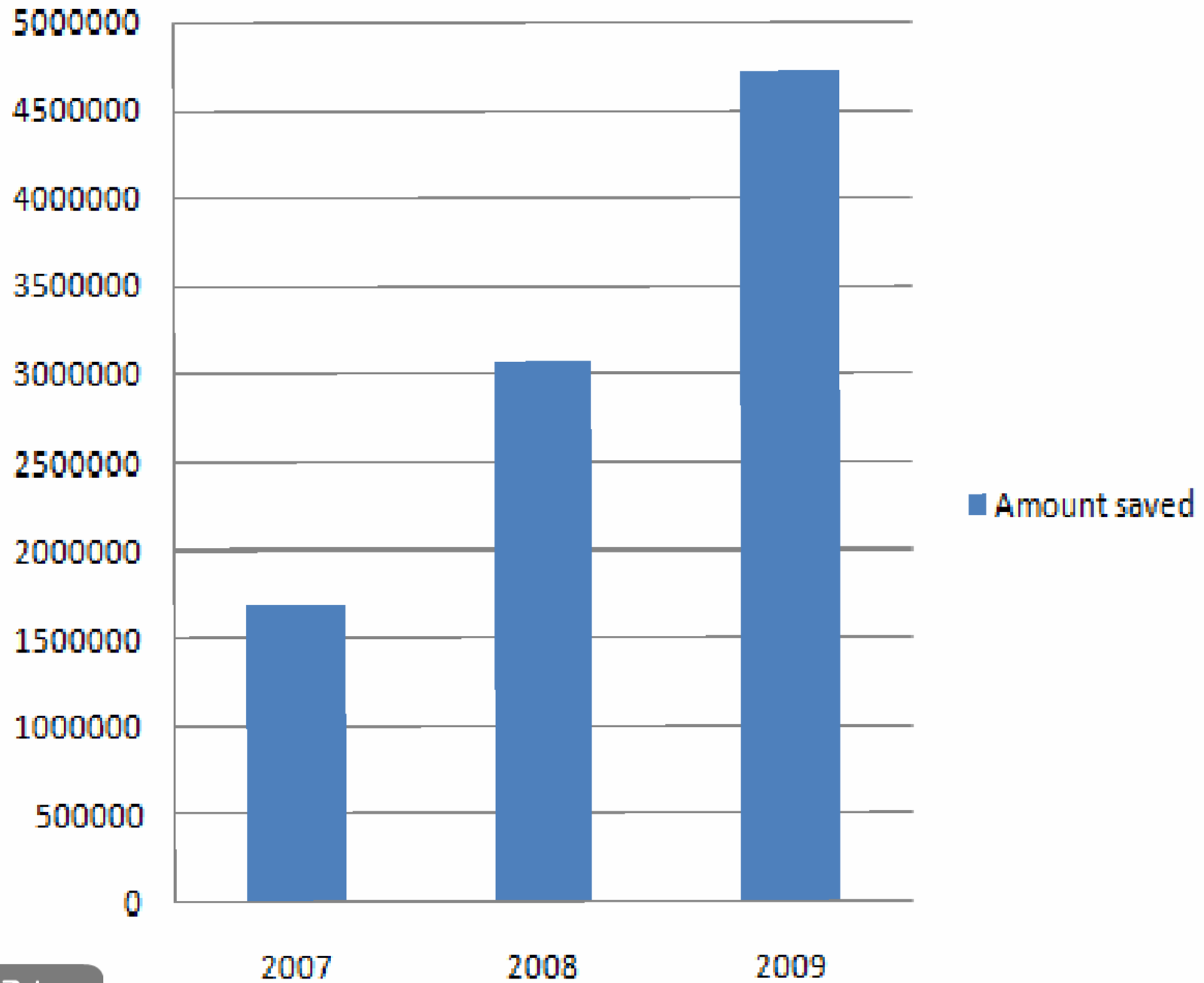
Value for Money- Preventive services and Amount saved

- Access to dedicated Health camps and Health Talks
- 24X7 Helpline with a doctor at the end
- Dedicated OPD network
- Guidance and Counselling services
- They save 100 of thousand rupees by using Uplift's Preferred Provider Network

unt saved



Amount saved



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How does Uplift manage it

- Community Ownership and Understanding
- Transparent information and decision making
- Focus on social impact rather than insurance business

They validate
the product-
premium, coverage
the exclusions
Choose Health
services
and decide on
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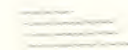


Solidarity Works only with Responsibility





From Consumer to PROSUMER



Our Money In Our Pockets

Our Health In Our Hands

Communitization of Health Risk and its Management

In Health Micro Insurance
PROSUMER first Profits later

MI is a long term
market, requires
patience
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Relationships are
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What challenges lie for Uplift and Mutuals in India

- Exist in legal vacuum
- Limited Capacity to pay of members
- State subsidy to only market players-only one model

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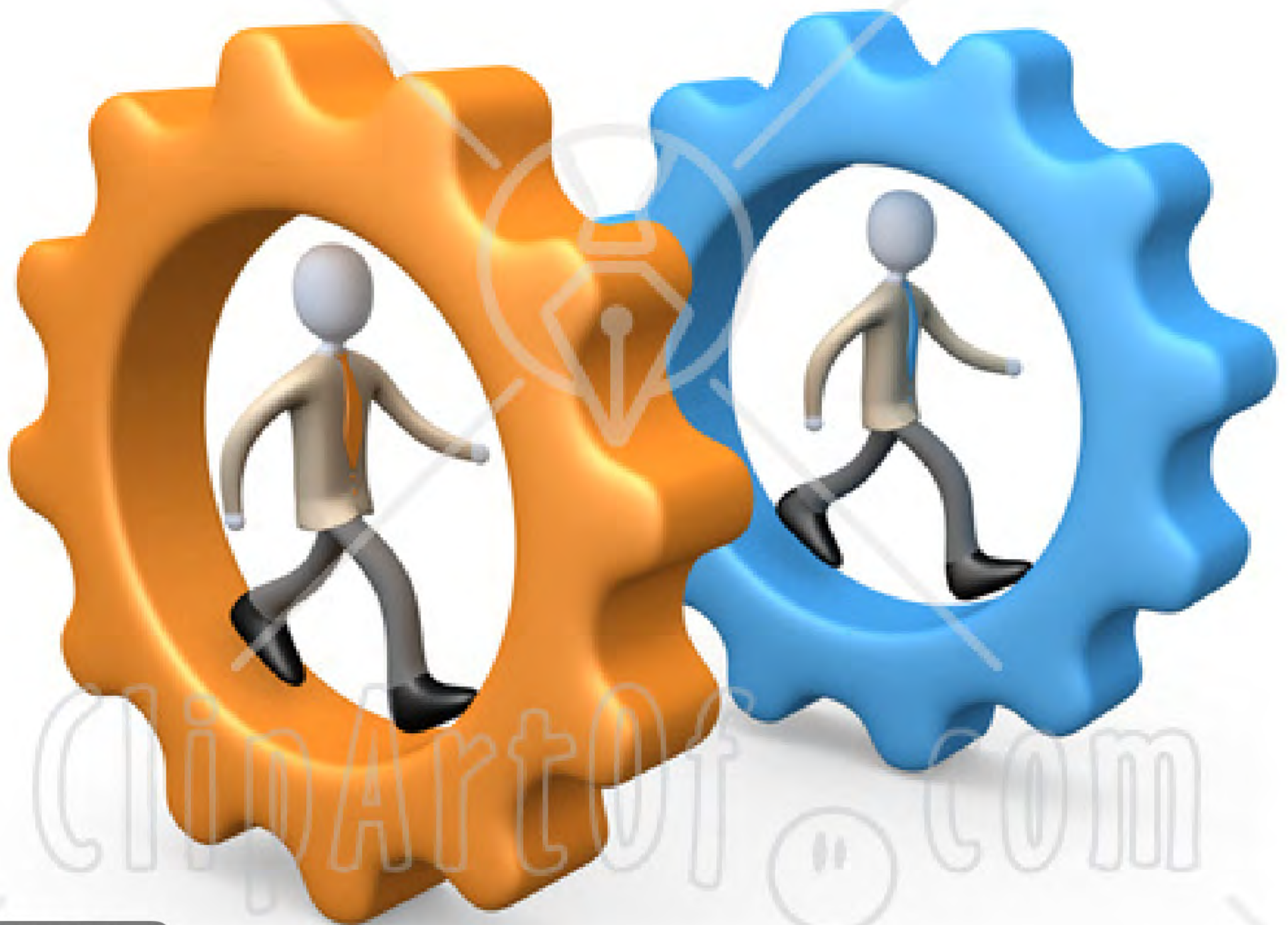


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So what should CHI's like Uplift do then





Cannot compete with subsidy

Schemes like RSBY present a great opportunity to collaborate on best practices and learnings-especially the technology platform

CHI's can offer insights into product design,access to health care processes and customer education

Readiness to Collaborate?

Coexistence is possible as the spectrum is very large