



6th Eastern and Southern Africa Regional Conference on Inclusive Insurance

I Digital Edition

HOSPITAL CASH PLAN PRODUCT PRESENTATION

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Introduction

- The majority of the low- and medium-income population go to public hospital for treatment in Mozambique since private healthcare is not yet accessible and affordable.
- It however estimated that **80%** of Mozambicans use unregulated traditional and alternative medicine for primary health care in rural areas.
- Once a person is getting better and does not need a high level of care, a hospital stay is not needed, this makes a bed available to another person who needs a high level of care.
- In the period immediately following hospital discharge, patients often experience difficulty to purchase prescribed medication and the recommended healthy diet food. Patient may still need some days to recuperate once back home.
- The family savings are used for transport fares to and from hospital and meals (normally soup, fruits, milk and juice) until such time that the patient is discharged from hospital.



Original Daily Hospital Cash Benefit Product

Pre-defined benefit with fixed amount per day of hospitalization paid in lump-sum to the policyholder, up to 30 days.

- Introduced in 2010
- Sums insured MT 3,000 – 6,000 per day
- Covers individual or family (spouse and children)
- Premium from MT 75 / Month
- No excess
- Adverse Loss Ratios over the first 3 years due to high frequency of claims including fraudulent claims.



Revised Daily Hospital Cash Benefit Product

Revised in 2013

Reduced Sums Insured MT 1,500 – 3,000 per day

Premium from MT 75

Inclusion of 3 Day Excess

Favourable Loss ratios

Covered main members (policyholders) : 17 300



Challenges, Experience and Lessons Learned

- Useful product :

- complementary to health and income protect
- Sums Insured and premium rates can be reduced to increase penetration

- Sustainable

- Can be improved

- Cover of convalescence period ?
- Cover of traditional medicine with two decades, celebrated 31 August in Africa ?

- Prone to Fraud

