



# GI COUNCIL NEWSLETTER

## CHAIRMAN'S MESSAGE



Greetings, and welcome to our newest newsletter edition, brimming with educative articles and valuable industry perspectives. In this edition, there are articles about travel insurance, maternity insurance, and a short article on motor underwriting and claims, to name a few. Most importantly, the edition features our latest initiative, Cashless Everywhere. Hope you enjoy going through this informative edition.

**Tapan Singhel MD & CEO**  
Bajaj Allianz General Insurance Company Ltd.  
Chairman, GI Council

## SECRETARY GENERAL'S MESSAGE



Welcome to the 10th Edition of our online newsletter The GI Council has facilitated cashless treatments with the 'Cashless Everywhere' initiative on a pan India basis recently. Kindly visit our website to get regular updates on such projects & more. The new year has begun & some festivals like Lohri, and Sankranti have ended and other celebrations like Mahashivratri, Holi, Gudi Padwa will be upon us soon. Wishing you all, the best of the festivities!

**Inderjeet Singh**  
Secretary General  
General Insurance Council

## EDITORIAL TEAM

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## NAVIGATING TOMORROW: ESSENTIAL TECHNOLOGY SKILLS FOR THE FUTURE OF INSURANCE



In the fast-evolving landscape of the insurance industry, integrating technology is not just a trend—it's a necessity. The digital revolution has significantly reshaped the insurance sector, creating a demand for professionals with advanced technological skills. As we stand at the crossroads of innovation and tradition, it's imperative to understand the technology skills that will define our future roles in insurance.

### A RIVETING PRELUDE: UNRAVELING THE NUMBERS

According to a recent report by PwC, the insurtech market is set to reach a staggering \$1.1 trillion by 2023. This figure encapsulates the seismic shift occurring within the industry, driven by advancements in artificial intelligence, data analytics, and Gen AI technology. As we delve into the nuances of technology in insurance,

it's crucial to grasp the significance of data analytics. Deloitte's research reveals that 80% of insurance executives believe data analytics is essential for their company's competitiveness. In an era where data is often touted as the new oil, insurance professionals with data analysis skills are poised to lead the charge.

### THE PILLARS OF FUTURE SKILLS

#### 1. Artificial Intelligence (AI) and Machine Learning (ML)

The deployment of AI and ML in insurance is more than a buzzword; it's a transformative force. Ernst & Young's analysis highlights that insurers leveraging AI and ML technologies can experience up to a 30% reduction in claims processing costs. As future roles evolve, proficiency in developing and implementing AI algorithms will be sought-after.

#### 2. Gen AI

Gen AI revolutionises risk assessment and underwriting in the insurance sector through advanced data analytics and machine learning algorithms. Its ability to analyse vast datasets in real time enhances decision-making processes, enabling insurers to evaluate risks and optimise pricing models accurately. Gen AI also facilitates personalised customer experiences by tailoring insurance products based on individual behaviour and preferences, fostering a more dynamic and responsive industry landscape. Gen AI positions the insurance sector as a transformative force at the forefront of innovation, ensuring adaptability in an evolving digital landscape.

#### 3. Cybersecurity

With the digitisation of insurance processes comes an increased risk of cyber threats. KPMG's research underscores that cyberattacks in the insurance sector have risen by 67% in recent years. Hence, expertise in cybersecurity is not just an advantage but a prerequisite for safeguarding sensitive customer information and maintaining the industry's integrity.

## 4. Data Science and Predictive Analytics

The ability to extract actionable insights from vast datasets is a skill that will set future insurance professionals apart. According to a survey by Accenture, 79% of insurers agree that leveraging predictive analytics is crucial for competitiveness. Understanding how to harness the power of data for risk assessment and personalized customer experiences will be a cornerstone skill.

### SKILLSET REDEFINED

As technology continues to reshape the insurance landscape, the skills required for future roles are evolving accordingly. Professionals entering the industry or those seeking to stay relevant must equip themselves with diverse technological skills.

- **Data Fluency:** The ability to interpret and leverage data is a non-negotiable skill. Insurance professionals must be fluent in data analytics tools, enabling them to extract meaningful insights that drive strategic decision-making.
- **AI and Machine Learning Expertise:** Understanding the intricacies of AI and machine learning is imperative. Actuaries and underwriters equipped with these skills can navigate the complexities of risk assessment more effectively, aligning with industry trends.
- **Cybersecurity Proficiency:** Cybersecurity has become a linchpin in the insurance sector with the rise in cyber threats. Professionals must be adept at implementing and managing robust cybersecurity measures safeguarding sensitive customer data.
- **Tech-Savvy Communication:** As technology becomes ubiquitous, effective communication is key. Insurance professionals should be adept at translating complex technical concepts into understandable insights for clients and stakeholders.

### EMBRACING THE FUTURE

As we navigate the ever-changing landscape, embracing these technological skills is necessary and strategic. In conclusion, let us reflect on the profound words of an industry luminary: "In the intersection of technology and insurance lies the promise of a more secure, efficient, and customer-centric future." The journey ahead is exciting, and those armed with the right technological skills will undoubtedly shape the destiny of the insurance industry.

David Snowden, Author and Futurist, said, "The insurance industry will not be disrupted by technology. It will be obliterated by technology if it doesn't change." This quote encapsulates the urgency for the insurance industry to adapt and embrace technology. Insurance professionals can play a pivotal role in shaping the industry's future and ensuring its continued success in the digital era by equipping themselves with the necessary technology skills.

*By Mr. K V Dipu - Senior President & Head - Operations & Customer Service, Bajaj Allianz General Insurance Co. Ltd.*

## TOP BRASS STRUCTURE OF PSU INSURANCE FIRMS SET FOR MAJOR REVAMP.

A revamp is happening with the selection process and interviews for filling up the nine posts of executive directors (EDs) in place of general managers and directors (GMDs) at the top levels of the public sector insurance companies.

The ED structure for PSU insurers will be similar to that prevailing in PSU banks.

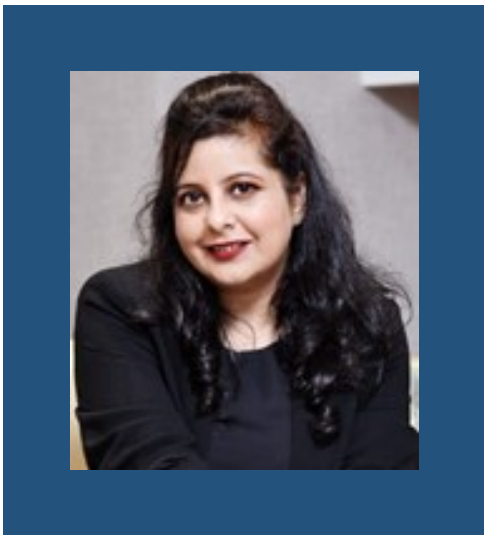
The Appointments Committee of the Cabinet (ACC) has approved the proposal of the Department of Financial Services (DFS) for framing of guidelines for appointment of EDs in PSU

general insurance companies including GIC Re, New India Assurance (NIA), National Insurance Company (NIC), Oriental Insurance Company (OIC), United India Insurance Company (UII) and Agriculture Insurance Company (AIC) who are members of the GIPSA, the official coordinating agency for all these six companies, as per the ACC notification.

PSU insurance companies will have two posts of EDs each. The Financial Services Institutions Bureau (FSIB), which selects top brass of PSU banks and insurance companies, will also select the E.Ds. FSIB suggestions will be valid for a period of up to one year or as per orders issued by the Government of India, and maybe extended with the approval the ACC, the notification said.

Consultant Deloitte Touche Tohmatsu, India has been asked to do the preliminary scientific evaluation of eligible officials for the posts of nine executive directors in the PSU general insurance industry. After that they will be interviewed by its headhunting agency FSIB.

## MARKETING TRENDS FOR 2024



As digitisation and cutting-edge tech tools reshape industries and sectors, in 2024, survival and prosperity for insurers and marketers hinge on staying ahead of the curve. As we enter the new year, let's explore game-changing marketing trends revolutionising how insurance businesses engage with their audiences.

From pioneering data-driven strategies that leverage innovative technologies to a surging emphasis on sustainability, the change in consumer behaviour is steering the course of insurance marketing. These trends will herald a blueprint that will sculpt the industry's future. Buckle up as we delve into the exciting shifts that will define the pulse of insurance marketing in the years to come.

### EMERGING TECHNOLOGIES SHAPING MARKETING STRATEGIES

In 2024, emerging technologies will be pivotal in reshaping insurance marketing strategies. Artificial intelligence (AI), machine learning (ML), and blockchain are no longer futuristic concepts but are integral to marketing success. Insurers will leverage AI to enhance customer interactions through chatbots, personalised recommendations, and predictive analytics.

Integrating AI and ML allows companies to analyse vast datasets to predict customer preferences, tailor product offerings, and streamline the claims process. Blockchain technology enhances transparency and security, particularly in policy issuance and claims management.

I am a staunch advocate for digital-first solutions, and a robust AI-human partnership will benefit multiple facets of the insurance sector. For instance, integrating AI-led technology, complemented by the emotional touch of human creativity, will help build better customer relations. Our recent industry's first groundbreaking AI-driven campaign 'Claim your Calm', which uses AI to create tailored, emotionally resonant content focusing on mental well-being.

For instance, campaigns have been scripted, edited, and produced using Generative AI. They can help alleviate financial stress and mental anxiety in society due to escalating healthcare costs with a unique audio-visual experience. Drawing parallels between insurance and mental

tranquillity reshapes behavioural patterns in the market, ushering in better customer engagement.

Various facets of content and communication strategy, the transformation of video production, the innovation of design through AI tools and the enhancement of customer interaction and support through AI in voice-based services will transform the sector.

Moreover, adopting AI-driven translation tools will break language barriers and foster effective communication with a diverse customer base. It will result in personalised, engaging, and highly effective marketing campaigns that resonate with the customer.

With the intelligent use of Generative AI and other tech tools, the insurance sector can emerge as a leader in innovation and drive growth in the new year.

## **EVOLVING CONSUMER BEHAVIOUR AND EXPECTATIONS**

The modern consumer is more informed, connected, and discerning. Insurance marketers must understand the target audience's behaviour patterns and critical expectations. The digital era has empowered consumers to seek personalised and convenient solutions.

Customers now expect instant, transparent, and accessible services. Insurance marketing strategies must focus on creating a customer-centric approach that emphasises simplicity, clarity, and ease of use. User-friendly mobile apps, intuitive websites, and personalised communication channels are becoming indispensable tools in the arsenal of insurance marketers looking to cater to the demands of the contemporary consumer.

Our recent campaign spotlighting the innovative IL TakeCare App, boasting an impressive 9.6 million user downloads and even taking audiences on an exhilarating journey to Mars, stood out prominently. Alongside these innovative strides, our initiatives such as #SalaamMSME expediting property claims settlement within an incredible 10 working days, #BeFit offering seamless cashless OPD and wellness combinations, and #LearnCPRSaveALife aimed at dispelling CPR misconceptions, and our recent collaboration with NASSCOM on the research report have left an enduring impact on both business and customer engagement.

## **INNOVATIVE APPROACHES TO DATA-DRIVEN MARKETING**

Data has long been the lifeblood of marketing, and the insurance industry is no stranger to its power. However, in 2024, the focus will evolve beyond data collection and extracting actionable insights to drive marketing strategies. Advanced analytics tools will enable insurers to harness the potential of big data, providing a deeper understanding of customer behaviour, preferences, and market trends.

Insurers will focus on predictive modelling, machine learning algorithms, and data visualisation tools to refine their marketing strategies. In 2024, personalised marketing campaigns, targeted cross-selling, and dynamic pricing models based on real-time data analysis will drive marketing. Leveraging data will be a crucial differentiator for insurance marketers.

## **SUSTAINABILITY AND SOCIAL RESPONSIBILITY**

As global awareness of environmental and social issues rises, consumers are becoming more conscious. In 2024, insurance marketing will take more steps towards sustainability and social responsibility as core components of brand identity.

Insurance companies will align marketing campaigns with environmental and social causes, emphasising their commitment to ethical practices. From promoting green initiatives to supporting community welfare programs, insurers will work to integrate sustainability into their messaging.

Social responsibility will not be just a checkbox and will emerge as a powerful driver for customer loyalty and positive brand perception.

### FIGURING THE IMPACT OF GLOBAL EVENTS

The world is increasingly interconnected, and global events can profoundly impact industries. As the insurance landscape navigates the uncertainties of the crisis in West Asia, the war in Ukraine, and the economic recession of the COVID-19 pandemic, Insurance marketers must be attuned and adjust their messaging and offerings. Adaptable marketing strategies that address emerging needs and concerns will be crucial in maintaining relevance and competitiveness in the face of evolving global events.

2024 will see the integration of cutting-edge technologies, a deep understanding of evolving consumer behaviours, data-driven innovation, a commitment to sustainability, and responsiveness to global events. Successful insurers will embrace these trends, align marketing strategies with the changing landscape, and foster meaningful connections with their audience to pursue a brighter, more sustainable future.

*By Sheena Kapoor - Head Marketing, Corporate Communications & CSR - ICICI Lombard General Insurance Company Limited*



### PREMIUM SCOREBOARD

Aviation insurance has a growth rate of 21.57 % higher than motor and health. Standalone health insurers have a higher growth rate of 26.94% compared to the growth of the total health premium at 20.79%. Motor continues to do well, driven by a growth rate of 13.98%. The premium has grown by 13.13 % over that of premium collection of previous year.

**GROSS DIRECT PREMIUM INCOME UNDERWRITTEN BY NON-LIFE INSURERS WITHIN INDIA (SEGMENT WISE) : FOR THE PERIOD UPTO January 2024 (PROVISIONAL & UNAUD)**

	Fire	Marine Total	Marine Cargo	Marine Hull	Engineering	Motor Total	Motor OD	Motor TP	Health	Aviation	Liability	P.A.
<b>General Insurers</b>												
Acko General Insurance Ltd	-	-	-	-	-	675.34	252.18	423.15	740.6	-	77.13	6.1
Previous Year	-	-	-	-	-	542.56	175.4	367.16	578.79	-	66.44	5.08
Bajaj Allianz General Insurance Co Ltd	2098.32	263.52	245.99	17.53	355.94	4820.07	2244.21	2575.85	6178.39	15.27	555.23	206.22
Previous Year	1881.42	253.11	226.55	26.56	249.88	4263.37	1870.87	2392.5	2732.55	10.78	453.12	193.39
Cholamandalam MS General Insurance Co Ltd	607.24	116.63	102.86	13.77	30.55	3977.35	1623.47	2353.89	629.04	-	18.21	291.61
Previous Year	552.88	107.59	97.36	10.22	23.9	3477.98	1342.3	2135.68	475.78	-	21.19	257.06
Zuno General Insurance Co Ltd	30.62	0.55	0.55	-	2.64	312.38	164.38	148	304.51	-	0.04	27.18
Previous Year	21.97	1.12	1.12	-	4.61	256.24	126.51	129.72	141.47	-	0.05	25.63
Future Generali India Insurance Co Ltd	493.05	101.7	99.06	2.64	69.71	1340.07	657.98	682.09	1270.57	-	56.18	130.82
Previous Year	418.74	97.15	94.69	2.46	59.52	1298.66	603.94	694.72	660.72	0.37	54.58	83.57
Go Digit General Insurance Ltd	447.52	34.12	32.07	2.05	71.49	4511.71	1612.89	2898.82	1092.33	-	112.85	270.33
Previous Year	379.55	31.47	31.47	-	47.89	3129.02	1063.48	2065.54	628.06	-	633.77	134.09
HDFC Ergo General Insurance Co Ltd	1596.94	165.9	151.61	14.29	228.52	4293.85	2062.8	2231.05	4512.34	17.67	569.58	474.97
Previous Year	1476.45	193.88	176.68	17.21	171.43	3877.88	1740.57	2137.31	3852.13	17.86	483.65	522.8
ICICI Lombard General Insurance Co Ltd	3068.99	674.53	614.38	60.15	774.22	7721.66	3815.9	3905.75	5459.7	174.72	806.88	621.93
Previous Year	2778.72	656.02	591.42	64.6	549.84	7202.79	3386.03	3816.76	4259.25	160.67	729.05	489.07
IFFCO-Tokio General Insurance Co Ltd	891.05	254.42	240.72	13.7	211.08	3822.29	1899.64	1922.64	1419.63	-	219.57	121.81
Previous Year	832.08	253.58	245.08	8.5	130.91	3287.4	1526	1761.4	1841.47	-	196.12	108.39
Kotak Mahindra General Insurance Co Ltd	63.99	6.96	6.96	-	9.07	572.43	324.21	248.22	497.72	-	1.46	54.45
Previous Year	57.63	15.32	15.32	-	6.83	402.88	206.07	196.81	320.57	-	0.94	46.26
Kshema General insurance	-	-	-	-	-	-	-	-	-	-	-	-
Previous Year	-	-	-	-	-	-	-	-	-	-	-	-
Liberty General Insurance Co. Ltd	74.2	32.06	32.06	-	36.74	1308.78	783.7	525.08	281.3	-	16.13	16.45
Previous Year	71.89	33.62	33.62	-	27.02	1122	571.67	550.33	264.49	-	16.42	17.8
Magma HDI General Insurance Co Ltd	301.5	37.07	37.07	-	18	1608.92	454.94	1153.98	410.42	-	69.79	13.42
Previous Year	279.89	30.53	30.53	-	8.75	1570.06	513.61	1056.45	192.69	-	58.06	8.08
National Insurance Co Ltd	985.27	208.25	102.24	106.01	345.92	4155.17	1339.62	2815.55	6067.14	37.05	169.24	435.71
Previous Year	977.69	220.24	114.67	105.58	272.64	4055.3	1349.52	2705.78	6150.97	36.69	148.02	410.48
Navi General Insurance Co. Ltd	-0.85	-	-	-	-	6.27	0.43	5.84	47.21	-	-	-0.05
Previous Year	-0.52	-	-	-	-	27.29	2.56	24.72	34.83	-	-	0.13
Raheja QBE General Insurance Co Ltd	8.1	-	-	-	1.3	122.03	34.03	88	11.95	-	50.55	0.35
Previous Year	20.78	0.01	0.01	-	2.36	261	185.25	75.75	11.62	-	56.99	0.42
Reliance General Insurance Co Ltd	1057.87	123.85	109.99	13.86	261.85	3604.77	1466.32	2138.45	1645.86	17.19	62.81	179.65
Previous Year	956.48	117.83	103.89	13.94	181.5	3298.69	1340.24	1958.44	1215.45	21.17	68.25	146.79
Royal Sundaram General Insurance Co Ltd	272.6	46.57	46.54	0.02	56.99	2093.94	828.56	1265.38	476.75	-	13.45	44.04
Previous Year	259.57	44.68	44.66	0.02	48.82	1997.28	848.1	1149.18	363.6	-	12.11	37.53
SBI General Insurance Co Ltd	1505.8	69.01	69.01	-	110.55	2632.1	1288.65	1343.45	2309.88	0.08	86.22	916.8
Previous Year	1331.06	72.47	72.47	-	62.88	1974.26	824.84	1149.43	1719.15	-0.09	51.71	791.11
Shriram General Insurance Co Ltd	75.6	1.84	1.84	-	17.08	2220.47	493.87	1726.59	2.25	-	6.17	100.33
Previous Year	64.26	1.81	1.81	-	13.33	1650.98	336.74	1314.24	2.21	-	4.92	42.41
Tata AIG General Insurance Co Ltd	1852.75	580.55	547.89	32.65	232.46	6050.95	2733.52	3317.43	2364.54	135.31	521.12	167.83
Previous Year	1677	562.4	536.83	25.57	137.81	5202.72	2275.19	2927.53	1861.43	64.36	467.03	398.97
The New India Assurance Co Ltd	3792.21	776.48	356.84	419.64	844.53	7827.16	2963.53	4863.63	16201.9	351.22	401.85	479.48
Previous Year	3643.13	815.33	411.62	403.71	745.51	7249.57	2549.07	4700.5	14584.97	287.11	425.59	517.06
The Oriental Insurance Co Ltd	1354.59	412.38	185.57	226.81	381.11	3367.91	1013.99	2353.92	6716.18	122.83	112.65	1074.83
Previous Year	1387.9	407	213.47	193.52	288.58	2891.22	772.51	2118.71	7048.08	103.3	120.33	479.04
United India Insurance Co Ltd	1768.26	346.81	150.59	196.22	383.59	5646.04	1670.42	3975.62	6547.72	40.11	211.91	293.96
Previous Year	1592.89	383.99	161.37	222.62	353.92	4783.71	1340.25	3443.46	6143.07	47.54	210.82	382.38
Universal Sampo General Insurance Co Ltd	218.85	48.52	28.08	20.44	10.75	1807.32	794.76	1012.56	413.58	-	16.4	114.35
Previous Year	187.49	39.51	21.6	17.91	9.31	1540.77	809.98	730.79	239.46	-	16.37	156.36
<b>General Insurers Sub Total</b>	<b>22,564.47</b>	<b>4,301.72</b>	<b>3,161.92</b>	<b>1,139.78</b>	<b>4,454.09</b>	<b>74,498.98</b>	<b>30,524.00</b>	<b>43,974.94</b>	<b>65,601.51</b>	<b>911.45</b>	<b>4,155.42</b>	<b>6,042.57</b>
Previous Year Sub Total	20,848.95	4,338.66	3,226.24	1,112.42	3,397.24	65,363.63	25,760.70	39,602.91	55,322.81	749.76	4,295.53	5,253.90
% Growth	8.23%	-0.85%	-1.99%	2.46%	31.11%	13.98%	18.49%	11.04%	18.58%	21.57%	-3.26%	15.01%
<b>Stand-alone Health Insurers</b>												
Niva bupa health insurance company limited	-	-	-	-	-	-	-	-	4324.82	-	-	70.93
Previous Year	-	-	-	-	-	-	-	-	3086.41	-	-	61.32
Aditya Birla Health Insurance Co Ltd	-	-	-	-	-	-	-	-	2700.4	-	-	176.33
Previous Year	-	-	-	-	-	-	-	-	2053.62	-	-	134.52

# INSURANCE LAWS & POLICIES

## MOTOR CLAIMS V/S UNDERWRITING

Insurance industry is very unique due to its risk accepting appetite and it welcomes the risks happily in exchange of premium. Rather, insurers are always in search of risks to underwrite & are always ready to provide the best possible service at the hour of need. A better definition of insurance would be be- " not risk accepting but resilience provider to the insured in the hour of emergency, giving the strength to bounce back."

Aside this, insurers need to have an inside look in its underwriting & claims management practices. Motor insurance constitute a big chunk of all the underwritten portfolios by insurers and so is the claims in the same segment. Although majority of the claims are of retail nature. But the numbers of claims reported are hefty which must be a cause of major concern for insurers. More to worry about is that there is no limit of claims in a policy year, no effect of claims on renewal of insurance apart from a minimal NCB . Why can not coverage/claim limit on second claim onwards be automatically reduced after one claim is reported in a policy year. There have been cases where even 5-6 claim are being settled in tie-up claims in a single policy year with zero dep cap and still the Liability of the insurer remains full till the expiry of the policy with no limit on further numbers of claims. We need to look world over practices of insurance where insurance is better priced & v very well accounted for on renewal of the same next year based on claims experience which is worriedly missing in India & hence bleeding the insurers.

Even it has been observed that insurers are losing premium due to NCB also since in numberless cases NCB is given at the time of issuing policy because claims are anyway being settled after Supreme Court judgement on NCB and other wrongly given NCB cases are gone unnoticed for the policy year & next year next slab of NCB is given causing more losses on account of wrong NCB given & hence undue claim settlement.

In auto -tie ups, Dealers are given upper hand in policy coverages vis vis-a-vis other underwriting channels. ICR auto auto-tie ups is another point to be considered. Although manipulation of claims can never be ruled out throughout the industry, but still auto tie-up angles can not be overlooked at all being the biggest portfolio. Survey of vehicles are done without meeting the insured/driver in workshops due to which actual facts related to the accident don't come to light which in many cases could alter the status of claim liability. All the paper work are done by the dealer staff itself . Surveyors's fee criteria in Motor Department, though not a big issue but still to be at par with other departments i.e, based on assessed amount not on estimate which is again double the amount of assessed in numberless cases.

To conclude, in order to overcome underwriting losses, industry needs to take a tough stand while underwriting & same will automatically reflect in claims management. It is more urgent because it is a well known fact that Insurance industry by and large are running on assessts not on underwriting surplus/profits which is not regular event ironically.

*By Manju Kamboj - The New India Assurance Co. Ltd.*



# CONSUMER AWARENESS

## HOW TO DECIDE ON YOUR MATERNITY COVER?



Selecting the right health insurance plan that adequately covers maternity expenses is a crucial decision for couples. The journey towards parenthood comes with its own set of joys and challenges, and having a well-thought-out maternity cover can significantly ease the financial burden associated with prenatal, delivery, and post-natal care.

When it comes to maternity cover, planning and starting early is the key. Since all maternity covers come with a pre-defined waiting period, the decision to purchase the health insurance plan with the right maternity plan should go hand-in-hand with the family planning of the couple to ensure that maternity cover is available when they need it.

One must keep these points in mind while deciding on your maternity cover:

**Coverage for alternative reproductive treatments** – Given our current lifestyle and stress, an increasing percentage of couples nowadays need to go for alternative reproductive treatments such as IVF, Surrogacy, etc. which is often a very costly proposition. Having a health insurance plan that covers these alternative reproductive treatments as well would save couples from this unexpected and unplanned expense.

**Coverage for surrogacy and adoption** – Many couples have started opting for surrogacy and adoption. While most maternity cover only pays for deliveries, a maternity cover which also covers expenses for surrogacy and adoption would be a useful benefit to have.

**Comprehensive Maternity Cover** – Most maternity health insurance plans only cover deliveries. One should ensure that the plan covers for prenatal check-ups, hospitalization and delivery costs. Look for plans that go beyond the basics and provide a holistic approach to maternity healthcare.

**Maternity Cover over and above the Sum Insured** – While in most health insurance plans in the market which provide maternity cover, it is include in the overall sum insured there are some plans available in the market in which the maternity cover is over and above the overall sum insured.

**Check if Maternity clinics and hospitals are part of your insurer's Network Hospitals** – Look for health insurance plans that have tie-ups with reputable hospitals and maternity clinics. Having access to a network of hospitals can streamline the admission process and provide a more comfortable experience during pregnancy and childbirth.

**Waiting Period and Policy Terms** – Be mindful of the waiting periods and policy terms associated with maternity coverage. All plans have waiting periods before one can avail maternity benefits. Some plans have specific terms related to the number of pregnancies that can be covered.

**Coverage for new-born** – Some health insurance plans offer coverage for new-borns

immediately after birth. Check if your policy includes this feature, as it can be valuable in covering initial medical expenses for your baby.

**Easy to understand policy wordings-** Look for maternity covers with transparent policy terms, clearly outlining waiting periods, policy durations, and any specific conditions related to maternity benefits. The best plans are upfront about their terms, helping you make decisions with confidence.

**Additional Benefits** - Some maternity covers come with added benefits such as postnatal support, new-born care, and wellness programs. Explore plans that offer these additional perks, enhancing the overall value of your maternity cover.

**Exclusions & Limitations** - Thoroughly review the exclusions and limitations of each maternity cover plan. Familiarize yourself with any specific conditions or situations that may not be covered by the policy. This knowledge ensures that you are aware of the extent of your coverage and can plan accordingly.

Selecting the right maternity cover involves careful consideration of waiting periods, coverage limits, network hospitals, and additional benefits. By planning ahead and thoroughly reviewing policy details, you can secure a health insurance plan that provides comprehensive coverage during the exciting journey of pregnancy and beyond. Remember, the right maternity cover not only safeguards your financial well-being but also ensures a smooth and worry-free pregnancy experience.

*By Dr. Bhabatosh Mishra - Director - Claims, Underwriting & Product - Niva Bupa Health Insurance Company Limited*

## NAVIGATING THE VITALITY OF TRAVEL INSURANCE FOR A PROTECTED JOURNEY



When Ravi (name changed) broached the topic of an annual vacation with his family of 3, several options flowed in from all the 'stakeholders' concerned. Sunita, Ravi's 'Zindagi Na Milegi Dobara' inspired wife, wanted to skydive in Spain. In contrast, his son, all of 7, hoped to experience the thrill of the Yas Islands in Abu Dhabi.

While this may look like any other family vacation discussion, it highlights a transformational shift in the mindset of the Indian traveller. From the conventional beaches and mountains, vacations for the quintessential Indian have evolved to a more 'experiential' kind of travel.

Sunita above is not alone. According to an October 2023 report by online ticketing portal SkyScanner, 94% Indians are likely to participate in a trend called 'set-jetting' or travel that is inspired by an influencer, a movie or TV show (think Corsica, post the phenomenal success of Ranbir-Deepika starrer Tamasha that introduced Indians to this quaint island around the French Riviera.) Set-jetting is one of the myriad experiential forms shaping Indians' travel choices.

Immersive or experiential travel inherently involves higher risks, especially in the post-COVID era. These forms of travel pose increased possibilities of cancellation due to weather conditions, injuries or accidents, prompting a significantly higher number of individuals to prioritize travel insurance to safeguard against unforeseen unfortunate events and mitigate potential losses.

## **IMPORTANCE OF INSURANCE TO THE 'EXPERIENTIAL TRAVELLER'**

A report by ICICI Lombard titled 'Research on Travel Behaviours 2023' had an insightful analysis. In a country where the total insurance penetration (across all products) is only about 4% (Statista Research Report, 2023), the Lombard report highlighted that 92% from this cohort were likely to purchase a travel insurance for their next vacation.

This shift in perception can be attributed to two significant factors: the safety net offered by travel insurance in unforeseen events and the vast array of customizable insurance products that cater to individual needs.

During a vacation, several situations can hamper the flow of your holiday.

These can be conditions like:

1. Emergency medical expenses for Sudden sickness like food poisoning, infections, allergic reactions, dengue, malaria etc.
2. Trip Cancellations and Interruptions
3. Lost Baggage or Delays
4. Loss of passport

Travel insurance in such a situations will insulate you by providing reimbursements, compensation and other assistance irrespective of your geographical location. Apart from these, Covers like personal liability shields you from unexpected legal expenses, Personal accident coverage provides financial support in unforeseen events. Emergency cash advance and compassionate visit benefits offer crucial support during emergencies, underscoring the significance of a well- rounded insurance plan for a worry free travel experience.

## **TYPES OF TRAVEL INSURANCE**

As previously stated, there exists a diverse range of travel insurance products that cater to each traveller's unique preferences. Selecting the appropriate travel insurance depends on Purpose of the visit- whether it's for individuals on a leisure trip, or those undertaking a business trip or a student embarking on a study journey. Also frequent fliers may opt for multi trip policies which may save them from hassles of buying policies before every trip.

## **WHEN TO BUY A TRAVEL INSURANCE?**

While travel insurance can be purchased any time before your trip's commencement, investing in one as early as possible is prudent. Acquisition of the policy ensures that you have ample time to carefully assess and customize your insurance plan based on your unique travel needs. It enhances the overall preparedness for a protected and enjoyable journey.

## THINGS TO REMEMBER WHEN PURCHASING TRAVEL INSURANCE

Like any other insurance product, it is essential to do thorough due diligence before zeroing down on travel insurance. Here are some things that you should check:

Coverage details: Thoroughly review the policy to confirm it adequately covers all aspects of your trip -

- **Policy start and end date:** Ensure that the policy aligns with your entire travel duration and covers all the locations you plan to visit.
- **Geographical Scope:** Understand the geographical scope of the coverage. Some policies may have restrictions or exclusions for certain regions, so confirm that your destinations are included in the coverage. It's crucial to be aware of any restrictions or limitations based on your itinerary.
- **Claim Process:** Familiarize yourself with the claim process. Be aware of the documentation required and the steps to follow in case of an incident. A transparent and straight forward claims process can make a significant difference in the event you need to make a claim.
- **Record keeping:** Most policies require the holder to keep proof of travel and payments to fulfil claims. Thus, you should safely keep track of all receipts and proof and present them when required.

In conclusion, As the need for travel insurance becomes more pressing, it is imperative to bridge the gap in customer awareness. Travel insurance is not just a recommended addition; it is a need of the hour. As travellers embark on increasingly diverse and experiential journeys, the unpredictable nature of such adventures necessitates a safety net. Travel insurance provides this crucial support, offering financial protection, assistance, and peace of mind, making it an indispensable component for any traveller in today's ever-evolving travel landscape.

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## LAUNCH OF "CASHLESS EVERYWHERE" BY GENERAL INSURANCE COUNCIL

24th January 2024: General and health insurance companies provide coverage to millions of citizens through health insurance policies. In the event of hospitalization, policyholders need not pay for treatment out of pocket with a cashless facility where insurance companies commit to covering the treatment costs at the hospital, provided the claim is admissible. This cashless facility is currently available only at hospitals where the respective insurance company has an agreement or tie-ups. If the policyholder chooses a hospital without such an agreement, the cashless facility is not offered, and the customer has to go for a reimbursement claim, further delaying the claim process.

In order to ease the burden of policyholders who get treated in a hospital not in the network of the Insurance Company, the General Insurance Council, in consultation with all the General and Health Insurance Companies, is launching the "Cashless Everywhere" initiative.

Under Cashless Everywhere, the policyholder can get treated in any hospital they choose, and a

cashless facility will be available even if such a hospital is not in the network of the Insurance Company.

This Cashless Everywhere is subject to:

1. For elective procedures, the customer should intimate the Insurance Company at least 48 hours prior to the admission.
2. For emergency treatment, the customer should intimate the Insurance Company within 48 hours of admission.
3. The claim should be admissible as per the terms of the policy and the cashless facility should be admissible as per the operating guidelines of the Insurance Company.

Speaking on the initiative, Mr. Tapan Singhel, MD and CEO of Bajaj Allianz General Insurance, and Chairman of the General Insurance Council, said:

“It has been the constant endeavour of the GI Council to simplify the lives of policyholders and bring positive changes that benefit them. With this in mind, we are announcing “Cashless Everywhere”, to make customers' lives easy. Today if you see only about 63% of customers opt for cashless claims while the others have to apply for reimbursement claims as they might be admitted to hospitals that are outside their Insurer/TPA network. We feel this puts a significant amount of stress on their finances and makes the process long and cumbersome. We wanted to make the whole journey of claims a frictionless process, which will not just improve the policyholder's experience but will build greater trust in the system. This we feel will encourage more customers to opt for health insurance. We also see this as a step towards reducing and in the long run, eliminating fraud, which has been plaguing the industry in a big way and reducing trust in the system. Overall, it's a win-win for all the stakeholders”.



# GLOBAL HIGHLIGHTS

## CHINA ACCOUNTS FOR AROUND 50% OF FLOOD-RELATED ECONOMIC LOSSES IN ASIA PACIFIC - ASIA INSURANCE REVIEW

China accounted for about half of the economic losses in the Asia Pacific related to flooding in 2023, with economic losses of more than \$32bn and insured losses of \$1.4bn. Total economic losses in the APAC region in 2023 reached \$65bn with a substantial protection gap of 91%. However, these losses were 48% lower than the average and 32% below the median of the 21st century. Insured losses in the APAC region reached approximately \$6bn and were notably below the 21st-century average of \$15bn. Even though the statistic is skewed by the outlier year of 2011 (Great Tohoku EQ in Japan), 2023 insured losses, which were particularly driven by events in New Zealand, remained 44% lower than the median.

### Floods

Flood losses continued to maintain dominance as the costliest peril for the fourth consecutive year, accounting for more than 64% of the loss total this year. In APAC, flooding remained a recurring threat with annual losses exceeding \$30bn every year since 2010. Many places saw significant flooding and record rainfall events in 2023 — New Zealand, Japan, Hong Kong, South Korea, India, and Pakistan. The South Asia floods (Pakistan and India) left nearly 2,900 fatalities.

Nearly half of the insured losses in APAC were related to two notable events that hit New Zealand from late January to February. Widespread flooding in Auckland resulted in \$3.4bn of economic and \$1.3bn of insured losses. Only three weeks later, Cyclone Gabrielle caused additional losses in the billions of US dollars. These two events thus became the costliest weather-related events for the local insurance sector on record on an inflation-adjusted basis. Australian insurers suffered notable losses after the Newcastle hailstorm in May 2023, particularly in December, when two significant events occurred. One was widespread flooding in north Queensland after the impact of Cyclone Jasper, and the other was the Christmas storms that impacted eastern Australia and resulted in more than 65,000 claims. In 2023, with economic losses of nearly \$13bn and insured losses of \$1.4bn, tropical cyclone losses for Asia and Oceania were 53% and 70% below their 21st-century averages. The number of fatalities from tropical cyclones stood relatively low for the second year in a row. This might be a result of improved disaster response and adaptation measures, however, many communities remain vulnerable in countries such as Myanmar, where at least 463 people died due to the impact of Cyclone Mocha in May.

### Earthquakes

The APAC region was rocked by several large earthquakes in 2023. Nearly 1,500 people were killed in a series of earthquakes in Afghanistan's Herat Province in October, and more than 200,000 homes were damaged in China's Gansu Province in December. Almost the entire region experienced prolonged periods of extreme temperatures in 2023. Notably, a multi-weeklong heatwave impacted many countries in South and Southeastern Asia in April and May. Additional losses in billions of US dollars resulted from drought conditions that affected particularly China and India.

Source - <https://www.insuranceinstituteofindia.com/documents/d/college-of-insurance/newsletter-20th-january-26th-january-2024>