

High-end health cover a value-add to HNW clients

As banks and other wealth managers see more opportunity to provide healthcare cover as part of their offering, Derek Goldberg of Aetna is developing his business in a way that caters to the needs of these firms and high-end clients alike.

For the many banks and other organisations within wealth management on the hunt for new revenue streams, medical and healthcare plans that offer global coverage are potentially an interesting add-on to existing services.

Given the international nature of the lives of HNW and other wealthy customers, such cross-border coverage could be offered as part of a comprehensive solution, or within an overall portfolio. In some cases, customers are even asking for it.

“The banks see medical plans as part of a holistic way to address the needs of their customers,” says Derek Goldberg, managing director for Aetna in South-east Asia.

Traditional distribution of these products has been through brokers, agents and direct sales via the firm’s website. Now, Goldberg says there is growing interest from private banks and other

wealth managers. And he says Aetna is looking to make in-roads in this space. “In Asia, we are currently a niche player at the higher end of the market.”

CARE ACROSS BORDERS

His part of the business is already set up to cater to those individuals who travel a lot, or spend a lot of time overseas for work. This might be across South-east Asia only, or globally.

As a monoline health insurer, Aetna offers comprehensive healthcare policies which typically provide coverage for in-patient or out-patient treatment with optional features such as eyecare, dental and others. These treatments might either be preventative, or in response to conditions where an individual requires medical treatment.

According to Goldberg, these plans are relatively different from what else exists in local markets, due to the nature of the cross-border coverage on offer.



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Medical evacuation is a key feature, he adds, in cases where an individual cannot get suitable care in the country at the time. Further, when there is an

emergency, he says that the firm works directly with a hospital in order to guarantee payment.

A typical customer is an expat, who has such cross-border healthcare needs, and might not always be eligible for local services, depending on where they have been assigned.

In addition, at the higher end of the local market, Aetna sees growing interest from HNW individuals and senior executives which have extensive travel and short or long-term trips.

Goldberg and Aetna. “The banks have a large existing customer base that might be underserved for their health insurance needs. This gives us access to customers directly in our space.”

He notes that wealth managers are often consulting in real time with customers who have visited them in their offices, so offering up solutions that are quick to quote and easy for customers to understand is important.

In catering to this type of intermediary, the key is to be able to package prod-

EYEING THE AFFLUENT

One of the most appealing things about developing a business in this space in Asia is the emergence of the middle class segment as part of the growing mass affluent population.

This is where Aetna is plotting its future in the years to come, says Goldberg. “While today we are focused on the wealthiest slice of the market, we see increasing demand for our types of products as markets develop further and wealth expands to the next tier,” he explains.

“These individuals are looking for services to supplement local medical coverage,” he adds.

In Indonesia, for example, the recently-introduced national health insurance programme (JKN), run by BPJS Health, should help to raise awareness among the general population. But many people will likely find that the coverage is insufficient, predicts Goldberg.

“They will then want access to local private hospitals not covered under the scheme. Or they will look to go to Singapore or other countries in South-east Asia for certain treatments,” he says.

Another key part of Aetna’s strategy is to build on its current service model and online capabilities.

Within the HNW category, for example, the focus is to enhance the proposition. This means doing more digitally in an attempt to make the entire customer experience electronic.

“There shouldn’t be any paper or plastic cards, and we need to enable them to do everything they need online,” explains Goldberg. ■

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Key to its differentiation in South-east Asia is the localised aspect to the service, with operations in Thailand, Singapore, the Philippines, Vietnam, Indonesia and Malaysia, either directly or in partnership with local insurers. “It is important to be close to the customer,” says Goldberg. “We can tailor our plans more to expectations and nuances of these local markets, to help customers understand how best to navigate healthcare on the ground, based on how it is practised in that specific location.”

NEW PACKAGING FOR NEW PARTNERS

The attraction of the wealth management distribution channel is obvious to

ucts and solutions according to customer needs. For some banks and wealth managers, this has meant focusing on in-patient-only plans.

“These firms find that some of their HNW customers don’t mind self-funding the routine, low-cost out-patient services. But they want to be protected against catastrophic or high-cost treatment,” he explains.

“They look at it as part of their financial planning,” he adds.

Also, since Aetna has providers all over Asia and globally which recognise its card and will bill the firm directly, this has caught the banks’ attention.