

# Insurers urged to cater for '100 Year Life' at PIC 2017



**INSURERS HAVE BEEN URGED TO MAKE A FUNDAMENTAL CHANGE IN THEIR HEALTHCARE OUTLOOK, WITH A SHIFT TO PREVENTIVE MEDICINE AND CURE CREATION RATHER THAN THE CURRENT CULTURE OF PAYING HOSPITAL BILLS FOR RECURRING ILLNESS**

**T**HE CALL CAME ON THE **SECOND DAY** of the 28th Pacific Insurance Conference 2017 in Hong Kong during a panel discussion on “Insuring the 100-year Life”.

The panel, Jason Sadler, President, Cigna International Markets, Cigna Group; Penny Wan, vice-president and general manager, Japan and Asia Pacific, Amgen; Ka Man Wong, regional chief actuary & inforce solutions, AXA, debated the industry’s need to change its health philosophy going forward.

Sadler stated the main need was to change the current status of “disease insurance”, calling for it to be radically replaced with a “health insurance that looks after the health of the client, not the illness”. He added that the reality is that 60+ is a significant segment

of the government funding cost challenge and this offers some significant opportunities for insurers to partner with other agencies and obviously prosper.

Panel chair Jayne Plunkett, Regional President Asia, CEO, Reinsurance Asia, Member of the Executive Committee, Swiss Re, moderated the wide-ranging discussion that also touched on the fact that studies now show that one in three people today will live to 100, which is not being fully addressed by the industry.

With the increased burden of chronic illness, the panel felt that insurers need to review their KPIs, from disease treatment to improving wellness, and look to pair their customers early in what must be a protection journey. Given the advances in technology, early detection and diagnostics must be

brought into play and this must be factored into healthcare premiums.

Sadler also said that underwriting a customer must now be done more than once in their lifetime, and insurers need to realise this and change their assumptions to support policyholders over their lifespan.

The panel also called for changes in how healthcare is delivered, with insurers being urged to encourage improved preventive medical standards rather than compensating doctors for treating diseases. This would place incentive on detecting and preventing illnesses early on in the treatment cycles.

It was also noted that the industry must also strive to bridge the “protection gap” that is forecast to occur as the “100-Year Life” looms. ■

