

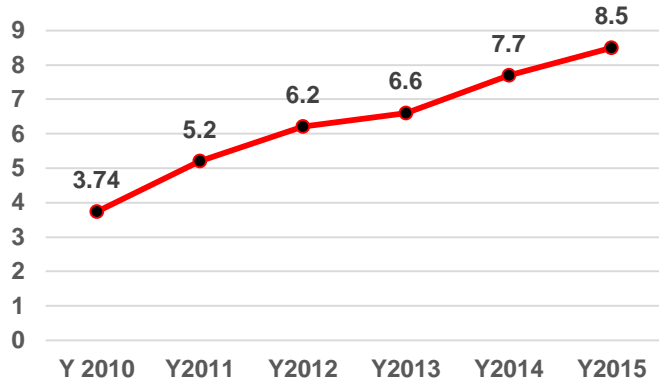


Medical Insurance beyond Borders | Facts and Challenges

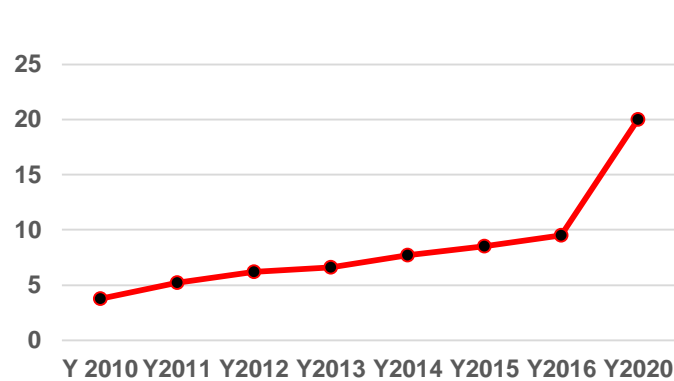
Dr Dennis Sebastian – Regional Director, Health

GCC Health Insurance – Size & Growth

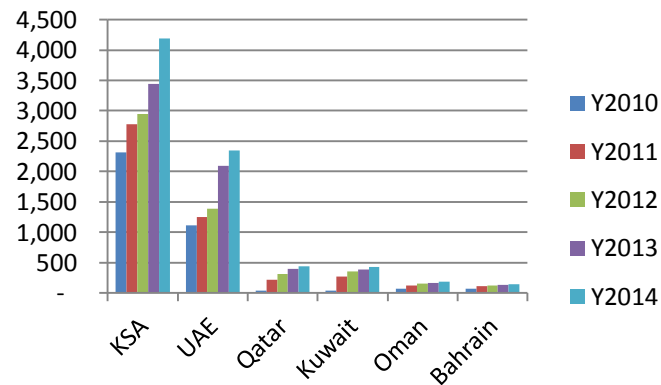
Health Insurance GWP - 2010-2015 in US\$



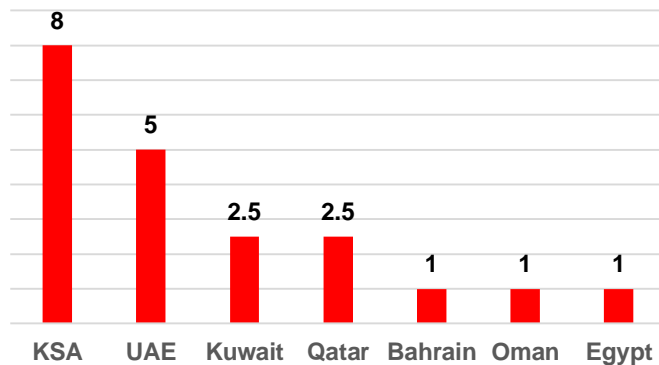
Health Insurance GWP - 2016-2020 in US\$



GWP Health Insurance GCC Growth - 2010 to 2014



Regional Health Insurance Market by Country - Projections in US\$ Bn by 2020



38%

Health Insurance GWP as a % of the Total Insurance GWP in the GCC

\$ 8.5 bn

Health Insurance GWP across the GCC in 2015

70%

KSA and UAE accounts for 70% of the total Health Insurance GWP in the GCC

20%

Health Insurance CAGR YOY across all GCC Countries

\$ 20 bn

Projected Health Insurance GWP across the GCC by 2020

20 mn

Lives covered across GCC.
75% Expats.
95% Group Business

Source: SAMA/ IA/ CBB/ MEIR/ E&Y

The Medical Tourism Market



Global	GCC
<ul style="list-style-type: none">• The Global Medical Tourism market ranges from \$40 to \$60 billion with 12 to 14 million travelers taking medical trips each year.• It is projected to reach \$ 165 mn by 2023, growing at a CAGR of 15.0% from 2017 to 2023.• 99 percent of medical travel involves a diagnosis a traveler already received before making a trip• USA - estimates about 1.2 to 1.3 million U.S. travelers take trips for medical reasons each year.• Indonesia - about 1.5 to two million Indonesian medical travelers go to Southeast Asia or Australia• China - is also one of the largest medical tourism markets as many Chinese travelers look to Thailand and other Southeast Asian destinations for better healthcare.	<ul style="list-style-type: none">• GCC - There is an estimated US\$20 billion (SAR 75 billion) in outbound medical tourism coming from G.C.C. countries alone. Increasingly, Korea, Malaysia, Thailand, India and the Philippines are becoming popular choices for patients from the Middle East, in addition to the traditional medical tourism destinations within Europe and the U.S.A.• Bahrain - In 2015, the Bahrain government spent \$66 million on foreign care for its citizen, sending around 1,500 citizens overseas for treatment.• Kuwaiti government spending KD 441 million (\$1.5 billion) to fund 11,000 medical trips abroad in 2014, according to the State Audit Bureau.• UAE - The International Medical Travel Journal states that over 30,000 Emiratis travel abroad for medical treatment every year, spending an average of US\$250,000 per visit.

Health Insurance Dynamics and Expectations of Stakeholders

Dynamics of a Medical Insurance Plan	Member expectations from HI Policy	Employer/Payer Expectations
<ul style="list-style-type: none"> • Is not a credit card and Health Insurers are not charity organizations • Objective is to cover unforeseen; acute and life threatening events • Also covers medically necessary non acute events • Usually covers In Patient; Daycase; Out Patient; Maternity; Dental and Optical Benefits • Covers treatment on Actual basis or on Reasonable and Customary Basis • Territorial Limits from Local Cover to Worldwide basis • Employee Benefit and Employers are usually the payers of premiums • Compulsory by law for Expatriates in KSA; UAE; Kuwait • Approx 11 million insured members in the region 	<ul style="list-style-type: none"> • Access to quality care; • Direct billing facility; • Cover everything 	<ul style="list-style-type: none"> • Access to quality care; • Adequate Benefits; • Direct Billing; • Affordable Premiums; • No increase on renewal

FACTS:
 Health Insurers facilitates cross border healthcare by

- Promoting expatriates to receive treatments in the home country
- Allowing emergency medical care while on holidays or business trips
- Paying for Medical Expenses at Center of Excellences outside allowed provider networks or outside country when treatment is unavailable locally

Exclusions and Demands for Medical Travel – Is there an opportunity ?

Key Health Insurance Exclusions

- Cosmetic and Reconstructive Surgeries/Treatments;
- IVF
- Orthodontic Dentistry;
- Developmental Disorders;
- Alternative Medications;
- Sexual Dysfunctions;
- Hair Transplants;
- Treatment for Obesity;
- Circumcision,
- Vaccinations,
- Prevention
- Screening;
- Psychiatric treatments;
- correction of vision and hearing defects



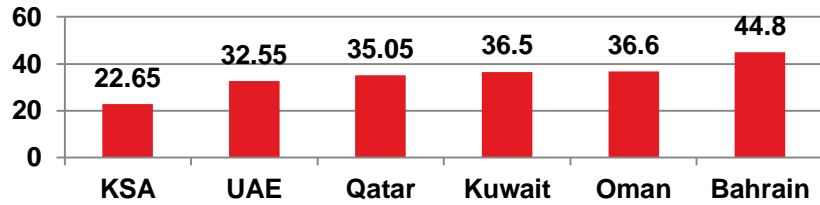
Key Demand for Medical Travel

- Oncology
- Cardiology/cardiac surgery (by-pass, valve replacement)
- Orthopedic surgery (hip replacement, resurfacing, knee replacement, joint surgery)
- Bariatric surgery (gastric by-pass, gastric banding)
- Fertility/reproductive system (IVF, gender reassignment)
- Organ, cell and tissue transplantation (organ transplantation; stem cell)
- Eye surgery
- Diagnostics and check-ups, second opinion
- Wellness and rehabilitation

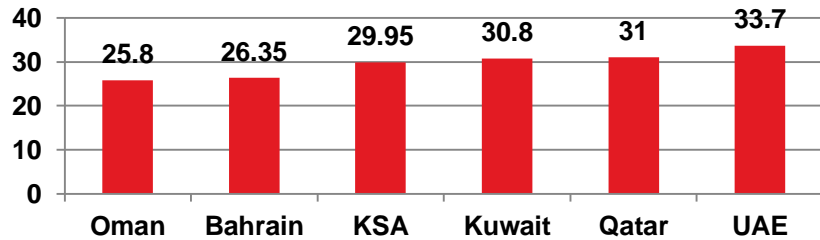


GCC – Key Morbidity and Mortality Trends

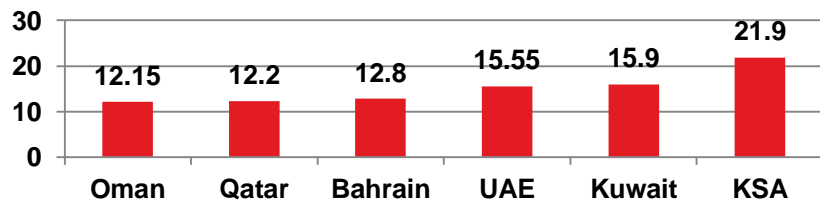
GCC Obesity - Prevalence as a % of population above 25 years



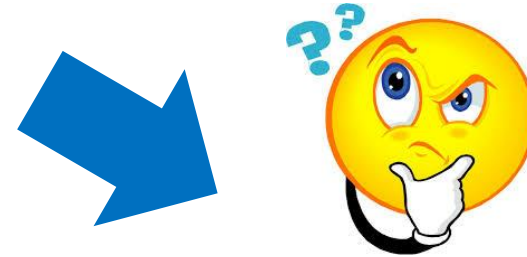
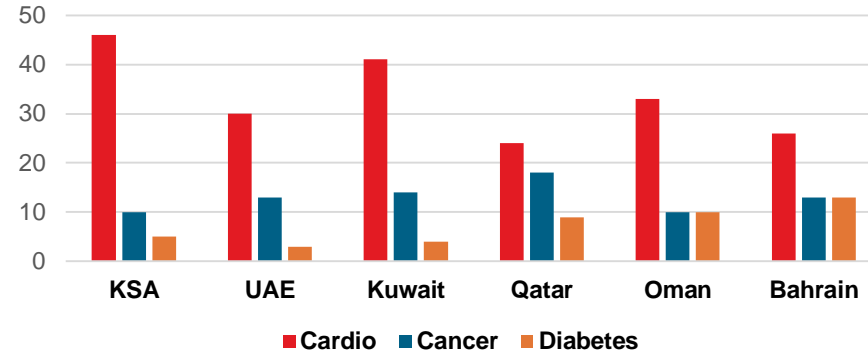
GCC Hypertension - Prevalence as a % of population above 25 years



GCC Diabetes - Prevalence as a % of population above 25 years



GCC - Mortality Proportion by Type of Disease



Leading Causes of Medical Travel in the GCC

- Oncology
- Cardiology/cardiac surgery (by-pass, valve replacement)
- Orthopedic surgery (hip replacement, resurfacing, knee replacement, joint surgery)
- Bariatric surgery (gastric by-pass, gastric banding)
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Why do patients travel abroad for medical care?

General – The “A” Factors	Member Expectations	Employer/Payer Expectations
<ul style="list-style-type: none"> • Affordability • Availability • Accessibility • Acceptability • Additional factors like better care, latest medicines, modern technology, better hospitality, personalized care. 	<ul style="list-style-type: none"> • Logistics • Quality of Facility • Customer Service • After Care • Transparency • Companion Care • Efficient Concierge • Security • Home Country 	<ul style="list-style-type: none"> • Sustained reputation for clinical excellence • History of healthcare innovation and achievement • Successful adoption of best practices and state-of-the-art medical technology • Availability of internationally-trained, experienced medical staff • Quality care at affordable prices on direct billing • Treatment for insurer excluded services at affordable prices • Second Medical opinion services • Efficient concierge and international patient relationship services • Seamless logistics from visa process – airport reception- treatment – discharge- follow-up and rehabilitation services • Quality and recognized accreditation

CHALLENGES



Strategy for Dubai - Challenges to Opportunity



Objective

- Convert challenges of popular destinations, most of which are strengths for Dubai, into opportunities

Target Segments

- Expatriate Diaspora
- Global Travelers
- International and Regional Health Insurers
- International Patient Referral Depts of respective MOH

How ?

- Bring the world to DXB
- LTC
- CoE
- Chronic Disease Management
- TeleHealth
- Screening and Preventive Care
- Dentistry – Cluster of Quality and Affordable Networks
- Excluded Services
- Transparency of cost
- Efficient Concierge

Thank You