A STUDY OF CLAIMS REPORTED DURING THE PANDEMIC (MARCH-20 TO APRIL-21) AND NON-PANDEMIC (JAN-19 TO FEB-20) AT FUTURE GENERALI INDIA INSURANCE

Dissertation Submitted to

The IIHMR University, Jaipur

for the partial fulfillment for the award of the degree of

Master of Business Administration (MBA)

in

Hospital and Health Management

by

Anjali Tiwari

Under the Supervision and Guidance of

Dr. Sheenu Jain

2021

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DECLARATION

I hereby declare that this dissertation titled ‘A study of claims reported during the pandemic (March-20 to April-21) and non-pandemic (jan-19 to Feb-20) at Future Generali India Insurance’ is the bonafide record of my original research work. I declare that it has not been submitted to any other university or institution for the award of any degree or diploma. Information derived from the published or unpublished work of others has been duly acknowledged in the text.

Anjali Tiwari

Date – 03/07/21

Completion Certification

CERTIFICATE

This is to certify that **Anjali Tiwari** in partial fulfillment of the requirements for the award of the degree of MBA (Hospital and Health Management) from the IIHMR University, Jaipur has successfully completed her internship at Future Generali India Insurance.

2/06/21

Ashis Kumar Sahoo

Future Generali India Insurance

Certificate from Faculty Guide and School Dean

CERTIFICATE

This is to certify that dissertation titled **'A study of claims reported during the pandemic (March-20 to April-21) and non-pandemic (jan-19 to Feb-20) at Future Generali India Insurance'** is a record of the research work undertaken by **Anjali Tiwari** in partial fulfillment of the requirements for the award of the degree of MBA (Hospital and Health Management) from the IIHMR University, Jaipur under my guidance and supervision and her approach to the research study has been sincere, scientific, and analytical.

Faculty Guide	School Dean
IIHMR University, Jaipur	IIHMR University, Jaipur
Date	Date

ABSTRACT

Corona virus disease is an infectious disease, the first instance of Covid -19 was discovered in the Chinese city of Wuhan and soon it turns out to be Pandemic. In India first case of covid -19 was diagnosed in month of January 2020 and after that number keep on increasing which caused a lot of burden on the India healthcare system, as cases were keep on increasing government must come forward with lot of new rules and regulation so that infection spread could be stopped. In the month of March 2020 national lockdown was imposed, which has a major impact on Different sector as work from office was almost impossible and many has to close their offices and shops for a while and other shifted to work from home culture . As covid -19 hospitalization increased that cause an add on in claims in insurance sector, there was not a huge impact on insurance industry as a whole but still many aspects were impacted such as covid claims in month of April IRDAI launched new guidelines for covid, so insurance industry had to cover covid claims . Future Generali Insurance India launches two covid policies both indemnity and benefit cover.

The objectives for this project was to Study of claims reported during the pandemic (Mar-20 to Apr-21) and non-pandemic (Jan-19 to Feb-20) and specific objectives are To analyse the claim count reported and along with claim cost , Identifying the impact on claim count and claim cost during the pandemic , To compare total number of covid, non-covid, Hospitalisation, accidental and OPD claims in pandemic and non-pandemic era and Approach that was used during this study was, after collecting data for Non – pandemic and Pandemic era the necessary bifurcation was done for the further analysis.

Non – Pandemic data was bifurcated into Hospitalisation, personal accidental, annual health check-up and OPD claims.

Whereas for Pandemic era it was bifurcated in covid and non-covid cases and then further they were divided into Hospitalisation, personal accidental, annual health check-up and OPD claims.

After the bifurcating the data there claim count, average cost of claim, count of cashless and reimbursement claim, count of claim from network and non-network hospitals , type of policies were calculated and then the count for both the era were compared

Analysis was done using Ms excel software after the analysis and discussion we concluded that's there not much impact on overall claim count but covid has surely impacted the ACS of the claims.

KEYWORDS: covid-19, pandemic, claims, cashless, reimbursement

ACKNOWLEDGEMENTS

I would like to express my gratitude to the management of **Future Generali India Insurance** who helped me gain cognizance during my internship period. I am thankful to **Mr. Ashish Kumar Sahoo** (Assistant Vice President- Health Claims) and **Mr. Raghavendar Gundor** (Assistant Vice President- Health Claims) who gave me the golden opportunity and helped me throughout in successful completion of this wonderful project on 'A study of claims reported during the pandemic (March-20 to April-21) and non-pandemic (jan-19 to Feb-20) at Future Generali India Insurance'.

I would like to extend special thanks to my faculty guide **Dr. Sheenu Jain** (Associate Professor) for providing continuous motivation, guidance, and support from the beginning.

I thank the IIHMR University for providing the platform to gain such practical exposure and knowledge.

In the end, I would also like to thank my teachers, family and friends who have helped me in completion of this project.

Thank you,

Anjali Tiwari

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ABBREVIATIONS: -

IRDAI - Insurance regulatory development authority of India

CDC - center for disease control

NSSO - national sample survey office

FGH - future generali health

OPD - out patient department

PA - personal accident

AHC - Annual Health checkup

ACS - Average claim size

1.1 INTRODUCTION

The infection SARS-CoV-2 that causes COVID-19 is by all accounts spreading principally from individual to individual, effectively and economically, prompting the respiratory sickness, and passing of more established grown-ups and individuals of all ages who have genuine basic ailments. On March12, 2020 COVID-19 has been classified as a pandemic. To reduce the spread of infection, government has imposed nationwide lockdown, ban on travels, social gatherings, and closure of offices. Covid 19 lockdown has impacted severely various sectors in India and one of the sectors which was impacted is insurance. India is one of the 15 worst-affected COVID-19 economies. It has caused share prices to fall by 25.9%.

Insurance is a legally binding contract between two parties: the insurance company and the individual, in which the insurance company promises to pay for the loss that occur due to uncertain event. The event that causes a loss is referred to as a contingency. It could be the policyholder's death or property damage/destruction. It is referred to as a contingency because there is apprehension about the event's occurrence. In exchange for the insurer's promise, the insured pays a premium.

Health Insurance takes care of expense of an insured person's clinical and careful costs subject to the terms of insurance inclusion, either the insured pays costs using cash on hand and is thusly repaid or the insurance agency reimburse costs straightforwardly. Orchestrating assets almost too late can be a test for an individual who has not set aside much cash. This is particularly crippling for seniors, since the majority of the illnesses hit at an old age. Health Insurance can thus be defined as an agreement between an insurance agency and a person. Debt relating to health has forced many well to do families into below poverty line.

Due to the outbreak of coronavirus the need to buy health and life insurance has been realized by many people. Now, most of the people wants to ensure best medical treatment for themselves and for their family. During the pandemic, health insurance providers have noticed a marked jump in health insurance related inquiries, with 30-40% more customer seeking health insurance policy against the COVID-19 virus that has affected more than 96000 people in India and 4.71 million worldwide.

Considering the severity of the condition, the Insurance Regulatory Development Authority of India (IRDAI) has published guidelines for insurance company that they have to start accepting covid19 infection claims under active health policy. Because of the rising number of instances and the length of the crisis, the IRDAI has ordered all general and health insurers to begin selling Corona Kavach, an indemnity-based health plan, and Corona Rakshak, a fixed-benefit health insurance, to their customers. These policies are meant for covering hospital and medical expenses of COVID 19 patients. While in the midst of a pandemic like this it becomes even more important to have the right health cover and the right amount of coverage.

Health insurance group under future generali includes following departments: -

I. Underwriting
II. Claims
III. Provider network
IV. Enrolment
V. Customer service

Underwriting- The underwriting department assesses and analyses the risks of insuring individuals and property. Insurance underwriters set rates for insurable risks that are accepted.

Provider network – this department is mainly involved with empanelment of hospitals, diagnostic centers, and investigators under network.

Enrolment- this department handles the endorsement process, all the addition and deletion of member data, issuance of health ID card.

Customer service–this departments handles all the customer calls, queries, requests, and complaints and resolve them.

CLAIMS: -

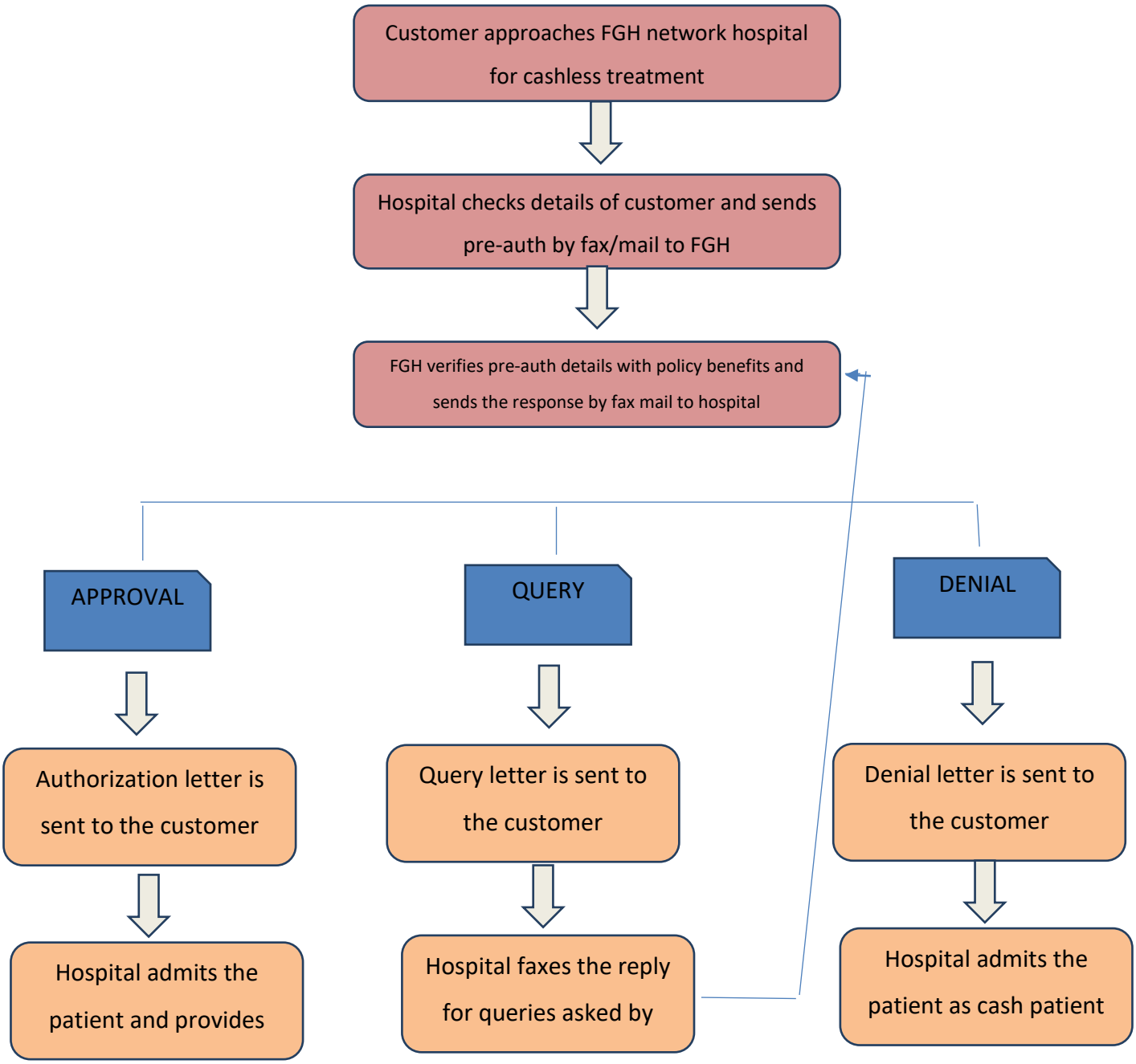
Claim is a request which is made from the insurer side for the expense of hospitalization and treatment for particular disease which is covered under his health policy.

TYPE OF CLAIMS

CASHLESS CLAIMS:

The insurer directly settles all hospitalization fees with the hospital in this sort of health insurance claim. To receive the benefit of cashless hospitalization, an insured must be admitted exclusively to a network hospital.

Figure 1.1: SOP for cashless claims



REIMBURSEMENT CLAIMS:

In this form of claim, the policyholder pays for the hospitalization expenses out of pocket at first and then asks the insurance company for reimbursement later. In this instance, reimbursement is available at both network and non-network hospitals.

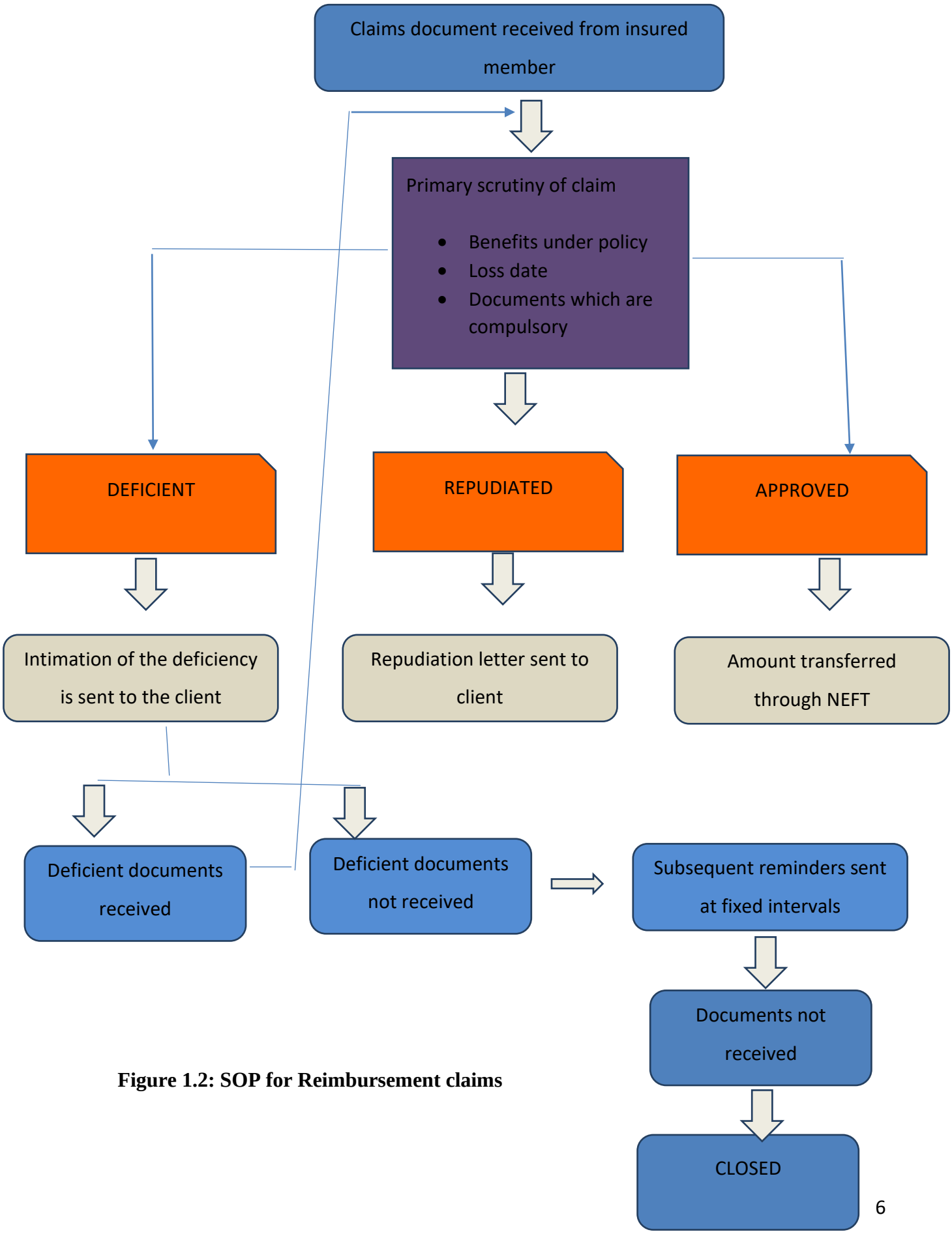


Figure 1.2: SOP for Reimbursement claims

The purpose of this study is to find out how pandemic has affected claims count and type of claims in future generali and also to find out that out of total claims how many of the claims were dedicated towards covid, does covid has increased the claims count, what was the average cost of claims for this, was it increased during pandemic era or decreased so that we can prepare for any future pandemic if it occurs and make strategies accordingly.

1.2 AIM

This study aims to find out the impact of covid 19 pandemic on claims in Future Generali Health Group and what was the claim situation as compared to previous year.

1.3 Objective of the project:

To Study of claims reported during the pandemic (Mar-20 to Apr-21) and non-pandemic (Jan-19 to Feb-20)

1. To analyze the claim count reported and along with claim cost.
2. Identifying the impact on claim count and claim cost during the pandemic.
3. To compare total number of covid, non-covid, Hospitalisation, accidental and OPD claims in pandemic and non-pandemic era.

2.1 Review of Literature

Author (Year)	Title	Objective	Research Design	Findings
Aegon life Research, December 2020	Impact of covid -19 on Insurance market	To study how covid19 has effected global insurance markets.	Cross sectional study	Before the spread of COVID-19 in India, just 10% of people expressed interest in acquiring insurance policy to cover medical crises such as pandemics and infectious diseases, according to the findings of this survey. However, 71 percent of individuals now consider it essential.
Ekanath Hattangadi & Vikram Singh, 2020	Impact of COVID-19 on Insurance Industry	To study how covid19 has impacted insurance Industry	Observational study	From the beginning of the crisis, insurance sector have lost around 48% of their market value, with life and health insurance companies taking the worst of the losses, with average losses of 58 percent. Health insurers' revenues are anticipated to be squeezed by the expense of COVID-19 testing and treatment, it can cause higher premium rates in 2021. To cover these costs, allowing insurers to stay afloat at a period of rising premiums in the range of 4 - 40% in 2021.
Nair, 2019	A comparative study of the satisfaction level of health insurance claimants of	To study the satisfaction level of insured towards public and private sector.	Comparative study	The bulk of the respondents had filed a reimbursement claim with a TPA. Satisfaction level regarding claim settlement was found to be higher in the public sector than in the private sector.

	public and private sector general insurance companies.			
Gambhir, R.S, Malhi R, 2019	Out-patient coverage: private sector insurance in India.	To find out the share of private health insurance companies.	Cross sectional study	Despite the fact that health insurance is not that best deal, private health insurance firms' market share has expanded significantly.
Chauhan, 2019	Medical underwriting and rating modalities in health insurance sector.	To study the factors needs to be consider while underwriting a health policy.	Descriptive Research Design	It was discovered that at the time of underwriting of a health policy, several characteristics of the insured's lifestyle, occupation, health status, and habits must be considered.
Xing Liew and Nellikunnel Devasai Syriac, 2019	The Influence of customer relationship Management on customer relation in the insurance sector	The objective for the research is to examine the effect CRM on customer retention in the insurance	Cross sectional study design	They discovered that customer relationships management do cause impact on client retention in the insurance company.
Chatterjee S, Bandopadhyay, 2018	A study of health insurance sector in India.	To observe the present condition of the health-care insurance industry in India.	Observational study	According to reports, India is concentrating more on short duration care for its citizens and needs to transition to long-term care
Yadav and Sudhakar, 2017	Personal factors influencing purchase decision: A study of	The main objective of this study was to list down the Personal Factors that	Descriptive Research Design	Findings are that factors like understanding, tax benefits, financial stability, and risk coverage have a substantial impact on health insurance policyholders' buying

	health insurance sector in India.	effects Purchase Decision of insureds in India.		decisions.
Thomas, 2017	Health insurance in India: A study on consumer insights.	To study the consumer aspects before choosing a health insurance.	Descriptive Research Design	According to the report, consumers examine a variety of factors when selecting a health insurance, including the presence of a reputable hospital empanelled, policy coverage, and a sector with a diverse policy offering and proactive workers.
Shah, 2017	Analysis of health insurance sector post liberalization in India.	To find out whether there exist any relationship between premiums collected and claims paid.	Analytical study	It was discovered that there is a strong association between premiums which was collected for the policies and claims paid against them, and that demographic characteristics influenced the respondents' insurance holding status.
Binny and Gupta, 2017	Health insurance in India: opportunities and challenges	To assess the opportunities and challenges that comes in the way of health insurance sector in India.	Descriptive Research Design	According to the study's findings, opportunities are assisting market participants in expanding their business and increasing their competitiveness in the industry. However, corporations confront several structural issues, like high claim ratio and fluctuating client needs, which necessitates them to reinvent products in order to satisfy customers.
Dr. Rana Rohit Singh, Abhishek Singh April 2014	A Study of Health Insurance in India	To study the concept and structure of health insurance in India.	Descriptive Research Design	According to the findings, a significant share of the population remains uninsured. This sector, on the other hand, has experienced remarkable growth in recent years. A large number of private

				health insurers have flocked to this market, attracted by the opportunity for expansion. They have been able to increase their market share through foreign collaborations.
Aubu, 2014	Marketing of health insurance policies -A study on public and private insurance companies in Chennai city.	To find out which sector provides better services	Comparative study	Because of new methods and technologies, private sector facilities elicited a much better revert than public sector services, according to the study.
Savita, 2014	A qualitative analysis of declining membership of micro health insurance in Karnataka.	To find out the reasons and challenges for decreasing membership of micro health insurance	Descriptive research design	The main reasons for this downturn were a scarce of funds, no clear clarity about the scheme, and intra-household factors. The main challenge of the microinsurance sector, however, is structuring the scheme to meet the needs of the client.
P. Fronstin , 2012	Customers perceive better quality of service for public sector insurance companies as compared to private sector insurance companies.	To study the Consumer Engagement in Health Care	Descriptive research design	Consumer-driven health plans continue to increase slowly, according to the Health Care Survey: 10% of the population was enrolled in a CDHP in 2012, up from 7% in 2011. Admission to highly deductible health plans (HDHPs) was just 16%.
Vikas Guatam, 2011	Service Quality Perception	To do the comparison and analysis of the	Descriptive research design	Customers believe that public-sector insurance businesses provide better service than

	of customer about insurance companies	perception of customer regarding service quality about the public and private sector insurance firm.		private-sector insurance companies.
Monica Bhatia, Sachin Mittal, Alok Bansal, 2010	Evolution of the Indian Health Insurance Sector: A review	To understand the changes that have taken place in health insurance sector so far now and to detect the opportunities and challenges in their for the future growth of Indian health insurance sector.	Systematic review	A medical emergency may arise. The importance of health insurance is becoming more apparent as medical costs rise and financial burdens increase. According to Ahuja (2004), it is important to understand that health insurance is merely a financing mechanism that does not give any guarantee about the efficient delivery of health services. As a result, more hospitals should be networked, and the services and facilities which they provide should be reported, to check the overall effectiveness of the healthcare system.
Kumar, 2009	Health insurance in India: is it the way forward?	To find out the importance of insurance.	Descriptive research design	It was discovered that insurance can be a useful tool for mobilising resources, risk mitigation, and health insurance. However, for this to occur, the Government of India will need to implement systemic reforms in this sector.
Dror, 2006	Willingness to pay for health insurance among rural and poor persons: Field evidence	To check how much rural and poor persons are willing to pay for their health insurance in India.	Cross sectional observational study	According to the findings, insured people found more eager to pay for their insurance for buying health policies than uninsured people.

	from seven micro health insurance units in India.			
Ellis, R.P, Alam, and Gupta, 2000	Health insurance in India- prognosis and prospectus.	To assess how different variety of health insurance sectors works in India.	Systematic review	According to the report, a competitive atmosphere is required, which can only be achieved by opening up the insurance market.
W. Manning, J.Newhouse, N.Duan, E.Keeler, M.Marquis - 2000	Health Insurance and the demand for medical care:- evidence from a randomised experiment	To do the approximation of how cost sharing, the proportion of the hospital bill which insured is paying, is causing effect on the demand for medical services.	Randomized Research Design	When compared to having no out-of-pocket expenses, a catastrophic insurance plan saves 31%. The elasticity of price is about -0.2. The premise that less favourable outpatient coverage increases overall spending is rejected.

3.1 Methodology

Research question

How pandemic has impacted the claim count and claim cost at Future Generali India insurance.

3.2 Research design

Research was conducted through cross-sectional descriptive study; participants were from all over India who are insured with Future Generali. In this study we have compared Non-pandemic and Pandemic era on several aspects such as claim count, Average claim cost, Cashless and reimbursement claim and their average claim cost etc

3.3 Study population

For this study, the data of claims has been collected for two different years for the comparative analysis. Data collected or study population is the insured individual who have taken policy insured with Future Generali. Total claims reported for pandemic and non-pandemic era was 205,322.

The first set of data of 103488 claims is collected for January 2019- February 2020 and this data set is considered as the Non – pandemic era as there were no covid cases at this time.

The second data set is of 101834 claims which is collected for March 2020 – April 2021 and this set was considered as the Pandemic era and it consist of both covid-19 and non – covid cases.

Data collection- Information of all the insured individuals are kept confidential. Primary data was provided by the organisation in the form of claims register. Data was extracted and analysis was done using Microsoft Excel.

3.4 Study approach

Approach that was used during this study was, after collecting data for Non – pandemic and Pandemic era the necessary bifurcation was done for the further analysis.

Non – Pandemic data was bifurcated into Hospitalisation, personal accidental, annual health check-up and OPD claims

Whereas for Pandemic era it was bifurcated in covid and non-covid cases and then further they were divided into Hospitalisation, personal accidental, annual health check-up and OPD claims.

After the bifurcating, the data there claim count, average cost of claim, count of cashless and reimbursement claim , count of claim from network and non-network hospitals , type of policies were calculated and then the count for both the era were compared.

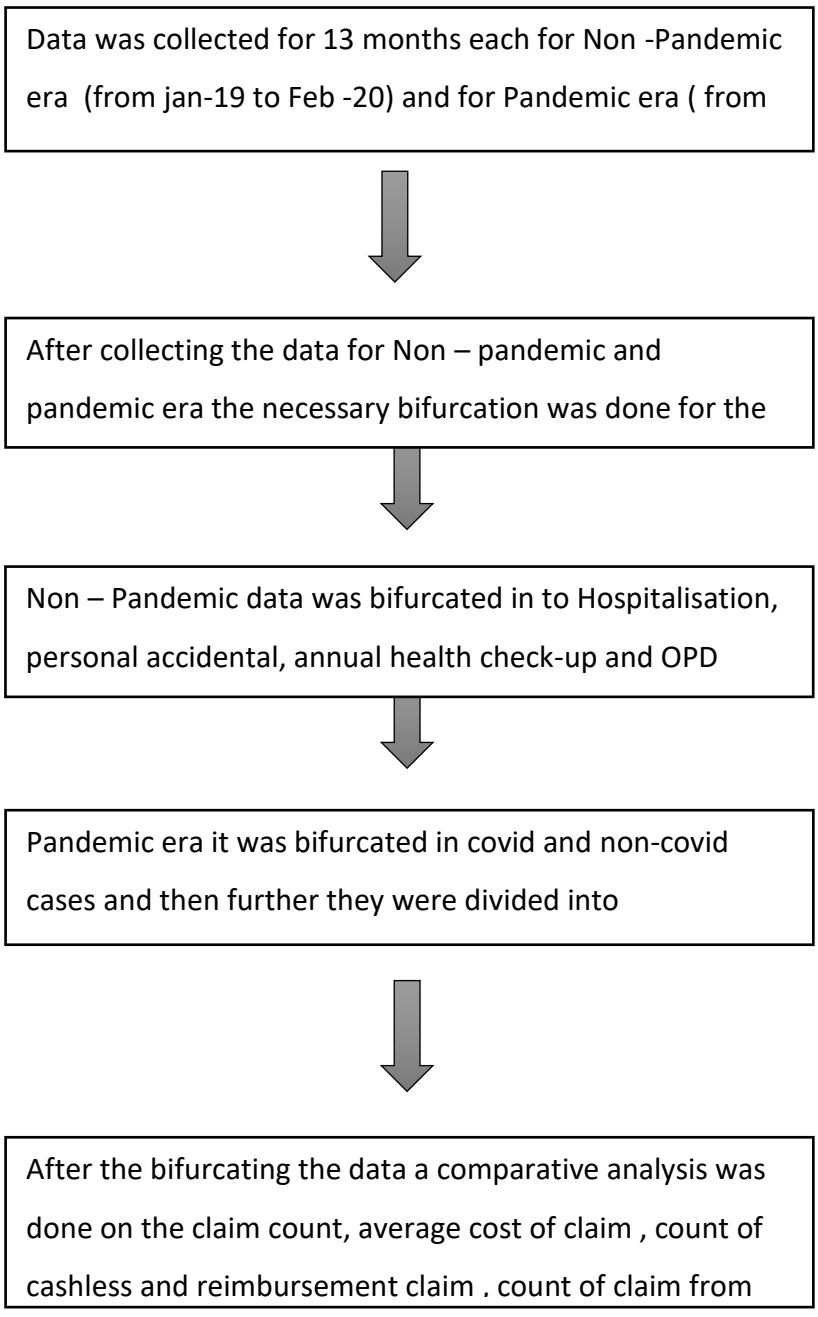


Figure 3.1: flowchart for methodology

4.1: RESULTS

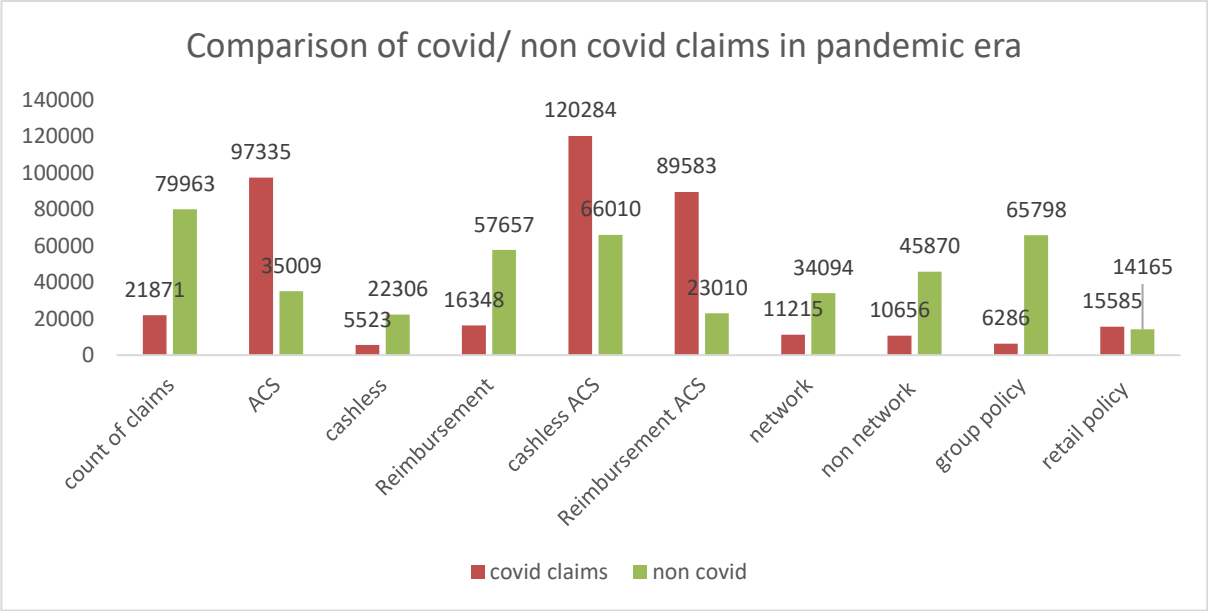


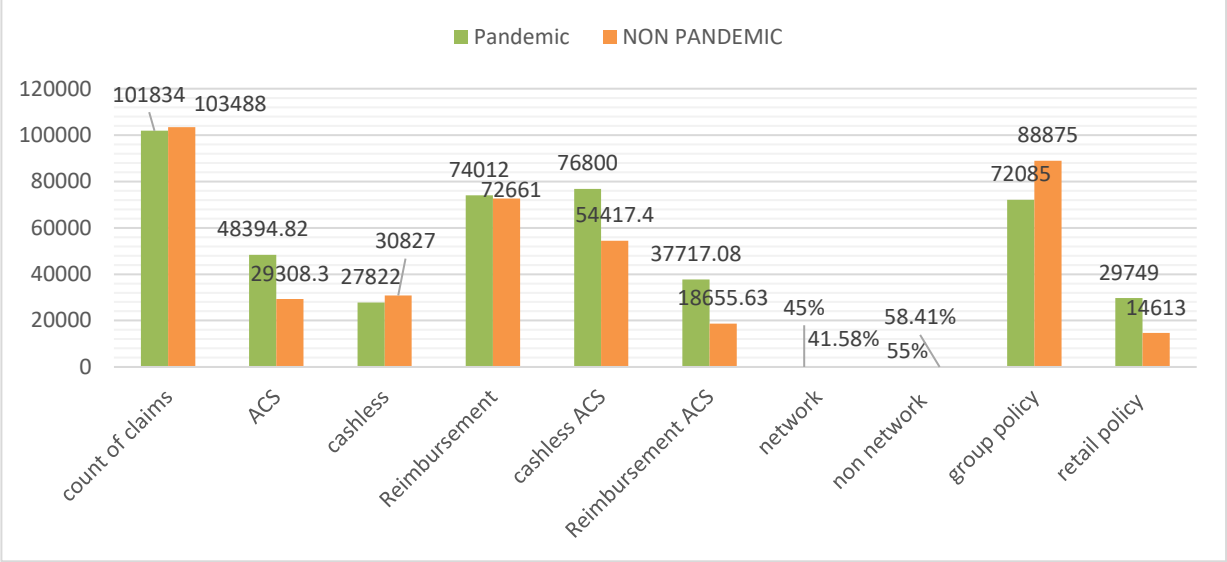
Figure 4.1: comparison of covid versus non covid claims in pandemic era

This graph depicts comparison of covid versus non covid claims in pandemic era (March 2020- april 2021)

- Covid claims reported during pandemic was nearly about 21% of total claims and 79% was non covid claims.
- Although covid claims reported were less but the ACS for covid claims was much higher as compared to non-covid cases. The possible reason for this high ACS for covid cases would be that initially there was no capping on price range of covid treatment as hospital do not have any kind of regulation body to regulate there charges so as covid involves high risk of infection therefore hospital charged more than a usual
- 51% of total claims were reported from network hospital and 49% was reported from non-network hospital, which are almost equal but then also cashless claims for covid was 25% of total claim count and reimbursement claims was 75% of total claim count. Out of 75% reimbursement 21% was from corona rakshak benefit policy and as it is a benefit policy it doesn't have a cashless facility so therefore network hospital have slightly high number of reimbursement cases.
- For covid claims 29% of the claims were under group policy and 71% were under retail policy. Whereas for non-covid cases 82% of claims were under group policy and only 18% was under retail policy. The possible reason for this could be that

insurance company launched their own retail policy cover for corona. So insured preferred retail corona policy over GMC.

Figure 4.2: COMPARISION OF PANDEMIC (March-20 to April-21). AND NON-PANDEMIC (Jan-19 to Feb-20)



- This graph depicts comparison of non-pandemic era claims (jan-19 to feb-20) versus pandemic era claims (march-20 to april-21).

- As we observed that in pandemic and non-pandemic era claim count was nearly equal despite of the fact there were additional covid claims in pandemic era, but due to less availability of bed and high chance of infection, many hospitals stopped performing their elective procedure. So, there was drop in non-covid cases during pandemic.
- Although claim count was nearly equal, but there was significant difference between the ACS of pandemic and non-pandemic era. As we observed that ACS for covid claims was much higher compared to non-covid cases in pandemic and cases in non-pandemic.

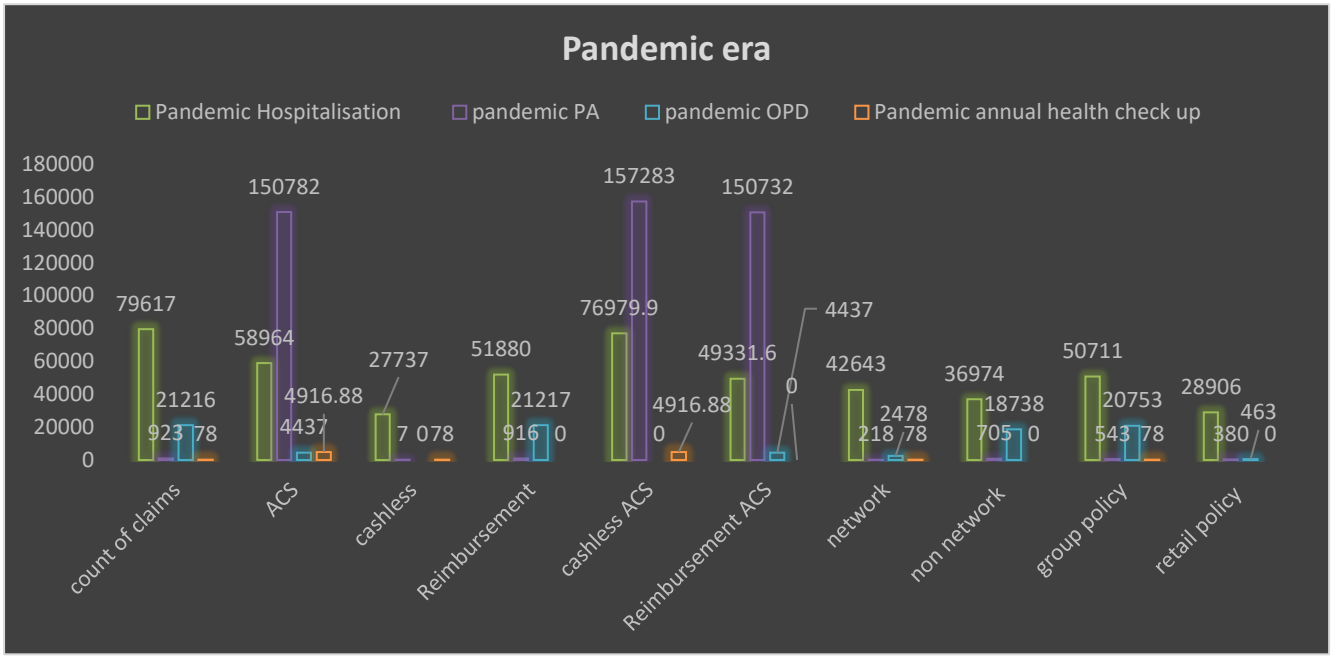


Figure 4.3: COMPARISION OF PANDEMIC CLAIMS (march-20 to april-21). – HOSPITALISATION, PA, OPD AND ANNUAL HEALTH CHECK UP

- This graph depicts comparison of whole pandemic era (march-20 to april-21). Comparison is done among hospitalization, PA, OPD and annual health checkup.
- 78% cases were from hospitalization, approximately 21% cases were reported from OPD, 1% cases were reported from personal accident and annual health check-up was less than 1% during pandemic.
- As we observed that there were only 1% cases of personal accident but ACS for personal accident was much higher as compared to hospitalization, OPD and annual health check-up. The possible reason could be that personal accident claims involves death, TTD, PTD and PPD and as it's a benefit policy therefore the sum insured is very high as compared to indemnity policies.
- Cashless ACS for hospitalization is higher as compared to reimbursement ACS for hospitalization because insured usually prefer going to a hospital which accredited with the NABH and JCI accreditation body if they are getting a cashless facility over there also so because of the quality standard they maintain, they tend to charge higher than the usual standard price range and the second reason could be that mostly insured prefer going to a network hospital for complex procedures and treatment therefore cashless ACS is higher than the reimbursement ACS
- In personal accident cases, claims were mostly for reimbursement because personal accident policy covers death, PPD, TTD and PTD

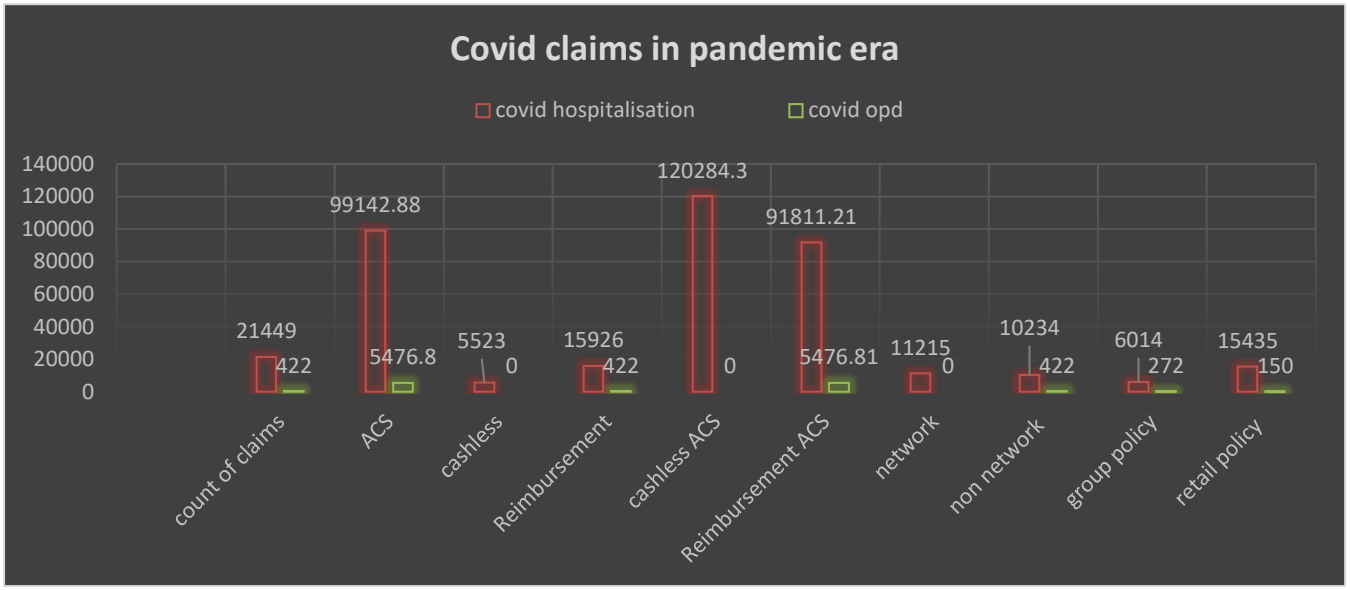


Figure 4.4: COMPARSION OF COVID CLAIMS IN PANDEMIC ERA (March-20 to April-21) COVID HOSPITALISATION AND COVID OPD

This graph depicts comparison of all the covid claims in pandemic era (march-20 to april-21). Comparison is done among covid hospitalization versus covid opd.

- For covid claims there were 98% claims for hospitalization and 2% claims were reported for opd. The possible reason for this could be first that there are few policies which do not have opd cover and second is that as opd charges are very minimal so insured usually don't go for insurance claim.
- There were 0 cases for cashless covid OPD, as insurance policy usually don't have a cover for cashless opd.
- Since covid claims have separate policies like coronarakshak and coronakavach so there were more claims for retail policy as compared to group.
- Cashless ACS and reimbursement ACS are higher than usual as all the claims are dedicated towards covid.

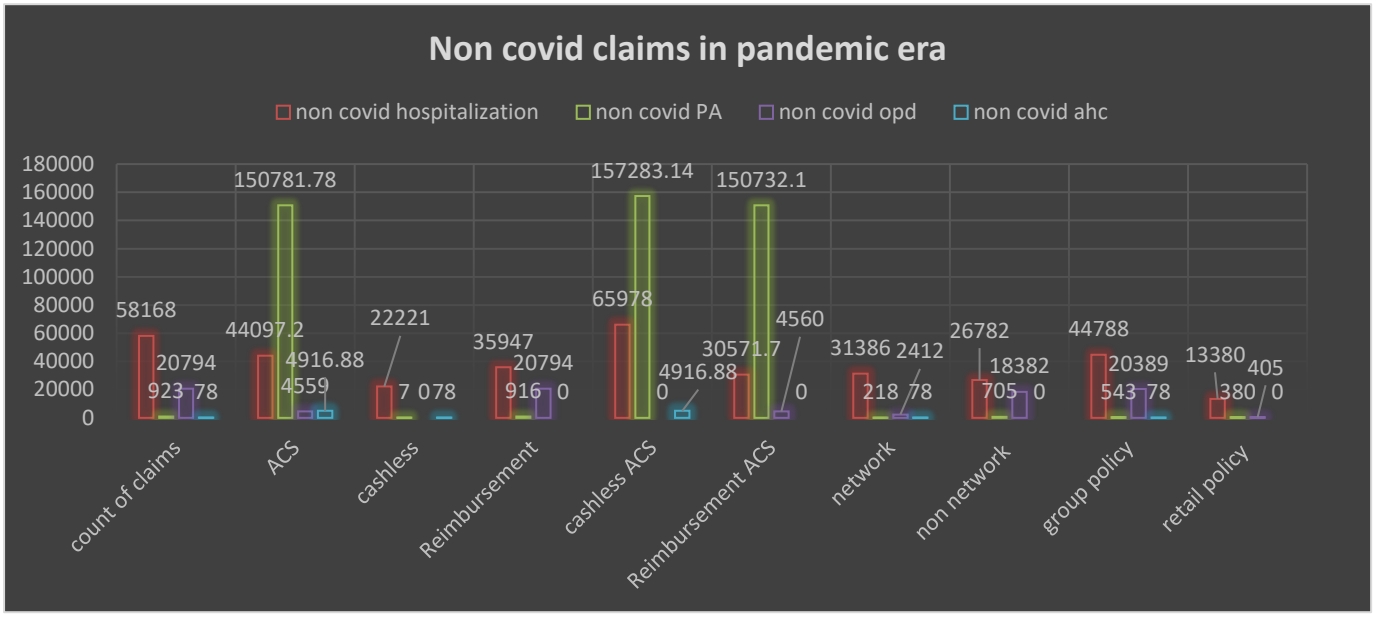


Figure 4.5: COMPARISION OF NON COVID CLAIMS IN PANDEMIC (march-20 to april-21) – HOSPITALISATION, PA, OPD AND ANNUAL HEALTH CHECK UP

This graph depicts comparison among all the non-covid claims during pandemic era (march-20 to april-21). The comparison is done among hospitalization, opd, PA and annual health checkup for non-covid cases.

- During pandemic, hospitalization claims reported were 73%, OPD- 26%, personal accident were 1% and annual health checkup was less than 1%.

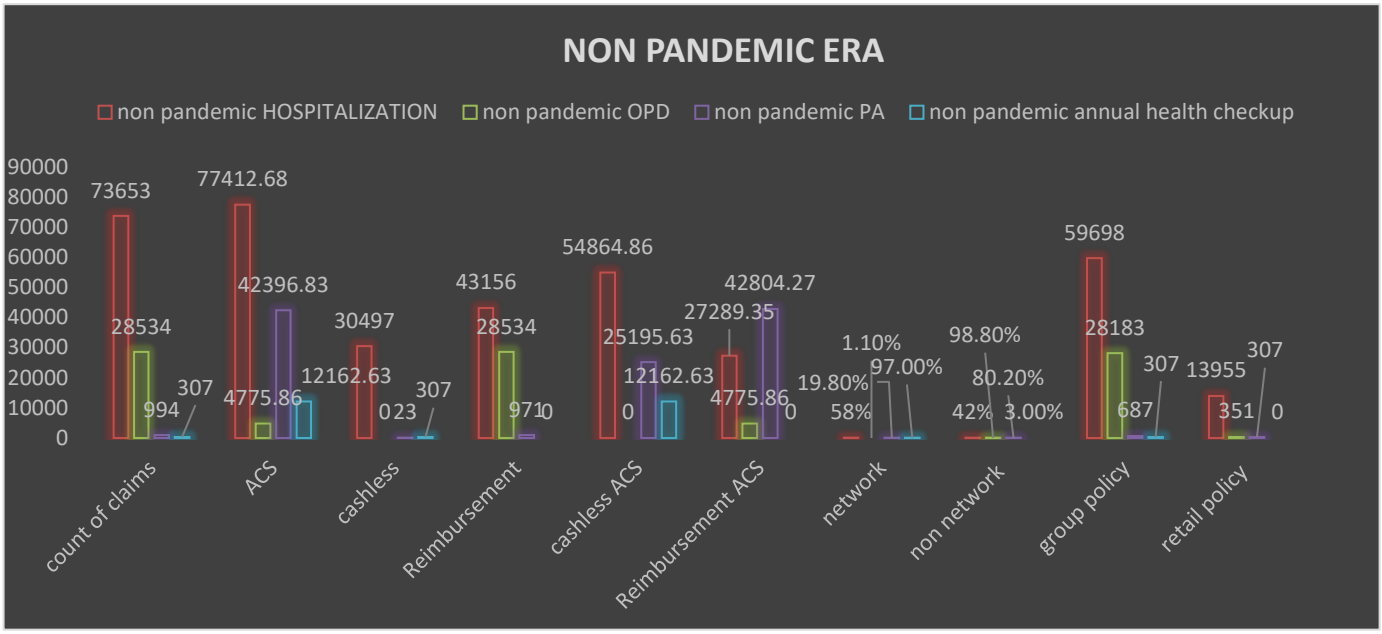


Figure 4.6: COMPARISION OF NON PANDEMIC CLAIMS (jan-19 to feb-20). – HOSPITALISATION, PA, OPD AND ANNUAL HEALTH CHECK UP

- This graph depicts comparison of hospitalization, opd, PA and annual health checkup during non-pandemic era (jan-19 to feb-20).
- During non-pandemic hospitalization claims reported were 71%, opd claims were 27.5%, personal accident claims were 0.9% and annual health checkup were less than 1%.
- In hospitalization, 41% cases are for cashless claim and 59% are for reimbursement claim, whereas 58% of claims are from network hospital, which means despite of getting cashless facility insured or hospital are going for reimbursement claim.

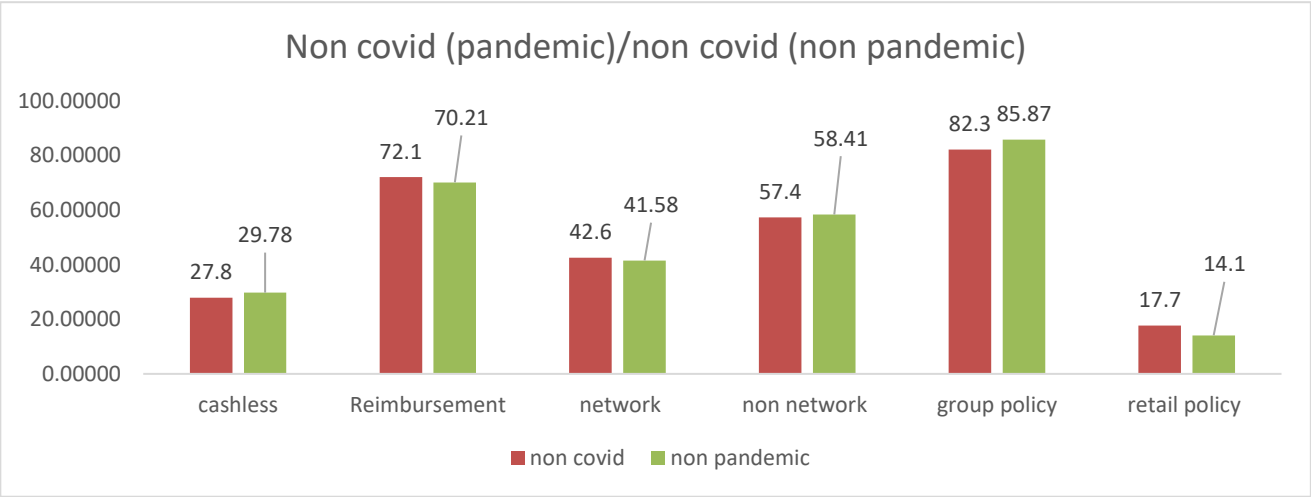
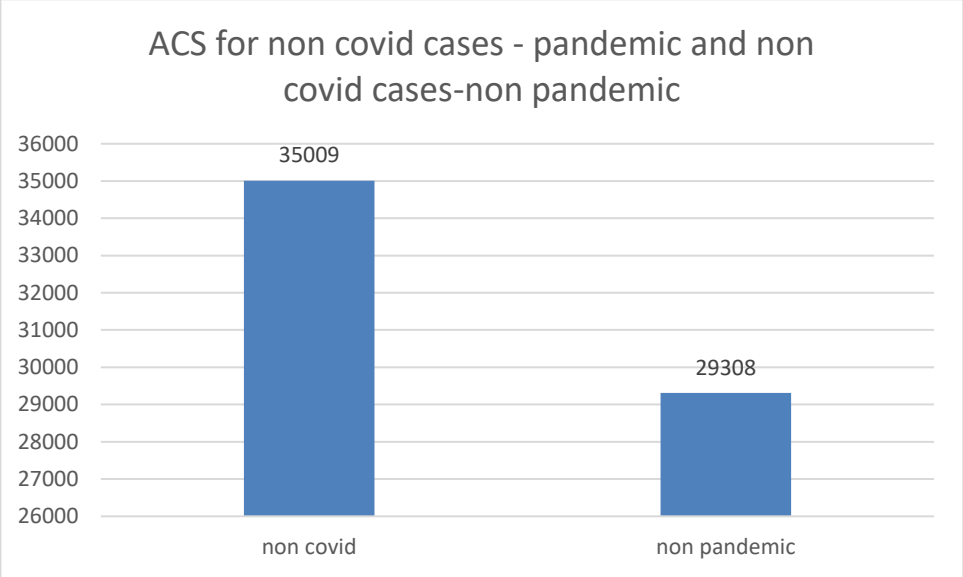


Figure 4.7: COMPARSION NON-COVID CASES IN PANDEMIC (march-20 to april-21) AND NON-COVID CASES IN NON PANDEMIC (jan-19 to feb-20).

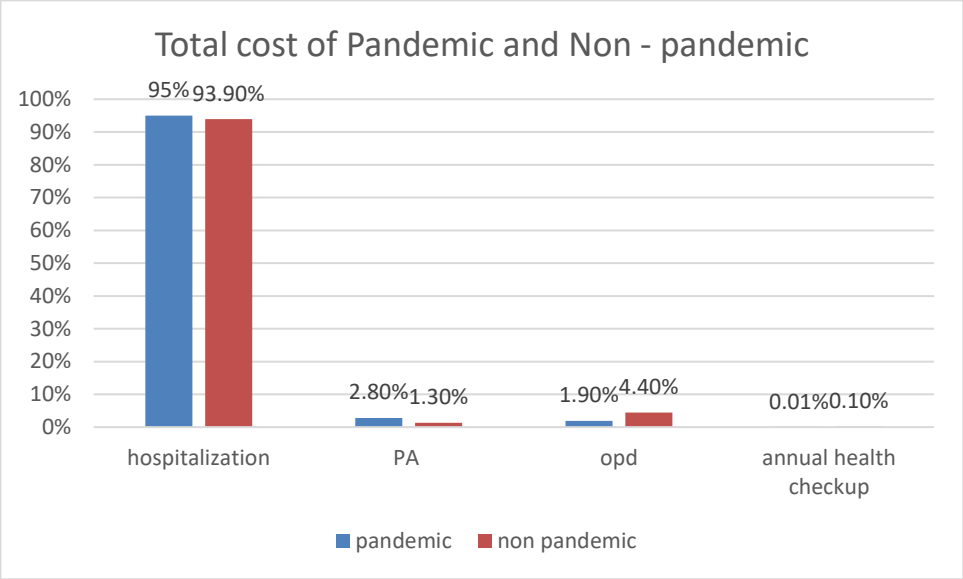
This graph depicts comparison of non-covid claims in pandemic (march-20 to april-21) versus non covid claims in non-pandemic (jan-19 to feb-20).

Figure 4.8: Comparison of ACS for non-covid claims in pandemic (march-20 to april-21) versus ACS for non-covid claims in non-pandemic (jan-19 to feb-20).



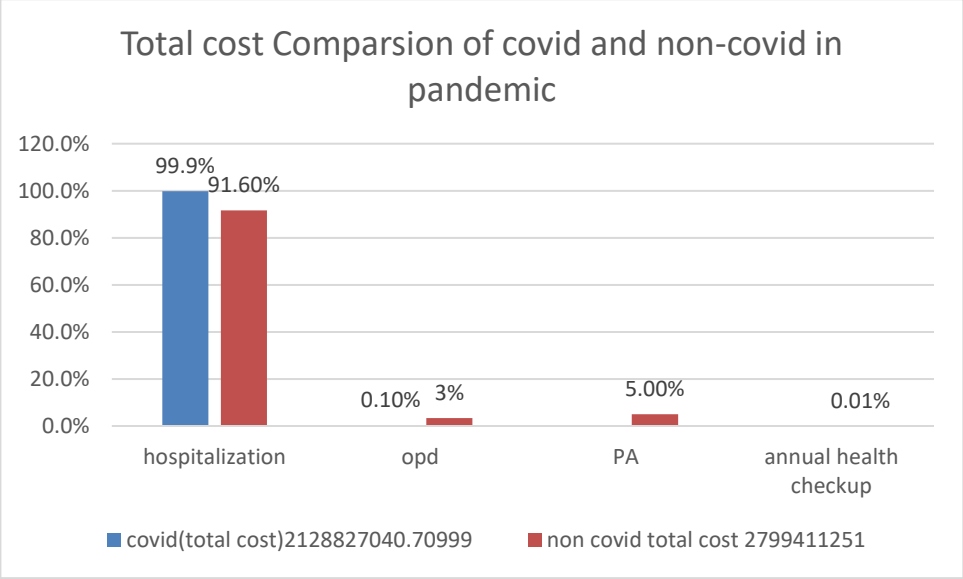
This graph depicts comparison of ACS for non-covid claims in pandemic (march-20 to april-21) versus ACS for non-covid claims in non-pandemic (jan-19 to feb-20). Although there were more cases in non-pandemic as compared to non-covid cases but there was increase in ACS for non-covid. The possible reason for this could be that during pandemic hospitals were taking extra precautionary measures like mandatory RT-PCR Test, PPE Kit etc and also most of the hospitals were converted into covid centres so it led increase in hospital charges during pandemic for non-covid treatment as well.

Figure 4.9: Total cost of Pandemic (march-20 to april-21). and Non - pandemic (Jan-19 to Feb 20)



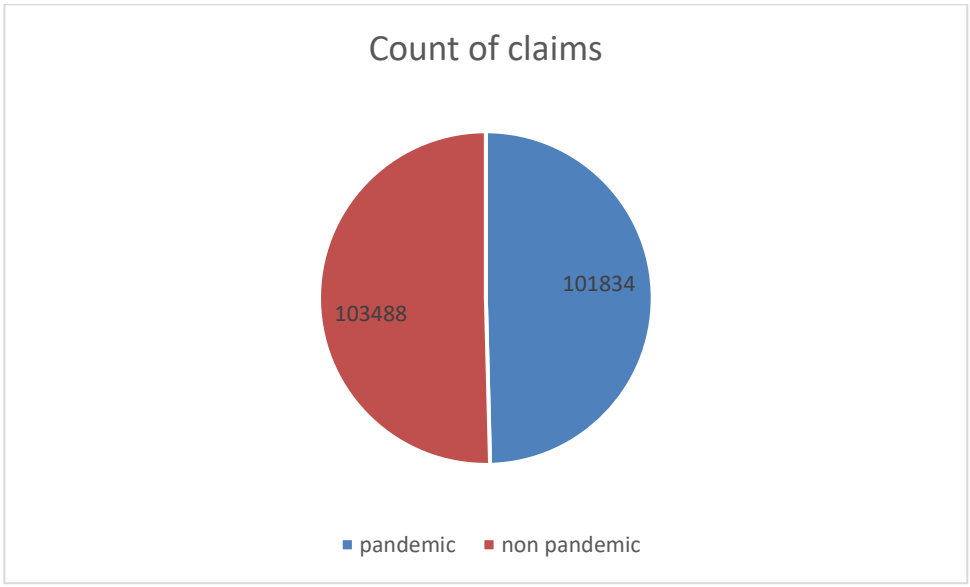
This graph depicts contribution of hospitalization, opd, PA and annual health checkup in total cost for pandemic and non-pandemic era.

Figure 4.10: Total cost Comparison of covid and non-covid in pandemic (march-20 to april-21).



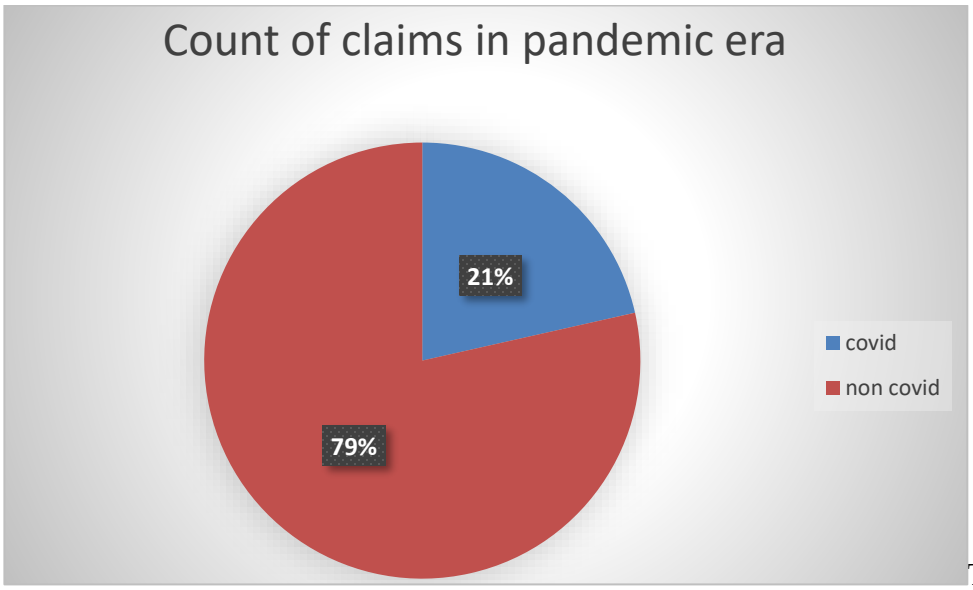
This graph depicts contribution of hospitalization, opd, PA and annual health checkup in total cost for covid and non-covid claims in pandemic era (march-20 to april-21).

Figure 4.11: COUNT OF CLAIMS IN PANDEMIC AND NON- PANDEMIC ERA (jan-19 to feb-20).



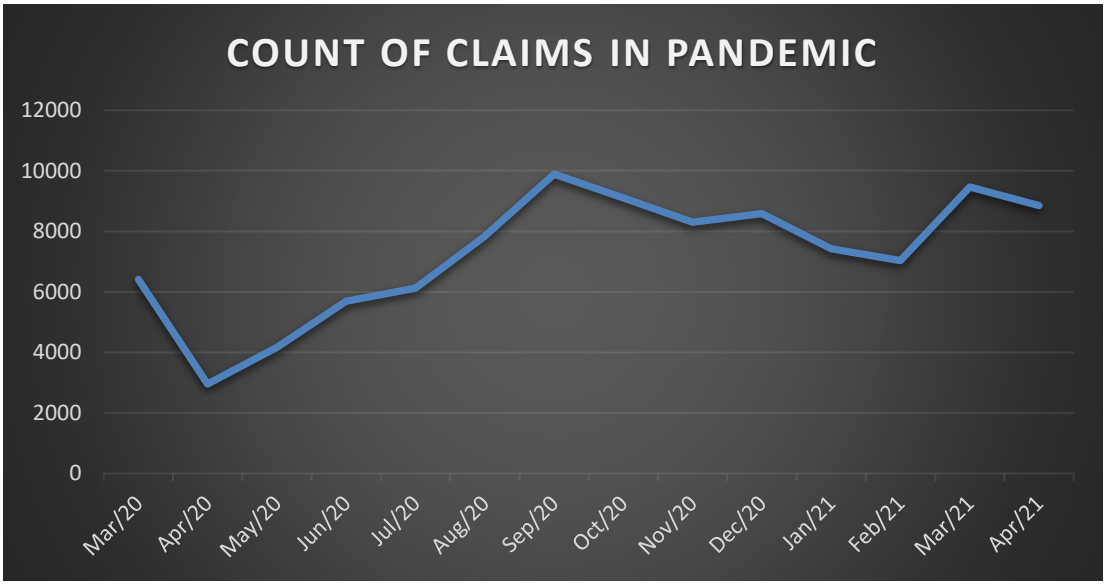
This graph depicts comparison of total claims count in pandemic era (march-20 to april-21) and non-pandemic era (jan-19 to feb-20).

Figure 4.12: COUNT OF CLAIM FOR COVID AND NON-COVID CASES IN PANDEMIC (march-20 to april-21) .



This graph depicts percentage of covid claims and non-covid claims during pandemic era (march-20 to april-21).

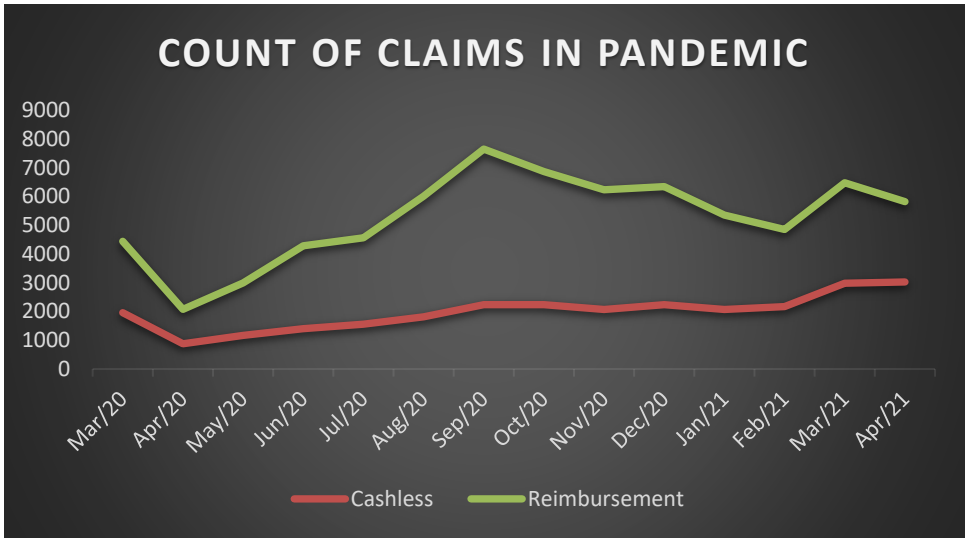
Figure 4.13: PANDEMIC (march-20 to april-21) MONTH WISE COMPARSION OF CLAIM COUNT



This graph depicts comparison of claim counts over the period from march-20 to april-21 in pandemic era.

- There was decrease in claims count till April 2020 because covid was just started in the month of March and since the infection was spreading rapidly insured prefer not to go to hospitals for minor treatment as hospitals has higher chances of infection.
- Whereas we can see that there was increase in claim till the month of September 2020, the possible reason for this could be that in April IRDA has announced that covid treatment would be covered under policy and the number of cases was also increasing so claims were increased.
- We can see that again there is fall in claims till February 2021, possible reason for this could be that covid cases were decreased at that time but hospitals were still not performing elective procedures, so it led to decrease in number of claims. But since second wave came during March 2021 so again it led to rapid increase in number of claims

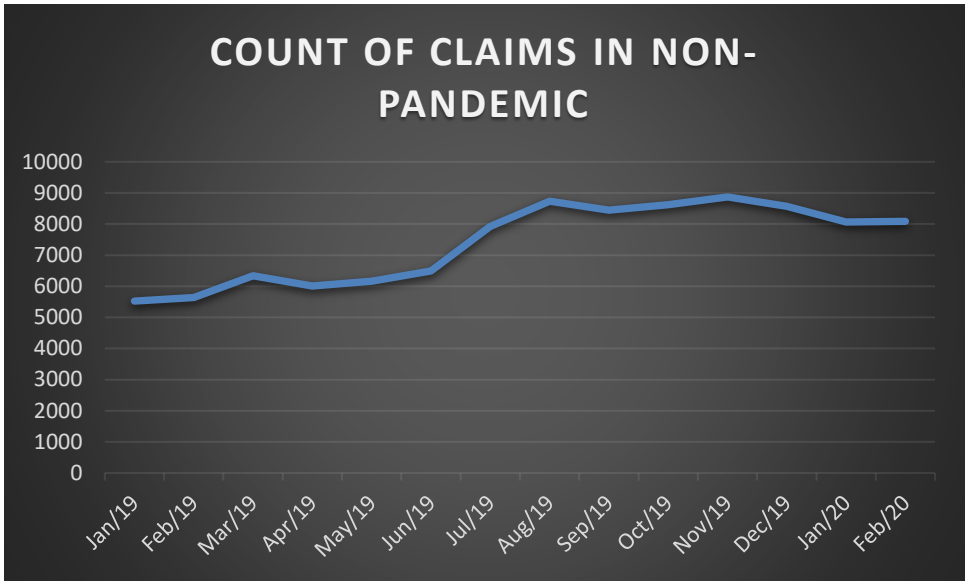
Figure 4.14: PANDEMIC (march-20 to april-21) MONTH WISE COMPARSION OF CASHLESS AND REIMBURSMENT CLAIM



This graph depicts comparison of cashless claim count versus reimbursement claim count in pandemic era over the period from march-20 to april-21.
As we can observe that there is significant increase in reimbursement claim after April when IRDA launched their corona guidelines for covid claims but there is only a slight increase in cashless claim

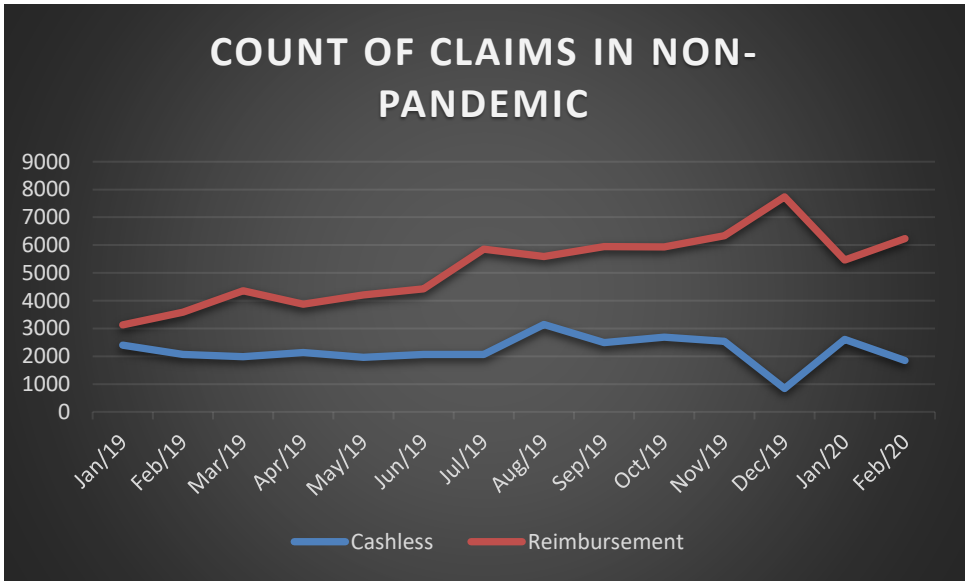
- Possible reason could be that corona rakshak benefit policy was introducing for corona cases and as it's a benefit policy it doesn't have a cashless facility so therefore there is an increase in reimbursement claim as covid cases increased

Figure 4.15: NON- PANDEMIC (jan-19 to feb-20) MONTH WISE COMPARSION OF CLAIM COUNT



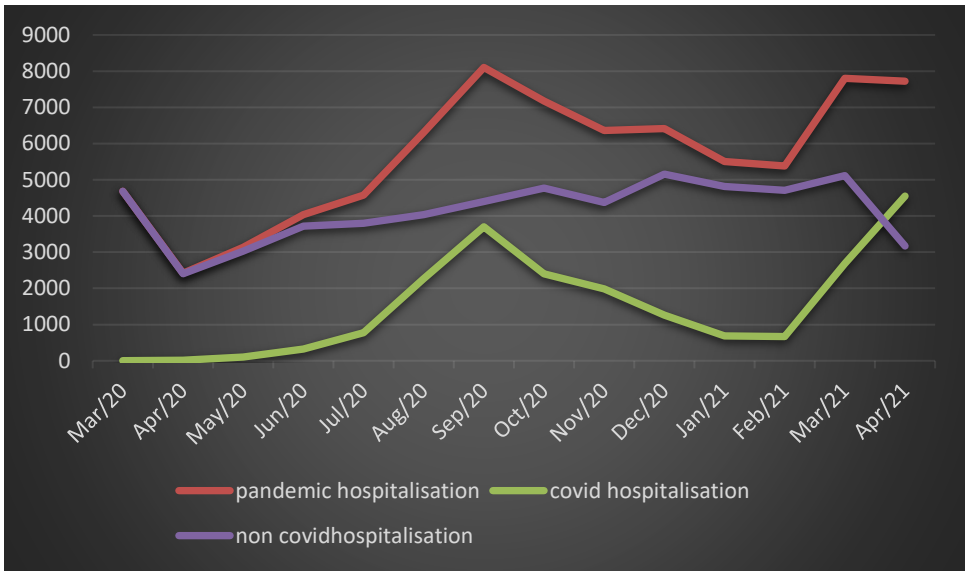
This graph depicts comparison of claim counts over the period from jan-19 to feb-20 in non-pandemic era.

Figure 4.16: NON PANDEMIC (jan-19 to feb-20) MONTH WISE COMPARSION OF CASHLESS AND REIMBURSMENT CLAIM



This graph depicts comparison of cashless claim count versus reimbursement claim count in non-pandemic era over the period from jan-19 to feb-20.

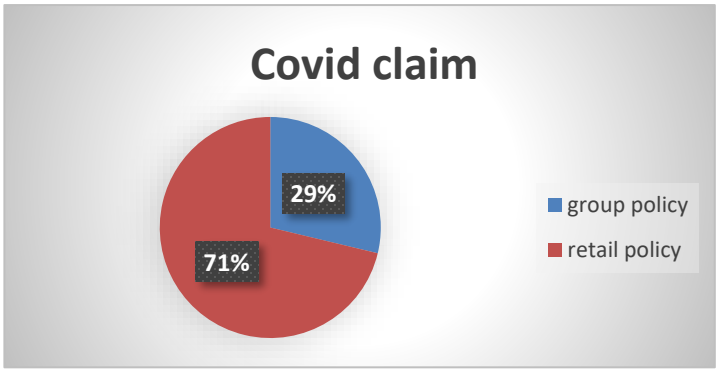
Figure 4.17: MONTH WISE COMPARSION OF HOSPITALISATION OF PANDEMIC (march-20 to april-21.), COVID CASES DURING PANDEMIC AND NON COVID CASES DURING PANDEMIC



This graph depicts the month wise hospitalisation for pandemic, covid hospitalisation and non-covid hospitalisation.

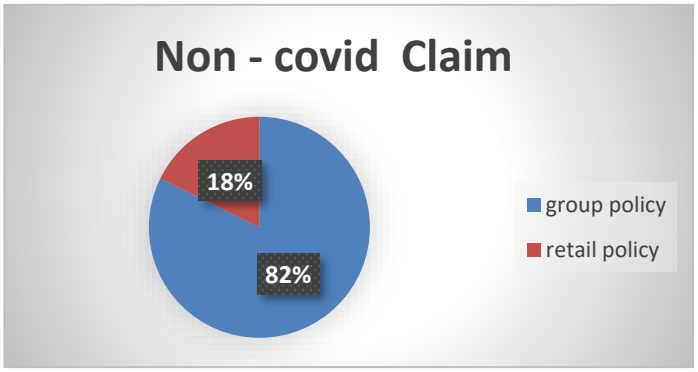
- As its shown that There was decrease in claims count till April 2020 because covid was just started in the month of March and since the infection was spreading rapidly insured prefer not to go to hospitals for minor treatment as hospitals has higher chances of infection
- Whereas we can see that there was increase in covid hospitalisation which caused an increase in pandemic hospitalisation till the month of September 2020, the possible reason for this could be that in April IRDA has announced that covid treatment would be covered under policy and the number of cases was also increasing so claims were increased.
- There were constant increases in covid case and then they peaked in September and after that the number of cases decline slowly till feb -21 than again they started increasing as 2 nd wave of covid came in India.

Figure 4.18: BIFURCATION OF GROUP AND RETAIL POLICY FOR PANDEMIC (march-20 to april-21.) COVID CASES



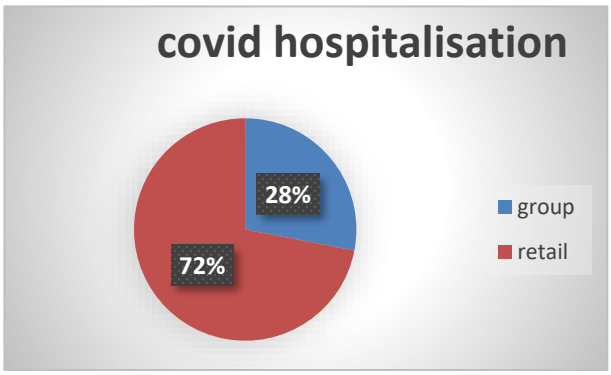
This graph depicts percentage of group policy and retail policy under covid claims.

Figure 4.19: BIFURCATION OF GROUP AND RETAIL POLICY FOR PANDEMIC (march-20 to april-21.) NON COVID CASES



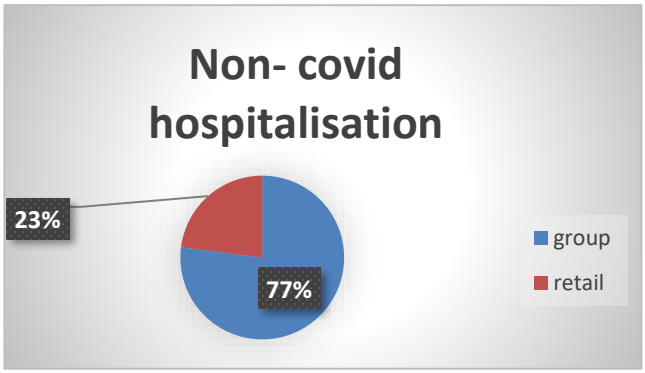
This graph depicts percentage of group policy and retail policy under non covid claims.

Figure 4.20: BIFURCATION OF GROUP AND RETAIL POLICY FOR PANDEMIC (march-20 to april-21.) COVID HOSPITALIZATION



This graph depicts percentage of group policy and retail policy under covid hospitalization claims.

Figure 4.21: BIFURCATION OF GROUP AND RETAIL POLICY FOR PANDEMIC (march-20 to april-21.) NON COVID HOSPITALIZATION



This graph depicts percentage of group policy and retail policy under non covid hospitalization claims.

5.1 DISCUSSION:-

Our research expected to find the effect of covid-19 pandemic on claims count and claims type at Future Generali Health. For this data was collected from previous one year non pandemic era (jan-19 to feb-20) and from pandemic era (march-20 to April-21). Data was extracted through claims register. It consists of entries of insured name, policy number, hospital name, hospital city, network/non network hospital, type of claim whether cashless or reimbursement, final amount, date of intimation, date of admission, final diagnosis etc. Data was bifurcated on the basis of actual date of admission of the patient. After bifurcation into pandemic and non-pandemic era, data was further bifurcated into covid and non-covid claims and they were further bifurcated into hospitalisation, personal accident, opd and annual health checkup.

For pandemic era it was found out that out of total 101834 cases, 21% of the claims were dedicated towards covid and 79% claims were for non-covid cases. According to research conducted by policybazaar.com it has been reported that during the first five months of the current fiscal year, therapy for covid-19 accounted for as much as 11% of all health insurance claims paid by insurance companies. The study also found that between April 2020 and August 31, 2020, 89 percent of health insurance claims were for significant illnesses such as cancer, heart difficulties, kidney problems, and therapy.

It was found that there was not much difference in claims count in pandemic and non-pandemic era. In non-pandemic era there were total of 103488 claims whereas in pandemic era there were 101834 claims, which is nearly equal. Through our research it was found that although claims count were nearly equal for pandemic and non-pandemic era but average claim cost for pandemic era (48394.82) was much more higher than non-pandemic era (29308.3). According to Indian express research, average covid claim amount was Rs 154,808 as of march 2021 and the average amount settled for per person was RS 95,622 on all India basis. Through some research, it was found that some hospitals are charging exorbitantly for rooms in covid management, blaming it on the high costs of isolation wards, sanitization, waste management protocols, special teams etc.

Since covid cases were rising very rapidly so severely infected people were taking admission to hospitals wherever they were getting bed availability, irrespective of the fact whether it is network hospital or non-network hospital. So network and non-network hospital percentage was nearly equal of 51% and 49% respectively.

According to research from moneycontrol.com it has been reported that hospitals, part of the empanelled cashless network of insurance companies, are often not honouring cashless facilities. These hospitals are demanding huge deposits before admitting the patient, despite a valid insurance policy. Hospitals blame this on liquidity issues and delayed payments from insurance companies. This could be the reason as our cashless claim settlement for covid cases were just 25% and reimbursement cases are 75%.

For covid claims 29% of the claims were under group policy and 71% were under retail policy. Whereas for non-covid cases 82% of claims were under group policy and only 18% was under retail policy. The IRDAI has ruled out a steep hike in premium in health insurance policies despite a rapid rise in claims by policyholders. Since the launch of CoronaRakshak and CoronaKavach policy by IRDAI, it has been reported that a greater number of people are buying these policies for them and their family.

In pandemic era, 78% cases were from hospitalization, approximately 21% cases were reported from OPD, 1% cases were reported from personal accident and annual health check-up was less than 1% during pandemic. There were 0 cases for cashless covid OPD, as insurance policy usually don’t have a cover for cashless opd.

During pandemic for non-covid claims, hospitalization claims reported were 73%, OPD-26%, personal accident were 1% and annual health checkup was less than 1%. Whereas during non-pandemic hospitalization claims reported were 71%, opd claims were 27.5%, personal accident claims were 0.9% and annual health checkup were less than 1%. In hospitalization, 41% cases are for cashless claim and 59% are for reimbursement claim.

In future generali health count of claims were constantly increasing from March 2020 and September was found as a peak month. According to studies, the daily number of covid-19 cases in India will increase exponentially beginning in March 2020. The total confirmed

cases in march was around 37,000 whereas there were around 104 total claims for covid hospitalisation in future generali in the month of may 2020.

For covid claims, 29% of the claims were from group policy and 71% of claims were from retail policy whereas for non-covid claims, 82% of claims were from group policy and 18% were from retail policy.

6.1 Conclusion

Covid has impacted the Insurance industry in several way after analysing and comparing the data the conclusion was as during the pandemic the claim should be increased but it was more or less same as hospitals had to shut down their elective surgery procedure due to risk of covid-19 infections and less availability of beds so claims where more or less similar but ACS was majorly impacted during covid as ACS for pandemic era was much more higher than non – pandemic ,other than ACS cashless claims were also impacted as during pandemic hospitals and insured preferred reimbursement claims over cashless , another thing which was impacted was policy type despite of covid claims are covered in normal policy insured preferred buying corona policy which resulted in having a higher percentage of covid claims from Retail policy.

6.2 RECOMMENDATIONS :-

- As it has been observed that only 50% of the claims were from network hospitals so future generali should encourage on empaneling more hospitals.
- For future waves of covid-19, future generali India insurance should be prepared to pay a huge amount towards the claim, as it was observed during the study, that though the number of cases were nearly same but still the ACS for pandemic was comparatively high.
- As it has observed that majority proportion of total claim cost is dedicated towards hospitalization so Future Generali provider network should try to have a capping on tariff for hospitalization of covid treatment so that would help us to reduce the impact of covid pandemic on the total ACS.
- As we have seen that ACS for pandemic era is high and also there is high chance of receiving more claims towards covid19 in coming year as risk is high so Future Generali should create new business strategies, prioritise investments, reconsider which industry verticals and customer segments to target, and create products, services, and pricing strategies for prioritised segments These practises have the potential to increase revenue.
- Resolving critical issues in a timely manner will be critical for future customer and employee relationships. Insurers must keep a close eye on market developments and respond effectively and sensitively.
- Insurers' primary focus should be on reviewing and updating their crisis management plans, as well as taking steps to ensure that operations continue with minimal disruption to clients.

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