# Study on Health Insurance Claims Reported in Covid - 19 Pandemic and Non – Pandemic era at Future Generali India Insurance

Dissertation
Submitted to

**The IIHMR University, Jaipur**

For the partial fulfilment for the award of the degree of Master of Business Administration (MBA)

In

Hospital and Health Management

By

Shanaia Kumar

Under the Supervision and Guidance of

Dr Pallavi Choudhary Agarwalla

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**DECLARATION BY STUDENT**

I hereby declare that this dissertation Study on Health Insurance Claims Reported in Covid -19 Pandemic and Non – Pandemic era 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 Information derived from the published or unpublished work of others has been duly acknowledged in the text.

Name: - Shanaia Kumar

**CERTIFICATE**

This is to certify that Shanaia Kumar 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/his internship at Future Generali India Insurance Company Ltd titled Study on Health Insurance Claims Reported in Covid -19 Pandemic and Non – Pandemic era at Future Generali India Insurance

Place: - Pune
Date: - 26 June 2021

Mr. Raghavendar Gundor
Assistant VP – Health Claims
Future Generali India Insurance Company Ltd

## CERTIFICATE

This is to certify that dissertation titled Study on Health Insurance Claims Reported in Covid – 19 Pandemic and Non – Pandemic era at Future Generali India Insurance is a record of the research work undertaken by Shanaia kumar in partial fulfilment 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 his/her approach to the research study has been sincere, scientific, and analytical.

| | |
|---|---|
| Dr Pallavi Choudhary Agarwalla | School Dean |
| IIHMR University, Jaipur | IIHMR University, Jaipur |
| Date | Date |

**Study on Health Insurance Claims Reported in Covid -19 Pandemic and Non – Pandemic era at Future Generali India Insurance**


## Abstract

Corona virus disease is an infectious disease, first case of covid -19 was found in wuhan city china and soon it turn 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 forward with lot of new rules and regulation in order to stop the spread of virus. 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 hospitalisation 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 Covid - 19 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 Covid - 19 Pandemic , To compare total number of covid, non covid, Hospitalisation, accidental and OPD claims in Covid - 19 Pandemic and Non - Pandemic era and Approach that was used during this study was, after collecting data for Non – Covid - 19 Pandemic and Covid - 19 Pandemic era the necessary bifurcation was done for the further analysis

Non – Covid - 19 Pandemic data was bifurcated in to Hospitalisation, personal accidental, annual health check-up and OPD claims

Whereas for Covid - 19 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 is not much impact on claim count but covid has surely impacted the ACS of the claims



**Keywords: -** Pandemic, Insurance claim, Average Claim cost, Health Insurance

**Acknowledgement**

I would like to express my deepest appreciation to all those who made it possible to complete this report.

I would like to thank my mentor Mr Raghavendar Gundor and Mr Ashish sahoo to guide me throughout this Report without there encouragement, guidance and support it won't be possible and I would also like to express my Gratitude towards Future Generali India Insurance to give me chance to complete this report and to provide me all the necessary resources for the same

I would like to thank my Faculty guide Dr Pallavi Choudhary Agarwalla Assistant Professor IIHMR University, Jaipur, Dr P.R Sodani, President IIHMR University, Jaipur who supported and guided me throughout this report

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## Table of Abbreviations

| | |
|---|---|
| IRDAI | Insurance regulatory development authority of India |
| CDC | Centre for Disease Control |
| NSSO | National sample survey office |
| FGH | Future Generali Health |
| OPD | Outpatient Department |
| ACS | Average cost of claims |
| PA | Personal Accident |
| AHC | Annual Health Check-up |

## 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 "(CDC 2020). In less than 3 months, after the first confirmed case in Wuhan, China (December 2019), COVID-19 has been spreading rapidly across the world, spiraling into Covid - 19 Pandemic affecting" "215 countries and territories in all 5 continents by May 12, 2020. On January 30, 2020, the unrelenting spread of COVID-19 prompted the World Health Organization to declare it a public health emergency, and on March 12, 2020 COVID-19 was declared a pandemic. This Covid - 19 Pandemic has caused great social and economic disruptions, leading to a decline in consumption, investment, services, and industrial production activities around the world." 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 sector which was impacted is insurance. "India is among the 15 worst COVID-19 affected economies. A McKinsey report suggests that the outbreak has decreased the global insurance index by 22.6% leading to a decline in share prices by 25.9%."

Insurance is a legal agreement between two parties i.e. the insurance company (insurer) and the individual (insured). In this, the insurance company promises to make good the losses of the insured on happening of the insured contingency. The contingency is the event which causes a loss. It can be the death of the policyholder or damage/destruction of the property. It's called a contingency because there's an uncertainty regarding happening of the event. The insured pays a premium in return for the promise made by the insurer.

In the year 2016, the NSSO delivered the report "Key Indicators of Social Consumption in India: Health" in light of its "71st round of reviews. The study did in the year 2014 discovered that, over 80% of Indians are not covered under any medical coverage plan, and just 18% (government supported 12%) of the metropolitan populace and 14% (government financed 13%) of the rural population was covered under any type of health care coverage.

Health care coverage “takes care of expense of a guaranteed 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 hasn't set aside much cash. This is particularly crippling for seniors, since the majority of the illnesses hit at an old age. Health care coverage can likewise be depicted as an agreement between an insurance agency and a person. Obligation identifying with wellbeing has pushed some low-and center pay families into destitution. Cash based consumption has been assessed to be straightforwardly answerable for the developing of destitution in both provincial and metropolitan regions, pushing 32 million to 39 million Indians into poverty every year.

The IRDAI has instructed insurers to accept COVID-19 related claims under active health insurance policies. Since the risk of COVID-19 is not currently priced under active products, these claims may cause an additional burden on the books of insurers if treated outside government hospitals.

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 issued guidelines for insurance providers and asked the insurers to accept COVID-19 related claims under active health insurance policies. Since the risk of COVID-19 is not currently priced under active products, these claims may cause an additional burden on the books of insurers if treated outside government hospitals. With the constant increase in the number of cases and the prolonged duration of the crisis, the IRDAI has mandated all general and health insurers to start offering Corona Kavach – an indemnity based health plan and Corona Rakshak – a fixed benefit health insurance – policies to their customers. These policies are meant for covering hospital and medical expenses of COVID 19 patients. While in the midst of a Covid - 19 Pandemic like this it becomes even more important to have the right health cover and the right amount of coverage.

**About Future Generali**

Future Generali India Insurance Company Limited is a joint venture between Future Group – the game changers in Retail Trade in India and Generali – a 187 years old global insurance group featuring among the world's 60 largest companies*.The company was incorporated in September 2007 with the objective of providing retail, commercial, personal and rural insurance solutions to individuals and corporates to help to mitigate risk

Future Generali India has been serving the customers by leveraging upon its global Insurance expertise in diverse classes of products of Generali Group and the Indian retail game changers Future Group. Having firmly established its credentials in this segment and effectively leveraging on the skill set of both its JV partners, Future Generali India has evolved to become a Total Insurance Solutions Company.

Health insurance group under future generali includes following departments:-

1. **Underwriting-** underwriting department evaluates and analyze the risks involved in insuring people and assets. Insurance underwriters establish pricing for accepted insurable risks.
2. **Claim: - A** health insurance claim is a request that a health insurance policyholder submits to the Insurance Company in order to obtain the services that are covered in their health insurance policy.
3. **Provider network** – this department is mainly involved with empanelment of hospitals, diagnostic centres and investigators under network.
4. **Enrolment**- this department handles the endorsement process, all the addition and deletion of member data, issuance of health ID card.
5. **Customer service** – this departments handles all the customer calls, queries, requests and complaints and resolve them.

**Claims**

A health insurance claim is a request that a health insurance policyholder submits to the Insurance Company in order to obtain the services that are covered in their health insurance policy. A health insurance policyholder can either get reimbursed or can opt for direct claim settlement option (also known as cashless treatment) for the availed medical services. In this way, one can either submit the claim form or request the health insurance provider cashless services.

Claim is a very important part of Insurance Company and Covid - 19 Pandemic do have an impact on claims.

**Types of Health Insurance Claim**

Giving medical care services when required is the genuine utility of a health care coverage plan. To guarantee ideal and simple settlement of the multitude of clinical costs, one needs to initiate the health insurance claim process.

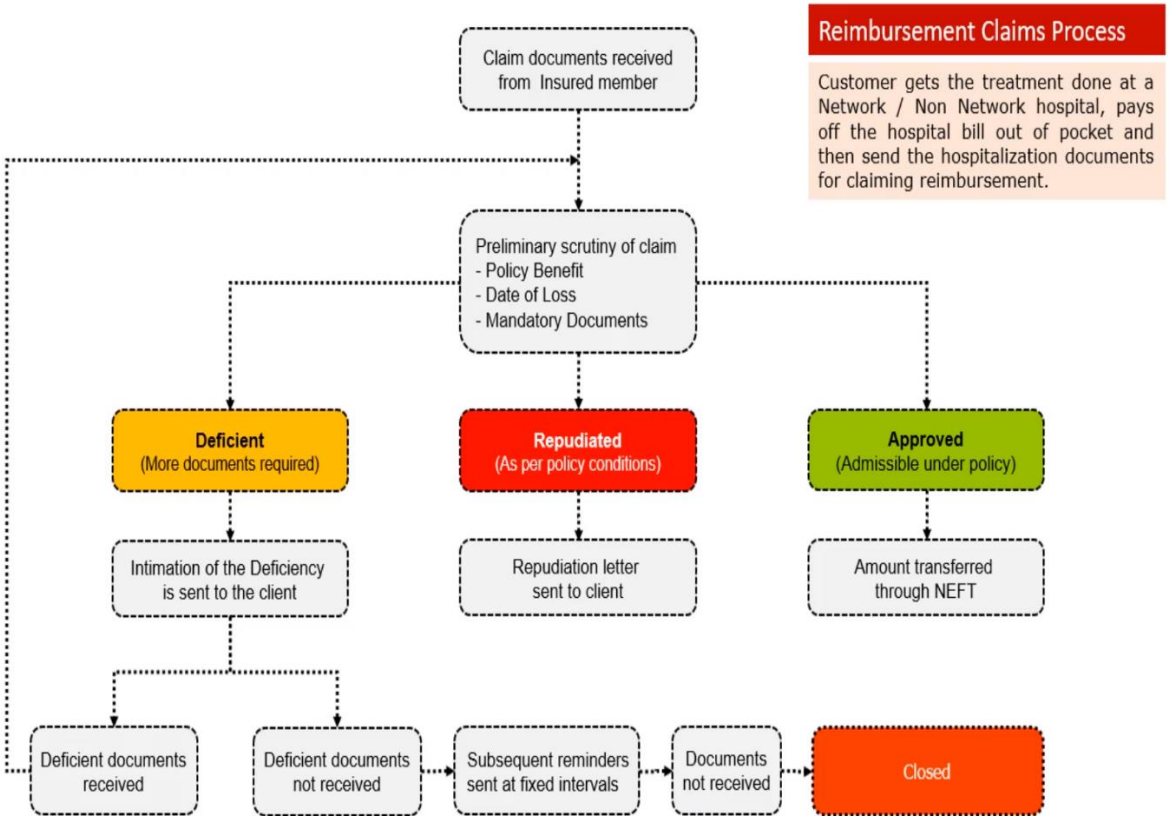
There are two ways to claim a health insurance policy:

1. **Cashless Claim**

"In this type of health insurance claim, the insurer settles all the hospitalization bills with the hospital directly. However, an insured needs to be hospitalized only at a network hospital to get the benefit of cashless hospitalization"

## 2. Reimbursement Claim

"In this type of claim process, the policyholder pays for the hospitalization expenses initially from his own pocket and later requests for reimbursement by the insurance provider. One can get reimbursement facility at both network and non-network hospitals in this case"




The purpose of this study is to find out how Covid - 19 Pandemic has affected claims count and type of claims in future generali and also to find out that out of total claims how may 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 Covid - 19 Pandemic era or decreased so that we can prepare for any future Covid - 19 Pandemic if it occurs.

## 2. Review of Literature

| S.NO | Title | Author ( Year ) | Objective | Research Design | Findings |
|---|---|---|---|---|---|
| 1 | A Study of Health Insurance in India | Dr. Rana Rohit Singh , Abhishek Singh April 2014 | To study the concept and structure of health insurance in India. | Descriptive Research Design | The present study clearly indicates that there is a large proportion of population still uncovered from the health insurance Products. However over a period of last years, this sector has witnessed a rapid expansion. Attracting from the potential growth in this sector, a good number of private health insurers With foreign collaborations have been able to create their market share. |
| 2. | Health Insurance and the demand for medical care :- evidence from a randomised experiment | W.Manning , J.Newhouse , N.Duan , E.Keeler , M.Marquis -2000 | To estimate How cost sharing, the portion of the bill the patient pays, affects the demand for medical services. | Randomized Research Design | A catastrophic insurance plan reduces expenditures 31 percent relative to zero out-of-pocket price. The price elasticity is approximately -0.2. We reject the hypothesis that less favourable coverage of outpatient services increases total expenditure |
| 3. | Service Quality Perception of customer about | Vikas Guatam , 2011 | To study is to compare and analysis the service quality perception of | Descriptive research design | Customers perceive better quality of service for public sector insurance companies as compared to private sector insurance companies. |

| | | | | | |
|---|---|---|---|---|---|
| | insurance companies | | customer about the public sector and private sector insurance companies | | |
| 4. | Customers perceive better quality of service for public sector insurance companies as compared to private sector insurance companies. | P.Fronstin , 2012 | To study the Consumer Engagement in Health Care | Descriptive research design | Health Care Survey finds continued slow growth in consumer-driven health plans: 10 percent of the population was enrolled in a CDHP, up from 7 percent in 2011. Enrolment in HDHPs remained at 16 percent. Overall, 18.6 million adults ages 21-64 with private insurance, representing 15.4 percent of that market, were either in a CDHP or were in an HDHP that was eligible for an HSA. When their children were counted, about 25 million individuals with private insurance, representing about 14.6 percent of the market |
| 5. | Evolution of the Indian Health Insurance Sector: A review | Monica Bhatia , Sachin Mittal , Alok Bansal , 2010 | 1. To understand the changes those have taken place in health insurance sector with time. 2. To identify the | Systematic review | Medical emergency one may have to face. The importance of health insurance becomes more prominent due to rise in the medical costs and increasing financial burden. Ahuja (2004) mentioned that it is to be understood that health insurance per se is just a financing mechanism which does not |

| | | | | | |
|---|---|---|---|---|---|
| | | | opportunities and challenges for the growth of Indian health insurance sector | | guarantee efficient delivery of health services. Expanding the health insurance without considering the availability of medical services may not serve any purpose (Bhat and Saha, 2004). Thus, more and more hospitals should be networked and the facilities provided by them should be regulated so as to ensure effectiveness of healthcare system as a whole |
| 6. | The Influence of customer relationship Managemen t on customer relation in the insurance sector | Xing Liew and Nellikunnel Devasai Syriac , 2019 | The objective for the research is to examine the effect the customer relationship management on customer retention in the insurance | Cross sectional study design | They had a finding that customer relationship do effect the customer retention in a insurance company |
| 7. | Impact of covid -19 on Insurance market | Aegon life Research , December 2020 | To study the impact of COVID-19 on global insurance markets is largely felt through asset risks | Cross sectional study | The finding for this study was that before the outbreak of COVID-19 in India, only a meagre 10% of people showed interest in purchasing insurance to cover medical emergencies, including pandemics and infectious diseases. Now, however, 71% of people consider it a necessity1. |

| | | | | | |
|---|---|---|---|---|---|
| 8. | Impact of COVID-19 on Insurance Industry | Ekanath Hattangadi & Vikram Singh | To study the impact of COVID-19 on insurance Industry | | The Insurance carriers have lost roughly 48% of their market value since the crisis commenced; with life & health insurance carriers particularly hit hard with average drops of 58%. The cost of COVID-19 testing and treatment is likely to squeeze health insurers' profits, which could lead to higher premiums in 2021. To cover these costs, enabling insurers to remain solvent in a period of increased claims firms will have to consider increased premiums in the range of 4 - 40% in 2021. |
| 9. | Understanding the covid 19 impact on Insurance sector on 2021 | Deloitte research insight | To forecast the impact of covid -19 on 2021 economy | | Deloitte's third-quarter US forecast includes a 55% probability that under the most likely scenario, with the population being vaccinated throughout 2021, there may still be "significant drags on economic growth."[18] Worse, there is a 25% probability of facing a "no end in sight" scenario where a vaccine is delayed, resulting in protracted weakness in the economy |

## 3. Research Gap

At Future Generali Health There was no study done on Covid -19 Pandemic impact on Health Insurance Claims and ACS of claims

## 4. Research Objective

To Study the Health Insurance claims reported at Future Generali Health during the Covid - 19 Pandemic (Mar-20 to Apr-21) and non- Pandemic (Jan-19 to Feb-20)

1. To analyse the claim count reported and Average claim cost
2. Identifying the impact on claim count and claim cost during the covid-19 pandemic
3. To compare total number of covid, non covid, Hospitalisation, accidental and OPD claims in Covid - 19 Pandemic and Non - Pandemic era

## 5. Research Methodology

**Research question**

To Understand how Covid - 19 Pandemic has impacted the claim count and claim cost at Future Generali India insurance.

**Research design**

Research design used in this project is Descriptive cross - sectional study design In this study we have considered two era Non - Pandemic and Covid - 19 Pandemic era on several aspects such as claim count, Average claim cost , Cashless and reimbursement claim and there average claim cost etc.

**Research Approaches: -** Quantitative approach

**Data Collection: -** secondary data record of claim for past 2 years was collected from the Health Buzz tracker software for Health Insurance claims at Future Generali Health and Future analysis was done using Microsoft excel

**Study population**

For this study the data of claims has been collected for two different years for the comparative analysis ,The first set of data is collected for January 2019- February 2020

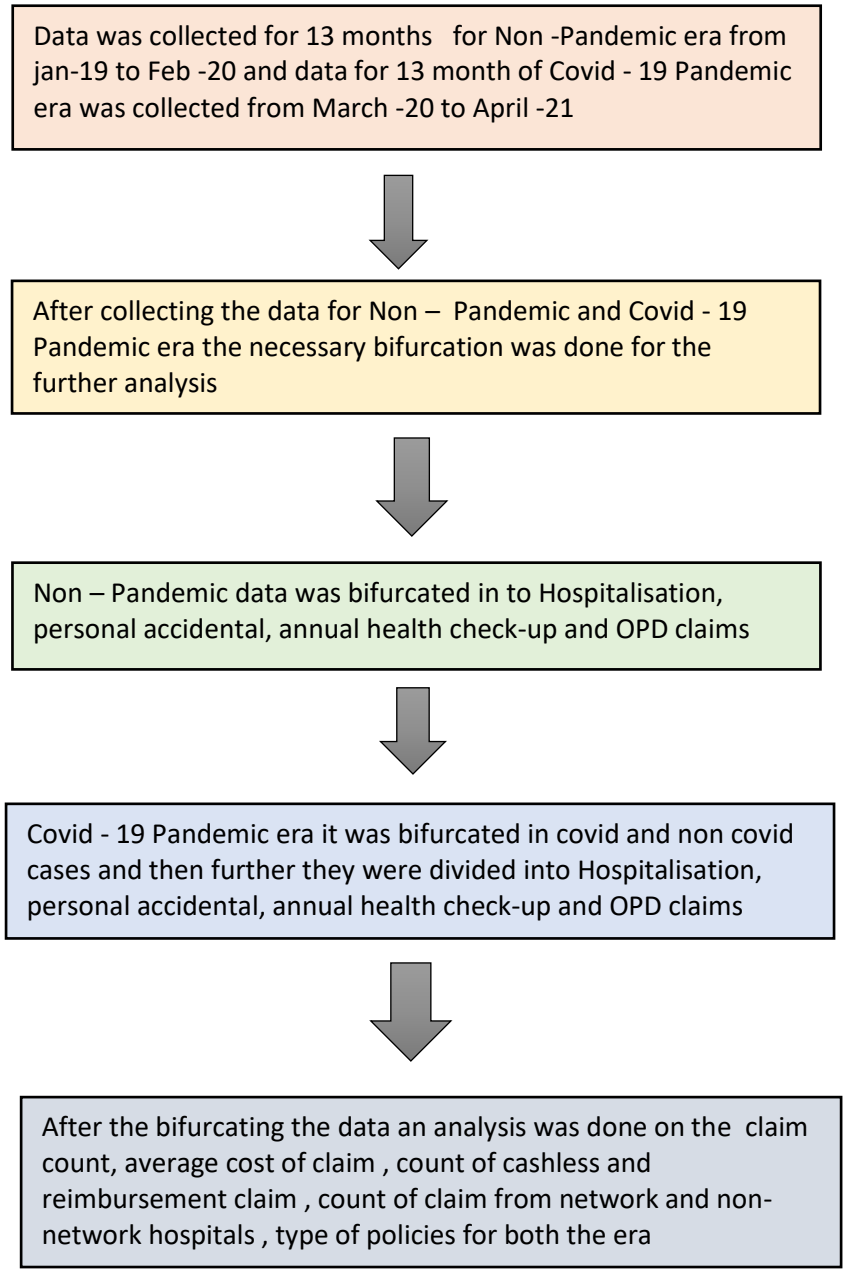
and this data set is considered as the Non – Pandemic era as there were no covid cases at this time

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

**Sample size: - No sampling is done, Whole population has been considered**

2, 05,322 claims were claimed in two consecutive year January 2019- February 2020 and, March 2020 – April 2021

**Study approach**



## 6. Analysis and Interpretations

After gathering and bifurcating the data, analysis was done using Ms. Excel

**Table 1.1 for Non – Covid - 19 Pandemic era (Jan -19 to Feb -20)**

| | NON PANDEMIC | HOSPITALIZATION | OPD | PA | Health checkup |
|---|---|---|---|---|---|
| count of claims | 103488 | 73653 | 28534 | 994 | 307 |
| ACS | 29308.3 | 77412.68 | 4775.86 | 42396.83 | 12162.63 |
| cashless | 30827 | 30497 | 0 | 23 | 307 |
| Reimbursement | 72661 | 43156 | 28534 | 971 | 0 |
| cashless ACS | 54417.4 | 54864.86 | 0 | 25195.63 | 12162.63 |
| Reimbursement ACS | 18655.63 | 27289.35 | 4775.86 | 42804.27 | 0 |
| % of network | 41.58% | 58% | 1.10% | 19.80% | 97.00% |
| % of non network | 58.41% | 42% | 98.80% | 80.20% | 3.00% |
| group policy | 88875 | 59698 | 28183 | 687 | 307 |
| retail policy | 14613 | 13955 | 351 | 307 | 0 |
| total cost | 3033064111 | 2850913164 | 136274570 | 42142449 | 3733928 |

Table 1.1 contains the data for Non - Pandemic era (Jan -19 to Feb -20) it shows the data for Non Pandemic as whole, Hospitalisation during Non - Pandemic era , OPD during Non – Covid - 19 Pandemic , Personal accident during Non - Pandemic, Health checkup during Non – Pandemic

**Table 1.2 for Covid - 19 Pandemic era (March 20 to April -21)**

| | Pandemic | covid claims | non covid claim | PA | Hospitalisation | OPD | Annual Health checkup |
|---|---|---|---|---|---|---|---|
| count of claims | 101834 | 21871 | 79963 | 641 | 80082 | 21024 | 85 |
| ACS | 48394 | 97326 | 35009 | 66496 | 59797 | 4461 | 5117 |
| cashless | 27830 | 5523 | 22306 | 5 | 27744 | 0 | 85 |
| Reimbursement | 74004 | 16348 | 57657 | 636 | 52338 | 21042 | 0 |
| cashless ACS | 76782 | 120284 | 66010 | 25245 | 76999 | 0 | 5117 |
| Reimbursement ACS | 37713 | 89532 | 23010 | 66756 | 50679 | 4591 | 0 |
| % of network | 45418 | 11325 | 34094 | 114 | 42724 | 2470 | 85 |
| % of non network | 56418 | 10543 | 45871 | 98867 | 37360 | 18555 | 0 |
| Total cost | 4928238292 | 2128827041 | 2799427679 | 42491199 | 4788722143 | 34390512 | 435019 |
| group policy | 72083 | 6287 | 65799 | 373 | 51132 | 20491 | 85 |
| retail policy | 29751 | 15584 | 14164 | 268 | 28950 | 533 | 0 |

Table 1.2 contains the data for Covid - 19 Pandemic era (March 20 to April -21) it Depicts the data for Covid - 19 Pandemic as whole, Covid claim during pandemic, Non – covid during Covid - 19 Pandemic Hospitalisation during Covid - 19 Pandemic era, OPD during pandemic, Personal accident during pandemic, Health checkup during Covid - 19 Pandemic

**Table 1.3 for Non covid claims in Covid - 19 Pandemic era (March 20 to April -21)**

| | Non covid | Hospitalization | PA | OPD | Health checkup |
|---|---|---|---|---|---|
| count of claims | 79963 | 58168 | 923 | 20794 | 78 |
| ACS | 35009 | 44097.2 | 150781.78 | 4559.87 | 4916.88 |
| cashless | 22306 | 22221 | 7 | 0 | 78 |
| Reimbursement | 57657 | 35947 | 916 | 20794 | 0 |
| cashless ACS | 66010 | 65978 | 157283.1457 | 0 | 4916.88 |
| Reimbursement | 23010 | 30571.7 | 150732.1 | 4559.64 | 0 |
| % of network | 34094 | 31386 | 218 | 2412 | 78 |
| % of non netwo | 45870 | 26782 | 705 | 18382 | 0 |
| group policy | 65798 | 44788 | 543 | 20389 | 78 |
| retail policy | 14165 | 13380 | 380 | 405 | 0 |
| Total cost | 2799411251 | 2565047613 | 139171589 | 94813449 | 378600 |

Table 1.3 Depicts the data for Non covid claims in Covid - 19 Pandemic era (March 20 to April -21) it Depicts the data for Non covid claims in Covid - 19 Pandemic as whole, Non covid Hospitalisation claim during Covid - 19 Pandemic era, Non covid OPD claim during pandemic, Personal accident during pandemic, Health check-up during Covid - 19 Pandemic

**Table 1.4 for covid claims during Covid - 19 Pandemic era (March 20 to April -21)**

| | covid | covid hospitalisation | covid opd |
|---|---|---|---|
| count of claims | 21871 | 21449 | 422 |
| ACS | 97335 | 99142.88889 | 5476.817536 |
| cashless | 5523 | 5523 | 0 |
| Reimbursement | 16348 | 15926 | 422 |
| cashless ACS | 120284.3635 | 120284.3635 | 0 |
| Reimbursement ACS | 89582.60956 | 91811.20708 | 5476.817536 |
| network | 11215 | 11215 | 0 |
| non network | 10656 | 10234 | 422 |
| group policy | 6286 | 6014 | 272 |
| retail policy | 15585 | 15435 | 150 |
| Total cost | 2128827041 | 2126515824 | 2311217 |

Table 1.4 Depicts the data for covid claims in Covid - 19 Pandemic era (March 20 to April -21) it Depicts the data for Non covid claims in Covid - 19 Pandemic as whole, covid Hospitalisation claim during Covid - 19 Pandemic era, covid OPD claim during Covid - 19 Pandemic

**Figure 1.1 Comparison of covid/ non covid claims in Covid - 19 Pandemic era**

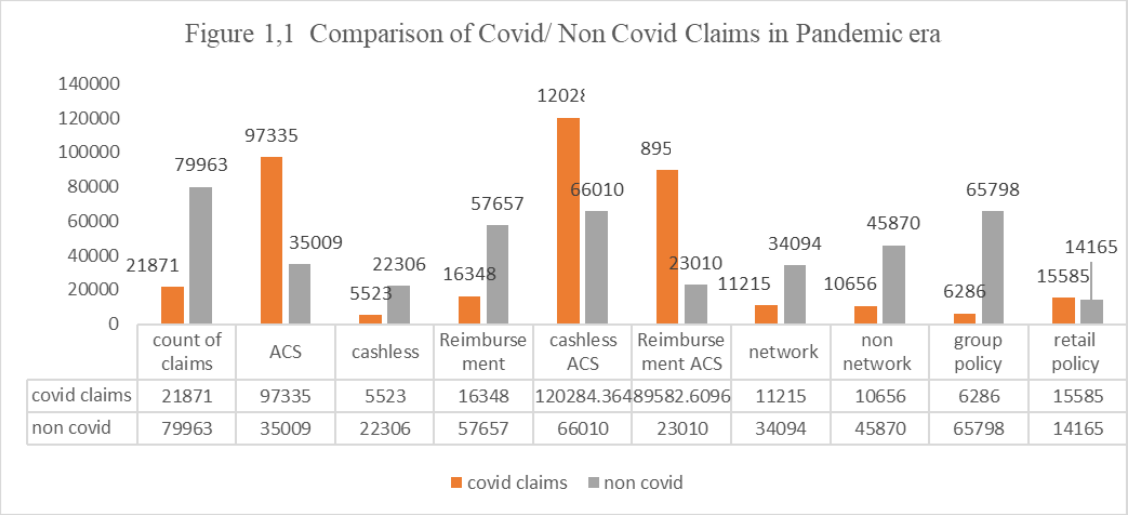



Figure 1.1 depicts comparison of covid versus non covid claims in Covid - 19 Pandemic era (March 2020- April 2021)

- Covid claims reported during Covid - 19 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 don't 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's 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 1.2 Comparison of Covid - 19 Pandemic era (March-20 to April-21) and Non –Pandemic era (Jan-19 to Feb-20)**

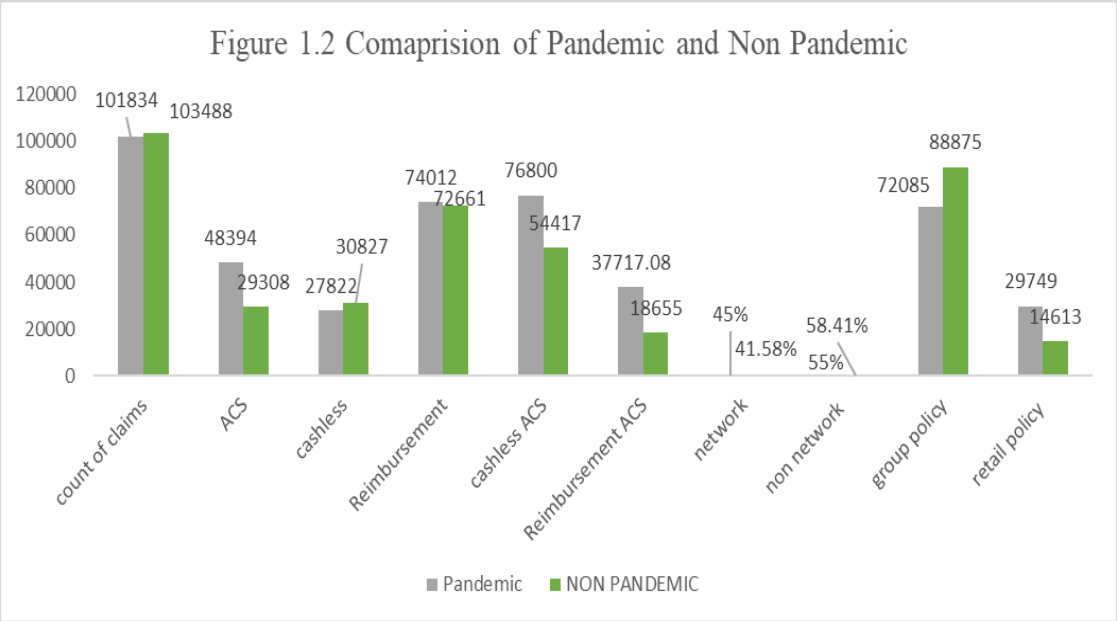
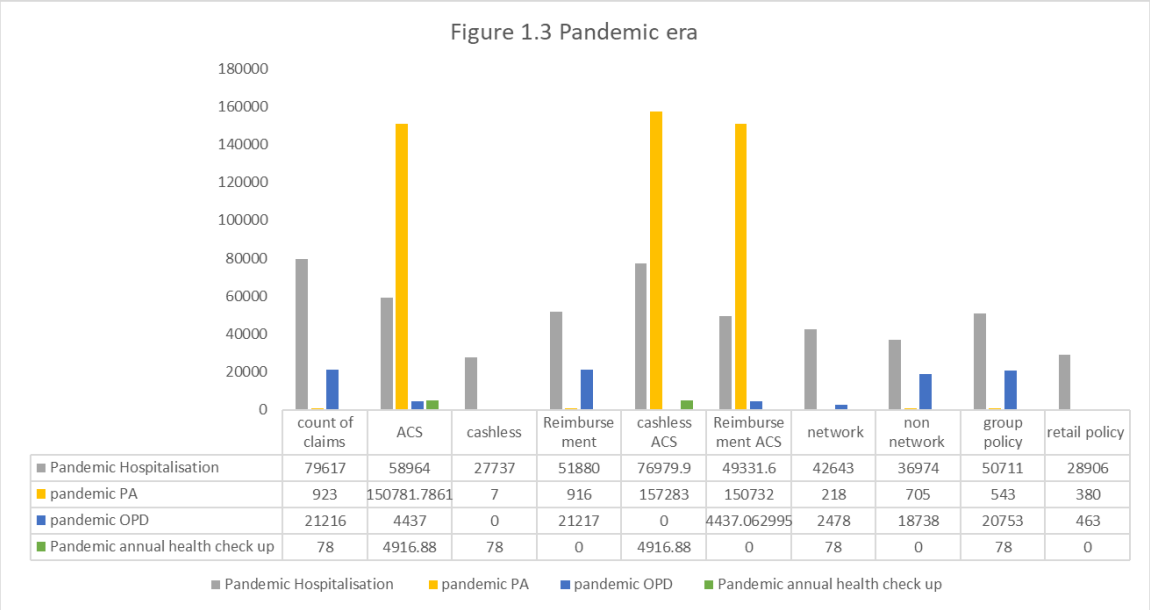



Figure 1.2 depicts comparison of Non - Pandemic era claims (jan-19 to feb-20) versus Covid - 19 Pandemic era claims (march-20 to april-21).

- As it was observed that in Covid - 19 Pandemic and Non - Pandemic era claim count was nearly equal despite of the fact there were additional covid claims in Covid - 19 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 were nearly equal, but there was significant difference between the ACS of Covid - 19 Pandemic and Non - Pandemic era. As we observed that ACS for covid claims was much higher compared to non covid cases in Covid - 19 Pandemic and cases in non-pandemic

Figure 1.3 Comparison of Covid - 19 Pandemic claims (march-20 to april-21). – Hospitalisation, PA, OPD and annual health check up




| | count of claims | ACS | cashless | Reimbursement | cashless ACS | Reimbursement ACS | network | non network | group policy | retail policy |
|---|---|---|---|---|---|---|---|---|---|---|
| Pandemic Hospitalisation | 79617 | 58964 | 27737 | 51880 | 76979.9 | 49331.6 | 42643 | 36974 | 50711 | 28906 |
| pandemic PA | 923 | 150781.7861 | 7 | 916 | 157283 | 150732 | 218 | 705 | 543 | 380 |
| pandemic OPD | 21216 | 4437 | 0 | 21217 | 0 | 4437.062995 | 2478 | 18738 | 20753 | 463 |
| Pandemic annual health check up | 78 | 4916.88 | 78 | 0 | 4916.88 | 0 | 78 | 0 | 78 | 0 |

Figure 1.3 depicts comparison of whole Covid - 19 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 1.4 Comparison of covid claims in Covid - 19 Pandemic era (march-20 to april-21) covid hospitalisation and covid OPD**

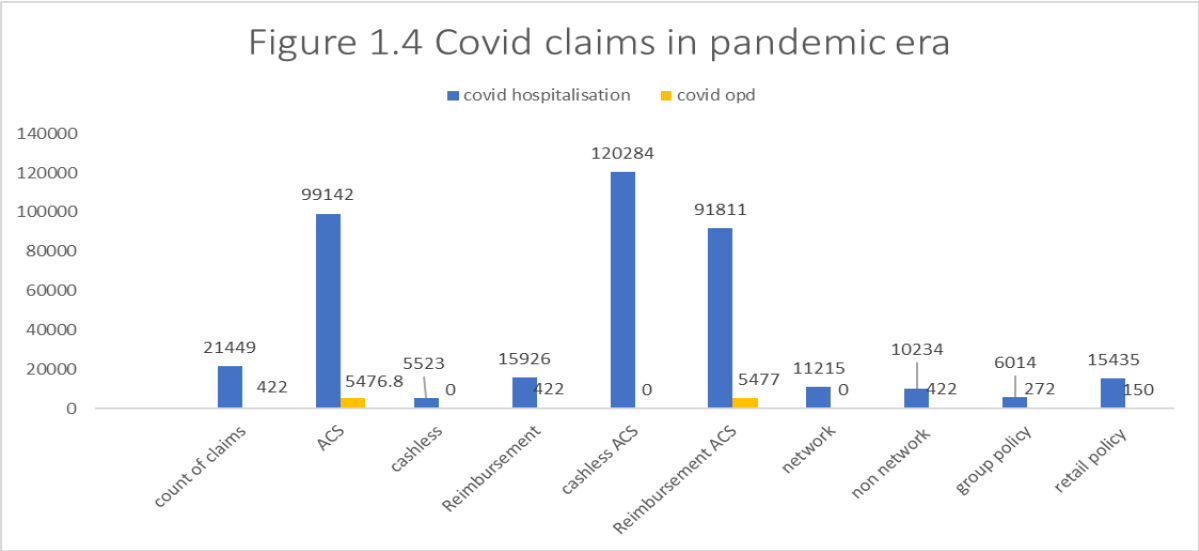
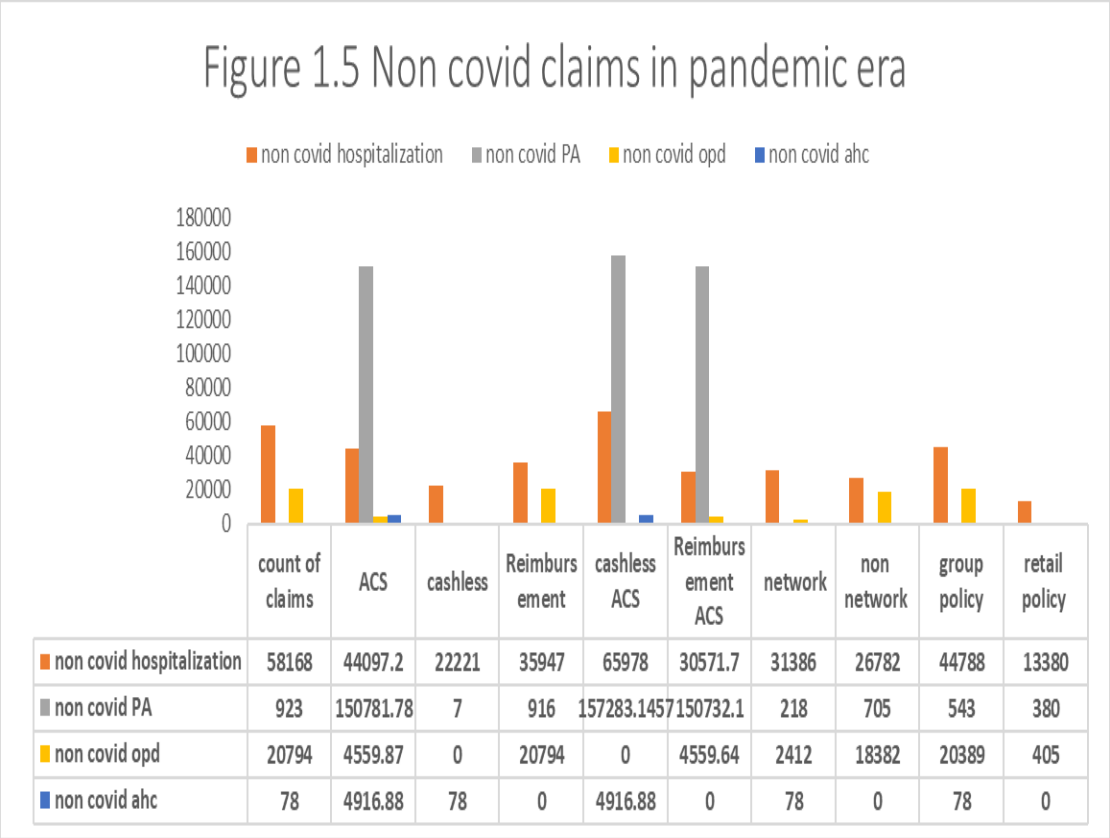



Figure 1.4 depicts comparison of all the covid claims in Covid - 19 Pandemic era (march-20 to april-21). Comparison is done among covid hospitalization versus covid OPD

- 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 1.5 Comparison of non covid claims in Covid - 19 Pandemic (march-20 to april-21) – hospitalisation, PA, OPD and annual health check up**

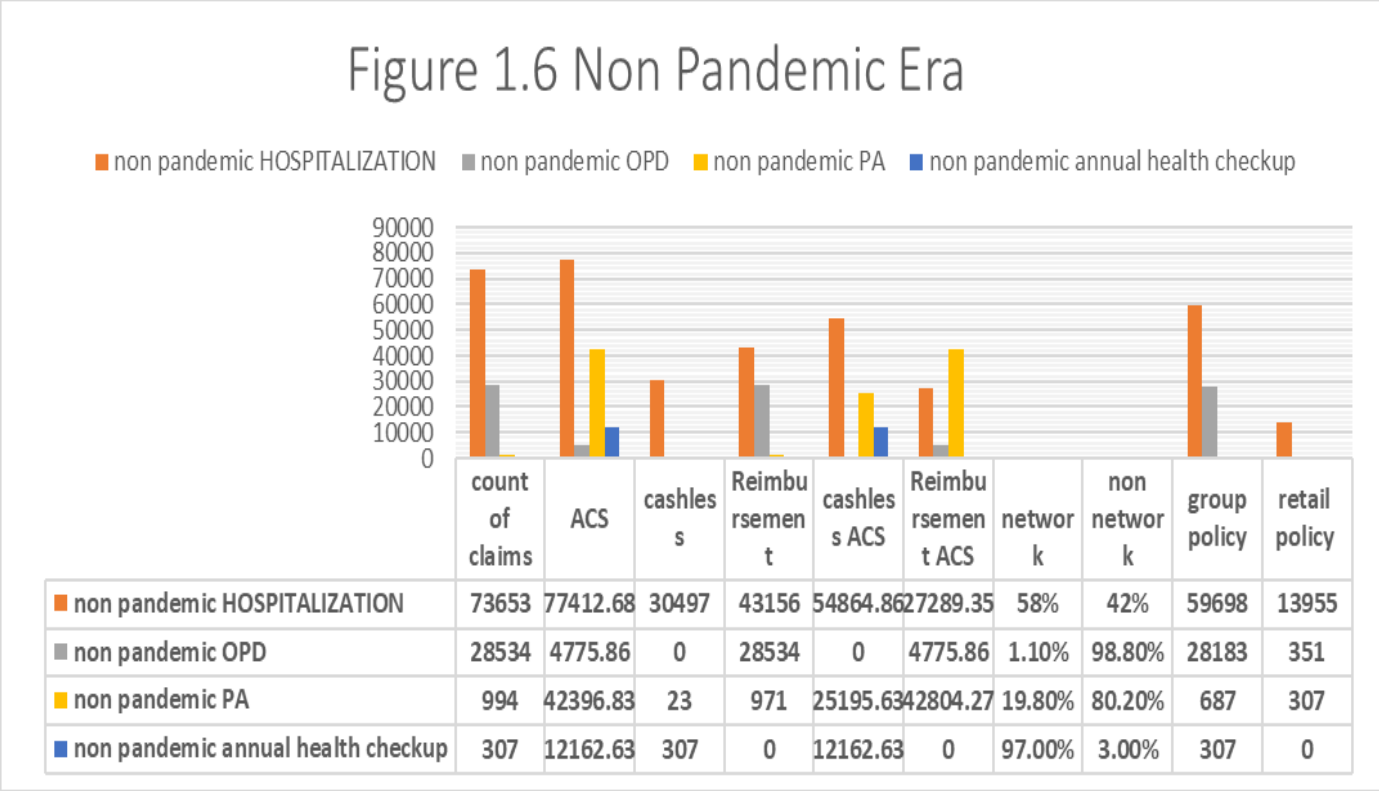



| | count of claims | ACS | cashless | Reimbursement | cashless ACS | Reimbursement ACS | network | non network | group policy | retail policy |
|---|---|---|---|---|---|---|---|---|---|---|
| non covid hospitalization | 58168 | 44097.2 | 22221 | 35947 | 65978 | 30571.7 | 31386 | 26782 | 44788 | 13380 |
| non covid PA | 923 | 150781.78 | 7 | 916 | 157283.1457 | 150732.1 | 218 | 705 | 543 | 380 |
| non covid opd | 20794 | 4559.87 | 0 | 20794 | 0 | 4559.64 | 2412 | 18382 | 20389 | 405 |
| non covid ahc | 78 | 4916.88 | 78 | 0 | 4916.88 | 0 | 78 | 0 | 78 | 0 |

Figure 1.5 depicts comparison among all the non covid claims during Covid - 19 Pandemic era (march-20 to april-21). The comparison is done among hospitalization, OPD, PA and annual health check-up for non covid cases.

- During pandemic, hospitalization claims reported were 73%, OPD- 26%, personal accident were 1% and annual health check-up was less than 1%.
- In pandemic, as we observed covid claims are mostly from retail policy whereas for non covid claims were mostly from group policy. The possible reason for this could be that group policy generally covers non covid claims

**Figure 1.6 Comparison of Non - Pandemic claims (jan-19 to feb-20). – Hospitalisation, PA, OPD and annual health check up**




| | count of claims | ACS | cashless | Reimbursement | cashless ACS | Reimbursement ACS | network | non network | group policy | retail policy |
|---|---|---|---|---|---|---|---|---|---|---|
| non pandemic HOSPITALIZATION | 73653 | 77412.68 | 30497 | 43156 | 54864.86 | 27289.35 | 58% | 42% | 59698 | 13955 |
| non pandemic OPD | 28534 | 4775.86 | 0 | 28534 | 0 | 4775.86 | 1.10% | 98.80% | 28183 | 351 |
| non pandemic PA | 994 | 42396.83 | 23 | 971 | 25195.63 | 42804.27 | 19.80% | 80.20% | 687 | 307 |
| non pandemic annual health checkup | 307 | 12162.63 | 307 | 0 | 12162.63 | 0 | 97.00% | 3.00% | 307 | 0 |

Figure 1.6 depicts comparison of hospitalization, OPD, PA and annual health check-up 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 check-up 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 1.7 Comparison non-covid cases in Covid - 19 Pandemic (march-20 to april-21) and non-covid cases in Non - Pandemic (jan-19 to feb-20).**

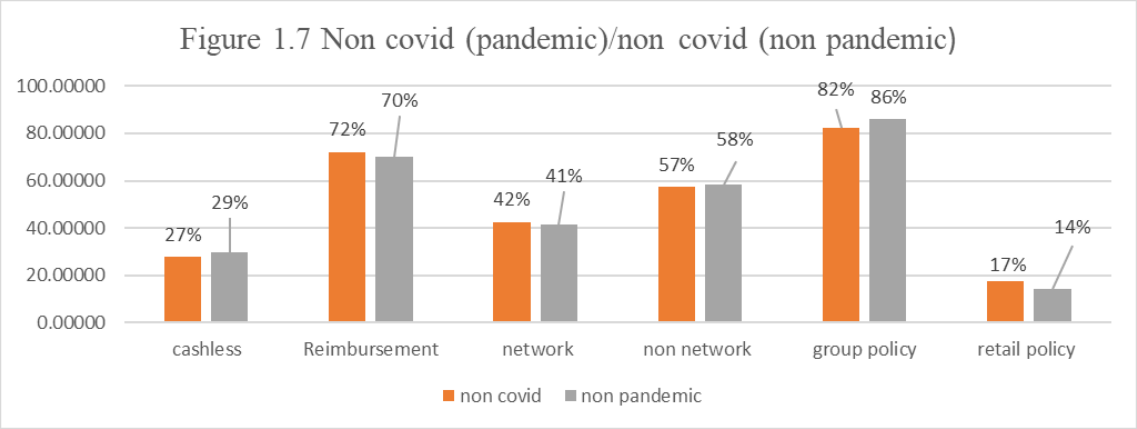



Figure 1. 7 depicts comparison of non covid claims in Covid - 19 Pandemic (march-20 to april-21) versus non covid claims in Non - Pandemic (jan-19 to feb-20).

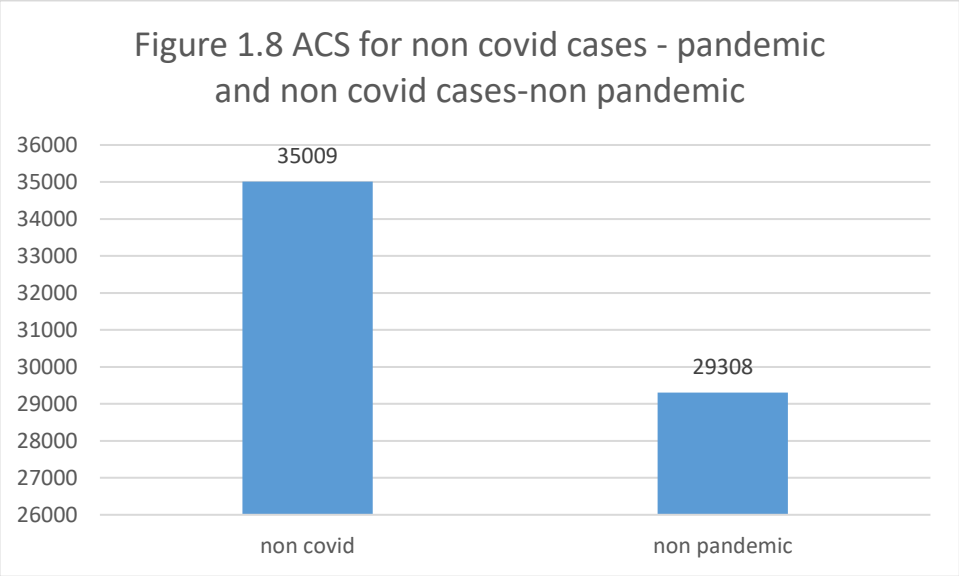



Figure 1.8 depicts comparison of ACS for non covid claims in Covid - 19 Pandemic (march-20 to april-21) versus ACS for non covid claims in Non - Pandemic (jan-19 to feb-20).

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 Covid - 19 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 Covid - 19 Pandemic for non covid treatment as well.

**Figure 1.10 Total cost of Covid - 19 Pandemic (march-20 to april-21) And Non - Pandemic (Jan-19 to Feb 20 )**

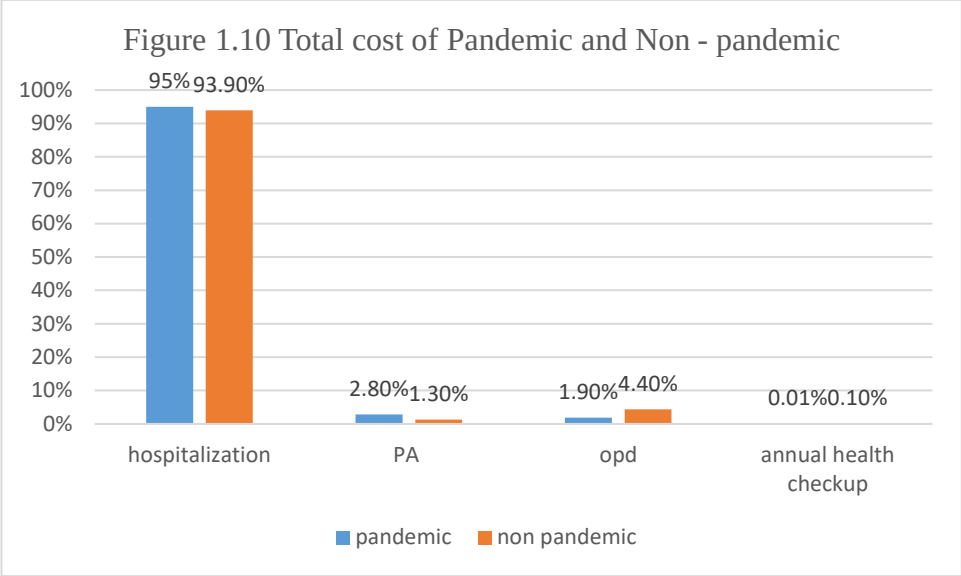



Figure 1.10 depicts contribution of hospitalization, OPD, PA and annual health check-up in total cost for Covid - 19 Pandemic and Non - Pandemic era.

As depicted in this graph majority of proportion of total cost contribute towards the hospitalisation

And due to covid OPD claim cost reduced as people were not willing to come to OPD and in many hospitals OPD were closed and only emergency were functioning

Figure 1.12 Total cost Comparison of covid and non-covid in Covid - 19 Pandemic (march-20 to april-21).

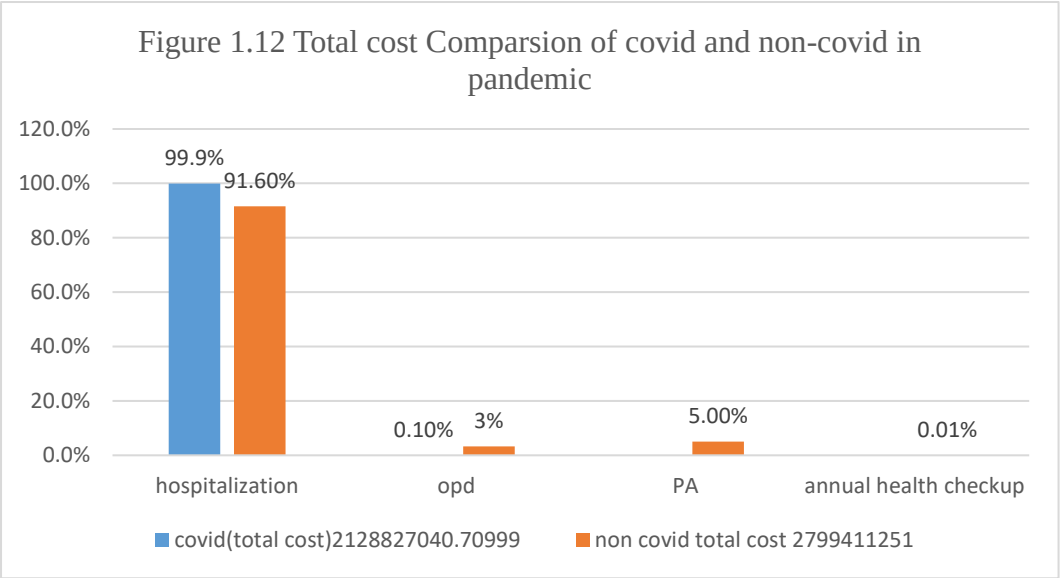



Figure 1.12 depicts contribution of hospitalization, OPD, PA and annual health check-up in total cost for covid and non covid claims in Covid - 19 Pandemic era (march-20 to april-21).

- As in covid cases there can't be in claim for PA or annual health check-up therefore 99.9% claims are from Hospitalisation
- As it is observed that there is slight drop percentage dedicated towards the hospitalisation in Non covid cases of Covid - 19 Pandemic and Non - Pandemic era , the reasons could be that Hospitals were not performing elective procedure but still there is not much difference because ACS for non covid claims in Covid - 19 Pandemic was higher than non covid cases in Non - Pandemic era

Figure 1.13 Total count of claims in Covid - 19 Pandemic (march-20 to april-21) . And non- Covid - 19 Pandemic era (jan-19 to feb-20).

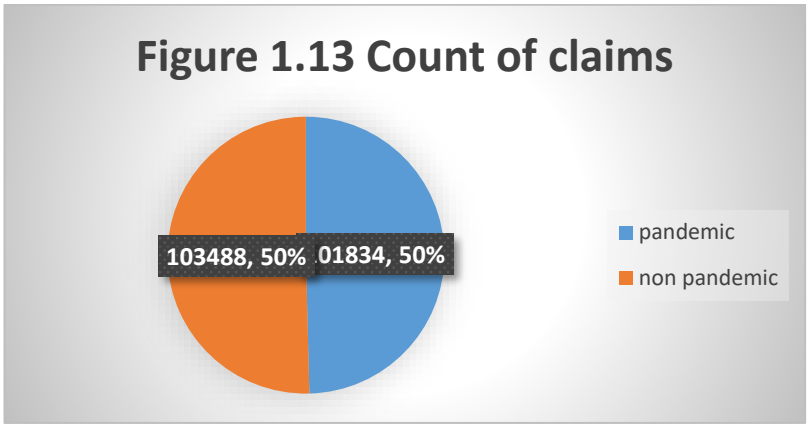



Figure 1. 14 count of claim for covid and non-covid cases in Covid - 19 Pandemic (march-20 to april-21).

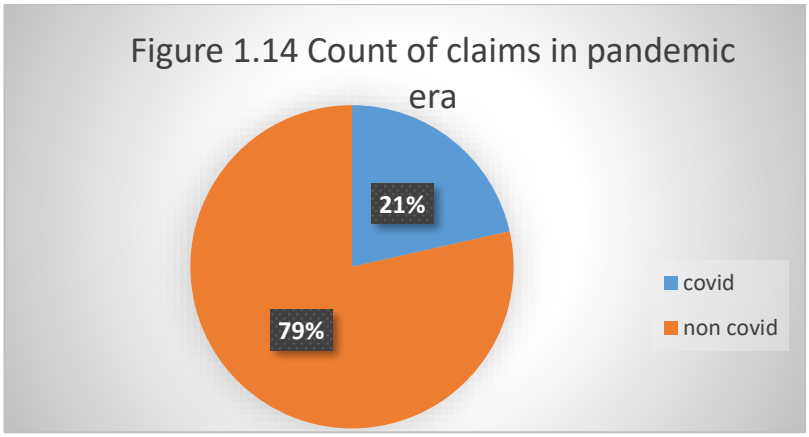


Figure 1.15 Covid - 19 Pandemic (march-20 to april-21) month wise comparison of claim count

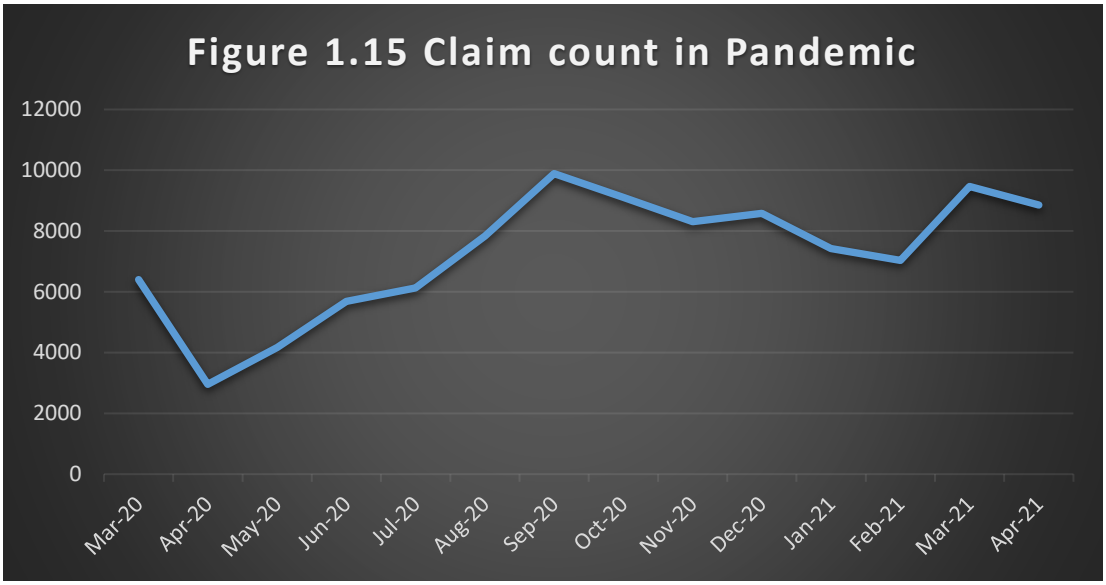



Figure 1.15 depicts comparison of claim counts over the period from march-20 to april-21 in Covid - 19 Pandemic era.

- 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 1.16 Covid - 19 Pandemic (march-20 to april-21) month wise comparison of cashless and reimbursement claim

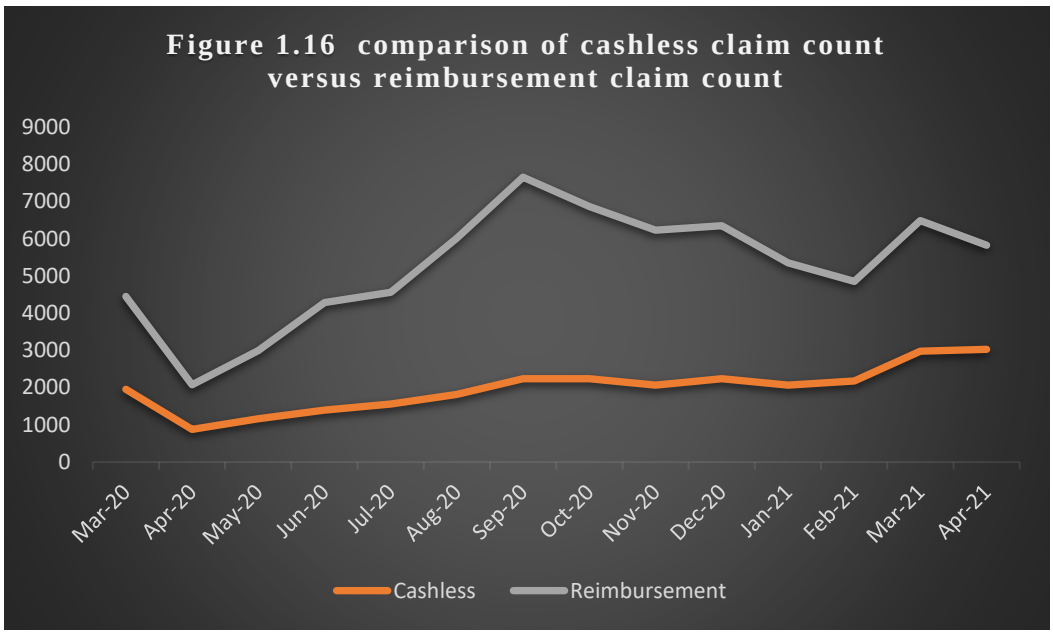
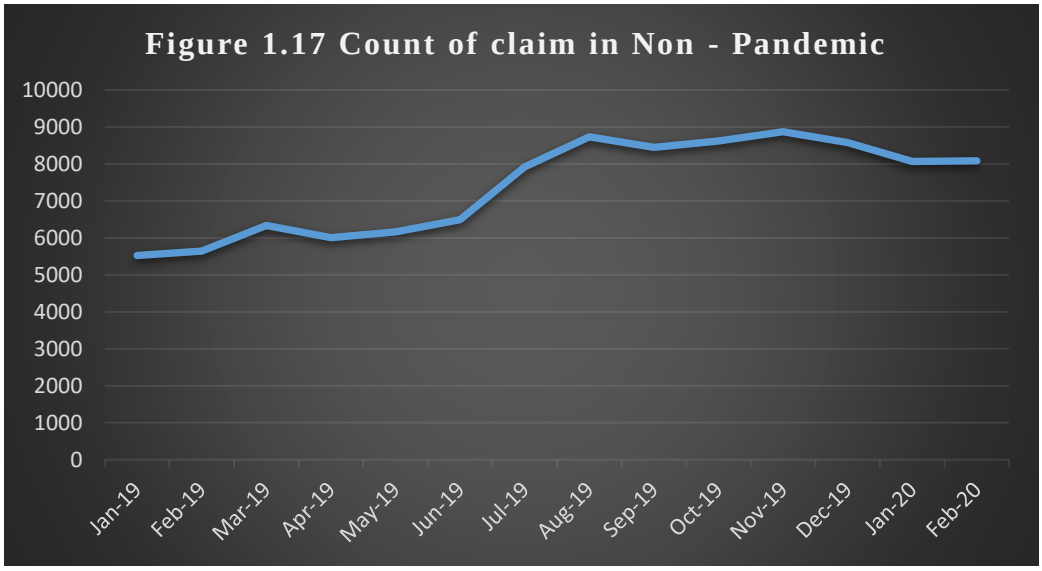



Figure 1.16 depicts comparison of cashless claim count versus reimbursement claim count in Covid - 19 Pandemic era over the period from march-20 to april-21.

- As we can observe that there is significant increase in reimbursement claim after April when IRDA launched there 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 introduces 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

Figure1.17 Non- Pandemic (jan-19 to feb-20) month wise comparison of claim count



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

Figure 1.18 Non Pandemic (jan-19 to feb-20 )month wise comparison of cashless and reimbursement claim

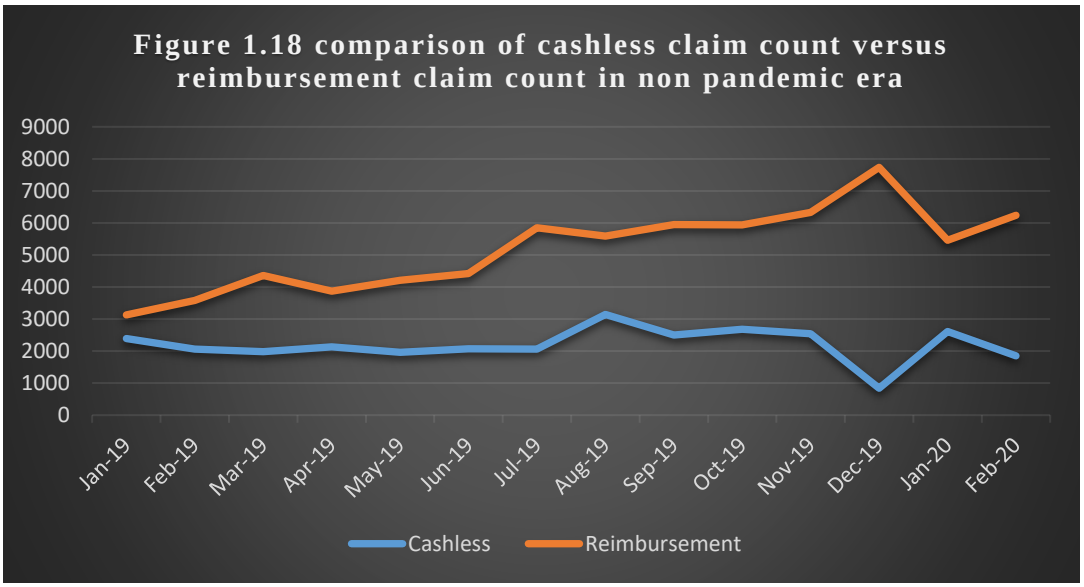



Figure 1.18 depicts comparison of cashless claim count versus reimbursement claim count in Non - Pandemic era over the period from jan-19 to feb-20.

Figure 1.19 Month wise comparison of hospitalisation of Covid - 19 Pandemic (march-20 to april-21.), covid cases during Covid - 19 Pandemic and non covid cases during Covid - 19 Pandemic

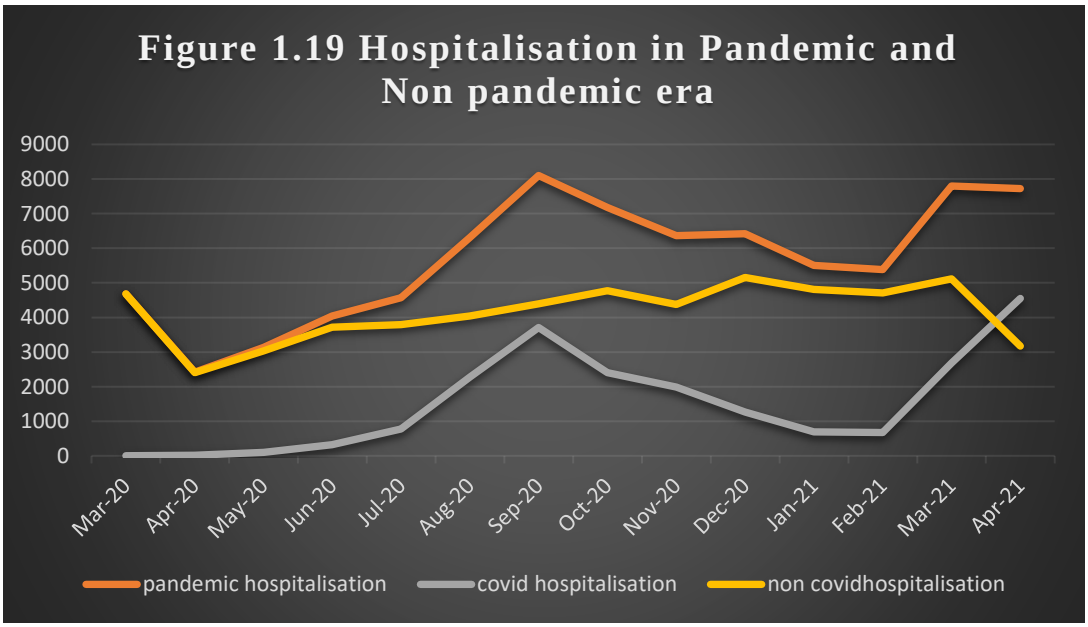


Figure 1.19 depicts the month wise hospitalisation for pandemic, covid hospitalisation and non covid hospitalisation

- 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 Covid - 19 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 was 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

BIFURCATION OF GROUP AND RETAIL POLICY FOR COVID - 19 PANDEMIC (march-20 to april-21.) COVID CASES, NON COVID CASES, COVID - 19 PANDEMIC HOSPITALISATION , COVID - 19 PANDEMIC OPD , COVID - 19 PANDEMIC PA , COVID HOSPITALISATION AND NON COVID HOSPITLISATION

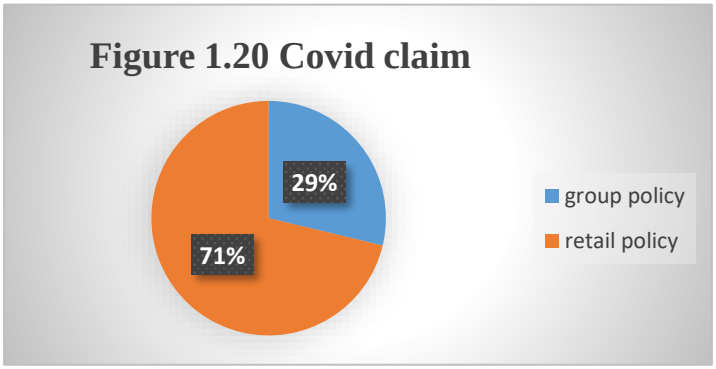



Figure 1.20 depicts that 71% of covid claim was from retail policy and 29% were from group policy

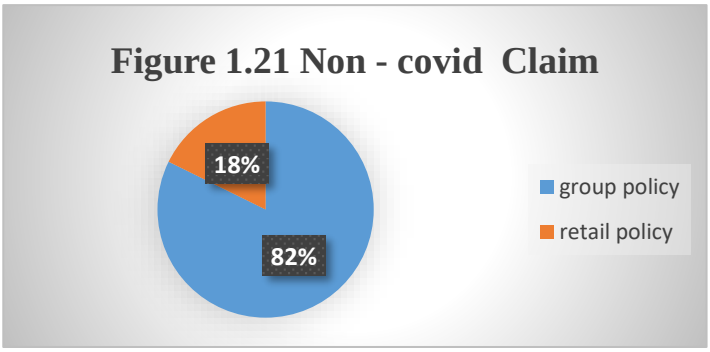



Figure 1.21 depicts that 18% of non covid claim was from retail policy and 82% were from group policy

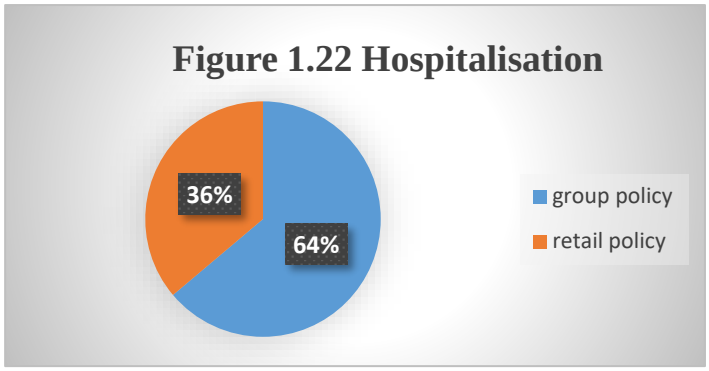



Figure 1.22 depicts that 36% of Hospitalisation claim in Covid - 19 Pandemic era was from retail policy and 64% were from group policy

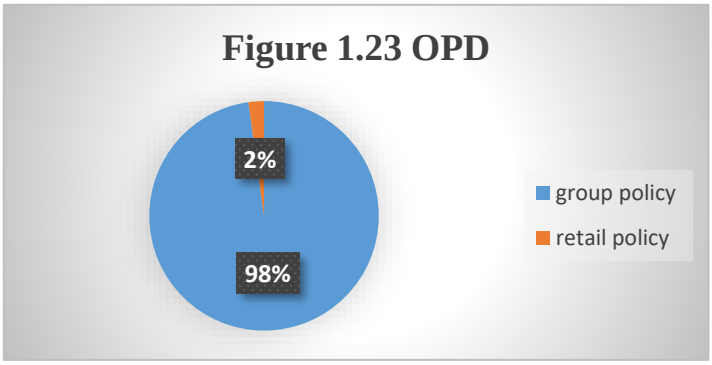



Figure 1.23 depicts that 2% of OPD claim in Covid - 19 Pandemic era was from retail policy and 98% were from group policy

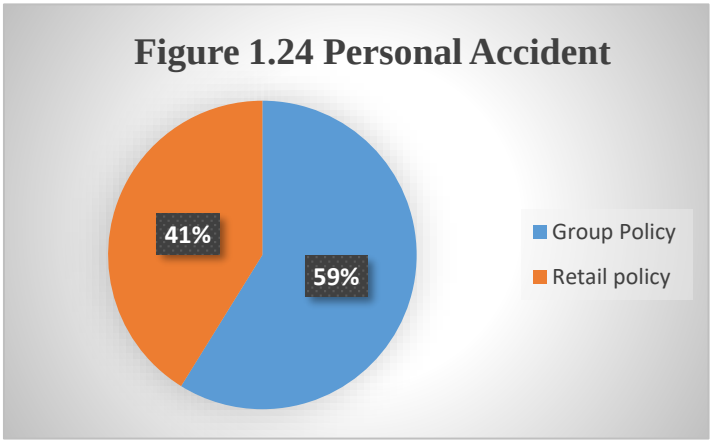



Figure 1.24 depicts that 41% of Personal accident claim in Covid - 19 Pandemic era was from retail policy and 59% were from group policy

## 7. Interpretation and Findings

Our research expected to find the effect of covid-19 Covid - 19 Pandemic on claims count and claims type at Future Generali Health. For this data was collected from previous one year non Covid - 19 Pandemic era (jan-19 to feb-20) and from Covid - 19 Pandemic era (march-20 to April-21). Data was extracted through claims register. It consist 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 Covid - 19 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 check-up.

For Covid - 19 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 treatment for covid-19 accounted for as much as 11% of the total health insurance claims paid by insurance companies during the first five months of the current financial year. The research further revealed that 89% of health insurance claims during april2020 and august 31 2020 were for major illnesses, including cancer, heart problems, kidney and treatment.

It was found that there was not much difference in claims count in Covid - 19 Pandemic and Non - Pandemic era. In Non - Pandemic era there were total of 103488 claims whereas in Covid - 19 Pandemic era there were 101834 claims, which is nearly equal. Through our research it was found that although claims count were nearly equal for Covid - 19 Pandemic and Non - Pandemic era but average claim cost for Covid - 19 Pandemic era (48394.82) was much 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 more number of people are buying these policies for them and their family.

In Covid - 19 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 Covid - 19 Pandemic for non covid claims, hospitalization claims reported were 73%, OPD- 26%, personal accident were 1% and annual health check-up 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 check-up 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. Studies also says that from March 2020 onwards there is an exponential growth in the daily number of covid-19 cases at the pan India level. The total number of confirmed infected people is more than 37,000 today may 2020 across India 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.

## 8. Conclusion

Covid has impacted the Insurance industry in several way after analysing and comparing the data the conclusion was as during the Covid - 19 Pandemic the claim should be increased but it was more or less same as hospitals had to shut down there 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 Covid - 19 Pandemic era was much more higher than non – Covid - 19 Pandemic ,other than ACS cashless claims were also impacted as during Covid - 19 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

## 9. 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.
- Future Generali should negotiate the hospitals which recorded highest number claim or provide a alternative hospital choice to patients in same vicinity and same quality of standards this would help thwm to lower there cashless ACS
- 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 Covid - 19 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 Covid - 19 Pandemic on the total ACS.

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