Study On The Health Insurance Claim Reported In Covid-19 Pandemic (March-20 Toapr-21) And Non-pandemic (Jan-19 To Feb-20) At Future Generali India Insurance

Presented by

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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

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INTRODUCTION

Introduction

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.

Impact Of Covid-19 On Insurance Industry

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

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 pandemic like this it becomes even more important to have the right health cover and the right amount of coverage.

IRDAI recently launched guidelines for covid -19 Treatment that cashless claim preauthorisation in less than 30 minutes

Departments under Future Generali Health

Underwriting- underwriting department evaluates and analyse the risks involved in insuring people and assets. Insurance underwriters establish pricing for accepted insurable risks.

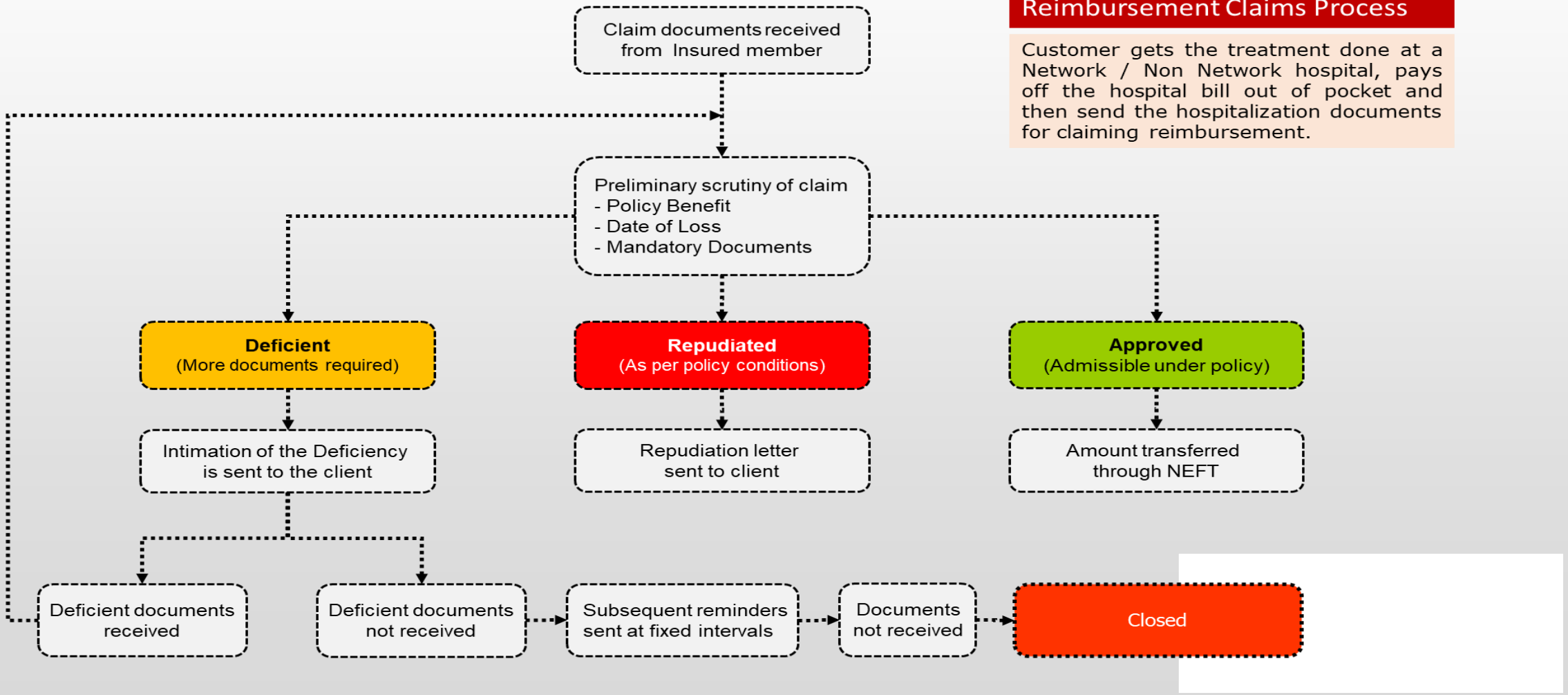
Claim: - A health insurance claim is a request that a health insurance policyholder submits to the Insurance Company in order to obtain the services that are covered in their policy.

Provider network – this department is mainly involved with empanelment of hospitals, diagnostic centres 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.

Reimbursement Claim



Reimbursement Claims Process

Customer gets the treatment done at a Network / Non Network hospital, pays off the hospital bill out of pocket and then send the hospitalization documents for claiming reimbursement.

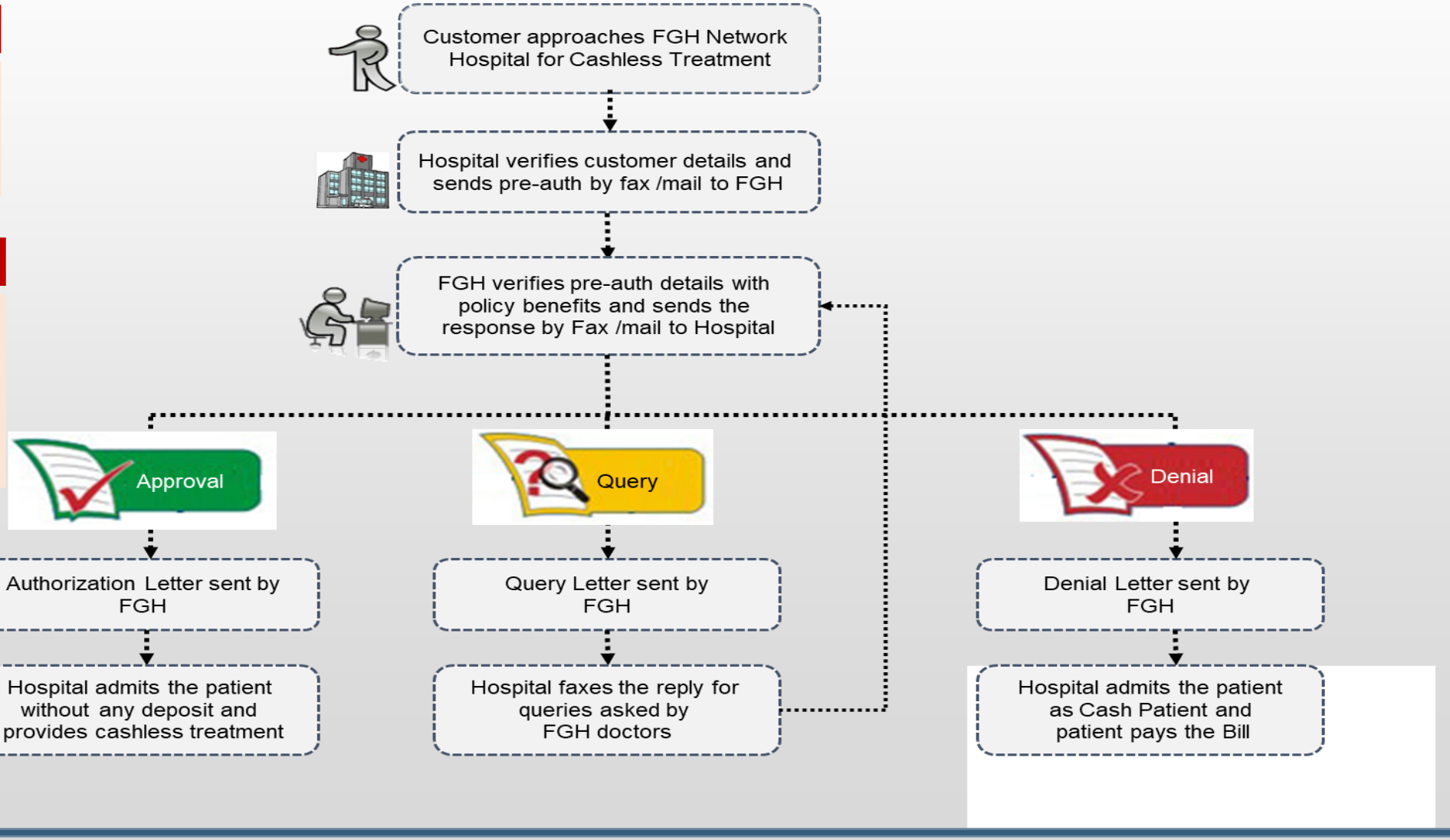
Cashless Claim

Cashless Claims Process

Customer gets the treatment done at any FGH empanelled hospital across the country, and avails the cashless benefit by showing FGH Health Card.

Key Highlights

- 24 X 7 X 365 days operations
- 6200 Network Hospital pan India
- 96% Cashless processed within 2 hours
- Cashless contributes to around 52% of claims volume and 68% of Claims Cost



RESEARCH OBJECTIVE

Research Objective

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

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

METHODOLOGY

Methodology

Research Question

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

Research design

Cross sectional Study design

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 population

- For this study the data of claims has been collected for two different years, 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 Pandemic era and it consist both covid-19 and non – covid cases

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 Approach

Data was collected for 13 months for Non -Pandemic era from jan-19 to Feb -20 and data for 13 month of Pandemic era was collected from March -20 to April -21

After collecting the data for Non – pandemic and pandemic era the necessary bifurcation was done for the further analysis

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

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

After the bifurcating the data a comparative analysis was done on the claim count, average cost of claim , count of cashless and reimbursement claim , count of claim from network and non-network hospitals , type of policies for both the era

ANALYSIS AND INTERPRETATION

Bifurcation of Pandemic and Non Pandemic claim :- Covid , Non covid , Hospitalisation , PA , OPD Annual Health Check – up

	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	1361[illegible]457	4214244	873923

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 – pandemic , Personal accident during Non-pandemic , Health check-up during Non – pandemic

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

Bifurcation of Covid and Non covid cases :- Hospitalisation , PA , OPD Annual Health Check – up

	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

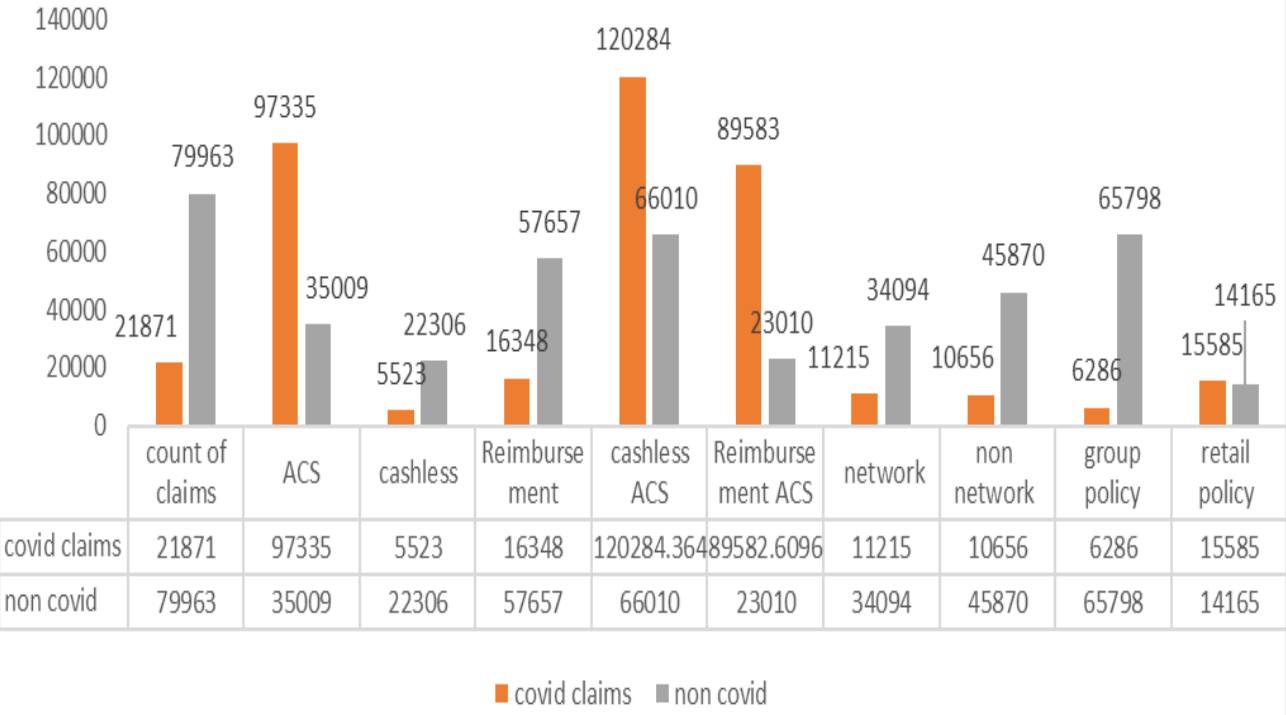
Table 1.3 Depicts the data for Non covid claims in Pandemic era (March 20 to April -21) it Depicts the data for Non covid claims in pandemic as whole, Non covid Hospitalisation claim during pandemic era, Non covid OPD claim during pandemic, Personal accident during pandemic, Health check-up during pandemic

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

Comparison of covid/ non covid claims in pandemic era

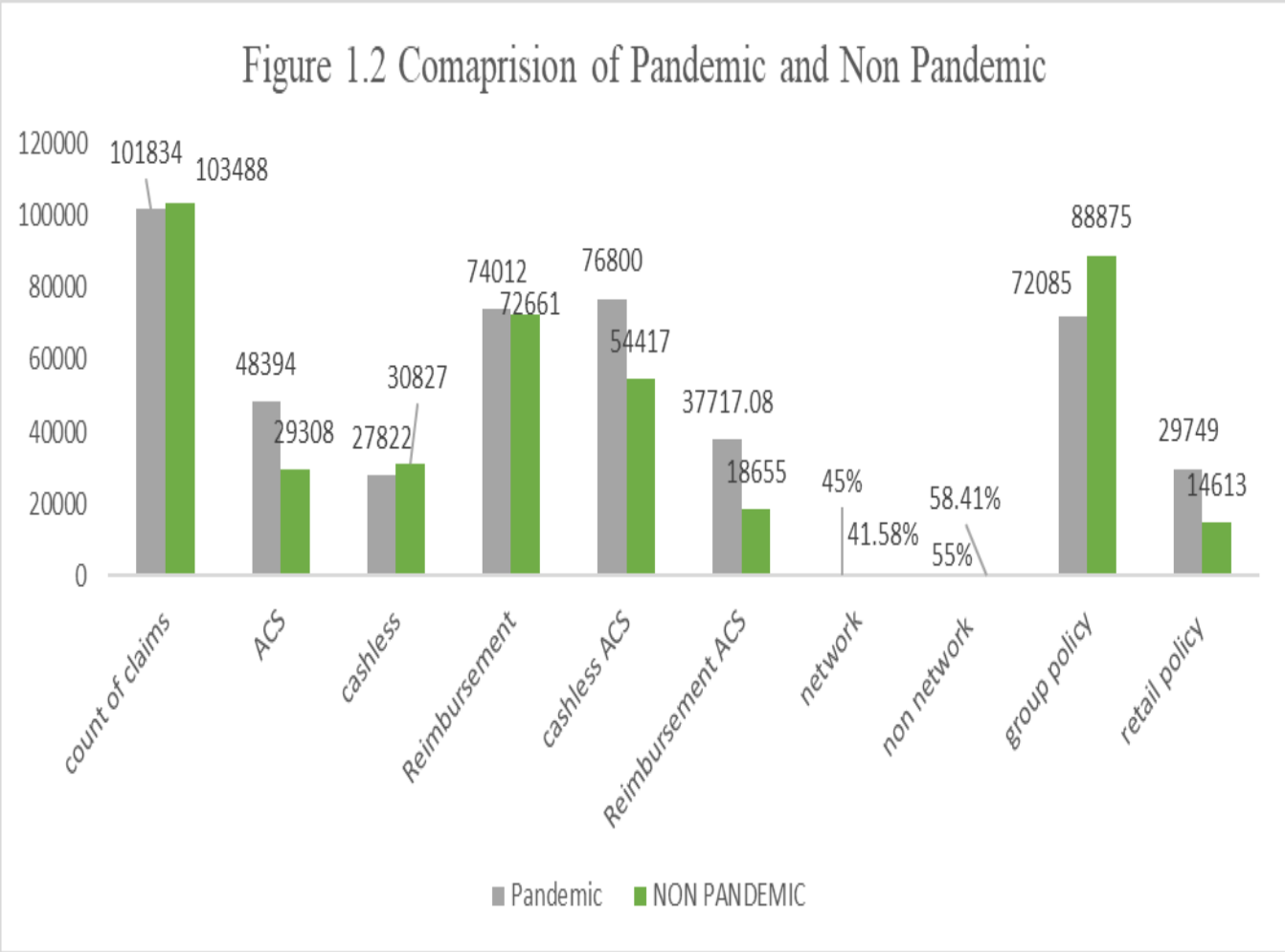
Figure 1,1 Comparison of Covid/ Non Covid Claims in Pandemic era



	count of claims	ACS	cashless	Reimbursement	cashless ACS	Reimbursement ACS	network	non network	group policy	retail policy
covid claims	21871	97335	5523	16348	120284.364	89582.6096	11215	10656	6286	15585
non covid	79963	35009	22306	57657	66010	23010	34094	45870	65798	14165

- 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
- 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.
- For covid claims 29% of the claims were under group policy and 71% were under retail policy.

Comparison of Pandemic era (March-20 to April-21) and Non – Pandemic era (Jan-19 to Feb-20)

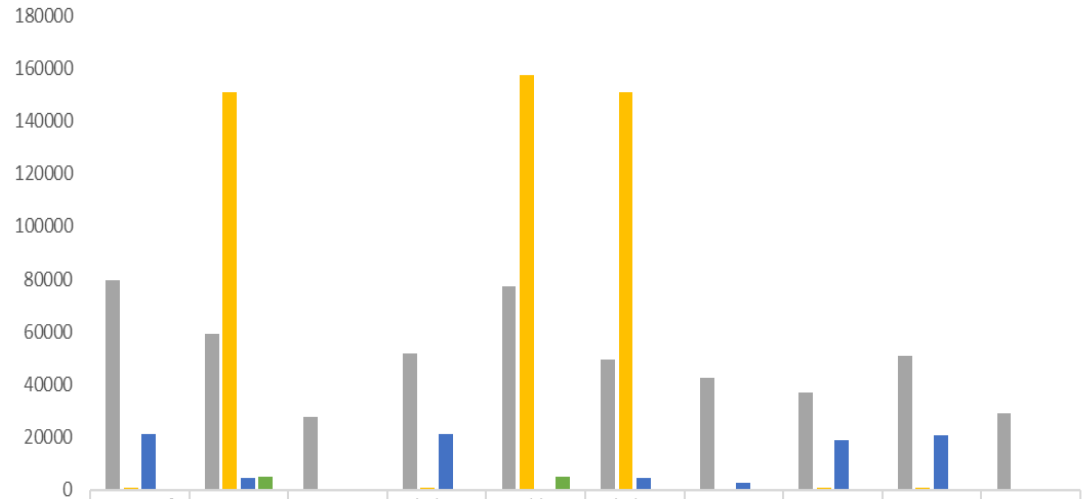


- As it was observed that in pandemic and non-pandemic era claim count was nearly equal despite of the fact there were additional covid claims in pandemic era, but due to less availability of bed and high chance of infection, many hospitals stopped performing their elective procedure. So there was drop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

- Although claim count were 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

Comparison of pandemic claims (march-20 to april-21) – Hospitalisation, PA, OPD and annual health check up

Figure 1.3 Pandemic era

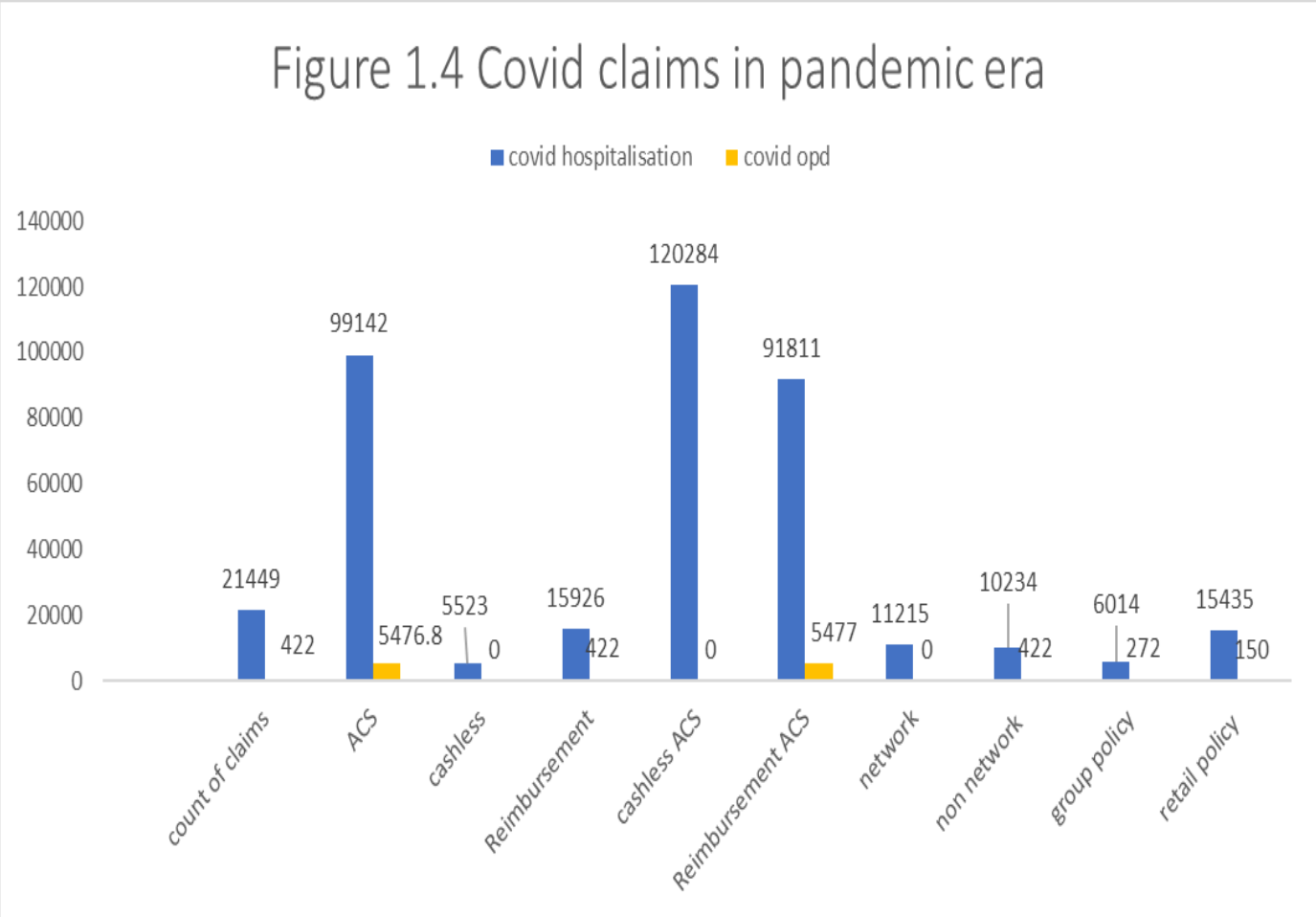


	count of claims	ACS	cashless	Reimbursement	cashless ACS	Reimbursement ACS	network	non network	group policy	retail policy
Pandemic Hospitalisation	79617	58964	27737	51880	76979.9	49331.6	42643	36974	50711	28906
pandemic PA	923	150781.7861	7	916	157283	150732	218	705	543	380
pandemic OPD	21216	4437	0	21217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

Pandemic Hospitalisation pandemic PA pandemic OPD Pandemic annual health check up

- 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.
- Cashless ACS for hospitalization is higher as compared to reimbursement ACS for hospitalization

Comparison of covid claims in pandemic era (march-20 to april-21) covid hospitalisation and covid OPD



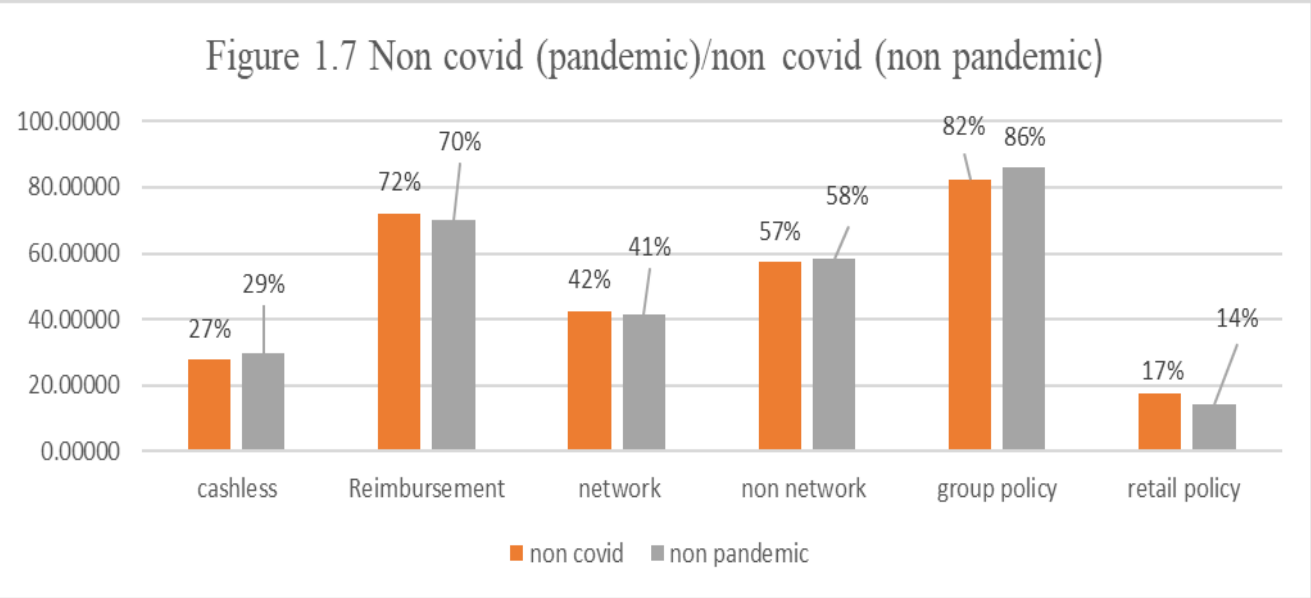
- For covid claims there were 98% claims for hospitalization and 2% claims were reported for OPD. The possible reason for this could be first that there are few policies which do not have OPD cover and second is that as OPD charges are very minimal so insured usually don’t go for insurance claim.
- There 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.

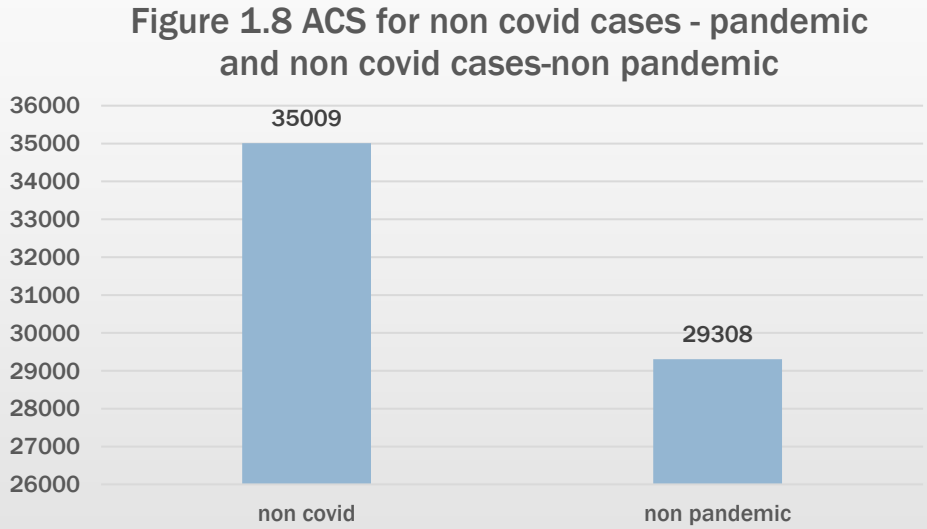
Comparison of non-pandemic claims (jan-19 to feb-20). Hospitalisation, PA, OPD and annual health check up

	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

- 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.

Comparison non-covid cases in pandemic (march-20 to april-21) and non-covid cases in non-pandemic (jan-19 to feb-20).

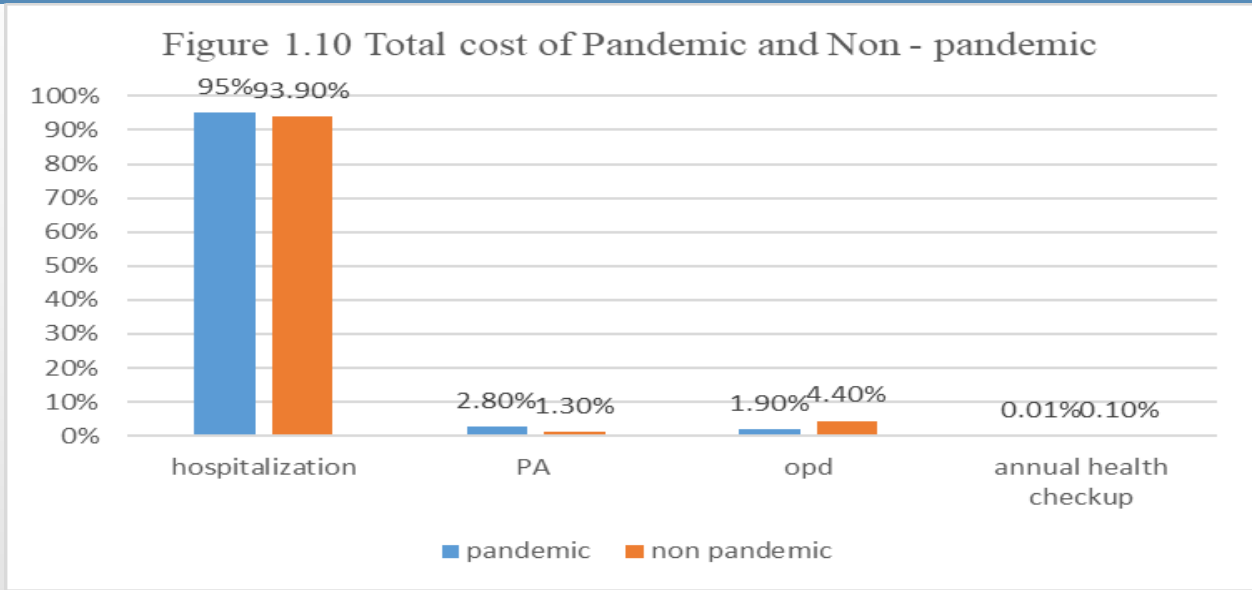


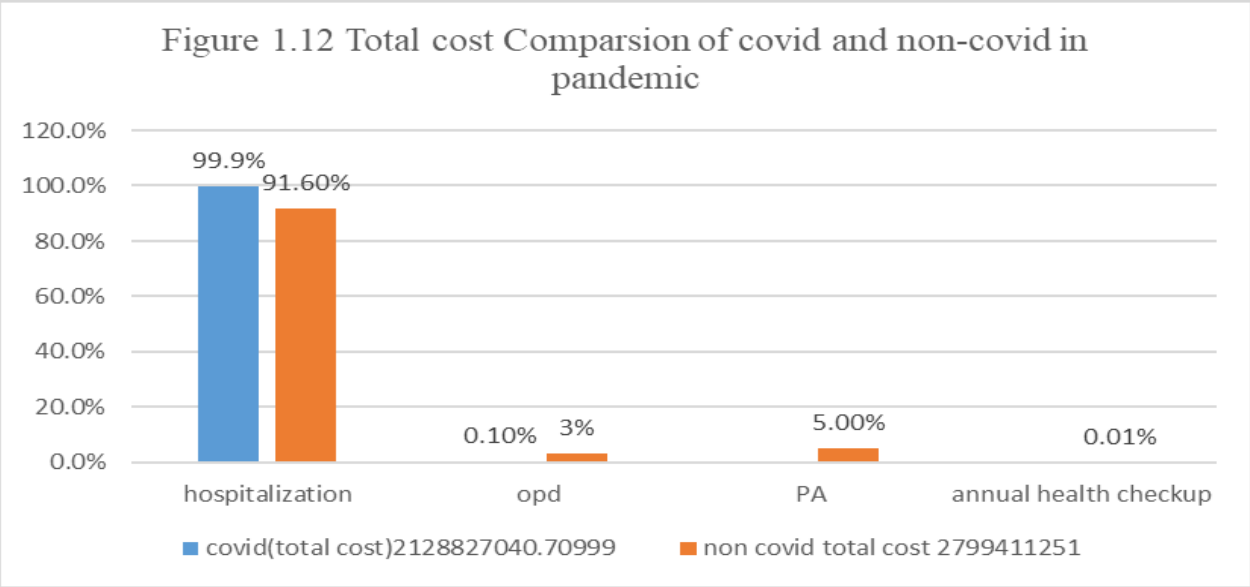


Comparison of ACS for non covid claims in pandemic (march-20 to april-21) versus ACS for non covid claims in non-pandemic (jan-19 to feb-20).

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.

Total cost Comparison





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

- 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 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 pandemic was higher than non covid cases in non-pandemic era

Pandemic

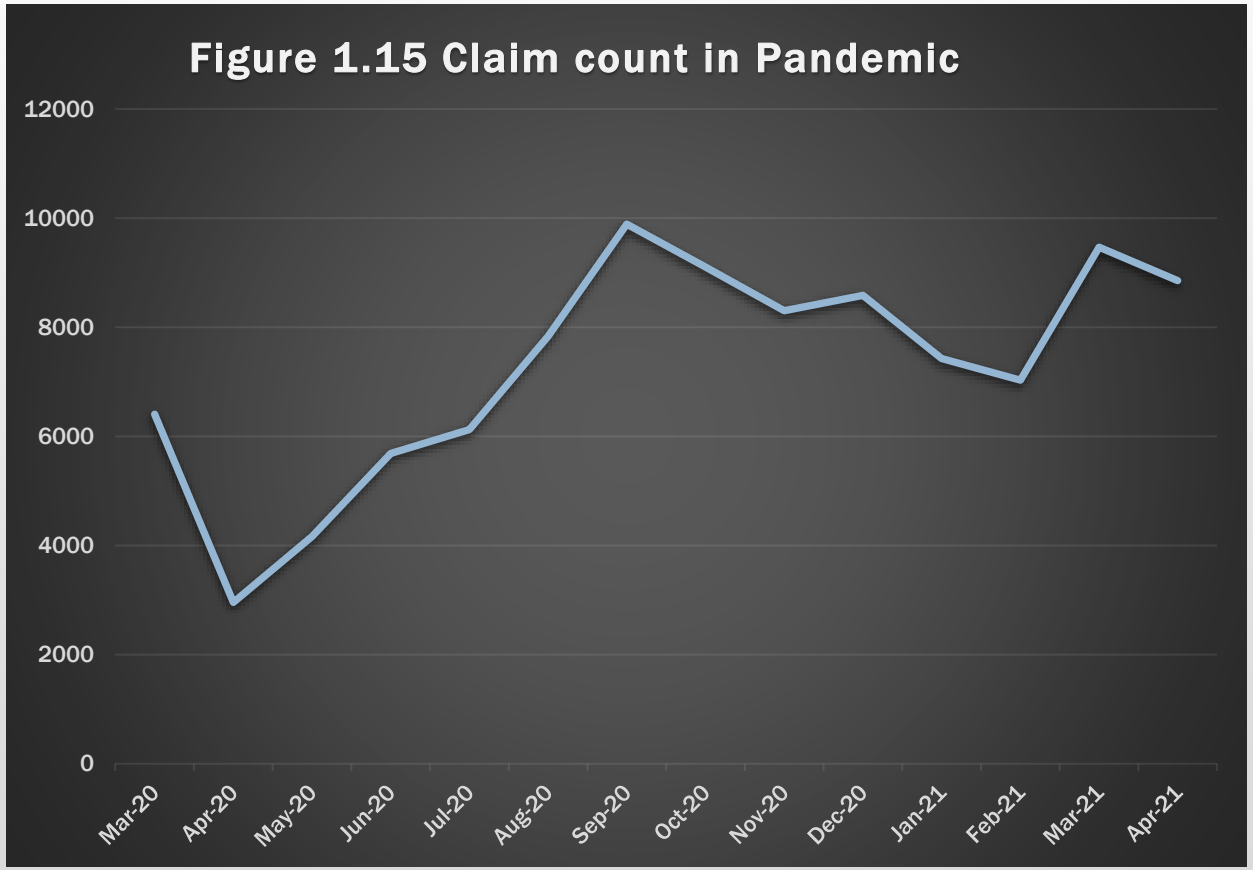


Figure 1.15 Claim count in Pandemic
12000
10000
8000
6000
4000
2000
0
Mar-20
Apr-20
May-20
Jun-20
Jul-20
Aug-20
Sep-20
Oct-20
Nov-20
Dec-20
Jan-21
Feb-21
Mar-21
Apr-21

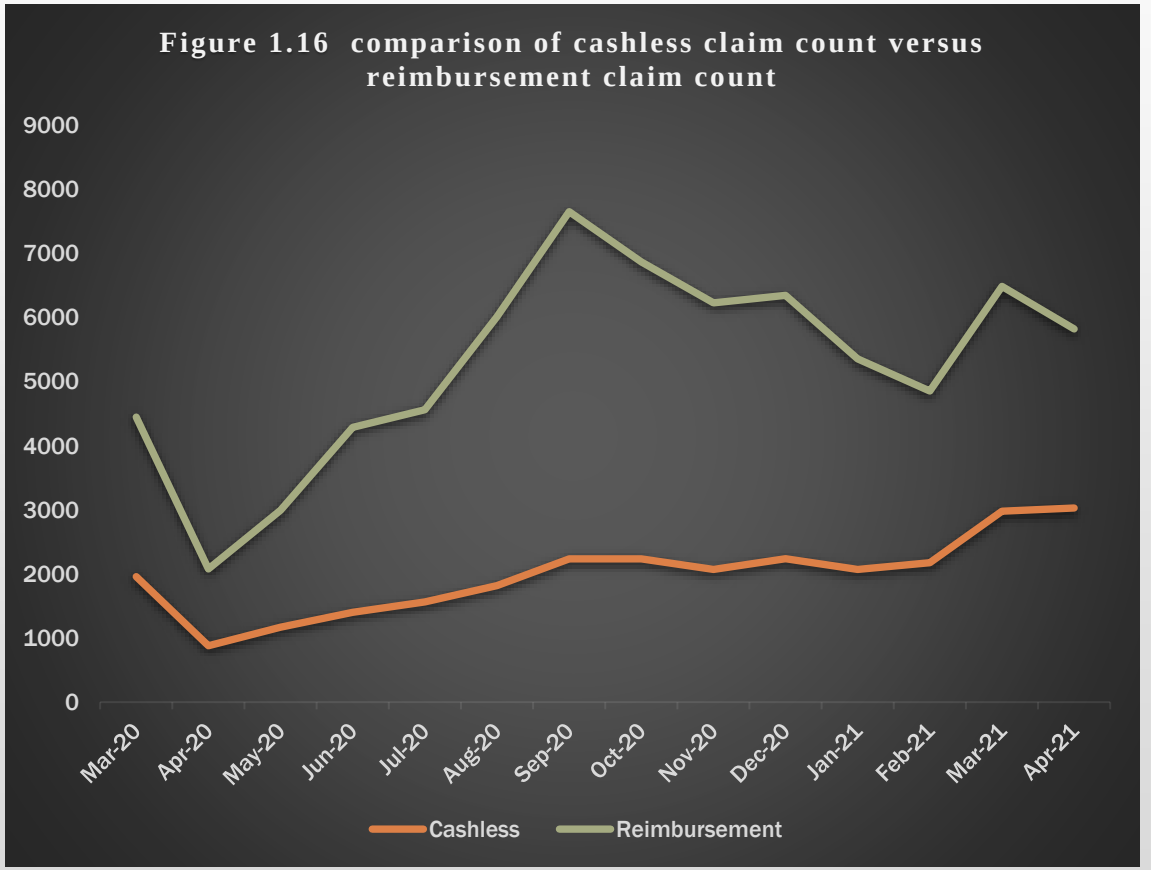
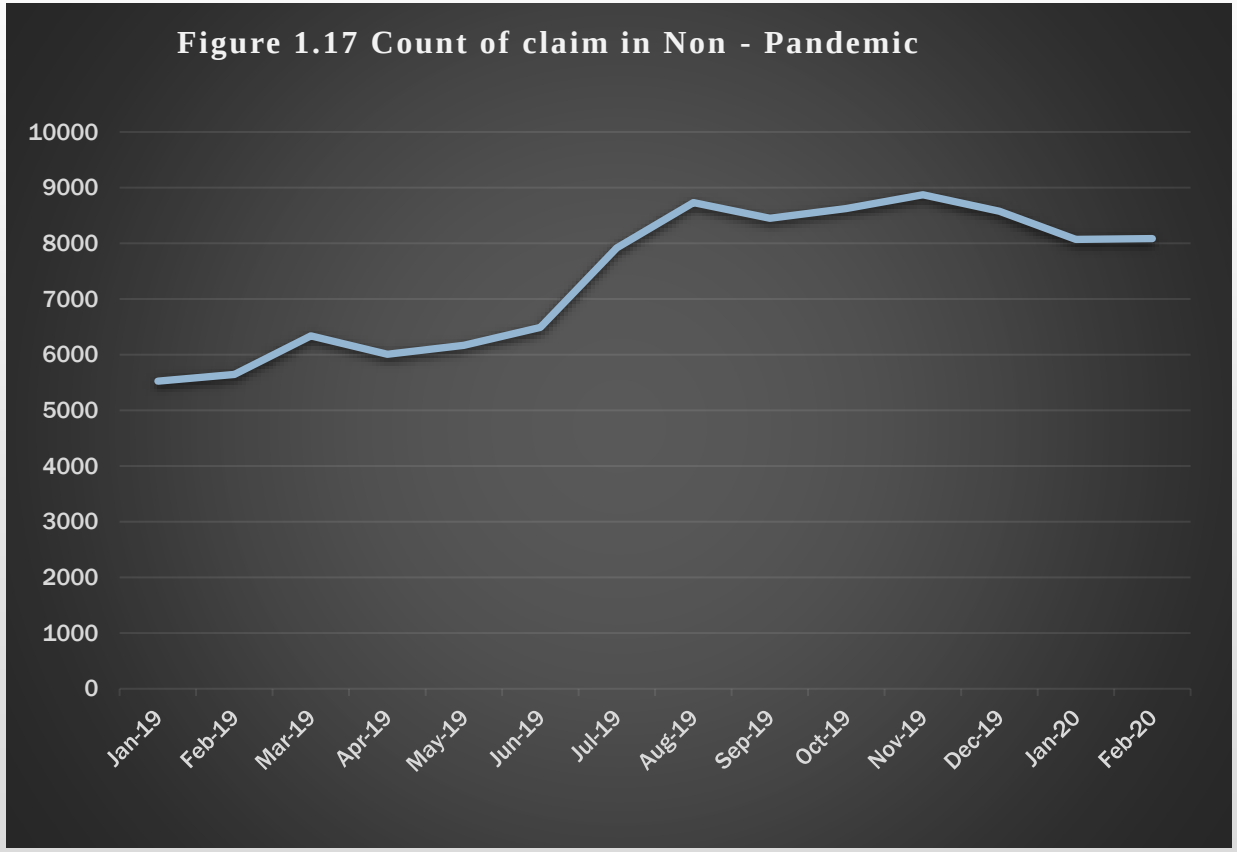
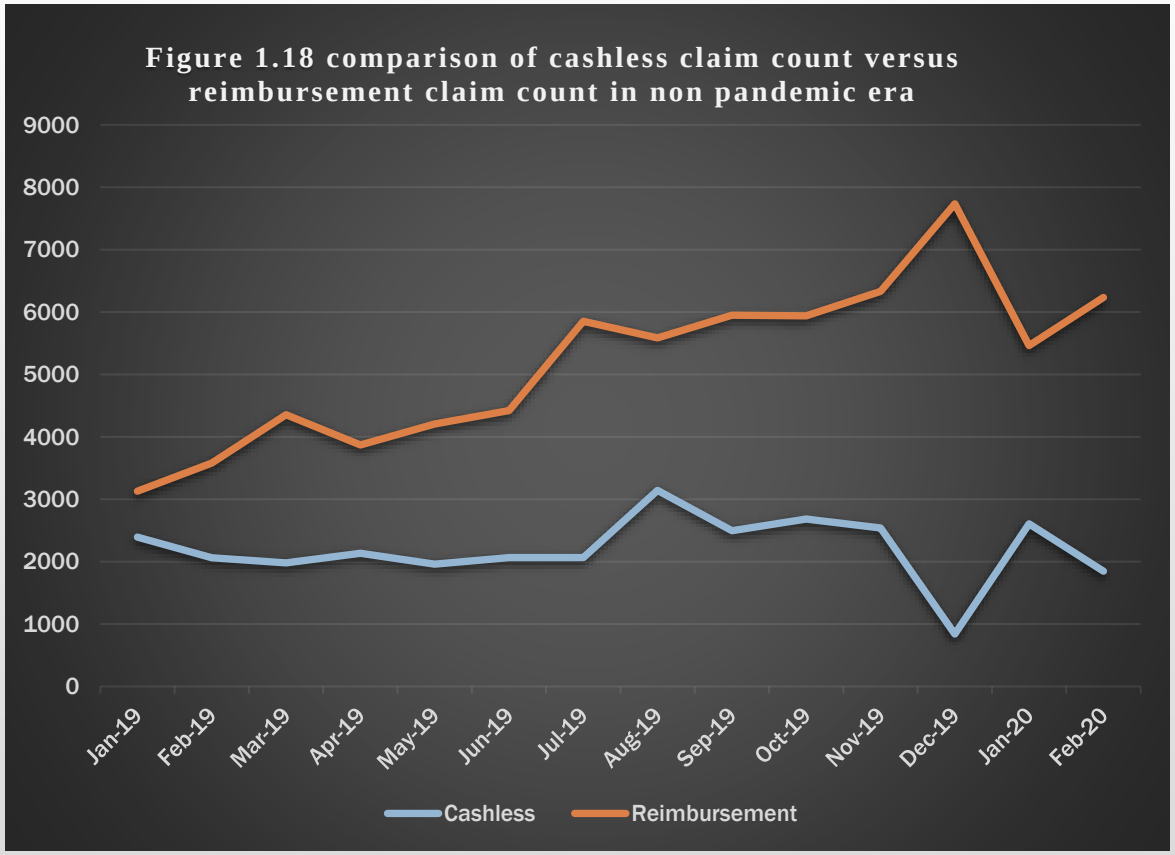


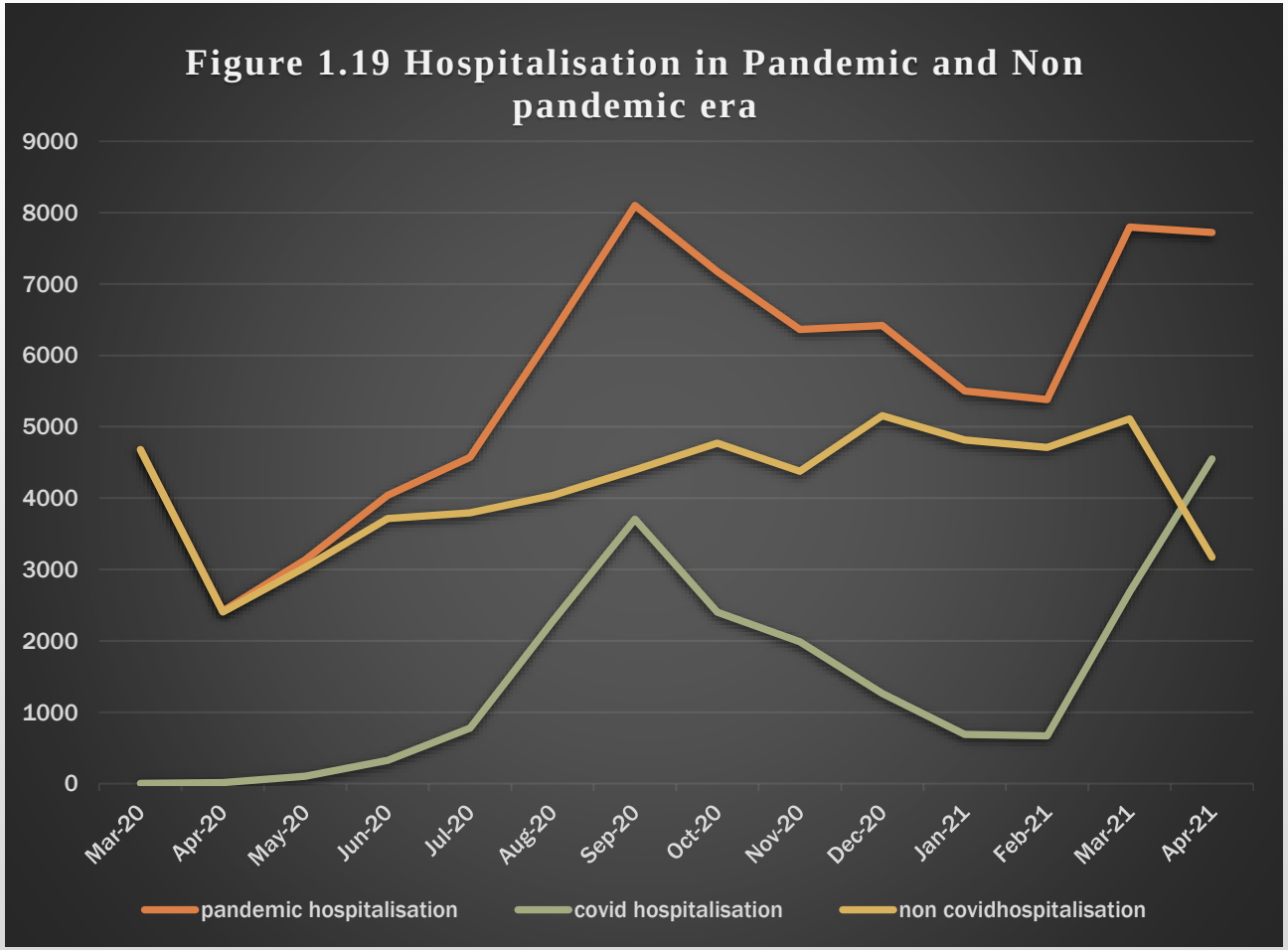
Figure 1.16 comparison of cashless claim count versus reimbursement claim count
9000
8000
7000
6000
5000
4000
3000
2000
1000
0
Mar-20
Apr-20
May-20
Jun-20
Jul-20
Aug-20
Sep-20
Oct-20
Nov-20
Dec-20
Jan-21
Feb-21
Mar-21
Apr-21
Cashless
Reimbursement

Non - Pandemic





Month wise comparison of hospitalisation of pandemic (march-20 to april-21.) , covid cases during pandemic and non covid cases during pandemic



- 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 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

Group policy versus Retail policy

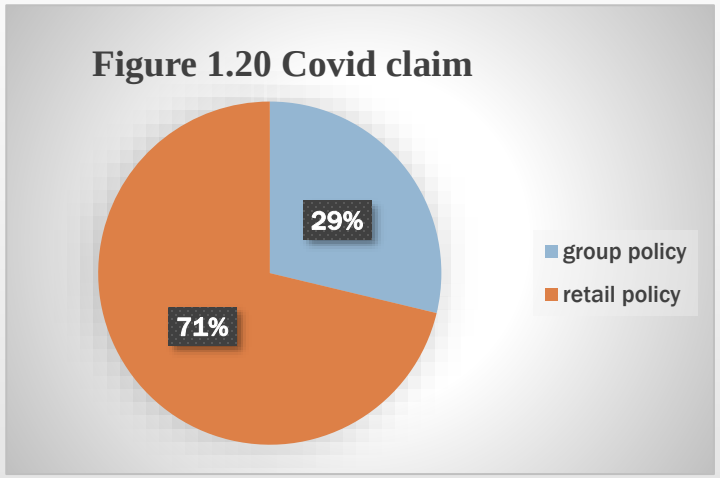


Figure 1.20 depicts that 71% of covid claim was from retail policy and 29% were from group policy

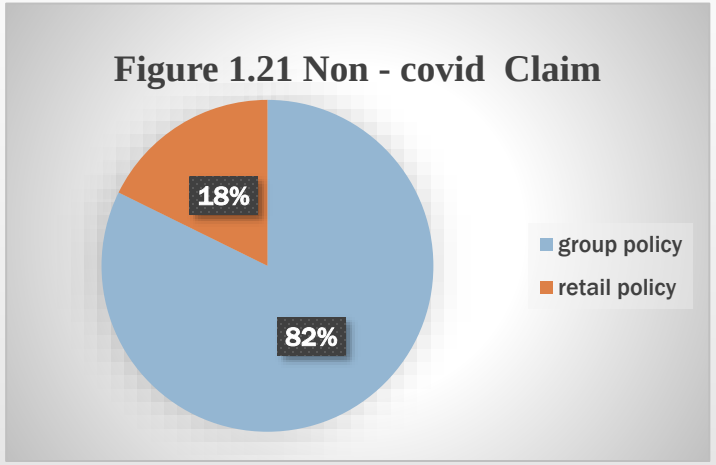


Figure 1.21 depicts that 18% of non covid claim was from retail policy and 82% were from group policy

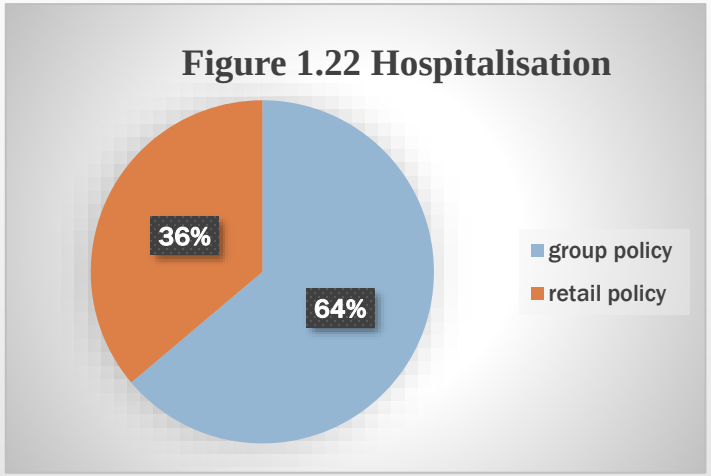
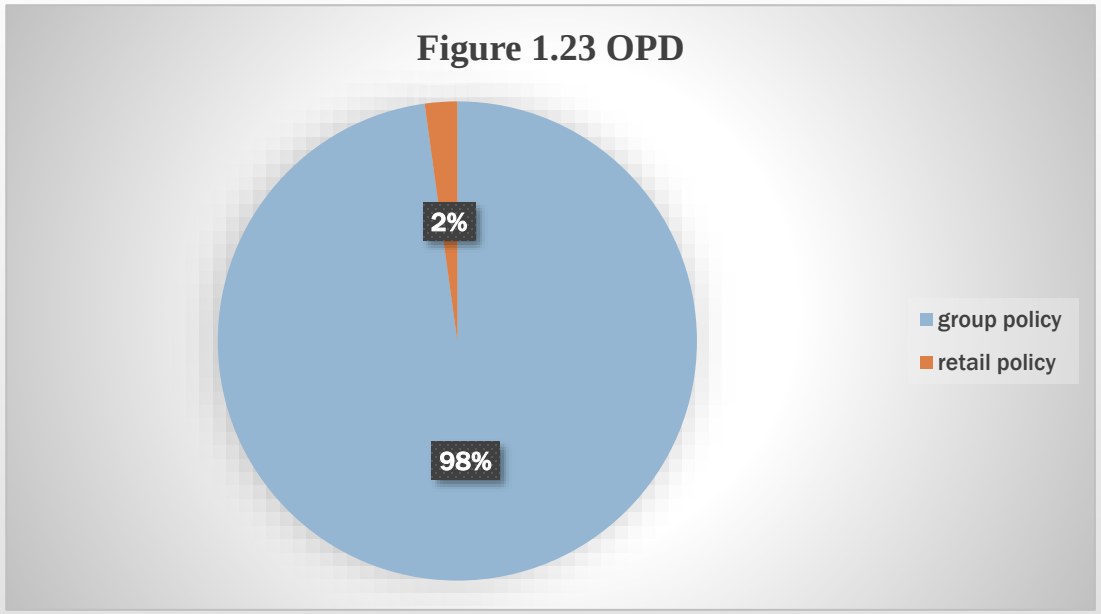


Figure 1.22 depicts that 36% of Hospitalisation claim in pandemic era was from retail policy and 64% were from group policy

Group policy versus Retail policy



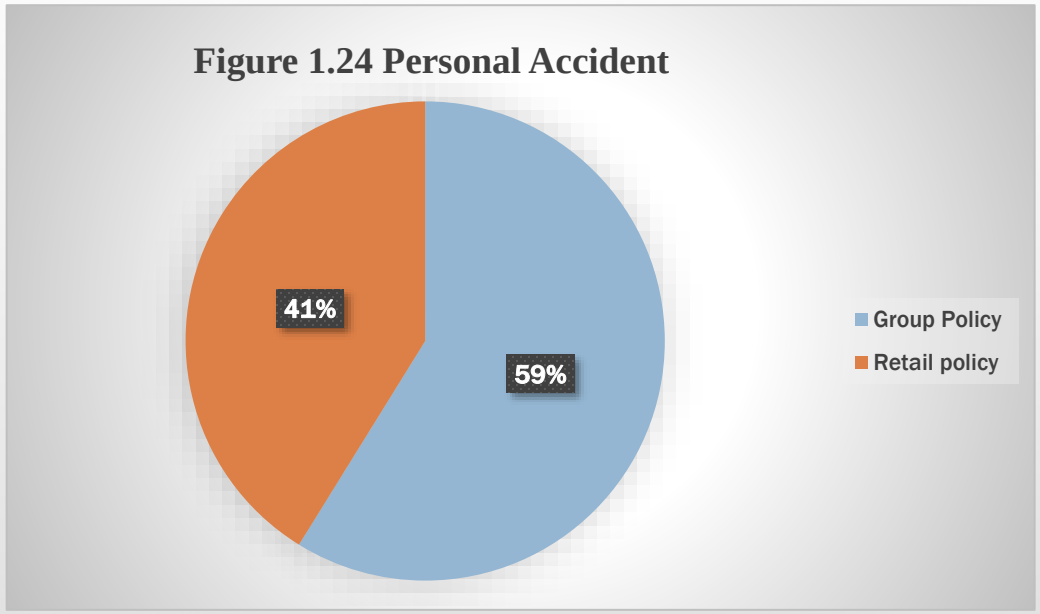


Figure 1.23 depicts that 2% of OPD claim in pandemic era was from retail policy and 98% were from group policy

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

CONCLUSION AND RECOMMEDATIONS

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 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 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

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.
- As ACS in Pandemic is high Future Generali can negotiate to the hospitals from where high number of claims has been reported , and if the negotiation is not possible then they negiotate with other hospitals in the same vicinity and suggest the insured to go for that hospital
- 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.


THANK YOU