

DAY 1

# EAIC DAILY

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## A new mixed beginning?

**C**an insurance be disrupted? Fully? Or will insurance tame the tide of disruption and build dams to channel its might to serve the industry? To some, this is as philosophical a question as 'Can God help you?'

That's why we come from the premise that strategies and beliefs aside, technology is real. Tech is touching both techies and non-techies, as well as reaching out to those within and outside the industry. Technology is all pervasive and it has changed the face of insurance too. Some argue not enough, while yet others say it can never be changed, given the implicit rigidity of the 'protection' product and the tough analytics and AI needed to do predictive pricing on customising coverage realistically.

So we pedal the modern bikes panting breathlessly whilst whistling through the 'intramuros', to find the magic of translating technology to business in insurance.

This will be the key challenge of this 29th EAIC in Manila, held for the first time in its 58-year history in the first half of the year. EAIC is a huge force in its own right with its \$657bn life premiums representing some 25% of the global life market, and the non-life business of \$227bn with an 11% market share. In total, the grouping accounts for 19% of the world market of \$2.6tn as cited by Sigma in its analysis of 2016, being the latest in comparable global figures.

And this excludes the might of the Asian giant not in the EAIC group – China which alone accounts for 10% of global premium. In the digital world, China stands stratospherically tall with Ping An and Zhong An legendary in their digital sales.

Can some of that Chinese tech chintz rub off on the East Asian markets? Is regulation the greatest deterrent to companies going fully digital? Many are trying ambitiously, restrictions notwithstanding. While some espouse pure single-minded focus on things digital, there are yet others making a name as being strong in both worlds' – digital as well as traditional – distribution channels.

Then there is the whole Cambridge Analytica fallout, data protection rules, data breaches and thefts with 1,765 incidents in 2017 with 2.6 bn records breached (according to the Gemalto records), and cyber security is rated as the number one threat in the world.

At this EAIC particularly, there will be plenty to talk about without the distraction of networking with everyone worried over the year-end renewals. And technology will rightfully be the key as encapsulated in the theme: 'Managing disruptions, driving change'.

So what will the future be? *Que sera sera!*

I am staying connected, while having coffee with my trusted agent and broker too!

**Mr Sivam Subramaniam**  
Editor-in-Chief,  
*Asia Insurance Review*



## Mabuhay!

**O**n behalf of the Philippines Insurers and Reinsurers Association and the Philippine Life Insurance Association, the Manila Organising Committee welcomes you to the 29th EAIC.



The theme of the 29th EAIC is "Managing disruptions, driving change". We live in the age of disruptions driven by rapid technological advancements and immediate access to unlimited information, exacerbated by climate change and the influence of a growing youthful population. We need to embrace the millennials who now comprise the majority of our workforce and customer segments, better to understand their peculiar needs and their ways of collaboration. We must engage ourselves with the use of analytics to disrupt the present in order to gain dramatic improvements in productivity and customer experience.

### EAIC breeds networking engagements for light bulb moments

We have prepared an exciting and value-creating EAIC agenda. The shared insights of global executive thought leaders and industry experts will bring to the fore those light bulb moments as we go through with our networking engagements. We have reinsurers and solution providers with meeting suites, and breakout sessions on wealth management, disruption by design, reality cyber and digital forensic. Not to be missed are the hospitality cocktails, the AIR's Asia Trusted Life Agents & Advisers Awards and the EAIC gala dinner which will feature talent presentation from EAIC member cities.

Enjoy your stay in Manila and make the most of the opportunity to discover why 'It's more fun in the Philippines!'

We are grateful for your visit. Mabuhay!

**Mr Ramon Yap Dimacali**  
Chairman – Manila Organising Committee  
29th EAIC, 2018

# Fulfil the needs of health claimants beyond claims



Health insurers should enable claimants to get access to the best in medical care, as a way of innovating, says Partner Re's Jerome Matrundola.

**T**he life and health insurance industry is engaged in an endless race to try and outsmart, outmanoeuvre and outsell one another. The drive to innovate and differentiate is real and costly. Enormous sums of money are being invested by life and health insurers on innovation labs, InsurTech partnerships, data analytics, distribution partnerships and new IT platforms.

I am a big believer in fundamentals and constantly looking to improve around fundamentals. There are many ways to define the cornerstones of the life and health industry, but no matter how you do it, these four pillars are critical:

- Customers: Engagement. Education. Distribution;
- Product: Meeting customer needs with valuable solutions;
- Risk (and data management) and capital management; and
- Provide excellent service to our customers.

There have been some good solid wins in our industry over the last decade as many insurers have shifted their focus to risk products. Consumers now have much greater choice in how they protect themselves and how they purchase and maintain their coverage, thanks to greater efficiency in how these solutions are issued, wider scope of coverage, and some, perhaps minor, improvements to claims processes.

Industry colleagues refer to claims time as 'the moment of truth' – when insurers fulfil their promises and provide financial support at times of need. And yet it is baffling how rudimentary and slow the claims process can be when seeking reimbursement for simple medical claims.

For larger and more complex claims where there is a need for risk procedures to assess and process claims, there is still significant scope for innovation.

At this 'moment of truth', there are clearly better ways to service customers and create stories that engage new customers and demonstrate the value of life and health insurance.

Consider the following basic, yet unfortunately common examples:

- The family breadwinner dies in an accident and the surviving spouse receives a benefit payment of \$1m... now what?
- A policyholder is diagnosed with a late stage cancer and receives a benefit payment of \$100,000...now what?

Where does the policyholder go for the best care? What is the cost of care? Are there alternatives? What about therapy and rehabilitation? What about support for affected family members? These are just a few of the very difficult questions people face while trying to deal with the trauma of being diagnosed with cancer and the daunting reality of treating it.

## Giving value through access to care

(Re)insurers need to look carefully at how their products address these issues, as well as how they improve the scope of service for customers including those claiming at older ages, surviving spouses, partners or children, or those surviving a life changing event.

In particular, they need to find ways to overcome geographic or financial barriers to enable policyholders to access international medical expertise, hospitals, clinics and therapies, wherever they are.

A great example of an innovative solution which addresses these challenges

is a product that gives policyholders improved access to medical care should they suffer a critical event. The coverage provides valuable benefits, in addition to services related to the claim diagnosis.

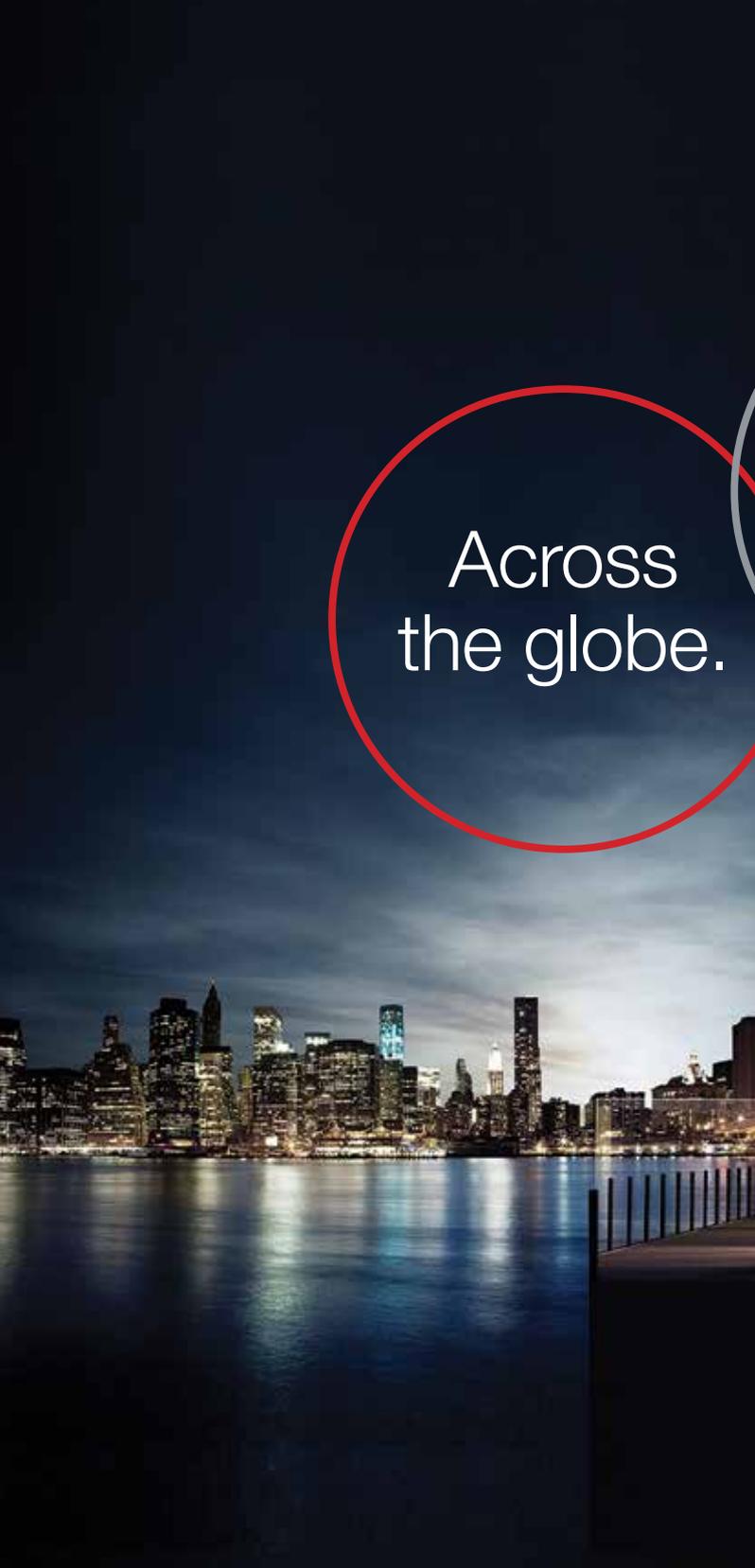
Consider that someone with this coverage, after being diagnosed with a cancer, can:

- Obtain a second medical opinion from a team of medical experts with a network of over 55,000 medical experts.
- Seek out-of-country treatments for specific and serious conditions. Coverage includes surgeries, treatments, hospital stays, diagnosis and rehabilitation, and the policyholder has access to top international hospitals and clinics with no out-of-pocket costs.
- A concierge service means that one contact ensures all flights are booked, airport transfers and hotels are arranged, and translation services are available to translate discussions pertaining to the services covered.

As life and health insurers seek differentiated and innovative ways to meet the changing needs of their clients, finding the right solutions in an efficient manner is becoming increasingly difficult. Focusing on improving and enhancing the fundamentals of our industry is quickly becoming the new platform for successful innovation.

Mr Jerome Matrundola is CEO Life & Health Asia Pacific at PartnerRe.





Across  
the globe.



Across  
your table.

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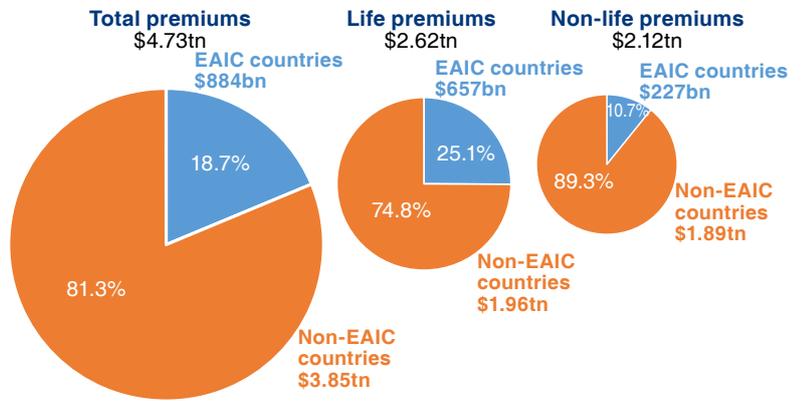


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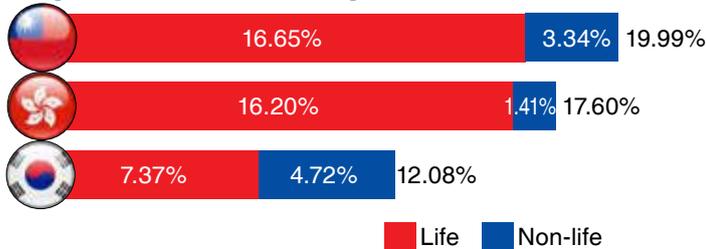
# EAIC in figures

Manila has hosted/is hosting the EAIC in  
**1964**  
**1980**  **2000**  
 and **2018**

There are **12** member cities/  
 countries in EAIC  
 East Asian  
 Insurance Day  
 is celebrated on  
**18<sup>th</sup> October**



## Top 3 in insurance penetration



## Top 3 in insurance density



Source: Swiss Re, sigma and businessmirror.com.ph

# A triumphant return to Manila

The 29th East Asian Congress kicked off in grand style at Marriott Hotel in Manila last night, celebrating the many delegates with glitz and glamour. Philippines' Insurance Commissioner Mr Dennis B Funa spoke of the camaraderie and close bonds of the industry in the region and welcomed the EAIC back to its second ever host city, back in 1964.



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