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# There is a growing need to ensure every citizen in the country is covered within the ambit of health insurance

Tapan Singhel, MD & CEO, Bajaj Allianz General Insurance stated that the presence of numerous insurers leads to enhanced competition, resulting in improved pricing, broader selection & enriched customer service. It also empowers customers with expanded access to specialized coverage that aligns with their individual needs & preferences

**In your opinion, what role does insurance play as a critical partner in India's growth story?**

India has positioned itself as one of the largest economies globally, boasting a GDP of over \$3 trillion, and our ambition now extends to achieving the milestone of a \$5 trillion economy in the foreseeable future. However, to reach this milestone, we must address a few pressing issues; these include weak health infrastructure, damages from natural calamities, and the impacts of climate change on agriculture. Insurance can help solve these challenges and contribute immensely to the country's growth story. A significant segment of our population, about 30% or around 40 crore citizens, called the 'Missing Middle,' have no health insurance coverage. Universal Health insurance for all citizens is the need of the hour; while a few states are offering coverage to all citizens, there is a growing need to bring all under the ambit of health insurance.

We have also witnessed an alarming increase in natural calamities throughout the country; insurance plays a crucial role in mitigating damages from natural calamities. Country-wide Parametric Insurance (Index-Based Solution), will play a decisive role in bridging the wide protection gap in the country; which as of now is more than 90%. Moving on to the next big concern, climate change and its impact on agriculture. Climate change is drastically affecting agriculture; each year, crops worth millions are lost due to heavy rains, cyclones, and famine. Through crop insurance schemes like Pradhan Mantri Fasal Bima Yojana, insurers can safeguard farmers against crop losses, ensuring stability in agricultural productivity and rural livelihoods. We already see the positive impact of such schemes, which has helped bring down farmer suicide, and we should aim to provide comprehensive coverage to farmers across the length and



Increased availability of insurers enables customers to access specialized coverage tailored to their unique needs. Furthermore, as the insurance sector moves towards achieving 'Insurance for All' by 2047, expect heightened collaboration among stakeholders, including insurtech startups, healthcare providers, and governmental entities.

breadth of the country. Currently, our GDP growth is about 8%, if we address these issues we will likely register the growth of 10%, or even more. Close collaboration between insurers and government bodies will ensure the effective implementation of the mentioned solutions, thereby enhancing financial protection and social security for all, thus promoting economic stability and fostering inclusive growth across the country.

**You recently said that India needs 1,000 insurance firms. Could you please share more insight on this? How will it be a win-win situation for both the customers and insurers?**

In total, India has about 60 companies, and the total insurance penetration is about 4% (including life and general); the general insurance penetration stands at a little over 1% of GDP. Many advanced economies like US

have over 5,000 insurers, there is no reason why India should have less than 1,000 insurance companies. Since, we aim to become among the top three economies of the world, and you see, the insurance penetration in such economies is over 10% of GDP. These numbers reflect the scope of immense growth for the sector; the more companies we have, the better for the customer. More insurers mean increased competition, ultimately leading to better pricing, more choices, and improved customer service. With more insurers, customers have greater access to specialized coverage tailored to their unique requirements. Also, as the industry strives for 'Insurance for All,' by 2047, we will see increased collaboration with various stakeholders, including insurtech startups, healthcare providers, and government bodies. Such partnerships will enable insurers to innovate beyond traditional offerings and

develop products and services tailored to evolving customer needs.

**In the evolving landscape of risk dynamics, what strategic approach is essential for maintaining a competitive edge? How can innovation be leveraged to drive and sustain growth in this context?**

Risks are constantly involving; technology has assumed a pivotal role in everyone's life, bringing unprecedented ease. However, alongside its benefits, technological advancement also brings risks, notably exposing individuals to cyber threats and vulnerabilities. We at Bajaj Allianz General Insurance strive to solve the worries of our customers and offer them relevant solutions; to protect our customers against new-age risks, we introduced the country's first Individual Cyber Insurance policy. Similarly, the other underlying concern in the country is an ageing population; by 2050, about 20% of our population will be above the age of 60. This underscores the requirement for health insurance products that cater to the specific needs of senior citizens. Our unique rider 'Respect Senior Care' offers a range of services specially curated to meet the requirements of senior citizens that go beyond traditional insurance offerings. These are just two of the many examples of how we use innovation to simplify the lives of our customers. For us, technology is a tool to serve customers better and resolve their worries!

At Bajaj Allianz General Insurance, our commitment is to address our customers' concerns and provide pertinent solutions. To safeguard them against emerging risks, we pioneered the nation's inaugural Individual Cyber Insurance policy.