

## Money

# Insurers see up to 40% fall in non-covid medical claims

**#MUMBAI**

Insurance companies have reported a drastic fall in medical claims by policyholders during the nationwide lockdown. Outgo on nearly all ailments - digestive to psychiatric, or even cancer-related treatments - has sharply reduced through the lockdown.

Industry experts believe that the reduced number of claims is largely on the back of concerns among patients against visiting hospitals, and many patients are delaying non-essential surgeries to help prevent infections. Additionally, the number of accidents has reduced.

"We have seen a 30-40% decline in non-Covid medical claims made at hospitals during the first few weeks of the lockdown," said Bhargav Dasgupta, CEO of ICICI Lombard. "The number of Covid related claims would be over and above these routine claims." This was reflected in the trends shared by other leading insurers as well.

Standalone health player Max Bupa Health Insurance, for instance, said that while the highest claims in April come from hospitalizations on account of unavoidable conditions such as Genitourinary system (highest for chronic renal failure), Cancer and Childbirth, the claims for these respective illnesses dropped by 40%, 42% and 45% as against March.

Furthermore, claims for other common conditions like infectious diseases, digestive and respiratory related illnesses too witnessed a decline in the month of April, respectively.

"Claims for planned surgeries and hospitalisation for common ailments have reduced by more than half," said Anika Agarwal, Director and Head - Marketing, Digital and Direct Sales at

Max Bupa. "Customers are postponing planned surgeries, and these will come back to normal or even spike once the Covid situation settles down temporarily." Meanwhile, Bajaj Allianz general insurance has seen claims outgo on ailments related to digestive, psychiatric, musculoskeletal, ophthalmology, ENT, injury, pulmonary and skin conditions "fall drastically".

For instance, as on 31st March, claims related to psychiatric ailments came down by 100%, musculoskeletal ailments claims came down by 90% and digestive ailments claims came down by about 75%.

"One major trend we have seen throughout the lockdown period is that digestive ailments and water borne disease related claims have sharply reduced," said TA Ramalingam, Chief Technical Officer, Bajaj Allianz General Insurance. "We believe it could be because people are consuming less junk food and staying indoors."

While the claims data can be a proxy for hospitalizations during the lockdown weeks, they do not necessarily indicate an overall improvement in general health of the public, experts said. In fact, some feel that hospitalizations may witness a sudden increase once the lockdown is lifted and the spread of virus contained, as they anticipate an influx of claims from patients who were deferring their treatments.

"Accidents have been low and planned surgeries such as knee replacement, cataract or dental procedures are being put on hold," said Amit Chhabra, business head health, Policybazaar.com. "While on the short term the impact is positive for the industry, there could be a spike in these demands once lockdown ends."

- Ashwin Manikandan