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The health industry has generated a humongous amount of data, and now the challenge is how we bring that under a single platform to provide better products and services, he says.

For health insurers, the industry is not merely a sales exercise but a medium to improve people's overall life quality, from protection and awareness to fitness and wellness, says Tapan Singhel, CEO and MD of Bajaj Allianz General Insurance. In a recent interview with Nidhi Sinha, Editor, Outlook Money, he spoke of the industry's advantages and challenges and how it constantly evolves to ensure it provides better services to its customers, including senior citizens.

Here are the edited excerpts from the interview:

These days, we see a relationship between health, wellness, and insurance. Many insurers are placing a lot of emphasis on wellness. Could you explain how this relationship works?

Ans. We look at insurance to protect us when things go wrong, but one of our obsessions is how to contribute to society and improve it. If somebody falls ill, we take care of them. But how can we contribute to wellness? We have a huge ecosystem, from hospitals and diagnostics to gyms. Then, we have a lot of data points; we need to figure out how to put that all into one place.

So, from what we have, can we be a major contributor to the wellness of the society? Can we raise the bar? Obviously, there is health insurance to take care of.

An OPD cover is also a part of wellness because you don't realise people often hesitate to visit (hospital) when there is no cover. I have seen people, including my friends, go to a chemist when they have a headache, and get some medicine. They don't hesitate to go to the best place when they have an OPD cover. An OPD cover contributes to wellness because it is pre-emptive, like a tele-consultation with a doctor. When you are unwell, you can reach out and have a consultation from wherever you are. Those things act in a big way in prevention.

Also, walking every day is good for fitness. I was reading a study that says it's not about how much weight you have; it's about how fit you are, which makes a difference in your longevity, happiness, and wellness. Many of these myths such as how you would look with this or that much weight has to be broken. People should talk about wellness, how they feel happy, about mental health, and educate themselves about where to go when things go wrong. So, it's a combination of these things the company and the industry are working on.

Health insurers have started looking at people who strive to remain fit favourably, and some insurance companies give a whole set of reward points. Could you explain why insurers do that from an industry perspective? How does it benefit them?

Ans. Obviously, there would be a benefit. Let's say if people are healthier, the claims should be lower. So, it's benefiting the insurance companies. What we don't realise is the basics of the insurance business. You collect money from many to pay to a few. This is the insurance business. If the money that goes out becomes less, the collection will also decrease. It's cyclic and a positive one. We must remember that if the claim outgo reduces, the overall premium reduces. From the industry perspective, the obsession is how to contribute to improving things.

You are talking about a positive cycle, so how do policyholders benefit from it?

Ans. You must have seen the schemes; if you are taking care of yourself or have joined a gym, it would reduce the premium. That's an incentive. However, the premium is not very expensive in India. So, the reduction would be insignificant from that perspective. The benefit you get using the ecosystem the insurance industry has created is huge because the healthier you are, the happier you are, and the better your life is.

Many preventive healthcare concepts in insurance come from traditional Indian wisdom, such as our grandmother's advice to have ginger in winter. So, how do you view that? Is something like that being adapted and modernised?

Ans. In ancient civilisations like India, every household and every person is a health champion. Consuming ginger is a treatment in Ayurveda. Meditation, yoga, or being in the sun during winter are all spoken about in modern science, but this has been happening for ages. But if you look at the insurance industry, what did we do? We started accepting Ayurvedic, or 'Ayush', as part of reimbursement claims. We also accept mental health claims. The industry keeps encouraging you to be healthier and happier. The sector also keeps adding many things to make it, from that perspective, a perfect cover for you.

You were talking about mental health—a real problem, especially with rapid urbanisation. People become lonely as families become smaller and work spaces become more hectic. So, what is the insurance industry doing, and what is the plan for developing it even further?

Ans. Look at our OPD cover; we provide reimbursement for mental health consulting. We also offer tele-calling (service) to speak to somebody about your mental health. So, the industry has put together an ecosystem where you can reach out. We talk to the people in the mental health space, NGOs, and doctors to see how to improve it. We have an ongoing project to know what more can we add. Data is an issue in the mental health space. It is the biggest problem because, as an insurer, you need good data to design the product. But even without that, the industry has provided coverage for mental health. With more data, we can refine it and make it much better.

The other problem with mental health is it doesn't often require hospitalisation but frequent visits. Do you think the OPD benefit covers everything? Is it serving the purpose?

Ans. OPD itself is a step in that direction. It takes care of it. As you said, the second issue is hospitalisation, which has been taken care of. Data shows that not everybody has to go frequently. It says most people have mental health issues, and for most people, it's a one-off in a lifetime; for some months, they would be having that (mental issue). It is not as expensive as you would think. The recurring ones that go beyond normal consulting would lead to hospitalisation and payments. So, we are trying to see the gaps in the data and trying to address that.

What is the role of wellness that seniors should consider; do you think if they take care of it, it will lead to better relationships with insurers in terms of better outcomes and interactivity?

Ans. We are putting together studies. As a company, we were the first to develop an SOS button; if you press that, you immediately receive a callback. You will then have an ambulance come to you, take care of you, and take you to the hospital, even before the children can arrive.

So, first, look at your ecosystem. If things go wrong, how fast do you get a response, in the golden hour, as you call it?

That will make a difference in the quality of life. Second, look at your social circle. How do you build a good social circle before you hit retirement? Loneliness causes more problems than anything else. Focus on your social circle and take good health insurance when things are going well. It will take longer if you look at it when you retire and are lonely. When you are in the pink of health and have a (social) circle, invest in them and walk daily. Laugh a lot. It will make a huge difference. As an insurer, we are trying to see how we can build that ecosystem for our customers and keep incorporating friends and partners to put it together.