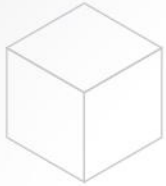


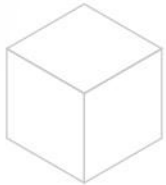


Marsh Employee Benefits  
**Medical Insurance in  
Emerging Markets**

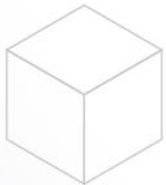
# AGENDA



Marsh - who we are



A macro view –  
the “perfect storm”  
is brewing

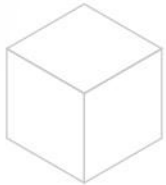


What that means  
for medical insurance

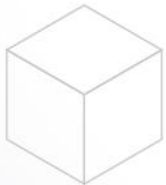




Marsh - who we are



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# MARSH – THE WORLD’S LARGEST INSURANCE BROKER



**\$13 bn**  
MMC  
GLOBAL  
REVENUE



**25,000**  
EMPLOYEES ACROSS  
**138**  
COUNTRIES




**\$45 bn**  
OF MARSH  
PREMIUM  
LEVERAGE



**\$19.5**  
**BILLION**  
CLAIMS PAID  
GLOBALLY



**7,500+**  
BENEFITS  
EXPERTS  
WORLDWIDE



**60+ bn**  
BENEFITS AND  
EQUIVALENCIES  
PLACED



# In-depth analysis, advice and recommendations, ongoing program management and claims advocacy.

## BENEFIT DESIGN

Our benefit programs are designed with the collective experience of over 7,200 specialists to bring client the most competitive and innovative in benefit plan design. Access to creative benchmarking and modelling tools enables us to develop effective programs for our clients.

## INSURANCE BROKING

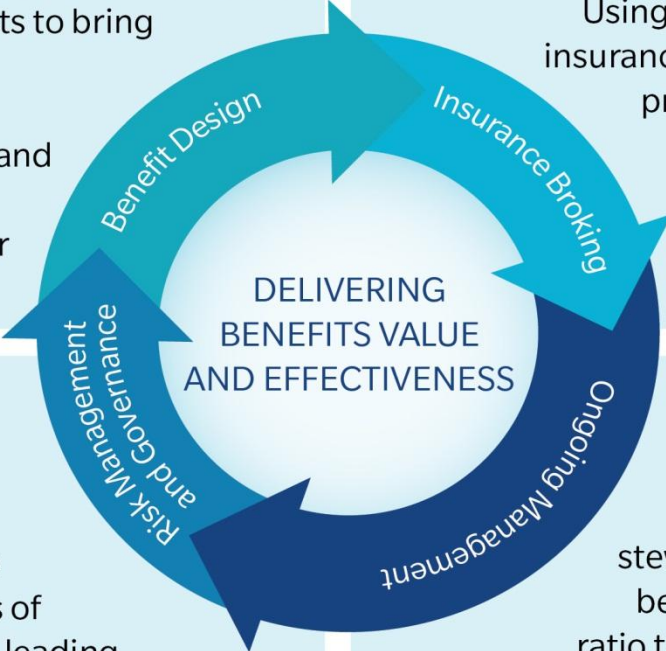
Using our strong relationships within the insurance market, and a stringent selection process, our clients receive favorable rates, terms and outcomes with competitive and leading-edge benefits programs.

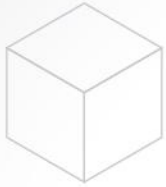
## RISK MANAGEMENT AND GOVERNANCE

Servicing clients in over 150 countries allows us to draw on the local knowledge and relationships of experts in other regions, enabling leading, cost effective management of benefits programs both locally and regionally.

## ONGOING MANAGEMENT

Our commitment to provide ongoing support, by way of stewardship reports, market updates, benefits benchmarking surveys, loss ratio tracking and insurer administration surveys, ensures your benefits program remains competitive and compliant.

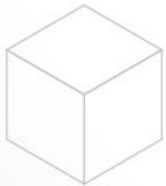




Marsh - who we are



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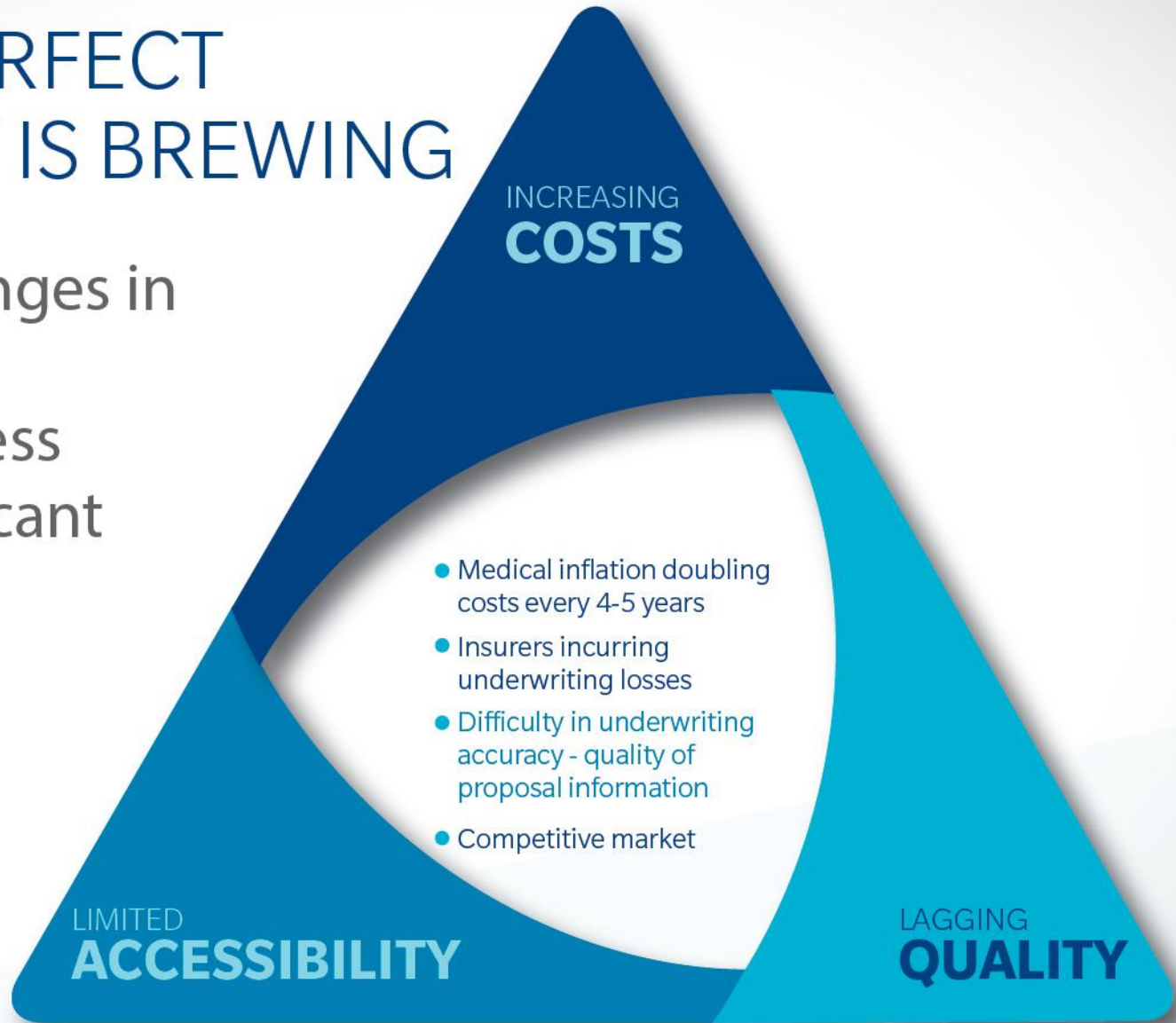


What that means  
for medical insurance



# THE “PERFECT STORM” IS BREWING

The challenges in healthcare are relentless and significant



# SOME LESSONS FROM THE MIDDLE EAST

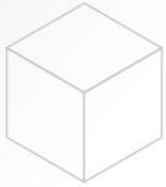
COMPULSORY  
MEDICAL  
INSURANCE



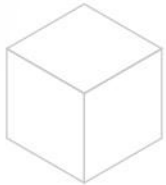
DEFINING RISK  
PRICING FORMULA

REGULATORY DEFINITION  
OF INVESTED ASSETS





Marsh - who we are



A macro view –  
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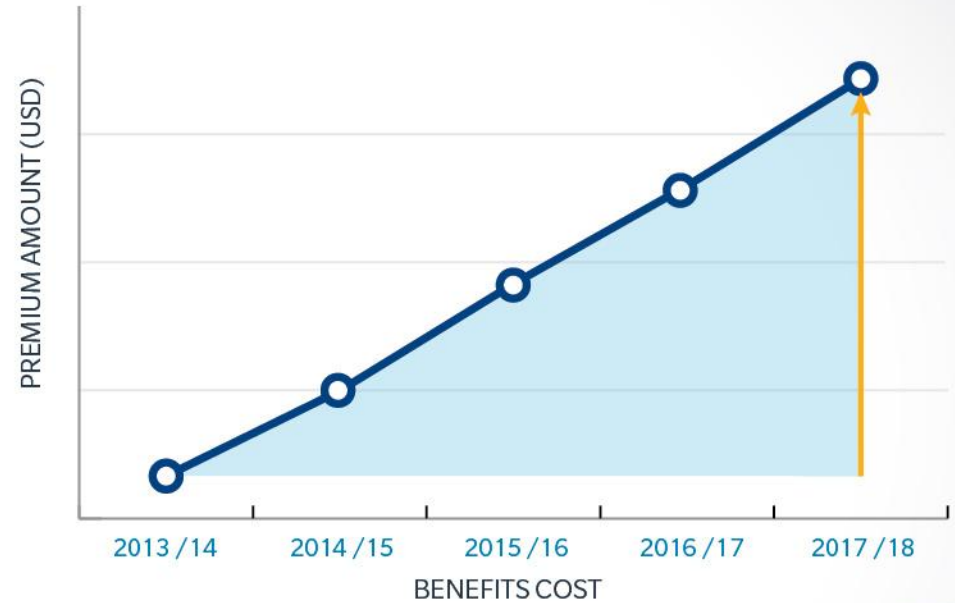


**What that means  
for medical insurance**



# THE COST OF DOING NOTHING

is Real and Measurable – and can have serious business implications



# MANAGING PREMIUMS

The conventional approach to benefits management is no longer sustainable with today's increasing cost drivers.



## AGGRESSIVE NEGOTIATIONS

- Often not fact based and will not hold-up under scrutiny
- Insufficient/incomplete data
- Reduced benefits



## FREQUENT SHOPPING THE MARKET

- How much attention does your RFP receive when the market has seen it year after year?



## REDUCE BENEFITS TO MANAGE COSTS

- If benefits are reduced without compromise or context, the negative impact is amplified

# THE WAY FORWARD

## Data and design



### DATA DRIVEN ANALYSIS AND NEGOTIATIONS

- Provide truth in numbers
- Challenge underwriting and actuarial assumptions..



### SMARTER BENEFITS DESIGN

- Use benefits as a tool for employee engagement..



### STABLE LONG TERM RELATIONSHIP

- Sustainable partnership.
- Long-term outcomes.

## BENEFITS

- Greater certainty of current costs and cost drivers, and forecasting around future cost drivers and savings.
- Strategic structure and an approach to benefits management that creates long-term sustainability.
- Measurable ROI and value.
- A better understanding of your employee profile and what benefits employees value.

# FOCUS ON ROOT CAUSES

Begin with employees' awareness and engagement.

## RISING MEDICAL COSTS RESULT IN SHRINKING BENEFITS

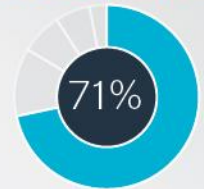


**Medical claims** are increasing at a faster rate to premium covered



Employers cannot absorb increasing premium costs and **cut down benefits**

### WHO ACTUALLY PAYS?



Cost of treatment covered by insurance

## WHY DOES YOUR HEALTH INSURANCE COST SO MUCH?



OVER-PRESCRIPTION?



COST OF PROCEDURES?



UNNECESSARY TESTS?

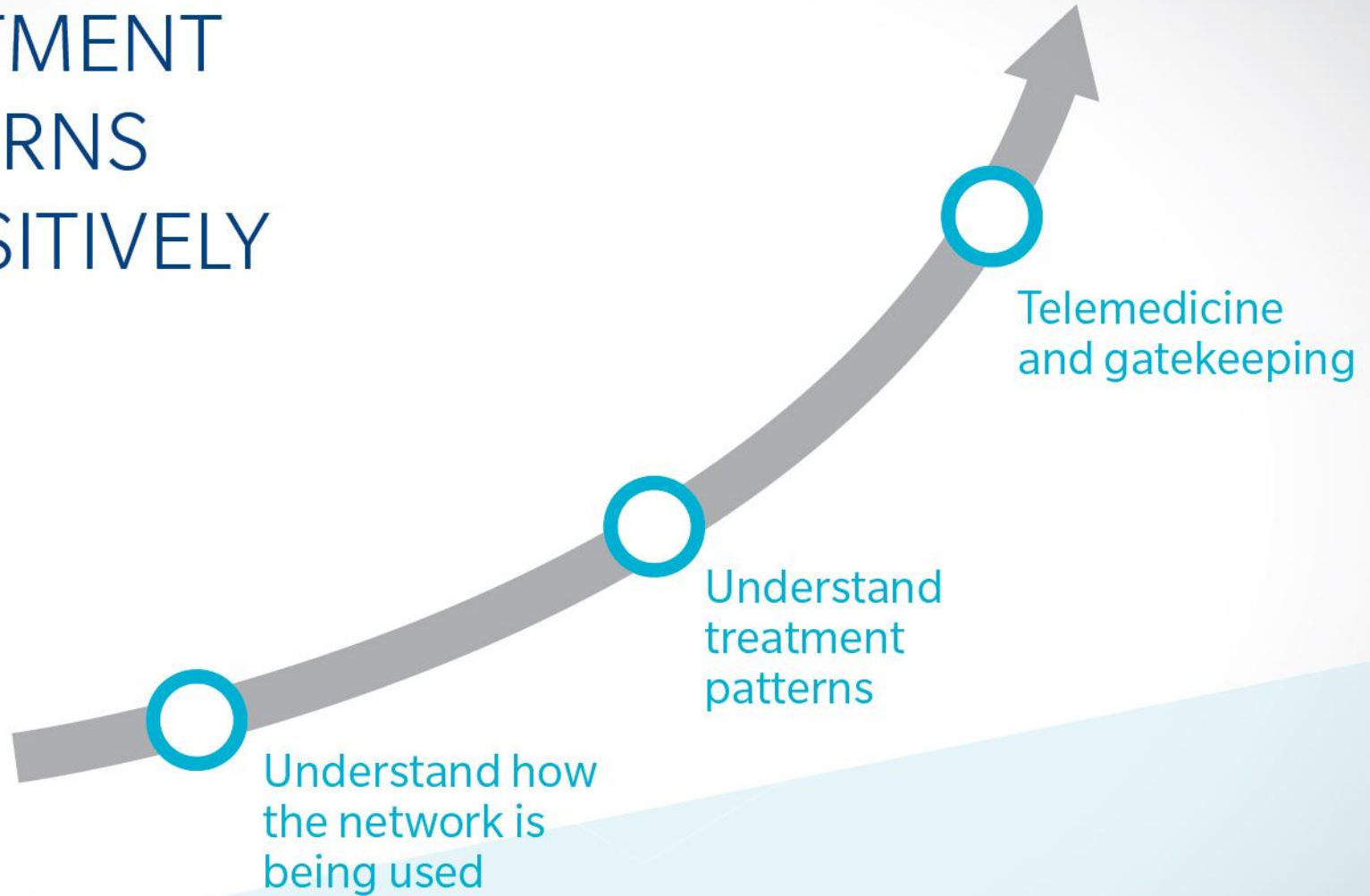


SURGERIES?



HOSPITALIZATION?

# MANAGE TREATMENT PATTERNS - SENSITIVELY



# MEASURE VALUE

*Look also beyond  
'direct costs'.*



**Employee  
engagement**



**A good place  
to work  
- staff turn**



**Absence  
from work**

# THE IMPACT OF A SUSTAINABLE APPROACH TO BENEFITS DESIGN AND MANAGEMENT

