

# Connected Health and its central role to evolution of the Insurance sector from “Payer” to “Player”

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## Introduction (problem/challenge)

The health insurance sector is getting a considerable amount of attention all around the world particularly in developed countries. This is partly because of the ever growing costs related to certain health issues like ageing and chronic disease and, on the other hand, due to the reshaping of Public Welfare. The common factor at an international level is that Insurers are trying to move from a simple “Payer role” to become a reference point (a “Player”) for all the health-related needs of their customers

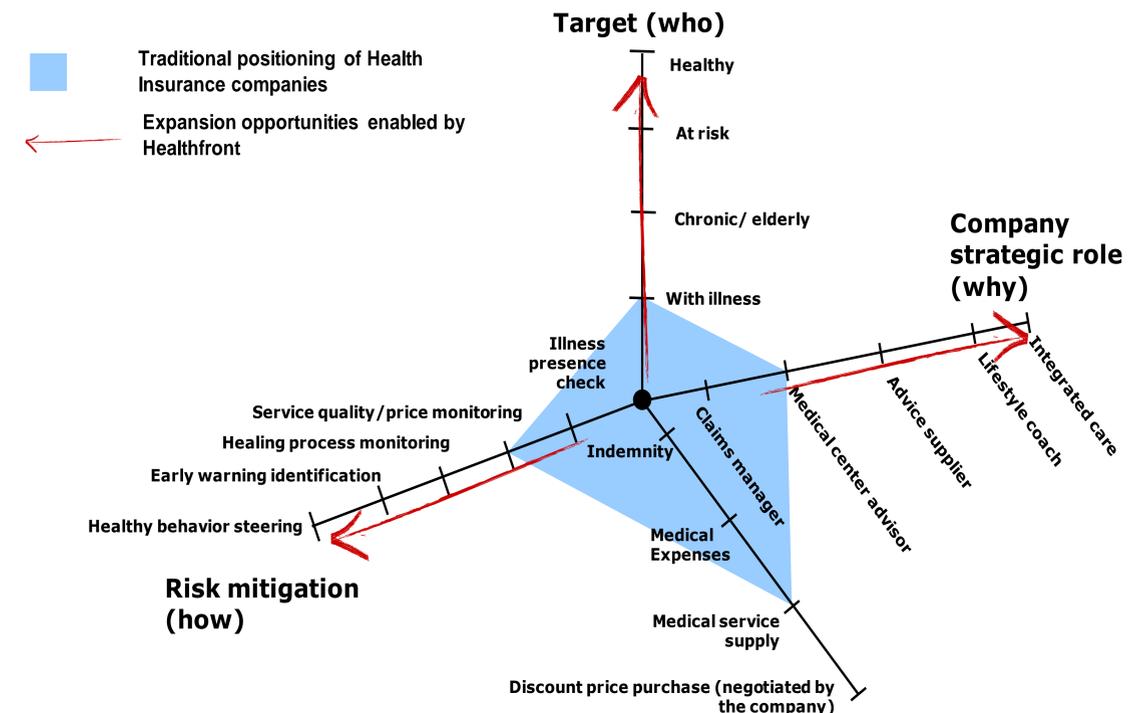
## Use of technology (for the problem/challenge)

Health telematics presents great potential for the insurer. Such potential should be harnessed in a profitable way by targeting less risky clients and presenting them with an **improved, better-priced value proposition**. For this to happen, Insurance Companies will have to **seek partners** from both the technological innovation sphere and medical providers, keeping in mind that its role in the health system is changing from “payer” to “pivot”.

There are five main value creation levers to take into consideration:

- 1) **Risk selection**, enhancing the underwriting phase with a temporary monitoring based on dedicated devices;
- 2) **Loyalty and behaviour modification programs**, leading the client toward risk free behaviour;
- 3) **Value added services**, developing tailored ancillary services that allow the Insurer to play as an omnichannel medical concierge;
- 4) **Loss control**, developing a broad approach to mitigate claims;
- 5) **Risk-based pricing**, developing insurance policies with pricing linked to client behaviour.

## The transition from “Payer” to “Player”



## Implementation process

The trend is clear as Companies are becoming more of a 360° health “counselor”, assisting the insured in taking the best decisions based on digital solutions.

The winning insurance value proposition will be that which is able to propose to its customers insurance components together with “e/m health” modular services made available in a single complete UX accessible via mobile app: wellness, medical network access and medical services.

## Conclusions

We are witnessing a major shift in the way medical services are delivered, towards a personalized approach that looks at individuals and their habits, needs and environment. As the WHO predicts a 13M doctors deficit at worldwide level by 2035, it’s essential for connected health to allow care providers to be much more versatile and flexible in getting to their patients. Insurance Carriers will then be able to reduce costs and positively influence the health state of their customers, while citizens will have improved access to medical care at a lower cost.