



MORBIDITY PRODUCTS AND CASES

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WHICH PRODUCTS/RIDERS ARE WE FOCUSING ON TODAY?



CRITICAL
ILLNESSES



LOSS OF
INDEPENDENT
AUTONOMY



HOSPITAL
CASH



BROKEN
BONES
(FRACTURES)



SURGICAL
PROCEDURES
COVERAGE



These products, additional coverages/riders, can provide costumers and their family/beneficiaries an extra layer of protection at a nominal premium increase.

Most are available only when you buy the basic policy; some can be added later. Some require additional underwriting.



MORTALITY VS MORBIDITY

- Mortality rates vs Morbidity rates
- Prognostic assessment: long-term morbidity or mortality risk for the set of facts for the case
- Providing fair and accurate pricing, underwriting of applications and claim services



“ACCELERATED” DEATH BENEFITS RIDERS VS MORBIDITY PRODUCTS OR MORBIDITY RIDERS

An accelerated death benefit rider that gives policies the ability to provide living benefits for terminal illnesses and other scenarios. It advances a portion of the policy’s face amount.

- Terminally ill
- Chronically ill
- Nursing Home Confined

Morbidity products or riders have their own their own insured capital.

When a claim is paid for:

- an accelerated rider, the death benefit is reduced because of this early payment.
- an morbidity rider, there is no impact in the death benefit.



CRITICAL ILLNESSESS

Beneficiary:

Insured Person

For Covered Event:

Is insured survival period needed?

- Advantages

Grace Period

If allowed in the local market, a grace period can be interesting:

-Reasons

Not needed for personal accident.



CRITICAL ILLNESSES

Module I

Cancer

Aplastic Anemia

Bone Marrow Transplant (recipient)



CRITICAL ILLNESSES

Module II

Coronary Surgery with Bypass

Acute Myocardial Infarction

End-stage Renal Failure

Brain Stroke

Heart or Kidney Transplant (recipient)

Heart Valve Surgery

Aortic Surgery



CRITICAL ILLNESSES

Module III

Fulminant Viral Hepatitis

Chronic pancreatitis

Severe Liver Disease

Chronic Lung Disease

Liver, Lung, Small Intestine and Pancreas transplants (recipient)

Third Degree Burn



CRITICAL ILLNESSES

Module IV

Multiple sclerosis

Alzheimer's disease

Amyotrophic Lateral Sclerosis (ALS)

Limb Paralysis

Brain Tumor

Blindness

Deafness

Coma (resulting from traumatic brain injury)

Idiopathic Parkinson's disease



CRITICAL ILLNESSESS

Why MODULES?

Inclusive: costumer contract even underwriting requiring exclusion of one of the modules due to the specific high risk

The same can occur when the insured renew the policy (eg. every 5yrs)

The insured can get the benefit (insured capital) of one module, keeping others active (with maintenance of premium payments)



CRITICAL ILLNESSESS

CASE #1

Female, 34 yo, a businesswoman, 1st life insurance policy

Hypertension, declared in the insurance proposal form

Both parents with hypertension

No other known diseases or risk factors.

- Whole Life
- Critical Illnesses – 5 years (renewable)
- Hospital Cash – 5 years (renewable)



CRITICAL ILLNESSESS

CASE #1

UNDERWRITING HEALTH REQUIREMENTS:

- Health Interview (in person)
- Blood and Urine Tests



CRITICAL ILLNESSES

CASE #1

HEALTH INTERVIEW (IN PERSON)

Hypertension declared

BP: 130/70mmHg HR: 80

Non-smoker

Normal EKG (copy of his GP)

No other known diseases or risk factors.



CRITICAL ILLNESSESS

CASE #1

LAB RESULTS

Normal blood and urine tests.



CRITICAL ILLNESSES

CASE #1

UW DECISION

Standard for all products and riders



CRITICAL ILLNESSES

CASE #1

1 year and a month later diagnosis:

OVARY CANCER WITH LYMPH NODE METASTASIS

TNM Classification: pT1cN1M0

1st case of ovarian cancer in the Family. No risk factors indentified.
Treatment: radical hysterectomy (w/ oophorectomy - right side),
lynphadenectomy and appendectomy and djuvant chemoterapy

Stayed 4 months away from work. Chances of survival was ~90%.



CRITICAL ILLNESSESS

CASE #1

Grace required period

Survival required period

CLAIM REQUIREMENTS

- Claim Form
- Medical Form
- Hospital Records/Files (Patient Record)
- Exams (proving the event/disease)



CRITICAL ILLNESSESS

CASE #2

Male, 53 yo, 1st life insurance policy

Proposal form: declared Hypertension / Obesity / Mother: Hypertension,
Father and brother: without any known diseases

- Whole Life
- Critical Illnesses – 5 years (renewable)
- Hospital Cash – 5 years (renewable)
- Funeral assistance



CRITICAL ILLNESSESS

CASE #2

UNDERWRITING HEALTH REQUIREMENTS:

- Health Interview (in person)
- Lab Exams (blood and urine test)
- EKG
- Attending Physician Statement (APS)



CRITICAL ILLNESSES

CASE #2

HEALTH INTERVIEW (IN PERSON)

Mother with Hypertension, Father and brother without any known diseases

Height 5.8ft Weight 238 pounds (obesity)

Controlled Blood High Pressure: Candesartan

At the exam: BP: 115/85mmHg HR:66

Non-smoker

APS: Normals EKG, Stress Test and Echocardiogram from his last checkup
(less than 1 year)



CRITICAL ILLNESSESS

CASE #2

LAB EXAMS (BLOOD + URINE)

A1c 5.5%

Total Cholesterol 225 mg/dL

Triglycerides 351mg/dL

HDL Cholesterol 31 mg/dL

others tests at normal or desirable levels



CRITICAL ILLNESSESS

CASE #2

UNDERWRITER DECISION (INDIVIDUAL ASSESSMENT + RISK CALCULATOR)

50% premium increase for CI rider



CRITICAL ILLNESSESS

CASE #2

Three years and two months later, the insured had a covered event

ACUTE MYOCARDIAL INFARCTION



CRITICAL ILLNESSESS

CASE #2

Grace required period

Survival required period

CLAIM REQUIREMENTS

- claim Form
- Medical Form
- Insured Hospital Record/Files (Patient Record)
- Exams proving to the event/disease



LOSS OF INDEPENDENT AUTONOMY

DEFINITION: insured become permanently disabled and dependent on others to perform 4 (four) or more activities of daily living:

- 1) Shower
- 2) Personal Hygiene
- 3) Clothing (to dress)
- 4) Food intake (eating)
- 5) Mobility
- 6) Contenance

It is recommended that this coverage has an exit age? Eg.: 75 yo



LOSS OF INDEPENDENT AUTONOMY

- ❗ BATH: without help from a third party, the insured is not able to enter or get out of the bath or shower and dry yourself;
- ❗ PERSONAL HYGIENE: without the help of third parties, the insured is not able to partially wash (upper or lower body) and do intimate hygiene after using the bathroom;
- ❗ CLOTHING (TO DRESS): without help from third parties, the insured is not able to dress, undress completely, put on and fasten prosthesis or surgical vest, if use these;
- ❗ FOOD INTAKE (EATING): the insured needs his food to be administered through tubes or is unable, without assistance from third parties, to consume food and drinks previously prepared and served;
- ❗ MOBILITY: without help from third parties, the insured is not able to walking, sitting down, getting up, getting in and out of bed. Does not meet criteria: wheelchairs, prostheses, orthotics etc;
- ❗ CONTINENCE: the insured has permanent urinary or fecal incontinence, or is not able to empty your bladder or bowels autonomously. Also characterized if continuous and irreversible use of absorbent catheters or diapers, which the Insured cannot exchange without help.



HOSPITAL CASH

Amount to be paid to the Insured due to of the value contractually established, regardless of the amount of the daily stay charged by the hospital/clinic and other expenses incurred.

❗ For each day of hospitalization in the ICU, the contracted amount can, for eg., be paid in double.

The guarantee is usually limited to the payment of a maximum of days (eg. 200 per event)

The benefit will be paid to the Insured in a single lump sum.

If the Insured dies before receiving the benefit, when it was already entitled, the amount will be paid according to legislation.

*discharged



BROKEN BONES (FRACTURES)

List of bones fractures with % of benefit ranges of contracted insured amount

Exclusion for hairline and pathological fractures (including osteoporosis) (?)

No grace period (as it is a coverage for personal accident)



SURGICAL PROCEDURES

List of surgical procedures with percentual benefit rates for each or groups
(it can be 200 or even 2000+ procedures)



Definitions and Exclusions



Eg: Term of “x” years with annual insured capital reintegration.
Payment of 1 surgery (event) every 12 months.
Grace period (unless personal accident).



PII REASEARCH (2020)

- Aligning innovation / product development with unique needs of each market.
For example, in addition to Life, supplemental health products in Brazil, Indonesia and Argentina
- Family and friends play a critical role when consumers research for insurance products.



“THE PANDEMIC TRAUMA” SURVEY (2022)

Our company has launched morbidity products and others services or assistances, with an eye on customer demand for health after the pandemic trauma.

One of them, named “*Proteção em Vida*” (In Life Protection), includes Hospital Cash, Funeral Insurance, Telemedicine, Psychotherapy, Sports and Nutritional Guidance, Second Medical Opinion, Wellness platform/app, Discount on medicines and Pregnancy Guidance.

In Brazilian market as a whole, demand for this type of coverage increased by 24% in last year.

In addition, this survey showed that more than 40% of Brazilian customers today seek protection during their lifetime.



“Choosing a life insurance policy can seem a bit overwhelming for costumers. If there’s one thing the life insurance industry is guilty of, it’s producing an abundance of choices. But in this case, there’s good reason: everyone’s needs, goals and preferences are different, and insurance industry wants to help clients to find a policy that meets their needs and budget.”

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