Health Insurance

HELLENIC ASSOCIATION OF INSURANCE COMPANIES

2023 Survey

Executive Summary

Survey Points

- Annual survey through a questionary
- Surveyed Health Covers: Out-of-hospital and In-hospital
- Surveyed Lines of Business: Individual and Group
  - Life Insurance, Class I.3 – Supplementary Life Insurance
  - Non-Life Insurance, Class 2 - Sickness

Survey Participation

- 17 Insurance Companies
  - 10 with production in both Life Insurance, Class I.3 – Supplementary Life Insurance and Non-Life Insurance, Class 2 - Sickness
  - 4 with production in Life Insurance, Class I.3 – Supplementary Life Insurance
  - 3 with production in Non-Life Insurance, Class 2 - Sickness
  - 17 with activity in Individual Insurance
  - 15 with activity in Group Insurance

Survey Findings

	2023	2022
Number of Health Insurance Individual Policies	**964.951**	**921.627**
Number of Health Insurance Group Policies	**7.004**	**6.025**
Health Insurance Individual Policies Claims Paid (€)	**483.023.878**	**416.720.366**
Health Insurance Group Policies Claims Paid (€)	**227.184.207**	**193.697.374**

The Health Committee of HAIC, aiming at providing insurers with comprehensive information on the field of health, repeated its annual survey on the most prominent covers of **out-of-hospital and in-hospital care.**

In this context, HAIC disseminated to insurance enterprises a special questionnaire with the intention to record the key figures of these insurance covers with special focus on claims paid in 2023.

More precisely, the questionnaire:

- Distinguishes health insurance business between Individual and Group lines of business.
- Examines the volume of policies and insureds, as well as the claims paid by cover, primarily focusing on the analysis of in-hospital claims.
- Delves deeper into individual Health insurance business, segregating the respective policies according to their duration (annually renewable versus guaranteed renewable/long-term) and according to their provision or not of deductible amount (No Deductibles versus Deductibles) in in-hospital care by maximum coverage amount.

The reference date for the data reported for 2023 is that of 31/12, and the total volumes and numbers cited and analyzed in this report come from 17 insurance enterprises with establishment status. According to the available market data for the overall Greek insurance industry for 2023, the 17 companies that participated in the survey, contributed 90,9% of the total written premium production (all covers, including policy fees) in Class I.3 - Supplementary Life Insurance and 99,7% in Class 2 - Sickness in Non-Life Insurance.

Figure 1: Life Insurance
Class I (all covers)
Total Written Premium 2023

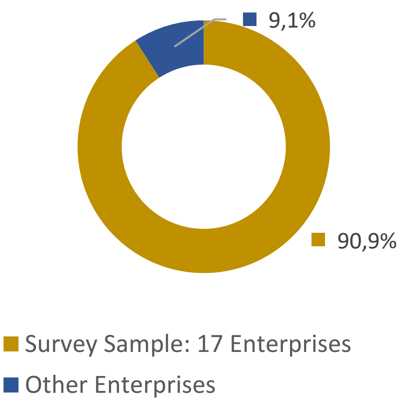
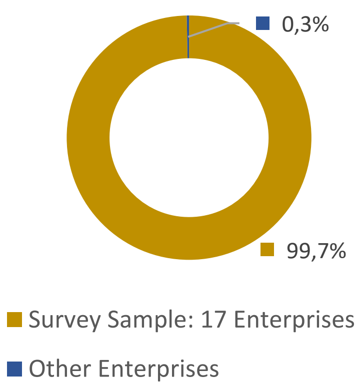


Figure 2: Non-Life Insurance
Class 2 Sickness (all covers)
Total Written Premium 2023



All participating enterprises (17) have reported operation in individual Health insurance, while 15 of them reported activity in group Health insurance, too. In a snapshot, the total amounts of claims paid by these enterprises are shown in Table 1, below.

Table 1: Reimbursements paid 2023

Covers: Out-of – and in-hospital	Individual Insurance (17 Enterprises)	Group Insurance (15 Enterprises)	Total
Claims paid (€)	483.023.878	227.184.207	**710.208.085**

It should be noted that the data used for this report were obtained via the answers provided to HAIC by the participating insurance enterprises in the context of the survey and have not been verified by certified auditors.

In this report are summarized the figures for the fiscal year 2023 that have been reported by the participating in the survey insurance companies, while the respective figures for previous years are also provided in comparative graphs and tables. The figures for the years prior to 2022 are directly comparable to each other, as they come from the exact same insurance companies. However, as far as 2022 is concerned, the sample of enterprises has been enlarged by one enterprise, that consistently participates in the survey since then, and the sample has been further enlarged by one more company that contributed to the survey for 2023 for the very first time.

Key Findings of the Survey

The results derived from the data reported for 2023 are presented and explained in the following paragraphs.

A. Number of Policies: in-force and cancelled [1]

i. Individual

In 2023, the in force individual health policies approached 965 thousand, an increase of 5% compared to the previous year. At the same time, the number of cancelled policies showed also an increase of 6%. The combined effect of the two previous figures was an increase in the ratio of cancelled to in-force policies by 0,1 points in 2023 compared to 2022, i.e., reaching at 12,5%.

Figure 3: Individual In–Force and Cancelled Policies 2019- 2023

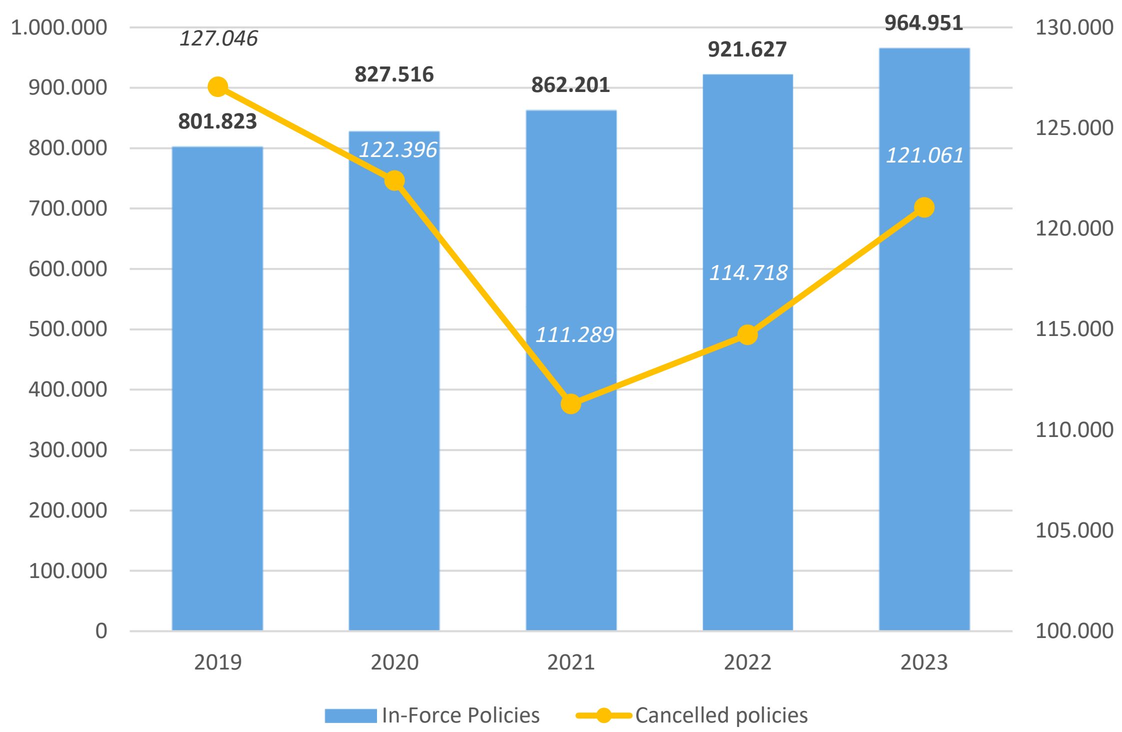


Table 2: Percentage change in Individual Policies

2023 vs 2022 (2022 vs 2021)	In-Force	Cancelled	Ratio Cancelled / In-Foce
	5% (7%)	6% (3%)	12,5% (12,4%)

[1] *In the notion of cancellations (and respectively in that of the terms 'cancelled policies', 'cancelled insureds' used in this survey) have been included all causes of discontinuance of insurance, such as expiration, lapsation, termination for any reason.*

ii. Group Policies

The trend of group health policies was similar to that noted in the individual line of business. More precisely, the number of group policies reached 7.004 in 2023, writing an increase of 16% compared to 2022. On the other hand, the number of cancelled policies reached 1.017, marking an increase of 27% compared to the previous year. The combination of these two factors contributed to an increase of 1,2 points in the ratio of cancelled / in-force group policies in 2023 compared to the previous year, i.e., reaching at 14,5%.

Figure 4: Group In-Force and Cancelled Policies 2019- 2023

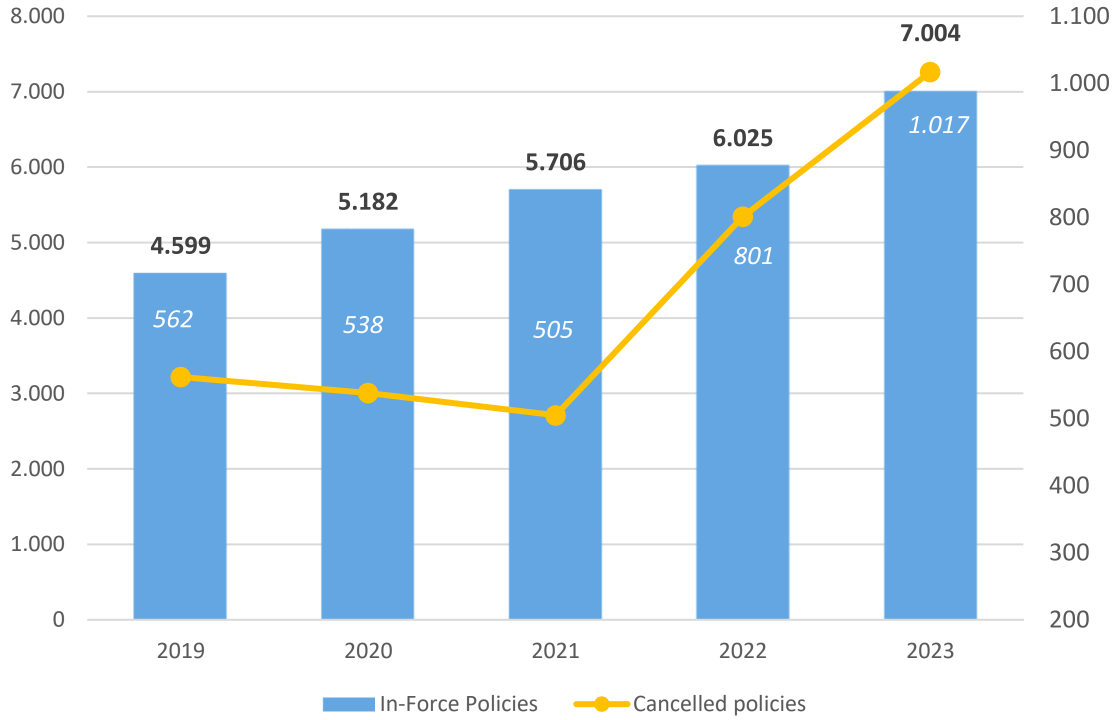


Table 3: Percentage change in Group Policies

2023 vs 2022 (2022 vs 2021)	In-Force	Cancelled	Ratio Cancelled / In-Force
	16% (6%)	27% (58%)	14,5% (13,3%)

B. Number of Insureds [2]: Active and Cancelled

i. Active Insureds in Individual & Group Line of Business

In parallel to the number of the in-force policies, there was also an increase in the number of total (i.e., individual and group insurance, primary insureds and covered/dependent members) active insureds reported for the year of 2023.

More specifically, the number of active insureds on 31/12/2023 for the individual line of business exceeded 1,2 million, equal to an increase of 6% versus the previous year, and the number of insureds for group health insurance approached 1,6 million, i.e., an increase of 10% compared to 2022.

With the reservation pointed out in footnote 2, the percentage distribution of the total number of active insureds (i.e., sum of insureds in both lines of business) shows that group insurance continues to have a higher penetration rate in the Greek society (57% of the total number of active insureds reported) than individual insurance (43% of the total number of active insureds reported).

Figure 5: Active Insureds 2019 - 2023

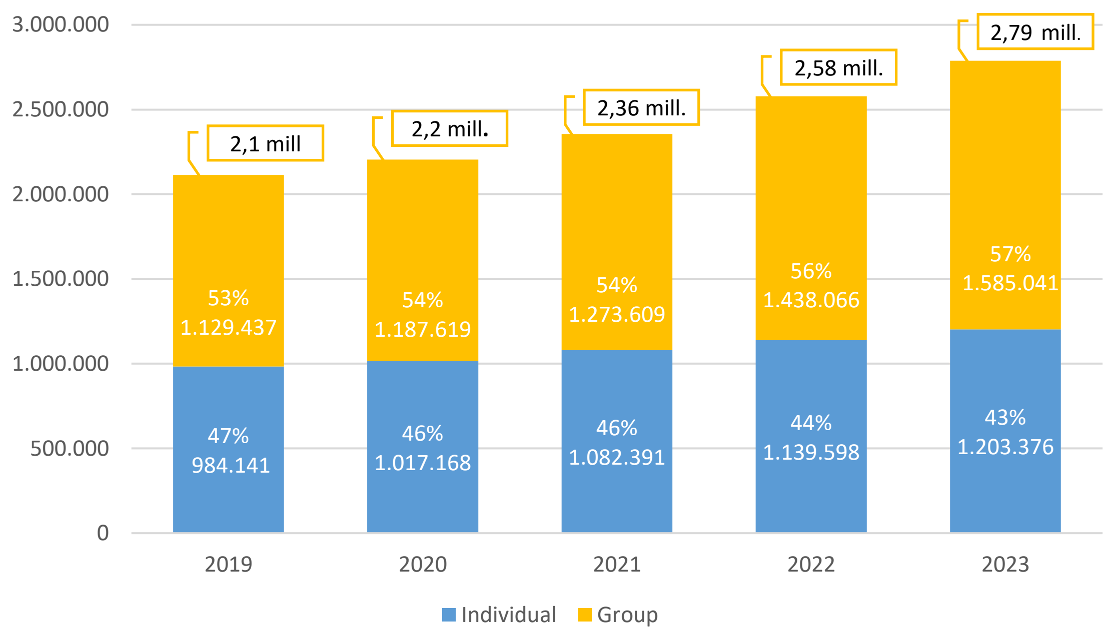


Table 4: Percentage change of active insureds

2023 vs 2022 (2022 vs 2021)	Individual Insurance	Group Insurance	Total
	6% (5%)	10% (13%)	8% (9%)

[2] *It should be noted that, in the context of this survey, the number of insured/dependent members is not identified by a unique numbering (there is no registry of insured members), since data are not requested on an individual basis. In other words, it cannot be ensured that the totals of insureds in each line of business (group and individual) in all years are free from multiple counts of the same insured. Therefore, the presentation of these totals aims to provide the reader with a rough depiction of the percentage 'split' between the insureds in the two lines of business, and to mark any year-to year change.*

ii. 'Cancelled' Insureds in Individual & Group Line of Business

In 2023, the number of insureds under 'cancelled' policies approximated 143 thousand in individual insurance, equal to an increase of 7% compared to 2022. On the other hand, the number of insureds under 'cancelled' group insurance policies approached 89 thousand, marking a significant increase of 53% compared to the previous year.

Calling for the readers' attention to footnote 2 herein, it is noted that, from the percentage breakdown of the total insureds under 'cancelled' policies in both lines of business (individual and group), those coming from the individual line have been sharing for years the largest part. Moreover, despite the significant increase noted in the 'cancellations' of group insureds in 2023 versus 2022, the corresponding 'cancellations' coming from the individual line of business, still account for the larger part, i.e., 62% of the total 'cancelled' insureds in 2023.

Figure 6: Number of Insureds covered by 'Cancelled' policies 2019- 2023

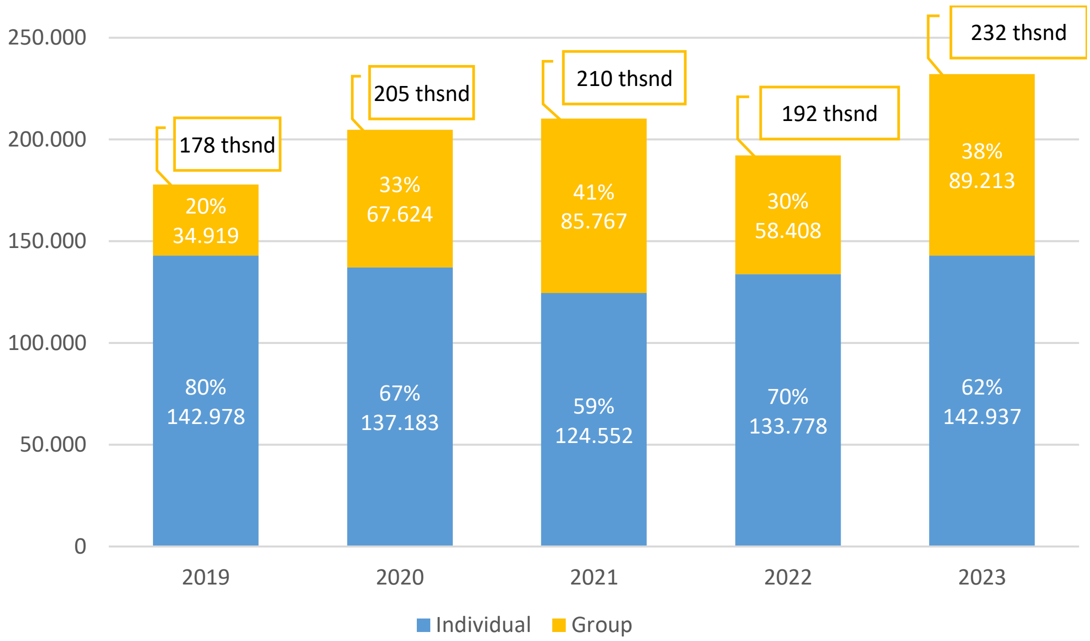


Table 5: Percentage Change in Insureds covered by 'Cancelled' Policies

2023 vs 2022 (2022 vs 2021)	Individual Insurance	Group Insurance	Total
	7% (7%)	53% (-32%)	21%(-9%)

C. Claims Paid

Total Health Insurance claims (individual and group insurance, out-of-hospital and in-hospital covers) paid by the enterprises participating in this survey, exceeded the amount of € 710 million in 2023, marking an increase of 16% compared to the previous year.

Both lines of business contributed to the overall increase. More precisely, claims paid in the individual line of business, constituting 68% of total claims paid, reached €483 million in 2023 and recorded a 16% increase versus 2022. Group insurance claims, on the other hand, exceeded the amount of €227 million in 2023, recording an increase equal to 17% versus the previous year.

Figure 7: Claims Paid 2019- 2023 (€)

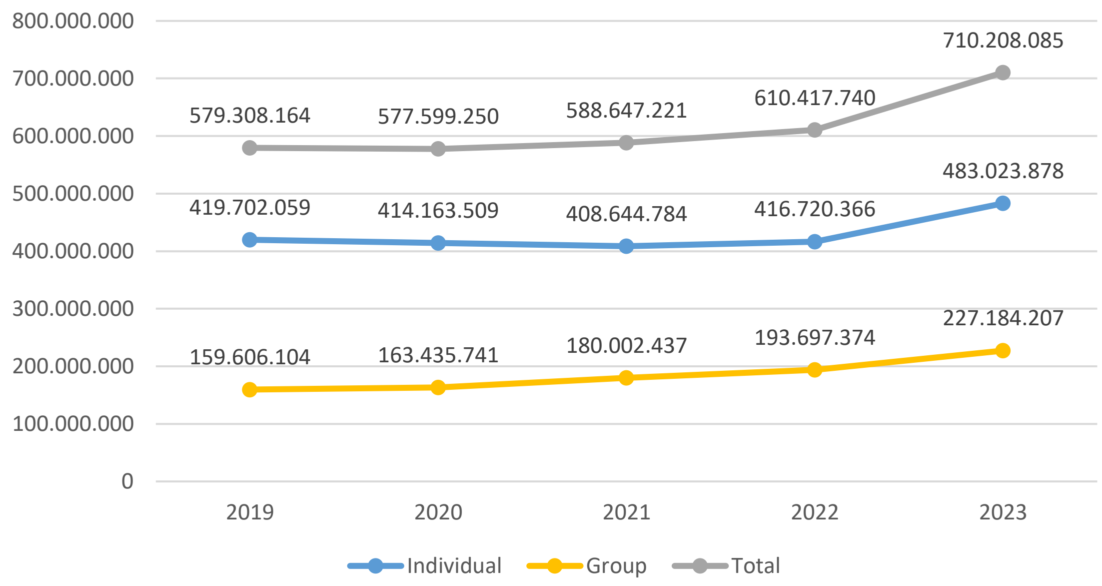


Table 6: Percentage Change in Claims Paid

2023 vs 2022 (2022 vs 2021)	Individual Insurance	Group Insurance	Total
	16% (2%)	17% (8%)	16% (4%)

i. Total Claims Paid by Cover: Out-of-hospital and In-hospital

Of the €710 million claims paid in total in 2023, 90% of it, or €641 million were paid for in-hospital cover under both lines of business (individual and group). Compared to 2022, total in-hospital paid claims increased by 16%.

The remaining 10% of the total paid claims, which is equal to €69 million, referred to out-of-hospital benefits (individual and group). Worth noting is the fact that the total amount of out-of-hospital paid claims, marked also an increase of 15% compared to the previous year.

Figure 8: Out-of-hospital and In-hospital Claims Paid 2019- 2023

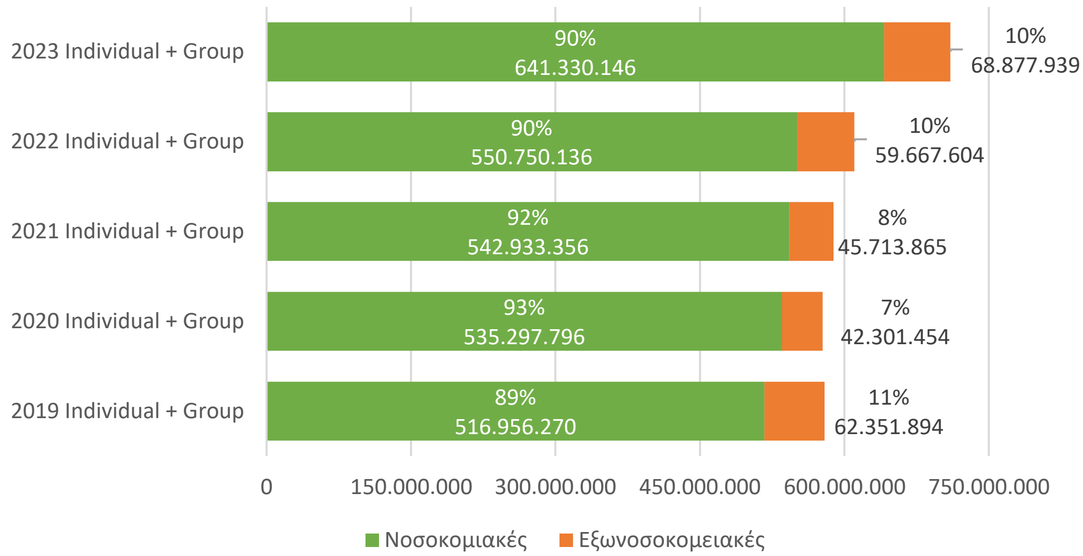


Table 7: Percentage Change in Claims Paid by Cover

2023 vs 2022 (2022 vs 2021)	In-hospital Cover	Out-of-hospital Cover
	16% (1,5%)	15% (31%)

ii. Individual Claims Paid by Cover: In-hospital and Out-of-hospital

As mentioned above, in 2023, total individual health insurance paid claims increased by 17% compared to 2022, reaching €483 million. 96% of this amount, or €462 million, was paid for in-hospital benefits, writing an increase of 16% compared to the previous year. Out-of-hospital paid claims amounted to €21,2 million in 2023, increased by 16% compared to 2022.

Figure 9: Claims Paid for Individual In-hospital and Out-of-hospital Cover 2019 – 2023

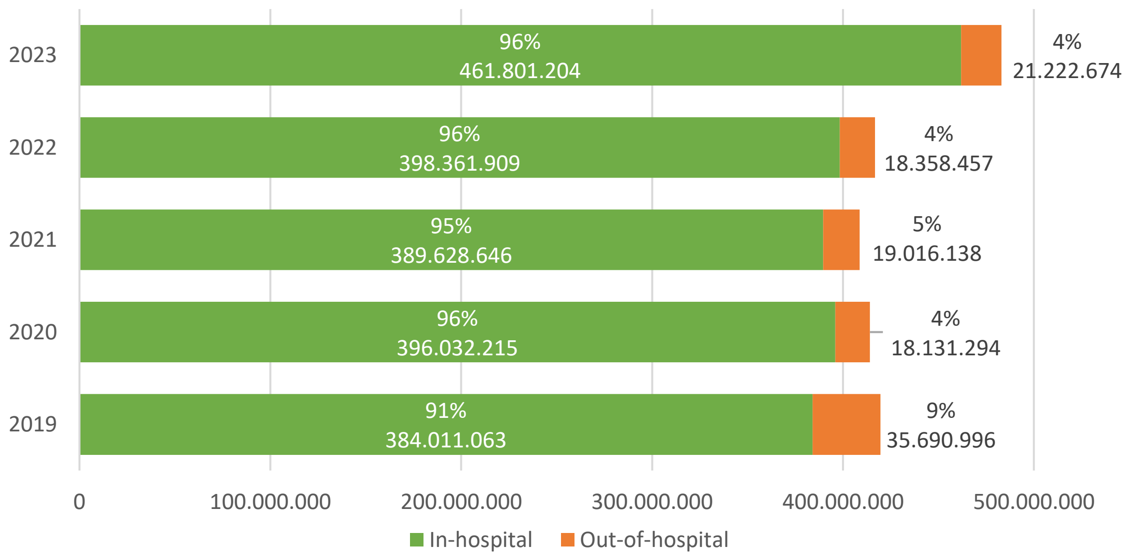


Table 8: Individual - Percentage Change in Claims Paid by Cover

2023 vs 2022 (2022 vs 2021)	In-hospital Cover	Out-of-hospital Cover
	16% (2%)	16% (-3%)

iii. Group Claims Paid by Cover: In-hospital and Out-of-hospital

In 2023, total group health insurance paid claims reached €227,2 million, an increase of 16% compared to 2022. 79% of total group claims, i.e., €179,5 million, were paid for in—hospital benefits, writing a significant increase of 18% compared to 2022. On the other hand, out-of-hospital paid claims, that consist the reaming 21% of the total group paid claims, reached €47,7 million, marking also a double digit increase equal to 15% compared to the previous year.

Figure 10: Group Insurance: Claims Paid for In-hospital and Out-of-hospital Cover 2019 - 2023

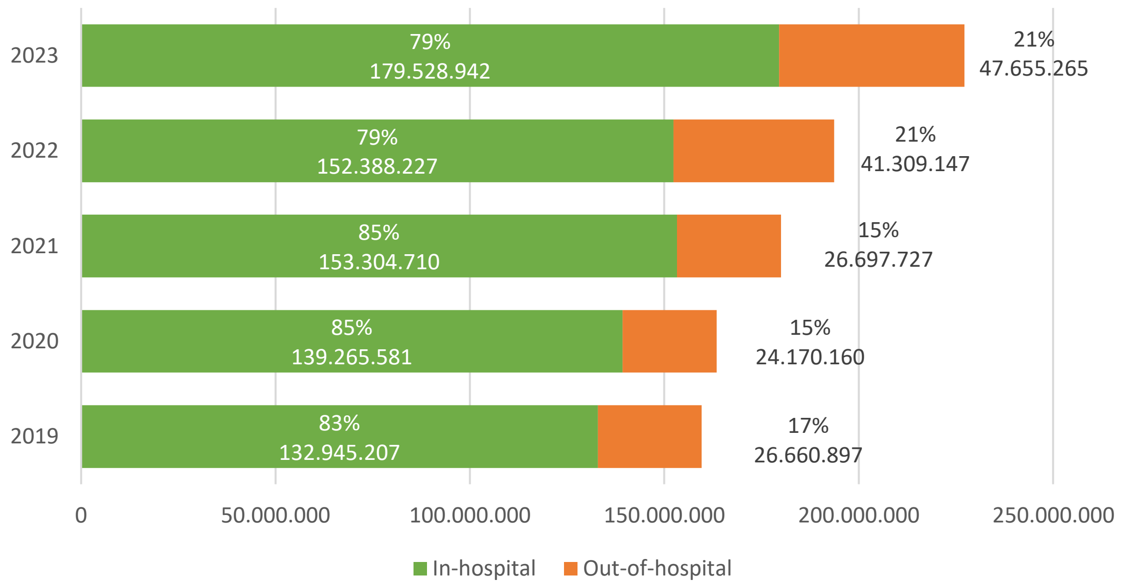


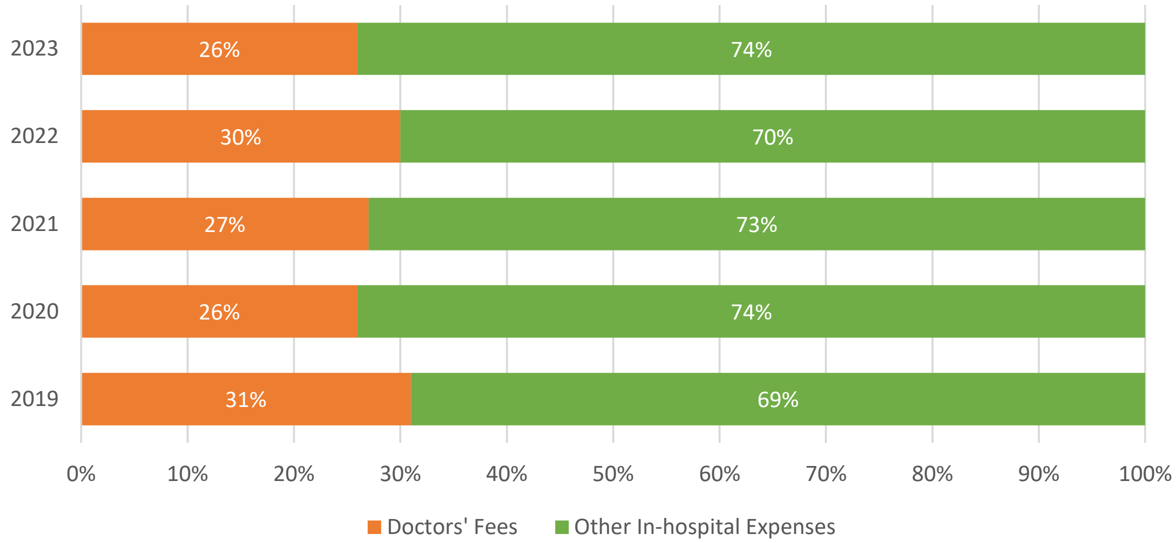
Table 9: Group - Percentage Change in Claims Paid by Cover

2023 vs 2022 (2022 vs 2021)	In-hospital Cover	Out-of-hospital Cover
	18% (-0,6%)	15% (55%)

iv. In-hospital Reimbursements by Kind of Expenses Paid: "Doctors' Fees" and "Other In-hospital Expenditures"

A further analysis of the total (sum of individual and group) in-hospital reimbursements (i.e. claim payments for actually incurred expenditures, excluding indemnity benefits) paid in 2023 shows that 26% of these are allocated to doctors' fees and 74% referred to all other in hospital charges.

Figure 11: Both Lines of Business: In-hospital Reimbursements Paid by Kind of Expenditures 2019- 2023



As far as the exact amounts paid in 2023 for in-hospital reimbursements (actually incurred health expenditures) are concerned, based on data reported by 14/17 companies in individual line of business and 14/15 companies in group line of business, were noted the percentage changes shown in the following Table 10.

Table 10: Changes in Exact Total Amounts Paid for In-hospital Reimbursements by Kind Expenditures

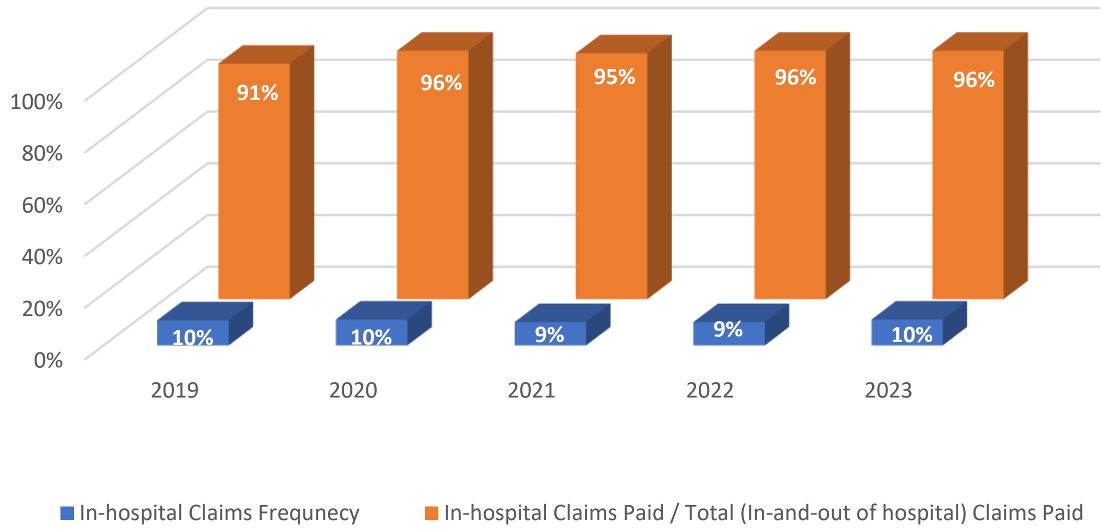
2022 vs 2021 (2021 vs 2020)	Doctors' Fees	Other In-hospital Expenditures
Individual insurance (sample of 14/17 Enterprises)	10% (3%)	24% (0,5%)
Group insurance (sample of 14/15 Enterprises)	-11% (36%)	19% (-3%)

v. Individual Insurance: 'Frequency' of In-hospital Claims and their impact on Total Claims (in-hospital + out-of-hospital)

According to the data reported by all the 17 participating in the survey for 2023 enterprises, the frequency of individual in-hospital claims was 10%, i.e., increased by 1 percentage point since 2022.

The following figure illustrates the interrelation of the frequency of in-hospital claims with the magnitude (as a percentage) of their impact on the total (in-hospital and out-of-hospital) paid claims in the individual line of business. The stark contrast between these two figures demonstrates a long-standing hospicentric model in health insurance, since 10% of the insureds holding in-hospital cover (who were actually reimbursed /indemnified for this cover) consistently 'produce' over 90% (96% for 2023) of the total paid claims in the individual line of business, i.e., the proportion that corresponds to claims paid for in-hospital benefits.

Figure 12: Individual Line of Business: Comparison of In-hospital Claims Frequency with the Ratio of In-hospital Claims/ Total Claims



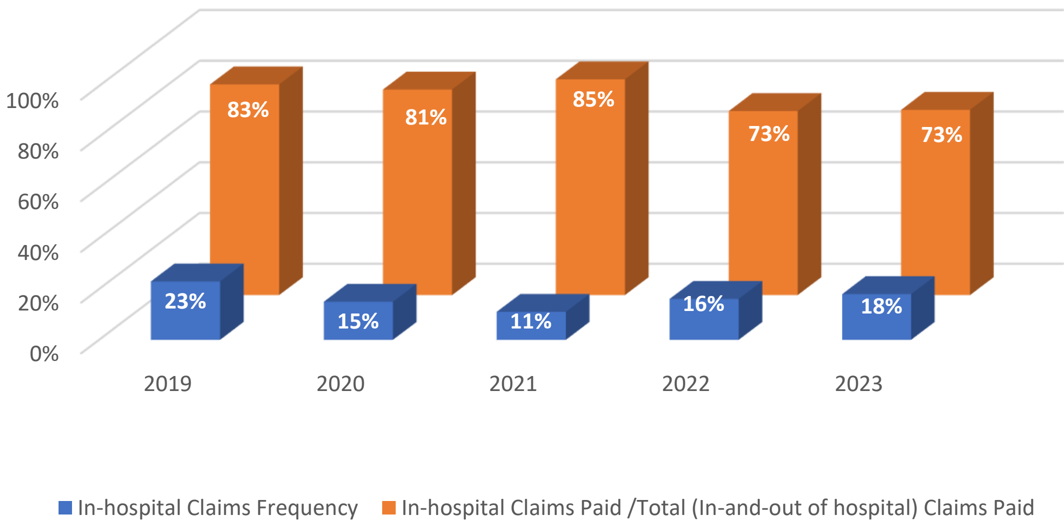
vi. Group Insurance: 'Frequency' of In-hospital Claims and their impact on Total Claims (in-hospital + out-of-hospital)

According to the data reported by 14/15 enterprises participating in the survey for the year 2023, the frequency of group in-hospital claims was 18%, presenting an increase equal to 2 percentage points compared to 2022.

The following figure illustrates the interrelation of the frequency of in-hospital claims with the magnitude (as a percentage) of their impact on total (in-hospital and out-of-hospital) group insurance claims paid. The contrast between these two sets of figures confirms a hospicentric model in group health insurance, which, however, exhibits a differentiation in relation to both its respective intensity in years prior to 2022 and to the intensity pertaining to the individual line of business that is noted in the previous section.

More specifically, according to the data reported for 2023 by this sample of enterprises (14/15), the previously mentioned 18% of insureds with in-hospital cover (who were actually reimbursed /indemnified for this cover) 'caused' 73% of the total group claims paid.

Figure 13: Group Line of Business: Comparison of In-hospital Claims Frequency with the Ratio of In-hospital Claims/ Total Claims



Figures on Individual Health Insurance - Extra Findings

i. Individual Insurance by duration: Annual and Long-term

Delving deeper into the individual line of health business, we examine policies according to their duration, i.e., distinguishing between annually renewable and guaranteed renewable/ long term ones. According to the data provided in the context of the survey, the individual portfolio is allocated as described in the following tables.

Table 11: Annually Renewable Insurance

In-hospital & Out-of-hospital Covers	% Share of Total Portfolio (absolute value)				
	2023	2022	2021	2020	2019
Number of Insureds	73% (879.066)	70% (799.852)	67% (726.170)	65% (663.694)	55% (542.022)
Number of Policies	71% (687.158)	68% (623.018)	62% (557.036)	62% (510.960)	58% (463.292)
Claims Paid (€) (in + out-of hospital)	50% (242.937.021)	47% (195.858.435)	46% (186.544.426)	39% (163.174.734)	35% (147.577.867)
Cancellations: Insureds	76% (108.929)	73% (98.068)	66% (82.764)	68% (93.323)	69% (98.283)
Cancellations: Policies	76% (92.414)	72% (82.705)	65% (71.856)	71% (87.057)	66% (83.527)

Table 12: Guaranteed Renewable /Long-term Insurance

In-hospital & Out-of-hospital Covers	% Share of Total Portfolio (absolute value)				
	2023	2022	2021	2020	2019
Number of Insureds	27% (324.310)	30% (339.746)	33% (356.221)	35% (353.474)	45% (442.119)
Number of Policies	29% (277.793)	32% (298.609)	38% (305.165)	38% (316.556)	42% (338.531)
Claims paid (€)	50% (240.086.857)	53% (220.861.931)	54% (222.100.358)	61% (250.988.776)	65% (272.124.192)
Cancellations: Insureds	24% (34.008)	27% (35.710)	44% (41.788)	32% (43.860)	31% (44.695)
Cancellations: Policies	24% (28.647)	28% (32.013)	35% (39.433)	29% (35.339)	34% (43.519)

The data presented in the previous tables highlight the gradual predominance of the annually renewable over the guaranteed renewable/long term health insurance in the individual line of business.

Going further, as far as the annual change in the absolute figures for the number of active insureds, in-force policies, claims paid, and 'cancellations' of policies and insureds, in each of these two types of individual insurance are concerned, the following data pertain.

Table 13 Annually Renewable and Guaranteed Renewable/Long Term Individual Insurance (% change)

2023 vs 2022 (2022 vs 2021)	Insureds	Policies	Claims Paid	Cancellations-Insureds	Cancellations - Policies
Annually Renewable	10% (10%)	10% (12%)	24% (5%)	11% (18%)	12% (15%)
Guaranteed Renewable/Long - Term	-5% (-5%)	-7% (-2%)	9% (-1%)	-5% (-15%)	-11% (-19%)

ii. Individual In-hospital Insurance by Type of Cover and Maximum Coverage Limit

2023 was the fifth consecutive year for which we examine individual in-hospital health plans (with the exclusion of capitation ones) by type of cover ("Deductible" and "100% cover/ No-Deductible") along with their respective coverage amount (<€150.000 and >€ 150.000). The aim of this endeavor is to determine whether and to what extent the 'average paid claim' and possibly the claims' frequency, vary depending on the type of cover and the maximum coverage amount.

According to the data reported by the participating insurance enterprises in the specific section of the questionnaire, the following results are obtained:

Table 14: Individual In-hospital Insurance by Type of Cover and Maximum Coverage Amount

Type of Plan	Year	Insureds	Policies	Claims Paid (€)	Reimbursed /Indemnified Insureds	Average Claim Paid (€)
Deductible, Limit < 150.000€	**2023**	**131.002**	**118.257**	**35.126,045**	**7.676**	**4.576**
	2022	115.656	100.174	28.110.899	7.119	3.949
	2021	94.896	77.958	27.936.015	8.442	3.309
	2020	91.654	75.496	29.188.989	8.685	3.361
	2019	91.904	77.891	31.017.419	9.117	3.402
Deductible, Limit >150.000€	**2023**	**734.100**	**551.146**	**266.552.763**	**72.304**	**3.687**
	2022	695.558	523.685	224.221.552	61.013	3.675
	2021	676.072	502.118	232.607.762	55.764	4.171
	2020	629.646	473.584	224.495.486	58.449	3.841
	2019	580.974	449.898	201.909.801	54.035	3.737
No-Deductible Limit < 150.000€	**2023**	**18.543**	**19.025**	**25.067.650**	**4.258**	**5.887**
	2022	23.457	22.078	11.954.515	3.237	3.693
	2021	21.314	17.353	9.497.464	2.643	3.593
	2020	21.123	17.366	9.925.360	3.433	2.891
	2019	21.289	18.953	9,341,300	2,820	3,313
No-Deductible Limit >150.000€	**2023**	**145.729**	**130.158**	**110.957.756**	**20.399**	**5.439**
	2022	157.592	139.687	107.549.675	21.425	5.020
	2021	151.775	149.118	112.421.776	19.507	5.763
	2020	148.248	142.497	112.893.323	20.635	5.471
	2019	147.633	143.841	119.312.500	19.433	6.140

Graphically representing the individual line of in-hospital business in terms of the number of policies, insureds and reimbursed/indemnified individuals as well as the total amount of paid claims, comes out that it is structured as follows:

Figure 14: Policies by Type of Cover and Maximum Coverage Amount

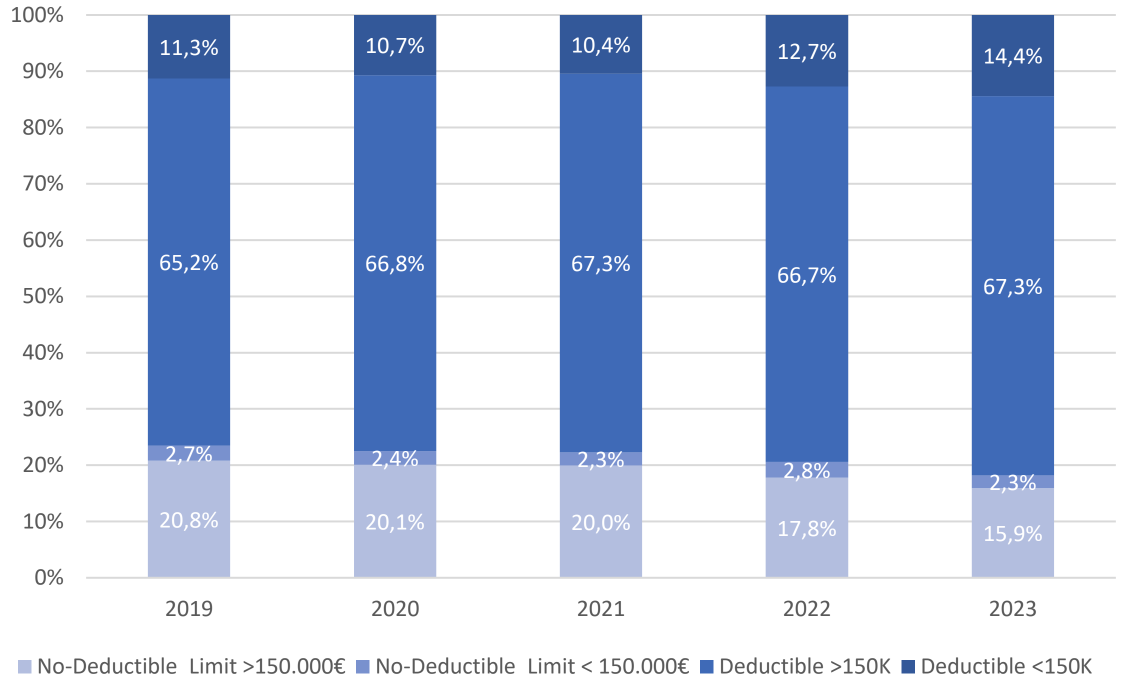


Figure 15: Insureds by Type of Cover and Maximum Coverage Amount

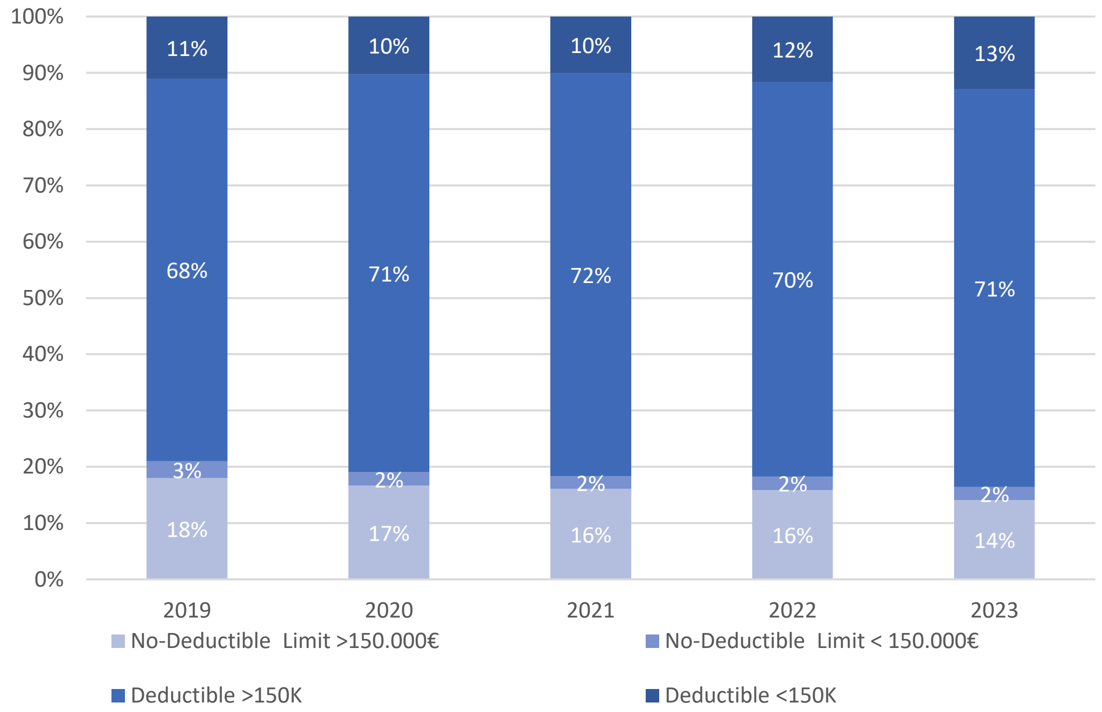


Figure 16: Claims Paid (in terms of value) by Type of Cover and Maximum Coverage Amount

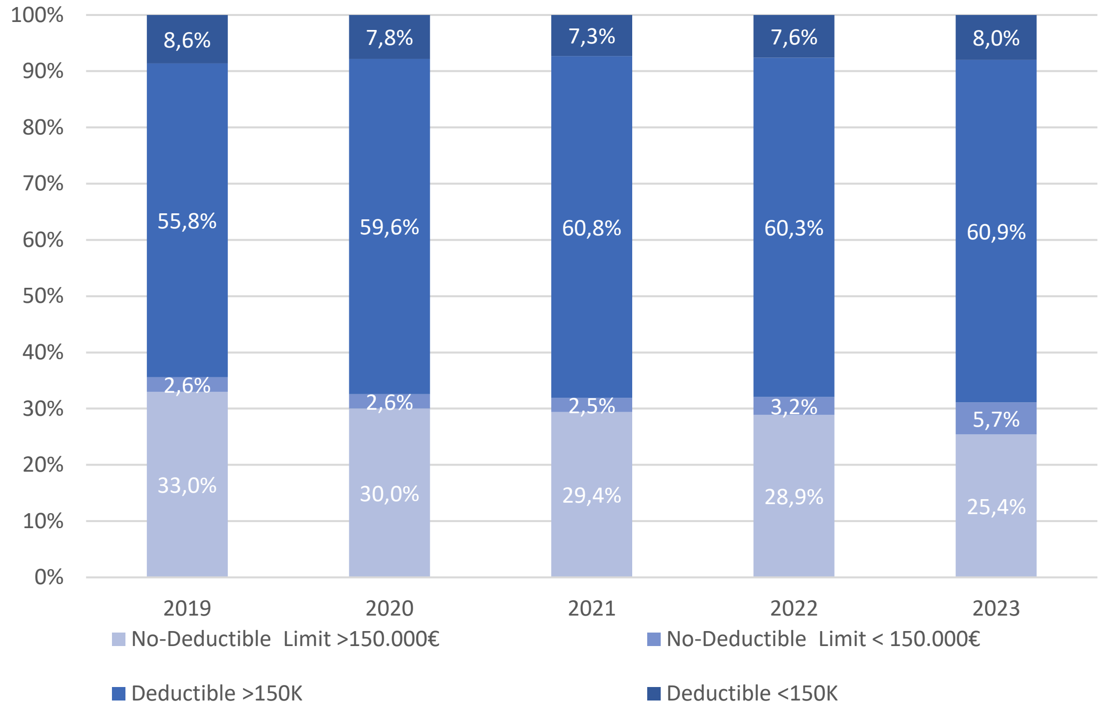
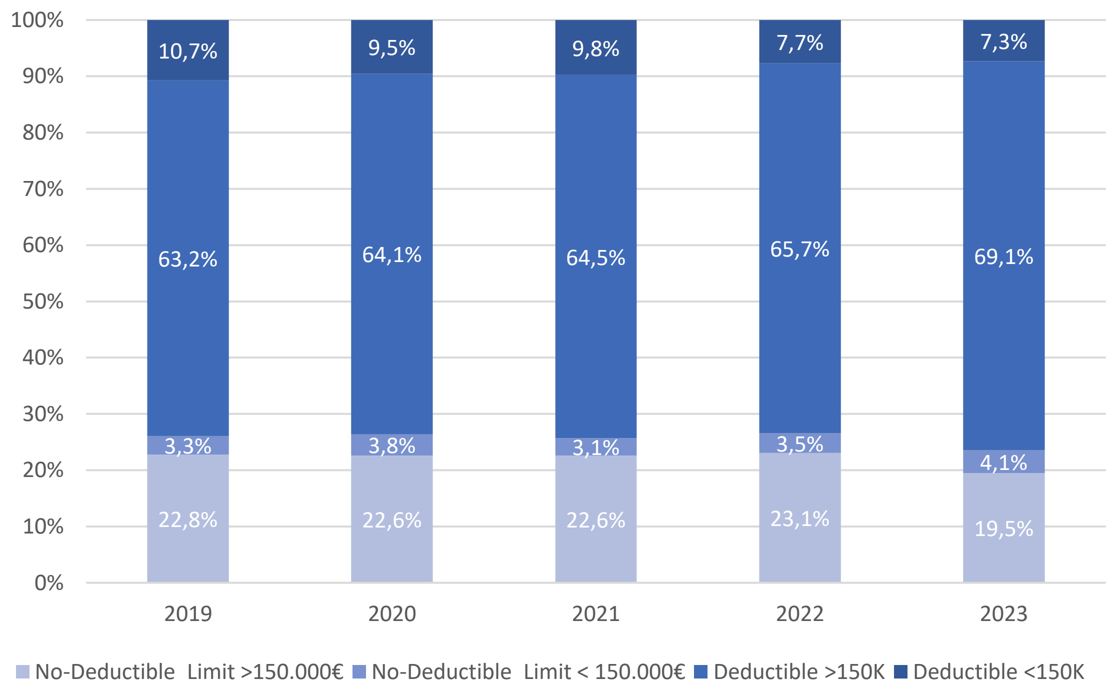


Figure 17: Number of Reimbursed/Indemnified Insureds by Type of Cover and Maximum Coverage Amount



The main conclusions drawn from the data collected in this topic, concerning the 'average claim paid' and the frequency of claims, can be summarized as follows:

- For the plans that have Deductibles, the amount of the “average paid claim” exhibits a significant variation depending on the maximum coverage amount. Variation in the claims’ frequency is also exhibited depending on the maximum coverage amount that this type of plans offers. More precisely, as far as the subgroup of plans with deductibles and maximum coverage amount <150.000€ is concerned, the ‘average claim’ for 2023 shows a quite significant increase, i.e., 16%, relative to that of 2022, something that is not noticed, though, in the subgroup of plans with deductibles and maximum coverage amount >150.000€ in the same year. Further to this, both groups of these plans maintain for the second year in a row a difference equal to 3 percentage points between them in their frequency (6% for those with a maximum coverage amount <150.000€ and 9% for those >150.000€).

- For the ‘No – Deductible’ plans in 2023, there is significant differentiation between the two subgroups in both the ‘average claim’ and the frequency of claims depending on the maximum coverage amount they offer. More precisely, as far as the subgroup of plans without deductibles that offer a max coverage amount <150.000€ is concerned, these plans exhibit an extremely significant increase in both the amount of the ‘average claim’ and the frequency of claims in 2023 in relation to those noted in 2022 (23% frequency in 2023 from 14% in 2022 and 59% increase in the amount of the ‘average claim’ during the same period).

- To conclude, from the data analyzed for 2023 and compared to 2022, a significant increase is noted in the amount of the “average claim’ for plans offering a maximum coverage amount <150.000€, of both group of plans, i.e., those with deductibles (very significant increase) and those without deductibles (extremely significant increase). A substantial increase in the ‘average paid claim’ is also exhibited in the subgroup of plans that offer a maximum coverage amount >150.000€ without deductible (8% in 2023 versus 2022), while those with the same maximum coverage amount but for those with deductible the increase is rather marginal.

iii. Individual In-hospital Reimbursements by Group of Health Care Providers

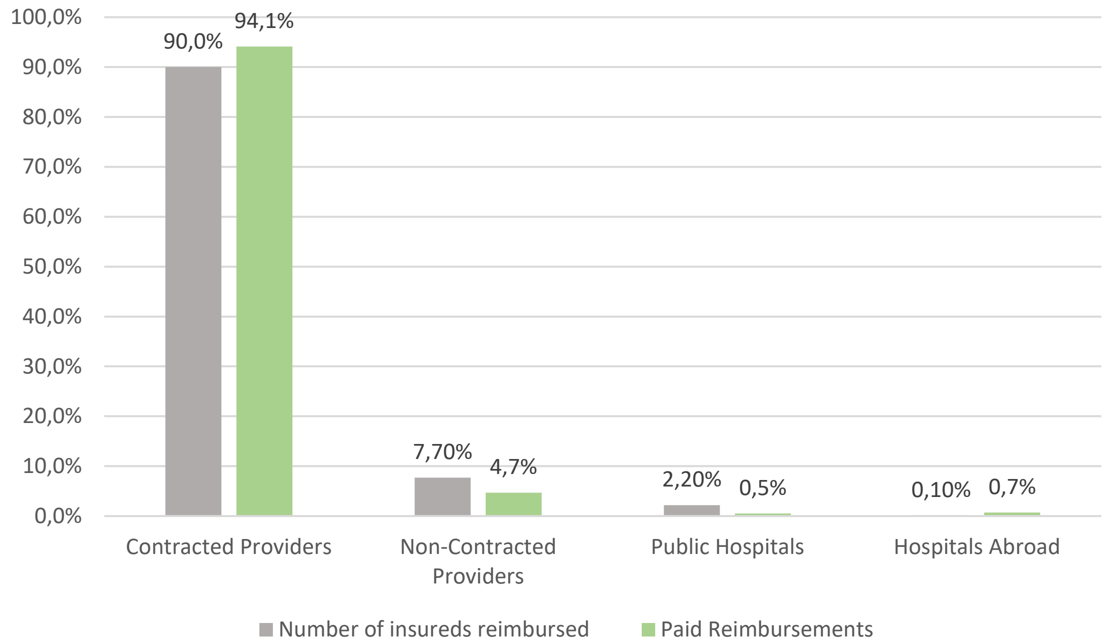
Considering the special interest that in-hospital reimbursements (for actually incurred expenses, i.e., excluding indemnities) hold due to their magnitude, we classify/break down both the total amount of reimbursements (i.e., actually incurred in-hospital expenses paid) and the number of insureds that were reimbursed in four main groups based on the type of health-care provider that served them.

More specifically, for the purposes of this survey, hospitals and clinics are categorized as follows:

- Contracted Providers (i.e., "within the network" of private in-hospital care providers in Greece that the insurer has contracted with)
- Non-Contracted Providers (i.e., "outside of the network" of contracted private in-hospital care providers in Greece)
- Public Hospitals in Greece
- Hospitals Abroad

According to the data reported by the insurance enterprises participating in the survey, the results of this break down for 2023, are presented in Figure 18, below.

Figure 18: Distribution of Individual In-hospital Reimbursements (actually incurred expenses) by Group of Health Care Providers - Year 2023



The data collected for 2023, which, it should be noted, do not present any significant variation compared to previous years (see also analytical tables 15 and 16 below), show that the vast majority of insureds do utilize the 'network of contracted private providers' of their insurer, since 94% of the entire insurance market's in-hospital reimbursements (in terms of value) are directed to that group of providers.

In the tables 15 and 16, below, are presented the respective percentage breakdowns of in-hospital reimbursements paid (in terms of value) and the corresponding number of reimbursed insureds for the five-year period 2019--2023.

Table 15: Distribution of Individual In-hospital Reimbursements by Group of Providers

Group of Providers	Distribution of Reimbursements Paid (in terms of value)				
	2023	2022	2021	2020	2019
Contracted Providers	**94,1%**	93%	94%	94%	91%
Non-Contracted Providers	**4,7%**	5%	4%	5%	6%
Public Hospitals	**0,5%**	1%	1%	0.6%	1%
Hospitals Abroad	**0,7%**	1%	1%	1.4%	2%

Table 16: Distribution of Insureds Reimbursed for in-hospital expenses by Group of Provider

Group of Providers	Distribution of Insureds Reimbursed				
	2023	2022	2021	2020	2019
Contracted Providers	**90,0%**	89,5%	88,9%	90%	85%
Non-Contracted Providers	**7,7%**	7,1%	6,9%	7%	12%
Public Hospitals	**2,2%**	3,2%	4%	2%	2,6%
Hospitals Abroad	**0,1%**	0,2%	0,2%	1%	0,4%