Cat WS – Health CAT module

Maximum benefits payable

Caveat

- Following figures and considerations are only based on evidences found during onsite inspections.

- They may not be representative of the French market and are only communicated in order to illustrate the variability in the hypotheses and the results when it comes to maximum benefits payable for Health CAT module.

- Undertakings considered are generalist insurers and health mutuals, with sometimes different guarantees.

Mass accident: death

- Individual cost varies between 50k€ and 160k€

- Methodologies:
  - Mean cost based on past claims
  - Quantile or maximum cost based on past claims

- Besides, some stakeholder consider the number of contracts while other make assumptions on the number of grantees per contract (mate, children…)

Mass accident: disability

- **Individual cost varies between 5k€ and 250k€**

- **Methodologies:**
  - **Mean cost, quantile or maximum?**
  - **Various hypotheses on the level of disability** when payment depends on it
  - **2 approaches: annual cost or total cost**
  - **If annual cost: hypotheses on age at accident** (based on claims, on mean age of active population…)

Mass accident: medical treatment

- **Hospitalisation cost varies between 300€ and 1500€ per person**
  - based on hypothesis between 5 days and 10 days

- **Methodologies:**
  - **Fixed amount per hospitalisation day based on past claims**
  - **Income protection is only sometimes taken into account**
  - **Mean cost, quantile or maximum?**

Pandemics: hospitalisation

- **Hospitalisation cost varies between 100€ and 800€ per person**
  - sometimes lower than in case of mass accident

- **Methodologies:**
  - **Fixed amount per hospitalisation day based on past claims**
  - **Mean annual hospitalisation cost per person**
  - **Income protection is only sometimes taken into account**
  - **Mean cost, quantile or maximum?**
  - **State intervention sometimes modeled**

Pandemics: consultation

- **Consultation cost varies between 10€ and 40€ per person**
  - based on hypothesis between 0,6 and 4,2 consultations

- **Methodologies:**
  - **Fixed amount per consultation based on past claims**
  - **Number of consultations can be < 1 when undertaking argues all infected people won't consul a practitioner**
  - **Number of consultations can be > 1 when undertaking argues in case of pandemics people want to have crossed advices**

Pandemics: no formal medical care

- Cost varies between 0€ and 20€ per person

- Methodologies:
  - No formal medical care = nothing to pay
  - No formal medical care = mean cost of annual pharmaceutical payments

Cat WS – Health CAT module

10 year disability scenario

Rationale behind the scenarios

- **Medically driven scenarios**
- **Short-term scenario (1yr)**
  - Low level of disability
  - Aggregate view of all the few-months disabled
- **Mid-term scenario (10yr)**
  - Mid level of disability
  - Aggregate view of all the few-years disabled
- **Full life scenario**
  - High level of disability

Wayforward

- **More accurate calculation is to introduce different levels of disability**
  - Adds complexity
  - Need to recalibrate the percentage of people injured to keep on the consistent initial calibration
- **Possible simplification is to delete the 10yr scenario**
  - Simplify the calculation
  - Need to recalibrate the percentage of people injured to keep on the consistent initial calibration
- **Keep on the short-term, mid-term and full life scenarios**
  - No change
  - Easy to compute