



Asian Actuarial Conference 2025 Bangkok

Secure Your Golden Years: Simple,
Affordable Insurance Solutions for Seniors

13 Nov | 11:20-12:00



Bernice Yu

Senior Director, Product and Solutions,
Greater China and Southeast Asia,
Life & Health, PartnerRe

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Secure Your Golden Years: Simple, Affordable Insurance Solutions for Seniors

Bernice Yu, Senior Director, Product and Solutions, Greater China and Southeast Asia,
Life & Health APAC

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Agenda

We would like you to walk away from this session with:

1. Insights on trends of ageing in Asia
2. Key consideration in designing an elderly insurance
3. Deeper understanding of the core elderly products in Korea and Taiwan

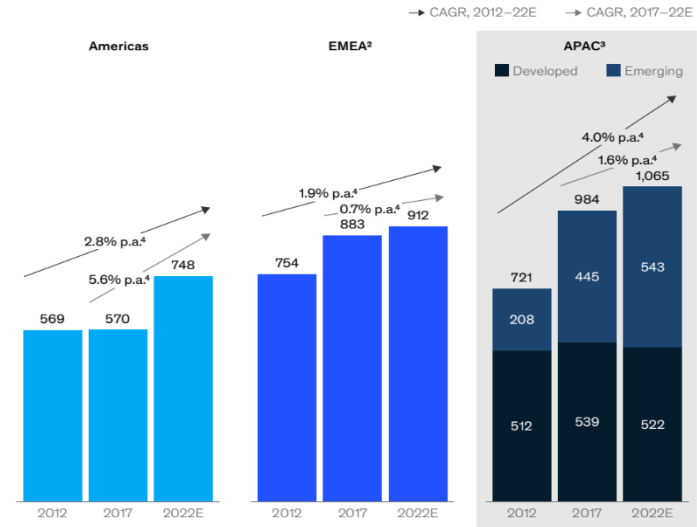
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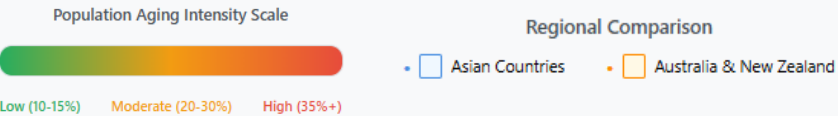
Asia's life insurance market is the largest and fastest growing compared to the rest of the world, but faces a unique challenge whereby the population is rapidly ageing

Global Life Insurance GWP, \$ Billion



Percentage of Population Aged above 60 (%)

Rank	1950		2022		2050	
	Country/Area	%	Country/Area	%	Country/Area	%
1	• New Zealand	13.2	• Japan	35.8	• Hong Kong, China	48.3
2	Georgia	12.9	• Hong Kong, China	28.7	• Republic of Korea	46.4
3	• Australia	12.5	• Republic of Korea	25.5	• Japan	43.7
4	Kyrgyzstan	12.1	• Singapore	23.0	• Singapore	41.5
5	Armenia	11.1	Russian Federation	22.8	• China	38.8
6	Nauru	11.0	• Australia	22.6	• Thailand	38.3
7	• Sri Lanka	11.0	• New Zealand	22.2	• Macao, China	36.5
8	Palau	10.7	• Thailand	22.0	• Maldives	34.1
9	Kazakhstan	10.1	Georgia	21.0	Russian Federation	32.6
10	Kiribati	10.0	Niue	21.0	French Polynesia	31.8



Source: McKinsey Global Insurance Pools 2023, United Nations, Department of Economic and Social Affairs, Population Division, World Population Prospects 2022, Online Edition

Every market has its own perspective of ageing



Japan

As the earliest super aged country in Asia, Japan is fostering growth in sectors like **healthcare technology, senior-focused services and robotics**, and adopting to **senior employment such as extended employment and mentorship programs**.



China

Past **one-child policy** has created a **4-2-1** problem (**1 child supporting 2 parents and 4 grandparents**). This cost huge burden to the society and adult children, which creates the opportunities for ageing related products.



Hong Kong

Public health and pension are insufficient to support a super aged population. The government is **encouraging citizens to retire in China** where cost of living is lower. **Insurers and healthcare providers are developing cross-border solutions** to capture the opportunity.



Thailand

The society is **getting old before getting rich**. Healthcare and socio-economic infrastructure is not yet ready for an aging society. Clear differences between “provinces” as **big cities mirror developed countries whilst rural areas are in need of major improvements**

Source:

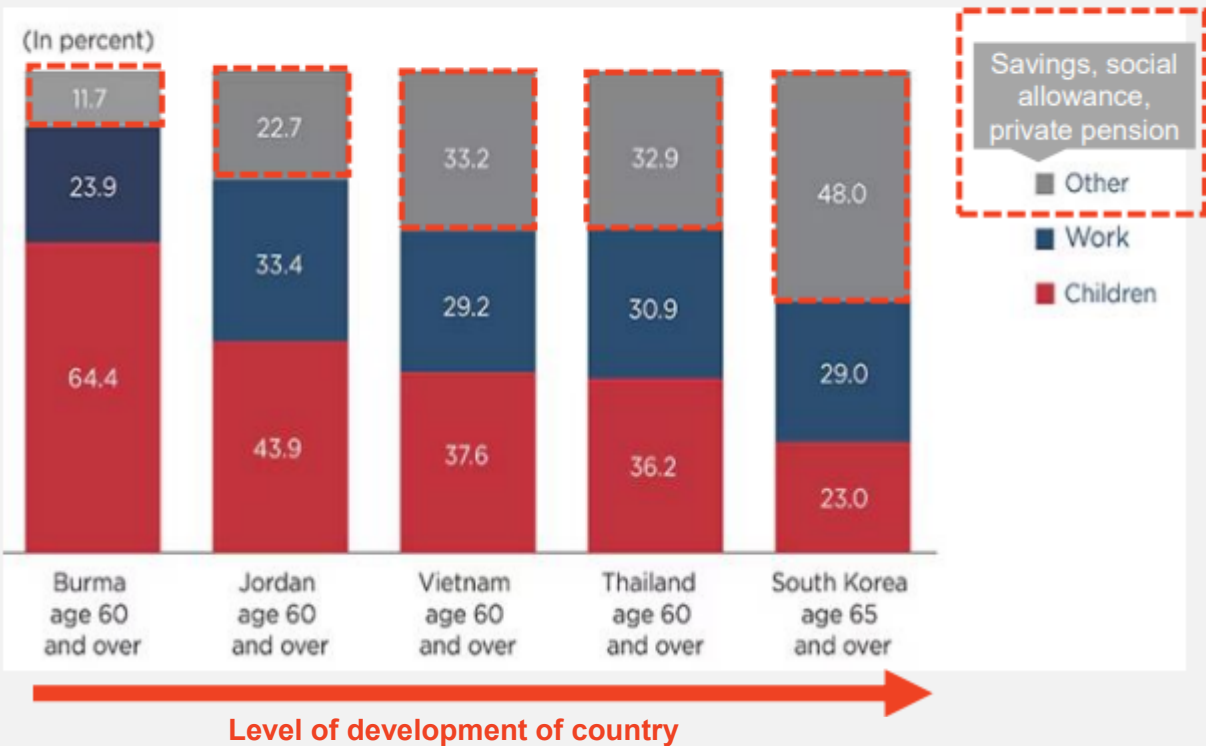
Thailand: www.channelnewsasia.com/cna-insider/thailand-fast-ageing-population-declining-birth-rate-children-expensive-4406151
Japan: carnegieendowment.org/research/2024/10/japans-aging-society-as-a-technological-opportunity?lang=en
www.forbes.com/sites/japan/2018/11/12/why-japans-aging-population-is-an-investment-opportunity/
tokyoesque.com/changing-trends-due-to-japans-ageing-population/

Photo credit:

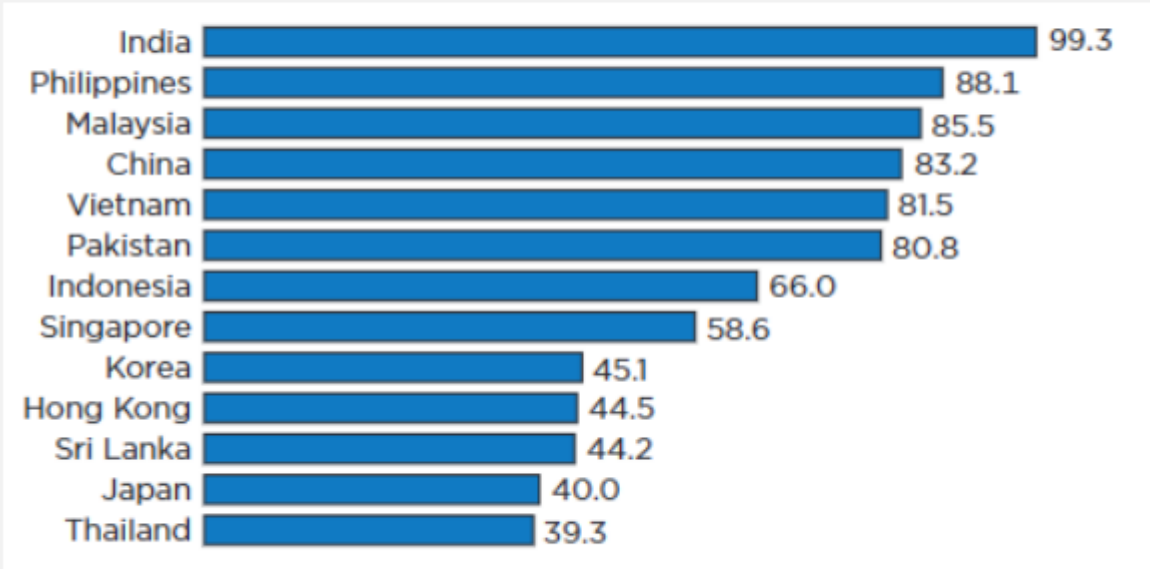
Thailand: www.ymtvacations.com/travel-blog/top-thailand-temples
Hong Kong: www.cntraveler.com/story/essential-things-to-know-before-you-visit-hong-kong
China: www.fda.gov/office-global-policy-and-strategy/office-global-operations/china-office
Japan: career-advice.jobs.ac.uk/country-profiles/asia/japan/

Sources of economic support for the older population vary depending on economic development and the coverage of public pensions are not sufficient

Main source of income for the Older Population in Select Asian Countries



Net Replacement Rates of Mandatory Pensions vs. Earnings for Selected Asian Countries



Source: U.S. Census Bureau, "Asia Aging: Demographic, Economic and Health Transitions," 2022, <www.census.gov/content/dam/Census/library/publications/2022/demo/p95-22-1.pdf>



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Considerations for Senior Protection



AFFORDABILITY

How to reduce the premium level given the high incidence rate?



ATTRACTIVENESS

How to generate the interests from customers and agents?



ACCESSIBILITY

How to make the underwriting journey simple for elderly?

Considerations for Senior Protection



AFFORDABILITY

How to reduce the premium level given the high incidence rate?



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ACCESSIBILITY

How to make the underwriting journey simple for elderly?

Key Challenges in Pricing Senior Protection

Lack of **data** for old age

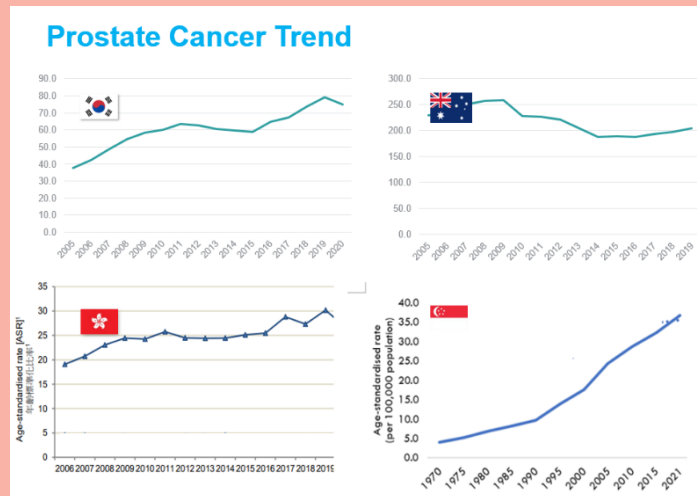
Perceived value by customers vs **actual cost** we price:

- Underestimating life expectancy
 - Expectation: Singapore life expectancy = 82.9
 - Reality: Longer if you are at age 50 now
- Underestimating utilisation:
 - Do people expect they would get Alzheimer's?
- Mortality improvement

01

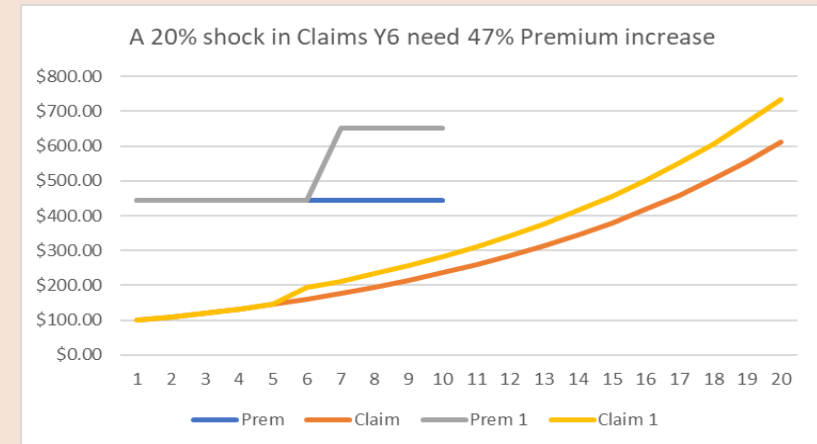
Diverse trend leading to difficulty in predicting

02



03

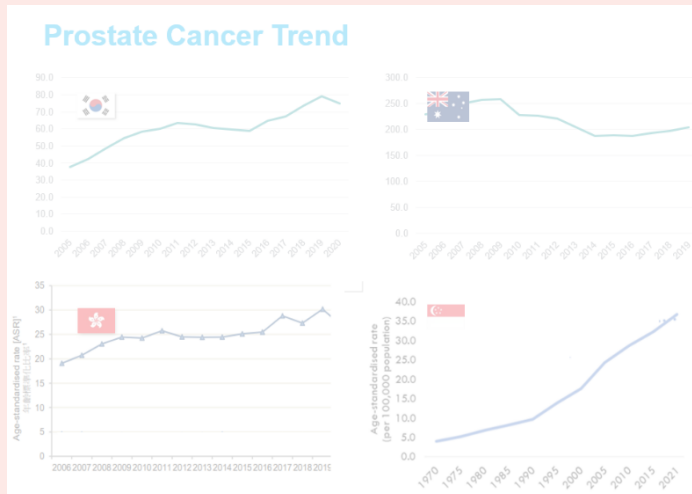
Rate guarantee: customer's preference vs (re)insurers' challenge



What are the opportunities?

- Shortening policy term
- Re-shuffling of benefits based on **actual needs** across different life stages
- Exploring **alternative payout structures**:
 - severity based / impact based
 - service based (e.g., Japan national LTC insurance)
 - disease based (Cancer vs. Alzheimer's)
- Tap into **young / healthier pool of lives** with features targeting these segments (Not just simply extending the issue age!)

Diverse trend leading to difficulty in predicting



02

Lack of **data** for old age

Perceived value by customers vs **actual cost** we price:

Underestimating life expectancy

- Expectation: Singapore life expectancy = 82.9
- Reality: Longer if you are at age 50 now
- Mortality improvement

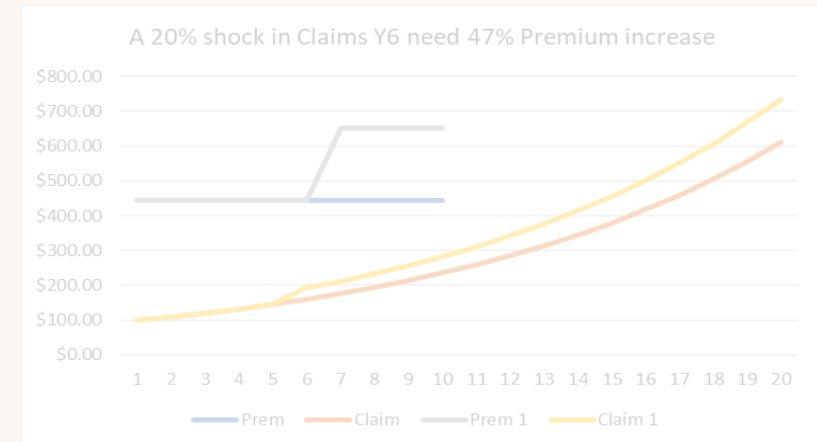
Underestimating utilisation

- Do people expect they would get Alzheimer's?

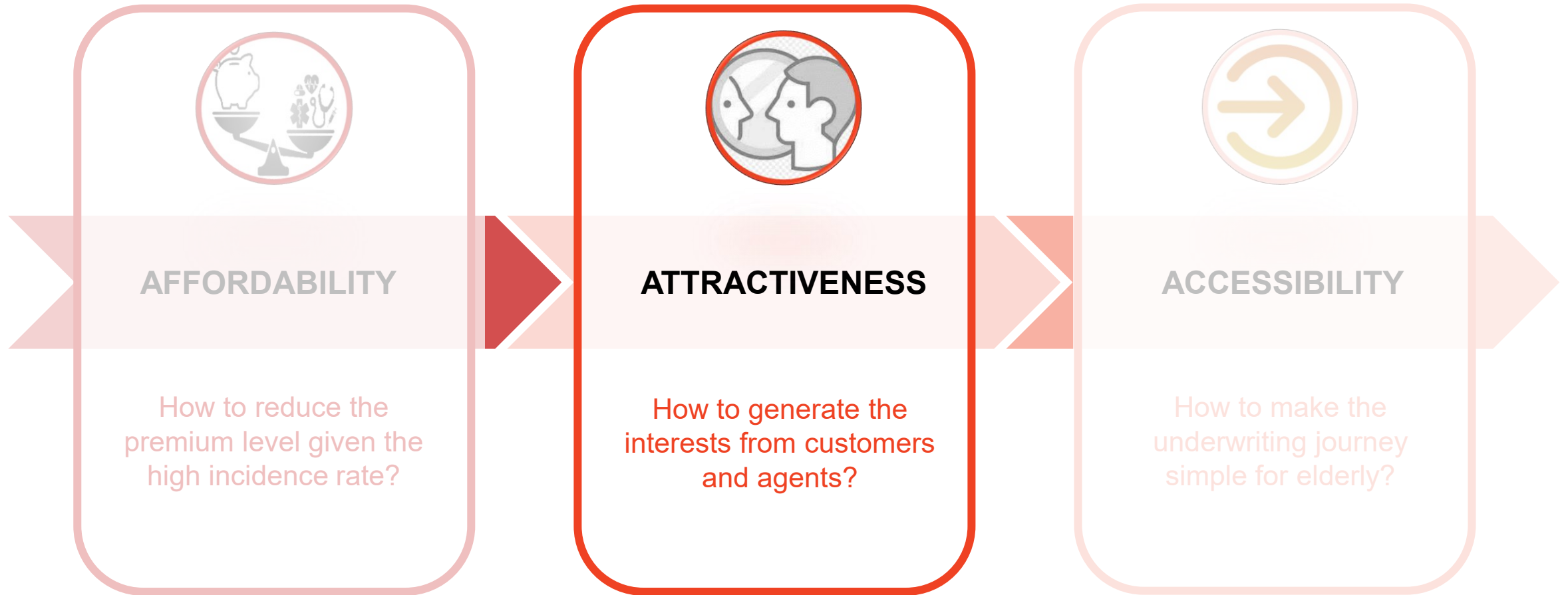
01

03

Rate guarantee: customer's preference vs (re)insurers' challenge



Considerations for Senior Protection

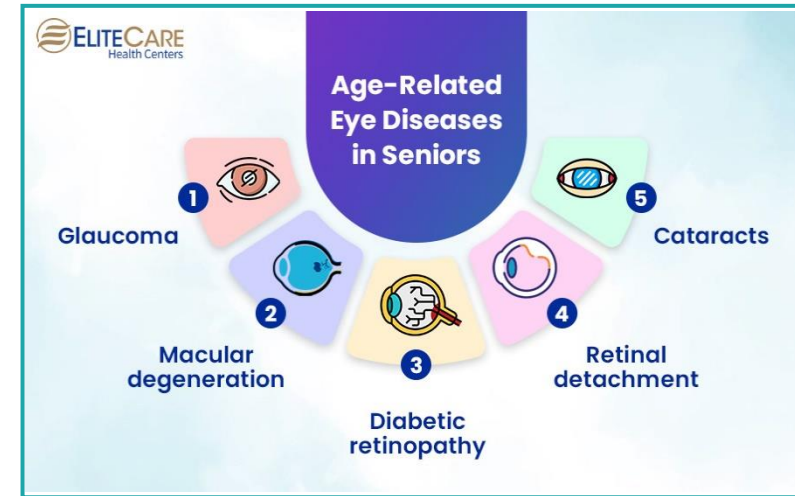
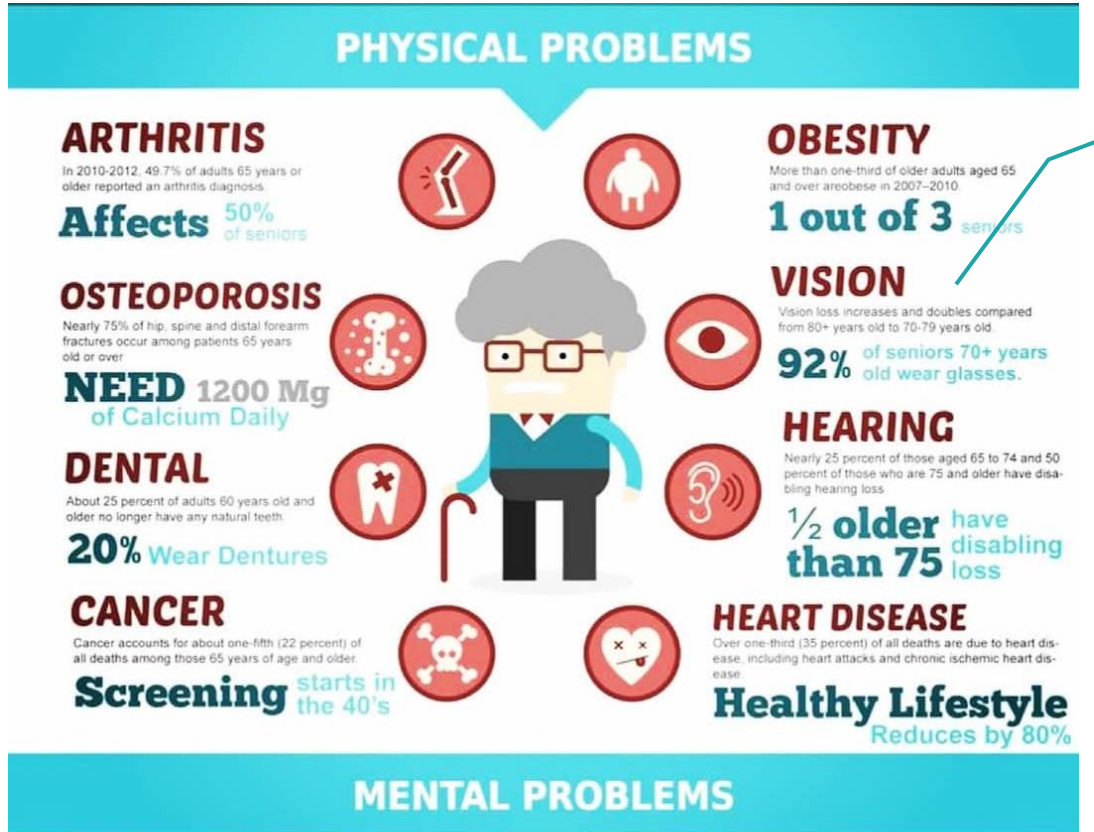


The Missing Middle

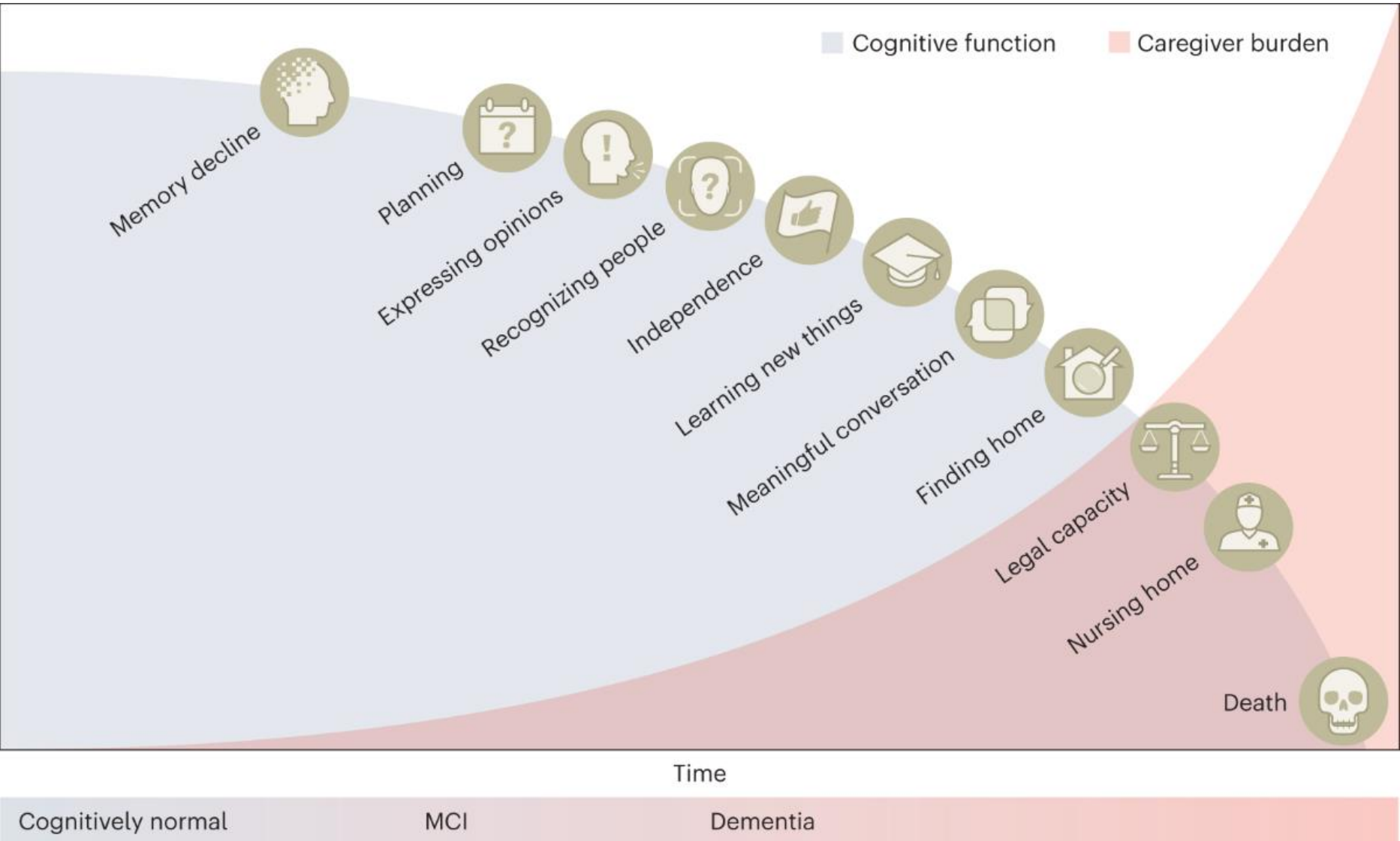
“Missing middle”
- not that healthy, not that sick



How can we help improve the daily living of the elderly?



How can we support the patients throughout the journey?



How to Expand Customer Base: (1) The Young / Young-old Segment

商业养老保险 | 商业养老险未来增长强劲，在计划购买中排名第二，当前购买的主力军为高收入的中年人群，未来更多一线城市、中产收入的年轻人会考虑购买商业养老保险

商业养老保险人群画像：2023年当前持有 VS 2023年新签 VS 未来1-2年计划新签



年轻人的养老危机感

“我30岁之后打算买商业养老险，因为人到中年需要考虑养老问题了，而且我还没有结婚，就算结婚也不一定会有小孩，所以还是要用这种强制储蓄让我老年生活资金更充裕一点。”

Younger age are more eager to buy senior insurance in the coming 1-2 years

注：TGI指数=[目标群体中具有某一特征的群体所占比例/总体中具有相同特征的群体所占比例]*标准数100，反应目标群体在特定范围的强势或弱

How to Expand Customer Base: (2) The Caretakers

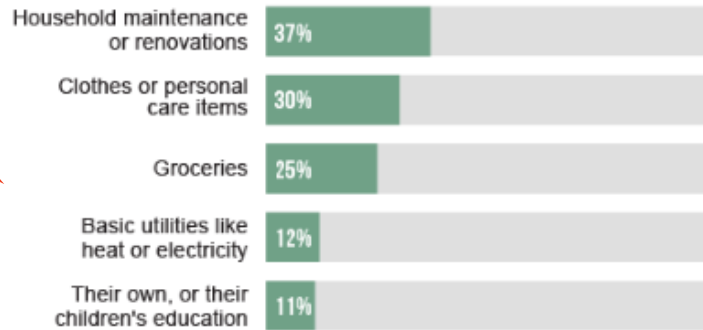
PartnerRe

Savings for their own retirement?

Caregiving can impact personal finances, too

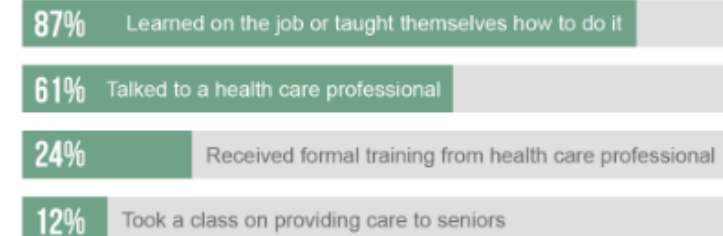
Caregivers report cutting back on spending on their own personal needs as a result of caregiving.

PERCENT OF CAREGIVERS WHO DECREASED SPENDING ON...



Many caregivers lack formal training or feel underprepared

Despite some of the technical and medical types of assistance some caregivers provide, just 24 percent received formal training from a health care professional, and nearly 3 in 10 say they received hardly any or none of the training they needed.

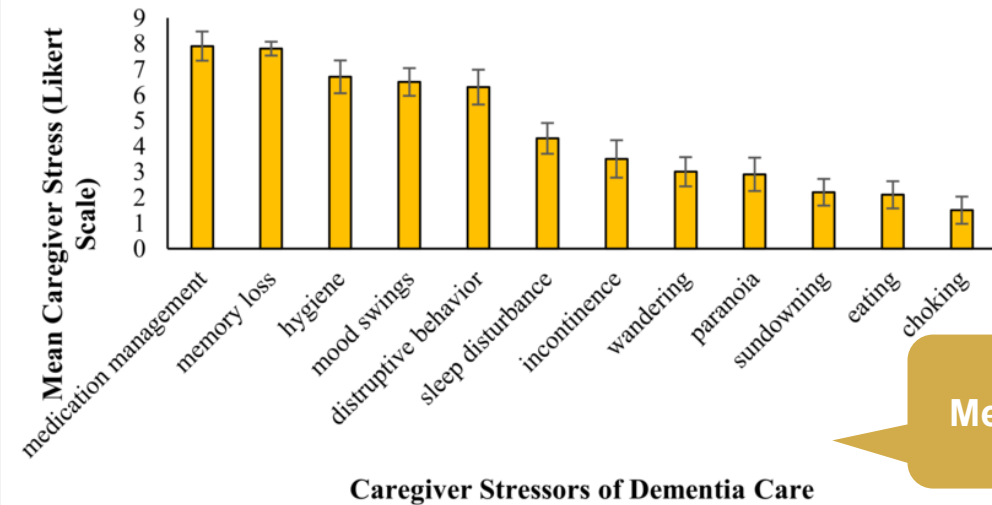
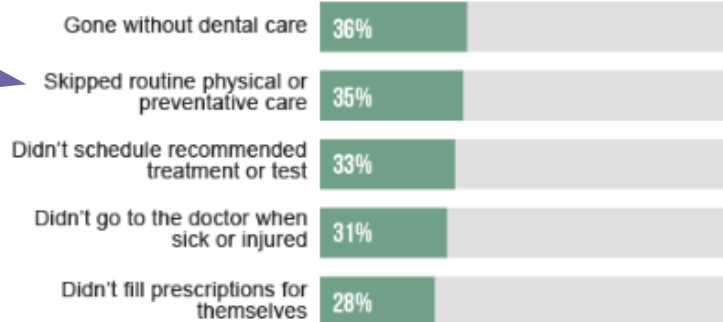


Care taking training / support?

Protection for their own health?

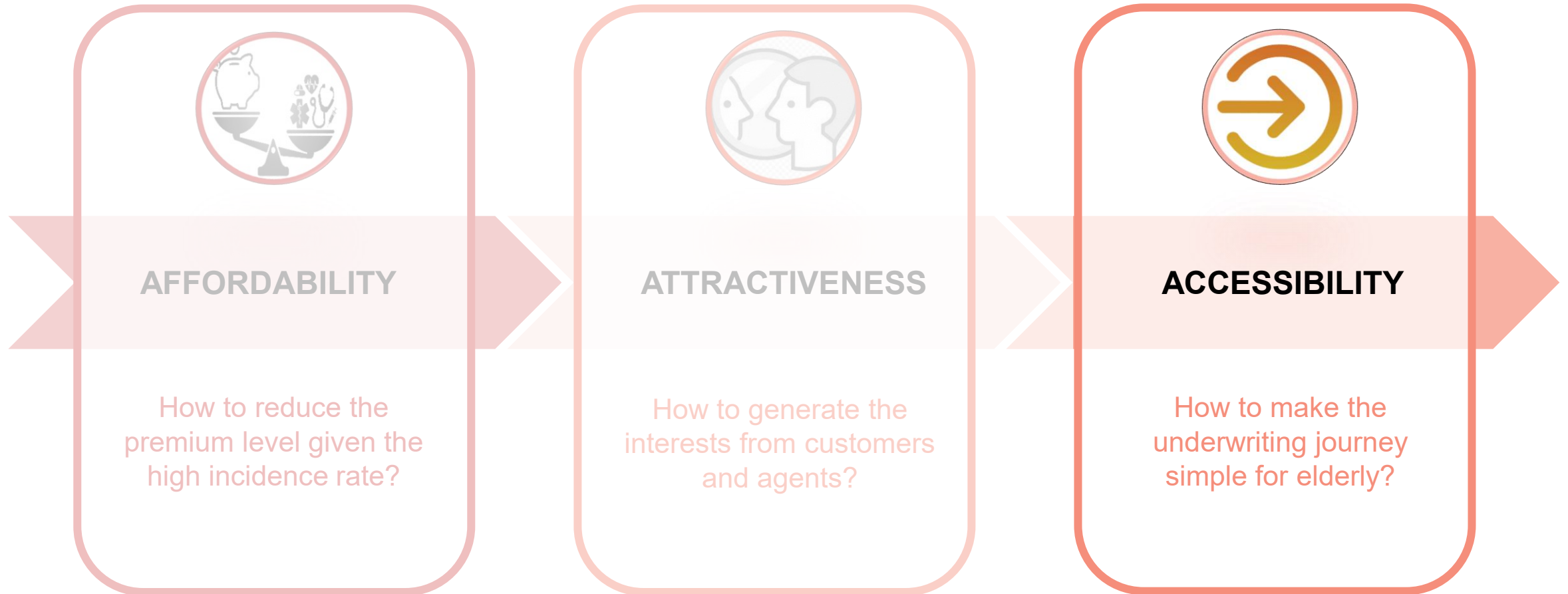
Many caregivers neglect their own health

Over one-third of current caregivers have gone without a routine physical or dental care in the past 12 months due to the demands of caregiving.



Mental support?

Considerations for Senior Protection



Challenges in Underwriting for Seniors

(1) Increased screening & high detection rate of incidental abnormalities

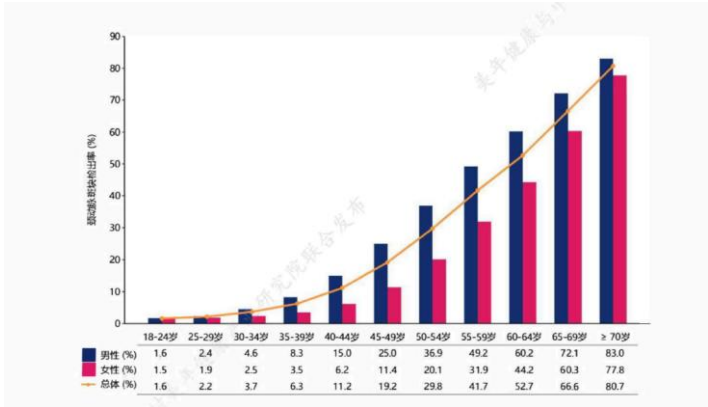
Detection rate across common abnormality

No.	Abnormality	All	M	F
1	Pulmonary nodules	53.6%	54.5%	52.7%
2	Overweight / obesity	50.7%	62.3%	38.7%
3	Thyroid nodules	47.7%	41.2%	54.4%
4	Fatty liver	39.1%	51.4%	26.4%
5	Female breast nodules	33.9%		33.9%
6	Dyslipidemia	29.6%	38.6%	20.2%
7	H. Pylori infection	29.3%	29.9%	28.6%
8	Hypertension	24%	28.7%	19.1%
9	Carotid plaque	21.3%	25%	17.5%
10	Hyperuricemia	19.5%	34.4%	4.2%
11	Obesity	15.8%	20.8%	10.6%
12	Coronary artery calcification	15.3%	19.3%	11.2%
13	HPV infection	11.2%		11.2%
14	Diabetes Mellitus	9.9%	12.2%	7.6%
15	Kidney stones	8.1%	10.1%	5.5%
16	Pulmonary GGN	7.2%	6.2%	8.2%
17	Advanced Liver fibrosis	2.2%	3.1%	1.3%
18	Liver cirrhosis	0.6%	0.8%	0.3%

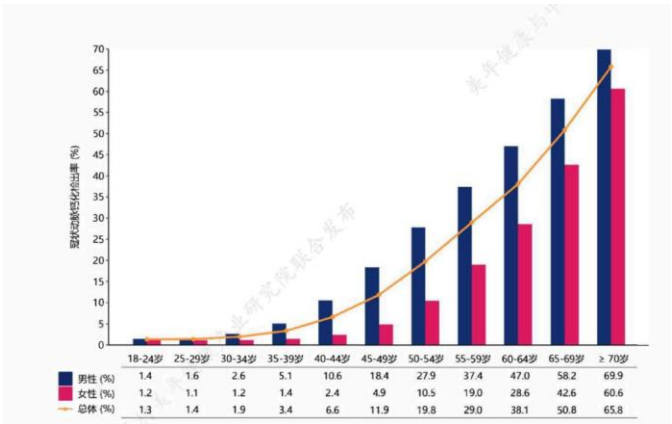
Challenges in Underwriting for Seniors

(2) Increasing Prevalence Cardiovascular and Cerebrovascular Risk Factors

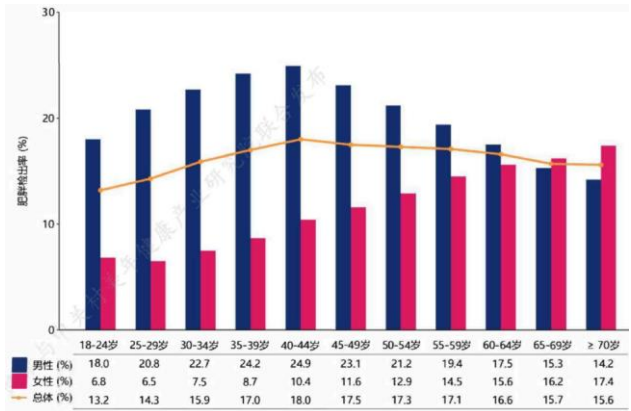
Carotid plaque



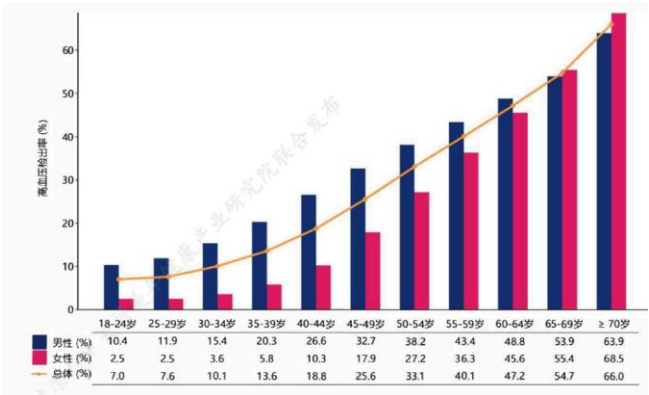
Coronary artery calcification



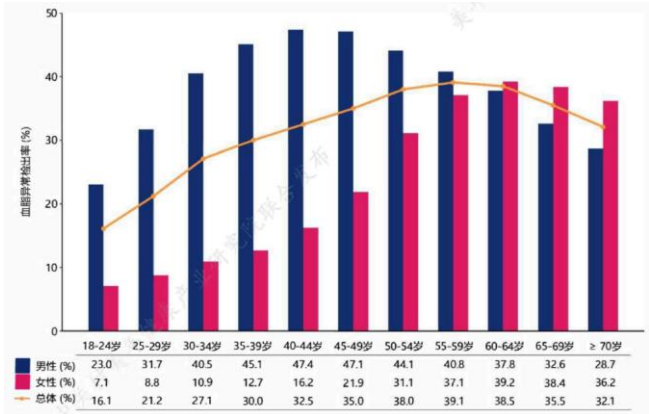
DM (WHO criteria)



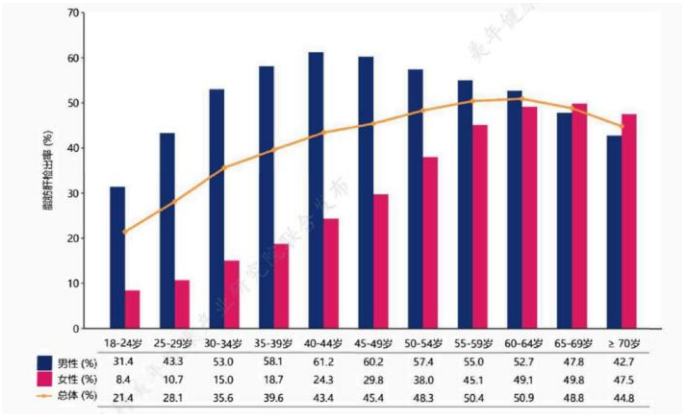
Hypertension



Dyslipidemia



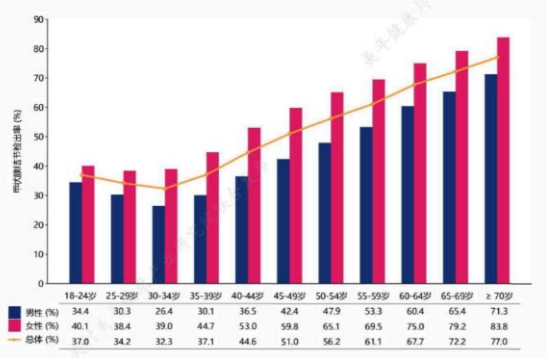
Fatty liver



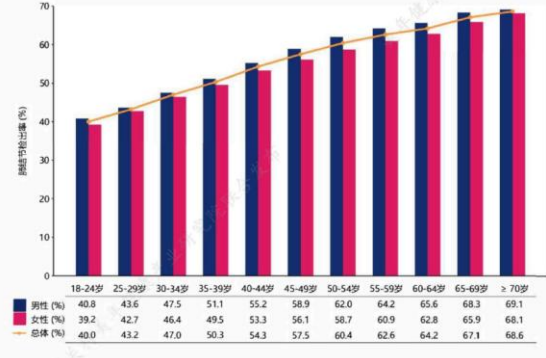
Challenges in Underwriting for Seniors

(2) Increasing Prevalence Cancer Risk Factors

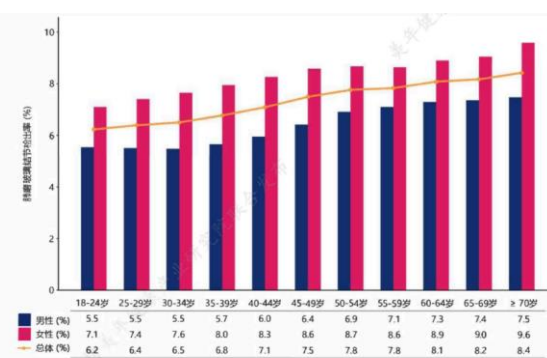
Thyroid nodules



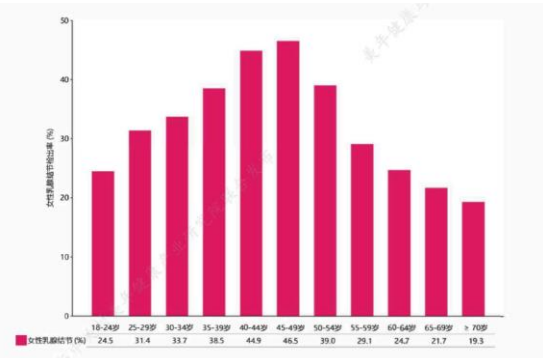
Pulmonary nodules



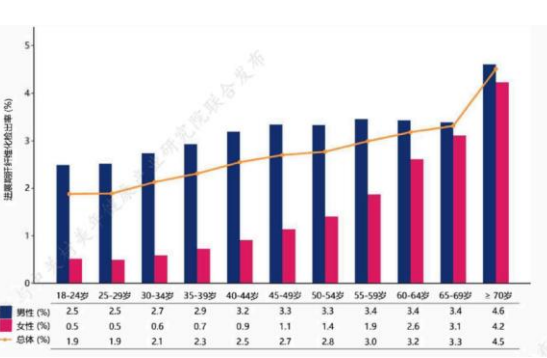
Ground glass nodules



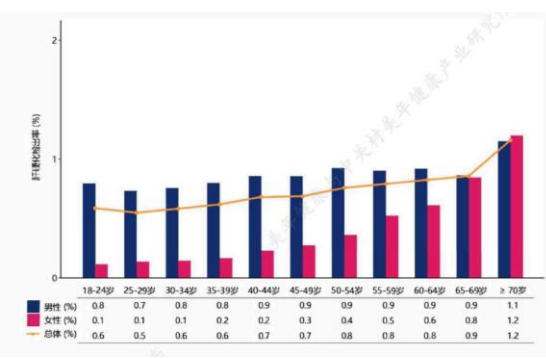
Breast nodules (F)



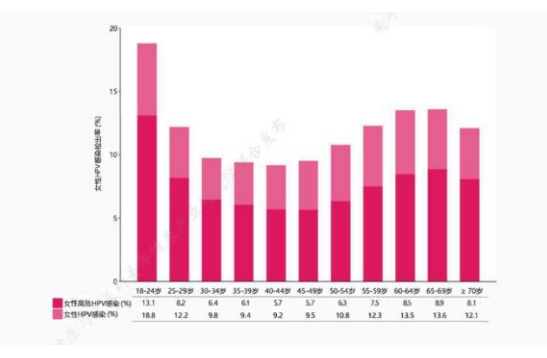
Liver fibrosis



Liver cirrhosis



HPV infection (F)



Challenges in Underwriting for Seniors

(3) Co-morbidity increases with ageing

- Co-morbidity is presence of 2 or more chronic conditions
- Co-morbidity increased from 0.9% in the < 50 age group to 8.1% and 22.1% in age groups 50-64 and 65–79 years respectively

	Overall	Age, years			
		< 50	50–64	65–79	≥ 80
N	4,562,832	2,319,171	1,288,053	679,364	276,244
Number of conditions					
0	3,341,075 (73.2%)	2,122,864 (91.5%)	844,896 (65.6%)	286,707 (42.2%)	86,608 (31.4%)
1	855,968 (18.8%)	173,276 (7.5%)	338,396 (26.3%)	242,566 (35.7%)	101,730 (36.8%)
2	297,343 (6.5%)	21,335 (0.9%)	93,214 (7.2%)	120,045 (17.7%)	62,749 (22.7%)
3	57,041 (1.3%)	1,571 (0.1%)	10,425 (0.8%)	25,365 (3.7%)	19,680 (7.1%)
≥ 4	11,405 (1.3%)	125 (0.0%)	1,122 (0.1%)	4,681 (0.7%)	5,477 (2.0%)

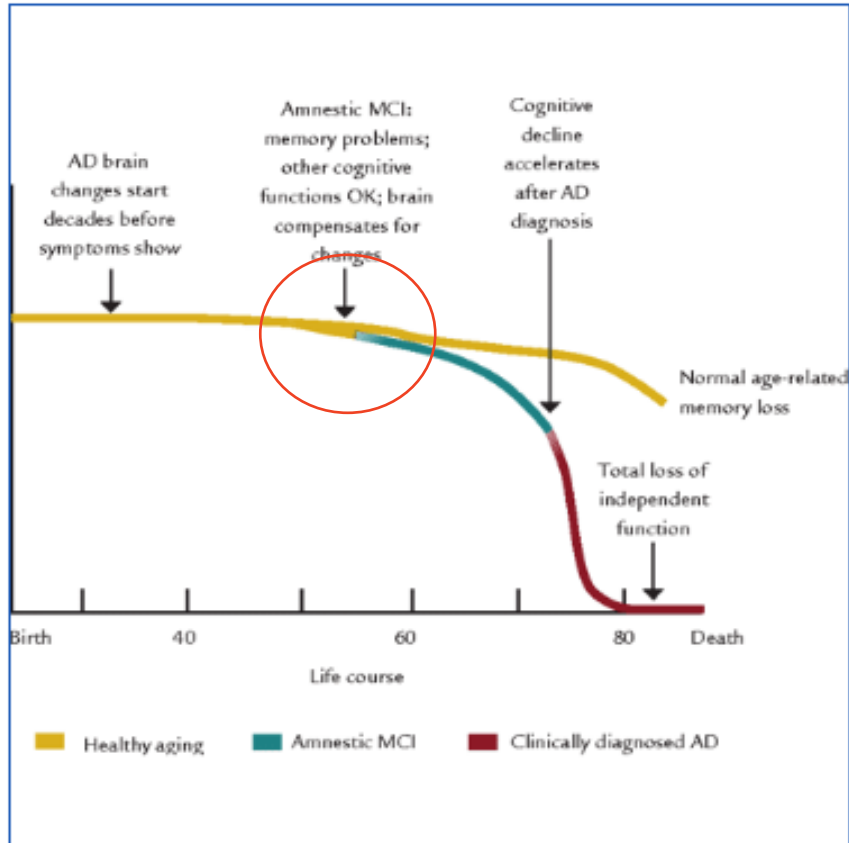
Opportunities in Underwriting



**(1) Effective use
of waiting period**

**(2) Simplifying
UW questions**

Utilising Waiting Periods: Optimal Duration for Reduced UW



Dementia product:

- Mild cognitive impairment can reverse, stay stable or deteriorate
- Takes 5 – 10 years for MCI to start movement towards end-points



Cancer: From Signs & Symptoms to Diagnosis & Treatment

A retrospective claims analysis of 458,818 patients newly diagnosed with cancer

- Overall mean time to **diagnosis of 156.2 days from symptoms to cancer**
- **15.4% of patients waited longer than 180 days before a cancer diagnosis**

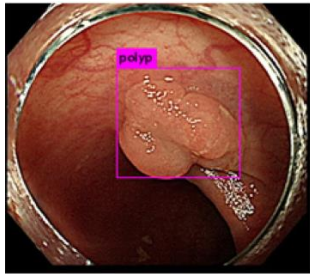
Breast cancer:

- Self-detection of breast cancer symptoms and first contact with general physician was 60 days
- First contact with physician to diagnosis was 30 days
- From self-detection of symptoms to treatment was 150 days

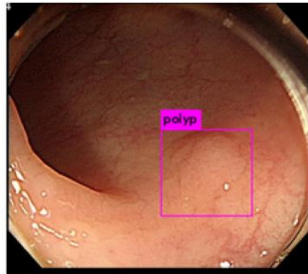
** includes Medicare Advantage and commercially insured members*

Source:

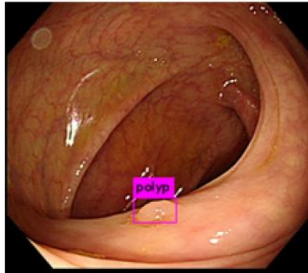
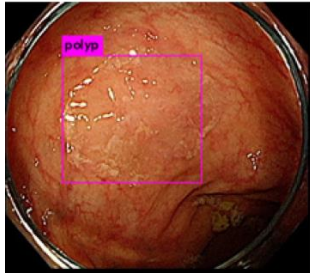
<https://pmc.ncbi.nlm.nih.gov/articles/PMC10388018/#:~:text=Few%20diagnostic%20guidelines%20on%20the,symptom%20presentation%20and%20cancer%20type> ; <https://pmc.ncbi.nlm.nih.gov/articles/PMC7294006/>



(a)



(b)

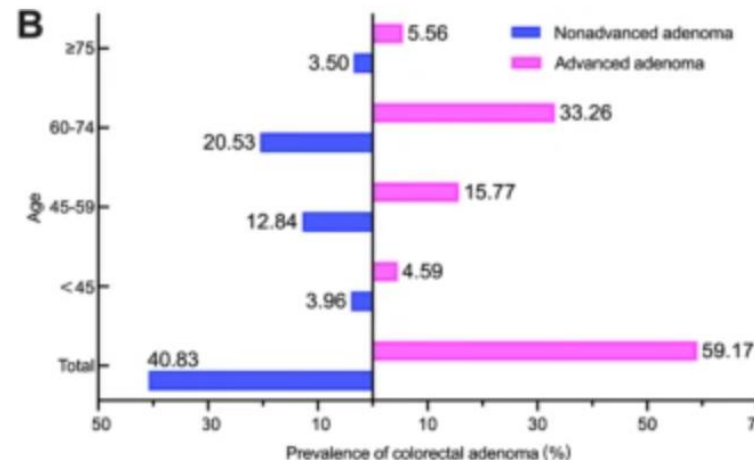
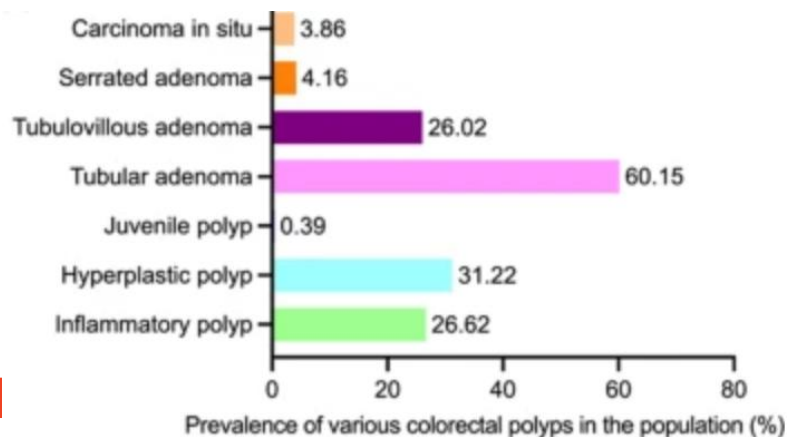


<https://www.nature.com/articles/s41598-020-65387-1/figures/1>

Colon polyps

- Year on year, screening is the most popular indication for colonoscopy with 67% due to screening
- High prevalence of polyp on screening colonoscopies:
 - Detection rates of colon polyps was 59.9 in all subjects above age 50 years
 - Presence of Multiple polyps is common with 48.65% having multiple polyps
- Polyps are multiple entities based on histopathology findings / microscopic features
- Depending on number of polyps, size, histology type and cellular changes (atypia) they are further considered as advanced or non-advanced
- Incidence of advanced adenomas increases with age
- Managed through surgical excision and follow-up

Source: <https://pmc.ncbi.nlm.nih.gov/articles/PMC5156849/> ; www.kjg.or.kr/journal/view.html?doi=10.4166/kjg.2021.123
<https://translational-medicine.biomedcentral.com/articles/10.1186/s12967-024-05111-z>

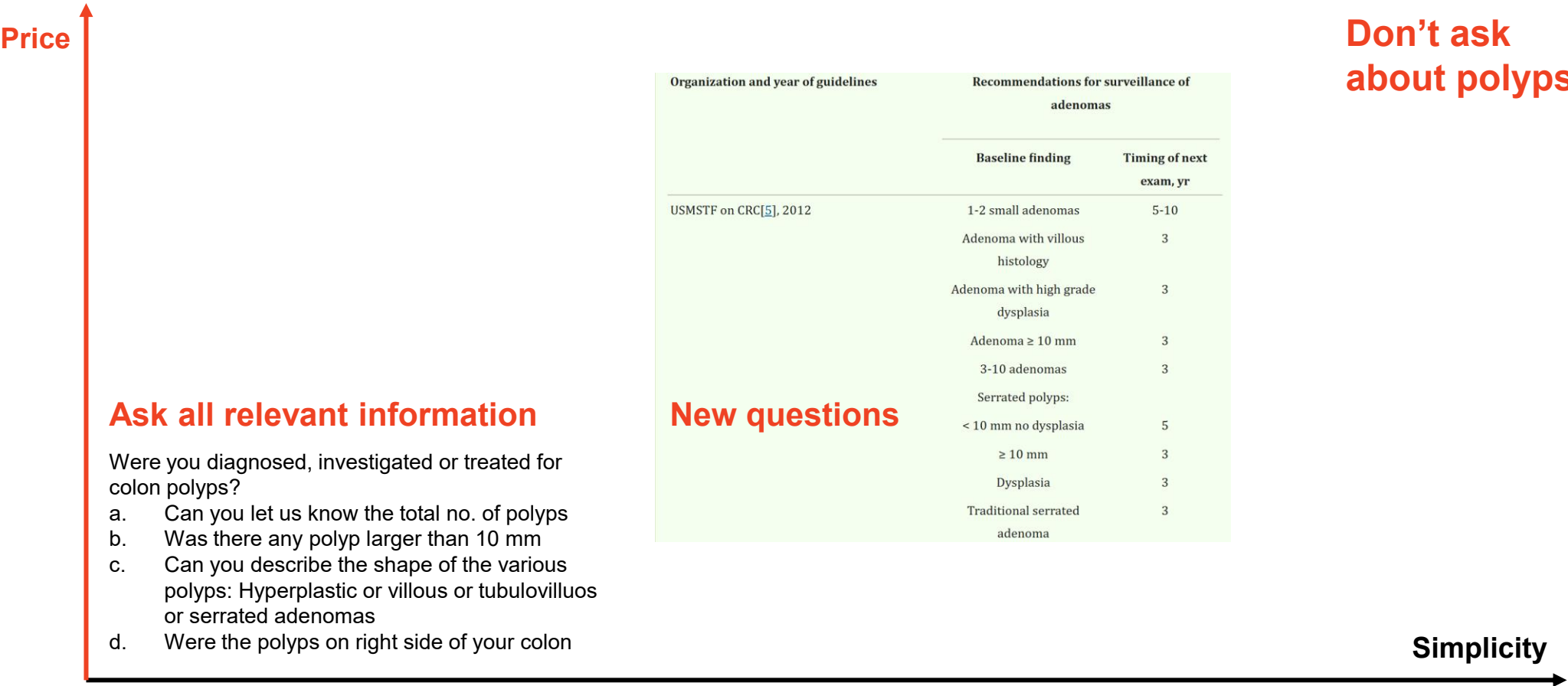


Advanced adenomas:

- >10 mm;
- >3 polyps;
- tubulovillous or serrated type of polyp;
- moderate to severe dysplasia

Designing Questions: Balancing Accessibility & Affordability

Underwriting outcomes: Depending on number, type, size of polyps, ratings for CI range from standard to exclusion





Agenda

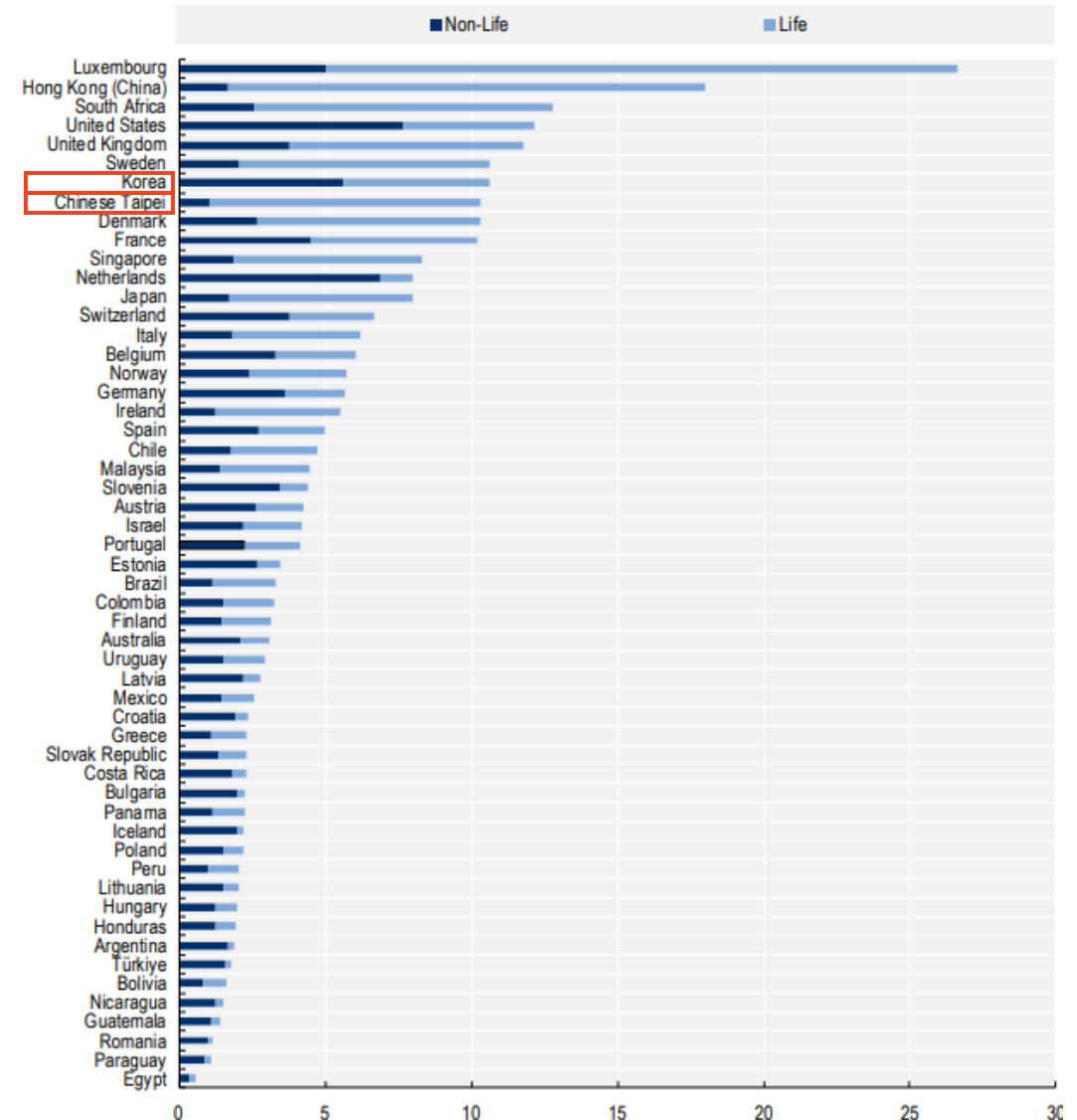
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2. Key consideration in designing an elderly insurance
3. Deeper understanding of the core elderly products in Korea and Taiwan

Both Taiwan and Korea
have high insurance
penetration rates

Total direct gross premium written in 2023

As a percentage of GDP



South Korea

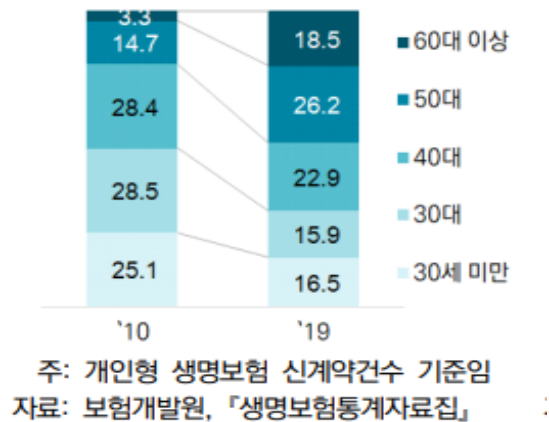


A Closer Look into the Elderly Segment

The increased focus on elderly products in Korea has led to a noticeable shift in the age distribution of new business for insurance companies towards 50-60.

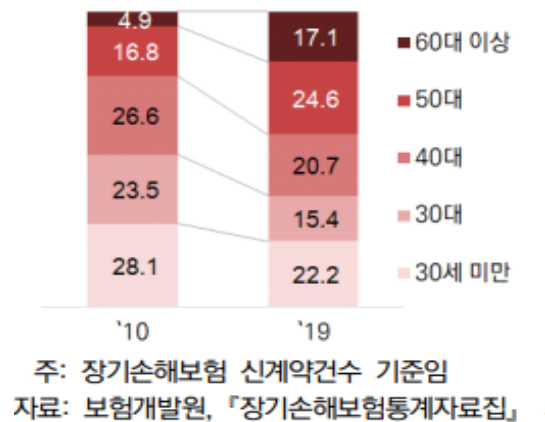
Life NB age distribution

〈그림 3〉 생명보험 신계약 연령분포
(단위: %)



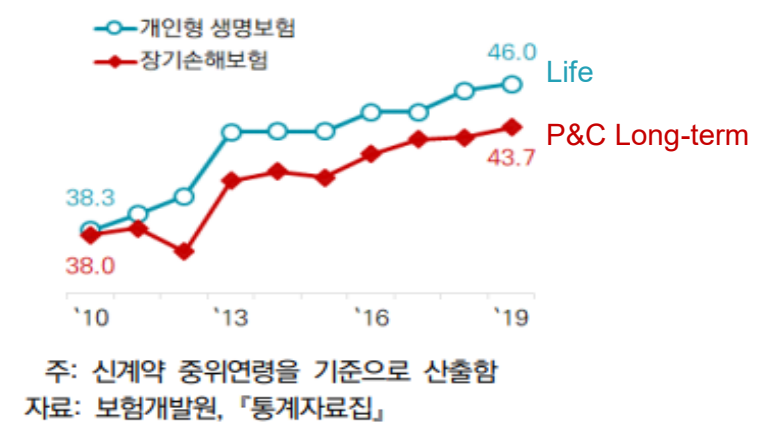
P&C Long-Term NB age distribution

〈그림 4〉 장기손해보험 신계약 연령분포
(단위: %)



Average inception age

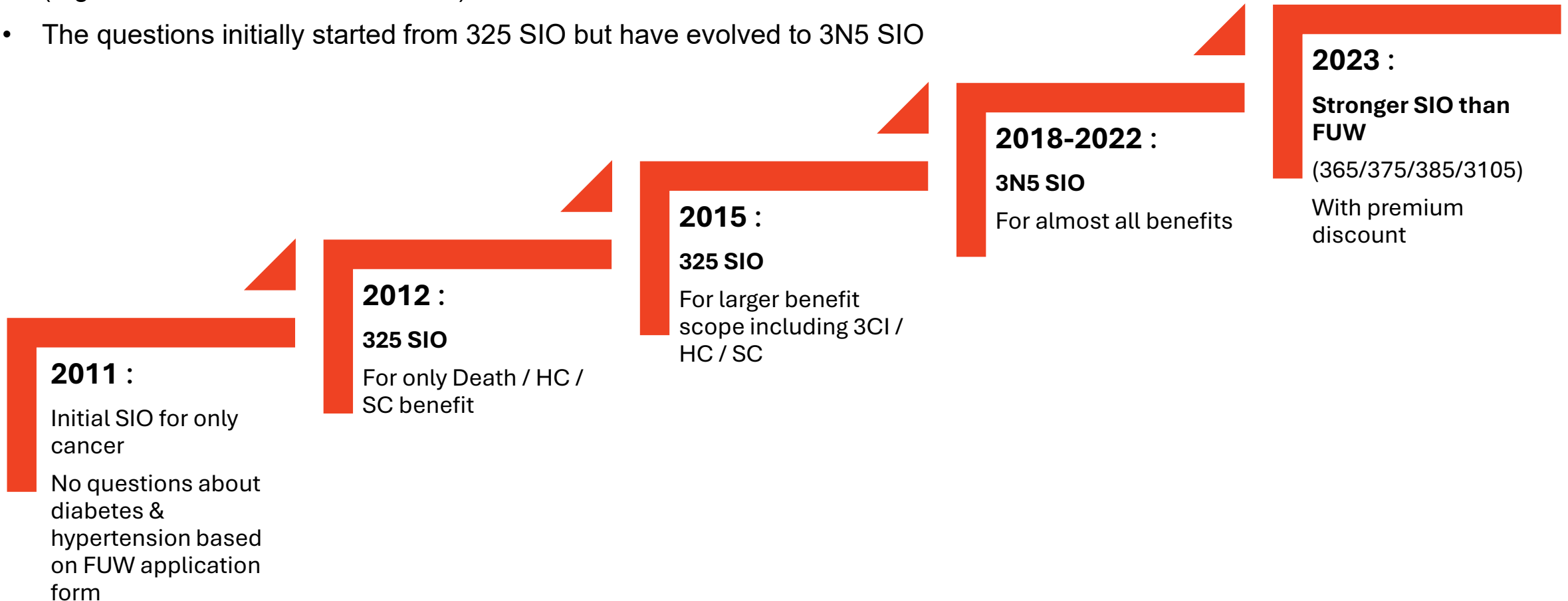
〈그림 5〉 보험가입자 평균연령
(단위: 세)



Evolution of Health Products for Senior Segment

Korea SIO product is still under progress

- In 2011, the first SIO product was very simple and did not ask about chronic diseases - only on the FUW application form
- The pricing methodology is "FUW incidence" multiplied by "extra SIO loading" based on the client's 10-year claim data (e.g., Medical reimbursement data)
- The questions initially started from 325 SIO but have evolved to 3N5 SIO



Quick Glance at Korea 325 SIO Questions

325 SIO question

3: Have you received any investigation recommend for hospitalization, surgery or additional examination **within the last 3 months.**

2(or N): Have you been hospitalized or had surgery **within the last 2 years?**

5: Have you been diagnosed with [covered illnesses], been hospitalized or had surgery **within the last 5 years?**

Key considerations to Adapt Korea SIO to Your Market

- Current full underwriting framework
- Consumer behaviour
- Data availability
- Availability of SIO products in market

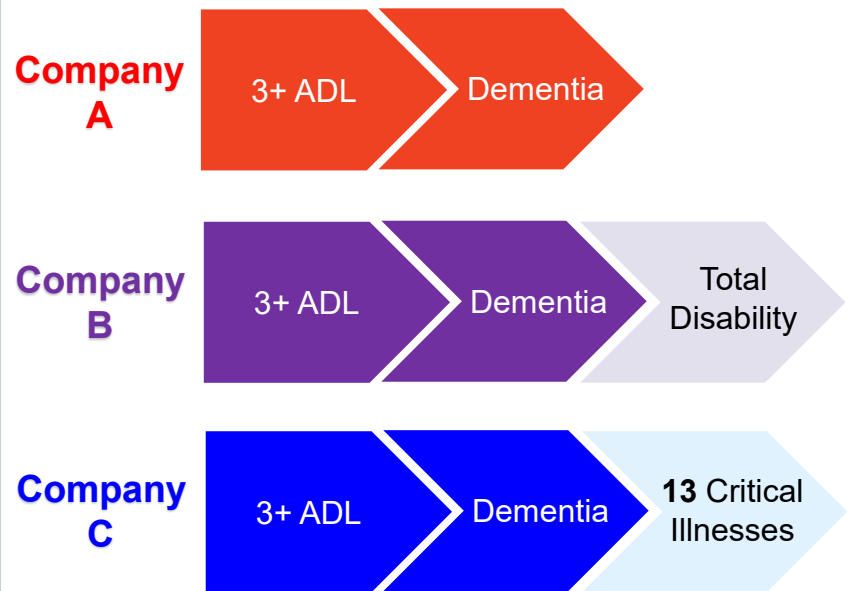


Taiwan

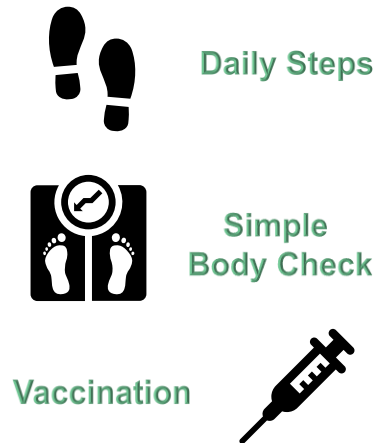


Typical Long Term Care Plans in Taiwan

[1] Extended coverage to relevant conditions:



[2] Reward programs:



[3] Payout in service:

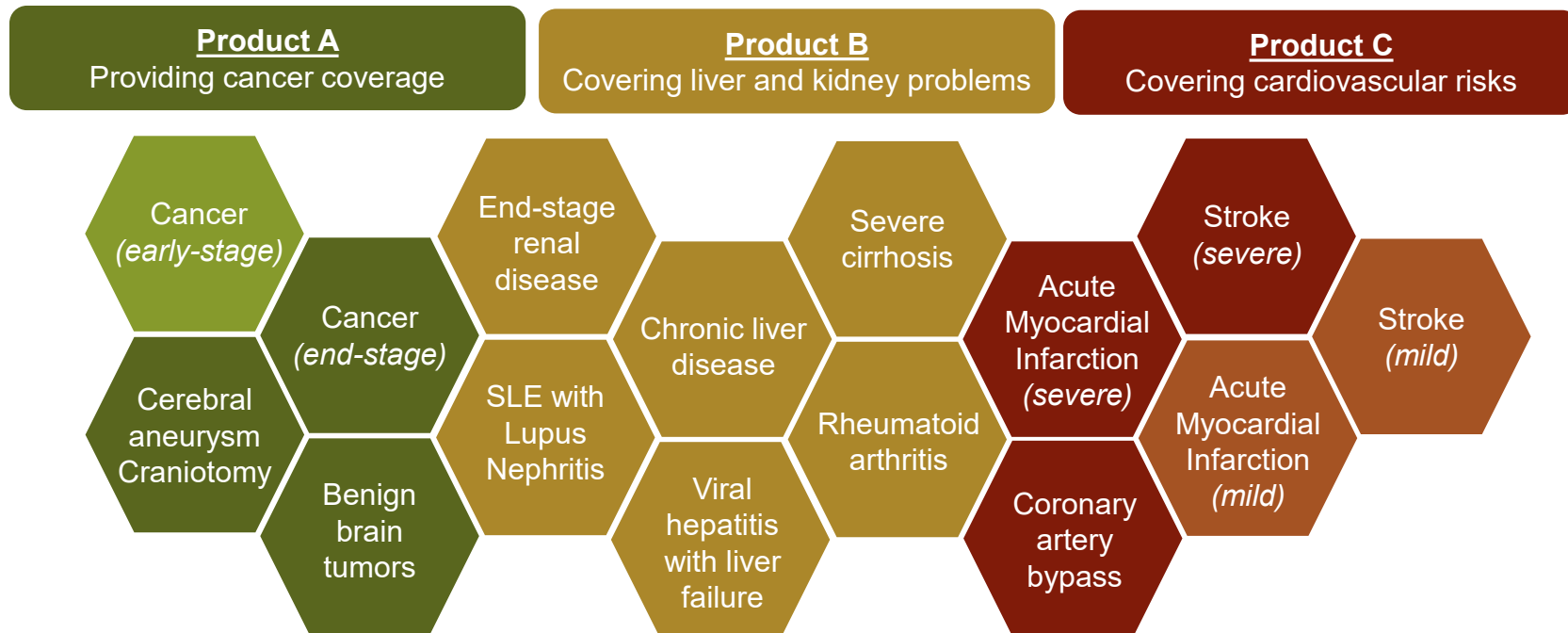
Annual income convertible into a long-term care plan with services / facilities provided by LTC institutions



Emerging Alternative Senior Protection

With general chronic conditions among the senior population, incidence and thus premium can be high.

- For a product with more **affordable premium** (as well as reasonable leverage ratio), the market splits critical illness coverage into groups in form of several products
- Different underwriting approach and / or criteria can be applied to different products to map **insured profile** and **underlying risk**



Key Takeaways

- Ageing population is no longer a niche segment
- Key drivers to tap into ageing segments: products attractive to ageing populations along with affordability and accessibility
- Care takers and young old segment represent new opportunity to expand customer base for elderly product
- Lesson learnt from flagship products in Korea and Taiwan



Q&A

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