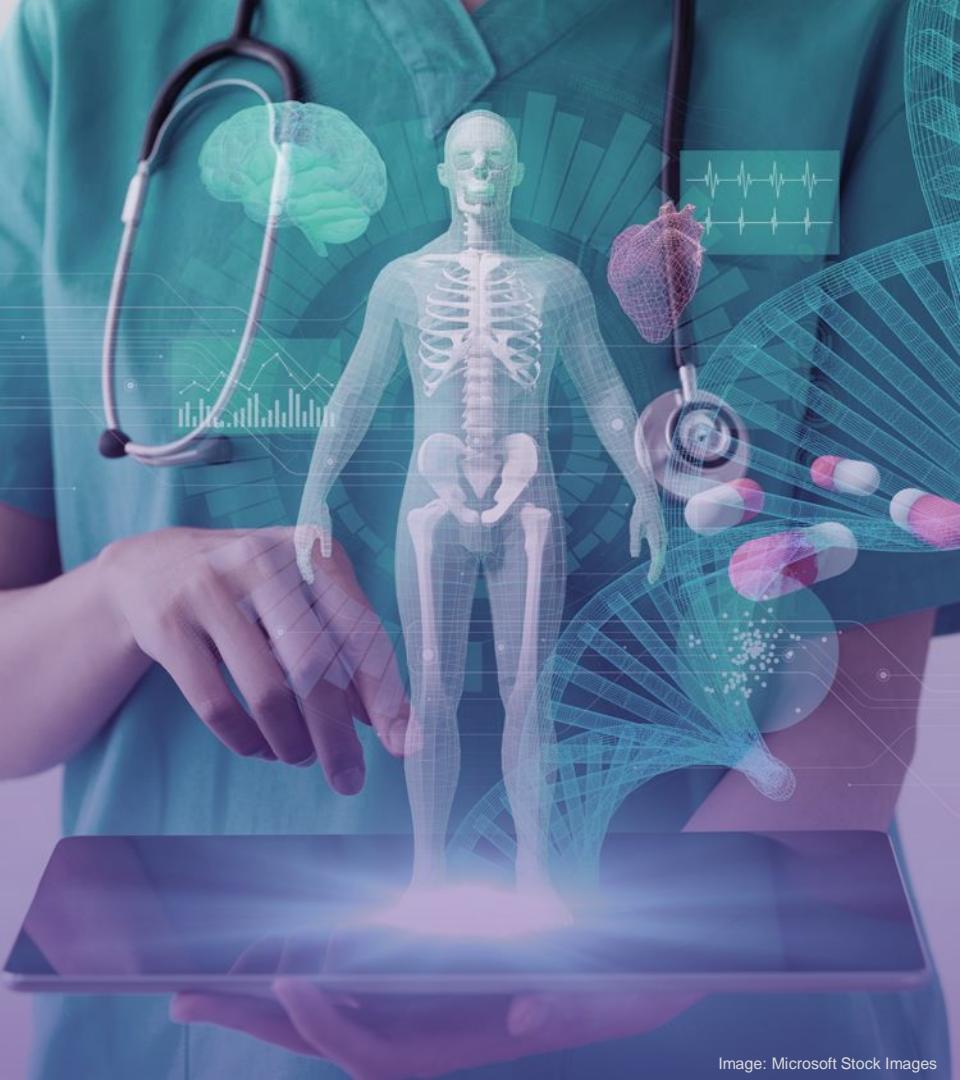


Introducing Outcomes-Based Critical Illness

A sustainable alternative to existing Critical Illness products, powered by Munich Re's medical expertise to target the Asia-Pacific region

Munich RE



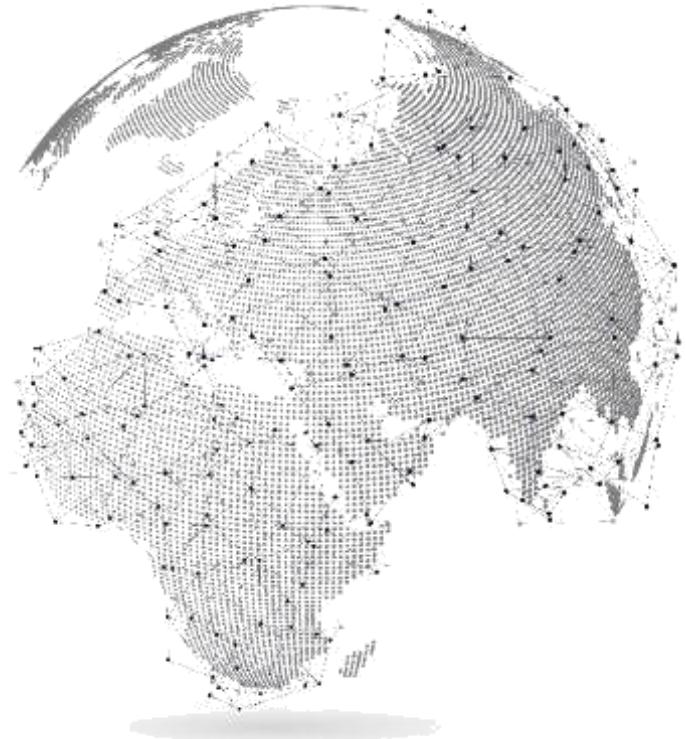
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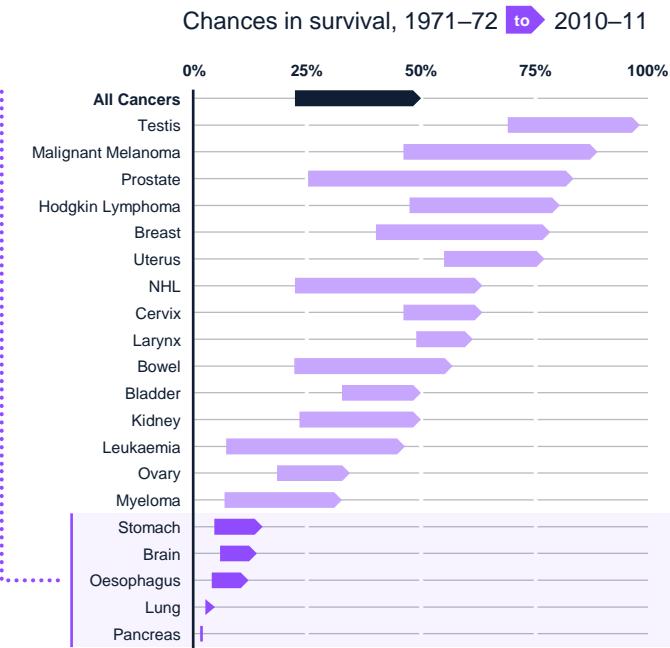
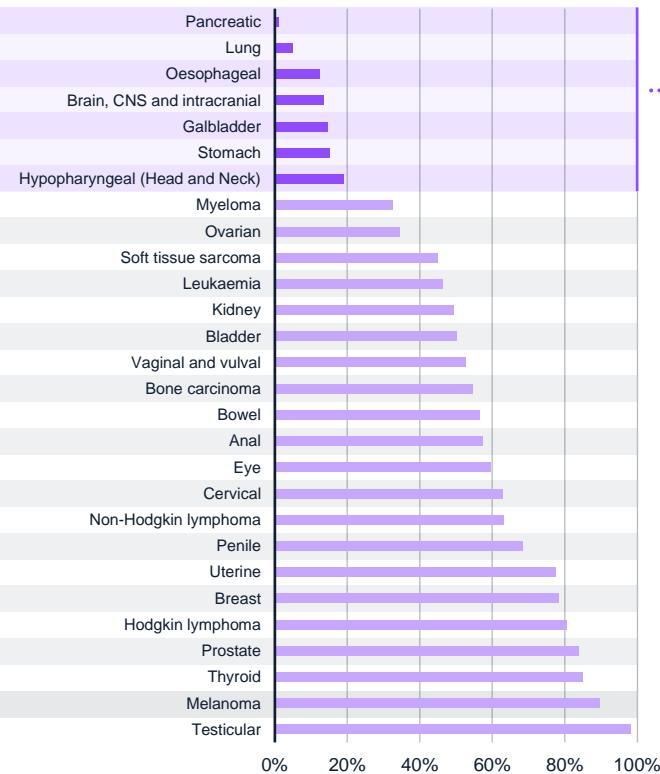


Shortfalls in existing Critical Illness products

Not all cancers are equal, but all are paid the same

Long-term survival rates differ significantly by cancer site, some sites showing limited improvements over time.

10-year age-standardised survival rates (UK) from Cancerresearchuk.org.



Medical advances in screening, diagnosis, and treatment

Represent risks to long term sustainability of Critical Illness products

Key medical advances that Munich Re medical experts are monitoring closely include:



Early screening and diagnosis

- Growth in access to and reducing cost of D2C multi-disease testing services.
- **Liquid biopsy** solutions likely to significantly change the landscape of cancer screening and diagnosis in years to come.
- Wearable devices, with AI applications are increasingly used as screening tools.



AI in medicine

- Expect more analyses on medical imaging by AI models. Likely to improve detection rates but at the cost of increasing false positives.
- Welcome improvement in terms of prognosis, but earlier detection might worsen experience on existing Critical Illness conditions that are based on diagnosis only.



Advances in therapy

- Significant investments in development of non-invasive immunotherapy / targeted therapy treatments.
- Likely to improve outcomes, reduce long-term impacts of suffering a cancer. Products reflecting severity post treatment may have long-term savings.



Outcomes-Based Critical Illness (OBCI)

An alternative approach to critical illness product design

Outcomes-based CI: Holistic assessment



Listed diagnosis-based definitions

- Existing listed benefit definitions for major illnesses
- Allows for easy comparison to existing coverage available

Lifestyle impacts-based definitions

- Considers the long-term impact of suffering a condition
- Measures severity based on ability to live independently

Treatment-based definitions

- Considers the type and frequency of treatment required
- Invasive treatments generally associated with higher severity

The “**Benefits Race**” for CI product development is **unsustainable**

An opportunity exists to create comprehensive new-generation CI products which

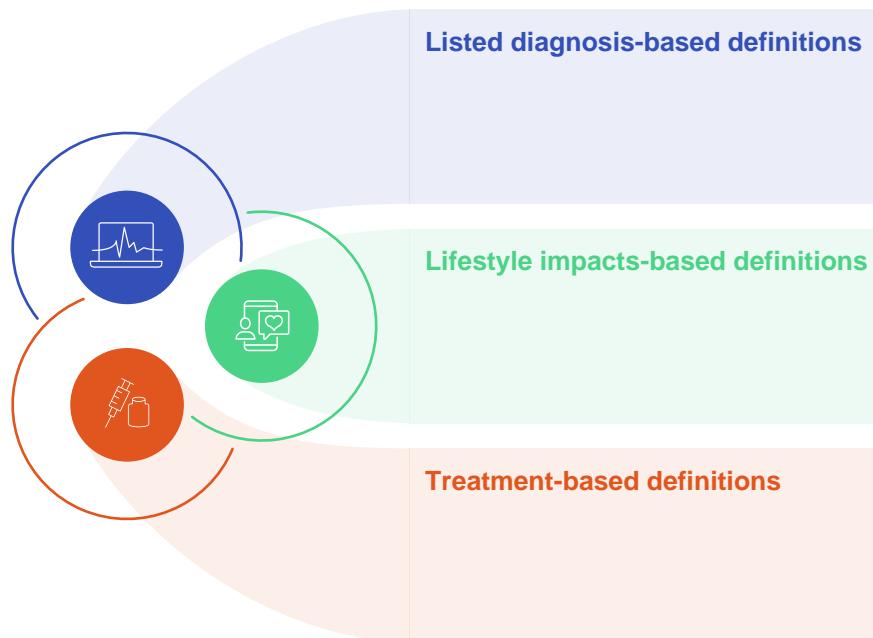
- Allow for **greater differentiation in payment**, based on severity
- Use definitions which are **simpler** and easier to understand
- Are **future-proof** in light of expected long-term medical advances in treatment

Using an OBCI approach, a new CI product could have 15 to 25 definitions only, but provide **more comprehensive** and **more relevant** cover to customers.

Outcomes-Based Critical Illness (OBCI)

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Outcomes-based CI: Holistic assessment



Munich Re's CMOs ensure that...

- Diagnosis-based definitions are maintained up to date to reflect advances in clinical medicine and regulatory requirements, while remaining comprehensive to customers without insurance or medical backgrounds.
- The pay-out from Critical Illness conditions are consistent with their expected impact on long-term health and ability to meet financial obligations.
- The claims criteria introduce objectivity to medical conditions that are difficult to clearly define.
- Treatment-based definitions are up to date with respect to clinical practice and can objectively define an expected level of disease severity.

Experimental drug feature

A cutting-edge
medical benefit
made possible by
Munich Re's
medical expertise



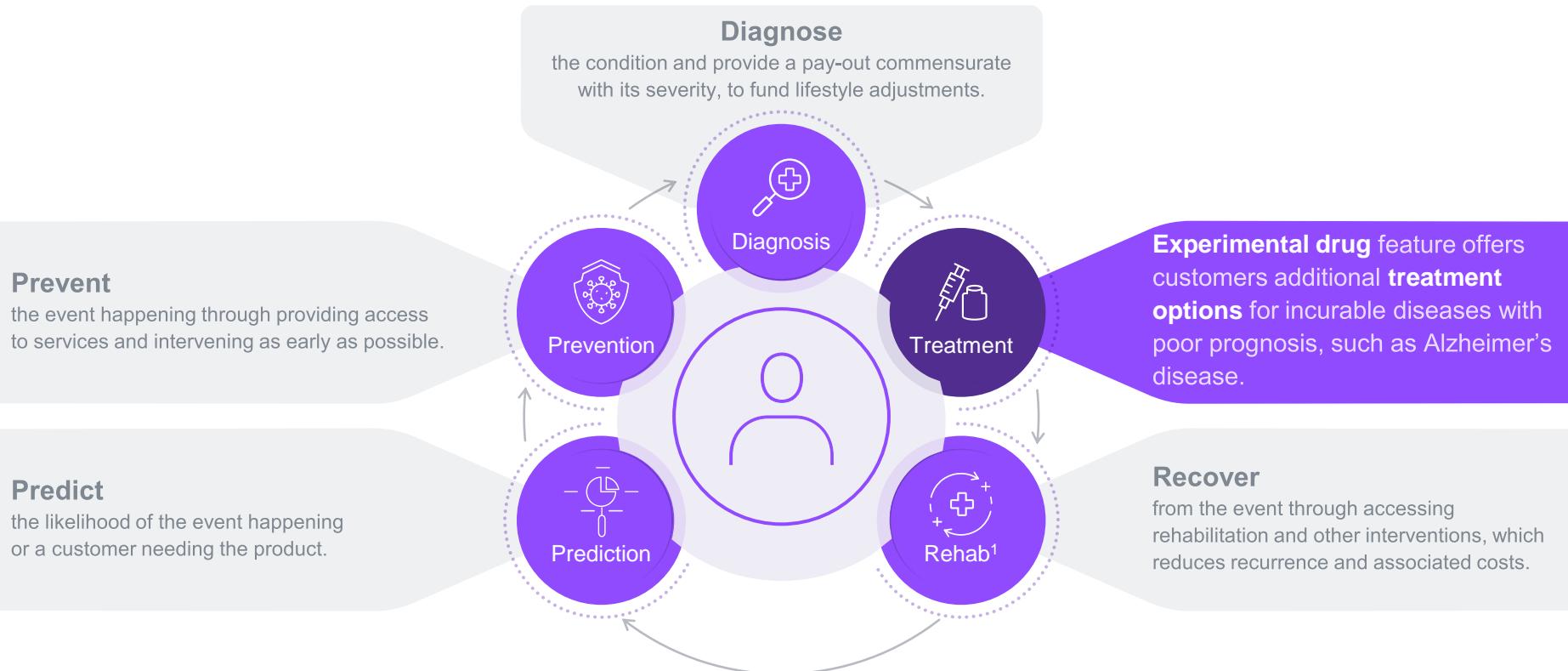


CMO's view on customer needs

- When diagnosed with certain Cancers, Alzheimer's or Parkinson's disease, existing **guideline-directed therapies may not be effective** in treating the condition
- **New medications** are continuously being developed and are expected to result in improved long-term outcomes
- However, these medications **may not be accessible** due to a lack of clinical data and prohibitive costs



Our experimental drug feature addresses treatment needs for certain severe conditions



Contact us

Introducing Outcomes-Based
Critical Illness

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