

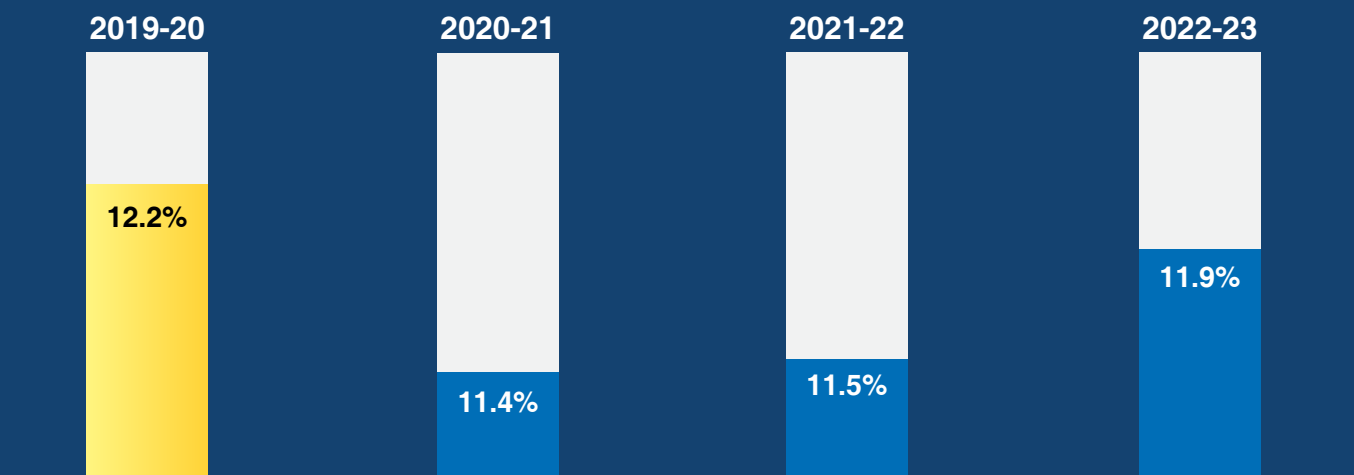
A CLEAR VISION FOR CATARACTS CARE



Introduction

Cataracts, which are characterised by the clouding of the eye's lens, are frequently caused by age-related changes. It affects a sizable proportion of the country's population, particularly the elderly. The frequency of cataracts insurance claims in India has remained consistently high in recent years, accounting for roughly 11% to 12% of total healthcare insurance claims for those aged 40 and over. This trend demonstrates the considerable influence that cataract-related treatments have on the country's healthcare insurance market.

Figure 1 - Cataracts trend on a YoY basis¹



1. Prudent's claim Data Analysis for 4 years

Current scenario

Eye health is critical for overall well-being as it impacts our ability to perform several day-to-day activities. India witnesses a high incidence of eye-related disorders, cataracts being one of the major conditions requiring surgical interventions.

Cataract accounts for 50% of blindness globally and remains the leading cause of visual impairment in all regions of the world. The WHO (World Health Organisation) and NPCB (National Programme for Control of Blindness) survey has shown that there is a backlog of over 12 million blind people in India, and 80.1% of these are blind due to cataracts.²

Figure 2 shown here refers to Prudent's claims analysis which refers to 92% of cataracts instances are from parents covered in the employee's plan, which is significantly greater than the claims from employees or their spouses.

Figure 2 - Parents contribute to more than 90% of cataracts claims

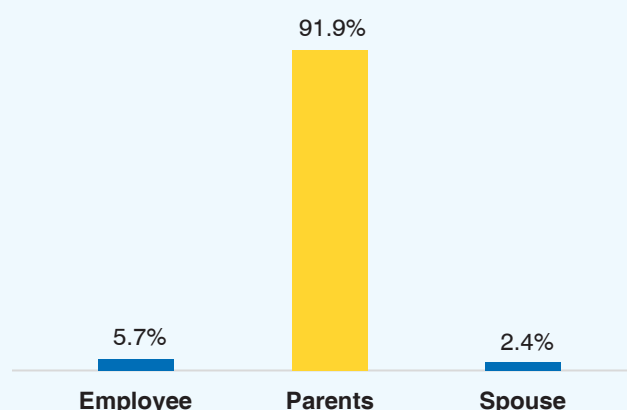
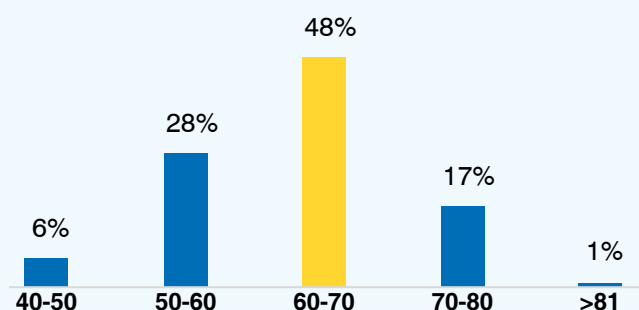


Figure 3 - Age band-wise cataracts incidence



While examining the breakdown of claims by age group, Prudent discovered that two-thirds of claims originate from the 60+ age group, with the highest of 48% coming from the 60-70 years age group (Figure 3).¹ This brings to attention the widespread occurrence of cataracts among the older generation, emphasising the urgent need for increased attention and support for the eye health of ageing parents.

Furthermore, Prudent's cataract claims¹ data analysis demonstrates a significant disparity in the average claimed amount between PPN and non-PPN (Preferred Partner Network) as well as metro and non-metro cities. On average, non-PPN report approximately 17% higher claimed amount (INR 43,897) for cataract treatment compared to their PPN counterparts (INR 37,409) (Figure 4).¹ This variance can be attributed to several factors. Private insurers frequently offer more comprehensive and flexible coverage options, as well as greater claim limits. This results in higher treatment expenses and, as a result, larger claimed amounts.

Figure 4 - Average Claimed Amount Comparison: PPN vs non-PPN

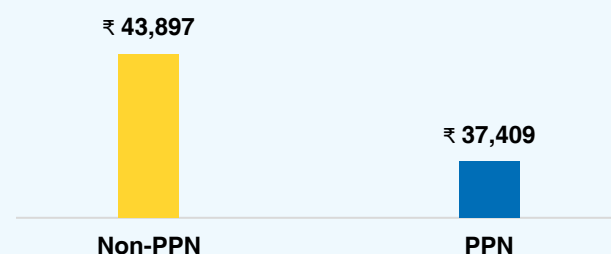
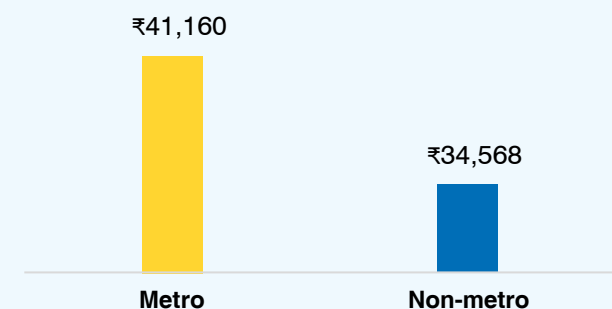


Figure 5 - Average treatment cost in metro vs non-metro cities



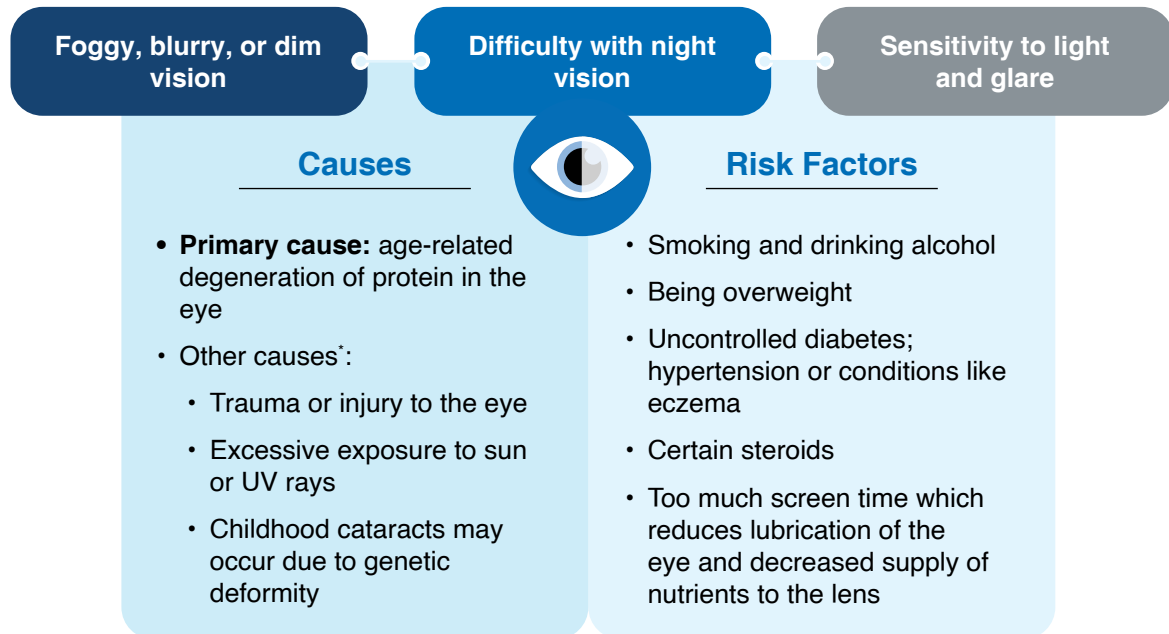
Similarly, the reported cataracts claimed amount of INR 41,160 in metro cities is nearly 19% greater than INR 34,568 in non-metro cities (Figure 5).¹ It is worth noting that the average claimed amount differs from state to state across the country, despite having similar prevalence. For example, despite having a similar prevalence, the average claimed amount for cataracts surgery in Delhi is 40% higher than in West Bengal. In a comparable situation, the claimed amount in Karnataka is 15% greater than in Tamil Nadu, despite the fact that both states have the same prevalence of cataracts.

Furthermore, according to the data,¹ there is a significant distinction between reimbursement and cashless claimed amounts. Reimbursement claims tend to be approximately 10% higher than cashless claims, primarily due to the flexibility of choosing higher-cost treatment options and coverage of additional expenses such as post-operative medications or specialised consultations. In contrast, cashless claims adhere to preset treatment packages or negotiated fees.

2. Epidemiology of cataract in India: combating plans and strategies - PubMed (nih.gov)

Symptoms and causes for cataracts

Cataracts typically develop gradually, often without immediate awareness. Only until they begin to impede light and cause visual distortions does one become aware of their presence.



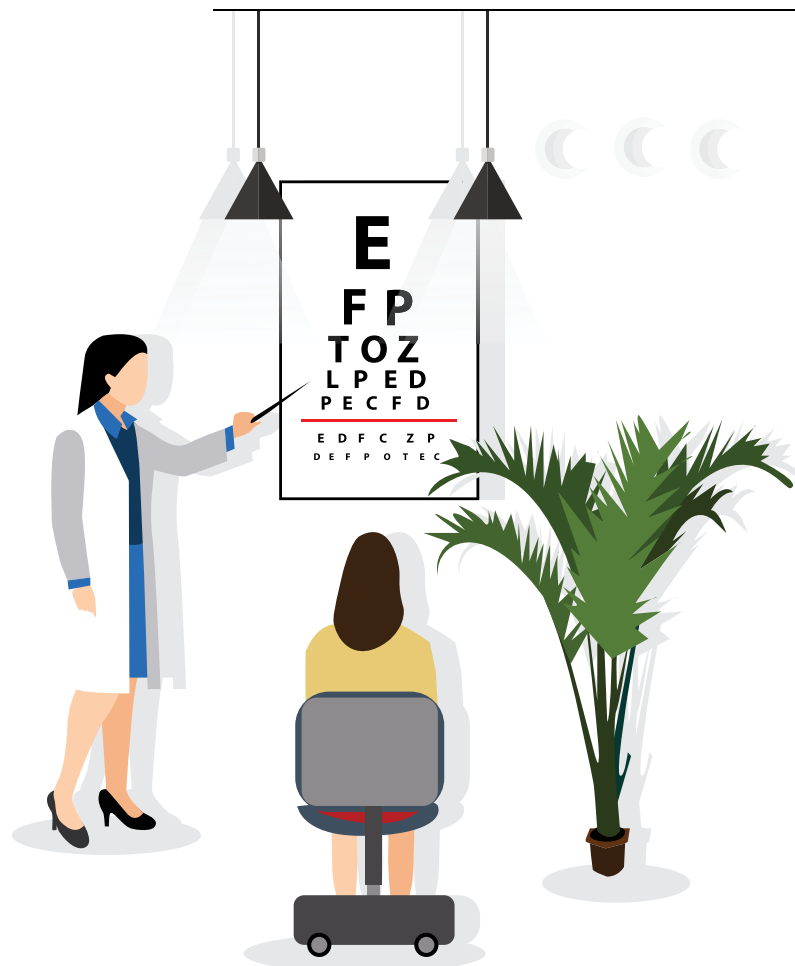
*For illustrative purpose

Corporate wellness

Corporate wellness programs facilitated by Prudent's wellness team, a value-added service, is spreading awareness and mitigating the visual health of employees, including addressing issues related to cataracts. To support employees in this regard, organisations can implement specific initiatives within their wellness programs.

1. Regular and free eye check-ups for employees: To enable early detection of cataracts and promote better treatment outcomes
2. Proper lighting and ergonomics at the workplace to reduce the threat to vision
3. Awareness program on cataracts

Incorporating these measures into corporate wellness programs demonstrates a commitment to employee well-being and supports their visual health in the workplace.



Insurance coverage limitations

Cataracts surgery is a procedure that involves replacing the cloudy natural lens of the eye with an artificial lens called an Intraocular Lens (IOL). While different varieties of IOLs are available in the market with varying applications and price ranges, insurance coverage for the more expensive and useful multifocal lenses used in cataracts surgery is either limited or comes with a co-pay for the insured. This can be discouraging for patients hoping to reduce their dependence on glasses following the surgery.

Advanced techniques like Micro-incision Cataracts Surgery (MICS) and Femtosecond Laser-assisted

Cataracts Surgery (FLACS) has emerged in the last few decades, with FLACS being the most advanced. The average cost for MICS varies from approximately INR 35,000 to INR 50,000 per eye. FLACS uses a femtosecond laser to make precise incisions and remove cataracts, but its average cost, which ranges from approximately INR 95,000 to INR 1,20,000, is often not covered by insurance providers. Such coverage limitations can result in an inadequate payout for patients and their families. When considering FLACS, it is critical for patients to explore insurance coverage and potential out-of-pocket expenses with healthcare providers, as it may provide a substantial barrier to getting advanced cataract surgery.

Conclusion

The prevalence of cataracts insurance claims among people aged 50 and above in India demonstrates the significant impact of cataracts-related treatments on the healthcare insurance sector. To address this issue, corporates should consider increasing their coverage to encompass not only classic surgical procedures such as Phacoemulsification and MICS, but also the most recent FLACS approach. Moreover, the average claimed amount for cataracts surgery differs between cities/regions within the country, prompting the necessity for insurance providers to offer coverage benefits tailored for different regions and cities.

Furthermore, to suit the different needs of patients, comprehensive cataract insurance coverage should include all types of lenses used in cataract surgery. Insurers can better support clients seeking cataract treatment and assure adequate coverage for their medical expenses by addressing these issues.





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