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## Session 5:

# How widespread is the use of private health insurance in the region and how is it distributed?

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# How Widespread is the use of Private Health Insurance in LATAM and how is it Distributed ?

MAY 30, 2023

PANAMA CITY, PANAMA

# The relationship between the economy and insurance

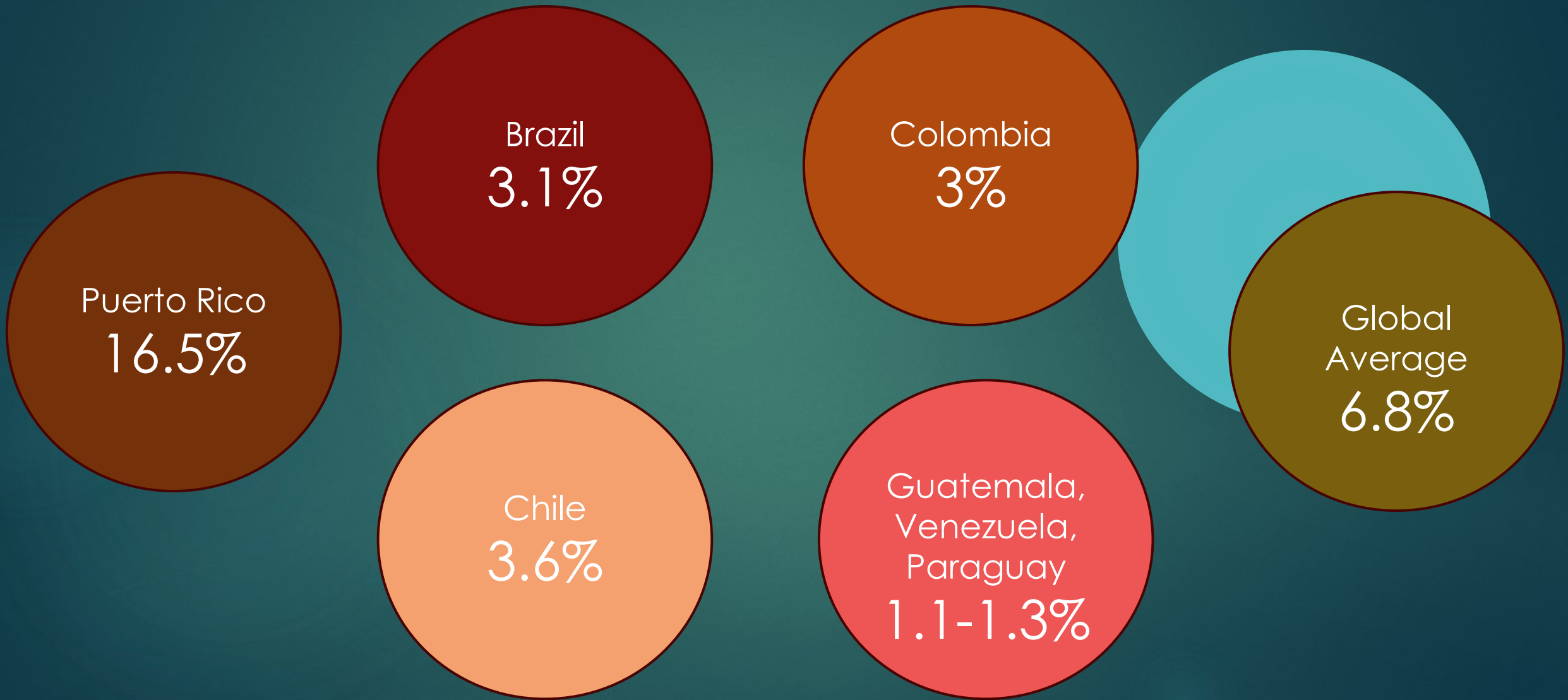
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ECONOMIC AND SOCIAL PROGRESS

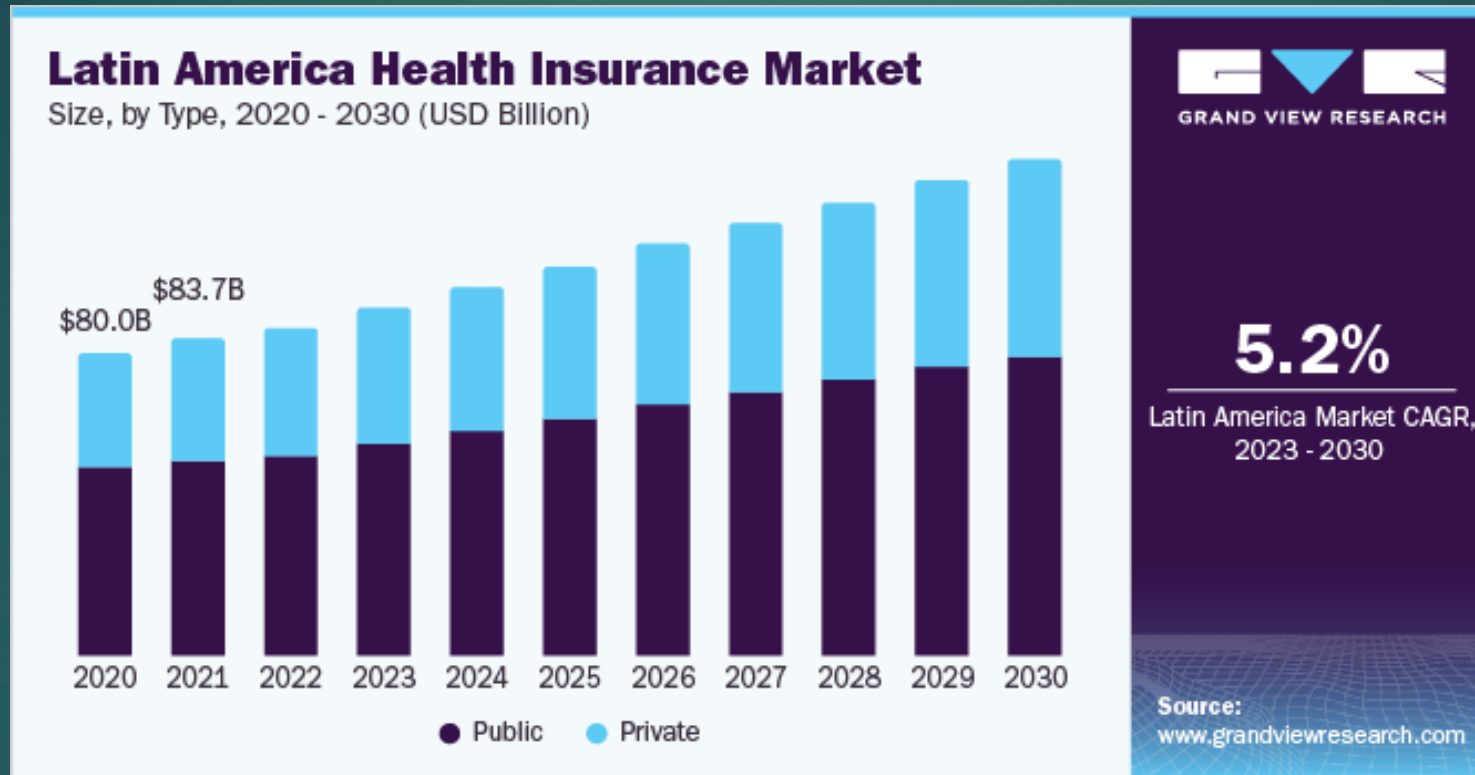
CORRELATION BETWEEN

WELL-BEING OF A POPULATION

# Insurance Penetration (LATAM)



# Latin America Health Insurance Market



The industry is expected to increase due to rising health consciousness, supported by several strategic alliances.

# What is the Latin America Health Insurance Market Growth?

- ▶ The Latin America health insurance market is expected to grow at a compound annual growth rate of 5.2% from 2023 to 2030 to reach USD 131.1 billion by 2030.



Which segment accounted for the largest Latin America health insurance market share?

Brazil dominated the Latin America health insurance market with a share of 28.29% in 2022.

This is attributable to the growing demand for insurance and high levels of government investments in the healthcare sector.



# Demographic of who is buying insurance?

- ▶ The market is segmented into three types based on demographic:



Minors



Adults

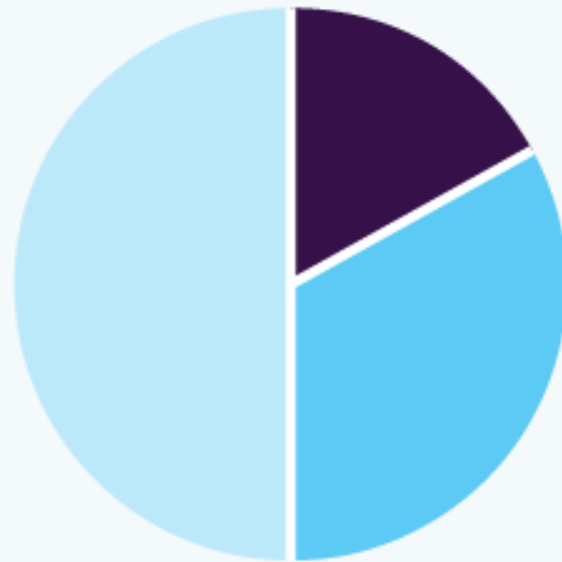


Seniors



## Latin America Health Insurance Market

Share, by Demographic, 2022 (%)



● Minors ● Adults ● Seniors



# \$86.4B

Latin America Market Size,  
2022

Source:  
[www.grandviewresearch.com](http://www.grandviewresearch.com)

Life expectancy is improved, leaving seniors more vulnerable ?

▶ In 2022, the senior segment dominated the market and is projected to retain dominance throughout the forecast period.



# The importance of the “senior population”

- ▶ Large senior population in Latin America
- ▶ Increased demand for healthcare services
- ▶ subsequent rise in healthcare costs



# Strategic Alliances – Who is getting together?



▶ Strategic initiatives such as alliances

Grow their customer base

Expand their market share.

# Strategic Alliances – Case Study

February 2023, Bupa and MAPFRE allied to develop health insurance in Latin America, beginning in Peru and expanding to Paraguay and Uruguay. They intend to investigate opportunities in other countries as well. This regional alliance combines the strengths and experience of both companies to increase penetration of the health markets and provide access to top-level international medical care.

# Who are the key players in LATAM Health Insurance Market?



Bupa



Allianz  Care



**GENERALI**  
Assicurazioni Generali S.p.A.



**MAPFRE**



EMPRESAS  
**BANMEDICA**



**aetna**<sup>SM</sup>



**AXA**



**CHUBB**<sup>®</sup>



GRUPO  
**Sura** 



# Who Buys IPMI (International Private Medical Insurance)

High Net Worth Individuals

Expatriates living in two countries throughout the year

Corporations with a Global work force

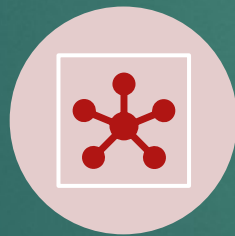
Small to Medium Companies

# What can we benefit from?

▶ The Latin American health insurance market can benefit from



\* PRODUCT INNOVATION



\* IMPROVED INSURANCE  
DISTRIBUTION NETWORKS



\* BETTER CLAIMS  
MANAGEMENT



\* REGULATORY  
DEVELOPMENTS DUE TO  
RISING INCOMES



\* THE INCREASED  
PURCHASING POWER OF  
PRIVATE HEALTH  
INSURANCE, AND  
HOUSEHOLD SAVINGS IN  
THE REGION

# Hospital/Clinic Acceptance of Private Insurance

- ▶ In the post pandemic recovery, the hospitals are seeing the numbers of insured increase.
- ▶ Domestic policies still outweigh the number of international policies but the trend is moving upward and they see more all the time.
- ▶ There is a definite increase in the number of companies selling international major medical coverage than there was twenty years ago

# What are the factors driving the Latin America health insurance market?



\* Region's growing need for private health insurance coverage to cover expensive healthcare



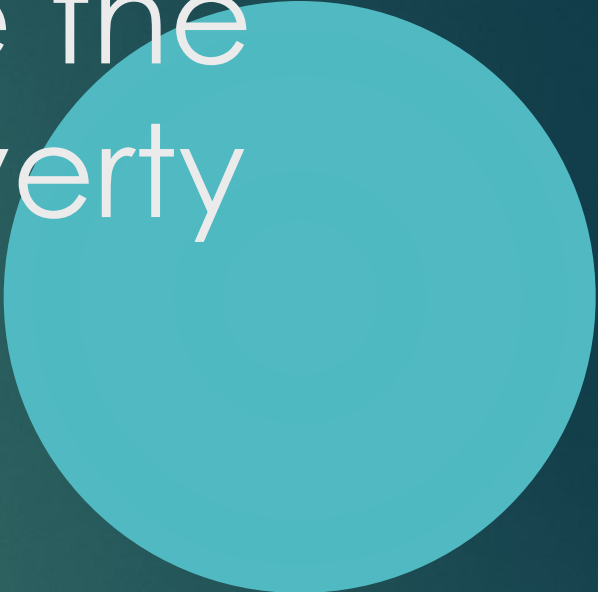

Increasing public and private organization initiatives



\* Rising income levels



\* Longer life expectancies



“The risk of not having health insurance can be the difference between poverty and prosperity.”

Margaret Ball

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THANK YOU!