



BADRI

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The Vitals

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***AI isn't
replacing
doctors, it's
empowering
healthier
futures.***

Medical Newsletter

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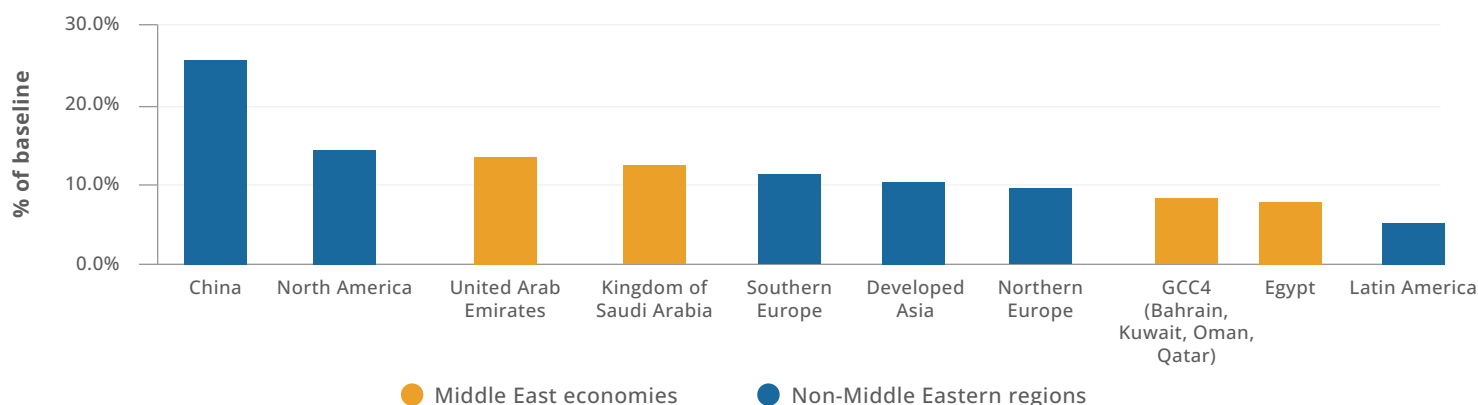


TOPIC 1: AI SOLUTION FOR HEALTHCARE

How AI is Boosting the GCC's Healthcare Sector

AI is transforming healthcare in the GCC, with a projected \$320 billion impact on the Middle East's economy by 2030. In Saudi Arabia, AI will contribute \$135.2 billion (12.4% of GDP), while in the UAE, it is expected to add \$96 billion (14% of GDP), driving efficiency and better patient outcomes. ¹

Contribution of AI to GDP by regions, 2030



AI-Driven Healthcare Innovations Across the GCC

The UAE is leading AI adoption in healthcare, with MoHAP's Center of Excellence for AI enhancing medical technology through AI-driven analytics.

Dubai

Health Strategy 2021

Smart health systems and AI integration.

MoHAP AI Lab

AI solutions for improved patient outcomes.

Smart Dubai

AI-driven healthcare services.

Saudi Arabia's Vision 2030 emphasizes AI in healthcare, with SDAIA advancing AI in diagnostic radiology and personalized health planning.

Abu Dhabi's DoH, in collaboration with MBZUAI & Core42, launched the Global AI Healthcare Academy to train healthcare professionals in AI applications.

Oman's Ministry of Health won the COMEX 2024 Award for its AI-powered Nabdh Al Shifa system, enhancing public health surveillance through real-time data integration.

These initiatives across the GCC demonstrate AI's transformative role in healthcare, from diagnostic accuracy to data-driven decision-making.

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How AI Can Help Medical Insurance Companies

Artificial Intelligence (AI) is poised to revolutionize the medical insurance industry, enhancing efficiency, reducing fraud, and improving customer experience. As AI technology continues to evolve, its impact on medical insurance will become even more significant.

1. Fraud Detection and Risk Management

Fraud detection remains a significant challenge for healthcare systems and insurers. According to the U.S. National Health Care Anti-Fraud Association, healthcare fraud costs the U.S. about \$300 billion annually, nearly 3% of total expenditures. This strains resources and impacts patient care. AI-driven fraud detection helps by quickly analyzing data to identify patterns and anomalies, improving fraud prevention. ²

Real-world Examples: AI in Healthcare Fraud Detection

Optum, a subsidiary of UnitedHealth Group, uses AI to detect fraudulent billing patterns by analyzing healthcare claims data. It identifies issues like duplicate claims, excessive procedures, and unusual billing. Optum's fraud detection solutions are used in multiple regions, including the U.S. and India, to enhance compliance and reduce financial losses.

MediBuddy, an India-based digital healthcare platform, uses AI-powered Sherlock to detect fraudulent claims in real-time. It identifies issues like duplicate claims, manipulated documents, and pricing errors, enhancing fraud prevention and efficiency in the Indian healthcare market. ³

2. Enhanced Underwriting and Risk Assessment with AI

AI-driven underwriting enhances risk assessment using data science, automation, and deep learning. Unlike traditional methods, it adjusts dynamically based on real-time insights, improving accuracy and efficiency. Research shows it can cut policy issuance times by up to 80%, enabling insurers to serve more customers efficiently. ⁴

Real-World Example AXA (Global)

AXA Tianping, a subsidiary of AXA wanted to offer an inclusive health coverage for individuals with chronic medical conditions while limiting their risk exposure. They did this by using a health risk rating tool for real-time underwriting decision making and dynamic pricing.

The automation of chronic condition assessment through the rating tool eventually increased their sales by 30% in the first 12 months. ⁵

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Manulife (Canada, Asia)

Manulife is now leveraging GenAI to transform preliminary Underwriting Assessments for less complex cases with their Quick Quote tool, which launched in December 2024. This innovation reduces the time required from one day to just 15 minutes, with the goal of generating quick quote responses within 45 seconds. ⁶

Zurich leverages AI to transform life insurance underwriting

Zurich Financial Services Australia and University of Technology Sydney have developed AI models to streamline life insurance underwriting. Trained on seven years of anonymized data, these models enable instant decisions for applications with mental health disclosures, reducing reliance on doctor's reports, which previously took up to 22 days. In 2023, mental health was the third most common claim reason, accounting for 20% of payouts. It is anticipated that these models can be used for other conditions such as cancer, cardiovascular diseases, or musculoskeletal disorders given the level of data available. ⁷

3. Dynamic Pricing and Connected Devices

The integration of AI with data from smartphones, smartwatches, telematics, and IoT devices is transforming pricing strategies. With the rise of connected devices, insurers can continuously monitor customer risk profiles. AI enables real-time data analysis, improving risk assessments and allowing insurers to offer personalized plans. ⁸

Example: Health Insurance

Wearable devices track activity, heart rate, and other metrics. AI analyzes this data to assess health risks, helping insurers provide tailored plans and health advice.

Vitality Health Insurance

uses AI and wearable devices to offer dynamic pricing based on lifestyle choices. By analyzing data from devices like Apple Watches, it adjusts premiums, rewarding active policyholders with lower rates and discounts. This approach ensures fair pricing, reduces fraud, and enhances the customer experience. ⁹

4. Predictive Analytics for Disease Prevention

AI predicts health risks by analyzing genetic, lifestyle, and environmental data, benefiting the GCC, where chronic diseases like diabetes and heart conditions are common. AI helps detect early warning signs, improving health outcomes and reducing healthcare costs. ¹⁰

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Example:

*The NHS in England will trial an AI tool in 2025 to detect type 2 diabetes risk over a decade in advance. The technology analyzes ECG readings to spot subtle changes, enabling early intervention. The trial will take place at Imperial College Healthcare NHS Trust and Chelsea and Westminster Hospital NHS Foundation Trust.*¹¹

5. AI-Powered Chatbots and Virtual Assistants in Insurance

Many insurers are leveraging AI-powered chatbots to enhance customer service, streamline policy management, and assist with claims processing. These virtual assistants reduce wait times, provide instant responses, and improve overall user experience.¹²

According to a study, 50% of consumers will prefer using AI for basic tasks like appointment scheduling, which has reduced the wait times and admin workload significantly for healthcare organizations.¹³



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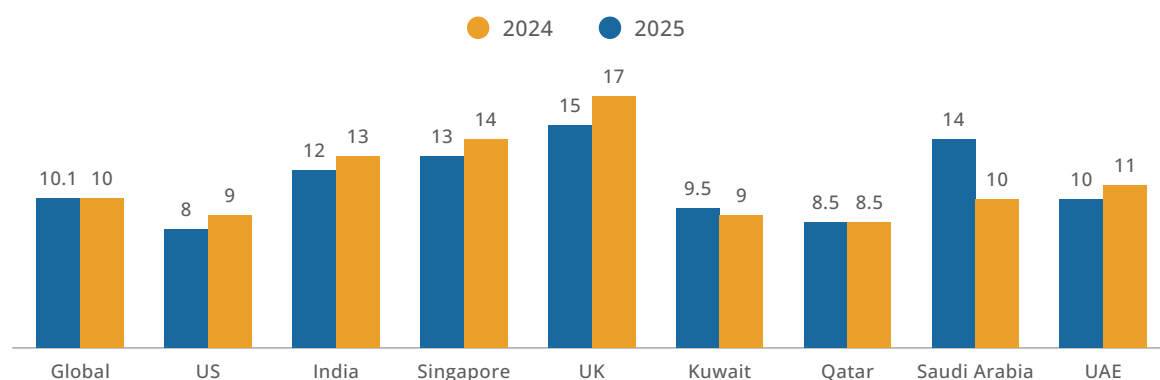
TOPIC 2: RISING PREMIUMS DUE TO INCREASED CLAIMS

Global Inflation and Healthcare: A Costly Equation in 2024

The global average medical trend rate for 2025 is projected to reach 10.0 percent, slightly below the 10.1 percent forecast for 2024, which marked the highest increase in a decade.¹⁴ Health insurance premiums surged worldwide due to rising medical claims and inflation. In the U.S., individual premiums reached \$7,008 per year, a 4% rise from 2023.¹⁵ Employers expect a 5.8% increase in 2025, the largest in a decade, as insurers account for higher healthcare costs.¹⁶

As per the market research, below are the graph shows gross medical inflation trend rates.

Gross Medical Inflation trend rates



Medical Inflation in the UAE: Premiums Soar as Costs Climb

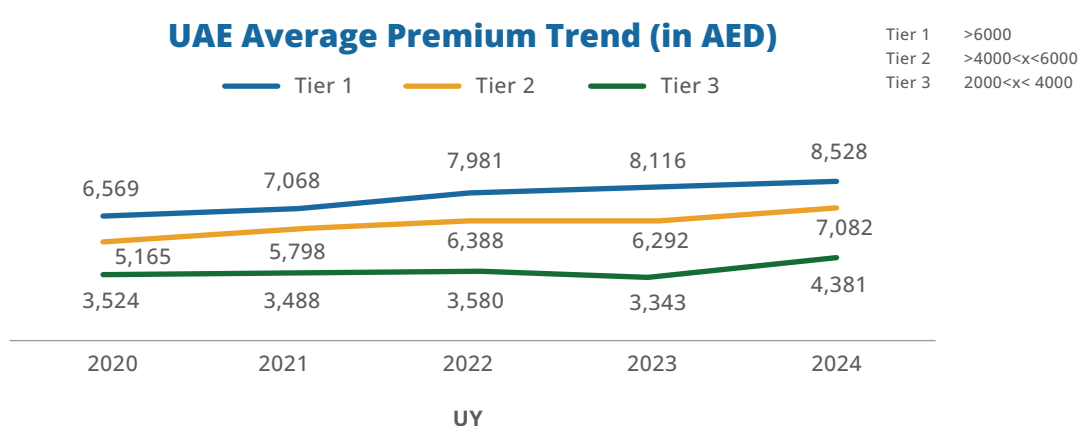
In UAE, Health insurance premiums are rising due to inflation-driven medical costs, higher post-pandemic healthcare usage, and expensive medical advancements, all leading to increased claims and insurer expenses.¹⁷

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The introduction of new and costly medications in the United Arab Emirates, including treatments for chronic diseases and innovative therapies like GLP-1 drugs, is driving healthcare costs higher. As a result, the projected medical trend rate for 2025 is expected to reach 11%, more than five times the forecasted general inflation rate of 2.3% for the year.

In the UAE, non-basic medical insurance costs have surged to nearly Dh6,000 per year, up from Dh4,500 last year, driven by hospitals limiting insurer partnerships and increasing out-of-pocket expenses for residents.¹⁸ Healthcare claim costs soared to Dh16.5 billion in the first nine months of 2024, marking a 14.6% increase (Dh2.1 billion)—the highest growth rate in six years.¹⁹ According to the BADRI benchmarking data, average premiums saw a 5% increase from 2023 to 2024 in top network (Tier 1) and surged 13% from 2023 to 2024 in Tier.



Claims Surge in Saudi Arabia

In Saudi Arabia, the 2025 medical inflation trend is forecasted at 10% and the 2024 medical trend rate is at 14%, surpassing inflation (2.3%) by over seven times, driven by high claims utilization, particularly for circulatory diseases, along with regulatory and demographic changes. Key healthcare regulatory reforms involving privatisation through adopting Public Private Partnerships (PPPs) under Vision 2030, expanded national health insurance, telemedicine growth,²⁰ and disease prevention programs , and strengthened COVID-19 response.²¹ Although there are several key drivers for increased health trend rates and rising costs, the most significant concerns are utilisation changes and medical inflation.²²

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TOPIC 3: HEALTH AND FITNESS CULTURE

Health and Fitness Culture in the UAE and Its Impact on Insurance

The United Arab Emirates (UAE) has witnessed a remarkable shift towards health and fitness, profoundly influencing the medical insurance landscape. This growing trend is propelled by government initiatives and a thriving wellness culture, which have led insurance companies to adapt policies that promote healthier lifestyles among residents.²³

Government Health and Fitness Programs with Budget

Several government programs are actively encouraging residents to adopt healthier lifestyles and prioritize physical activity:

1. Fit Home Program

is a free online workout initiative launched by the Department of Community Development to help residents maintain a healthy lifestyle from the comfort of their homes.

How it Works:

*The program offers a range of virtual fitness classes and activities suitable for all fitness levels, enabling participants to engage in regular physical activity at home.*²⁴

References:

²³ <https://www.digitalmanara.com/post/the-growth-of-fitness-and-wellness-culture-in-the-uae-a-new-era-of-health-and-vitality>

²⁴ <https://addcd.gov.ae/Media-Center/News/DCD-launches-the-Fit-at-Home-programme-for-the-Abu-Dhabi-community>

2. Dubai Pulse

is an extensive initiative designed to promote physical activity across all segments of society, aiming to enhance both physical and psychological well-being.

How it Works:

*The initiative organizes a variety of physical activities, events, and challenges throughout Dubai. It encourages residents to participate in outdoor fitness events, health programs, and fitness tracking challenges, fostering a culture of health and well-being. Additionally, it integrates wellness apps and provides resources for individuals to monitor and improve their physical activity levels.*²⁵

3. National Healthy Lifestyle Policy

Introduced in 2022, this policy promotes healthy eating, physical activity, and tobacco control to foster a wellness culture.

How it Works:

*The policy focuses on encouraging healthier lifestyle choices through public awareness campaigns, community-based programs, and collaborations with schools, workplaces, and healthcare providers. It sets guidelines for healthy eating, physical activity, and smoking cessation while integrating wellness programs into various sectors of society. The policy also supports government-led initiatives to reduce obesity and prevent chronic diseases.*²⁶

Overall Fitness Industry Growth:

UAE Fitness Industry Size:

The UAE fitness industry is expected to grow at a compound annual growth rate (CAGR) of 10.9%, reaching a value of over \$600 million by 2025.²⁷



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TOPIC 4: WORLD HEALTH DAY & SAUDI WALKING DAY

World Health Day 2025: A Global Endeavor to Elevate Health and Wellness

World Health Day, observed annually on April 7th, commemorates the establishment of the World Health Organization (WHO) in 1948 and highlights important global health concerns.²⁸

The Theme for World Health Day 2025

Each year, World Health Day is celebrated with a specific theme. Last year, in 2024, the theme was “My Health, My Right”. The theme emphasizes everyone’s right to essential health services, education, clean water, nutrition, fair work, and a discrimination-free environment.²⁹

The World Health Day 2025 theme is: “Healthy beginnings, hopeful futures”. This theme highlights the crucial need to enhance the health and survival of mothers and newborns.³⁰

Maternity Health Insurance Market Research, 2032

The global maternity health insurance market, valued at \$135.3 billion in 2023, is expected to reach \$269.3 billion by 2032, growing at a 7.9% CAGR from 2024 to 2032.³¹

Research by Reliance General Insurance shows an increase in C-section deliveries in India, rising from 17.2% in 2016 to 21.5% in 2021.³²

To increase public and private investments in maternal safety, nearly \$45.3 million will be spent for maternity improvements in England.³³

The maternity health insurance market in the United Arab Emirates is projected to grow at a CAGR of over 9.18% from 2024 to 2029.³⁴

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Basic Maternity cover benefits in the UAE

Childbirth Coverage:

Up to 10,000 AED (normal) or 10,000 AED (C-section), plus 10% co-payment. Delivery costs range from 2,000 to 14,000 AED.

Prenatal Care:

8 OB/GYN visits, 3 scans, basic blood tests, with 10% co-payment. Postnatal complications covered up to 8 weeks.

Newborn Care:

Coverage for up to 30 days (up to 3 months for premium policies).³⁵

Saudi Walking Day

Saudi Walking Day, observed on April 3rd, encourages physical activity as an essential element of maintaining good health.³⁶

References:

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