



دائرة التنمية الاقتصادية
DEPARTMENT OF ECONOMIC DEVELOPMENT

The New Flexi Health Insurance Policy in Abu Dhabi

Competitiveness Office of Abu Dhabi (COAD)

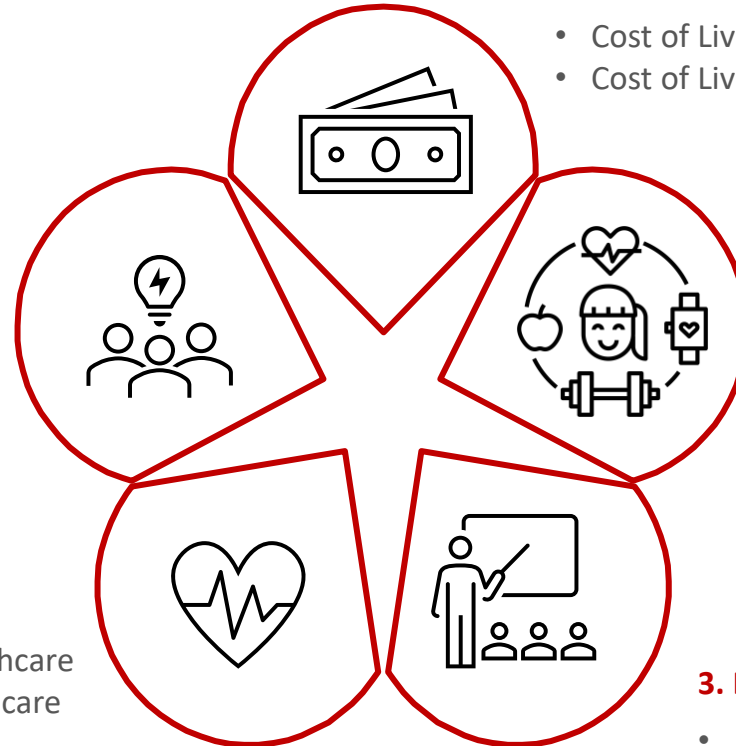
COAD has identified five important determinants and a framework for improving Talent and Livability in Abu Dhabi through various programs and initiatives

1. Talent Attraction & Retention

- Attracting Talent
- Retaining Talent

2. Healthcare

- Availability & quality of private healthcare
- Availability & quality of public healthcare
- General healthcare indicators
- Health infrastructure



5. Cost of Living

- Cost of Living Index (Mercer)
- Cost of Living Index (EIU)

4. Lifestyle & Culture

- Quality of life
- Consumer goods & services
- Recreation: Cultural availability
- Recreation: Food & drink

3. Education

- Availability & quality of private education
- General education indicators
- Education infrastructure
- Graduates in science








There are two insurance plans in Abu Dhabi provided by 40+ Insurance providers

Basic Plan



Enhanced Plan



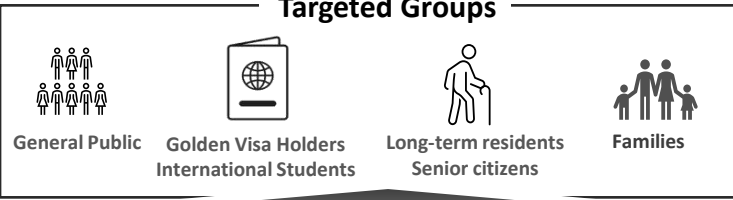
Eligibility	Income ≤ 4000 AED	Income ≥ 4000 AED
Factors affecting the costs of health insurance Premiums	 Age/ gender  Medical History (Individuals/ Groups 10-)  Coverage  Residency  Company history/ Background  Salary/ Job  Services quality	
Premiums	<ul style="list-style-type: none"> • 950+ AED for group policies (+10 employees) • 2000+ for individuals • could cover an employee's parents or a fourth child, both at the expense of the employee 	<ul style="list-style-type: none"> • 2000+ AED
Coverage	250K AED (Maximum)	250K+ AED
Regulator	DOH (control premium prices/ calculated by a risk assessment)	NA (DOH doesn't control enhanced plans premiums)
Provider	ONE provider only: charge a per capita management fee	40+ insurance Providers
Policy	Standard with different premiums	Individually tailored products
AD Gov Subsidy?	Yes, varies every year based on the total claims and total premiums collected over the year	Yes, through the "Funded Mandate", a program directed to cover insured members who: <ul style="list-style-type: none"> • exceed the limit of their coverage • whom insurance doesn't cover certain medical cases

Insurance Costs in Abu Dhabi

Problem Statement



Abu Dhabi Health Insurance plans are considered expensive and act as a barrier for attracting targeted groups



Solutions



DED (COAD) collaborated with DoH to develop solutions to lower costs and ease health insurance regulations for AD residents

1 Develop easier Health Insurance solutions in Abu Dhabi

- Ease medical burden on individuals/ families
- Attract & retain residents, small investors who are looking for a new business opportunity
- Establishment of new insurance products
- Open market to more players especially internationally which may have a significant impact

2 Medical Insurance Pension Scheme

- Ease medical burden on Government
- Possible Decrease of government subsidies
- Possible establishment of new insurance products

3 Specialized Packages for a selected Targets

- Attract & retain people to live and work in the Emirate
- Retain long term residents in the Emirate
- Attract & retain investments in Abu Dhabi
- Possible establishment of new markets (e.g. medical services for retirees/ seniors)

Impact



Challenges



- Possible increase in government burden (due to lower coverage)
- Possible increase in government operational cost to build up online platforms

- Low deductibles lead to lower coverage
- Possible decrease of disposable income to be spent in the Emirate
- Relatively small population of expat retirees in AD at present

- Possible increase in government burden
- Lower premiums lead to lower coverages

Key Initiative

4 key components of this initiative will target General Public, Investors, Golden visa holders, International Students, Families and Senior Citizens

Initiative components

- Open basic plan to more providers locally and internationally
- Ease of insurance regulations for AD residents
- Provide lower coverage packages – customizable
- Change to basic plans in Article 28 to ensure wider customization

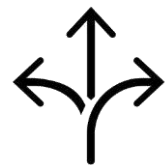
Abu Dhabi Introduced the new “Flexi Health Insurance Policy” to cater to the needs of investors and attract talents into the Emirate



Flexi Insurance Policy

Eligibility	<ol style="list-style-type: none"> 1. An expatriate residing in the Emirate who works in the private sector, provided that his/her monthly income \geq 5000 AED. 2. Investors and holders of free enterprises licenses, who desire to have this policy, and their families and employees. 3. The family of the resident expatriate and his/her workers who are not covered by employer's health insurance policy (governmental or private).
Premiums	750 AED (could be upgraded for individually tailored products)
Coverage	150K AED (could be upgraded for individually tailored products)
Regulator	DOH
Provider	All Health Insurance Providers in Abu Dhabi (currently 10 companies provide the Flexible Health Insurance in Abu Dhabi)
Policy	Standard with flexibility to add benefits
AD Gov Subsidy?	NONE . If the annual coverage is exhausted, the subscriber must agree with the insurance provider to: <ul style="list-style-type: none"> • extend the treatment coverage of the insured until the end of the period specified in the Policy and pay the due insurance premium for that • or provide another health insurance policy for the insured

The new Flexi plan will attract talents, increase disposable income and open the market for new companies to join



Introducing a health insurance product Insurance "**Flexible Health**" at a low cost and competition that is accessible to target groups such as entrepreneurs, investors and others, with **flexibility in upgrading benefits** based on customer preferences



Reducing the cost of health insurance for investors and skilled labour from the private sector while providing the best treatment plan at the lowest costs and flexibility in controlling benefits, customer needs, geographical coverage and services provided.



Enhancing household disposable income to invest or spend in consumption inputs, which will boost demand in the economy and positively affect GDP by ~371M AED



Opening the market to the entry of new players, especially at the international level, which may have a significant impact on competition