

# HEALTH & PROTECTION

MIDDLE EAST ROUNDTABLE REPORT

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**INTERNATIONAL PRIVATE  
MEDICAL INSURANCE:  
LOOK TO THE FUTURE**

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# INTRODUCING OUR PANEL



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# DYNAMIC MARKETS

**R**

eturning to Dubai after a year for our second Health & Protection Middle East IPMI Roundtable it was notable how much has changed in such a short time.

This is true in the emirate itself and more specifically in the international private medical insurance (IPMI) sector.

Buildings which 12 months ago were empty shells and skeletons, very much works in progress, have become glass and steel skyscrapers magnifying the hot summer sun.

And new ventures have been started, with fresh concrete structures rising from previously bare ground.

This tale is replicated across the wider Middle East region, but particularly in Saudi Arabia where the surge in development activity and state-funded projects is becoming most intense, drawing in resources, financing and people.

One of the most notable developments is the growing strength of the workforce within the region – not only does this mean an easing of the need for people to be brought in, but it is also prompting international expansion outward.

That is having a significant impact on the IPMI market with insurers and advisers now working with inbound and outbound clients based in the region.

As our highly engaging panel discussed, the trend in clients focusing on offering region-typical health benefits, rather than importing those from their home nations is also a sure sign of the market's growth in stature.

The burgeoning economic rivalry between the United Arab Emirates and Saudi Arabia in demand for people is also driving the health insurance market.

Mandatory requirements and other regulations play their roles in the competition, but healthcare provision, insurer administration and adviser services are also key issues in the bid to service both locations.

One thing is for certain, with so many jurisdictions in the region focusing on major growth projects it is likely to remain a highly dynamic market for years to come.

**Owain Thomas, editor of Health & Protection**

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# MOBILITY MOVEMENTS

**Owain Thomas** hears why the Middle East is becoming a hotbed for global mobility and its impact on IPMI

**G**lobal mobility and people movements have changed significantly since the Covid-19 pandemic hit and with its easing patterns and destinations have shifted focus and direction.

When coupled with major investment and development plans, the panel at the Health & Protection Middle East International Private Medical Insurance Roundtable agreed the region had become a global hub for expats.

Looking at the United Arab Emirates (UAE) to start with, the opening up of immigration and introduction of Golden Visas, the remote working visa and retiree visa have all contributed to a surge in demand, making the emirate much more accessible.

## 'DOUBLED DOWN ON GROWTH PLANS'

"Post-Covid, we're definitely on the up and you are probably seeing the same from an international inbound perspective," said Cigna Insurance chief distribution officer for Middle East and Africa Leah Cotterill.

She noted that Cigna was seeing particular interest from the retail sector and was recording "stellar months every single month".

And the growth of the work from anywhere trend has also been a boon to the region.

"I know a few people that have moved from Dubai back to the UK and then returned to Dubai," she continued.

"Their companies have said, 'you've got a global role if you prefer, go and be in the UAE, it really doesn't matter whether you fly from the UAE to Singapore and Hong Kong and Paris or from the UK or wherever."

"The visa types and immigration opening has been really significant to SMEs and to the individual segment, while in the corporate space we've definitely seen groups growing again quite significantly and then expanding across the region.

"So everyone's doubled down and now they're on their next phase of growth."

## NEW ECONOMIC REALITY

But there is a warning that as the country and its employment market develops there





(Bottom left) David Hayes, CEO Middle East and Africa, Pacific Prime. (Centre) Boyd Edmondson, director, corporate insurance services, Beneple. (Left) Jamil Kabbaj Renou, senior vice president - risk management segment and GBM local leader at Mercer Marsh Benefits UAE and Leah Cotterill, chief distribution officer for Middle East and Africa, Cigna Insurance

has been a shift in economics and the workplace provision that goes with that.

Now many of those moving to the area are younger, less senior people who do not command the vast salaries of previous years, while employers are not willing to pay them.

As Boyd Edmondson, director, corporate insurance services at Beneple explained: "The mindset of 20 years ago where expats used to come and earn massive salaries and save huge amounts of money ▶



Boyd Edmondson (left), director, corporate insurance services, Beneple; and Jamil Kabbaj Renou, senior vice president - risk management segment and GBM local leader at Mercer Marsh Benefits UAE



through corporate structures, the remnants of that has worked out of the system.

“Now there’s a sense of economic reality to the market here and one needs to just be cognizant of that fact going forward.

“Obviously the cost of living and inflation is stepping up and corporation tax is coming in, so one needs to be aware of how appealing it will be in the longer run, although I agree 100% that we’ve got five to 10 years of real solid growth ahead of us.

“But with the remnants of the past having finished off now, it’ll be interesting to see the transition going forward post-Covid, where there is a sense of reality brought back to the market.”

This means the typical expat arriving in Dubai now has to find the cost of housing and schooling from a smaller salary than they might have once expected.

And this new order has also hit medical coverage with many employees finding themselves being dropped down from tier one plans to tier two or even tier three level coverage.

### OUTBOUND EXPANSION HUB

However, in a sign of its maturing status in the global economy, the UAE is also becoming a source of talent.

This is manifesting itself in two ways. First as an outbound destination for people to enter other locations.

“We are now seeing the UAE be a talent hub for sending people elsewhere, where you’ve got regional companies that are growing outwardly,” Cotterill continued.

“We’ve got a client based in Abu Dhabi that has just opened-up in Singapore and now the UAE is the base for an expatriate group going out to Singapore.

“So we’re starting to see UAE as an outbound destination, not just an inbound destination.”

And second, this has been coupled with an easing of the need to bring people in to fill roles for organisations as the growing talent pool is providing sufficient experience and expertise.

Where relationships, knowledge of the local market and language capability





Ashwin Ramesh, head of employee benefits, United Insurance Brokers



(Above, left to right) Rachel Slaiby, assistant vice president, senior business development analyst, Marsh Emirates Insurance Brokers; Michael Plaugmann, associate director, employee benefits division, Malakut; Neil Carruthers, account director - international people solutions, Lockton Middle East North Africa; Gaenor Jones, regional director Middle East and Africa, Central and South Asia, Chartered Insurance Institute; and Alka Sudhakaran, director of retail, Berns Brett Masood

are increasingly important, this can now be more readily serviced by hiring from the UAE's population of around 10 million people.

"It's much safer to hire someone who has lived in the region," agreed Pacific Prime CEO Middle East and Africa David Hayes.

This demand for people to be internationally relevant was echoed by Chartered Insurance Institute (CII) regional director Middle East and Africa, Central and South Asia Gaenor Jones.

"From an educational perspective, we're seeing individuals now wanting internationally recognised qualifications as opposed to regional ones," she said.

"Previously a lot of students here would have gone to regional organisations and

got their qualifications, but now they're wanting CII qualifications so they can go anywhere in the world.

"The quandary is at the moment individuals are paying for their own qualifications and employers will not pay for them.

"Employers are saying if we upskill our employees, they're going to leave, but I try to educate them, if they don't support their employees and look after them they'll also leave.

"So you might as well upskill them, invest in them, look after them, and there's a chance that they might appreciate you for doing that rather than them going anyway and using you as a stepping stone." ►

### GROWTH AND CUT BACKS

However, the Middle East and its IPMI market is far more than just the UAE, with many other nations seeing significant growth in their fortunes.

One country tipped for a boom in its economy and subsequent health insurance demand is Egypt.

“Speaking broadly about the Middle East, the country that is already growing, but I think is going to boom in terms of insurance benefits is going to be Egypt,” said Jamil Kabbaj Renou, senior vice president - risk management segment and GBM local leader at Mercer Marsh Benefits UAE.

“A lot of companies are moving away from call centres in India, Southeast Asia and so on, to Egypt because they speak Arabic.

“For the region it’s great, labour is cheap, and with the plans of the government to try to enforce something around mandatory insurance, it’s definitely happening in Egypt.

“We’re seeing censuses grow and we’re seeing a lot of investments from multinationals in Egypt today.”

There are though some areas which appear to be being cut back a little, with organisations choosing to make hubs in one or two locations and have skeleton staffs in others.

“I feel like a lot of organisations today are leaner in Gulf countries outside the UAE and Saudi Arabia,” Renou continued.

“They try to manage a lot of things from the UAE, and just have the bare minimum, for example, in Qatar and Lebanon. So we’ve seen a bit of a census reduction in those countries.

“There’s a lot of geopolitical influences and just trying to manage and centralise things a lot more because it’s maybe financially more efficient for a lot of these companies.

“Instead of having several sales leaders, for example, across the region, you have one that manages three or four or five countries, flies in as it’s only an hour trip and doesn’t cost anything, and it’s a lot cheaper to have that.”

### SAUDI HOT SPOT

But the biggest growing regional power appears to be Saudi Arabia as the state’s continued massive investment in its development projects is gaining in profile and drawing-in people and resources.

“Saudi Arabia is definitely the hot topic in terms of regional mobility right now,” said Neil Carruthers, account director - international people solutions at Lockton Middle East North Africa.

“There’s so much going on in terms of economic growth in Saudi. There’s so much development in regulation allowing for businesses and in fact mandating businesses that want to deal with the government to have their regional headquarters in the nation.

“Lockton is in the final stages of

Alka Sudhakaran, director of retail, Berns Brett Masood



David Hayes, CEO Middle East and Africa, Pacific Prime; and (right) Leah Cotterill, chief distribution officer for Middle East and Africa, Cigna Insurance







setting up its license in the region, but the number of inquiries from clients over the last 12 months have just escalated towards this point.

“How do they set up an additional arm of their existing insurance here in the UAE to support growth in Qatar, in Oman, in Saudi? Those inquiries are really up this year.”

The intense focus on Saudi Arabia was also acknowledged by other participants as well, with the growing rivalry between the Kingdom and the UAE one of the hottest topics in the region.

“What we noticed in the regional space with the Kingdom of Saudi Arabia coming up is it is the biggest threat to the UAE,” said Ashwin Ramesh, head of employee benefits at United Insurance Brokers.

“We see a lot of the talent pool from the UAE being pushed to KSA, where the transition is purely about giving a better pay package and giving a better role and taking them on quickly.”

This approach has seen businesses

Boyd Edmondson, director,  
corporate insurance  
services, Beneple



grow vastly in the space of months as projects have been won and the need for labour must be met almost instantaneously.

### QATAR ON HOLD

In contrast, a year ago with the pre-World Cup buzz, Qatar was seen as one of the most exciting and potentially high growth jurisdictions in the region.

However, the expectation has not yet been met with the hype somewhat tailing off since the tournament's conclusion in December.

The panel noted Qatar appears to be in a pause, waiting for the next development from the state particularly around its own much-anticipated mandatory health insurance scheme.

The scheme was initially announced in November 2021, but its roll out to tourists, expats and domestically has been slower than originally expected, leaving insurers and advisers waiting to understand the final requirements.

Rachel Slaiby, assistant vice president, senior business development analyst at Marsh Emirates Insurance Brokers, said she was not seeing much activity from the UAE towards Qatar, with this instead being directed towards the KSA, with her team waiting for further developments.

The focus in Qatar appears to remain on making the country into a sporting nation, with the next big event being hosting the 2023 Asian Cup football tournament after the state stepped-in at short notice last

year. And then in 2030 it will host the Asian Games.

“So their focus is going to be shifting towards that,” Ramesh continued.

“Even though the hype is not up to the World Cup, that's where they want to be headed. They want to see, like our vision for the Olympics, they're putting in investment to build these large stadiums. “They are very focused and driven in this because the emir of Qatar is very focused on sport, so they're trying to be kind of a sporting nation of the Middle East and trying to build the economy around that.”

This post-World Cup lull in Qatar was likened to the Dubai World Expo 2020 which was delayed a year, running from October 2021 to March 2022.

While the legacy of both these major world events may not be publicly coming to fruition just yet, with oil prices remaining relatively high, most economies in the region are on firm footing.

And Lockton's Carruthers highlighted that while many think about Dubai as a tourism hub, it has been a two-decade journey to reach this point.

“This is not a new grab at the non-oil economy, it's been growing steadily for two decades,” he continued.

“But the non-oil economy for Saudi and the non-oil economy for Qatar, are a relatively new initiative, a relatively new push.

“So it's going to take time for it to unfold, but it will I'm sure, and it will be very interesting.” ■



# WHAT CUSTOMERS WANT

Flexibility in health benefits may not be coming to the Middle East yet, but there is still plenty of scope for plan innovation, hears **Owain Thomas**

**W**ith mandatory health insurance now a growing part of life in the Middle East there is a keen need to understand what clients, be they individuals or employers, are seeking when they take out more comprehensive plans.

The Health & Protection Middle East IPMI Roundtable panel agreed mandated

insurance coverage in Dubai and Saudi Arabia was seen as quite comprehensive.

With Qatar and Oman still to unveil their minimum requirements there is some uncertainty there, but the expectation is these locations will be somewhat on par with the rest of the region.

Therefore for insurers and advisers, the ability to focus on what benefit elements

are driving client choice is particularly vital to differentiate their offerings and services.

## FLEXIBLE FRIENDS

Flexibility and personalisation of benefits is one of the biggest requests as Jamil Kabbaj Renou, senior vice president - risk management segment and GBM local leader at Mercer Marsh Benefits UAE highlighted, appealing for insurers to become more open in this regard.

“An element that’s valid for startups and large corporations now is the lack of flexibility from insurers in the market,” he said.

“When we talk about plan design, about an elective element within the contract, that allows startups to be able to attract their employees without really increasing costs because they can choose what they really want, rather than just going with the standard for everybody.



“That’s happening more and more with large corporates that want to control cost and don’t want to spend as much, but still want to appease employees as much as they used to.”

Leah Cotterill, chief distribution officer for Middle East and Africa at Cigna Insurance, noted the personalisation trend was coming through the health insurance market in general, but complete freedom was not possible yet.

“There’s going to have to be a fine line between giving employers a solution that can offer something that feels personalised with that balance of risk and ensuring products remain sustainable,” she added.

## MANAGING MEDICAL COSTS AND PRODUCT SUSTAINABILITY

This brings in the subjects of medical inflation, claims experience and healthcare

costs which play a key role in the dynamics of the region at present.

And complicating the market is the entry of cheap elementary plans which meet and cover basic mandatory requirements.

Boyd Edmondson, director, corporate insurance services at Beneple noted how this process had already begun to develop in different ways.

“We’re seeing hospital plans where it really is unregulated but the products will meet the requirements if an individual has a serious condition,” he said.

“So for legislation and regulatory purposes you get your basic plan in place which is really cheap and cost effective, but potentially there’s the rollout of hospital-type plans.”

This demand for creative ways from insurers to offer treatment through selected facilities was echoed by Neil Carruthers, account director - international people solutions at Lockton Middle East North Africa.

“We’ve seen hospital network flexibility where you can create a separation in the networks around outpatient and inpatient treatment, because outpatient is the burning factor in most pooled risks in most corporate policies.

“Having that flexibility in products to meet those kinds of demands where you can say, if it is serious for a patient, then you’ve got access to these world class facilities and high-end networks, but for your day-to-day and your minimum requirements, then here are these clinics.”

Pacific Prime CEO Middle East and Africa David Hayes noted insurers had tried in this area and some inpatient-only plans were available, but cost often proved to be a restricting factor in take-up.

In discussions around flexibility, Rachel Slaiby, assistant vice president, senior business development analyst at Marsh Emirates Insurance Brokers recognised the struggle it can be for advisers, particularly when more flexible options are commonly available globally.

“In the US you will see plans for SMEs where they can pick and choose their plan benefits, but also employees within the same company can pick and choose their own benefits,” she said.

“But in the UAE I’m not sure the medical insurance universe is mature enough to handle such a thing with medical inflation and overutilisation which is still ongoing.

“And with the global economic situation, do we see insurers really opening-up to be more flexible for SMEs? Yes, we’re doing well in the UAE, we’re in the right place at the right time, but do we really see this happening soon?”

“I wish we could have something like this, but I don’t see it happening in the short term.”

## ENGAGEMENT AND WIDER BENEFITS

Instead, with margins tight for insurers in the still maturing region, for the time being it appears ancillary and add-on benefits are likely to be the main source of ►

Alka Sudhakaran, director of retail, Berns Brett Masood



demand, development and take-up in Middle East health insurance products.

But all is not lost as Lockton's Carruthers emphasised the potential for offering a wider range of workplace benefits.

"There's definitely a market for pensions, there's definitely a market for additional critical illness and income protection, and life insurance has always been an option that people take," he continued.

"These are the things that as advisers we can present to our clients and say 'Yes, here's the health insurance, this is mandatory, but here's a number of options you can take to create that holistic benefits package'."

One of the challenges with the current health insurance market in the Middle East is the way in which plan benefits are utilised, sometimes unnecessarily so, which can cause a surge in costs.

For example, education around employee assistance programmes (EAPs) and telehealth remains a priority but the panel noted that despite significant time and energy being spent by advisers and insurers on promoting these services to help stem outpatient utilisation, this education is still not getting the traction it should have.

As Mercer Marsh's Renou explained, communicating with family members is vital.

"In international plans, one third of members are employees, what do you do with the other two thirds?" he said.

**(Left to right) Rachel Slaiby, assistant vice president, senior business development analyst, Marsh Emirates Insurance Brokers; Michael Plaugmann, associate director, employee benefits division, Malakut; and Neil Carruthers, account director - international people solutions, Lockton Middle East North Africa**

"Usually when you have one spouse working, it's the other spouse that takes the kids to the doctor, and they don't know about EAPs, about the mental health support and that's one of the reasons why the utilization is quite low.

"How do we communicate better with those family members to try to drive that for the entire policy, not just one third because an employee is not going to get home and say, 'Oh, by the way, we've got an EAP program'."

One of those tactics may be to target communications towards family needs, highlighting support for specific conditions such as asthma and diabetes which are common among children.

Looking at the other end of the age spectrum, the panel highlighted that with more people staying for longer and looking to retire in the region and a lack of state-supported healthcare for older people, there was need for insurance products to cover this demographic.



**(Left) Jamil Kabbaj Renou, senior vice president - risk management segment and GBM local leader at Mercer Marsh Benefits UAE; and (this picture) Ashwin Ramesh, head of employee benefits, United Insurance Brokers**





Boyd Edmondson,  
director, corporate insurance  
services, Beneple

based in the UAE who want to extend their benefits to KSA.

"We struggle a little bit: the options are limited, the legislation is so different, so this is definitely one of the biggest challenges."

### THE BOTTOM LINE

Encouragingly though, the panel noted clients are coming to them wanting to provide health benefits similar to what is already offered around the region.

They are seeking to be in line with what is offered by competitors and benchmarking against similar organisations or industries, not necessarily what is common in the home location.

Ultimately however, no matter the situation, location or industry, the bottom line is still king in the Middle East.

"It comes back to price at the end of the day, it does," said Michael Plauggmann, associate director, employee benefits division at Malakut.

"It doesn't matter how well you have laid the foundation, at the 11th hour they will come back and ask, 'What about a cheaper plan?' It never fails and you learn the hard way.

"For example, a good company with headquarters in Europe says this is our budget, we can take this increase. You deliver that, then head office says, no, it's got to be 20% less than that.

"And you know the type of policy they want where dependents are not included, it's employee-only because it's too much to include the dependents.

"What can you do about that? Can you change it so that the employees can afford to pay towards their dependents being on the policy? All of this is coming in, so we need alternative fringe benefits, flexible benefits.

"It's in Dubai style, it's going to be just a matter of time until it just permeates through and everyone starts doing it." ■

For those with the major IPMI providers, continuation of coverage for individuals after leaving a group scheme is available to cover pre-existing conditions, but this can still result in a massive increase in annual premium.

And for those not already covered by providers offering this service it can be almost impossible to find.

### POLICY ADMINISTRATION

Another request directed to insurers and healthcare providers was to invest in administering policies outside the UAE.

This is particularly so in Saudi Arabia with the significant growth being seen in scheme members but administration failing to keep up.

"The UAE has set the standards of how health insurance is run and in my opinion, KSA is still trying to get up there in terms of policy administration and in terms of the networks," said Ashwin Ramesh, head of employee benefits at United Insurance Brokers.

"So when we've seen populations move from Dubai or the UAE to KSA, we have members expecting the same sort of services, expecting the same sort of levels that they were used to in Dubai, but which is not being met by KSA."

Ramesh acknowledged that the growth of some companies in Saudi Arabia had been extremely rapid with a knock-on for the insurers and member expectations.

And with large scale people movements between the two jurisdictions likely to continue rising, the issues of different regulatory requirements could become a significant burden.

"That's something insurers and brokers need to look into because there is a need for clients to have a seamless policy from the UAE to KSA, which is going to be extremely difficult," he continued.

"That is a problem we might see arise in the next couple of years."

This was seconded by Marsh's Slaiby who added: "I see a big, big challenge when you're working with companies

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# THE CHALLENGE OF SUPPORTING START-UPS

One of the booming sectors in the Middle East is start-up firms, **Owain Thomas** learns why are they coming and what their health insurance needs are

**O**ne of the initiatives fuelling the surge in IPMI and migration into the Middle East, and particularly Dubai, has been the growth of startups, with many people moving in as economies around the world stutter and stumble.

But as the panel for this Health & Protection Middle East International Private Medical Insurance Roundtable explained, these businesses have their

own needs and requirements when it comes to health insurance coverage.

As Lockton Middle East North Africa account director - international people solutions Neil Carruthers explained, the firm has seen an influx of inquiries coming in about people who are looking to set up a business.

But in many instances, despite having the start-up capital, investors and visa approved they have not yet decided what

the business will be doing yet, they just know they want to be in the region.

"At that start-up point, it is a challenge in this market to find the appropriate cover at the appropriate cost for individuals just coming into this region and the local versus international insurance element is a key topic for people," he said.

"They are asking should they be looking at familiar international providers, what are the differences between local and international offerings, and are they there to support a small business that's looking to grow?"

"For the most part there's a lot of unanswered questions as there aren't many insurers looking to support those startups - one individual looking for the support of a corporate policy but unable to find it."

Pacific Prime CEO Middle East and Africa David Hayes noted that the fast growth of these companies can also prove tricky to accommodate.

"You might start with a group of four or five people who take a policy that's fit for purpose, but within six months, you've got 50 staff and you're underwriting every member of that particular policy," he said.

"But the UAE is positioning itself maybe as Switzerland for the 21st century, any ►

regulations that are going to come in, they're going to be the most palatable to attract business.

"This is the place to be so I think we're in for a good five or 10 years."

**EASY ACCESS**

A case in point and key reason for this growth in the SME sector is that it is extremely easy to set up a company, with businesses providing complete packages to do so, including a trading license and even medical insurance.

As Ashwin Ramesh, head of employee benefits at United Insurance Brokers explained, the first year companies use the health insurance that has come with the package, but by the time they reach renewal, they are ready to move on and get the correct benefits.

"For people moving into Dubai, it's good for someone to come and tell them, I'm going to do everything for you because it's not a known space," he said.

"So when they put in medical insurance they say 'Let's see how it goes' but then after the first year they are gone and unfortunately you're on medical insurance, you will stay for a year.

"So by the time they understand how it works, then come in the brokers."

Berns Brett Masaoood director of retail Alka Sudhakaran added she had been working closely in the startup area and understood why the region was so popular with these firms.

"A lot of startups, especially from the Middle East and North Africa region, are finding Dubai as a soft landing spot," she said.

"What I've seen within the business community and government is they have all been most welcoming to startups, giving them access to the respective sectors, whichever industry they want to.

"The Dubai economy formed the commercial setups where they are

(Left to right) Boyd Edmondson, director, corporate insurance services, Beneple. (Left) Jamil Kabbaj Renou, senior vice president - risk management segment and GBM local leader at Mercer Marsh Benefits UAE and Leah Cotterill, chief distribution officer for Middle East and Africa, Cigna Insurance; Owain Thomas, editor of Health & Protection; David Hayes, CEO Middle East and Africa, Pacific Prime; and Ashwin Ramesh, head of employee benefits, United Insurance Brokers

(Left to right) Neil Carruthers, account director - international people solutions, Lockton Middle East North Africa; Gaenor Jones, regional director Middle East and Africa, Central and South Asia, Chartered Insurance Institute; and Alka Sudhakaran, director of retail, Berns Brett Masaoood. (Below left) Rachel Slaiby, assistant vice president, senior business development analyst, Marsh Emirates Insurance Brokers; and Michael Plaugmann, associate director, employee benefits division, Malakut

facilitating one unit to encourage startups with dedicated people ready to help access whichever industry you want and to get exposure to all the groups there.

"They have all been set up with access so the founder can come in, get that experience, have that dialogue and understanding.

"As you rightly said, the first year someone helps them with the package and along with that, they have access to these points, then they have time to figure out which health plan to choose and which benefits to go for.

"That launchpad is something which, especially within the UAE, they are encouraging a lot."

**FOCUS ON THE DEEPER PACKAGE**

Rachel Slaiby, assistant vice president, senior business development analyst at







Marsh Emirates Insurance Brokers recognised that this massive demand from startup businesses needed some special and creative thinking on health insurance products and noted this had been considered with special underwriting conditions, especially for firms based in the free zone.

But she also highlighted a key divide commonly seen between those start-ups originating from smaller or less established organisations and those from already established global firms.

"I did work for a startup for around three years and there's something that I have seen in the market," she said.

"I didn't like the focus on mental health, wellness, office spaces and those perks, but not on the salaries and not on the packages.

"Yes, they will make it attractive, especially for the new generation with things like foosball in the office or some kind of employee event, but if you really dig in, you will see a little bit of funding issues and low salaries."

However, she contrasted that with a start-up from a major global company where typically employees are well compensated and supported by the organisation's infrastructure.

"But for local start-ups from scratch, I see the perks and the attractiveness of the package, but I also see the struggle," she concluded. ■





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## OPINION

# SHAPING THE FUTURE OF WORK: PRIORITIZING MENTAL HEALTH AND EMPLOYEE WELL-BEING

» By Cigna Middle East and Africa

In today's fast-paced corporate world, focus on mental health is leading to a tectonic shift in productivity levels. There is a growing recognition of the importance of addressing mental health concerns at the workplace. Our work environment is a critical factor in our overall well-being and hence it is important for employers to invest in mental health programs, provide resources for employees, and create a supportive workplace culture.

In the UAE, there is an evident strong focus on mental health, as reflected in its forward-looking strategies including the UAE National Wellbeing Strategy 2031 launched in 2019, which strives for a flourishing country, connected communities and thriving citizens.

## CHANGING PRIORITIES AT THE WORKPLACE

The Cigna 360 Well-being Survey revealed that while the UAE ranks within the top three on the Well-Being Index, which is significantly above the average, it paradoxically has the highest level of stress compared to all markets studied. This creates a gap between employees' needs and the support employers provide – be it health or flexible working hours.

The survey highlights that a lack of adequate support has led to employees considering drastic measures, with 40% changing their jobs over the past 12 months and a staggering 55% contemplating quitting their jobs in the next 12 months. These changing priorities are more pronounced in the UAE than other markets. Approximately 78% of respondents in the UAE are re-evaluating their lifestyle, priorities, and other changes, 53% are willing to take less paid jobs for more personal time, and 50% are open to early retirement, even if it means having fewer savings.

There is a clear shift in priorities as employees begin to place greater emphasis on their personal lives and overall well-being. This comes from a consensus or collective understanding that personal satisfaction and fulfillment can sometimes supersede financial success and career achievements.

## CALL TO ACTION

These statistics signal an urgent call to action. With 70% of UAE companies planning to hire skilled workers in 2023 and 65% finding it increasingly difficult to recruit and retain talent, companies need to place employee well-being at the

future of work. Empathetic leadership and transparency can foster employee loyalty, engagement, and collaboration. Open, honest communication, coupled with maintaining respect and self-esteem, can protect mental health during times of change.

This is why at Cigna Healthcare we have launched the 'The 5% Pledge', asking C-suite leadership to commit 5% of their annual working hours to drive organizational transformation, fostering a culture that supports mental well-being. This is not just a time investment; it's a strategic move that significantly contributes to organizational value. We

## 53% ARE WILLING TO TAKE LESS PAID JOBS FOR MORE PERSONAL TIME, AND 50% ARE OPEN TO EARLY RETIREMENT

forefront. Health now ranks as the second most important priority for employees, right behind finance.

To meet the evolving needs of employees who prioritize work-life balance, comprehensive quality coverage plans, hybrid work models, empathy, understanding, and mental health support, employers need to implement diverse initiatives. These may include offering international employee assistance, developing management skills to identify overwork, promoting open communication, rewarding value-added outcomes, and ensuring comprehensive health insurance plans.

## HARNESSING EFFECTIVE LEADERSHIP AT THE WORKPLACE

Effective leadership is at the fore of this transformation and critical to shaping the

strongly believe that 5% of leadership time can make 100% of the difference.

In conclusion, mental health is not merely a side concern; it's a strategic necessity for today's businesses. It fosters productivity, encourages employee engagement, and creates happier, more resilient individuals who positively impact society. The future of work lies in creating a healthy, balanced, and supportive environment where mental well-being is not just valued but prioritized. It's not just about elevating our societal well-being but also about improving businesses. ■



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