

Value-added health services: Lessons from pioneering insurers

By the Microinsurance Network's Health Best Practice Group

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Content

Acknowledgements	3
What are value-added health services?	4
Why do VAHS matter?	7
What can we learn from VAHS pioneers? - Establishing VAHS	10
What can we learn from VAHS pioneers? - Going further	14
Conclusion and recommendations	21



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What are value-added health services?

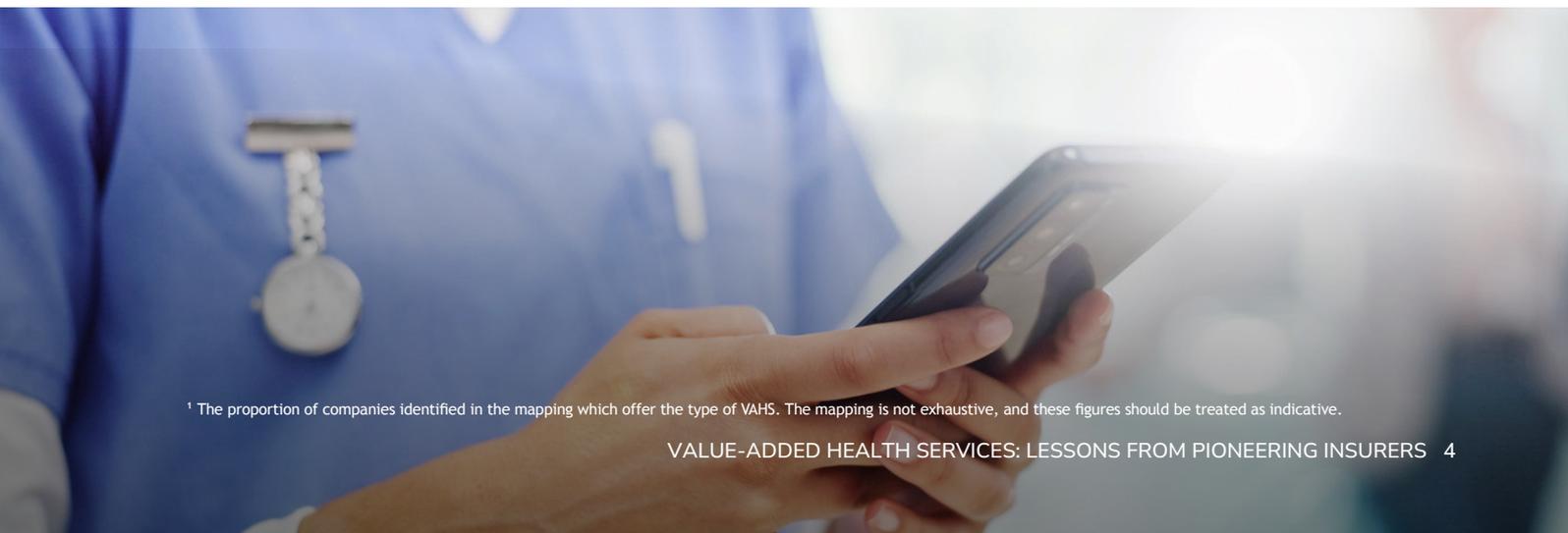
In Pakistan, a middle-income professional is rewarded and coached as she makes lifestyle changes and starts a programme allowing her to better manage a chronic condition. In Nigeria, a low-income worker is able to access health screenings, expert advice, and discounted medicines through his local pharmacy. In Kenya, an expectant mother receives comprehensive antenatal and post-natal care, appointment reminders and advice, peer group support, and advocacy to make sure she is treated with respect, and her voice is heard, throughout her pregnancy and early motherhood journey.

Innovative services are emerging around the world allowing individuals to access increased and better health care, just like in the examples above. These kinds of services are increasingly bundled with insurance products as value-added health services (VAHS). They include a range of non-financial services, such as telemedicine, pharmacy discounts, wellbeing platforms and many more. Some are in-person services, such as health screenings or free outpatient visits, but digital VAHS are expanding rapidly. As part of this study, value-added services linked to more than fifty inclusive insurance products were mapped, with examples found of all the types outlined below in Figure 1.

FIGURE 1. TYPES OF VALUE-ADDED HEALTH SERVICES

Cost	Types of VAHS	% of companies offering ¹
Low - \$ -	Health education, reminders and tips Preventive Digital Health education includes provision of health information and educational content; Short Message Service (SMS) or Interactive Voice Response (IVR) health reminders that share health tips or reinforce adherence to medications or preventive actions; and wellness or health apps providing tips and information. These services empower users with knowledge and are typically low-cost and easily scalable.	43%
	Care navigation and support Curative Digital & In-person Care navigation and support help users understand and navigate the healthcare system by providing guidance toward appropriate facilities or specialists and offering access to second medical opinions that help verify diagnoses or explore alternative treatment options. These services reduce uncertainty, improve decision-making, and ensure that users receive the most suitable care. These are low cost because they are guidance, coordination, and second-opinion services. They do not require clinical infrastructure or direct medical service provision.	14%
	Pharmacy and diagnostic discounts Preventive & Curative Digital & In-person Pharmacy and diagnostic discounts reduce the financial barriers for customers to access essential medicines and tests. These can be offered through discounts or negotiated rates on medicines at partner pharmacies, as well as access to discounted diagnostics or laboratory tests, and free or discounted pharmacy delivery services that deliver medicines directly to customers, and the use of pharmacy networks with negotiated preferential rates.	45%

¹ The proportion of companies identified in the mapping which offer the type of VAHS. The mapping is not exhaustive, and these figures should be treated as indicative.



Cost	Types of VAHS	% of companies offering
Medium -\$\$-	<p>Remote medical advice (including telemedicine) Preventive & Curative Digital</p> <p>Remote medical advice refers to a broad range of services that allow users to obtain medical guidance, triage, or preliminary assessment without physically attending a health facility. This includes telemedicine or teleconsultation services that allow virtual, real-time interactions with healthcare professionals by voice or video call, or through messaging services, and medical hotlines that provide immediate triage support. Collectively, these services reduce barriers to care, expand access in underserved areas, and facilitate early access to care. The service can be developed in house or offered through a third-party service provider.</p>	61%
	<p>Digital health tools and platforms Preventive & Curative Digital</p> <p>Digital health and wellness platforms typically provide health and wellness advice, goal setting and tracking, as well as tools like virtual nutrition advice and online workouts.</p> <p>Digital health tools support customers' interactions with healthcare systems and enhance continuity of care. Such tools include digital appointment booking systems; treatment and medication reminders; patient portals that provide access to personal health information, test results, or follow-up instructions; and secure digital health records vaults that allow users to store and share medical data. These tools can improve efficiency and support continuity and integrated care. They require investment in software development or licensing, technical support, and data security, or outsourcing of services to a third-party provider.</p>	14%
	<p>Rewards and incentive schemes Preventive Digital</p> <p>Reward and incentive schemes can be used to promote healthy behaviours. Schemes reward behaviours such as increased step count, regular exercise, healthy eating, and adhering to regular medical check-ups. Benefits can include vouchers, discounts or other benefits.</p>	6%
	<p>Health assessment and screening services Preventive Digital & In-person</p> <p>This category covers preventive screenings for common conditions, broader screening campaigns conducted at community or facility level, or routine health check-ups. These services detect health risks early, promote proactive management, and prevent disease progression. Screenings and check-ups are typically carried out in person, but digital tools are being developed to allow them to be done through hybrid services, combining in person collection of samples and data and digital assessment and information sharing.</p>	18%
	<p>Disease management support Curative Digital</p> <p>Disease management support assist individuals to manage long-term and chronic conditions, such as diabetes, through ongoing monitoring, education, and support, as well as treatment adherence reminders that help users follow prescribed therapies. These interventions reduce complications, improve health outcomes, and ensure continuity of care for chronic patients.</p>	6%
	<p>Complimentary items to support health Preventive In-person</p> <p>Physical items can be provided for free to support the health of customers. Examples seen in the mapping for this study included sunhats and umbrellas to reduce sun exposure, insect repellent and water jugs. The items are typically not very expensive to purchase in bulk, but, depending on the object and existing insurance distribution network, distributing them to all customers can be resource intensive.</p>	4%
	<p>Counselling services Preventive & Curative Digital & In-person</p> <p>Counselling services provide individualised professional guidance to support users' health and well-being. They include mental health counselling, which assists users in addressing stress, anxiety, and emotional challenges, and nutrition counselling, which offers advice on dietary practices, nutritional risks, and healthy food choices, among other topics. These services help users adopt healthier behaviours and improve overall quality of life. While they can be delivered remotely or outsourced, they require dedicated time from specialised professionals, which makes them more costly than basic digital education or reminder services. For this reason, they are placed in the mid-cost category.</p>	16%

Cost	Types of VAHS	% of companies offering
High -\$\$\$-	In-person consultations Curative In-person A number of free in-person consultations with healthcare professionals at an affiliated provider is sometimes included as a VAHS, especially for health insurance products that do not otherwise cover outpatient care. The insurer needs to have agreements in place with healthcare providers and cover the cost of the consultations, making it a more costly VAHS to implement, although it can have a considerable impact on clients' health and expenses, as well as on catastrophic claims cost for insurers.	4%
	Emergency transport Curative In-person Medical transportation services, including ambulance transport, allow customers to access healthcare facilities quickly in urgent or life-threatening situations. This is critical for improving survival, reducing complications, and ensuring timely care. Costs can be relatively high and the ability to implement the service may be limited by uneven availability of ambulance services outside of cities.	4%

As seen in Figure 1, telemedicine is the most widely adopted service, appearing across Africa, Asia, and Latin America, often bundled with hospital cash or basic inpatient covers, but also with non-health products such as life insurance. Pharmacy discounts and negotiated rates are another common VAHS, allowing customers to access medicines at reduced rates. Preventive services, such as health education, screenings for conditions like hypertension or diabetes, and treatment reminders are present but less consistently used. These preventative services tend to be more often linked to microfinance institutions or community-based schemes which have closer relationships and higher contact with clients. More specialised services, including maternal health support, mental health counselling, nutrition advice, and climate resilience measures, were found in pioneering cases. While the mapping is not exhaustive, it reveals the diversity of

VAHS already making their mark in the inclusive insurance space.

The cost of VAHS varies considerably. Part of the reason that telemedicine and pharmacy discounts are so commonly offered are that they are relatively low-cost. However, as digital solutions expand and costs reduce, and as the infrastructure and range of providers for VAHS grows, costs reduce over time. This has been seen, for example, in the greater availability and breadth of services offered, alongside reduced cost of telemedicine services over the last decade.

In addition to this mapping, a series of eight interviews with leading insurance providers with successful VAHS portfolios across Africa, Asia and Latin America, and a review of existing literature was conducted.



Why do VAHS matter?

Health is widely recognised as one of the most pressing concerns faced by low- and middle-income customers globally. As summarised in Figure 2, VAHS play an important role in supporting customers to meet their pressing health concerns, as well as providing strategic advantages for insurers.

For customers, VAHS:

- **Increase tangibility and value.** Even customers who do not claim on an insurance product can benefit from VAHS. This makes the product more tangible and valuable for customers, especially for inclusive insurance customers who typically are less familiar with insurance.
- **Increase access to healthcare.** Inclusive insurance customers often face limited access to healthcare. They may live in areas without nearby health facilities or where quality is very poor or may be unable to afford care. Even those with some level of health insurance in most cases do not benefit from comprehensive cover. Although not a comprehensive solution, even with the associated inclusive insurance cover, VAHS allow for increased access to care, particularly to primary health care. Telemedicine can allow for access to specialists not otherwise available nearby, and health screenings or a number of free consultations can make a significant improvement in customers' ability to access a level of primary health care. In fact, UNDP has estimated that if telemedicine alone was fully leveraged to change the parameters of health insurance and health service delivery in Sub-Saharan Africa, 285 million more people could have access to healthcare through health insurance.²

In addition, VAHS can be particularly powerful in expanding access to health support and information on topics like sexual health, where customers may feel uncomfortable visiting a clinic or speaking in-person to a doctor.
- **Facilitate access to existing healthcare services.** Services such as telemedicine, medical advice and care navigation can help customers understand the care they need and how to access it, supporting better and more timely use of available healthcare. Customers can be supported to more easily access both healthcare offered by an associated insurance product and other existing

public or private services.

- **Reduce out-of-pocket expenses.** Even customers with public health cover or private health insurance face significant out-of-pocket expenses accessing care outside of their coverage, purchasing medicines and medical supplies, and traveling to reach health facilities. These expenses can be devastating for the finances of low-income populations. VAHS offer direct ways to reduce these expenses, by offering free or discounted access to consultations, medicines, ambulance transport, check-ups and much more.
- **Offer convenience.** Some VAHS, such as telemedicine, are often a much more accessible and convenient way for customers to access care. Digital access to consultations and support, medicine delivery and digital health tools and platforms allow customers to access health services without the need to travel and face lengthy waiting times at health facilities.
- **Promote earlier medical attention and treatment.** Earlier consultation and treatment lead to better health outcomes. But where healthcare is expensive, far away and hard to access, customers will often wait as long as possible to access care, resulting in worse outcomes and more expensive eventual treatment. The convenience and low (or zero) cost of VAHS encourages customers to access care earlier.

The International Labour Organization's systematic review of inclusive insurance from 2013 to 2024 highlights that VAHS bundled with insurance products have measurable impacts on health-seeking behaviour. Interventions such as screenings, health education, and treatment reminders were associated with earlier use of medical services and improved adherence to treatment. Telemedicine and pharmacy discount programs, when integrated into microinsurance schemes, were found to reduce barriers to care and increase use of primary health services among low-income groups.³
- **Encourage preventative health actions.** Preventative health measures, including support for improved health habits and regular health checks and screenings, are vital for customers health and wellbeing and can be offered as powerful VAHS.

² UNDP (2022). Insurance and telemedicine in Africa: A moonshot in response to COVID-19.

³ International Labour Organization (2025). The Impact of Inclusive Insurance: A Systematic Review of the Literature (2013-2024).

VAHS are a strategic solution for insurance providers, key to tackling some of the most important challenges they face. VAHS allow insurers to:

- **Increase interaction with customers.** Insurers often struggle to win trust and loyalty with customers when their opportunities to interact with them are limited to premium payments and infrequent claims payouts. VAHS, when designed well, allow frequent interactions with customers, reinforcing customers' perception of the value of the products and trust in the insurer.
- **Differentiate their products and brand from competitors.** VAHS are popular services which allow insurers to differentiate their products from competitors. This is particularly compelling in product lines like life insurance with high competition and relatively few opportunities to differentiate products.
- **Improve sales and retention.** Insurers interviewed for this study reported that VAHS supported increased insurance sales and, most markedly, renewals. Insurers frequently struggle with limited renewals when customers don't make claims. Customers who experience the insurance through valuable VAHS, on the other hand, are more likely to stick with an insurance product and prioritize paying for it. The Swayam Shikshan Prayog (SSP) health scheme in India, for example, found that their customers were three times more likely to renew if they had accessed discounted consultations and medicines offered as VAHS.⁴
- **Expand their offering at a reasonable price.** Traditional health services are typically expensive to offer. VAHS offer a relatively low-cost way to provide valuable health services that can complement core health insurance offerings, such as hospital cash, which are otherwise limited in scope in order to contain costs. Alternatively, they provide an element of healthcare support to customers of other product lines, without the costs of offering a full health insurance product.
- **Reduce claims costs in health and life insurance.** VAHS often support preventative care or earlier health seeking behaviour, reducing the need for costlier intervention later in the development of a health problem. A customer who accesses a telemedicine consultation and discounted medicines from a pharmacy, for example, is less likely to experience

a worsening condition and end up in hospital. This reduces the claim costs for health insurance products that would otherwise cover hospital expenses. Uplift, for example, an early adopter of telemedicine in India, found that 70% of medical issues were resolved through medical advice and indications for use of over-the-counter medicine during telemedicine calls, meaning that these clients did not need to access more costly care to address these issues.⁵ In addition to supporting earlier care, VAHS often allow for healthcare support in lower cost settings. Digital health consultations and support, or community-based health interventions, are typically much less costly than traditional outpatient consultations, reducing outpatient claims costs.

Finally, a healthier population has reduced morbidity and mortality, reducing claims costs for both life and health insurers. This is, of course, a long-term approach, with insurers interviewed for this study estimating that it would take at least three years of offering high-quality VAHS to see an impact on the health of customers reflected in claims. This can be worthwhile, however, as insurers often keep large client portfolios, such as corporate health insurance for employees, over long periods.

- **Strengthen relationships with distribution partners and group policyholders.** VAHS can be powerful in improving relationships with distribution partners, allowing them to provide more value to their customers, members or workers, and boost their reputation. Employers, for example, are often proud to offer additional health support to their employees through VAHS offered through corporate health insurance.



⁴ Matul, M. Dalal, A. (2013). Why People Don't Buy Microinsurance (CGAP blog)

⁵ Holtz et al. (2014). Making health microinsurance work: Ten recommendations for practitioners

FIGURE 2. WHY VAHS MATTER FOR CUSTOMERS AND INSURANCE PROVIDERS

Advantages of value-added health services	
For customers:	For insurance providers:
 Increase tangibility and value	 Increase interaction with customers
 Increase access to healthcare	 Differentiate their products and brand from competitors
 Facilitate access to existing healthcare services	 Improve sales and retention
 Reduce out-of-pocket expenses	 Expand their offering at a reasonable price
 Offer convenience	 Reduce claims costs in health and life insurance
 Promote earlier medical attention and treatment	 Strengthen relationships with distribution partners and group policyholders
 Encourage preventative health actions	

What can we learn from VAHS pioneers? – Establishing VAHS

Simple initial VAHS offerings can be developed and their value increased over time.

Over time, insurers have continued to introduce more valuable and diverse VAHS. Even within the most common VAHS offering, telemedicine, there is significant diversity in approaches, from simple orientation calls to extensive services offering access to a range of specialists and linked to discounted tests and medicines, sometimes delivered directly to customers' homes.

Insurers can start with a relatively simple VAHS offering and test and expand it over time, bringing it in line with the preferences of their customer base. Pragati Life Insurance (Box 1) offers a compelling example of this journey.



BOX 1

PRAGATI LIFE INSURANCE: EVOLVING VAHS OVER TIME

Pragati Life Insurance, in Bangladesh, began by offering a relatively simple telemedicine service offering predominantly access to calls with general practitioners. Over time, they expanded their VAHS offering to also provide access to calls with specialists, as well as medicine delivery, physiotherapy services, hospital discounts, and at-home pathological services. In addition to VAHS, Pragati Life Insurance also added an additional travel insurance cover to its products, covering trips by air, bus or bike.

All of these services are integrated within the company's application. Pragati Life works closely with multiple mobile financial service platforms and telemedicine service provider partners. Through these partnerships, the company can offer insurance packages that allow clients to seamlessly access health and protection services through digital channels.

In addition, a number of VAHS were expanded to become available not only to the policyholder but to their entire family, including parents. This greatly increased engagement and value for the insured, who could rely on it for the entire families' health and was much more likely to experience benefits within the policy period. Furthermore, Pragati Life Insurance saw strategic value in making sure other, non-insured, individuals experienced the benefits of the product, improving the perception of and trust in the company.

VAHS are not only for health insurance products; they offer a powerful competitive edge across the full range of product lines.

Examples of non-health product lines which offer VAHS include:

- Life insurance. Outside of health insurance, observations from providers involved in this study, as well as the results of our mapping, suggest that VAHS are most often connected to life insurance products. Life insurers have an interest in ensuring better health among their customers, and VAHS provide a differentiating factor in a very competitive product line.
- Business insurance. Pacífico in Peru linked telemedicine services to their multi-risk insurance product for small businesses. Recognising that health risks are key for small business owners, the product also includes two health-related services: telemedicine use up to three

times a year and unlimited medical orientation by phone. These complement its business-focused value-added services, which provide legal assistance and business training.⁶

- Motor and property insurance. 1st for Women in South Africa offers a 24-hour medical advice line staffed by counsellors. Through this medical line, clients can get advice on women's health issues, advice on managing chronic conditions, and referrals to clinics. The service is available, alongside a suite of non-health value-added services, to 1st for Women's motor and property insurance customers. This suite of services is specifically designed to meet women's needs, and ensure their customers feel safe at home and on the road.⁷

It's all about client engagement.

As VAHS, and particularly telemedicine services, have become mainstream in insurance, there is a risk that services are added as a "sales gimmick" with little actual use and therefore no real value added for clients. For services to be a success both for clients and for providers, providers must ensure clients are aware of and engage with VAHS.

One common lesson from providers interviewed in this study is that customers who try VAHS like telemedicine and digital health tools tend to like them and become repeat users. BIMA reports that across their telemedicine offering, 60% of those who use the service once, do so again within a year, and many are consistent users, making use of the service multiple times in a year.

Several key lessons have emerged to improve engagement:

1. **Use platforms that customers already use.** Customers are unlikely to download a new application to access VAHS, and are much more likely to use the service if it is available on platforms they already use regularly, such as WhatsApp, Facebook messenger or even through popular mobile money applications (such as EFU Life's telemedicine service which is available through the JazzCash application, the most widely-used mobile wallet in Pakistan).
2. **Keep reminding customers of the service and nudging them to use it, including through partners.** To keep the service top-of-mind for users and encourage them to try it, ongoing reminders and nudges are important. AXA, for example, has tied its communications in with national health days or times of year where particular health risks peak. It is also important that messages are offered in different formats (for example, both text and voice messages) and in the preferred language of the customer.

In addition to messaging from the insurer, distribution

and other partners can also encourage use. NGOs, employers and community groups are particularly well-suited to this role, but other partners can also provide regular reminders and information on the service

Finally, messaging around how and when to use VAHS can be integrated into broader financial and health education initiatives carried out by the insurance provider, distribution partners or community-based organisations.

3. **Combine use of digital tools with trusted intermediaries and community-based channels.** Partners such as community-based organisations, NGOs and local pharmacies can play an important role in building trust and engagement in VAHS, especially for digital services which clients may be unfamiliar with. Insurance providers can, for example, offer health camps or education sessions in-person with partners, coupled with digital VAHS tools; or train trusted organisations such as NGOs or pharmacies to accompany clients in first using services such as telemedicine.
4. **Ensure that digital services are accessible through feature phones as well as smart phones.** This can include allowing clients to access telemedicine via a free call centre, for example, or sending health tips and information via SMS messages.
5. **Extend the VAHS benefit to the entire family.** By extending the benefit to the whole family, it is much more likely that a customer or their family will use the service at some point during the policy period. If the experience is positive, the whole family will likely be more inclined to use the service again and the insured will see the value even if they don't use the service personally. This kind of positive experiences make customers more likely to renew their insurance cover, improving customer retention for insurers.

⁶ BCP & Pacífico (online document seen 14/11/2025). Beneficios adicionales: Asistencias gratuitas Producto Protege Pyme

⁷ IFC (2020). 1st for Women, South Africa - The case for insuring women for a better tomorrow

Telemedicine can be a powerful tool to control claims costs and keep health insurance affordable.

Controlling costs in health insurance is a pressing challenge for all inclusive health insurers, and difficulties in containing costs at inpatient and outpatient facilities represents one of the key barriers to making comprehensive health insurance available at a cost that is affordable for middle- and low-income customers.

Telemedicine can reduce costs by resolving simpler medical issues over the phone, avoiding expensive in-person consultations. It can also reduce health insurance costs by

playing a gatekeeping role. Where customers must contact the telemedicine service before accessing in-person care, unnecessary consultations and hospital visits can be avoided, and patients can be directed to the appropriate care and type of specialist. This avoids unnecessary indirect expenses for the customer as well as reducing claims costs for the insurer. A powerful example of this gatekeeping role is shared in the case of BIMA (Box 2).



BOX 2

BIMA: USING TELEMEDICINE TO MANAGE COSTS IN INCLUSIVE HEALTH INSURANCE

BIMA delivers inclusive insurance and VAHS across African and Asian markets. Telemedicine is one of the company's core services, offered through its in-house proprietary telemedicine operation. The service is also central to the company's ability to control costs for its comprehensive health insurance offering.

Rather than an optional extra, telemedicine is the first port-of-call for all customers. To benefit from the insurance, every client must speak with the telemedicine service before visiting a clinic or hospital. BIMA's doctors assess the case and either support the customer remotely, where possible, or refer the client to a networked medical facility.

This gatekeeping function performs two critical roles. First, it filters out non-critical cases that can be managed through remote consultation, reducing reliance on higher-cost in-person services. Second, for cases that do require facility-based care, telemedicine doctors direct clients to the appropriate level of service, enabling BIMA to control patient flow and anticipate expected treatment costs, and therefore claim costs, with greater precision.

This approach has enabled the insurer to offer a comprehensive health insurance package at a low price point of approximately US\$ 4 per month, making comprehensive health services accessible to a much wider portion of the population.



VAHS are particularly transformational in reaching marginalised groups.

VAHS can be more than a nice-to-have, they can transform who is able to access and benefit from insurance. Río Uruguay Seguros in Argentina, for example, has been working to improve the inclusion of transgender people in insurance in the country. In focus groups with transgender individuals, health was highlighted as a pressing risk, with many individuals struggling to access public healthcare due to discrimination. RUS therefore launched a unique health insurance product specifically designed to meet health needs of the transgender community.⁸ In addition to making sure that the health insurance itself met the needs of transgender individuals, VAHS including telemedicine, pharmacy discounts and psychological support through their transition, also made the product much more valuable.⁹

Uplift Mutuals, a pioneer of mutual insurance in India, found VAHS to be similarly transformational in reaching urban slum dwellers in India. Its Health Finance Hubs launched

with the support of Opportunity International provide a range of health finance tools and VAHS to residents of urban slums in Pune and Mumbai. Customers of the health mutual insurance, as well as other health finance tools including emergency medical loans and maternity savings wallets, can also access subsidised primary health clinics and a 24/7 helpline to support them in navigating the public health system. These are vital, because they make sure the financial tools are backed up by real access to health services in communities that face financial barriers to healthcare, but also additional barriers around ability to reach and access services.¹⁰

And in Thailand and Myanmar, Dreamlopmen's M-FUND combines low-cost health microinsurance with referral and care navigation to help migrants access appropriate facilities.¹¹

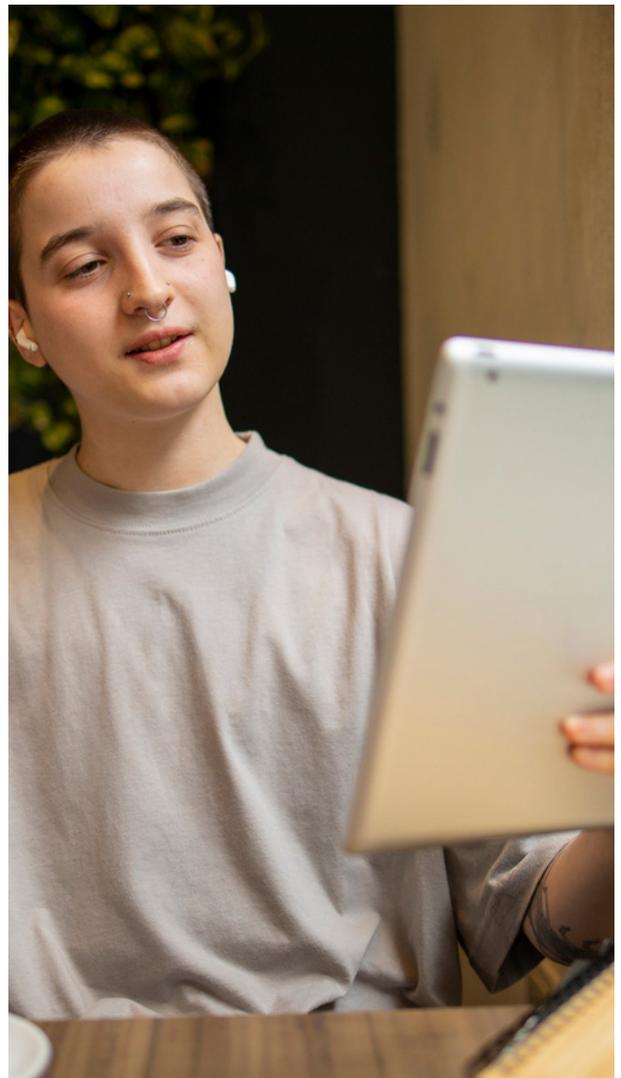
VAHS face certain regulatory barriers, often related to their position at the crossroads of various regulated spaces, but these have not significantly held back their development.

Most insurance providers interviewed for this study reported few regulatory challenges in offering VAHS. Some even reported active support from regulators who were concerned to support the expansion of health services in the country.

Where regulatory barriers were identified they tended to relate to the fact that VAHS relate to a range of regulated fields, including insurance, health and digital services. For example, in many countries offering in-house telemedicine services requires an insurer to set up a separate licensed medical entity. Though some felt this was worth the operational and financial cost, others preferred to contract third-party providers.

Another specific regulatory issue relates to life insurance pricing. Life insurance products are typically priced for the long-term and it may be necessary to go through the regulator to change the price even when adding additional benefits. This can be a burdensome process and, in some cases, limits the ability to include the price of VAHS within the insurance cost.

Finally, digital health regulation is not very well-developed in many countries, meaning that some more innovative services lack regulatory clarity, making them more difficult to implement with confidence as part of insurance offerings.



⁸ Microinsurance Network (2024). The Landscape of Microinsurance 2023

⁹ Todo Riesgo (2021). RUS lanza un seguro de salud para personas transgénero

¹⁰ Wang, A. (2025). Financing Her Health: How Maternity Wallets and Medical Loans Can Transform Maternal Care - FinEquity Blog

¹¹ M-FUND - The Migrant Fund. Website accessed 22/11/2025

What can we learn from VAHS pioneers? – Going further

Build products with VAHS at the core, rather than the periphery.

Typically, VAHS are added to insurance products as an additional service. However, innovative insurance providers are starting to build products with non-insurance health services at the core, which integrate insurance coverage. This is particularly powerful where restraints on premiums make more comprehensive health insurance very difficult to provide. Packaging together a set of value-added services

with a smaller health insurance cover, such as hospital cash insurance, can provide high value and significantly increase access to health services at a low cost. AXA EssentiALL's "brick and click" model in Nigeria is a good example of a package of services and insurance carefully designed for the local health ecosystem (Box 3).



BOX 3

AXA ESSENTIALL: PHARMACY-LED PRIMARY CARE IN NIGERIA

Nigeria's health system faces persistent gaps in access to primary care, driven in part by workforce shortages. In this environment, community pharmacies have become the first point of contact for most people seeking healthcare. National regulations now formally recognise this, mandating pharmacies to provide elements of primary health care. However, the quality of medical advice that pharmacies can provide varies greatly, and they have limited tools to meet healthcare needs.

AXA EssentiALL is building on pharmacies' role and trust within communities in Nigeria by creating a "pharmacy-first" product - Kampé - which aims to improve the quality of care in pharmacies as well as the scope of health services they can offer. The product bundles a range of in-person and digital health services, offered through the pharmacies, as well as a hospital cash insurance cover.

The product is sold in pharmacies and is also available for purchase on an online enrolment platform. Once a customer signs up, they can access free point-of-care tests for common issues such as blood pressure, blood sugar and malaria infection. These tests help make sure common issues are correctly diagnosed and help tackle the common practice of dispensing medication without a diagnosis. Customers can also access pharmacy-facing telemedicine services to receive support from a doctor where needed, discounts on medicines in the pharmacy, and a health wallet which they can use for outpatient care and laboratory tests. They can also receive medical advice and support directly in the pharmacy. Pharmacy staff are trained to respond to simple queries and are supported by pharmacy-specific care pathways that help with quick decision making and standardising the quality of care.

This model allows AXA to provide good-quality primary care through trusted local pharmacies at an affordable price. Customers use the product regularly and can start experiencing benefits straight away, making it tangible and valuable.

Implementing a comprehensive set of primary care services has been complex. AXA EssentiALL has needed to put in place new technology systems, medical protocols, care pathways and more, for the product to be effective. However, the initiative is filling an important gap in access to healthcare and there is a great deal of potential for future development.

The link between climate and health is clear. Value-added services can help clients manage the health impacts of climate change.

Climate change is one of the most important threats to public health. Extreme heat, severe weather, increases in infectious diseases, air pollution, food insecurity resulting from climate change will, and are already, having severe impacts on both physical and mental health. And these impacts are most acute for already excluded and marginalised groups. As UNDP made clear:

“ As the impacts of climate change escalate, they can perpetuate or even aggravate cycles of inequality, deepening health and social inequities within and between countries. Marginalised communities, who are least equipped to cope with the effects, often bear the brunt of these impacts.¹² ”

VAHS can expand much-needed mental health support, but face restraints.

Mental health support is an important need for low-income populations, often facing economic stress, inequality and social disadvantage which compound mental health challenges. VAHS are emerging as a way to offer mental health support to the inclusive insurance segment. Mental health support can be integrated in telemedicine offerings, in health information campaigns, in workshops on mental health, and in virtual chats with counsellors.

There are some important challenges and limitations in doing so. It is important that any provider can responsibly and ethically respond to mental health challenges. For example, if a telemedicine service advertises mental health support, but has no way to refer high-risk customers to psychiatric support (because this is not available where they live or too expensive and not covered by the insurance), there are significant risks of encouraging vulnerable individuals to seek support when it is not sufficiently available.

The ILO found that around 71 per cent of the working population is exposed to excessive heat alone, with 22.85 million injuries and 18,970 deaths occurring annually among workers as a result of extreme heat.¹³

Insurers are addressing climate risks through their insurance offerings, including products to cover extreme heat or malaria outbreaks. Interestingly, they are also offering value-added services to support customers to manage climate risks. SEWA, for example, previously offered climate adaptation tools like water tanks, umbrellas, solar lamps and protective sheets to help insured members manage high temperatures.¹⁴

Climate change is linked to increased dengue outbreaks. Pioneer's MediCash dengue cover is sold in part through pharmacies, where the insurance is made free when customers purchase a set number of packets of insect repellent. The combination of insurance and a preventative product is a promising example of how insurance and value-added services can be combined to help customers better manage the effects of climate change.

Nonetheless, insurance providers are successfully integrating mental-health VAHS into their offerings. This is particularly effective where the connected insurance product covers consultations with psychologists or psychiatrists. In this case psychologists or counsellors can provide initial telemedicine or virtual chat support, and refer high risk customers to further support, covered by the insurance, where needed. In addition, initial mental health screenings can be included alongside physical health screenings for insured workers. This is often most feasible in employee-supported inclusive insurance programmes which tend to allow for higher premium costs and therefore more extensive coverage.

Nonetheless, taking a careful and responsible approach, it is possible to offer a valuable, if more limited, level of mental health support even where comprehensive psychological support is not covered by the main insurance product. Some insurers offer mental health tips and workshops without offering personalised support, others have built up capacity to offer specialised consultations with psychologists via telemedicine.

¹² UNDP (2024). The climate crisis is a health crisis - here's why

¹³ ILO (2024). Ensuring safety and health at work in a changing climate

¹⁴ Deepali Srivastava (2024). SEWA shows how parametric insurance can fill a protection gap and build resilience (Council for Inclusive Capitalism)

VAHS are particularly valuable for supporting women through pregnancy and early motherhood.

Pregnancy and early motherhood are periods that come with considerable risk if women are not well supported and do not receive adequate care. Where women do not receive regular checks and support throughout pregnancy, pregnancy risks increase. In addition to the potential harm for the mother and the child, increased pregnancy risks also result in high claims costs for insurers.

This can be addressed through a range of VAHS that support and motivate women to regularly attend check-ups, access supplements, and provide psychological and practical support through their pregnancy journey. When designed well, this support is highly valued by customers. Britam's Malkia product is a powerful example of a product with a wide range of valuable services to support women through pregnancy and early motherhood (Box 4).

BOX 4

BRITAM: HOLISTIC MATERNAL HEALTHCARE IN KENYA

Britam Holdings PLC is a diversified financial services group with a dedicated microinsurance subsidiary. In Kenya, Britam Microinsurance, operating as Britam Connect, offers a range of medical and microinsurance solutions.

Lea Mama, (nurturing the mom), is a free maternal health support program embedded in Britam's medical insurance products. The program was developed in response to insights indicating low antenatal attendance, avoidable postnatal complications, and client concerns regarding respectful maternity care. It is structured to strengthen engagement across the maternal care continuum, improve health outcomes, and enhance overall client experience.

From confirmation of pregnancy, enrolled mothers are onboarded onto a structured support journey that runs through to six months postpartum. At the outset, they are enrolled onto an AI powered SMS platform that delivers tailored reminders for antenatal care visits, health education content, and prompts aligned to their stage of pregnancy. The platform also responds to common queries and provides continuous guidance on antenatal care, including nutrition and clinic attendance.

Throughout pregnancy, mothers have access to 24-hour advisory support and teleconsultation services; defined outpatient maternity benefits, such as additional obstetric scans in line with policy terms; and access to approved pregnancy supplements. Moderated WhatsApp peer groups connect women at similar gestational stages. Where symptoms reported through the SMS platform indicate potential risk, escalation protocols trigger clinician follow up to assess the situation, provide guidance, and advise on facility-based care where necessary.

Adherence to recommended antenatal schedules unlocks program-based incentives. These include emergency transport facilitation during delivery, where required; provision of a mother and baby care pack at the facility; and transport support after discharge, subject to program criteria. Structured feedback channels enable mothers to share their care experiences, supporting follow up and provider engagement where appropriate.

Post delivery, support continues through the postpartum period with guidance on maternal recovery; newborn care, including immunisation and breastfeeding; and family planning services, which are fully covered under the mother's insurance policy.

Mental health and wellness are integrated across the journey. The SMS advisory incorporates wellness content, monthly webinars address topics selected by participating mothers, and counselling support is facilitated where required. Virtual peer groups provide an additional layer of psychosocial support and shared learning.



Opportunities are emerging to integrate artificial intelligence (AI) tools as part of VAHS.

AI services in healthcare are developing rapidly, including care navigation tools, AI-based digital physicians and medical diagnostic software, AI tools to stratify patient risk status, and many more. These kinds of tools will likely expand the range of digital health tools that can be offered as VAHS enormously in coming years. They can also be coupled with in-person services to lower costs and improve quality of care. Phulukisa, for example, is a health solution in South Africa which allows community health workers to provide health support, screening and treatment in their communities. Health information collected through screenings and data collection by health workers is stored digitally in an electronic health record. AI is used for medical triage, analysing the information collected and

stratifying individuals by risk, prompting health workers to refer them to health facilities where needed. To allow the solution to work in rural communities with little signal, the company uses TV white space (vacant channels in the television broadcast spectrum not used for broadcast in that geographical area) to allow for connectivity.¹⁵ This solution is not currently connected to an insurance product but illustrates the kind of AI-supported health solutions that are developing and will be increasingly integrated in insurance offerings.

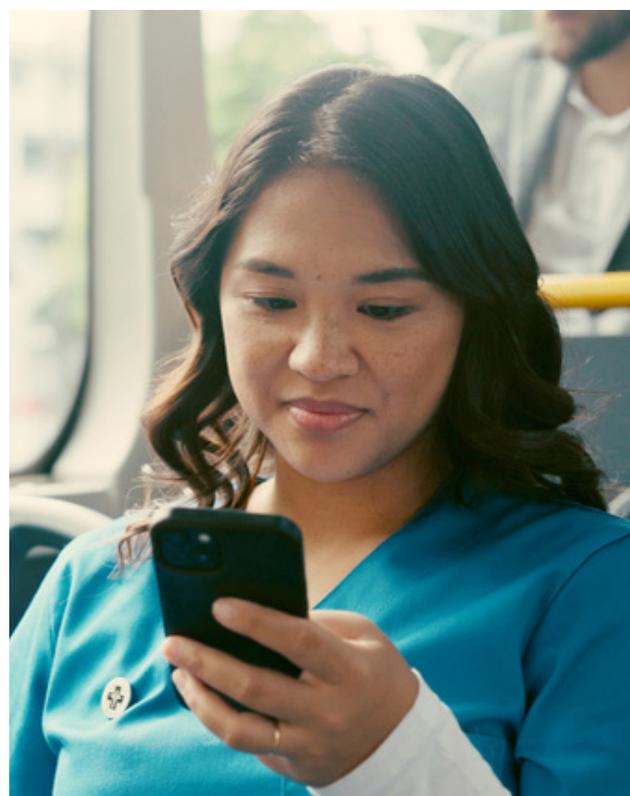
One fascinating example of AI use for VAHS which is already being used in the inclusive insurance space is Britam's Lea Mama service, previously described in Box 4.

For higher-cost products, such as employer-sponsored products, invest in high-value preventative VAHS to transform the customer group's health over time.

Employer-sponsored products allow for higher premium costs and therefore provide insurers with the opportunity to invest in higher-cost VAHS for low- and middle-income workers which deliver high value to both end-customers and employers. These services are often packaged as health or wellness platforms offered alongside health insurance as part of employee benefit packages. The platforms can include wellness programmes, telemedicine, disease management, mental health support, reward schemes, online exercise classes and nutrition coaching, among others. Services can be tailored to each individual according to the results of initial health screenings, allowing them to prioritise the changes which will have the greatest impact on their health.

In addition to their social benefit in supporting workers' health and wellbeing, these programmes have important benefits for both insurers and employers. Improved staff health supports reduced claims costs for the insurer, as well as delivering improved reputation and staff wellbeing, retention and productivity for the employer. In order to demonstrate value to employers, insurers can conduct an initial baseline assessment of the health of staff (through anonymised data) and track improvements over time.

Like all programmes that aim to generate behaviour changes and create new health habits, there are challenges in supporting customers to stick with programmes. In this context, the link with the employer is key. Given the employers' interest in their staff's health, they can be an important ally in improving uptake and continued use of



workplace with VAHS. Examples of the latter include signs encouraging staff who are able to take the stairs reinforcing programmes allowing staff to track and improve their step-count through health platforms, or traffic light health indications in staff canteens which align with nutrition programmes provided through VAHS. Insurers offering VAHS through employer-sponsored insurance schemes have highlighted the critical impact of the employers' proactive support in accelerating engagement and the success of the programmes.

¹⁵ UNDP (2024). Insurance and telemedicine in Africa: A moonshot in response to COVID-19

Adapt rewards schemes for the inclusive insurance segment.

Health information and advice, even when useful and well-presented, does not necessarily bring about behaviour change, without engagement or mechanisms to reward and reinforce behaviour change.¹⁶ Schemes rewarding healthy behaviour have proved highly effective in promoting customers' health and reducing health insurance claims. The popular Vitality product offered by the insurer Discovery in South Africa, for example, allows customers to accumulate "Vitality points" for healthy behaviour, such as attending preventative screenings or completing step counts. Those points allow customers to progress through status levels and access discounts on gym membership, healthy food and many popular brands.¹⁷ It was found that hospital costs for engaged Vitality members were 10-30% lower than non-engaged members for chronic conditions, hospital admission rates were 10% lower, and hospital stays were 25% shorter.¹⁸

However, schemes like Vitality have generally only been available to high- and sometimes middle-income customers. This is starting to change with leading insurers experimenting with offering health incentives to low- to middle-income customers. Britam, for example, as explored in Box 4, offers various benefits such as hospital transport and a mother and baby care pack, to expectant mothers who attend their recommended antenatal checks. EFU Life is also gradually making its holistic wellness platform and reward programme available to middle-income customers and plans to soon expand the scheme to its microinsurance customers too (Box 5).



¹⁶ Lisa Morgan and Craig Churchill (2018). Financial inclusion and health: How the financial services industry is responding to health risks. (ILO)

¹⁷ Discovery. What is Vitality? Webpage accessed 22/11/25.

¹⁸ Shared Value Africa Initiative (2019). Discovery Vitality - Case Study. Shared Value Africa Initiative.



LIFE

BOX 5

EFU LIFE: INCENTIVISING HEALTHY BEHAVIOUR CHANGE THROUGH A HOLISTIC WELLNESS PLATFORM AND REWARD PROGRAMME

EFU Life in Pakistan positions itself as a leading life, health, wellbeing and lifestyle, and retirement services provider in the country. As part of this broader strategy, the company offers a holistic wellbeing platform, known as WIN, designed to improve customer health through rewards, daily reminders, wellness content, and telemedicine services. The platform was launched in 2024 as a premium VAHS linked to EFU Life's health and life insurance products for priority customers. In 2025, the WIN proposition was further segmented into WIN Ultra and WIN Lite to cater to distinct customer segments.

The reward system is structured to reinforce both short-term actions and long-term behaviour change. In the short term, users can set goals in the application, such as completing step-based challenges or accumulating five hours of elevated heart-rate activity, each of which generates an in-app voucher. The vouchers can be redeemed across popular e-commerce and food delivery partners. Over the longer term, customers set health goals, which might include drinking more water every day or reducing sugar consumption. As users consistently act on those goals, they accumulate points that allow them to move through tiered status levels. As customers progress to higher levels, the financial value of their health insurance increases.

Early results from the platform show that customer engagement is gradually increasing, with some users interacting with the platform multiple times per day through reminders and activity tracking. Evidence from the initial users also suggests that meaningful behaviour change is achieved, for example through increased use of the stairs in offices and improved gym attendance. Users report that the incentives are an important driver for this kind of behaviour change. EFU Life has also received positive feedback from distribution channels, who see these services as valuable sales differentiators.

In addition to WIN, EFU Life offers mHealth as a digital health platform and a value addition beyond insurance. Through mHealth, clients can consult doctors both digitally and through offline channels. Beyond medical consultations, the platform also provides additional services such as pharmacy access, laboratory services, and a wide range of medical content. The mHealth solution is already being provided to micro and inclusive clients, where utilisation levels are increasing, indicating growing engagement with digital health support services integrated within insurance coverage.

EFU Life sees this kind of digital engagement as a vital response to align with shifts in market dynamics. As Gen Z consumers enter the insurance market, digital interaction models are becoming increasingly central to customer engagement. In addition, EFU Life believes the programme will deliver further benefits over time, with improved health behaviours contributing to lower claims incidence.

Although the WIN platform was originally introduced as a premium service for high-earning clients, EFU Life is gradually adapting the platform to make it available to other market segments. It has already introduced an adapted version of the platform into its insurance offerings for middle-income customers, with the platform embedded in insurance products priced as low as PKR 50,000 (approximately USD 178) per year. The next phase of development includes the introduction of a WIN Micro version tailored for micro and inclusive clients, extending access to the wellness platform and its reward system to lower-income customers.

In-house services and dedicated business units drive success.

Where insurance providers are developing more sophisticated VAHS offerings and making these central to their strategies, they are increasing their in-house capacity to drive and/or directly deliver VAHS. Insurance providers interviewed for this study indicated a number of ways this is happening:

- A number of insurers have acquired telemedicine or other digital health service providers or established proprietary services in-house. This has allowed them to offer the service affordably and at-scale across their

products, as well as boost revenue by offering the service to other insurers, banks and others.

- Where VAHS are central to an insurers strategy, many are setting up dedicated units and teams to drive these services. These might be positioned as wellness or health service teams. This allows companies to drive more sophisticated services and strategies around VAHS.

EFU Life set up its wellness team three years ago and articulated why this unit was so strategic for the company:

“As a life insurer, our touchpoints with customers were very limited. We took premiums and paid claims. For us, VAHS were a natural avenue to increase engagement. We decided not to do it in a one-off way, but to go whole-heartedly into this approach. We therefore set up a dedicated wellbeing team at the company to lead that strategy. Now, as a result of the VAHS we have implemented, our customers interact with us up to several times a day through our wellness platform.”



Conclusion and recommendations

Value-added health services have expanded and diversified significantly in recent years, becoming an essential tool for improving access to care and for allowing insurers to increase their interactions with customers. These services now play a central role in helping insurers strengthen customer relationships, differentiate themselves in competitive markets, and manage claims costs more effectively.

Many insurers that began with simple, low-cost offerings have steadily increased the scope and value of their services. These products are proving powerful complements not only to health insurance but also to life, motor, and other insurance lines. Their effectiveness depends not only on the value of the services but also on their ability to convert customers into regular users. Continuous engagement and reminders to use value-added services are critical to their success.

Building on established experience, pioneers in this space are introducing innovative services and higher-value models. Some are putting integrated packages of primary-care services at the centre of their offerings; others are expanding into mental health support, maternal health, and even services to support clients facing the health impacts of climate change. Insurers are also exploring the use of artificial intelligence and adapting reward schemes to reach middle- and low-income customers.

Many of the most forward-thinking insurers have established in-house service units or dedicated teams to fully embed VAHS in their strategies. Their investments reflect the growing importance of value-added services as a core mechanism for delivering greater value and strengthening connections with customers.

In order for VAHS to continue developing and reach its potential to expand access to care for inclusive insurance customers, a range of actors have a role to play. The following recommendations are provided for each actor.



Recommendations

For insurance providers

- Insurers beginning to offer VAHS can start with relatively simple low-cost services, such as third-party telemedicine services, health screenings or pharmacy discounts. These can be expanded, and value can be increased, over time.
- Those with well-established services, should consider more complex services such as chronic disease management or mental health support, in order to maintain a competitive edge and continue to increase value for customers.
- Monitor use of VAHS and their impact on customers' health and health expenses, alongside impact on business indicators such as renewals and claims costs. Keep evolving existing services to better meet customer needs and to maximise impact.
- Integrate services into platforms that customers already use regularly, such as WhatsApp or mobile wallets, as well as the physical places they already visit, such as workplaces or pharmacies.
- It is essential to invest in engagement strategies for users. VAHS are typically new for customers and initially uptake will likely be slow. Experience from insurers shows that this can be steadily increased over time through thoughtful engagement and nudges to use the service.
- Use human-centred design principles to design the VAHS that are most valuable and accessible for customers. Pilot and refine services based on customer feedback.
- Pay particular attention to designing VAHS to meet the needs of vulnerable groups such as women, migrants, transgender individuals, rural populations and informal workers. VAHS can be particularly impactful with these groups and are a relatively low-cost way to address the barriers they face accessing health care.
- Emphasise preventative VAHS. These are relatively under-represented in current VAHS models and have enormous potential for improving customer health.
- As insurers' approach to VAHS matures, they should consider establishing a dedicated internal team, and potentially even developing in-house VAHS, to ensure these services are fully embedded in their business strategy.

For regulators

- Connect across regulatory bodies (including digital, health and insurance) to ensure that regulation is clear and well-aligned for services like VAHS that touch on a number of regulated fields.
- Provide guidance to providers managing services that are overseen by more than one regulator.
- Recognise that digital health is a field that is evolving rapidly. Engage with providers to keep up to date with developments in the field and provide guidance for insurers and others on emerging services.

For policymakers

- Promote public-private partnerships that integrate VAHS into public health programs and social insurance, especially for rural and low-income populations, where these services can play an important part in increasing access to health care and improving health.
- VAHS can also be considered as a way to expand access to additional services not otherwise covered by public programs. These can include health education, mental health counselling and increased maternal health support.
- Integrate VAHS promotion into financial inclusion and resilience agendas.

For development actors

- Support pilots for VAHS, especially in the case of innovative models; services designed to reach excluded and marginalised groups; and preventative services, which are relatively under-represented in current offerings. Pay particular attention to adoption and behaviour change, especially for preventative VAHS, where further learning is needed.
- Facilitate knowledge exchange among pioneers in VAHS in Africa, Asia, and Latin America and the Caribbean to promote learning and sharing of good practices across countries and continents.
- Integrate VAHS promotion into financial inclusion and resilience agendas.
- Engage with providers over the long-term to build an evidence base on how VAHS impacts customers' health and health-related expenses over multiple years.

About the Microinsurance Network

The Microinsurance Network is the global multi-stakeholder platform for professionals and organisations that are committed to making insurance inclusive. Membership-based, we bring together diverse stakeholders from across the value chain who share our vision of a world where people of all income levels are more resilient and less vulnerable to daily and catastrophic risks. We encourage peer-to-peer exchange and learning, facilitate the generation of knowledge and research, and act as advocates, promoting the role that effective risk management tools, including insurance, play in supporting the broader development agenda.

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