

Affordability Pressures: Medical Inflation

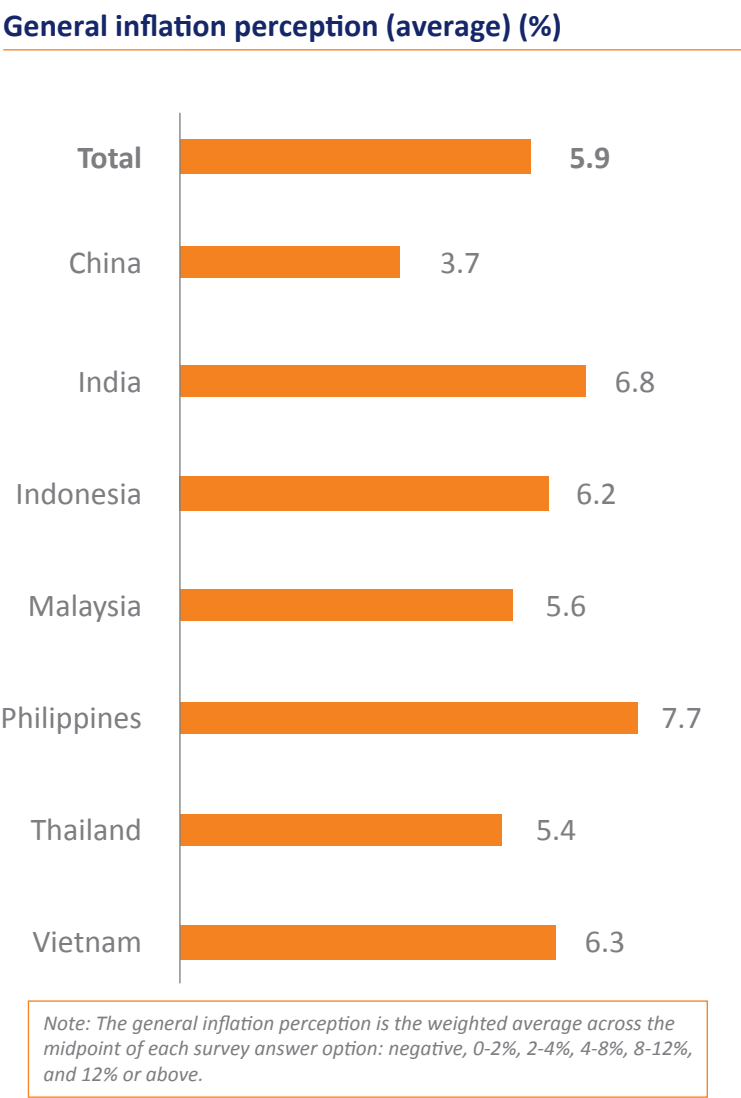


Consumers see cost pressures rising overall, with medical cost inflation outpacing general inflation

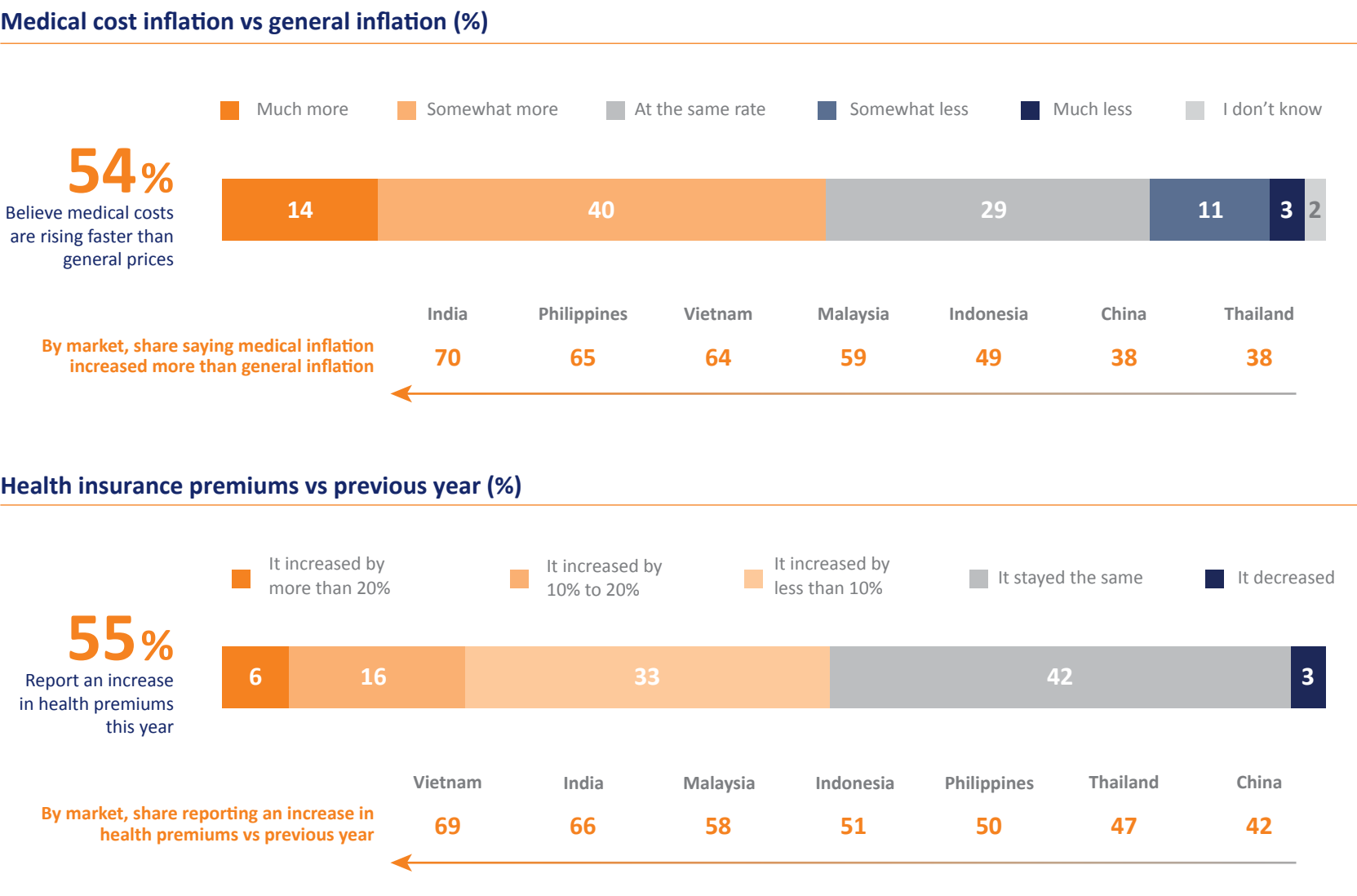
On average, consumers across the region perceived inflation over the past 12 months to be 5.9%.

Medical cost inflation is widely perceived to outpace general inflation, with 54% believing medical costs are rising faster than general prices. This perception is particularly pronounced in India, the Philippines, and Vietnam.

Among Emerging Asia’s middle-class consumers who own and self-pay for health insurance, 55% report premium increases, with 22% experiencing increases of 10% or more.



F2. Looking at your everyday expenses (like food, rent, and transport), by how much do you think the overall cost of living has increased in your country over the past 12 months? (Base: All respondents)

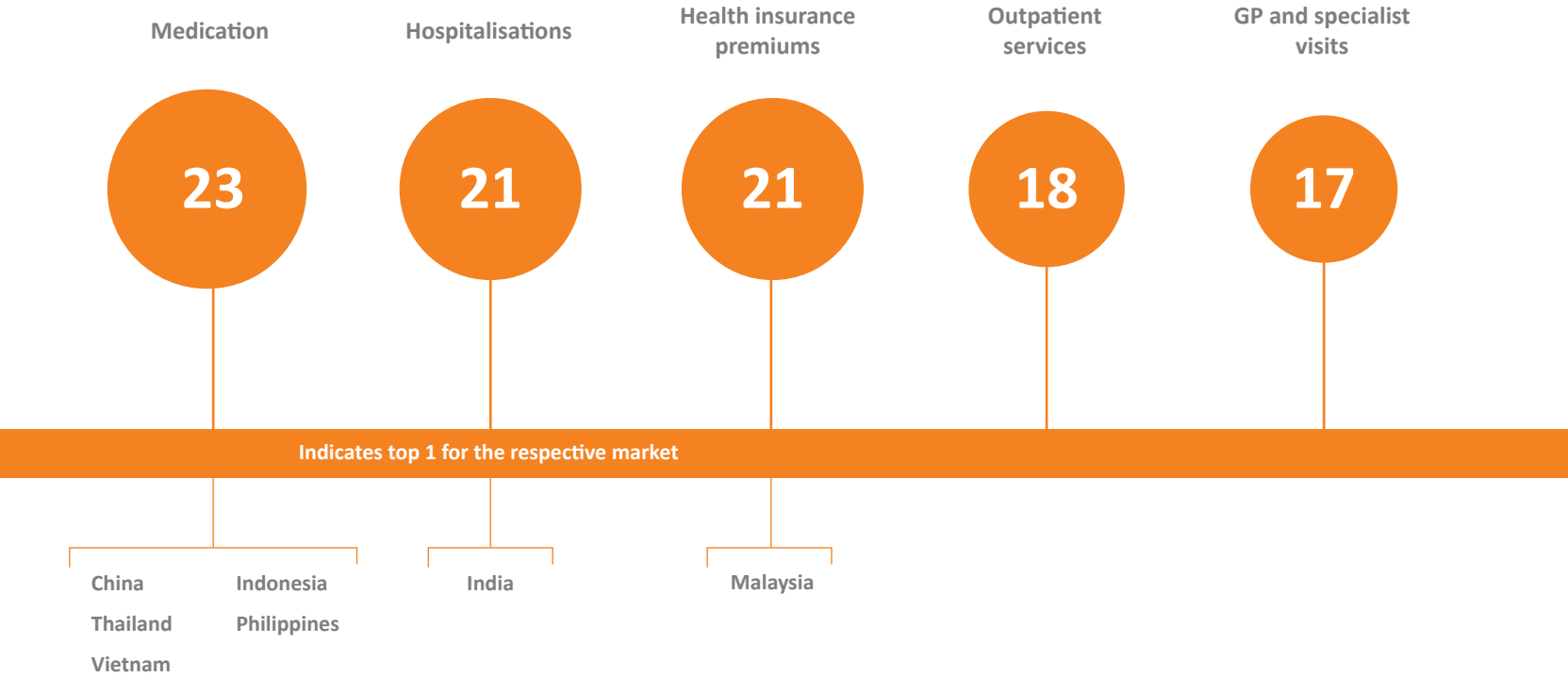


F3. Compared to the general price increases you mentioned above, how would you describe the change in the cost of medical care (such as doctor visits, hospital stays and medicine) over the past year? (Base: All respondents)
F6. Thinking of your most recent personally paid health insurance renewal, how did the new premium compare to what you paid the previous year? (Base: Those coded 1 or 3 in F5 and coded 1 in F7 (kept my coverage exactly the same and with the same provider))



Consumers perceive the highest price increases in medication, hospitalisation, and insurance premiums

Top factors seen contributing to increase in medical-related costs (%)



F4. Which of these types of medical-related costs do you feel have increased the most? Select and rank the top 2 in your mind. (Base: All respondents)

Consumers respond to rising medical costs by focusing on preventative measures and benefits optimisation

In response to cost pressures, consumers report adapting by focusing on prevention – prioritising wellness and regular screenings as their primary strategy.

Additional coping behaviours include maximising benefits before they expire, switching to generics, and exploring alternative treatments.

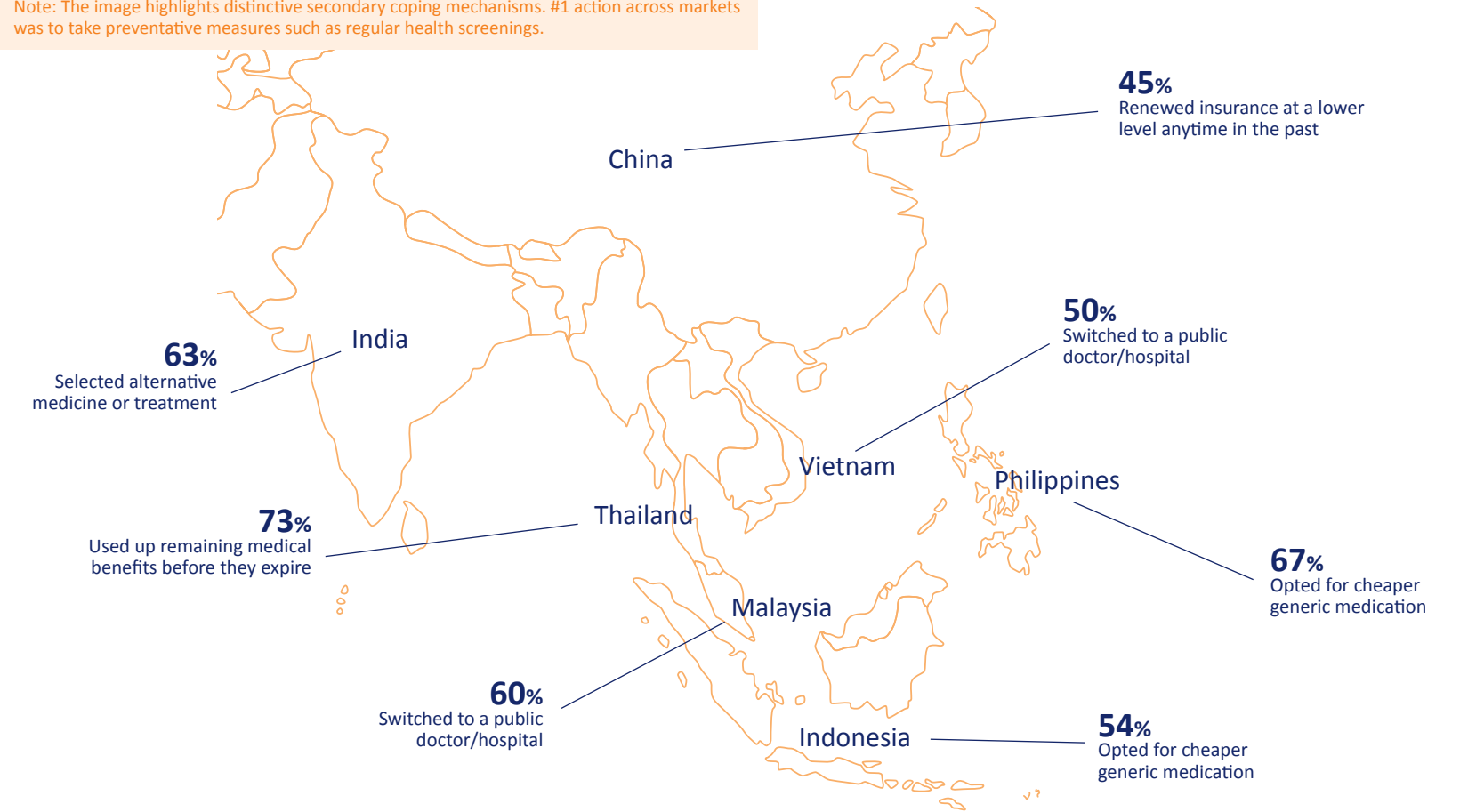
Coping measures tend to show correlation with income. For example, lower middle-class are more likely to deploy these mechanisms compared to the higher middle-class.

Actions consumers have taken in the past to reduce medical costs (%)	
Proactive prevention	
Started regular health screening	69
Optimising benefits	
Used up your remaining medical benefits	56
Switched to a public doctor/hospital	52
Treatment substitution	
Selected alternative medicine	51
Opted for cheaper generic medication	50
Delaying/forgoing care	
Skipped a dental visit	42
Delayed or skipped a doctor visit	41
Chose not to undergo a diagnostic scan	36

Coping strategies vary by market—for example, in India, alternative medicine and treatments rank as the second most common approach after preventative care.

Market-specific highlights: Distinctive actions consumers reported taking in the past to reduce medical costs

Note: The image highlights distinctive secondary coping mechanisms. #1 action across markets was to take preventative measures such as regular health screenings.

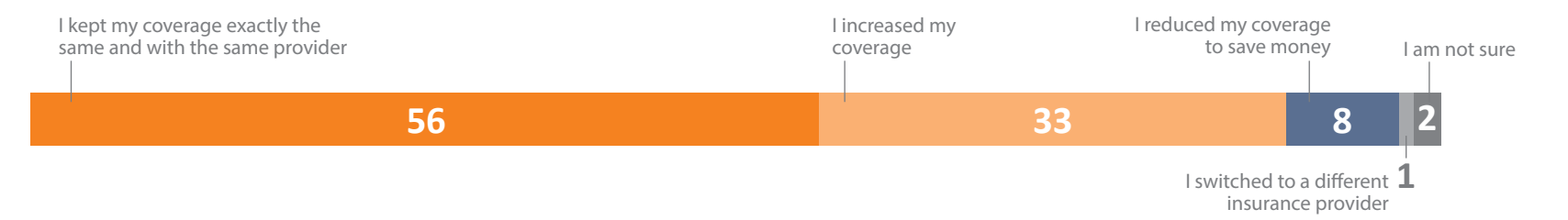


F8. Have you ever... (yes answered) (Base: All respondents)

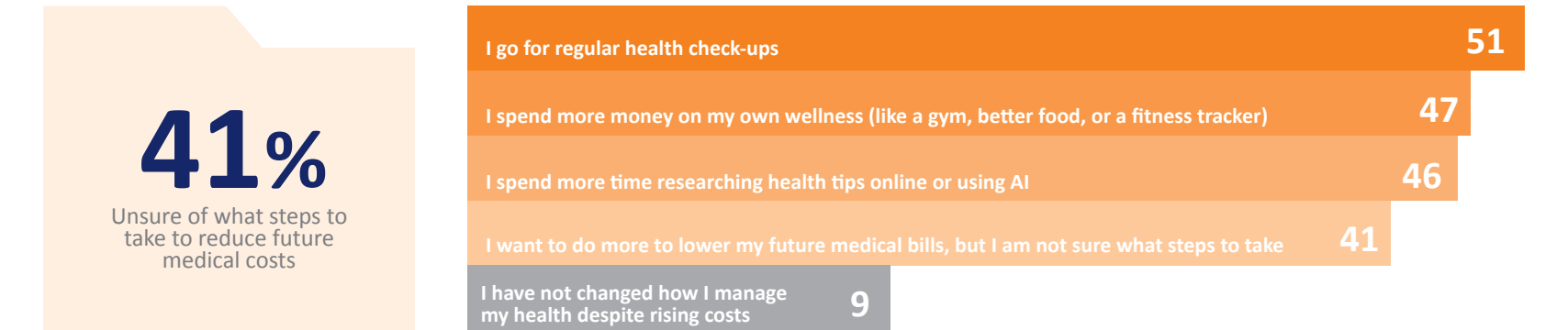
Over the past year, consumers did not reduce medical coverage and focused on managing their health instead

Consumers are not disengaging from health insurance: 56% maintained coverage, while 33% increased it.

Change in health insurance coverage compared to previous year (%)



Preventative measures taken to lower medical costs over the past year (%)



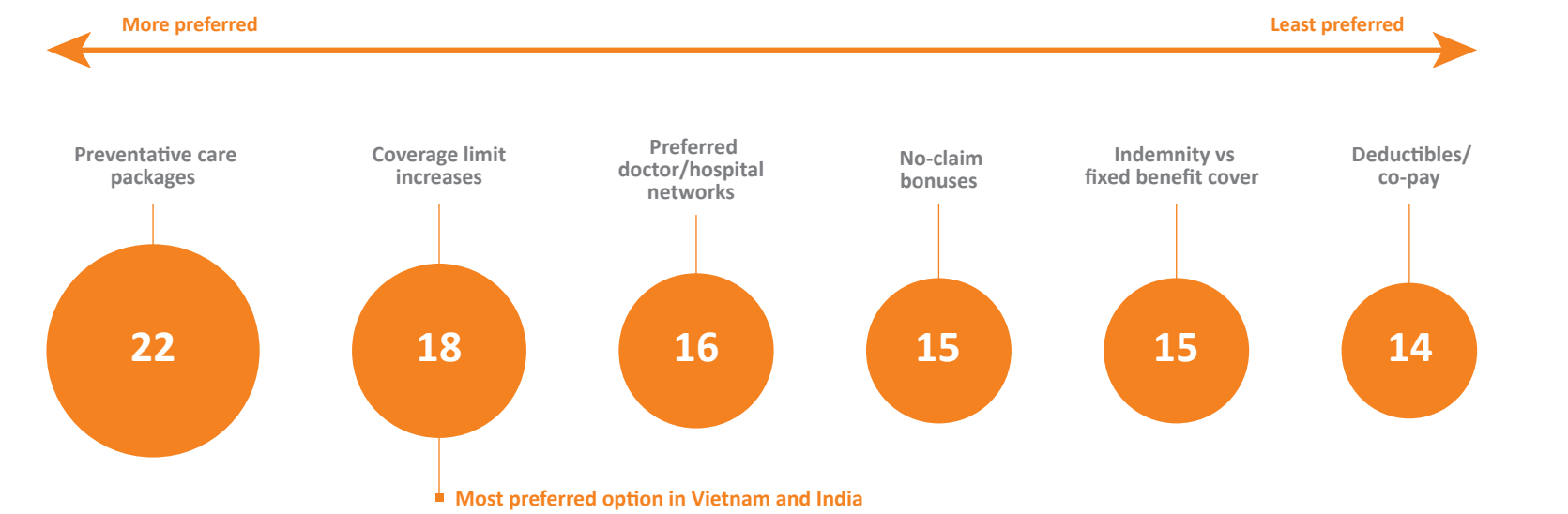
F7. When you last renewed your personally paid health insurance, which of these best describes the coverage level compared to the previous year? (Base: Those not coded 97 in F6)
F10. Which preventative measures, if any, do you take to avoid high medical costs? (Base: All respondents)

Consumers prefer added benefits over cost-sharing, amid rising insurance premiums

When presented with insurer-offered options alongside premium increases, **preventative care packages emerge as the most preferred choice**, ranked #1 by 22% of Emerging Asian consumers, followed by increasing coverage limits. **Copayments and deductibles are seen as the less desirable option.**

Age has an impact on the benefit preferences: 40-50 age group have a clearer preference for preventative care packages over other options, compared to the 25-39 age group, where opinions are more mixed.

Preferred insurance options to manage rising medical insurance premium (% ranking option as top choice)



F11. Your insurer offers the following options for you to offset the increment partly. Which options do you most prefer? Rank the top 3 most preferred options for you. (Base: All respondents)