



**SPEECH BY JOSEPH KIUNA, C.E.O REAL INSURANCE AT THE *REALHEALTH* PRODUCT LAUNCH HELD ON TUESDAY 25<sup>TH</sup> OCTOBER , 2011 HELD AT THE PANAFRIC HOTEL, NAIROBI.**

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**Our Guest of Honour : Mr Sammy Makove, CEO Insurance Regulatory Authority**

**Mr S.K. Kamau, Chairman REAL Insurance, REAL Insurance Directors, Our Business Partners, Agents and Brokers.**

**Distinguished Guests**

**Members of the Press**

**Ladies and Gentlemen**

It is my great pleasure this morning to welcome you to this important day where we witness the birth of our newest entrant to the REAL Insurance family. Thank you for taking time to join and celebrate with us.

REALhealth is the latest extension in our product portfolio. This is an all inclusive corporate insurance product for staff and their dependants which is designed to help our customers care for their health needs.

As you are all aware, the healthcare industry has grown significantly in the last two years which recorded 26.27% growth in 2009/2010 up from 25.0% in the 2008/2009 period. This reflects that there is a definite need in the Kenyan market for medical and healthcare insurance. Increasingly, our Clients, Agents and Brokers have requested that we offer this product as they have had to go elsewhere (competition) to obtain Medical Insurance.

We are confident therefore, that with our entry into Healthcare, our Clients, Agents and Brokers will have an added option to consider when providing healthcare solutions to their Staff and



Clients. We recognize and appreciate that there are many challenges in underwriting Medical business. However, staying out of this class is not the solution to these challenges. Our approach is to provide this class of business and ensure strong reinsurance backup, innovative ICT systems to process claims and deter fraud and eventually provide a level of service to our Customers while ensuring that there is a profit for the Shareholders. We expect this approach to increase the penetration of insurance in the Kenyan Market, which is the Government's stated goal for the Insurance Sector.

As highlighted earlier in our Product presentation, REALhealth product has established innovative ways to safeguard our clients and give them value :-

- I. REALhealth has clinical staff who vet every claim to identify if there's unnecessary investigation/diagnosis and tests.
- II. We educate members on what the insurance cover entails.
- III. We have incorporated an SMS alert system where members get a breakdown of what was spent and procedures undertaken for verification.
- IV. REAL Insurance cards are pre-printed and have holograms to ensure genuine cards are maintained.
- V. Oversees treatment option - as long as it is 75% of total local cost if one was to get treated here, fare included. This option is cost effective, provides for highly specialized treatment if not locally available, treatment duration is faster and treatment can be in any country of member's choice so long as it meets all conditions.

### **Ladies and gentlemen**

According to World Bank statistics, developing countries account for 84% of global population, 90% of the global disease burden, and 20% of global GDP, but only 12% of global health spending.



Healthcare financing policies designed to improve these disparities are subject to numerous and ever changing conditions key among them; populations change, disease burdens shift, new infectious diseases emerge and societies cope with civil and economic unrest.

Further to this, life expectancy at birth of Kenya's total population in 2010 was 59.48 years, up from 56 years in 2009. However, there has been an increase of chronic non communicable lifestyle diseases which are a major contributor to the burden of disease in Kenya.

This has been attributed to demographic transitions and changing lifestyles of populations associated with urbanization. Chronic non communicable diseases are largely due to preventable and modifiable risk factors such as, high blood cholesterol, high blood pressure, obesity, physical inactivity, unhealthy diet, tobacco use and inappropriate use of alcohol.

### **Ladies and Gentlemen**

It has also been noted that a change in lifestyle has resulted in various long term diseases culminating in high mortality rates attributable to stroke, heart attack, tobacco and nutrition induced cancers, obstructive lung diseases and many others.

This has created a high medical insurance need in the country. I would like take this opportunity to urge Kenyans to safe guard themselves against any eventualities as well as adopt healthy living lifestyles.

At REAL Insurance, we believe that this product will cater to your corporate health insurance needs that will see to it that we safeguard ourselves against medical expenses. And as one wise man once said, "A man too busy to take care of his Health, is like a mechanic too busy to take care of his tools".

I now take this opportunity to invite our Group Chairman, Mr. Sam Kamau of REAL Insurance to make his comments.

**Thank you.**