



Vitality Health International paints Kenya pink with its exciting product launch

First-to-market and industry-leading health insurance offering announced for Kenyan businesses

Vitality Health Insurance Launches Ground-Breaking Health Insurance Product in Kenya

Top of the range product customised for leading Kenyan businesses

Nairobi, 1 March 2023:

Vitality Health Insurance, an innovative health insurer from South Africa, today launched a ground-breaking insurance product customised for Kenya’s leading businesses. The health insurance offering is unique because it is an insurance product which focuses on wellbeing, aimed at positively impacting people’s health outcomes while improving and protecting their lives.

Vitality Health International is owned by multi-award winning South African insurer, Discovery, which pioneered the Vitality Shared-value Insurance model in South Africa, changing the insurance landscape with a health insurance model that rewards people for healthy living, and building successful partnerships globally with leading insurers. Today, Discovery has a global presence, operating in 40 markets, impacting the lives of more than 30 million people worldwide. Since its launch in January 2022, Vitality Health International has been gaining momentum in bringing health insurance that rewards healthy living to employer groups in the rest of Africa. In addition to Kenya, Mozambique was added to its growing footprint in September 2022, with roots already extending into the Democratic Republic of Congo, Nigeria and Zambia.

A partnership with APA Insurance gives Vitality Health International time to focus on expansion

APA Insurance is Vitality Health International’s in-country medical insurance partner, using its established systems to collect premiums and debt, while Vitality Health International focuses on expanding its reach in Kenya. Built on commitment, integrity and innovation, APA Insurance has risen to become one of the leading financial service groups in East Africa. Together, Vitality Health International and APA are committed to enhancing the quality of lives of the African people – making the partnership mutually beneficial for both entities.

Ashok Shah, CEO of APA Insurance says: “Since our inception in 1977, APA’s mission has been to provide present and future peace of mind to the East African market and, in turn, enhance the quality of life for both its clients and their loved ones. Working in partnership with Vitality Health International, we believe, will fast-track achieving our collective vision.”

Vitality Health International's key differentiator

Discovery's Shared-value model is centred on Vitality, a science-based behaviour-change programme that has been proven through independent research to positively impact health outcomes. The Vitality programme is embedded in the Vitality Health International health insurance model. This dynamic behaviour-change programme combines data analytics with rewards and incentives to encourage people to make healthier choices. The shared-value approach enables employees, employers and Vitality Health International to share in the value and benefits of healthy behaviour by lowering healthcare costs for employers and employees, while decreasing the claims risks for Vitality Health International.

Employers are rewarded with a cashback of up to 10% for encouraging their employees to get healthy and the Vitality Health Fund that can be unlocked when members complete their Vitality Health Review extends the employees' outpatient benefits by up to \$100, based on completion of Vitality health assessments and positive engagement with the Vitality programme. Employees can earn exciting weekly rewards with Vitality Health International's exciting range of rewards partners, including Safaricom, Jumia, Uber, Uber Eats and Garmin, where vouchers can be redeemed for achieving their goals, or employees can choose to donate towards a life-changing vaccine. By completing their weekly goals (including personalised, mental, fitness and lifestyle goals), members close their virtual 'fuel bar' and successfully earn rewards. They can choose from the full suite of rewards partners to redeem vouchers, or even shop at the Vitality online store.

Emma Knox, CEO of Vitality Health International says: "The foundation of the Vitality Shared-value model is to reward people for healthier behaviours, which improves their physical and mental well-being, improving productivity and decreasing the employer's insurance or 'health risk'. Through this model Vitality Health International is contributing towards a healthier society by making businesses and their employees healthier."

The Vitality programme also enables Vitality Health International to provide an on-site wellness experience for employers. Vitality Health Checks, conducted by experienced and healthcare wellness specialists, are an essential aspect of the Vitality programme because employees get to understand their current health status and lifestyle risks.

Knox says: "As a data-driven organisation, Discovery Health tracks trends emerging from 3.7 million medical scheme members of 19 administered medical schemes. This data shows an increase in screening rates with clients who have signed up for Vitality. A number of studies have also found that the overall impact of Vitality on mortality rates is significant. Very engaged members who are on Gold and Diamond status with Vitality are estimated to have reduced mortality risk as a result of healthier lifestyles, increasing their life expectancy to 87 compared to 67 for the insured population in South Africa."

After each wellness day, comprehensive reports with metrics and unique insights are shared with employers to help them improve health outcomes for their employees. Knox adds: "The wellness days that we have conducted in other African markets have been extremely impactful in helping employees understand their health and these events will continue to evolve and improve over time."

Benefit plans extend from in-country to abroad

Tailored to the unique needs of each market it operates in, Vitality Health International offers a comprehensive range of benefit plans including in-country, Africa Roaming and Worldwide (excluding USA) coverage, structured according to each employer's area coverage needs and budgets. While the health insurance offering caters for employers looking for in-country benefit plans to cover staff 100% in Kenya, it is also particularly attractive to new-generation expatriates (Kenyans returning home after studying abroad) and employees who travel and want to be covered both inside and outside the borders of Kenya.

A comprehensive offering

Vitality Health International offers two key product pillars:

1. **Health insurance including the Vitality programme:** comprehensive, quality healthcare benefits with a choice of three plans and four benefit options for the full spectrum of medical needs.

2. The **Vitality programme**, included in each benefit option at no additional cost, is a globally recognised programme that provides the tools and support to improve health and earn rewards.

A Vitality International Healthcare revolution is brewing

The South African High Commissioner to Kenya, His Excellency (HE)MJ Mahlangu and other distinguished guests attended the Vitality Health International roadshow in Kenya today. Key executives presented financial advisers and media on emerging healthcare trends, the science behind the Vitality programme and other pertinent healthcare topics:

- **Ashok Shah** (CEO of APA Insurance): Contextualising the Vitality Health International partnership with APA Insurance
- **Emma Knox** (CEO of Vitality Health International Africa): An introduction and overview of Vitality Health International
- **Deon Kotze** (Head: R&D and Technical Marketing): The Vitality healthy behaviour programme and product insights
- **Aba Etsiah** (Operations Head): Support offered through each phase of the onboarding journey
- **Terry Heller** (Head: Sales, Vitality Health International Africa): Support offered through each phase of the sales journey

Three key trends in the African market that underpinned the health insurance model

The Vitality Health International model is highly relevant for the African market, considering three key consumer trends that are impacting the healthcare landscape.

Healthcare in Africa is ready for disruption

The health insurance industry in Africa is modelled on traditional approaches to healthcare cover. With its young, millennial population the industry is ready for innovation. In addition, with medical inflation increasing in 2021 for the fifth straight year, the cost of health and healthcare is at an all-time high. Vitality Health International recognises that the risk is behavioural, and through Vitality, the healthcare costs (as people get healthier, increase their physical activity and take better care of their mental health) and the cost of insurance will be lower than the costs experienced by traditional insurers.

Kenya, compared to the rest of the world, also has a young population with the dominant working-class generation (44.9% according to Statista) being millennials. The steady growth in Kenya's middle-class population is an indicator of increasing affordability for health insurance and a growing demand for quality healthcare. For these millennials, wellness is a daily, active pursuit. They are exercising more, eating smarter, and smoking less than previous generations. They are using apps to track training data and online information to find the healthiest foods – a market ready for innovation and disruption.

Africa is going through a disease profile shift

Lifestyle diseases such as obesity, diabetes and cardiovascular disease, are emerging as the main cause of death in Sub-Saharan Africa. This shift is caused by increased urbanisation, lack of physical activity, poor levels of disease screening and late-stage disease diagnosis. "Added to this there is an estimated 100 million people in Africa suffering from clinical depression. Employers are looking for more holistic screening and well-being solutions," says Knox.

According to Kenya's Ministry of Health, the country is experiencing an epidemiological transition in its disease burden from predominantly communicable diseases to a rapidly rising burden of non-communicable diseases and injuries. The Ministry also claimed that most cancer cases in Kenya are diagnosed at late stages, leading to poor treatment outcomes and low survival rates. Tobacco use, physical inactivity, the harmful use of alcohol and unhealthy diets all increase the risk of dying from a non-communicable disease. The World Health Organization (WHO) reported that:

- The prevalence of diabetes in Kenya will increase by 4.5% by 2025

- The prevalence of hypertension in Kenya is between 12.6% - 36.9% with higher rates in Urban areas (2021)

When it comes to mental health, 1.9 million Kenyans suffer from clinical depression, according to the World Economic Forum (2021), and one in four people who seek healthcare in Kenya has a mental health condition. Recognising the deterioration in mental health in Africa, Vitality proactively developed a Healthy Mind initiative that encourages its members to know their mental health status, improve their mental health and get rewarded for it.

Africa's young population is adopting digital technology and connection at a rapid rate

Interest in health and wellness, and specifically wearable tech that tracks health activity, is high. Kenya is a tech-savvy population which makes the app-based Vitality programme ideal for the market. All Vitality Health International members qualify for a 40% discount on a Garmin watch to help get them get active. According to the Future of Health Insurance in Kenya (2021), fitness trends among millennials have surged considerably by increased digital advocacy and the increased presence in sporting brands like Nike, Puma and Adidas. What's more, the Global System for Mobile Communications reported a 104% smartphone penetration in Kenya in 2020.

Commenting on emerging healthcare trends during the roadshow, Knox said: "We are bringing a completely new type of health insurance to the rest of Africa. One that focuses on mental and physical wellness. Our offering has been specifically developed for the African market. It is an innovative, digitally-enabled solution that promotes preventive screening and offers incentivised healthy behaviours through our exciting new cross-continental rewards partners. All three emerging trends offer a unique opportunity for Vitality Health International to make a significant impact in these markets."

At the heart of Vitality Health International

"Our health insurance model, with the Vitality programme at its core, is highly relevant in the context of the changing landscape. Vitality Health International's unique healthcare solutions that reward healthy living can assist employer groups to manage employee health for the best business and individual outcomes. The shared-value model also brings down the insurance risk and improves performance as an insurer. At the same time, Vitality Health International is contributing towards a healthier society over time," Knox concludes.