QUEST
Professional Center

PROFESSIONAL TRAINING COURSE

Course No. 2040

Health Insurance Pricing, Medical Costs & Loss Ratio Management Training Course

LIFE & HEALTH INSURANCE
INSURANCE & RISK MANAGEMENT

DURATION
5 Days

DELIVERY
Classroom

Course Overview

The Health Insurance Pricing, Medical Costs & Loss Ratio Management Training Course provides a comprehensive and practical framework for pricing health insurance products, analyzing medical costs, managing loss ratios, and maintaining portfolio profitability. The programme is designed to strengthen participants' ability to make informed pricing and portfolio decisions based on claims experience, medical cost trends, utilization patterns, and risk characteristics.

The course examines the key principles of health insurance pricing, including risk classification, premium adequacy, claims frequency and severity, medical inflation, utilization, benefit design, deductibles, limits, co-payments, expenses, margins, and portfolio characteristics. Participants will explore the relationship between pricing assumptions and actual claims experience and how deviations can affect financial performance.

Particular emphasis is placed on understanding and controlling medical cost drivers, including provider pricing, treatment patterns, high-cost claims, chronic conditions, medical utilization, inappropriate services, claims leakage, and healthcare cost inflation. Participants will learn how to analyze loss ratios and identify the operational, underwriting, claims, and pricing factors contributing to unfavorable performance.

The programme also addresses portfolio monitoring, pricing reviews, experience analysis, rate adequacy, profitability assessment, corrective actions, and management reporting. Through practical case studies and analytical exercises, participants will develop the ability to evaluate pricing performance, identify emerging cost pressures, and establish effective strategies for sustainable health insurance portfolio performance.

Objectives

- By the end of this training course, participants will be able to:
- Analyze the fundamental principles of health insurance pricing.
- Evaluate the relationship between risk characteristics and premium levels.
- Assess claims frequency, severity, and utilization patterns.
- Analyze medical cost drivers and healthcare cost inflation.
- Evaluate the impact of benefit design on claims and pricing.

- Assess the adequacy of health insurance premiums.
- Calculate and interpret loss ratio and related performance indicators.
- Identify factors contributing to unfavorable loss ratios.
- Analyze claims experience and emerging cost trends.
- Evaluate the financial impact of high-cost and catastrophic claims.
- Assess provider-related and utilization-related cost pressures.
- Develop approaches for improving medical cost management.
- Evaluate portfolio profitability and pricing performance.
- Apply experience-based approaches to pricing reviews.
- Develop corrective actions for deteriorating loss ratios.
- Establish an integrated pricing, medical cost, and loss ratio management strategy.

Who Should Attend

This course is designed for health insurance pricing specialists, actuaries, underwriting managers, health insurance portfolio managers, insurance finance professionals, and senior insurance analysts responsible for pricing and financial performance.

It is also suitable for claims managers, medical cost managers, underwriting professionals, product managers, risk managers, reinsurance specialists, provider network managers, finance managers, and insurance executives involved in managing health insurance profitability and portfolio performance.

The programme is particularly relevant to professionals working in health insurance companies, insurance groups, healthcare insurers, third-party administrators, insurance brokers, reinsurance organizations, healthcare organizations, and regulatory or supervisory bodies involved in health insurance pricing and financial management.

Learning Outcomes

- Upon completion of the course, participants will be able to:
- Explain the main components and principles of health insurance pricing.
- Assess risk characteristics that influence health insurance premiums.

- Analyze claims experience for pricing and portfolio management purposes.
- Calculate and interpret loss ratio, claims ratio, and related indicators.
- Identify key drivers of medical cost escalation.
- Analyze healthcare utilization and treatment patterns.
- Evaluate the financial effect of benefit structures and policy conditions.
- Assess the impact of medical inflation on pricing adequacy.
- Evaluate high-cost claims and their effect on portfolio results.
- Identify provider and utilization factors affecting medical costs.
- Assess pricing adequacy against actual portfolio experience.
- Identify early warning indicators of deteriorating loss ratios.
- Develop strategies for medical cost containment and utilization improvement.
- Evaluate portfolio profitability and sustainability.
- Prepare management reports supporting pricing and loss ratio decisions.
- Develop a comprehensive pricing and loss ratio improvement strategy for a health insurance portfolio.

Course Outline

DAY 01

Health Insurance Pricing Principles and Risk-Based Pricing

- Fundamentals of health insurance pricing
- Pricing objectives and financial sustainability
- Risk classification and segmentation
- Individual and group health insurance pricing
- Claims frequency and severity
- Premium adequacy and risk assumptions
- Benefit design and pricing implications
- Deductibles, co-payments, limits, and exclusions
- Expenses, margins, and pricing components

DAY 01 — CONTINUED

> **PRACTICAL APPLICATION**
> Developing a pricing framework for a health insurance product

DAY 02

Medical Costs, Claims Experience and Utilization Analysis

- Structure of medical costs in health insurance
- Healthcare cost drivers
- Medical inflation and cost trends
- Claims frequency and severity analysis
- Utilization patterns and treatment costs
- Chronic and high-cost medical conditions
- Provider pricing and service costs
- Inappropriate utilization and avoidable costs
- Claims leakage and payment inefficiencies

> **PRACTICAL APPLICATION**
> Analyzing claims experience and identifying major medical cost drivers

DAY 03

Loss Ratio Analysis and Portfolio Performance

- Principles of loss ratio management
- Claims ratio and loss ratio analysis
- Actual versus expected claims performance
- Portfolio segmentation and experience analysis
- Loss ratio trends and performance deterioration
- High-cost and catastrophic claims impact
- Underwriting performance and claims interaction
- Pricing adequacy and portfolio profitability

DAY 03 — CONTINUED

- Early warning indicators and risk thresholds

> **PRACTICAL APPLICATION**
> Diagnosing the causes of an unfavorable health insurance loss ratio

DAY 04

Medical Cost Control and Pricing Optimization

- Medical cost containment strategies
- Utilization management and cost control
- Provider network cost management
- Negotiation and provider performance
- Benefit optimization and risk adjustment
- Pricing reviews and rate adjustments
- Experience-based pricing approaches
- Corrective actions for deteriorating portfolios
- Balancing affordability, competitiveness, and profitability

> **PRACTICAL APPLICATION**
> Developing a medical cost and pricing optimization strategy

DAY 05

Strategic Loss Ratio Management and Continuous Improvement

- Health insurance portfolio profitability management
- Pricing and claims performance dashboards
- Key pricing, claims, and loss ratio indicators
- Monitoring medical cost trends
- Forecasting claims and portfolio performance
- Management reporting and decision support

DAY 05 — CONTINUED

- Pricing governance and review processes
- Emerging risks affecting medical costs
- Continuous improvement and portfolio sustainability
- Final Integrated Workshop: Developing a comprehensive Health Insurance Pricing, Medical Cost & Loss Ratio Management Strategy for a health insurance portfolio

Register or Request More Information

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