

Insurers are committed to making a bigger impact on mental health, says Geneva Association report

ZURICH, 15 February 2023 – Globally, poor mental health afflicts close to a billion people.¹ Incidents of mental illness soared during the pandemic due to social restrictions, isolation and increased financial insecurity. The cost-of-living crisis, effects of climate change and other destabilising factors are set to exacerbate mental health risk and its impact on societies and economies.

Poor mental health can lead to loss of wages, gaps in employment and increased risk of mortality. For life and health insurers, who absorb related financial shocks through disability and income protection insurance, this is manifest in paying out close to USD 15 billion in mental health-related disability insurance claims annually.² In many countries, this number is expected to continue increasing.

A new Geneva Association report explores how insurers are boosting their contributions to addressing the mental health crisis. The report 1) illustrates the magnitude of mental health problems; 2) examines how life and health insurance are currently addressing mental health; and 3) recommends how they can build on and scale promising innovations to improve the insurability and state of people living with poor mental health. The report finds there is significant potential for life and health insurers to expand risk protection to meet society's needs.

Jad Ariss, Managing Director of The Geneva Association, said: “Insurers responded expediently to the surge in mental illness catalysed by the COVID-19 pandemic. We see this not only in the increasing number of insurers offering mental health coverage but in service and prevention innovations such as telemedicine and mental-health tracking apps. Insurers are committed to playing an even bigger role. However, factors like social stigma, non-disclosure of illness and the policy environment make it difficult for them to have a full view on mental health risk and take the necessary action. This is a wake-up call for us, as a society, to accept and own the mental health crisis so that those suffering can get the help they need.”

Adrita Bhattacharya-Craven, Director Health & Ageing at The Geneva Association and lead author of the report, said: “The prevalence of mental illness is staggering, and the true number of cases is likely much higher than we estimate. It is disheartening that young, working-age and ethnic minority populations are experiencing mental health problems at higher rates. Surprisingly, anxiety and depression – not more complex mental health conditions such as bipolar or psychotic disorders – are the most common types of mental health problems. Our report lays out the facts for insurers

¹ World Health Organization, United for Global Mental Health and the World Federation for Mental Health. 2020. *World Mental Health Day: An opportunity to kick-start a massive scale-up in investment in mental health.*

² Swiss Re. 2021. *Head First: Supporting consumers' mental wellbeing through insurance.*

so they are equipped to better align their mental health strategies with realities. There is a big opportunity for the insurance industry to have more impact by leveraging what they already offer.”

The Geneva Association is the only global association of insurance companies; its members are insurance and reinsurance CEOs. Based on rigorous research conducted in collaboration with its members, academic institutions and multilateral organisations, The Geneva Association investigates key risk areas that are likely to impact the insurance industry, develops recommendations and provides a platform for stakeholders to discuss them. In total, the companies of Geneva Association members are headquartered in 26 countries around the world; manage USD 21 trillion in assets; employ more than 2.5 million people; and protect 2.6 billion people.

<https://www.genevaassociation.org/publication/health-and-ageing/promoting-peace-mind-mental-health-and-insurance>

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