A new joint report by The Geneva Association and Wellcome, published today, presents a framework for understanding the impact of climate change on people’s health and recommends how health and life insurers can address climate change and health risks. Climate Change: What does the future hold for life & health insurance? shares first hand insights from health & life insurance experts.

The global climate crisis is increasingly evident. Property & casualty (P&C) insurers are experiencing a surge in claims for damage to homes, buildings and infrastructure. Far less explored and understood are the health-related impacts of climate change and what they mean for insurers. These include acute risks such as respiratory issues from wildfires and strokes from heatwaves, as well as chronic risks, where ongoing temperature change affects the likelihood of ill health, for example by increasing the range of disease-carrying insects. Air pollution, another consequence of the fossil fuel burning that drives climate change, has also been shown to increase risk of many health problems.

The report highlights that the impacts for health and life insurers have not so far been significant, but they are likely to increase as the effects of climate change become more frequent and severe. For insurers to play a measurable role in protecting society from the health impacts of climate change, the report recommends that they innovate, for example through parametric insurance, which pays out a pre-determined amount when a ‘trigger event’ occurs; prioritise prevention by incentivising behaviours that benefit the climate as well as health; and address data challenges to measuring climate-related health risks.

Jad Ariss, Managing Director of The Geneva Association, said: “We cannot talk about the effects of climate change without talking about the major harm to human beings – to people’s physical and mental health. Extreme weather events cause severe damage to homes and buildings, but they also cause injury and death. Changes in climate conditions reduce biodiversity, impact food supplies and spread and exacerbate disease. The climate crisis itself has become a mental health issue. Working to better understand and reduce these risks will help keep them insurable.”
Adrita Bhattacharya-Crav en, Director Health & Demography at The Geneva Association and lead author of the report, said: “The effects of climate change are evident when it comes to mortality. But our report shows the increasing risk it also poses to morbidity. As more of us are faced with a 100-year life, we are challenged to comprehend the scale of health risks we face from an erratic and extreme climate. Building and preserving insurability will require strong collaboration among insurers, across lines of business, and with the wider research and policy community.”

Madeleine Thomson, Head of Climate Impacts and Adaptation at Wellcome, said: “Around the world, people’s health is being harmed by climate change. The insurance sector is uniquely positioned to help prevent and manage climate-related risks. We need more research on the health impacts of climate change so that health and life insurers can develop products to help manage these risks, particularly where it can support the expansion of insurance cover to disadvantaged populations in countries most vulnerable to climate risk. We’re beginning to see this emerge with the deployment of parametric insurance products, for example, to protect women working in India’s informal sector from heat-related illness. More innovative insurance products like these will be an essential part of supporting health in a changing climate.”

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.

Wellcome is a global charitable foundation established in 1936. Wellcome supports science to solve the urgent health issues facing everyone. Wellcome is funding researchers analysing the impact of climate change on health, including the spread of infectious disease and heat-vulnerability in maternal and child health. Wellcome is also funding work to integrate climate data into countries’ health management systems and funding research into adaptation strategies to protect individuals from extreme heat.


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