

Health Insurance – Opportunities and Challenges of Vietnamese Insurance Businesses



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SUMMARY: Nowadays, business operations are rapidly changing, demanding companies to constantly grasp market trends, utilize modern achievements in business, and have suitable business strategies and products to survive and thrive in the market. Insurance businesses in Vietnam are also following this trend. Under the development of the economy, politics, and society, the cost pressure on people's livelihoods is increasing. Particularly, healthcare costs in hospitals are a financial risk because not everyone has strong financial resources to cover accidents, illnesses, or diseases. Choosing health insurance is a priority for many people to protect their current and future financial risks. This presents an opportunity for insurance businesses to develop the market, assert their position in the insurance business market, increase revenue to survive amidst increasingly challenging business operations. However, the process of selling health insurance faces numerous difficulties and barriers such as consumer habits, intense competition, legal barriers, and more. Hence, there's a need for solutions to seize opportunities and overcome these challenges in developing health insurance products to aid the growth of insurance businesses. This article focuses on: (1) An overview of health insurance; (2) The current situation of health insurance business in Vietnamese insurance companies; (3) Identifying opportunities and challenges in selling health insurance products; (4) Proposing solutions to develop the business of health insurance products for insurance companies.

KEYWORDS: Health; Health insurance; insurance businesses in Vietnam

1. INTRODUCTION

The medical expenses serve as an index reflecting the level of financial risk protection for individuals. Presently, healthcare costs at hospitals are on the rise, meaning that when workers face health risks, they may lack strong financial resources to cover these expenses. In Vietnam, a significant portion of the population faces financial difficulties due to the emergence of healthcare costs. According to the World Health Organization, if the proportion of spending from individuals' pockets equals or exceeds 40% of a household's ability to pay, it's termed as catastrophic expenditure. Currently, healthcare expenses for individuals still amount to about 43-45%, posing a significant burden on patients.

In this context, health insurance becomes a preferred choice for many as participants no longer worry about healthcare expenses. They can choose medical facilities for treatment, enjoy top-notch services at clinics/hospitals, and have their rights maximally protected. Vietnam's market presents developmental potential for life insurance companies due to the increasing trend in the income of Vietnamese people, especially within the rapidly growing middle-income group in Asia. It's projected that by 2045, half of the population will belong to this middle-income bracket (according to the World Bank). Additionally, Vietnam is in the phase of a "golden population" with 69% of the population in the working age group. This is seen as a favorable opportunity for life insurance companies to operate efficiently.

However, due to the concentration of several enterprises in this product line, competition levels are high. Furthermore, the development of science and technology demands adaptation, requiring a competent workforce and infrastructure to serve the modern business operations, which poses challenges. There are limitations regarding public awareness, consumer habits, legal policies, etc. These are significant challenges faced by life insurance companies.

This article delves into the significance of participating in health insurance, the current situation of health insurance business in Vietnam's insurance companies, thereby assessing opportunities, challenges, and proposing solutions for the development of health insurance products by these companies in Vietnam's new era.

2. AN OVERVIEW OF HEALTH INSURANCE

2.1. The concept of health insurance

Currently, health insurance products are being simultaneously implemented in both life and non-life insurance sectors. According to the provisions in Article 15 of Clause 3 of the Law on Insurance Business No. 08/2022/QH15 and Decree No. 46/2023/ND-CP, health insurance is a type of insurance that covers cases where the insured person suffers injury, disability from accidents, illnesses, diseases, or healthcare needs. Individuals face significant financial risks, especially regarding health, which can heavily impact their finances. Therefore, participating in insurance, especially health insurance, provides a solid foundation for comprehensive protection against unforeseen risks, sudden accidents, or unexpected and severe illnesses. This type of insurance is voluntary, not mandatory, with an annual payment term that can be extended by continuing the premium payments after the contract expires.

Hence, health insurance can be understood as *insurance coverage for cases where the insured person suffers injury, accidents, illnesses, diseases, or requires healthcare, and the insurance company pays the insurance money according to the agreement in the insurance contract.*

2.2. Characteristics of health insurance

Health insurance is a form of insurance that covers situations where the insured individual experiences injury, disability, illness, disease, or requires healthcare. Insurance companies provide financial compensation as agreed upon in the insurance contract. Customers participate voluntarily, through a written agreement, a contract outlining the rights and benefits between the participant and the insurance company based on the individual and family's needs, offering various available benefit packages. The contract term is typically one year, with premium payments made either in a lump sum or periodically to access the insurance benefits. To continue enjoying the insurance benefits, customers must renew the premium payments after the contract expiration.

According to Clause 3, Article 7 of the amended Law on Business Insurance No. 61/2010/QH12, health insurance comprises three types: (i) *Personal accident insurance*; (ii) *Medical insurance*; (iii) *Healthcare insurance*.

(i) Personal accident insurance: This product compensates customers for risks resulting from accidents causing death, bodily injury, or incurring medical expenses covered by the insurance. Benefits for death or bodily injury are paid based on the insured amount, while medical expenses like medication, surgeries, treatments, medical equipment usage, emergency room or ambulance services are reimbursed based on actual costs or a percentage of the insured amount depending on each company's product.

(ii) Commercial medical insurance: This type involves insurance companies compensating or paying insurance money to the insured party in case of covered events. The insured party commits to pay an insurance fee. This falls under the Law on Business Insurance No. 24/2000/QH10 dated 09/12/2000 and its amendments. Currently, numerous domestic and foreign-invested insurance companies are offering this insurance type. Its scope is nationwide, profit-oriented, not state-owned, and the premium depends on individual incomes. The benefit level is negotiated between the buyer and seller in proportion to the insurance premium.

(iii) Healthcare insurance: This form provides financial support for customers to access the best healthcare with superior benefits, including non-discriminatory treatment, coverage in public or private hospitals, domestically or internationally, reimbursed based on actual costs within specified limits for inpatient, outpatient, dental, maternity, organ transplant, cancer treatment, etc.

2.3. The role of health insurance

Health insurance offers significant benefits to the insured, providing coverage for medical consultations, hospital fees, accidents, and more. It grants participants peace of mind to pursue treatment without financial strain, aiming for optimal effectiveness without financial repercussions.

Firstly, the role concerning the insured: As per the Law on Business Insurance No. 24/2000/QH10 dated 09/12/2000, the amended Law No. 61/2010/QH12 dated 24/11/2010, and the No. 08/2022/QH15 dated 16/06/2022, the insured encompasses Vietnamese citizens and foreign residents in Vietnam from 15 to 65 years old. The insured can only participate until age 65 if continuously enrolled from age 60. Children under 18 can be insured alongside their parents if their parents are enrolled in any health insurance and medical expenses are valid in the insurance company. Dependent coverage matches or is less than the insured's program. This provision facilitates convenient implementation for both participants and insurance companies. The most apparent benefit for participants is access to top-tier healthcare services for illnesses, injuries, accidents, including pregnancy complications occurring within the insurance term, requiring inpatient treatment or surgery at hospitals.

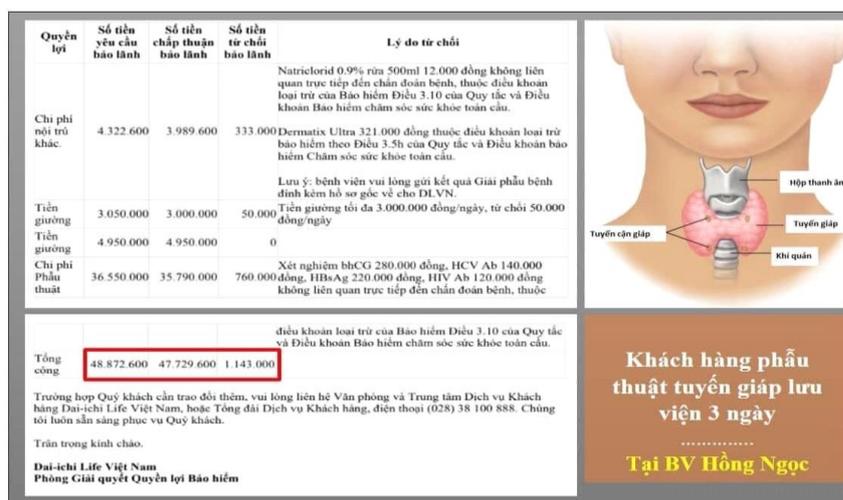


Figure 1. Illustration of the benefits for health insurance participants when facing the risk of surgery (Source: author group collection)

Secondly, the role concerning insurance companies: Health insurance is among the various products offered by insurance companies, supporting life insurance products, increasing business opportunities, revenue, profit, and contributing to the insurance company's development.

Thirdly, the role concerning the socio-economic sphere: The essence of insurance is risk-sharing, where the fortunate, who face no health issues or medical expenses, compensate for the less fortunate encountering health issues and medical costs. This embodies a communal spirit of unity and compassion. Moreover, the country's social security system ensures financial risk protection when facing health risks, thereby reflecting an improved standard of living for society members. Additionally, contributions from participants, when unused, become an investment source that circulates back into the economy.

3. Opportunities and Challenges in the Development of Health Insurance for Insurance Companies in Vietnam in the New Era

3.1. Current Situation of Health Insurance Business Operations by Insurance Companies in Vietnam

Recognizing the importance of Health Insurance (HI), companies have developed products through both traditional and modern distribution channels to thoroughly address customer needs. In 2019, pivotal changes occurred for life insurance companies, branching out into health insurance to expand market shares and offer beneficial products as regulated by the amended Law on Insurance Business No. 24/2000/CP-QH10, Decree No. 73/2016/ND-CP, and Decree No. 80/2019/ND-CP. Consequently, both life and non-life insurance sectors have implemented health insurance operations, including accident insurance, medical expense insurance, and healthcare insurance.

According to the Law on Insurance Business No. 24/2000/QH10, amended by Decree No. 08/2022/QH15, insured individuals encompass Vietnamese citizens or foreigners residing in Vietnam from 15 days old to 65 years old. Those aged up to 65 years old can enroll provided they have continuously participated from the age of 60. For children under 18, coverage is subject to participating in health insurance alongside their parent(s) with effective medical expense coverage at the insurance company. The dependent's insurance program applies at an equivalent or lower level compared to the insured individual's program.

Presently, 82 insurance businesses operate in Vietnam, including 31 non-life insurance companies, one foreign non-life insurance branch, 19 life insurance companies, two reinsurance companies, and 29 insurance brokerage firms—all pursuing new strategies within the health insurance segment.

As per the legal framework for insurance business, both life and non-life insurance companies are involved in health insurance products. Vietnam has experienced high growth rates in premium revenue over the years. Data from the Vietnam Insurance Association, Table 1, until the end of June 2023, reveals that non-life insurance market revenue reached around 34,910 billion VND, a growth of approximately 5.7%. Claims amounted to 13,966 billion VND, with a claims ratio of about 34% (excluding provisions for claims). Health insurance revenue hit 10,946 billion VND, accounting for 34.6%, with a 3% growth, claims of 3,781 billion VND, and a claims ratio of 30% (excluding provisions for claims).

Concerning life insurance, total life insurance premium revenue for the first half of 2023 reached 77,831 billion VND, with health insurance products accounting for 0.46%. Health insurance under life insurance had a relatively small share due to, before November 1, 2019, the product being provided as supplementary benefits attached to life insurance products.

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Table 1. Proportion of health insurance premium revenue of Vietnamese insurance companies over the years

Criteria	2020	2021	2022	2023 (first 6 months)
Insurance premium revenue (billion)				
+ Non-life insurance	55.094	57.888	69.459	34.910
+ Life insurance	154.668	159.880	178.327	77.831
Health insurance premium revenue (billion)				
+ Non-life insurance	17.322	18.021	24.074	10.946
+ Life insurance	1237	751	995	358
Proportion (%)				
+ Non-life insurance	31,4	31,1	34,66	34.6
+ Life insurance	0,8	0,47	0,56	0,46

(Source: Department of insurance Supervision, Ministry of Finance, 2022)

To get a clear view of health insurance products across the entire market, we can compare them with the results of exploiting other products according to the chart below:

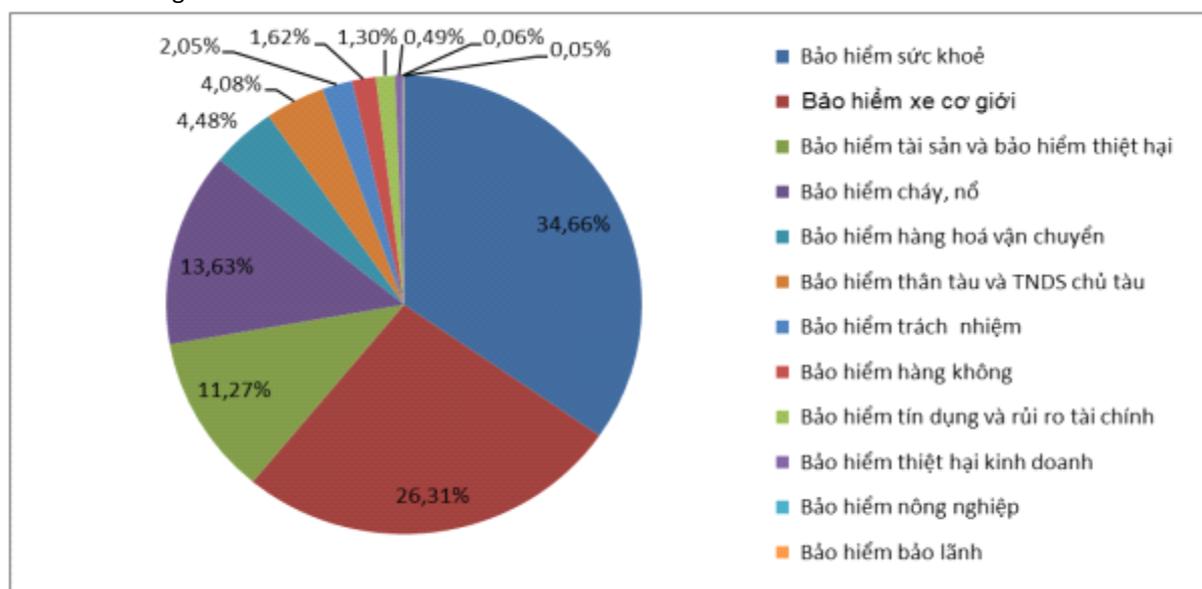


Chart 1: Structure of original insurance premium revenue by line of business in 2022

Source: Department of insurance Supervision, Ministry of Finance, 2023

The chart above demonstrates the structure of health insurance premium revenue in non-life insurance companies in 2022, showing a faster growth trend for health insurance compared to other lines of business in recent years. The compound annual growth rate was 22.5% for health insurance against the industry's overall 13.2% during the 2015-2019 period, according to VNDirect Securities. In 2022, health insurance and motor vehicle insurance registered the highest proportions, accounting for 34.66% and 26.31% of the total market revenue, respectively. Currently, health insurance stands as one of the non-life insurance products with the largest growth potential and is the most dynamic segment, driven by population aging and rapid growth in the middle class in Vietnam. Among these, Bao Viet Group (Code: BVH) and Post and Telecommunication Joint Stock Insurance Corporation (PTI) are the two insurance companies with a significant market share in meeting the increasing demand for health insurance. Bao Viet Insurance holds the leading position in the health insurance market with a 22.8% market share, doubling the market share of the second-ranked company, Post and Telecommunication Insurance, with an 11.4% market share. Additionally, concerning health insurance business, life insurance companies (MB Ageas Life, Dai-ichi, Manulife, AIA, etc.) and non-life insurance companies (such as Bao Viet Insurance, Vietinbank Insurance, etc.) are focusing on development and continuously introducing competitive products. For instance:

MB Ageas Life Insurance: This conglomerate was established through the collaboration of three major entities: Military Bank MB, Ageas Group from Belgium, and Muang Thai Life Assurance Group from Thailand. In 2022, MB Ageas Insurance Vietnam achieved a total revenue of nearly 412.987 trillion VND, with Bancassurance revenue accounting for 86%. With this development, MB Ageas secured the 3rd position in the new Bancassurance revenue market and is among the top 10 leading companies in

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Vietnam. Presently, the company serves over 140,000 customers nationwide, with total health insurance premium revenue in 2021 and 2022 reaching 12.81 billion VND and 13.85 billion VND, respectively, making up 0.22% of the company's total original insurance premium revenue. Furthermore, the company has already paid out benefits to over 700 customers, totaling up to 31 billion VND. These achievements stem from the company's continuous research into highly flexible products tailored to the financial needs of distinct customer groups, offering superior benefits. Additionally, they focus on developing digital insurance products to meet the demand for online insurance and provide fast and convenient transactions for customers.



Figure 2. MB Ageas Life's product package distributed on the MB Bank App
(Source: author group collection)

Additionally, the insurance payout service to customers is also emphasized and valued by the company. Specifically, with the 2022 hospitalization and surgery cost support insurance product, customers receive the money just a few minutes after the file is approved.

Dai-ichi Life Vietnam Insurance Company: Established on January 18, 2007, with 100% Japanese capital, Dai-ichi Life Vietnam is a member of the Dai-ichi Life Group - the largest enterprise in Japan and one of the world's leading insurance groups with over 121 years of financial strength and operational experience. After 16 years of development with impressive numbers: over 2,500 transaction points of partners; 2,000 employees; 4.5 million customers; 140,000 professional financial consultants; 300 company offices. In 2020, the company introduced the "Global Health Insurance" product as a supplement to the main product with reasonable costs and superior benefits: supporting medical expenses to protect customers anytime, anywhere, with inpatient and outpatient benefits guaranteed up to 1 billion VND per illness/injury, healthcare for the whole family under one contract, a widespread network of hospital fee guarantees across Vietnam and internationally. Additionally, the product offers long-term protection up to 75 years old with 3 card levels: Standard program (Classic) up to 300 million VND; Special program (Superior) with a maximum benefit of 600 million VND, high-end program (Elite) with a maximum benefit of 1 billion VND. In 2021, the total insurance premium was 18,647 billion VND, and Health Insurance premium was 14.386 billion VND (0.077%), while in 2022, the total insurance premium was 21.856 billion VND, and the Health Insurance revenue was 10.232 billion VND (0.047%). Although Health Insurance revenue is not the company's main product, the trend of developing Health Insurance as a supplementary product is being focused on to increase the attractiveness of the main product with reasonable fees and benefits, especially meeting the needs of modern consumers.

Vietinbank Insurance Company: This non-life insurance enterprise had a total insurance premium of 3,200 billion VND in 2022, a 30% increase compared to the same period, equivalent to 102% of the plan. The original insurance revenue increased by 32% to over 3,050 billion VND, doubling the industry's average growth. Among these, VBI health insurance product. VBI Care health insurance is a part of Vietinbank's insurance services established since 2008. This is a brand that has gained customer trust in the retail segment in the Vietnamese insurance market and accounts for over 30% of the company's total insurance premium revenue.



Figure 3: The VBI Care product package distributed by Viettinbank Insurance Company.
(Source: author group collection)

Alongside the diverse range of products that insurance companies have introduced to expand their market share and protect the rights of participants, the distribution channels for these products have also become diverse and abundant, facilitating convenient participation for consumers. The distribution channels for insurance products include agencies, banks (bancassurance), collaborations with real estate companies, supermarkets, online sales, and ongoing initiatives to sell through pharmacies and partner stores.

Agency distribution channel: This is a safe and popular channel. Insurance agencies are organizations or individuals authorized by insurance companies to carry out activities such as product introduction, consultation, and assistance in completing procedures if customers have specific needs. Currently, this distribution channel remains the top choice for participants because agents possess information to fulfill customer inquiries and address all concerns, aiding in their decision-making process. Moreover, during the participation process, individuals greatly need a reliable companion with expertise in this field.

Bancassurance distribution channel: This is a distribution channel where banks and insurance companies collaborate, tapping into the bank's customer base. Utilizing this channel helps buyers save costs, receive various preferential programs, and experience convenient payments. From this channel, insurance enterprises in general, and health insurance specifically, have doubled their distribution from 5% to 10% between 2012 and 2023.

Online distribution channel: This is a new trend in life insurance and health insurance distribution. Insurance companies distribute products through their official websites, applications, or via e-commerce platforms in collaboration with companies. This distribution channel enables customers to easily explore, participate, and pay insurance premiums right from home or anywhere using just a smartphone, personal computer, etc., with simple procedures allowing customers to acquire insurance products as desired.

3.2. Opportunities for the Development of Health Insurance by Insurance Enterprises in Vietnam

The income of the population is steadily increasing: Currently, the income of Vietnamese citizens is on an upward trend. According to the World Bank, the middle-class segment constitutes 13% of the population and is projected to reach 26% by 2026, possibly reaching 50% by 2035. Additionally, BVSC's assessment indicates that Vietnam's population is predominantly young, under 30, yet there is an emerging trend of population aging. The proportion of people within the dependent age group is expected to double over the next 20 years. With these conditions, coupled with the growing awareness among the populace about the importance of protecting income through health insurance, it presents an opportunity for enterprises to develop this product.

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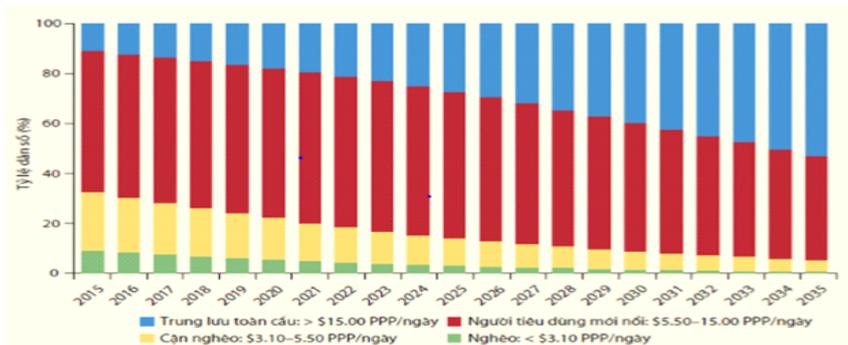


Chart 2: Middle class in Vietnam is expected to reach 2035

(Source: World Bank & Government of Vietnam, GSO, BVSC)

The Customer Perception: As people's economic livelihoods improve, the demand for healthcare also increases. Every risk can lead to financial instability, which is why the trend of choosing health insurance is becoming more prevalent and important. In reality, recent times of disease outbreaks have significantly altered consumer spending habits towards risk prevention.

According to a survey by Manulife Group released in November 2021, 86% of the population in Vietnam perceives the importance of insurance higher than the regional average (69%). Among those surveyed, 72% already own insurance, with the most common being health insurance (47%), life insurance (42%), and accident insurance (38%). Particularly noteworthy is that 91% of them plan to purchase insurance in the next 12 months, with life insurance (55%), health insurance (45%), and accident insurance (41%) being the top choices. Therefore, many Vietnamese are concerned about financial planning and have a better understanding of the value of a healthy lifestyle. This presents an opportunity for businesses to offer health insurance products that cater to and protect the future needs of the people.

Social Security System: According to BVSC (2022), Vietnam currently only uses 43% of state budget expenses for healthcare. The majority of the population still has to pay out-of-pocket for medical expenses and healthcare. In contrast, in developed countries worldwide, 69-73% of healthcare costs are covered by state budgets. Moreover, the coverage of the social insurance system for the population is very low, at about 25% of the workforce. This means that more than 70% of the working-age population lacks protection when facing risks such as illness, pregnancy, occupational accidents, occupational diseases, unemployment, retirement, and death, potentially falling into the vulnerable group within society. Due to limitations in the social security system, there's an opportunity for insurance companies to develop their business market, especially in the healthcare sector.

Advancements in Science and Technology: Digitization is occurring in every field and industry, providing significant benefits for businesses and development. Insurance is one of the sectors embracing the digital age by incorporating technology into its operations. Insurance companies have implemented online business strategies; for example, Manulife Vietnam digitized their claims settlement process (eClaims); Prudential Vietnam applied digital healthcare services; Viettinbank Insurance distributed and settled health insurance claims through a mobile app; BaoViet provides digital claim assessment, BaoViet Direct, among others, enabling customers to access information, conduct transactions online, and receive automated responses.

3.3. Challenges in Developing Health Insurance for Insurance Enterprises in Vietnam in the Modern Era

The competition is becoming increasingly fierce: As the economy grows and incomes rise, people pay more attention to healthcare. Therefore, health insurance products have become a hot segment that insurance companies are focusing on. Despite each sector having its characteristics and advantages in terms of benefits, conditions, and insurance terms, the continuous development in research, product packaging, and offerings from life and non-life insurance companies no longer show distinct differences as before because all enterprises recognize health care insurance products as a large potential market in the near future. Moreover, life and non-life enterprises are competing within each customer segment. Companies are concentrating on customers from young to middle-aged and retirees. Statistics from the Social Insurance Agency in 2023 show that out of 2.4 million people receiving monthly pensions, only 30% have an additional retirement insurance package, which includes life insurance (accidents, illnesses) and disability insurance due to accidents. This implies that the competition in the health care insurance product line between life and non-life enterprises will become increasingly intense, especially in the retail sector.

Human resources: Vietnam's insurance market has grown by nearly 33% with a total revenue of 115.982 trillion VND. According to the OECD, the GDP growth rate is forecasted to increase by 6-6.2% per year for at least the next 5 years. With this growth comes

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the demand for quantity and quality of human resources. However, human resources are a weakness in Vietnam's insurance industry. In insurance companies, there is a constant turnover of employees, even in large companies like AIA or BaoViet. According to statistics from the Vietnam Insurance Association in 2023, up to 80% of insurance agents leave their jobs within the first year. The reasons include the lack of a fixed salary, low starting salaries, no social welfare benefits, solely relying on insurance commissions, and no binding agreements from both sides, resulting in frequent job-hopping. The success of insurance companies relies on the quality of their human resources because customers who join insurance need guidance to properly understand insurance contracts (as stated by 78.6% of respondents surveyed by Vietnam Report in 2023). Currently, digital technology is advancing in every industry, yet the supply of human resources trained directly in technology from educational institutions is still limited. Therefore, when new human resources are recruited, the industry has to spend a lot of time and money on training, presenting a significant obstacle in the digital era for insurance companies. Consequently, in the near future, the challenge for insurance companies lies in ensuring an adequate quantity and quality of human resources.

Legal framework: The insurance business legal system has been enacted; however, there are still some inadequacies in practical application directly affecting insurance business operations. There are gaps in management leading to situations where customers are coerced into buying insurance when taking bank loans. Some insurance payment procedures are still challenging for buyers, and insurance companies focus more on marketing and product distribution rather than necessary attention to communication and guidance about insurance. These legal inconsistencies in insurance business operations have undermined customer trust and pose a significant challenge for insurance companies. Therefore, it's a considerable challenge for companies to establish insurance business laws that fully and accurately integrate health insurance into people's lives. Companies that accomplish this will gain customer trust and capture a significant market share in Vietnam in the foreseeable future.

4. Proposing Solutions for the Development of Health Insurance by Insurance Enterprises in Vietnam in the Modern Era

Given the opportunities and challenges ahead, insurance companies in Vietnam need to focus on solutions to develop health insurance products to optimize opportunities and face challenges in meeting customer needs, improving healthcare conditions in society, and enhancing the overall health of the population. Our team proposes some solutions for the development of Health Insurance products by Insurance Companies in Vietnam in the modern era.

Firstly, insurance companies should design products that match the needs and income levels of customers, enhancing competitiveness.

With the diversity and flexibility of insurance benefits, customers have the right to choose suitable services according to their health conditions, preferred treatment types, and convenient, reputable treatment locations. Insurance companies can base their product design on customer needs and incomes to protect both the participants and their families. In reality, most Health Insurance products from various companies are quite similar. Therefore, two factors contribute to their excellence: the company's scale, indicating strong financial capability, resulting in prompt compensation payments; and the ability to understand customers, designing the most suitable products and providing the best experiences, which is closely related to the quality of consultation and claims settlement.

Secondly, leveraging technological advancements in health insurance business.

Emphasize the application of information technology in insurance business activities. Insurance companies need to invest in modern information technology systems, applying them across all insurance business processes with information security measures, customer data protection, establishing information sharing mechanisms among companies to prevent insurance fraud, supporting legal consultation, complaint resolution, and sharing information between specialized databases at both national and industry levels, promoting digital transformation in management and insurance market development.

Thirdly, improving the legal framework for insurance business.

There's a need to enhance the legal framework for insurance business in general and Health Insurance in particular. This includes drafting and issuing guidance documents for implementing the Insurance Business Law, specifying clear, transparent directions that facilitate Insurance Companies and buyers, reforming administrative procedures, creating a legal framework for Insurance Companies to apply the achievements of the 4.0 technology revolution in applications, claim filing, and resolution. Especially in the Law, there should be favorable policies for business development, encouraging research and development of insurance products that bring practical benefits to the people, such as Health Insurance.

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Fourthly, propagating policies and laws on insurance to the people to build trust in the brand of Insurance Companies in Vietnam.

According to a survey by Vietnam Report in 2022, the increased awareness and understanding of insurance among the population rose from 61.9% in 2020 to 70.6% in 2021, contributing to the industry's growth. This presents an opportunity for the industry's development by promoting policies and laws on insurance, educating people about the role, significance, and necessity of insurance in general, and Health Insurance in particular. Communicate insurance laws and policies to citizens and insurance business organizations through online platforms, media channels, organizing insurance industry events, fairs, insurance-related competitions, creating trust to encourage proactive participation in using digital technology and AI by Insurance Companies to increase sales revenue and, importantly, protect the rights and interests of participants.

Fifthly, developing high-quality human resources suitable for new trends.

To attract high-quality human resources, insurance companies need to establish a strong bond with work through trust and understanding of the significance of the job they do. This is essential to generate interest in the profession and foster loyalty to the organization. Insurance is a specialized field that demands exceptional skills in dealing with people, especially Team Leaders of each group. They lead and handle complex situations, requiring continuous training in expertise and leadership skills. Additionally, a good recruitment brand will attract talented personnel, instilling inspiration, pride, and confidence in each individual within the organization. To achieve this, it is necessary to develop and widely communicate policies and benefits committed to applicants to ensure a favorable policy of remuneration, training, social welfare, alongside the corporate culture - an environment that nurtures employees, creating work quality and long-term engagement.

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