

# **YUPA INSURANCE**

**Revenue Drop & Exploring Student Insurance**

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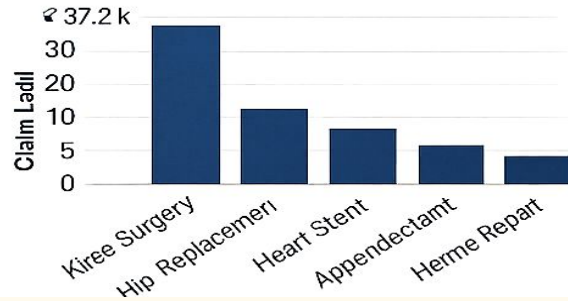
**2k22/ME/298**

# ROOT CAUSE ANALYSIS:

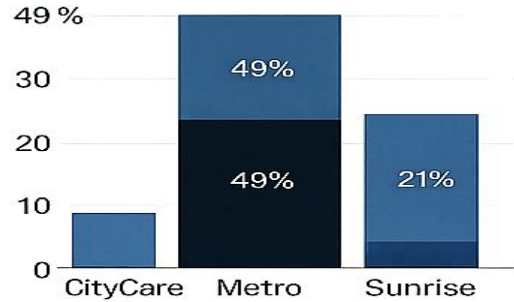
## *Systematic Exploitation of Claim Protocols driving unnatural Payout Spikes*

**SCAM: CityCare's Unnatural Knee Surgeries Account for 27% of ALL Payouts driven by a single patient**

Total Claim Amount by Procedure



Total Claim Amount by Hospital



P123's 8 Surgeries—Jan–Apr 2025

R95 Lach	₹ 9.8 lakh
10 Jan	1.2 lakh
13-Jan	1.2 lakh
21-Jan	394.00
26-Jan	9.6 lakh
30-Jan	9.6 lakh

- No Claim Limits in Contracts:** *Hospital contracts lack caps on repeat claims for identical procedures ( example: 7 knee surgeries for Patient P123).*
- Missing Duplicate Claim Safeguards:** *No system checks for identical claims filed by the same patient/hospital within unrealistic time frames (e.g., ₹1.2L knee surgeries weekly).*
- Outdated Audit Process:** *Manual reviews only*—no AI/ML to flag suspicious patterns (frequency, amount, diagnosis mismatches).
- Potential Fraud Collusion:** *Evidence of exploitation:* CityCare Hospital and Patient P123 may be gaming the system through repetitive high-value billing.

### Footnotes

- [1]: Source: [Calculations and Pivot Tables](#)  
[2]: Source: [City Care SCAM](#)  
[3]: Source: [Patient with P\\_ID P123 SCAM](#)

# STUDENT INSURANCE FEASIBILITY:

## ₹386 Cr Profit Potential in 3 Years – Sustainable and Scalable

### YUPA INSURANCE STUDENT INSURANCE FEASIBILITY

UNIVERSITY STUDENT  
POPULATION IN DELHI **700,000**

AVERAGE ANNUAL  
PREMIUM PER STUDENT **₹5,000**

TOTAL PREMIUM  
REVENUE (A) **₹350 Cr**  
700 000 x (A)= ₹ 350 Cr

CLAIM ESTIMATE (B) **₹122,5 Cr**  
Total premium = 35%  
(35 % of ₹ 122,5 c)

OTHER EXPENSES (C) **₹20 Cr**  
Administrative and overheads  
(including commissions, over-  
heads)

PROFITABILITY ESTIMATE **₹207,5 Cr**  
(A – B – C)

### Detailed Bullets:

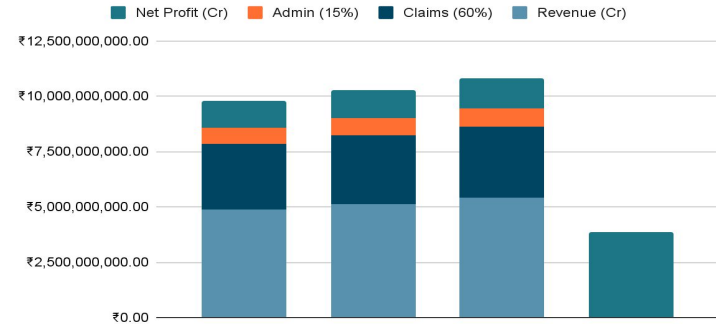
- **Target Market:** 7,00,000 university students in Delhi
- **Premium per Student:** ₹7,000/year  
➢ Govt: ₹3,500 | University: ₹1,750 | Student: ₹1,750
- **Annual Revenue:** ₹490 Cr
- Cost assumptions:  
➢ **Claim ratio = 60%, Admin = 15%**

### 3-Year Financial Projection:

- **High-margin model** with low credit/default risk (50% is Govt-backed).
- If claim ratio rises to 70%, profitability still holds at **₹250 Cr+** net.
- Scalable across metros; predictable revenue via subsidized framework.

Year	Students	Revenue (₹ Cr)	Claims (₹ Cr)	Admin (₹ Cr)	Net Profit (₹ Cr)
Y1	7,00,000	₹490.00	₹294.00	₹73.50	<b>₹122.50</b>
Y2	7,35,000	₹514.50	₹308.70	₹77.18	<b>₹128.62</b>
Y3	7,71,750	₹540.23	₹324.14	₹81.03	<b>₹135.06</b>

Revenue (Cr), Claims (60%), Admin (15%) and Net Profit (Cr)



### Footnotes

[1]: Source: [Calculations and Pivot Tables](#)

[2]: Source: [Population of college students in Delhi](#)

# RECOMMENDATIONS:

## *Strategic Recommendations – Claims Fix + Growth Path*

### Immediate Fixes for Fraud + Phased Student Market Entry for Long-Term Growth

#### Section A: Fixing the Claims System

##### Short-Term Actions:

- Add **cooling-off periods** for high-value procedures (e.g., no repeat Knee Surgery in <12 months).
- Enforce **procedure justification audits** for multiple claims by same patient.
- Block repeat claims from same patient-hospital pair in short intervals.

##### Medium-Term Tech Enablement:

- Deploy **ML-based claim validation engine**: Flags frequency, cost deviations, time intervals, repeat pairings.
- Implement **"Red Flag Rules"** based on procedure code, hospital, time window.
- Launch **TPA Review Dashboard** to audit repeat procedures monthly.

#### Section B: Student Insurance Playbook

##### Operational Plan:

- Partner with top 50 universities + Delhi Govt. health department.
- Digital onboarding through student portals + unified health ID for tracking.

##### Risk Mitigation:

- Use **tiered claim limits** per year in initial phase.
- Conduct a **year-end actuarial audit** to recalibrate claim ratio assumptions.

##### Scale Roadmap:

- **Y1**: Delhi (7L students)
- **Y2**: Expand to Mumbai, Pune, Bangalore
- **Y3**: Tier-2 cities via university clusters

#### Footnotes

[1]: Source: [Calculations and Pivot Tables](#)

[2]: Source: [City Care SCAM](#)

[3]: Source: [Patient with P\\_ID P123 SCAM](#)



**Thank You**