

Discovery's Adrian Gore We can grow health insurance business abroad – Fin24 7 December 2019

There is a major opportunity to grow health insurance in Asia and elsewhere in the world, says Discovery Group CEO Adrian Gore.

He was speaking during a conference call with investors and shareholders on Wednesday, where he shed light on recently announced leadership changes in the group, as well as director's dealings.

In a notice to shareholders on November 28, 2019, Discovery announced that it would launch a new international company, Vitality Health International, to be headed by Jonathan Broomberg, from January 2020. Broomberg is the current CEO of Discovery Health. Current deputy CEO Dr Ryan Noach will subsequently replace Broomberg, as part of a transition process which has been coming along for 18 months.

Gore reiterated this in the conference call. "Jonathan Broomberg has been CEO of Discovery Health. Our view going forward, we see health insurance as a major growth opportunity both in the market in Asia and elsewhere. As countries become more prosperous, private healthcare and health insurance continues to grow," he said.

Discovery is known for its behavioural insurance model, in which its clients are incentivised to choose behaviours that promote better health.

Gore commented that three of its health businesses had shown progress – Discovery Health in SA, Ping An Health in China and Vitality Health in the UK. "Our sense on all of them is that they are doing well. They are well positioned, they all are essentially leaders in their space," he said. They present a collective opportunity to penetrate other markets, Gore explained.

Gore gave his vote in confidence in Broomberg to lead Vitality Health International. Similarly, he said Broomberg's successor Noach is a "very capable leader" who previously helped set up Discovery Bank.

Broomberg has played a "pivotal" role in engaging with regulators with regard to the Health Market Inquiry and the National Health Insurance policy domestically.

Gore said Broomberg's role in the regulatory team at Discovery will remain unchanged. "Johnny's role in NHI and all of that stuff will remain as it is, unchanged."

Discovery's share price closed at R113.92 on Friday.