



The Urgency of Organizing Insurtech in Improving Insurance Services Based on POJK No. 13/POJK.02/2018 Regarding Digital Financial Innovation in the Financial Services Sector

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Abstract

The business sector needs to invest in building information technology architecture to leverage tools and services offered by digital transformation, one of which is the insurance sector with its Insurtech. The presence of Insurtech with its digital services is expected to drive increased financial inclusion in the insurance sector by reaching the public through fast and limitless services. Behind the opportunities presented by the Insurtech industry, there are challenges to be faced. The research problem in this study is how the implementation of customer data protection in the implementation of Insurtech based on Financial Services Authority Regulation No. 13/POJK.02/2018 on Digital Financial Innovation in the Financial Services Sector. The purpose of this research is to analyze and explain how the implementation of customer data protection in the implementation of Insurtech based on Financial Services Authority Regulation No. 13/POJK.02/2018 on Digital Financial Innovation in the Financial Services Sector. The research method used in this study is a qualitative research method, using a socio-legal approach. The results of the study show the urgency of Insurtech based on Financial Services Authority Regulation No. 13/POJK.02/2018 involving the analysis of regulations and interviews with PT Prudential Life Assurance, PT Jasa Raharja, BPJS Kesehatan, and PT Asuransi Jiwa Inhealth Indonesia. The results include the implementation of customer data protection, BPJS Kesehatan's service innovations, PT Jasa Raharja's role in accident insurance claims, and the digital transformation of PT Asuransi Jiwa Inhealth Indonesia through the FitAja application.

A. Introduction

The development of technology has propelled humanity into the era of digitization, impacting customer behavior, processing methods, information management, and more. This transformation to the digital era has reshaped the economy and the business environment of organizations, consequently altering the way people work.¹ The impact of digitization is then considered the fourth wave of industrialization, which will dramatically transform the business world. Therefore, the sustainability of a business will depend on its ability to handle new challenges that come with digitization.

Digital transformation can be defined as a change in how a business operates, its roles, and offerings caused by the adoption of

digital technology within an organization or its operational environment. This digital transformation will then drive all business sectors to utilize various digital technologies in carrying out their business processes. This, in turn, provides various benefits to the business sector. Digital technology complements and/or enriches existing products and services, enabling the construction of entirely new business models.² Therefore, businesses need to invest in building information technology architecture with the goal of leveraging the tools and services offered by this digital transformation, one of which is the insurance sector.

The growth of the insurance sector in Indonesia in recent years has not shown encouraging progress. OJK data indicates that the insurance penetration rate in

¹ F. A. Apdillah, D., Panjaitan, K., Stefanny, N. T. P., & Surbakti, "The Global Competition In The Digital Society 5.0 Era: The Challenges Of The Younger Generation," *Journal of Humanities, Social Sciences and Business (JHSSB)* 1, no. 3 (2022): 75–80.

² F. Legner, C., Eymann, T., Hess, T., Matt, C., Böhmman, T., Drews, P., Mädche, A., Urbach, N., & Ahlemann,

"Digitalization: Opportunity and Challenge for the Business and Information Systems Engineering Community," *Business & Information Systems Engineering* 59, no. 4 (2017): 301–308.

Indonesia in 2021 reached only 3.18%, comprising 1.45% for social insurance, 1.19% for life insurance, 0.47% for general insurance, and the remaining for mandatory insurance. In terms of premium income growth, premiums in the insurance sector for the period from January to November 2022 reached IDR 280.24 trillion, indicating stagnant growth with only a 0.44% increase compared to the previous year. This aligns with the results of SNLIK in 2022, where the insurance inclusion rate experienced a less significant increase, from 13.15% in 2019 to 16.63% in 2022. The sluggish growth of the insurance sector may be attributed to the low usage and trust of the public in insurance products.³ The sluggish growth of the insurance sector can be attributed to the low usage and trust of the public in insurance

products.⁴ This is due to issues that often arise in the insurance sector, such as difficult claims processes, premiums that are unaffordable for various segments of the population, limited access for the public to obtain insurance products, and the potential for policy defaults.⁵

To address some of these issues, the insurance industry is driven to adopt and optimize the use of technology, a trend referred to as Insurtech. According to Cambridge University Press in 2018, Insurtech is defined as a term that describes various developments and approaches aimed at leveraging technological advancements and data availability to optimize opportunities in the insurance sector. This can be for enhancing customer experience with insurance services or providing operational efficiency for companies.⁶

³ OJK Indonesia, "Prospek Insurtech Di Indonesia," OJK Indonesia, 2023.

⁴ Abbas Salim, *Dasar-Dasar Asuransi (Principle of Insurance)* (Jakarta: Rajawali Pers, 1989).

⁵ Dadan Agustina, Nina., Suganda, "Peranan Teknologi Pada Industri

Asuransi (Insurtech) Masa Pandemic," *Jurnal Syar'insurance (SIJAS)* 8, no. 1 (2022): 28.

⁶ Deny Guntara, "Asuransi Dan Ketentuan-Ketentuan Hukum Yang Mengaturnya," *Jurnal Justisi Ilmu Hukum* 1, no. 1 (2016): 31.

One of the biggest challenges in the insurance industry in developing countries, including Indonesia, is the low level of public awareness regarding the utilization of insurance products, coupled with low income levels. Therefore, the digital capabilities built within the Insurtech industry ecosystem can be integrated into interactions where insurance can be beneficial. Consequently, digital innovation in the insurance industry through Insurtech in developing countries can focus on the consumer-centric aspect, with the hope of serving as a bridge to facilitate public access to the insurance market. Moreover, it is anticipated to bring about insurance products that are accessible to various segments of the population.⁷

The capable and mature digital ecosystem also enables the development of the Insurtech industry in developing countries to expand further. This is due to decreasing technology costs and an

increasing consumer base, driven by the growing number of Insurtech companies. Despite the opportunities presented by the Insurtech industry, there are challenges that need to be addressed. Some of these challenges include security and customer data protection factors, limitations in competent human resources skilled in both insurance business processes and technology, and the lack of comprehensive regulation for Insurtech. Additionally, the low level of public trust in insurance products, stemming from issues within the insurance sector, also poses a challenge for the Insurtech industry.⁸

In order to support the growth and development of the Insurtech business in Indonesia, the Financial Services Authority (OJK) has taken several steps and initiatives. These include strengthening the role of research to support the development of

⁷ Neni Sri Imaniyati, "Perlindungan Hukum Terhadap Konsumen Dalam Sengketa Klaim Asuransi," *Jurnal Hukum Bisnis*, n.d., 51.

⁸ dkk Siregar, Reza Y., "Insurtech: Upaya Mengembangkan Pasar Asuransi Melalui Transformasi Digital," *Economic Bulletin*, no. 20 (n.d.).

Insurtech providers, enhancing the capacity of human resources in the financial services sector, and issuing regulations that support the ecosystem of Insurtech providers. Notably, OJK has issued regulations such as OJK Regulation No. 13/POJK.02/2018 on Digital Financial Innovation in the Financial Services Sector and OJK Regulation No. 28 of 2022 on Insurance Brokerage Companies, Reinsurance Companies, and Insurance Loss Assessor Companies.

However, as mentioned earlier, there are still several issues in its implementation. One of them is related to customer data protection, limitations in human resources that are knowledgeable and tech-savvy, inadequate regulations regarding Insurtech, and the level of public interest in insurance products. Therefore, a more in-depth examination is needed on how customer data protection is applied in the implementation of Insurtech based on OJK Regulation No. 13/POJK.02/2018 regarding

Digital Financial Innovation in the Financial Services Sector.

The formulation of these issues raises substantial legal concerns related to the implementation of customer data protection in Insurtech, in line with OJK Regulation No. 13/POJK.02/2018 regarding Digital Financial Innovation in the Financial Services Sector. First, an investigation is needed to determine the extent to which Insurtech complies with the data protection regulations mandated in the mentioned regulation, with a focus on the security and privacy of customer data. Second, the importance of transparency and information to customers becomes an essential consideration, including the sustainability of transparency policies related to the collection, use, and storage of customer data.

Furthermore, the aspect of access and control provided to customers over their personal data requires special attention, including mechanisms for managing consent and limitations

related to data usage. Fourth, it is essential for Insurtech to maintain technological security to protect customer data from digital security risks, as well as preventive and responsive measures related to data security breaches. Fifth, the legal obligations and responsibilities of Insurtech in the context of customer data protection.

B. Method

The method employed in this research is qualitative research method. Qualitative research involves data collection that is not guided by theory but rather guided by the facts discovered during the field research.⁹ This research is expected to provide an overview of the urgency of organizing Insurtech in improving insurance services based on Financial Services Authority Regulation No. 13/POJK.02/2018 regarding Digital Financial Innovation in the Financial Services Sector. Therefore, with the availability of

primary or secondary data, it is hoped that a clearer and higher-quality depiction can be presented.

This research employs a Socio-Legal approach. The researcher in conducting this study not only examines the legal provisions governing the application of technology and information in insurance operations but also goes directly to the field to observe the actual circumstances. This research aims to obtain accurate and authentic data by directly interacting with informants.¹⁰

The focal point of qualitative research is, in fact, the research question itself. In line with the core issue, the central focus of this study is on understanding the urgency of organizing Insurtech in enhancing insurance services based on Financial Services Authority Regulation No. 13/POJK.02/2018 regarding Digital Financial Innovation in the Financial Services Sector.

⁹ LJ Moleong, *Metode Penelitian Kualitatif Edisi Revisi* (Bandung: Remaja Rosdakarya, 2007).

¹⁰ S Hannitijo, *Metodologi Penelitian Hukum Dan Jurimetri* (Jakarta: Ghalia Indonesia, 1990).

The researcher conducted the study at an insurance company in the city of Semarang, which functions as a Non-Bank Financial Institution authorized to engage in insurance business by the Financial Services Authority (Otoritas Jasa Keuangan or OJK).

The researcher utilized both primary and secondary data sources. Primary data was obtained through direct observation or observation, including conducting interviews with informants.¹¹ Secondary data sources were obtained from relevant regulations related to insurance and the implementation of risk management in the use of information technology.¹²

The data collection techniques employed by the researcher include interview and documentation techniques. The interview process is carried out directly with informants, while the documentation technique involves utilizing legal documents and

related policies. The data analysis method used is qualitative, with a focus on description, interpretation, and in-depth understanding of the observed phenomenon.¹³

The purpose of employing qualitative analysis is to gather information regarding the urgency of organizing Insurtech in improving insurance services based on Financial Services Authority Regulation No. 13/POJK.02/2018 concerning Digital Financial Innovation in the Financial Services Sector. The qualitative analysis aims to provide insights, interpretations, and a comprehensive understanding of the subject matter, allowing for a nuanced exploration of the phenomenon in question.

The method of inference may involve drawing qualitative conclusions from the interpretation of analyzed data. With this approach, the research is expected to provide a deep and contextual

¹¹ *Ibid.*

¹² PM Marzuki, *Penelitian Hukum* (Jakarta: Premadamedia Group, 2008).

¹³ Moleong, *Op., Cit.*

understanding of the urgency of Insurtech within the context of applicable regulations.

C. Results and Discussion

The implementation of research on the Urgency of Insurtech Implementation in Improving Insurance Services based on POJK No.13/POJK.02/2018 Regarding Digital Financial Innovation in the Financial Services Sector, as stated in the research methodology, the researcher has analyzed all regulations related to the research title. Additionally, interviews were conducted with various parties, including PT Prudential Life Assurance, PT Jasa Raharja, BPJS Kesehatan, and PT Asuransi Jiwa Inhealth Indonesia in the city of Semarang. The results of the research address the research questions as follows:

1. Implementation of Customer Data Protection in Insurtech Implementation based on POJK No.13/POJK.02/2018 Regarding Digital Financial

Innovation in the Financial Services Sector

The presence of insurtech through the utilization of big data, machine learning, and artificial intelligence is expected to address consumer needs, including simplifying and expediting underwriting and claims processes, providing more personalized (customized) products, and offering omnichannel services. With omnichannel services, customers can conduct various insurance transactions within a single platform, from selecting services/products to executing transactions, submitting claims, and making payments. The presence of insurtech with its digital services is also expected to promote increased financial inclusion in the insurance sector by targeting and reaching communities through fast and borderless services.

In order to support the growth and development of insurtech businesses in Indonesia, the Financial Services Authority (OJK) has taken several steps and

initiatives. These include strengthening the role of research to support the development of insurtech provider businesses, enhancing human resource capacity in the financial services sector, and issuing regulations that support the insurtech ecosystem. Notable regulations in this context include POJK No. 13/POJK.02/2018 regarding Digital Financial Innovation in the Financial Services Sector and POJK No. 28/2022 concerning Insurance Brokerage Companies, Reinsurance Companies, and Insurance Loss Assessors.

The protection of customer data in the implementation of Insurtech in the Financial Services Sector, especially within Insurance Companies, needs to be applied effectively and securely based on the provisions of POJK No.13/POJK.02/2018 regarding Digital Financial Innovation. Insurance companies in Semarang, as Non-Bank Financial Institutions authorized to conduct insurance business, such as PT Prudential Life Assurance, PT Jasa Raharja,

BPJS Kesehatan, and PT Asuransi Jiwa Inhealth Indonesia, fall under the regulatory oversight of the Financial Services Authority (OJK).

a. PT Prudential Life Assurance

Prudential Indonesia is a life insurance company managed by PT Prudential Life Assurance. The products offered include health insurance, life insurance, and education insurance. Prudential has expanded its insurance lines to reach a broader audience, one of which is the introduction of Sharia-compliant products. As an insurance company licensed and supervised by the Financial Services Authority (OJK), Prudential Indonesia is required to implement regulations set forth by the OJK, including OJK Regulation No. 13/2018 on Digital Financial Innovation (DFI). The approach taken by Prudential Indonesia in implementing DFI involves the development of digital applications such as PRUForce and Pulse.

Based on the interview results with Ms. Hilda, who serves as the Person in Charge (PIC) at Prudential-KPM HD Agency, PT

Prudential Life Insurance in Semarang on Friday, August 4, 2023, at the Prudential office in Semarang, she revealed that PRUForce is a Customer Relationship Management (CRM) application from the financial and life insurance company PT Prudential Life Insurance. PRUForce, as one of the implementations of Digital Financial Innovation (DFI) by Prudential Indonesia, facilitates two-way transactions between customers and Prudential agents, making customer data easily accessible to agents. PT Prudential Life Insurance launched PRUForce at the end of 2017, and it is available as an application on both IOS and Android platforms. Before the existence of the PRUForce application, Prudential Indonesia accessed customer data through a website called Sales For Agent.

Various features in the PRUForce application facilitate customers in filling out specific data, one of which is the completion of the Life Insurance Request Letter (Surat Permintaan Asuransi Jiwa or SPAJ) through

the digital form in the PRUForce application. This SPAJ contains personal data of prospective customers when applying for life insurance, such as the results of medical check-ups, which are essential for understanding the health history of the prospective customer. There are 8 (eight) stages that customers need to complete in the SPAJ, including personal data, customer address, premium payment, customer occupation, insured data, and customer health history.

PRUForce, being a digital service application, undoubtedly incorporates high levels of digital security to protect customer information and personal data. Forms of personal data protection in the PRUForce application include:

- a) Password Rotation Every 6 Months.
- b) Single Account per Agent.
- c) Restricted Access for Agency Directors (AD).

Weaknesses of the PRUForce application include:

- a) The PRUForce application can only be downloaded through the App Store on

iOS because the application is not yet available on the Play Store on Android. Therefore, Android users can download it through the PRUForce application download link on Chrome; and

- b) It is necessary to update the PRUForce application every week to a month.

Meanwhile, the Pulse application is a health app owned by Prudential, supported by Artificial Intelligence (AI) technology, with the aim of assisting the public in managing their health and promoting a healthy lifestyle. Various features and services in Pulse make it easy for the public to access information about COVID-19, check their health status, and register for the government's free COVID-19 vaccination program, in accordance with the phases set by the Ministry of Health of the Republic of Indonesia (Kemenkes) organized by Prudential Indonesia.

b. PT Jasa Raharja

PT Jasa Raharja is an institution engaged in the field of insurance based on the laws and government regulations. In its activities, the company collects premiums and mandatory contributions from owners/business operators of road traffic and public transportation passengers. These funds are then redistributed through accident insurance benefits for road traffic accidents. PT Jasa Raharja not only collects premiums and mandatory contributions but also has a role and responsibility to provide and redistribute them back to the community through insurance benefits. The regulations governing these activities are outlined in the legislation, including the provision and distribution of insurance benefits to victims of road traffic accidents, as stipulated in Law Number 34 of 1964 concerning the Mandatory Traffic Accident Insurance Fund provided to victims or their heirs in the event of death.

The main duties and functions of PT Jasa Raharja are to collect funds from the public through the compulsory collection of contributions. These contributions are obtained from the general public, as stipulated in Law Number 33 of 1964 concerning the Mandatory Passenger Accident Insurance Fund. The contributions are collected from every valid passenger in public motor vehicles, as regulated in Article 3 subsection 1a. Additionally, PT Jasa Raharja also collects mandatory contributions from motor vehicle owners, in accordance with Law Number 34 of 1964 concerning the Mandatory Traffic Accident Insurance Fund.

Based on the interview with Mr. Adam, who serves as the Administrative Staff II at PT Jasa Raharja Semarang City on Monday, August 8, 2023, at the Jasa Raharja office in Semarang, he revealed that PT Jasa Raharja, as an insurance company, has embraced the developments outlined in Financial Services Authority Regulation No. 13/POJK.02/2018 regarding

Digital Financial Innovation (Inovasi Keuangan Digital or IKD). PT Jasa Raharja, being a licensed and supervised insurance company under the Financial Services Authority (OJK), is obliged to implement regulations set forth by the OJK, including OJK Regulation No. 13 of 2018 concerning Digital Financial Innovation. The policy adopted by PT Jasa Raharja in implementing Digital Financial Innovation involves the creation of digital applications such as DASI-JR, JRku, and New SAKPOLE.

The Corporate Data of Jasa Raharja (DASI-JR) is a web-based information system developed by PT. JASA RAHARJA (Persero) in 2008 and became actively operational in 2009. The implementation of DASI-JR aims to streamline the Jasa Raharja service process, from submission to the disbursement of accident victims' compensation funds. Users of DASI-JR include all Jasa Raharja employees with access rights based on their respective positions. DASI-JR is integrated with several institutions such as

the police and the Social Security Administration (BPJS), making it easier to complete the required documents when victims apply for compensation.

The second application, JRku, is a mobile application developed by PT Jasa Raharja, offering a variety of features to facilitate information and services for the public. This digital application can be downloaded from Google Play for Android and the App Store for IOS (Apple), making it convenient for the public to access various Jasa Raharja services. Through the JRku application, users can submit claims or requests for Jasa Raharja compensation online, report traffic accidents if witnessed, share information about accident-prone areas, and more. Additionally, there is a Vehicle (Personal) feature that allows users to check the expiration date of their mandatory insurance (SWDKLLJ) and store their vehicle data in the JRku application. There is also a Vehicle (Public) feature that benefits business owners or public

transportation operators by enabling them to view a list of their vehicles and make online IWKBU payments to Jasa Raharja.

The latest application, New SAKPOLE, is a collaboration between the Provincial Government of Central Java, the Central Java Police, the Regional Revenue Management Agency, and PT Jasa Raharja. This collaboration aims to enhance the motor vehicle tax payment facilities to increase tax revenue. The initiative is based on the laws and regulations of the Republic of Indonesia, providing online Vehicle Tax Service (e-SAMSAT) that can be accessed nationally anytime and anywhere through a mobile communication device application (smartphone).

BPJS Kesehatan has implemented the V-Claim and Vidi applications. V-Claim is used by hospitals for issuing Participant Eligibility Letters (SEP), while Vidi is used by verifiers for verification purposes. Both applications are integrated with the Corporate Database Information System of PT Jasa Raharja (Persero),

streamlining coordination processes for quicker determination of the guarantor in cases of traffic accidents involving participants. Consequently, in both single and multiple traffic accidents, hospital staff are obligated to promptly validate participant data displayed on the V-Claim application, perform checklists on the application, and then submit the information to Jasa Raharja for further action on the traffic accident case.

c. BPJS Kesehatan

BPJS Kesehatan provides convenience for its participants through the Mobile JKN (National Health Insurance) Application, this represents an innovation and development by BPJS Kesehatan in leveraging information technology and complying with Financial Services Authority Regulation No. 13/POJK.02/2018 concerning Digital Financial Innovation in the Financial Services Sector.

The smartphone-operable Mobile JKN application is equipped with numerous features beneficial for JKN-KIS participants. After downloading and installing the

Mobile JKN application, the first step is to register. Select the registration menu and fill in each available field with participant data. Ensure an active email, as after completing all fields, the system will automatically send a verification number to that email. After receiving the verification number via email, the application will prompt the participant to enter the verification number.

Subsequently, a notification will appear indicating whether the verification was successful or not. If unsuccessful, participants can request the application to resend the verification number. If successful, participants only need to enter their email address or BPJS Kesehatan card number and password each time they log in to the application.

d. PT Asuransi Jiwa Inhealth Indonesia

Mandiri Inhealth is a life insurance company that has been operating since 1992 under the umbrella of PT Asuransi Jiwa Inhealth Indonesia. The available insurance products include group health insurance, pure life

insurance, dual-purpose life insurance, accident insurance, and credit life insurance. PT Asuransi Jiwa Inhealth Indonesia has developed a digital-based health platform in line with the policy of digital financial innovation. The application named FitAja is a transformation of the Mandiri Inhealth Mobile (MiMo) application that was previously used by Mandiri Inhealth participants, with its functions and features further enhanced.

The FitAja application was launched in 2021 to address the community's digital health needs, especially during the Covid-19 pandemic. According to data processed by the Indonesian Life Insurance Association, as of the second quarter of 2021, Mandiri Inhealth remains the market leader among 61 life insurance companies, with a market share of 34%. The number of participants as of the second quarter of 2022 reached 2.3 million people, an increase from the previous period, which was 1.8 million people. FitAja offers various services for

participants within a single application, ranging from health maintenance, prevention, treatment, to access to consultation services. Its features include Telemedicine, E-Prescription, E-Claim, Provider Information, Medicine Ordering and Delivery, as well as Healthy Lifestyle features.

Several benefits are obtained by healthcare service providers and PT Inhealth Indonesia Life Insurance, as follows:

- a) For healthcare service providers, the administrative process is more organized, opportunities for selling drugs/vaccines or other pharmaceutical products, and the opportunity for e-Booking Doctor services, which means more transactions.
- b) For PT Inhealth Indonesia Life Insurance, faster case handling management, quicker payment resolution, fast customer service response; achieving

cost efficiency with teleconsultation compared to offline consultations; opportunities for selling insurance products.

FitAja is an application claimed to be a digital healthcare super app that integrates telemedicine facilities, appointment booking, pharmacy services, digital e-Claim, participant information, benefits, and provider partners within a single platform. The use of the FitAja app is launched to create an excellent process and excellent service by providing ease in obtaining information about benefits, providers, claims, participant eligibility, medication, referrals, and various features that provide informational convenience for participants. In the end, customers will be satisfied, creating loyalty to the platform.

In addition to the FitAja app, PT Inhealth Indonesia Life Insurance has also launched the Pelkes Online Inhealth app. This application is used to confirm claims and determine customers who are being treated in hospitals.

The Pelkes Online Inhealth app provides information on which providers or medications are covered by Mandiri Inhealth. Additionally, customers can contact customer service through this app to get more detailed explanations.

Based on the interview with Mr. Taufik, the Human Resources Development (HRD) of PT Inhealth Life Insurance in Semarang City, on Wednesday, September 6, 2023, at the PT Inhealth Life Insurance office in Semarang City, Mr. Taufik revealed that the common challenges in using the FitAja and Pelkes Online applications are insufficient support from the internet network and difficulties faced by elderly customers or those who do not own a mobile phone or have limited understanding of technology. Regarding the security of customer data, Mr. Taufik mentioned that it is currently safe and protected because both applications do not include personal data such as National Identification Number (NIK) or Family Card (KK) Number.

Insurtech has significant opportunities in the future because fundamentally, insurance will continue to be closely linked to human life, financial planning, and risk management in any situation. Many new innovations will be developed by insurance players, both insurance companies and insurtech startups. The opportunity for digitization has already prompted substantial changes, and this trend is likely to continue. Digitization aims to make everything more accessible, and it should be maximized for operational efficiency within companies. As technology advances, insurtech will play a key role in reshaping the insurance industry by introducing innovative solutions, enhancing customer experiences, and improving overall efficiency.

With Insurtech technology and applications, we simply input the desired life insurance parameters, and the application will display policy options from both Insurtech life insurance and traditional life insurance providers.

We just need to choose which provider suits our needs. Another advantage of Insurtech is the moment of truth, which provides fast service during claims. Similarly, the underwriting process is much quicker based on data analytics or policyholder profiles processed from various data sources.

1. Analysis of Insurtech Implementation Based on Regulation No. 13/POJK.02/2018 Regarding Digital Financial Innovation in the Financial Services Sector

Based on Regulation No. 13/POJK.02/2018 regarding Digital Financial Innovation in the Financial Services Sector, there are several aspects that can be analyzed concerning the implementation of customer data protection in the operation of Insurtech, namely:

- a) Insurtech providers are obligated to implement a secure and safeguarded customer data protection

system. The customer data protection system must comply with the provisions of the regulations, such as Regulation No. 13/POJK.02/2018 and Law No. 8 of 1999 concerning Consumer Protection. The customer data protection system must encompass the following aspects:

- **Data Security:** The customer data protection system must be capable of safeguarding customer data from unauthorized access.
- **Data Integrity:** The customer data protection system must maintain the integrity of customer data, preventing unauthorized alterations.
- **Data Confidentiality:** The customer data protection system must ensure the confidentiality of customer data,

safeguarding it from unauthorized parties.

- b) Insurtech providers are required to implement a clear and transparent privacy policy. The privacy policy must explain how the insurtech provider collects, uses, and shares customer data. This privacy policy should be easily and clearly accessible to customers.
- c) Insurtech providers are obligated to educate customers about customer data protection. Education can be conducted through various channels, such as websites, applications, and social media. The aim of this education is to enhance customer awareness regarding the importance of customer data protection.

Furthermore, if analyzed based on legal principles, it is as follows:¹⁴

- a) Principle of legal certainty, which is a principle that

¹⁴ Dewa Gede Atmadja, "Asas-Asas Hukum Dalam Sistem Hukum," *Kertha Wicaksana* 12, no. 2 (2018): 12.

ensures that everyone will obtain legal certainty in every action. In this case, the principle of legal certainty can be seen in the existence of regulations governing the implementation of insurtech, namely Financial Services Authority Regulation No. 13/POJK.02/2018 on Digital Financial Innovation in the Financial Services Sector. This regulation provides legal certainty for insurtech practitioners in conducting their business, as well as for the public in accessing insurance services digitally.

- b) Principle of utility, which is a principle that ensures that every legal action will bring benefits to society. In this case, the principle of utility can be seen in the significant opportunities for insurtech to increase

insurance penetration in Indonesia. Insurtech can facilitate public access to insurance services, thereby raising awareness among the public about the importance of insurance.

- c) Principle of justice, which is a principle that ensures that everyone will receive fair treatment in every action. In this case, the principle of justice can be observed in the protection of customer data in the implementation of insurtech. Financial Services Authority Regulation No. 13/POJK.02/2018 stipulates that insurtech providers must implement a secure and protected customer data protection system. This is aimed at ensuring that customer data is safeguarded against misuse by irresponsible parties.

D. Conclusion

The implementation of research on the Urgency of Insurtech Implementation in Improving Insurance Services Based on POJK No. 13/POJK.02/2018 on Digital Financial Innovation in the Financial Services Sector has been conducted using a research method that investigates all relevant aspects. Researchers analyzed regulations related to the research title and conducted interviews with relevant parties such as PT Prudential Life Assurance, PT Jasa Raharja, BPJS Kesehatan, and PT Asuransi Jiwa Inhealth Indonesia in the city of Semarang. The research results highlight important aspects, such as the Implementation of Customer Data Protection in Insurtech, which can provide convenience and accessibility for customers. Insurtech services are expected to enhance financial inclusion in the insurance sector by targeting various segments of the population.

The analysis of Insurtech implementation based on POJK No. 13/POJK.02/2018 emphasizes the need for a secure and protected customer data protection system. This system must meet standards of data security, integrity, and confidentiality. Additionally, transparent privacy policies and customer education are crucial aspects to ensure the sustainability of Insurtech implementation. From a legal perspective, the existence of POJK provides legal certainty for insurtech practitioners and the public, while the principles of utility and justice underline the significant potential of insurtech in improving insurance access in Indonesia and fairly protecting customer data. Insurtech, with its technology and applications, holds great potential in shaping a more efficient and affordable future for insurance.

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