



Integrated Benefits for a Global & Mobile Workforce

Global Insurance, Assistance / Risk and Medical

1 Hour, Continuing Education

General Announcement for CE Courses

Attendance for the entire class is necessary to obtain continuing education credit. Your attendance will be verified by your signature as entered on the sign-in sheets. Anyone who fails to sign or initial as their state requires and/or arrives late or leaves early will not be awarded credit. Attendees should not engage in other activities during the class. There should be no reading of newspapers, doing other work, opening email, texting, sleeping, private conversations, etc. Upon successful completion of this course, your Certificate of Completion will be delivered to you via email from certificates@cecertificates.com. A course evaluation will be made available upon request.

- **Current State:**
 - Global Employers & Benefits Supporting Multinational Employees
- **Expatriate Insurance**
- **Assistance/Risk Benefits**
- **Global Medical Benefits**
- **Other Global Benefits and Considerations**
- **Q/A, Wrap-Up**

Current State:

Global Employers & Benefits Supporting Multinational Employees

Global Human Capital Team: HR, Global Mobility & Security

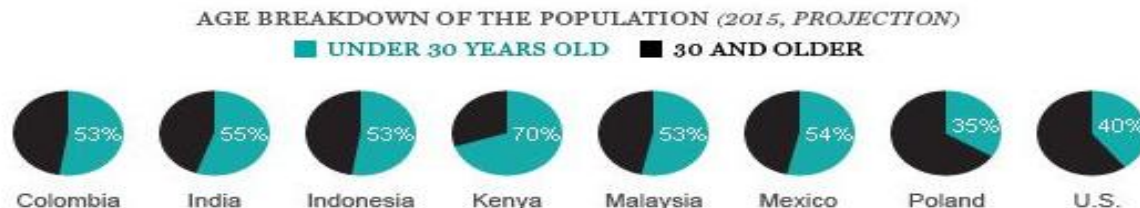


- **A multinational corporation's (MNC) global human capital is critical, bridging the gap between global business operations and mobility**
- **Strong Human Capital Team & Employee Value Proposition**
- **Global HR wears many hats, examples include:**
 - ✓ Setting overall HR policy, corporate and subsidiary level
 - ✓ Communicating risk and benefits to the employees (and families) traveling or on assignment
 - ✓ Total rewards
 - ✓ Talent management: recruitment and retention
 - ✓ Compliance
 - ✓ Employee Engagement and Well-Being
 - ✓ Career development
 - ✓ Relocation, Cultural Training and Currency
- **Security's key interest, help protect a MNCs:**
 - ✓ People
 - ✓ Assets
 - ✓ Reputation
- **HR is fastest-growing and evolving subset of MNC's operations due to the growing trend for global expansion**
- **Proactive vs. Reactive**
- **Relationship and coordination with other business units**
- **The rise and influence of Procurement**



Global Human Capital Team, cont'd

- **Many issues complicate Total Reward strategies and initiatives:**
 - Budgeting
 - Health care management and the coordination of an organization's benefit programs
 - Global (and US) health care reform
 - Evolving compliance issues
 - Legal and security issues
 - Costs associated with an expanding mobility program and local national employee populations
- **Benefits and assistance/risk programs can not be fragmented and need to reflect the current and future geographic footprint in which expatriates are sent and local nationals reside**
 - Are the BRICS broke?
 - Brexit?
 - CIVETS, EAGLES and future frontier locations:



Source: Fortune (2015), "The New World of Business"

Globally Mobile: Expats, TCNs and Inpats



Third Country National



Global Medical Approaches

- **Private Insurance for Globally Mobile Employees**
 - » Expatriates, Third Country National, Inpatriates and Key Local Nationals
- **Business Travel Medical Insurance**
 - » Short Term Medical (Illness, Accident, ER) and Security
- **Local Placements: Private Health Insurance**
 - » “Top hat” or supplementary health care
- **Social Health Insurance (State)**
 - » Mandatory participation for locals and some foreign nationals; government sponsored / provincial
- **Individual Policies**
 - » Inconsistencies exist with benefit offerings, cost and availability



Continued Focus on Expatriates and other Globally Mobile Employees

- **Expatriates can be a vehicle to:**
 - Stimulate foreign investments
 - Create a bridge with business opportunities in their home countries.
- **In the long term they contribute to boosting:**
 - Local innovation
 - Competitiveness
 - Capacity to expand into global markets.
- **Overall growth objectives and expansions into new markets are leading to an increase in mobility programs within their organizations for respectively 74% and 50% of companies participating in the last survey on Global Mobility Policy and Practices, published in 2014 by Cartus.**



Source: World Bank (2013), "Employing Skilled Expatriates: Benchmarking skilled immigration regimes across economies"

Cartus (2014), "Trends in Global Relocation: 2014 Global Mobility Policy & Practices"

A Backdrop of Global Instability

Business growth relies heavily on a productive global workforce. Nearly three-quarters of companies have more than 5% of their employees spending significant time in other countries.

Market conditions are cause for concerns...



- 96% of globally active companies believe they need to find new ways of dealing with increasing health and security risks
- Half believe instability in global markets will increase over the next 3 years
- 67% believe current spend on health and wellness for their global workers is effective in improving their employees' performance overseas

...triggering concerns for global workforce safety...



- Over half don't provide pre-assignment health checks [57%]
- 60% have no emergency protocols in place prior to assignment
- 55% do not provide access to pre-screened health care facilities or even health advice relevant to the assignment country, specifically

...exposing cost and quality issues from managing multiple vendors



- 40% of companies believe having to manage multiple vendors for these solutions creates a high administrative burden
- 33% fear that managing multiple vendors fragments their total view of their global workforce risk
- And, 37% worry that having multiple vendors in the solution can result in a lack of clinical continuity for their workers

Source: Economist Intelligence Unit market research study sponsored by UHCG, fall 2015

Risks and inefficiencies

**Multiple
Vendors**

=

**Potential
Risks**



- Fragmented solutions
- Lack of clinical continuity
- Accountability blind spots and handoff risks
- Employee confusion
- Double-dip charging
- High administrative burden

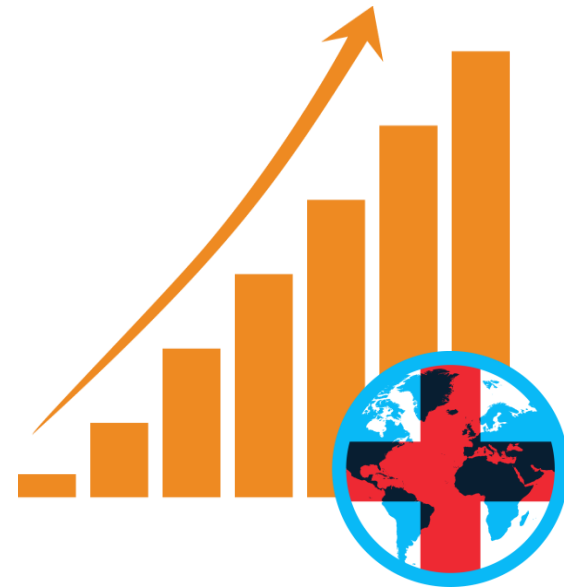
Global Medical Trend is on the Rise

Contributing factors:

1. Hospital and inpatient services
2. Evolution, implementation and utilization of medical technology
3. The continued overuse of services

Recent survey results show:

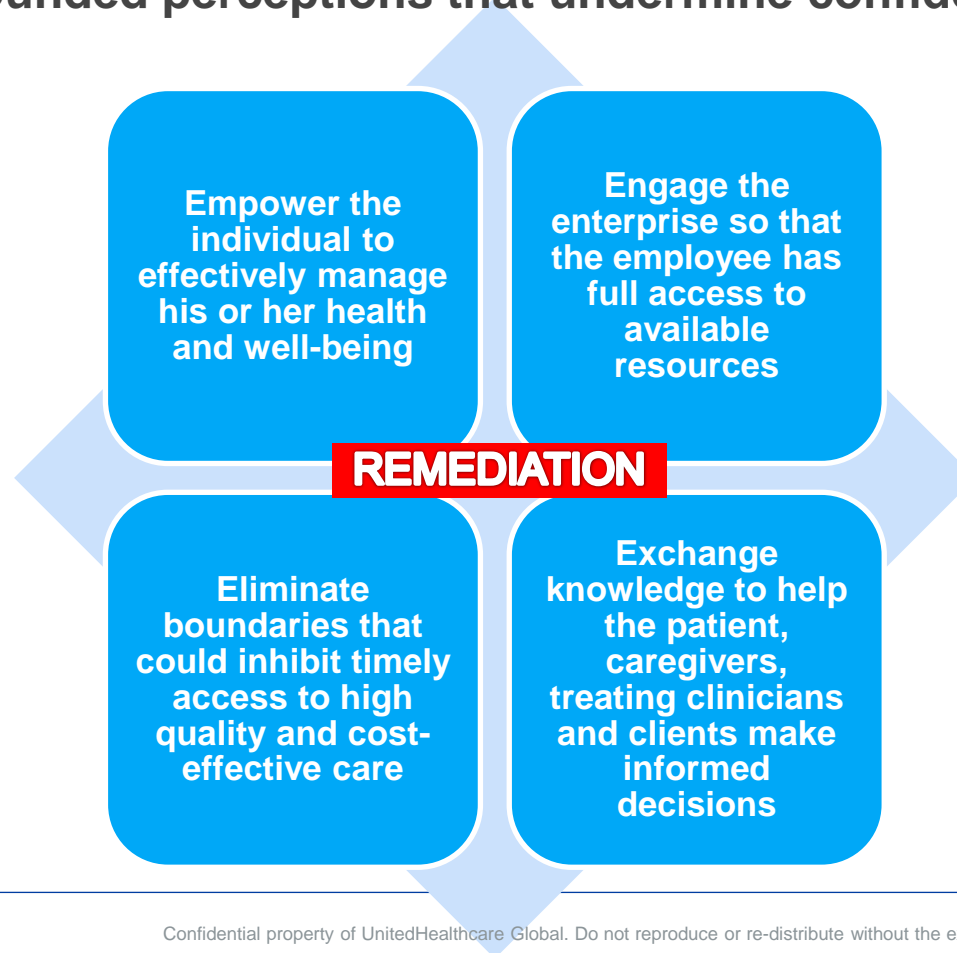
- Private medical insurance trend continues to rise globally:
 - 7.5% in 2014
 - 8.0% in 2015
 - Projected 9.1% in 2016
- More than half of health insurers in all regions anticipate higher or significantly higher medical trend over the next three years.
- The top three diseases reported worldwide are (1) cardiovascular disease, (2) cancer and (3) respiratory illness
 - Expect no changes in the next five years
- Health promotion and well-being programs continue to grow in availability and prevalence; however, traditional methods of cost management still dominate globally.
- Adoption of the ICD-9 and 10 claim-coding systems has only slightly increased since 2012.



Source: WTW, 2016 Global Medical Trends Survey report

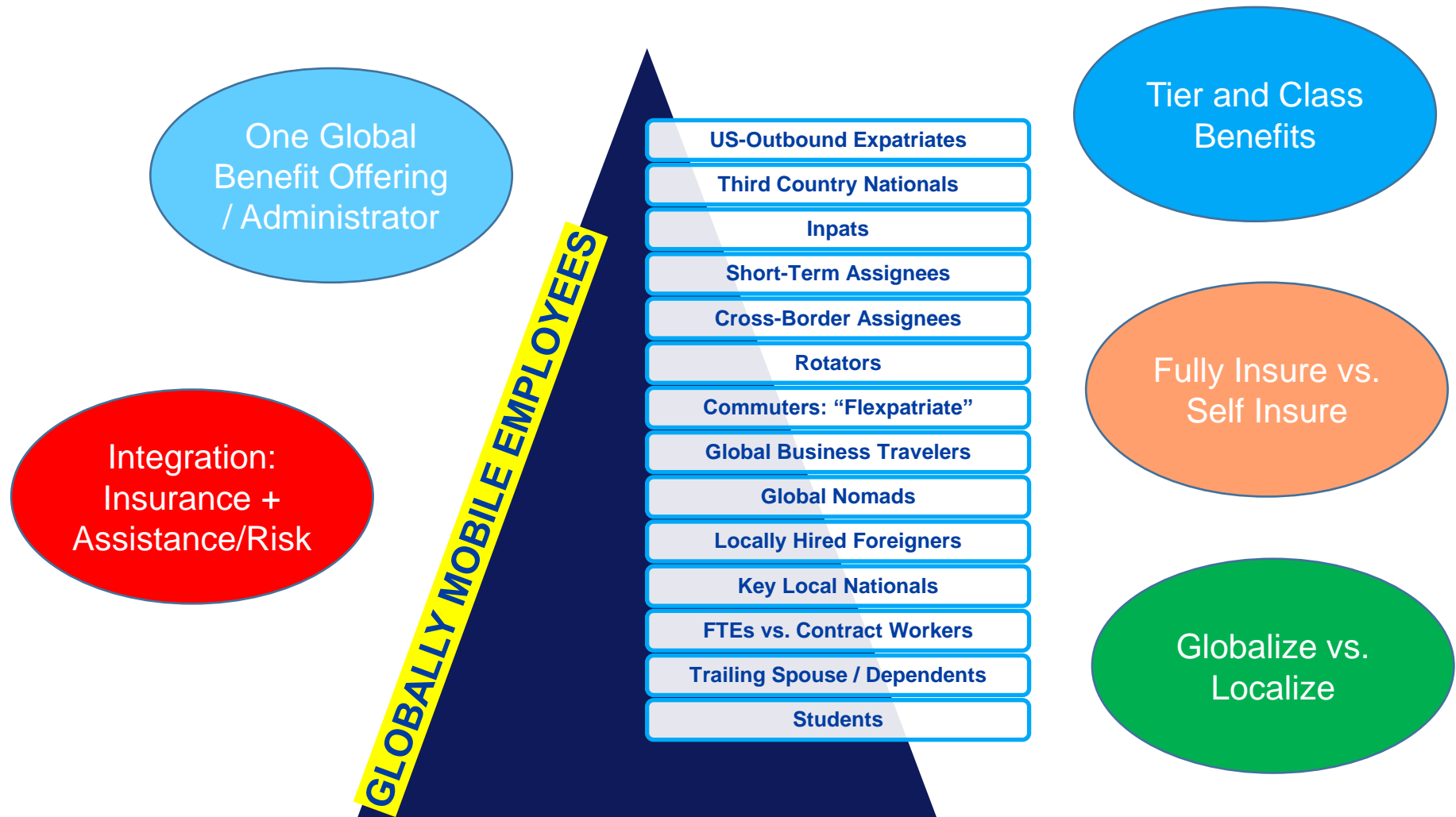
Health Care Insecurity

“...the lack of accurate information and understanding of how health care systems work negatively impacts confidence, behaviors and decision-making about health care. The result of misinformation over time is unfounded perceptions that undermine confidence...”



One size may not fit all...

Efficiencies realized through integration



Problem Solving + Problem Finding

Begin with a Global Benefits Survey:

- **Has the organization recently completed (or contemplating an) M&A or a future global expansion?**
- **Governance: what is the relationship between local subsidiaries and corporate HQ?**
- **What countries are employees in today or traveling to; how long will they be overseas?**
- **Do globally mobile employees need to stay on the US benefit program(s) or home country offering(s)?**
 - Do foreign nationals and TCNs need US coverage?
 - Are current benefits compliant and recognized within a host county?
 - PPACA compliant?
- **Does the organization understand its Duty of Care responsibilities; who within the organization is working together to define these protocols?**
- **Has the organization incurred an international medical claim recently, how was it managed?**

Global Benefits Survey, cont'd

- **Begin to categorize employee type: expat, inpat, TCN, KLN, locally hired foreigners, local nationals**
- **Analyze and categorize the workforce demographics; does the MNC understand all levels of its multi-generational workforce**
 - Gen X, Gen Y (“Millennials”) and...Gen Z
- **What benefit programs currently exist and are their perceived gaps (administration: who and where; brokers / consultants (global or local) involvement, etc.; what benefits does MNC need to offer?)**
 - Are our insurers or benefits administrators able to conduct business in all countries?
- **What are the benefit designs, are they up to date?**
- **Do current benefit offerings align, harmonize (i.e. insurance and assistance)? Is it time to explore an integrated, holistic strategy and solution?**
- **How should the MNC finance the benefits: (1) insure, (2) participating arrangements, (3) partially self insure or (4) multinational pooling arrangements**
- **Data usage to measure plan(s) performance, benchmarking, analytics, etc.**

New Challenges



Business Traveler and Expat Insurance:

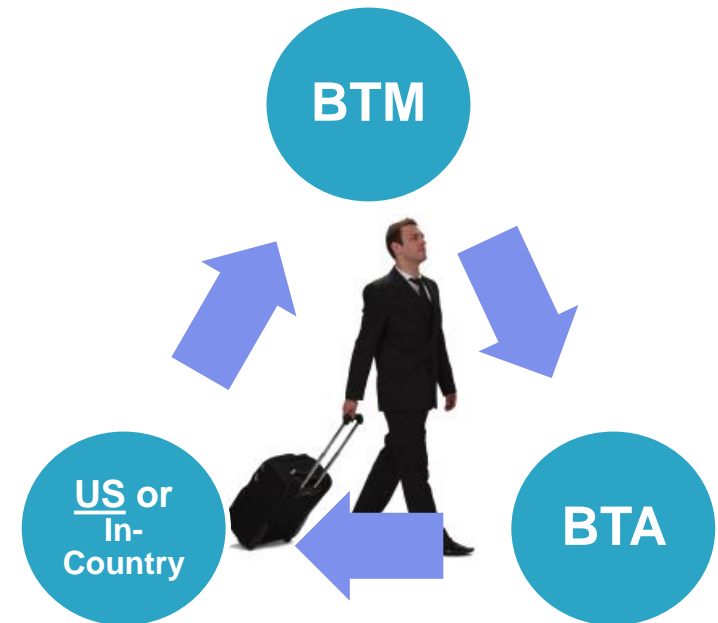
- **Benefit Specifics**
- **MNC Responsibility**
 - **Employee Type**
 - **Application**
- **Additional Considerations**

Coordinating the expectations for expats can be challenging



Business Traveler Protection

- **What are the key differences between Business Travel Accident (BTA) vs. Business Travel Medical (BTM) protection?**
- **Are Global Business Travelers covered under US benefits (fully-insured or self-insured):**
 - Does US plan have an international network of providers?
 - Can the US insurer issue Direct Payment or Guarantee of Payment (GOP) in local currency?
 - Imputed income issues to the employee?
- **Group Medical Coverage:**
 - Short-term travel, accident and emergency cover; including emergency dental and Rx
 - GOP issuance in local currency (OP & IP); additional reimbursement methods
 - Including Medical Evacuation and Repatriation
 - Medical and Security Intelligence reports and Intelligence Alerts
 - Sojourn Travel
- **Accidental Death & Dismemberment Coverage:**
 - Financial security for your globally mobile people
- **Security and Natural Disaster Evacuation:**
 - In the event of a natural disaster or unforeseen security situation
 - Transport to a safe haven
 - Return to home country



Business Traveler Protection

Employee Type:

- All FTEs traveling on business outside their home country or permanent country of assignment
- Less than 6 months on a continuous or contiguous basis

MNC Responsibility:

- HR, Chief Risk or Security Officer and/or Corporate Travel

Application:

- Fully Insured, guaranteed issue, no pre-x or waiting periods
- MNC estimates the total (aggregate) number of travel weeks anticipated for their short-term international business travelers for the coming year
- Number of EEs (x) Number of WEEKS per EE = Aggregate Travel Week Total
- One Group Application + Upfront Payment
- Coverage can begin on any effective date, runs a twelve month cycle
- Employee resources: 24/7 Customer Service (multilingual / multicultural), ID Cards, Certificate of Insurance and supporting technology

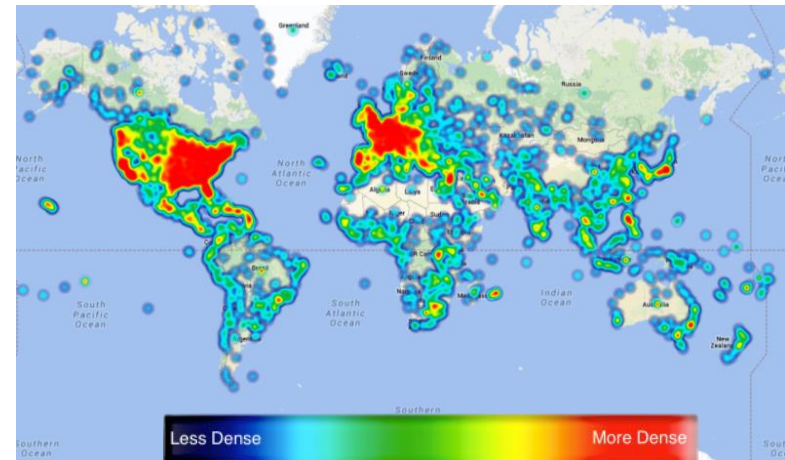
Additional Considerations:

- Event-specific BTM program(s)
- Class by employee type: Executives vs. Non-Executives
- Extend coverage to Spouses and Dependents that accompany employee in international business travel
- Extend to 1099s and other contract workers
- Consider risk(s) and tolerance with self-Insuring
- Globalize vs. Localize



Expatriate Benefits

- **Medical Coverage:**
 - Group medical benefit coverage
 - Developing Trend: inclusion and integration with assistance (medical, security and political), evacuation and repatriation benefits
- **Prescription Drug Coverage:**
 - Worldwide coverage for prescription medications
- **Dental Coverage:**
 - Comprehensive cover for regular examinations and treatment
- **Vision Coverage:**
 - Regular eye examinations and cover for prescription materials
- **Life, Accidental Death & Dismemberment and Long Term Disability Coverage:**
 - Financial security for your globally mobile employees



Expatriate Benefits

Employee Type:

- US-outbound, US-inbound, TCNs, Short-Term Assignees, KLN, Locally Hired Foreigners and Rotators

MNC Responsibility:

- HR and/or Global Mobility

Application:

- Census Requirements
- Funding Arrangements: (1) Fully Insured, (2) Participating (Dividend / Deficit) or (3) Self-insured
- Benefit Summaries or SPDs
- Historical claims experience and HC claimant data, if self-funding (ASO)

Additional Considerations:

- Directed vs. Passive Benefit Structure
- Class (tier) benefits by employee type
- Consider TCN only plans or plans for short-term assignees
- Plan Design: Deductibles versus inner limits
- Consider alternative employee cost share limits (ex. higher deductibles or shifting deductible limits to OOPM) and contributions strategies
- Pre-trip planning with clinical support
- Introductory benefits overview webinar for a MNC's employee(s) + detailed welcome kits
- ID card that provides key plan identification of benefits
- Access to intelligence reports that identify local medical, security, and other risks
- Single phone number to address all of their health, wellness, and safety needs
- CDHP's translation outside the US
- Visa Requirements: Country specific minimum requirements
- Benefits Levels: Legal minimums and cultural norms
- Home Country Purchase, Global Cover, Premium Benefits, Open Access In Country and Full Evacuation Benefit
- Globalize vs. Localize



Building a Global Expat Benefit RFP

- **Census:**
 - Employee Demographics (Age, Gender and Family Status)
 - Home & Host Country Information
 - Assignment Duration
 - Employee Salary (LTD benefits)
- **Benefit design and financials**
- **Effective date**
- **Purpose for RFP**
- **Company designed Q&A, examples:**
 - Customer experience and member services
 - HR/benefits administration
 - Network coverage: Screening/vetting
 - Direct payment and claims management
 - Care management
 - Pre-assignment consultation
 - Integration with travel assistance, EAP and wellness initiatives



Global Health Management and Well-Being Solutions



- **Well-being programs:**
 - Health Risk Assessments
 - Well-being Training and Health Coaching
 - Biometric screenings
 - Health fairs
 - Tailored health-promotion campaigns
- **24/7 Helplines:**
 - Health, stress and crisis lines
 - Expatriate lines for employees and family members
- **Employee Assistance Program (EAP):**
 - Psychological counseling, advice and support
 - Locally delivered across the world
- **Critical Incident Support (minimize the effect a critical incident could have on a MNC's employees and operations):**
 - Proactive planning
 - Comprehensive training
 - Professional counseling

Assistance / Risk Benefits

- **Global Assistance**
- **Medical and Security Intelligence**
- **Aviation Medical Emergency Response**
- **Benefit Specifics**

Global Assistance

- **Integration with global medical insurer**
- **Medical Assistance and Evacuation:**
 - Destination intelligence
 - Global Medical Briefings
 - 'Hospital of Choice' options
- **Security Assistance and Evacuation:**
 - Managed through Crisis Management Center
 - Global Security Briefings
- **Natural Disaster Assistance and Evacuation:**
 - Transportation to a safe haven and onwards to home destination



Medical and Security Intelligence

- **Locate, track and communicate with travelers around the world:**
 - Passenger Name Record (PNR) & Global Distribution System (GDS) integration with assistance provider
 - Pre-Screen Deployment
 - Nurse Led Triage
 - 80% of all assistance cases are medical
- **Airline Risk Rating:**
 - Airline ratings and safety assessments, backed by expert analysis
- **All-inclusive intelligence database containing real-time analysis of countries and major cities (dynamic digital maps)**
- **Medical Intelligence Reports:**
 - Country-specific intelligence on emergency medical services and medical facilities
- **Customized Security Briefings:**
 - 24/7 monitoring and incident notification, to include detailed assessment and risk analysis on a traveler's profile



Medical and Security Intelligence (cont'd)

- **Intelligence Alerts:**
 - Outbound alerts to notify clients of breaking events that may compromise the safety and security of travelers
- **Daily Security Alerts:**
 - Including country threat levels and dates to watch
- **Investigations:**
 - From due diligence and public records search to pre-deployment and screening
- **Risk Mitigation Consulting:**
 - Specialist advice and support in the development and execution of risk management practices



Aviation Medical Emergency Response

- **Aviation Assistance Program:**
 - Access to an in-flight emergency physician hotline
 - Medical Access + Security Access Assistance Programs
- **Aviation Emergency Medical Kit:**
 - Medical and first aid kits to support in-flight patient care
- **Aviation Medical Emergency Training:**
 - Training in first aid practices and procedures



Global Assistance / Risk

Employee Type:

- Short-Term, International Business Travelers, Expats (US-outbound), TCNs, Short-Term Assignees, Locally Hired Foreigners, Rotators and Students

MNC Responsibility:

- Chief Risk (and Security) Officer, Corporate Travel and/or HR

Application:

- Access vs. Full Services
- Travel Tracker
- Medical and/or Security Services (ex. Executive Protection, Transportation, Site Review / Access, etc.)

Additional Considerations:

- Evaluate current Duty of Care or Risk / Assistance Protocol:
 - » Does a policy exist?
 - » Is assistance “embedded” within BTA or alternative insurance programs? Who manages or keeps current?
 - » Time to evaluate current Assistance vendor?
- One Emergency Response Center
- Centralized operational model that enhances care management and cost control
- Pre-screened worldwide network of evacuation and security resources
- Security intelligence
- Crisis management
- Critical incident support
- Security operations
- Proactive outreach when events are detected
- Action planning and implementation of assistance for a full range of events from providing information and intelligence to extreme events requiring evacuation to a safe location
- Global medical network and evacuation services

Global Medical Benefits:

- **Benefit Specifics**
- **MNC Responsibility**
- **Employee Type**
 - **Application**
- **Additional Considerations**

Global Medical

- An important service for some MNCs is having access to on-site health care for their employees when they are working in remote or challenging geographic locations
- Sometime business growth is dependent on making sure employees deployed in difficult locations and conditions feel secure with the availability of quality medical care



Global Medical

- **On-site medics and clinics**
- **Medical Personnel:**
 - Intermediate and Advanced Life Support Medics
 - Enhanced Offshore Medics
 - Nurses and Physician Assistants
 - Specialist Healthcare Professionals
- **Consultancy and Training:**
 - Health Risk Review
 - Worksite Medical Review
 - Strategic Healthcare Planning
 - First Aid and CPR courses
- **Localization Services**
 - Healthcare Needs Assessment
 - Skills Transfer
 - Clinical Placements
 - Accreditation
 - Institutional Liaison
- **Supplies and Equipment**
 - Pharmaceutical, consumables and equipment
 - Ambulances
 - Clinic Modules
 - Medical Kits



Other Global Benefits

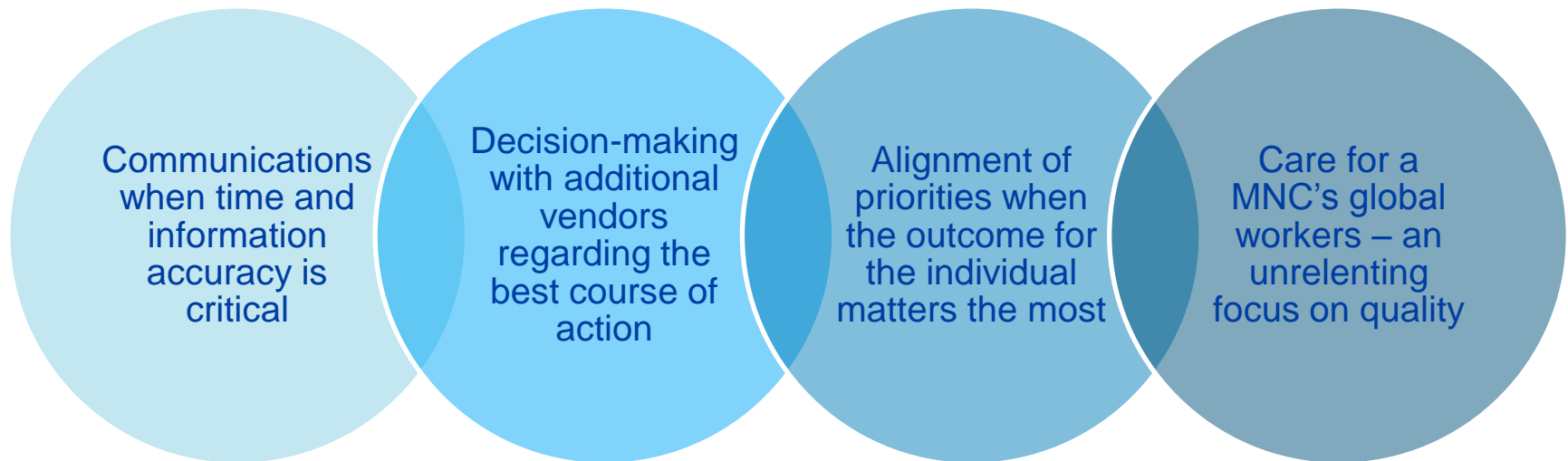
Other Benefits

- **Foreign Voluntary Workers Compensation**
- **Multinational Pooling Arrangements**
- **Duty of Care**
- **“ICE” Strategies and Black Swan Event Planning:**
 - » Black Swan Event is an event that comes as a surprise, has a major effect, and is often inappropriately rationalized after the fact with benefit of hindsight
- **Pre-Assignment Assistance**
- **Ongoing Care Management**
- **Second Opinion and Telehealth**
- **Repatriation Support**
- **International Retirement Program(s)**
- **Localized benefits**
- **Global tax services**
- **Cost of Living Adjustments (COLA)**
- **Cultural Training**
- **...and much more**



Single-source solutions

- Reduces a MNC's administrative burden of contracting and managing multiple vendors
- Offers MNCs a collaborative relationship with shared priorities
- Enables MNCs to hold a single party accountable for successful end-to-end management
- Closes critical gaps:



✓ **Quality, timeliness, clarity, and cost-effectiveness**



ANY QUESTIONS?



Presenter Information