

Health Insurance & Protection **DAILY**

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IN FOCUS // INTERNATIONAL PMI

Holistic healthcare

A broader perspective of iPMI



IN THIS ISSUE // Genetic testing // Dubai's new landscape //
Knowing your customer // Choosing a provider

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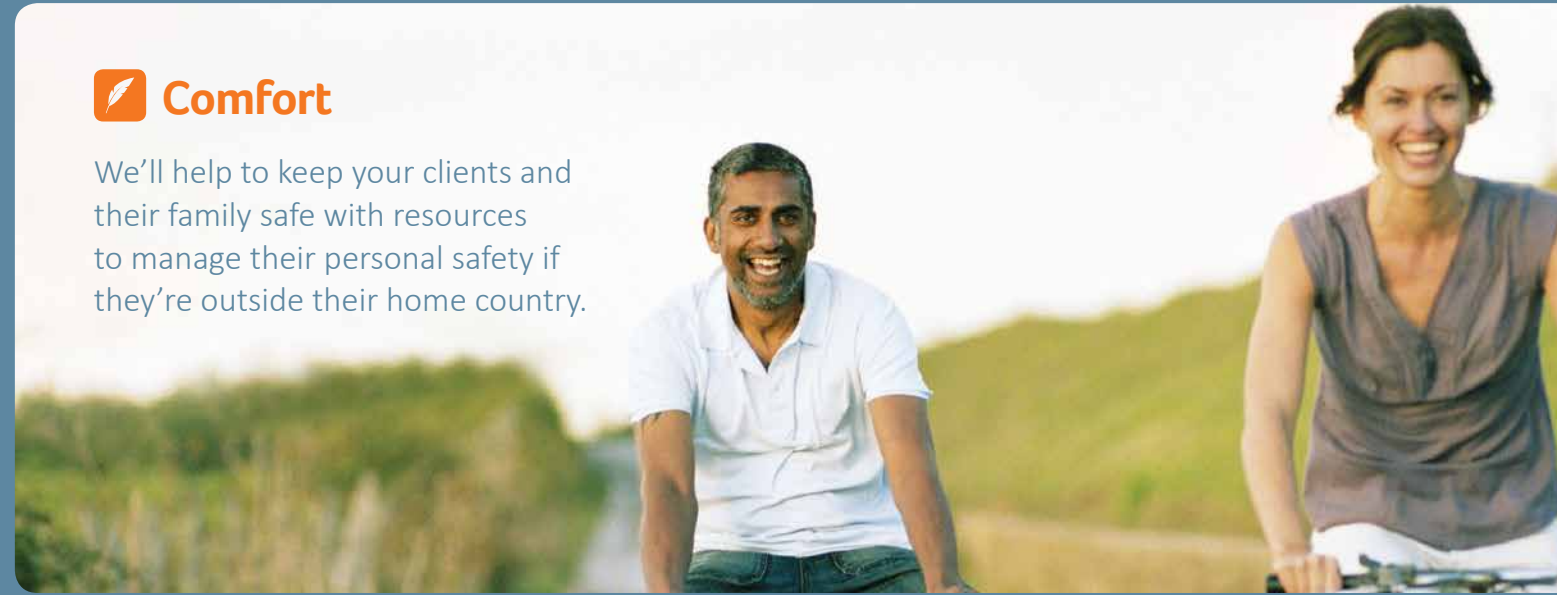
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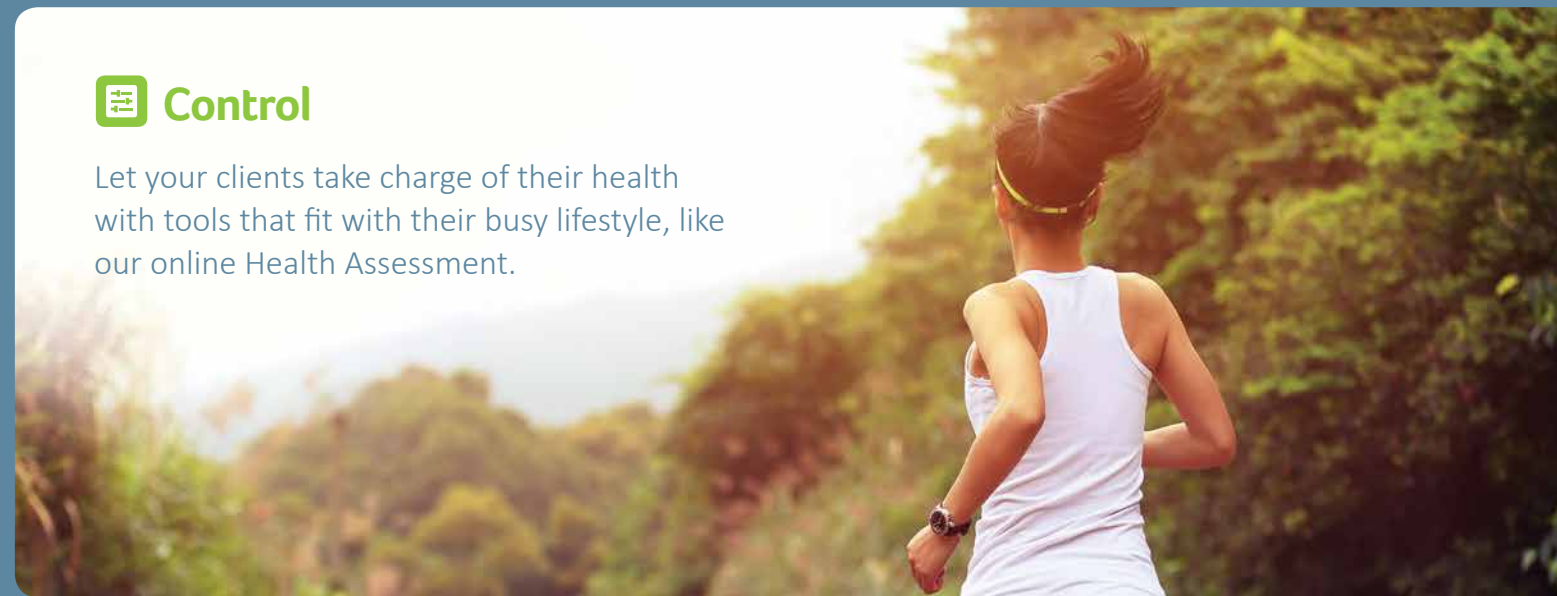
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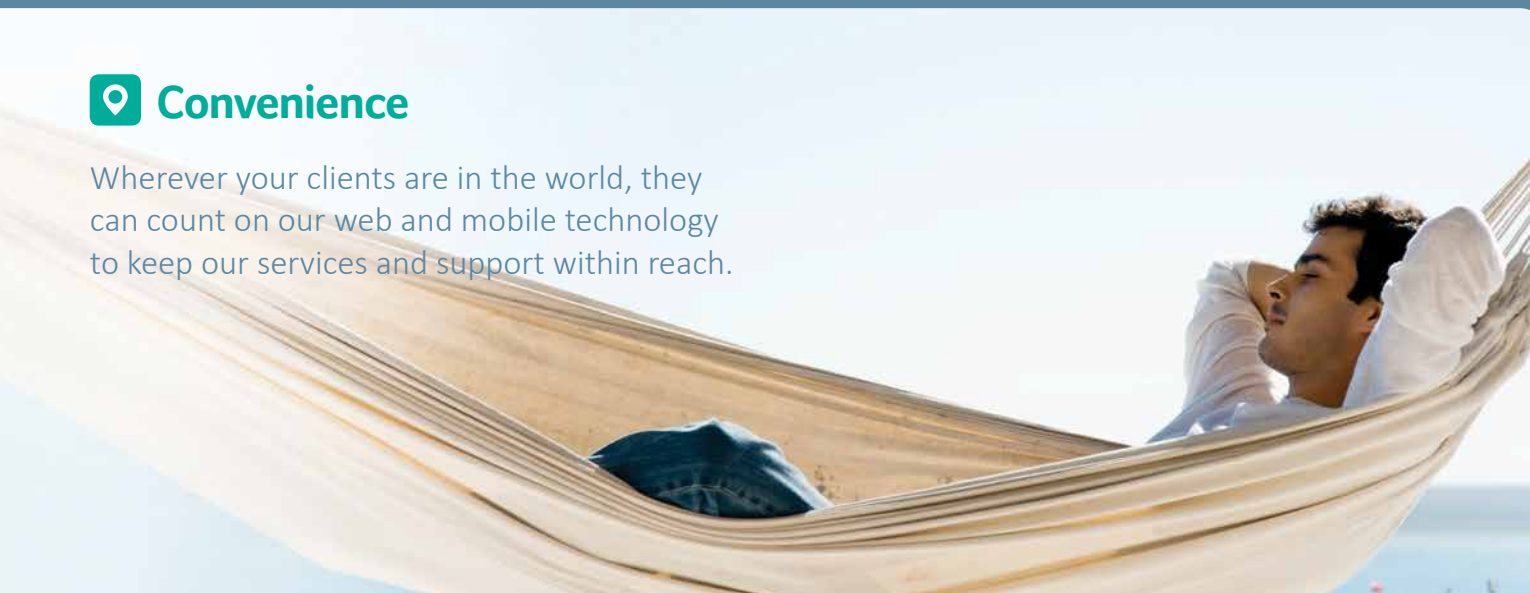
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2016 Health Insurance AWARDS

Have you entered yet?

It's time to put pen to paper and submit your entries for this year's Health Insurance Awards. The awards are open to all intermediaries and will recognise excellence across all categories. Your hard work and consulting expertise deserves recognition – and winning a Health Insurance Award is the perfect way of doing that among your peers, colleagues and, of course, your clients.

"I have been shortlisted for the HI Best Long Term Care Intermediary in the past and was delighted and surprised to win in 2015. The award has added enormously to our company's reputation and I would encourage other advisers to enter."

Toni Chalmers-Smith, Senior Financial Adviser, Tees Financial

"We were especially pleased to be shortlisted last year for both Best Protection Intermediary and Best Intermediary for High Net Worth Clients. However, we absolutely stunned when we ended up winning both the awards plus Overall Intermediary of the Year. It proves that you don't have to be a large firm to win and it has definitely helped increase our business."

Andrew Wilkinson, Director, Moneysworth Ltd

"It was a tough category with many of the other entries being highly commended at the awards, I was amazed to win! The support and encouragement I have received from colleagues in the industry since winning has been brilliant."

Emily Bannister, Healthcare Coordinator, Stackhouse Poland Limited

Find out more about entering at healthinsurancedailyawards.com or get in touch +44 (0) 20 7017 5173.



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Opportunities and complexities

Keeping up to speed

This latest *In Focus* from *Health Insurance Daily* goes to press in the immediate aftermath of a referendum in the UK over the nation's continued membership of the European Union (EU).

Reading this, you will of course be familiar with the result which means the UK will, at some point in the future, no longer be a member of the EU.

Leaving political ideology to one side, what became apparent pretty quickly after the result came through is that there is a widespread belief across the international private medical insurance (iPMI) sector that it is simply too early to say what impact the referendum result will have on insurers, intermediaries and their clients.

There is little doubt, though, that the result will mean a busy time ahead for the industry as it works through the potential implications of the result and possible future scenarios.

It is fair to say that the vote to leave the EU should present as many opportunities as it will complications. After all, one of the key features of the iPMI sector is that there is a certain level of complexity when it comes to advising clients about their international healthcare needs. But with that complexity comes the chance for intermediaries in the know to demonstrate their expertise.

After all, advisers active in iPMI have long been used to having to keep up to speed with the various – and often changing – regulatory landscapes around the world.

And so in this issue, we thought it important to look at significant changes taking place to the legislative framework in Dubai – a key market in the world of iPMI.

Also in this issue, we look at a number of other recent trends across the sector. We've asked the experts to share their views on a diverse range of issues, from genetic testing to corporate assistance and from choosing a provider to understanding customer types.

We also look at cost containment strategies and why it's important to take a holistic view when it comes to international healthcare and your clients.

In the meantime, don't forget that we'll be covering the impact of Brexit – and all the other key issues affecting the iPMI sector – on www.healthinsurancedaily.com in the months ahead. Don't forget, too, that you can register for our free daily email service which means you won't miss a thing. Sign up by emailing healthinsurance@informa.com.



David Sawers
Editor | Health Insurance Daily

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Excitement builds as international PMI sector looks forward to the **Health Insurance Awards 2016**



Around 900 industry movers and shakers will be at the black tie dinner on 13th October

Excitement is building for this year's Health Insurance Awards – and competition in the international private medical insurance (iPMI) categories at the industry night of the year is shaping up to be as fierce as ever.

The Health Insurance Awards is the premier industry networking event of the year, celebrating excellence across the intermediary and provider communities over the past twelve months.

Advisers and insurers that are active in the world of iPMI still have time to get

involved in the event, which will see around 900 of the sector's brightest and best attend a black tie gala dinner at the Grosvenor House Hotel on London's Park Lane.

Aetna International and Aviva International will be hoping to repeat their successes at last year's event.

But both providers, like all of the other insurers in the running, will be counting on the votes of intermediaries to take top place.

Intermediaries based in the UK and overseas are eligible to vote in the international categories – and as a thank you from *Health Insurance Daily* for taking the time to have your say on who should win, you will be entered into a prize draw to win £250 of amazon.co.uk vouchers.

Meanwhile, entries are still open for the Best Individual International PMI Intermediary and Best Group International PMI Intermediary categories, won last year by Jelf International and The Health Insurance Group respectively.

To enter the intermediary categories, your firm needs to submit a real life case study outlining how you helped a particular client over the past year. Shortlisted case studies, which can be anonymised, will then be assessed by an independent panel of experts on behalf of Health Insurance Daily.

All of the information about the event – including how to enter and how to vote – is available at www.healthinsurancedailyawards.com

TV star Stephen Mulhern to host industry event of the year



This year's Health Insurance Awards will see national TV star Stephen Mulhern take to the stage for the gala ceremony at the Grosvenor House Hotel on London's Park Lane, where he will entertain around 900 of the health and protection sector's movers and shakers and hand out awards to recognise industry excellence.

Stephen (pictured) is one of Britain's best-loved prime-time television celebrities, shooting to fame on Britain's Got Talent, Dancing on Ice and as the host of Catchphrase. Starting out in children's television, Stephen has showcased his bright and energetic personality on a range of other programmes, including as guest host of This Morning and Sunday Night at the London Palladium, as well as spells on Animals Do the Funniest Things and Big Star's Little Star too.

To find out how you can be in with a chance of winning and taking to the stage with Stephen, check out the dedicated awards website at www.healthinsurancedailyawards.com.

The black tie event takes place on October 13 – all the information about how you can attend or book a table to host clients and colleagues is available on the site too. It's certain to be a night to remember – and with Stephen Mulhern hosting the evening, it's sure to be plenty of fun too. Don't miss out!

'Too early to say': Opportunities and complexities ahead for iPMI sector in post-Brexit landscape



Mixed opinion: There are opportunities but also potential difficulties ahead for insurers, intermediaries and their clients post-Brexit

Insurers and intermediaries in the international private medical insurance (iPMI) and travel insurance sectors are contemplating the implications of the UK electorate's recent decision to leave the European Union (EU).

The result of the referendum – which took place as this publication went to press – could have significant implications for individuals and businesses with operations in the UK and overseas.

Consumers and employers alike are re-evaluating their situation with regards to healthcare coverage, now that the UK is set to leave the EU.

Insurers and brokers, though, have told *Health Insurance Daily* that it is too early to say how

the vote result could impact the world of iPMI and travel insurance.

Joe Thomas, business development director at APRIL International UK, the global private iPMI provider, said that with healthcare costs under pressure throughout Europe, an "obvious early casualty" could be the EHIC (European Health Insurance Card), which allows citizens of EU member states and those states with reciprocal agreements to access free emergency care in another EU state.

He said: "The UK Brexit vote will raise a number of questions about health insurance for UK nationals in Europe, both working and retired, over the coming months. But it is too early to say yet what the outcome might be. If the EHIC regime is dismantled, for example, that would suggest a significant increase

in demand for both short-term and travel insurance cover.

"Equally, if larger UK-based companies do start to move sections of their workforce into Europe, that too would imply increased demand for longer term, more comprehensive health insurance packages more usually associated with staff or group schemes."

Simon Griffiths, principal in Mercer's Healthcare business, said Brexit could lead to a lack of state accessible primary and secondary care for UK expats – a key concern for mobility teams.

Griffiths said: "We may also see an increase in bureaucracy for expat workers including compulsory company healthcare provision. We also need clarity on how personal data is managed and stored by multinationals as separation occurs."

Mark Quinn, head of Mercer's Talent business in the UK, said it is likely that restrictions will be placed on EU workers within the UK workforce so companies should review their workforce plans.

He said: "UK companies will have to gear up for likely change in UK employment and labour market regulation and certain elements are likely to become more favourable to employers, although this may well create a more turbulent employee relations environment."

EHIC and Brexit: What happens to healthcare cover in Europe now?

A valid European Health Insurance Card (EHIC) currently gives EU citizens, including UK nationals, the right to access state-provided healthcare during a temporary stay in another European Economic Area (EEA) country or Switzerland.

The EHIC covers treatment that is medically necessary until an individual's planned return home. Treatment should be provided on the same basis as it would to a resident of that country, either at a reduced cost or, in many cases, for free, as long as the reason for an individual's visit is not specifically to give birth or seek treatment.

Following the results of the EU referendum, no changes have yet been announced to the EHIC service. The NHS Business Services Authority is continuing to provide the EHIC service as usual, and individuals can apply for and use the card as before.

However, the situation in the future is unclear. The UK could negotiate a reciprocal arrangement with EEA countries which could see a EHIC-style system in place for its citizens post-Brexit, although that is by no means certain. In any case, travel insurers and international private medical insurers regularly stress the importance of taking out adequate cover over and above the EHIC.

AWC and Morneau Shepell partnership

Morneau Shepell, a provider of employee and family assistance programmes, has partnered with international health and life insurance company Allianz Worldwide Care to provide health and wellness support to expatriate workers around the world. Stephen Liptrap, executive vice president at Morneau Shepell, said Allianz will be provide access to immediate and confidential, culturally-relevant counselling 24 hours a day, seven days a week. Alexis Obligi, director of sales and marketing at Allianz Worldwide Care, said global employees are travelling, living and working in increasingly demanding environments, but the strain is not always obvious to employers. Stress-related illness, addiction, mental health issues and traumatic stress disorders are now the most common causes of long-term absenteeism and poor productivity.

Bupa and Blue Cross Blue Shield in Jersey deal

Bupa Global and Blue Cross Blue Shield Association (BCBSA) have launched their first jointly branded range of tiered international private medical insurance products in Jersey, Guernsey and Gibraltar. The new health plans will be jointly branded Blue Cross Blue Shield Global and Bupa Global, as will the corporate portfolio soon. The five products – Select, Premier, Elite, Ultimate and Major Medical – are tiered on coverage and price. Benefits include in hospital and outpatient care, health checks, mental and holistic therapies, evacuation, treatment for cancer and other serious illnesses, hereditary, congenital and chronic conditions, and transplants and rehabilitation. The Jersey partnership comes after Bupa first formed a partnership with BCWBSA, a federation of 36 US health insurance organisations, in 2014.

Hong Kong 'most expensive city for expats', Mercer analysis shows



Hong Kong has passed Luanda in Angola as the most costly place for expats to live

Hong Kong is the most expensive city for expatriates, according to Mercer's annual survey of the cost of living around the world.

Hong Kong has pushed Luanda, Angola to second position in the list, which measures the comparative cost of more than 200 items including housing, transportation, food, clothing, household goods and entertainment.

Zurich and Singapore remain in third and fourth positions respectively, while Tokyo is in fifth, up six places from last year.

Kinshasa, ranked sixth, appears for the first time in the top 10, moving up from 13th place last year.

Other cities appearing in the top 10 are Shanghai (7), Geneva (8), N'Djamena (9), and Beijing (10). The world's least expensive cities for expatriates are Windhoek (209), Cape Town (208) and Bishkek (207).

Mercer, an employee benefit consultancy, said currency fluctuations, cost inflation for goods and services and instability of accommodation prices contribute to the cost of expatriate packages for employees on international assignments.

"Despite technology advances and the rise of a globally connected workforce, deploying expatriate employees remains an increasingly important aspect of a competitive multinational company's business strategy," said Ilya Bonic, senior partner and president of Mercer's Talent business.

"However, with volatile markets and stunted economic growth in many parts of the world, a keen eye on cost efficiency is essential, including a focus on expatriate remuneration packages."

Low levels of inflation have translated into fairly steady cost increases around the world.

Most expensive cities for expats

- | | |
|--------------|--------------|
| 1. Hong Kong | 6. Kinshasha |
| 2. Luanda | 7. Shanghai |
| 3. Zurich | 8. Geneva |
| 4. Singapore | 9. N'Djamena |
| 5. Tokyo | 10. Beijing |

Source: Mercer

Experts find substantial variation in cost of cancer drugs worldwide

Average monthly cost of patented cancer drugs



Source: American Society of Clinical Oncology

The cost of cancer drugs varies substantially around the world, according to research presented at the American Society of Clinical Oncology's annual conference.

An international team of researchers looked at the differences in prices across the world and at affordability in each nation, calculating "gross domestic product per capita" to compare figures.

The team looked at prices for monthly doses of 23 cancer drugs, 15 of which were off-patent generics.

Costs in Australia, China, India, South Africa, the UK and US were assessed, with prices taken from locally and nationally recognised institutions and was converted into US dollars.

The study used so-called list prices to make its comparisons, so did not take into account any discounts the NHS receives through negotiation.

The team found that the average monthly price of patented drugs varied six-fold, from \$1,515 (£1,050) in India to \$8,694 (£6,022) in the US. The UK spent \$2,587 (£1,800).

The equivalent average price of generic drugs also showed huge variation, from \$120 (£83) in South Africa to \$654 (£453) in the US. The UK figure was \$458 (£318).

When countries' GDP figures were taken into account, the percentage of GDP per capita spent on patented drugs ranged

from 71% in Australia to 313% in India, with the UK at 78%. Generic drugs varied from 3% in Australia to 48% in China, with the UK at 14%.

The study concluded that, despite lower prices in poorer countries, both generic and patented drugs appear to be less affordable in poorer countries. It was likely that price differences affected access to care between different countries, the authors said.

"This study provides a glimpse into prices and affordability of cancer drugs around the world and sets the stage for further research," said study leader Dr Daniel Goldstein, from the Rabin Medical Center in Israel.

"However, the implications of our findings are limited because we were not able to take discounts and rebates into account, which would better predict drug affordability."

Emma Greenwood, Cancer Research UK's head of policy development, said the study highlighted the challenges health systems face in ensuring patients have access to new cancer medicines.

"We want all patients in the UK to be able to get the best, evidence-based treatments available for their condition," she said. "It's essential that the pharmaceutical industry works with the government and NHS, so that patients in the UK can have the drugs that are of real value to both them and the health system."

Thomas Cook offers Now Healthcare GP app

Tour operator Thomas Cook is offering Now Healthcare's Now GP app to its travel insurance customers. The app connects holidaymakers with UK-based GPs while they are abroad, complementing Thomas Cook's existing travel insurance policy. Those who have taken out an insurance policy with Thomas Cook (through White Horse Insurance Ireland Ltd) can connect with a qualified, English speaking doctor online. Free face-to-face consultations with a GP via video calls are guaranteed within 10 minutes of a request being made. If treatment is required, electronic prescriptions can be made available to collect from any local pharmacy.

Travel insurer AllClear offers RedArc service

AllClear, a provider of travel insurance for people with pre-existing medical conditions, is offering customers serious illness and bereavement support via a partnership with RedArc. The free-of-charge service, which is believed to be the first of its kind in the travel insurance industry, will provide practical advice and emotional support following a claim. It will be offered to customers who fall ill as a result of a serious health condition while travelling, when serious trauma is suffered while travelling, or if someone close to the customer has died causing a trip to be curtailed or cancelled. In the event of a claim being made, customers will have access to qualified experienced nurses for up to six months; relevant literature and resources including signposting within the NHS; and information relating to specialist charities, self-help groups, care providers and care equipment providers. The RedArc service is available to all AllClear Gold and Gold Plus policyholders, as well as AllClear Gold and Platinum Cruise policyholders.

APRIL International offers access to red24

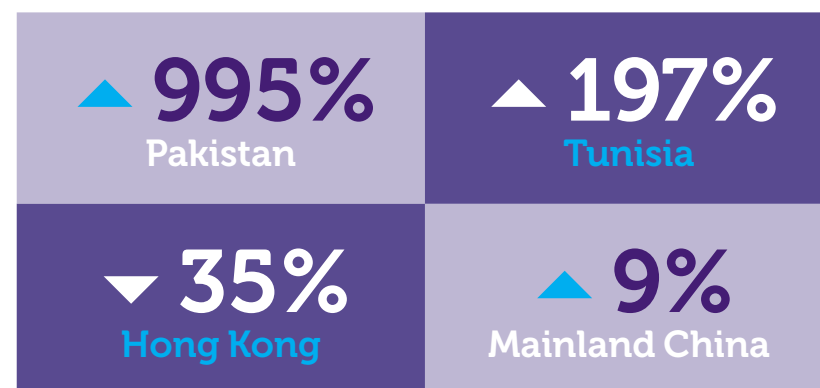
APRIL International UK is offering all new clients free access to red24's travel and risk management services. With recent terrorist events in France and Belgium still fresh in many people's minds, APRIL International said the organisation feels personal security support is becoming as relevant in Europe as it already is elsewhere in the world. Policyholders will get access to a range of business critical services including country intelligence and security analysis, practical advice on day to day personal security, daily security and medical updates and travel alerts. According to red24, last year four out of five business travellers went to medium, high or extreme risk destinations, yet just 46% of employees work for firms with any formalised travel security policy.

Generali Global Health Eastern Europe launch

Generali Global Health has partnered with Eastern Europe-focused international private medical insurance (iPMI) provider MediHelp International to launch five iPMI plans for corporates and individuals in the region. Initially launched in Romania, the plans will be rolled out across selected markets in Central and Eastern Europe. Generali Global Health, together with local Generali companies in each country, will underwrite and manage the insurance risk of the MediHelp plans. The five products, Blue, Azure, Cobalt, Admiral and Royal, offer a range of benefits such as international assistance and international emergency care, access to more than 425,000 clinics worldwide (excluding the US) and cover for hospitalisation up to €3m (except the US). Direct settlement is available in many facilities.

UK businesses urged to consult as trips to terrorist hotspots rise

UK business travel visits and spend in 2015



Source: Collinson Group

Terrorist activity and ongoing risks in popular UK business destinations highlights the need for an increased duty of care by employers, according to Collinson Group.

The comments came after analysis by the firm found UK business travellers spent £1.05bn on business travel trips to the US in 2015, the first time it has risen above the billion-pound mark and up 35% from 2014.

The amount spent was more than the combined value of the next two markets. Travellers spent £451m on business trips to Germany and £408m on business trips to France.

Collinson said continuing unrest in Germany and recent terrorist activity in France, together with flooding across both countries, highlights the need for employers to step up their duty of care levels for staff going to countries formerly seen as low-risk.

Total spend by UK business travellers was up 30% to £5.82bn in 2015, with the number of individual visits up 7% and the total number of nights spent on business travel up 17%.

There was a huge rise in the number of visits and money spent by UK business travellers to Estonia, Latvia and Lithuania.

Despite a rise in global security risks and concerns around terrorism, a number of countries in the Middle East and Asia saw a rise in business traffic and spend. There was a 995% rise in business spend to Pakistan and a 197% rise to Tunisia, although both countries saw a drop in the number of visits.

Hong Kong saw a 35% drop in business travel visits in contrast to mainland China, which saw a 9% rise.

The figures reflect bigger global events with some airlines reducing the frequency of flights to certain destinations, which contributes to the drop in number of trips. Those who visited often spent more on security and additional travel services due to increased concern about their personal safety and security.

The rise in business travel traffic and spend comes in the wake of research by Collinson Group which found that many firms are falling short on their duty of care responsibilities towards staff who travel abroad on business.

Just 44% of companies said they ensure that their staff are issued with company guidelines for travelling on business before they depart, and only 38% conduct risk assessments if the employee is going to an area deemed as high risk. ^{HI}

40% of expats relocate for better work-life balance, poll shows



The top employees have 'very strong' bargaining power in terms of remuneration, working pattern and location, experts say

Four in 10 (40%) expats relocate abroad to attain a better work/life balance, a survey suggests. Better career opportunities (17%) and better pay (12%) are also reasons driving employees to work abroad.

Despite half of expats not having a job lined up before moving, they are still willing to make the move abroad in the hope of achieving their career goals, the survey by AXA PPP International found.

A third (32%) said their career has advanced more quickly due to working abroad, while only a fifth (22%) needed to learn the local language of their new country of residence to succeed.

Tom Wilkinson, managing director for AXA PPP International, said the jobs market in the UK is doing well with low levels of unemployment and businesses competing hard to attract the best talent.

This means good employees have very strong bargaining power in terms of remuneration, working pattern and location.

Wilkinson said employers need to invest time in reviewing how they manage

global mobility to ensure they retain their best talent.

"Carefully developed career development and succession planning strategies could enable businesses to support those employees wishing to fulfil the ambition of working abroad at the same time as ensuring the business continues to benefit from their knowledge, skills and experience and deliver their business ambitions," he said.

The survey also found that 90% of expat workers who worked with local colleagues found they were very accepting of their presence.

The most difficult transition to make was learning the local language (27%) and understanding the different management and workplace cultures (both 13%).

Just under a quarter (24%) said the transition was not difficult to make.

"For ambitious employees, the attraction of working abroad and the benefits shown by our research demonstrate this, and we expect this trend to continue," Wilkinson said. ^{HI}

Expats' top reasons for making the move abroad

40%: To attain a better work/life balance

17%: Better career opportunities

12%: Better pay

Source: AXA PPP International

Mercer and Thomsons Online Benefits alliance

Mercer and Thomsons Online Benefits have entered into a partnership to expand their respective offerings to multinationals looking to manage their global benefits programmes. The alliance will see Mercer provide global employee benefits brokerage and consulting to multinationals while Thomsons will provide streamlined administration, automation and enhanced communication of benefit plans through its global, flexible employee benefits SaaS (Software as a Service) platform Darwin. Both organisations said they remain "committed to offering their own local market solutions as appropriate".

Staysure sets up Gibraltar company

Staysure, the insurance broker specialising in the over-50s, has established a new parent holding company in Gibraltar. It follows a restructure at the travel and health insurance broker. Ryan Howsam, chairman of Staysure, said the firm's insurance operation in Gibraltar has grown significantly since it was first established. He said Gibraltar is a well-regulated and user-friendly insurance domicile, which meant establishing a holding company structure there was a natural next step.

Allianz to acquire Zurich's Moroccan subsidiary

Allianz is to acquire the Moroccan subsidiary of Zurich, Zurich Assurances Maroc, for €244m. It is one of the largest insurance companies in Morocco, currently ranking at number seven in the property and casualty market and serving more than 600,000 customers. In 2015, Zurich Assurances Maroc generated €114m in gross premiums written. The company also has a licence for life and health insurance products.

Industry appointments

People on the move

Senior appointments at Generali Global Health

Marshall, Winstanley and Tidy join iPMI provider



International private medical insurer Generali Global Health (GGH) has announced three appointments to the company's senior team. **Jamie Marshall** (*pictured top*) joins as chief technical officer, taking on responsibility for underwriting, pricing and portfolio governance. He joins from Mercer Marsh Benefits where he was a principal and head of actuarial in the Accident & Health practice. He has 13 years of pricing and modelling experience within the healthcare benefits sector. Before Mercer, he held actuarial roles with Unum, RoyalSun Alliance and Protea Life, and is currently the chairman of the Institute and Faculty of Actuaries Health and Care board. **Paul Tidy** (*pictured middle*) joins as chief operating officer to lead the development of GGH's operational and service capabilities focusing on operations, information systems, transformation, insurance and health regulations and compliance. Tidy joins from Bupa Global where he spent 19 years in a variety of roles including head of operational development in the UK and head of customer service strategy. Before Bupa, Tidy worked for Norwich Union (Aviva) and was commissioned in the UK Army. Meanwhile, **Paul Winstanley** (*pictured bottom*) joins as head of business development to lead and build the global business development function across Europe, Middle East & Africa and Asia. Winstanley was previously head of global corporate at BUPA Global.



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Key appointment at Allianz Global Assistance's Corporate Sales Team

Mike Dunphy joins as account manager



Allianz Global Assistance UK has appointed **Mike Dunphy** as an account manager in its Corporate Sales Team. In the role, Dunphy (*pictured*) will focus on supporting and growing the business's portfolio of insurance broker clients by providing travel insurance and roadside assistance schemes. Dunphy has over 20 years of industry experience working in account management roles at Capita Global Assistance, Healix International, FirstAssist

Services Ltd and International Assistance Services. During this time he managed the provision of 24/7 travel and medical assistance on personal lines and commercial products for clients such as RSA, AIG, White Horse, ACE European Group and WR Berkley.

Aetna International non-UK European market strategy appointment

New role for former Abacare COO

International health benefits provider Aetna International has appointed **Laurent de Veyrac** as senior director, business development for Europe. De Veyrac comes to Aetna International having spent the past 10 years in senior executive roles within the health insurance industry in Hong Kong, Singapore and China. He was most recently chief operating officer at Abacare. A French national, he will be responsible for defining Aetna's non-UK market European strategy, and identifying partnership and distribution opportunities to drive profitable growth in mainland Europe. David Healy, Aetna International's general manager for Europe, said de Veyrac is "another top drawer hire" for the provider and brings "exceptional and relevant strategic growth experience" to its senior management team. Healy said. "Our business has undergone significant remodeling of our service and product offering to put the customer at the centre of everything we do. We now have the team to take our compelling proposition to the wider European market."

Cigna Insurance Services appoints business development manager

New role for former Mondial and Allianz exec



Cigna Insurance Services, the UK provider of specialist white-label insurance and affinity marketing solutions, has announced the appointment of **Andy O'Cain** as head of business development. O'Cain (*pictured*), who will be responsible for developing Cigna's relationships with new affinity partners across travel and life insurance, has over 15 years' experience across a range of sales and business development roles within the travel sector. He joined Cigna in 2012 as business development manager and was promoted to head of travel development in 2015. Prior to joining Cigna, he worked in various business development roles at Mondial Assistance and Allianz, after beginning his career at RBS.

CEGA appoints head of retail

New role for former MAPFRE and AXA exec



CEGA Group, the provider of travel assistance, risk management and claims services, has appointed **Mike Flippance** as head of retail and international private health insurance services. Flippance (*pictured*) has over 20 years' experience of the travel and health insurance sectors, specialising in claims and medical assistance management. He also brings knowledge of operational management, process re-engineering and cost control. His former roles have included, most recently, head of medical assistance and claims for MAPFRE Asistencia in Madrid. Flippance has also held positions as international projects manager at AXA Travel Insurance and head of travel claims and assistance for AIG. The appointment follows recent news that Chris Knight has joined CEGA Group as head of corporate services.

HX Global appoints vice president of security

Key appointment at Healix International subsidiary



HX Global, the US subsidiary of Healix International, the international medical, security and travel assistance services provider, has appointed **Tim Crockett** as its new vice president of security. Crockett (*pictured*) joins HX Global following nearly two decades in the security risk management business including work with media & entertainment, maritime, oil & gas and travel sectors. Most recently, he served as senior director of Global Security Operations for Turner Inc. At Turner, Crockett provided oversight for all global security operations for Turner and CNN. He supported the vice president of Turner Corporate Security and the executive team, supervised and supported teams in Atlanta, New York, Washington DC, Los Angeles & London and served as the principal safety official for all newsgathering, international travellers and Turner business activities worldwide, including investigations, due diligence & sporting events.

Senior appointments as IMG targets market growth

Key figures join specialist iPMI provider



Philip Wright



Todd Hancock



Brian Barwick



Daryl Chapman

International Medical Group (IMG) has appointed Philip Wright as managing director of its European division. The appointment is one of a number of senior ones made by the specialist international private medical insurance provider as it steps up its market growth ambitions.

As managing director of IMG's European division, Wright will be responsible for leading the team in Europe, achieving revenue targets, developing strategic partnerships and expanding IMG's global footprint. In this capacity, Wright reports to Todd Hancock, formerly executive vice president and chief operating officer of IMG, who has been promoted to the role of president. Meanwhile, Daryl Chapman, formerly senior vice president of insurance operations, has been promoted to the role of chief operating officer of IMG. Brian Barwick, formerly president and CEO, will remain CEO of IMG.

Wright brings to IMG more than 35 years of leadership experience, more than 20 years of which is in the insurance industry. Previously,

he served as the chief commercial officer with global responsibility for sales, marketing and product development at Globality Health. Prior to working with Munich Re, Wright spent 10 years on the board of Standard Life Healthcare.

IMG Europe said it has also appointed Geoff Tohill as chief medical officer. Tohill, who received his medical doctorate from Guy's Hospital Medical School in London, brings to the position more than 25 years of experience in both the clinical setting and emergency assistance services. His clinical experience includes aviation medicine, orthopaedic surgery, neurosurgery, cardiothoracic surgery and emergency medicine. His background in emergency assistance services includes providing in-flight care for multiple air ambulance evacuations.

Previously, Tohill served as chief medical officer of Capita Global Assistance, managing up to 27,000 requests for assistance every year. In his new role, he will report to IMG chief operating officer Daryl Chapman.

Dubai

The new legislative landscape

New regulations set to come into force in Dubai could leave individuals, employers and brokers exposed to potential fines if they fail to comply with the new rules, as **Sam Barrett** reports

With the third and final phase of Dubai's mandatory health insurance legislation set to be completed by as this article goes to press, anyone wishing to live or work in the emirate must have a minimum level of cover in place. And, with fines in place for those who don't comply, plus the risk of not even getting through immigration, understanding the new requirements is essential.

Although the region is well-known for its sudden changes of legislation around health insurance requirements, Marco Bannerman, executive director – distribution, MEA at Aetna International, says these changes have been handled well.

"It is complex and there are some challenges but it's been very well communicated," he says. "There may still be a mad scramble to get cover but the Dubai Health Authority [DHA] has provided regular circulars and briefing sessions to help everyone understand the changes. It should be front of mind for all brokers, insurers and employers."

Regulatory roll-out

Helping to ensure compliance, there's also been a much longer run up to the introduction of the new requirements. Although the legislation came into effect at the beginning of 2014, it's been rolled out in a very similar way to pensions auto-enrolment in the UK.

Focusing initially on large corporates, companies with more than 1,000 employees were required to have coverage in place by the end of October 2014. The second phase, for companies with between 100 and 1,000 employees, was completed at the end of July 2015, leaving all other employers until the end of June 2016 to comply with the legislation.

While some SMEs are likely to leave their cover arrangements to the last minute, David Hilton, international account manager at the advisers Jelf International, says employers should see it as opportunity rather than a cost.

"It is complex and there are some challenges but it's been very well communicated"

Marco Bannerman, Aetna International

"Employers who haven't offered medical insurance in the past can promote it as new benefit to staff. It's all down to the marketing," Hilton says.

This final phase also includes dependants and domestics. Arranging cover for these is the responsibility of the individual employee, although many expect employers to pick up cover for dependants on an expatriate assignment.

But, with signs that some would miss the end of deadline, the DHA announced a six month grace period at the beginning of the month.

Bannerman explains: "The deadline hasn't changed to cover domestics but the health authority has confirmed that, during this six month grace period, it won't issue fines where cover isn't in place. It is also encouraging insurance companies to have stands in shopping malls to make it easy to take out cover."

Cover requirements

The Dubai legislation stipulates a minimum level of cover. This is relatively basic, giving the insured a maximum claims limit of 150,000AED (£30,000) and insurers have had to adapt their plans to ensure they are compliant.

"It has meant adding in new benefits and modifying existing cover but all the plans we offer in the region are now fully compliant," says Claudine Audin, international sales and account manager at Aviva Health.

Part of the problem is that the mandatory cover features a number of non-standard benefits including pre-existing conditions and maternity services.

"The rules stipulate that insurers must provide maternity benefits to married females of child-bearing capacity," says Audin. "We've interpreted this as married women between the ages of 16 and 50. We're happy to provide maternity benefits to unmarried women too but they need to be aware they would have to have the baby outside of the UAE."

Another feature that is out of step with a standard international medical insurance scheme is co-insurance. The basic package includes a 20% co-insurance, capped at 500AED (£100) per incident and 1000AED (£200) a year.

But, while this is a feature of the basic cover, the international insurers won't need to include co-insurance on their plans.

"Although we've adapted our plans so they meet the minimum requirements we will still offer a higher level of cover," says Kevin Melton, sales and marketing director at AXA PPP International. "The minimum levels won't really satisfy expatriates who are used to richer benefits."

Cost considerations

For those happy to go for the minimum level of cover, the compulsory nature of health insurance means premiums are relatively low. Cover costs around 500AED a year, equivalent to just under £100.

Audin adds: "The DHA has said it wants to control premiums to ensure healthcare remains affordable so we will have to report details of our pricing. It will be interesting to see how this affects pricing going forward."

“Although we’ve adapted our plans so they meet the minimum requirements we will still offer a higher level of cover”

Kevin Melton, AXA PPP International

The other aspect of making insurance compulsory is that it won’t be possible for an insurer to exclude or decline someone. This will mean insurers will have to pick up risks even where a claim is a certainty, for example a pregnant woman or someone with a condition that requires treatment.

Insurers will be able to load premiums but Melton says this will be carefully controlled.

“There’s no precedent on this and I’m not sure where the DHA will take it,” he adds. “Although it has stated that it will be reviewing insurers who repeatedly load premiums.”

Whether the DHA’s watch keeps a hold on premiums or the additional risk associated with pre-existing conditions means there

is uncertainty about the profitability of this market, Sarah Dennis, head of international at advisers The Health Insurance Group, believes it could become an expensive region.

“The insurers will need to keep a handle on managing costs,” she says. “If it becomes too expensive, it may be necessary to take the local option then top-up with cover they can use in other countries.”

Compliance challenges

Insurers and brokers wanting to be part of the market have had to meet strict requirements. For insurers this has meant either obtaining a licence in the region or working with a fronting partner. As examples, Aviva is working with Emirates

Insurance Company as its fronting partner, AXA with its sister company AXA Gulf and Bupa Global with Oman Insurance Company.

The way that advices is given in the region is also strictly regulated, according to AXA PPP International’s Melton.

“Advice and sales must be done by a locally admitted company,” he says. “For a broker this might mean having an office in the region or working with a partner. UK-based brokers also need to think about how they are remunerated for this business as there are rules in place regarding commission.”

The DHA also requires insurers to register their products to ensure they meet its minimum standards. Further, with health insurance linked to visa issuance and renewal, the DHA requires every individual’s details to be registered on its portal so it can check they have cover.

The data collection required for this is a key challenge for insurers and brokers.

“The amount of data we need to collect and upload onto the DHA website is significant,” says Bannerman. “Although it has tried to simplify this with dropdown menus and so on, there are still 23 different fields for each member. It will be essential that employers and brokers work together on this.”



Potential fines

Under the new regulations, there are 56 potential violations that warrant a fine

Penalties range from 500AED (£100) for failing to notify the loss of or damage to the health insurance card to 150,000AED (£28,500) where an insurer does not advertise the cancellation of its licences in two local newspapers in Arabic and English



As well as being required for a visa, the provision of this data is also linked to a health insurance card. Under the new rules, everyone must carry one of these and notify the DHA immediately if it is lost or stolen. Dennis says that although this may seem a hassle, it will bring benefits.

“This helps to reduce the risk of fraud and abuse of the healthcare systems,” she says. “It’s a fair way to police it.”

The compulsory nature of cover means there is also a table of fines in place for

anyone who doesn’t keep to the rules. Applying to all parties – employers, individuals, insurers and advisers – there are 56 violations that warrant a fine with penalties ranging from 500AED (£100) for failing to notify the loss of or damage to the health insurance card to 150,000AED (£28,500) where an insurer does not advertise the cancellation of its licences in two local newspapers in Arabic and English.

Not having the right cover in place means penalties for employers too.

Dennis explains: “Employers will be fined 500AED for every month or part of a month the employee did not have appropriate cover. In addition, if the employee received medical treatment, their employer would be accountable for any costs that arise.”

A future trend?

While these fines will focus even the most lackadaisical minds on the new requirements, it’s a shift in healthcare delivery that’s likely to become increasingly commonplace. With other countries also facing the same pressures as Dubai, many believe that similar requirements will be introduced elsewhere too. For example, Abu Dhabi has had a similar system for a number of years and some of the other emirates are actively considering the move.

Closer to home, for instance in Germany and the Netherlands, mandatory health insurance schemes have also been introduced. Even in the UK, any foreign nationals who do not have appropriate insurance will be charged 150% of the NHS national tariff for any care they receive.

“A lot of countries are looking to take some of the pressure off their healthcare systems by introducing some form of mandatory health insurance scheme,” says Jelf’s Hilton. “It’s a growing trend.”

“The insurers will need to keep a handle on managing costs. If it becomes too expensive, it may be necessary to take the local option then top-up with cover that can be used in other countries”

Sarah Dennis, The Health Insurance Group



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Richard di Benedetto
President
Aetna International



A holistic approach to healthcare

Why it is essential for international workers

A vital aspect of iPMI is, of course, ensuring that international workers receive the best care when they fall ill. But, as Aetna International’s **Richard di Benedetto** explains, a holistic approach is essential for meeting their complex healthcare needs too

As the number of globally mobile workers continues to climb, international private medical insurance (iPMI) has evolved to provide the mobile workforce with a holistic and integrated approach to their healthcare. International employees today are better able to receive the full spectrum of care they need, in what can often be challenging and unfamiliar surroundings.

Aetna International brings together the following healthcare and protection elements when developing an integrated package of services: technology, provider networks, evacuation, wellness, crisis management, plan design and member support.

Technology helps to bring healthcare closer

Technology has changed the way people live and this globally-minded workforce is no exception. Technology helps expatriates and others in similar situations to overcome barriers that make it difficult to access care when the need arises and to live healthy lives.

Insurer websites and mobile apps provide

“An integrated package of services should include: technology, provider networks, evacuation, wellness, crisis management, plan design and member support”

an increasingly wide range of options, offering convenience to busy expatriates. Individuals can find a doctor, a service to translate drug names into local languages, policies, and submit claims online using today’s digital offerings.

Technology is now also influencing how busy expatriates access healthcare. A great example is virtual healthcare consultations where expatriates book an appointment with their physicians via an app. Virtual healthcare options such as this mean no time-consuming travel to and from an appointment; all that’s needed is a computer or smartphone and internet access.

Provider networks offer access to comprehensive care

Healthcare provider networks – that is, the network of doctors, hospitals and other healthcare practices -- provide the backbone of an insurer’s global care infrastructure. Network facilities are vetted by the insurer and strategically chosen for the treatment they offer. Some will deliver general health care, with others plugging a regional gap for more specialist forms of treatment.

Having access to a provider network, such as Aetna International’s network of 165,000 facilities outside the US as well as its US network of more than one million providers, offers a comprehensive range of doctors and hospitals to cover every medical eventuality and reduce the need for extensive travel or evacuation for specialist treatment.

Direct billing is made possible through the close relationship between the insurer and medical providers. Standard pricing terms bring more certainty for insurers, allowing them to settle accounts directly with the provider and avoid inconvenience for the member.

Evacuation in times of serious need

When a member requires a level of specialist care that is not available locally, evacuations become necessary.



Example Scenario

John is an expatriate working for a global organisation and based in Germany. John enjoys exploring when in new destinations and decides to visit the Berlin Wall on a weekend trip. During his trip, John falls and sprains his ankle.

John has his smartphone with him and is able to launch his international medical insurer’s app. He navigates to the map section that pinpoints his location and identifies the nearest medical facility. He finds a medical centre a few miles away and calls to schedule an appointment. John also finds turn-by-turn driving directions that he can share with his taxi driver.

Following his appointment, John is able to submit a claim form directly to his insurer through the app along with a picture of his invoice that he’s taken on his smartphone.

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Case Study

A 7.5 magnitude earthquake hits in Nepal on 25 April 2015 with aftershocks reported in the affected area.

A London-based organisation with international staff operating in the area makes contact with red24 to discuss staff safety and the support available. Working together, they discuss options to protect employees, including internal relocations, comprehensive evacuations out of the country and analytical assessments of the situation.

The plan of action with red24 includes:

- The production of a map detailing problem areas to assist in locating individuals
- The provision of regular country status updates to the organisation's management team
- The appraisal of the situation by red24's crisis consultants to determine the type of evacuation required.

Following the initial analysis, they arranged charter services and flights, deployed helicopters and initiated road evacuations.

Throughout the evacuations, the client received prompt updates regarding the safety of their employees.

During the same crisis, 16 Dutch nationals and two locals were whitewater rafting when the earthquake struck. The party were stranded at a location with a damaged bridge, and unable to depart. A red24 crisis consultant helped to locate the individuals and organise a helicopter evacuation.

Source: red24

many organisations looking to maintain and improve productivity.

Wellness initiatives can be wide-ranging from education and health assessments to extensive programs designed around knowledge gained from deep data analysis.

To determine the best set of solutions, an insurer considers each customer's unique needs, such as locale, workforce demographics and more. A mining team working in a remote location, for instance, will have very different needs from an office worker in Hong Kong. The office worker might benefit from stress relieving tips or discussing their concerns via a confidential helpline. Avoiding infectious diseases might be the miners' main concern and an on-site medical team could be the best means of providing education and treating minor ailments.

For larger groups, analysing claims data can highlight detrimental trends. By collecting and analysing claims data, for example, Aetna clinicians can identify trends and help put action plans put in place to address specific healthcare needs. For example, if the data shows an increase in cases of heart disease amongst a group of workers, clinicians can recommend solutions which could include wellness programs that educate members on healthy behaviours and care management programs to reduce further declines in health and complications from the heart disease.

Crisis management for immediate action when needed

Crisis situations such as natural disasters or terrorist attacks can be a terrifying experience for those caught in the middle. For people working away from their home location, it's essential they consider additional services, such as evacuation services for non-medical reasons, when looking at their iPMI options. With the right plan, individuals can take comfort from the knowledge that they will have the support of a highly mobilised global team, fully trained for this type of emergency.

Wellness programs to maintain a healthy, productive workforce

Wellness has become more of a focus over recent years for brokers, insurers and customers alike. The notion of providing tools that enable employees to reduce their need for care through healthy behaviours is a positive one for

The member may be in a remote location where the standard of care is generally poor or the treatment required is specialised and falls outside the competence of regional hospitals.

When required, evacuations call for skilled management. Aetna International's in-house clinical team monitors every medical evacuation closely on a 24/7 basis, managing the process from end-to-end.

"The healthcare needs of expatriates extend far beyond paying for a medical facility to carry out a procedure"

Aetna International, for instance, works with crisis management firm red24 to support members outside the US in difficulty. The Nepal earthquake is a graphic example of disaster striking and the role crisis support can play.

Designing plans that meet specific workforce needs

Working with customers to build plans that match the particular circumstances is essential to providing appropriate protection. Organizations may have staff working offshore in remote locations, have an older workforce, be involved in high-risk physical activity or have different coverage requirements within the same group. Each circumstance is

considered so that the plan design meets the specific requirements.

If a workforce is older, for example, or work requirements rely on physical labour, the insurer can tailor the plan to best meet these needs. Plans could include specific terms that can reduce risks through education or including particular medical facilities that are best suited to handling certain types of treatment.

Support for members' healthcare needs

Members appreciate dedicated medical support from their insurer at all stages of their travels – whether that's before they leave, while receiving treatment or following a procedure. A conversation

with clinical expert who can arrange prescription medication or brief a medical facility before arrival about the need for a specific course of treatment can bring great comfort.

When a member needs treatment, it helps to talk to someone who can understand the problem and suggest a suitable facility, and even call ahead to connect with the consultant. At Aetna International, the clinical team will also monitor the patient's progress and discuss the consultant's recommendations with the patient and family, if necessary.

Close case management, post-treatment, means the patient has a better chance of fully understanding their rehabilitation program. For many this means fewer complications, reduced hospital re-admissions and more positive outcomes overall.

The healthcare needs of today's mobile population extend far beyond paying for a medical facility to carry out a procedure. The nature of the international worker's lifestyle means they can face many different circumstances and risks. iPMI has evolved to meet this need and now combines medical treatment with a range of support and after care services aimed at providing the full spectrum of care and support to today's busy expatriate. ¹¹



Case Study

An expat child is diagnosed with Genus Valgum deformity, or "knock knees." The consultant recommended surgery involving the insertion of metal plates into the legs at an initial cost of US\$28,000 and the potential need to repeat the procedure as the child grows.

Aetna International's clinical staff intervened and explained to the parents that it was normal for children to have knock knees between the ages of two and five years of age, and almost all of them resolve the issues by themselves as the child grows older.

The parents were understandably confused so Aetna International flew them to a specialist children's hospital in another country for an expert opinion. The specialist assessed the child and advised the family to wait on any surgical procedure because the condition often resolves on its own. The family was spared the anxiety of the child going through a painful and unnecessary operation.


Allianz Worldwide Care

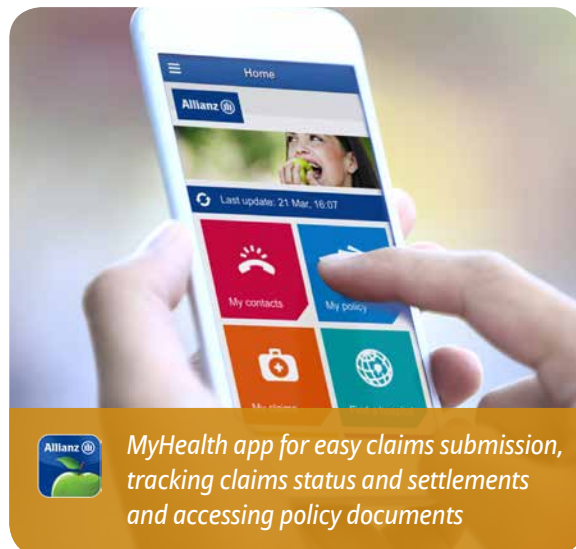
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Corporate Assistance

Don't be caught out in a crisis – it's with you every step of the way

Corporate Assistance can prove essential before, during and after international assignments, as **Martin McLaughlin** and **Alexis Obligi** of Allianz Worldwide Care explain

Picture the scene. The London-based HR team of a global technology company receives reports of a terrorist attack near its Middle Eastern offices. A number of employees in the region have not been accounted for and there are unconfirmed reports from Sky TV that ten people are dead with many more injured. Frantic family members are phoning the company's offices in both London and the Middle East and some have contacted head office in an effort to find out if their loved ones are safe.

While most people will never experience acts of terrorism, international organisations with employees working overseas need to plan and be prepared for every eventuality. Failing to do so could result in chaos, a lawsuit, reputational damage or, critically, could endanger the health and safety of the employees.

Martin McLaughlin, Business Development Manager at Allianz Worldwide Care, a specialised branch of Allianz Worldwide Partners, knows the potential risks that overseas assignments present to both the employer and the employee better than most.

"Risk can take many forms," says McLaughlin "and companies have a duty of care to their employees working or travelling abroad to assess all of the risks and put measures in place to mitigate against them."

Traditionally, the travel, security, health and wellbeing needs of employees living abroad have been managed by a mix of an organisation's departments

"Companies have a duty of care to their employees working or travelling abroad to assess all of the risks and put measures in place to mitigate against them"

such as HR, finance and risk. In turn, these departments are often supported by a mix of specialist firms, such as risk assessors, security and insurance partners. With so many parties at play, McLaughlin believes that Corporate Assistance has a vital role to play in assisting global companies with workforces overseas. Critically, Corporate Assistance provides one central focal point to monitor or manage crises.

"Who is the first point of contact for the employee? With which stakeholder does the head of HR liaise? If the issue is serious, who makes contact with the employee's family? Unfortunately, the ability to deal quickly and efficiently with an issue or emergency can be hindered by not having the correct systems in place to co-ordinate all of the stakeholders needed to deal with it. This is where an experienced team that can co-ordinate all elements of the response, both at home and aboard is critical

and is where Corporate Assistance has stepped in to plug the gap."

McLaughlin says that the first step to the effective management of any situation is a consultative one and Allianz Worldwide Care works with clients to identify and examine the systems already in place. This allows the Corporate Assistance team to review the situation in its entirety and identify the gaps that need to be filled.

"These gaps differ depending on the company, the region and the personnel," says McLaughlin. "A team heading off to Mozambique might have very different requirements to a team relocating to an office in Melbourne and we will develop tailored health, security and wellbeing solutions for each. It all starts with an assessment of who is travelling, where they are travelling to, the type of work they will be doing and then ensuring that the right systems are in place to prepare and support them."

Following recent incidents in Paris, Brussels and Tunisia, there is a new realisation that every country is vulnerable to attack and when it comes to the safety of international workforces, complacency is not an option. The need for an integrated Corporate Assistance solution has never been greater.

"There are more than 50 million expats around the world and this figure is expected to rise to almost 57 million by 2017. Global mobility is accelerating, particularly as more and more companies seek out new opportunities in overseas

"Working with an experienced Corporate Assistance provider can help before, during and after the international assignment"

markets. This means that more people are travelling or relocating for business. They need to be prepared for the move and feel safe in the knowledge that that they will be looked after if there is a problem. That is where Corporate Assistance comes in."

Security and health solutions go hand-in-hand

McLaughlin explains that the risks and the support provided can relate to either security or health – or a combination of both, and how working with an experienced Corporate Assistance provider can help before, during and after the international assignment.

"For international workforces, the provision of both health and security services should go hand-in-hand," he advises.

"What, for instance, if an employee is sent to work in an area that has a reputation for its high incidence of attacks on unsuspecting tourists and business travellers? A company has a duty of care to firstly assess the security risk and secondly, to come up with solutions to ensure that the employee will be as safe as possible whilst on assignment. In addition and as importantly, the employer needs to look at the health risks. If the employee is attacked and injured, where is the nearest hospital and what is the standard of care on offer? Who will inform the person's family and what if trauma counselling is needed?"

"Unfortunately there are still companies that look at the security risks of a region, but fail to address the health risks. Corporate Assistance services can help ensure that not only are the right teams in place to address the security issues, but that they are co-ordinated on the ground with the appropriate health service providers when needed."

Evolving solutions

Allianz Worldwide Care has taken progressive measures towards ensuring

that the days of the insurer acting purely as an indemnity provider are a thing of the past.

Alexis Obligi, Director of Sales and Marketing at Allianz Worldwide Care, explains just how seriously the company takes the wellbeing of its clients.

"Allianz Worldwide Care prides itself on service excellence, so as the needs of our clients have evolved, so too have the range of services we offer," he says. "In addition to our life, health and disability insurance offering, we have developed a full range of Corporate Assistance services to meet growing demand in international industry. Not only do we advise and work with clients to prepare them and their employees for international assignments, we provide on-the-ground support services as they are needed.

"This could be as simple as meeting an employee at the airport, escorting them to their hotel or briefing them on the safety aspects of their new, temporary home. On another occasion it could mean setting up a health clinic to deal with a disease outbreak or arranging for the repatriation of a worker. The depth and breadth of our Corporate Assistance services are extensive.

Big brother or a duty of care?

Knowing the exact whereabouts of your employees when overseas is one of the most important things an employer can do to help safeguard or manage their security.

Allianz Worldwide Care's Corporate Assistance team use a range of technology tools as part of their service

including travel trackers and check-in systems to help monitor and locate an employee's location.

"Tracking tools provide vital information and mean that all team members can be located without delay if there is a crisis or emergency," advises Martin McLaughlin.

"The importance of knowing where an employee is cannot be underestimated as the confusion and panic that can arise following, for example, a terrorist attack are horrendous for the employee, the employer and any family members trying to make contact.

"While some employees might not like the idea of being tracked, it is a crucial element of a robust plan. Once an employee understands why the plan is in place and that it's not there to track their social life, for example, there is usually an acceptance that it's for their own safety," says Martin McLaughlin. "The company is not interested in the day-to-day movements of an employee; the objective is to be able to pinpoint their exact location if there is a problem.

"Technology has allowed us to make great strides in this area and is an integral part of planning for an overseas assignment or providing on-the-ground support. At Allianz Worldwide Care we work closely with our global security partners, Red24, to ensure that our clients can access employee status and location information when it is required."

Engagement matters

Surprisingly, in some organisations that do have Corporate Assistance services in place, a lack of communication with staff on it means teams don't know what services are available

"The provision of both health and security services should go hand-in-hand"

to them or how to access them. McLaughlin has met with employees whose organisations have Corporate Assistance services in place. He says, "It is not uncommon for team members to be totally unaware of the support being offered to them. In many cases, employees do not even know the emergency numbers they would need in a crisis and that's hugely worrying."

"There are two issues here. The first is internal communications and the steps a company takes to ensure that its teams are equipped with the vital information they need both before and during an overseas visit. The second is ensuring that the employee has absorbed the information fully. The first should be straightforward, the second less so. Providing them with a leaflet is not enough and in fact, is probably a waste of time. Once again, this is where Corporate Assistance can plug the gap."

"We work with our clients on their internal communications processes. We also create online courses for employees that provides them with all of the information they need including the risks, how to avoid them and how to access medical or security support when needed."

Employees are also encouraged to undergo situational training to prepare them for dangerous or risky scenarios. Although everyone faces an element of risk, almost half of business travellers are women who can be particularly vulnerable in certain regions where women are seen as targets. Allianz Worldwide Care's Corporate Assistance teams offer tailored support programmes for women, providing them with the knowledge, skills and resources needed for identifying potential threats and dealing with or avoiding dangerous situations.

This can include insight on areas not to visit alone, details of hotel security, and who to contact to get the quickest support response wherever they are. Tailored programmes should be aligned with other Corporate Assistance systems, such as tracking and check-in facilities.

While the safety and wellbeing of staff working overseas is the responsibility of the employer, McLaughlin advises

"The trends we are seeing in our sector are related to security, around which there are real concerns"

employees to be proactive by taking the time to research and familiarise themselves with the area to which they are being assigned.

"Our advice to anyone heading overseas for work is to research the destination as the more information you have before setting off, the better," he says. "Our Corporate Assistance teams work with clients to gather and share the crucial information that they need to make them aware of the potential risks they face and to prepare them for anything that might happen. It could be an accident or an illness. Perhaps the employee is heading to a politically unstable region or a town where even making a phone call is a challenge. If you know the risks you can plan for them and this is where Corporate Assistance adds value."

"Proper planning is also proving invaluable to companies in other ways. What we are seeing is that in the aftermath of a crisis, employees and their families can blame employers if the situation is not dealt with properly. In 2013, during the Algerian In Amenas terrorist attack and hostage crisis 40 people were killed. The UK main contractor is currently being sued both in the UK and USA by the families of two men on the basis that it did not take reasonable steps to protect them. This is not an uncommon situation."

A changing world


The insurance industry has and is continuing to respond to the changing global landscape.

"The trends we are seeing in our sector are related to security, around which there are real concerns," says Alexis

Obligi. "The attacks on traditional safe havens in Europe have changed things considerably and we can no longer make assumptions about the safety of a particular region."

"Outbreaks of diseases such as Ebola and Middle Eastern Respiratory Syndrome have demonstrated a different type of risk to the business traveller and expat community. All of these risks are modern-day realities for companies and their overseas workforces and need to be mitigated early in the planning phase of a sound Corporate Assistance programme."

"Increased stress in the workplace, often due to financial or family pressures, is another modern day trend that can be identified and therefore addressed by the employee assistance programs offered through Corporate Assistance. Employers must consider if an employee is suited to an overseas assignment and whether they can handle it physically and mentally. Employers can exercise their duty of care by working with experts in identifying, assessing and putting in place robust plans to deal with the risks."

As workforces have become more globally mobile, new challenges from pandemic health scares to terrorist attacks have become more commonplace. Simultaneously, a greater understanding has developed of an organisation's duty of care to their employees. The connection between the health and wellbeing of a workforce to their engagement and productivity levels has led employers to go beyond traditional benefits like health insurance to providing proactive services like Corporate Assistance. 

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Claudine Audin
International Sales and Client Relations Manager
Aviva UK Health



Cost containment strategies

Affordability, sustainability and the future

As healthcare costs continue to escalate across the world, it is essential that managing those costs well – while still ensuring comprehensive coverage – is core to the international private medical insurance proposition, as **Claudine Audin**, International Sales and Client Relations Manager, Aviva UK Health, explains

When employees travel abroad to work in developed areas, often employers feel they're left counting the cost.

What can be overlooked is how hard insurers are working to control medical costs for corporates, balanced with the needs of their individual members.

Advancements in medical technology are constantly taking place worldwide but with this comes increased costs of healthcare, and therefore healthcare premiums. It leaves insurers continually trying to control the rising costs of international private healthcare, whilst promoting the true value of an IPMI policy to those working overseas.

Working hard, working overseas

While working overseas, health and lifestyle risks can become more of an everyday concern given the unfamiliarity with medical systems and provision. Also countries such as Singapore and Hong Kong have become notoriously expensive when it comes to private medical treatment – and it's generally accepted that the US is one of the most expensive places in the world for treatment.

Irrespective of day-to-day business, employers know that their employees' welfare is of paramount importance if they want to develop strong, long-term working relationships with

"Advancements in medical technology are constantly taking place worldwide but this comes with increased costs of healthcare"

overseas clients and suppliers. Finding sustainable healthcare is important, which is why, ultimately, the cost of the healthcare itself is always going to be a talking point.

The price of healthcare

Mercer Marsh Benefits' 2015 research suggests the cost of providing medical care to clients is now outpacing inflation in many major economies. The 'Medical Trends around the World' report looks at claims and cost data from insurers in each market.

The research showed that in 2014, across 21 out of 29 countries, the average per person increase in healthcare costs was more than double the rate of inflation. The projections for the 2015 research show that 24 of these countries now expect the medical trend rate to be more than double the projected inflation rates.

According to the research, in Asia the average rate of medical inflation was 10.7% in 2014, with an anticipated rise to 13.2% in 2015. This rise is driven by expatriates and high net worth individuals demand for quality private healthcare, especially in China, as well as the expanding private insurer landscape.

At Aviva, we work hard to keep costs under control and look for solutions that address these challenges. Here are a few examples of the approach we take:

Different tariffs

Some overseas treatment facilities choose to charge a higher tariff to members of an international scheme in comparison to domestic patients – even though they may be accessing exactly the same treatment and occupying the same type of bed. Local knowledge and language support could help in this situation, but we have yet to find a hospital that can justify what appears to be a 'two tariff' approach.

Access to medical information

When insurers request medical information to assess the eligibility of a claim, it can be extremely difficult to get in some cases. Long gone are the days of insurers simply writing the cheque. We need to ask for information that will ensure only those costs eligible for a claim, under the terms and conditions of the policy, are being covered. This is to try and keep prices from escalating unnecessarily and ensure sustainable premiums in the long term.

However, explaining the need for that information, at a time when everyone is focusing on the right medical treatment being delivered, can be difficult. It's one reason why we're so keen to work closely with intermediaries in the set-up of a policy, so that we can obtain as much information up-front as possible to ease the claims process later.

Over-medicalisation

The temptation to use the most advanced technology is great, but there is increasing evidence that patients are simply being over treated in some parts of the world. MRI scans, for example, in the case of a sprain or minor break, may evidence a more detailed level of diagnostic information – but they're not always necessary for a clinician to decide how best the injury should be addressed. They can inflate the level of a claim several times over, which could leave a patient exposed to exceeding some benefit limits and potentially without cover if they needed further treatment.

Over-medicalisation is a limited issue, but it's happening enough to cause concern and for insurers to focus on finding ways to address the issue.

On one level, it can be incredibly challenging for us during the claiming process, when one of our customers is in hospital, waiting for treatment that's been recommended by the clinician at hand. We never want a customer to feel caught in the middle, however, it is necessary to question medical recommendations where and when it's appropriate. Whether it's domestic or overseas treatment in question, our clinical experience at Aviva has come to the fore more than once, identifying potential over-medicalisation.

Unbundling

The same is true when it comes to dealing with unbundling – which is the process of splitting out medical invoices into multiple procedures, rather than being presented as one. For insurers, this is a challenging exercise – but a necessary one.

An example of this is where we would expect to see a pain-relief injection



Singapore is 'notoriously' expensive when it comes to private medical treatment

being administered as an integral part of an overall procedure, but we see it split out as a separate cost. This simply increases the overall cost of medical treatment, which financially benefits the treating facility. Unfortunately, it is the customer who ultimately loses out, through premium increases and potentially more invasive and unnecessary procedures. This is why we are ever-vigilant to this practice – and we aim to stop it wherever possible.

Cultural barriers

This is a far more delicate area. For insurers to develop healthy relationships that work in their customers interests, they need to have an understanding of and deep-seated, intuitive respect for local health care practices. If an insurer wants to challenge the nature or cost of treatment, then it must check its facts.

We know, for example, that the approach to medical care in Japan is comparatively conservative – and this is information that we can share with advisers, helping them explain the benefits of a provider with these insights. In Tokyo, for example, we would not necessarily be alarmed by the fact a patient may be invited to stay in a hospital for one day longer than would otherwise be expected when reviewing domestic practices, or Milliman Care Guidelines.

Getting things right


We ask members to call us, or one of our specialist healthcare providers if they're based in the USA or Gulf, as soon they can

when they realise an admission to hospital may be necessary.

That way, the employee can be reassured about what we will pay for and we also have an opportunity to gather information at a convenient point in the clinical journey. That early call is crucial. The earlier we know about a problem, the sooner we can offer clinical expertise to assist with recommendations about treatment and the proposed clinical pathway.

It's also important for a dialogue between our clinicians and the treating doctor to be carried out, particularly in complex cases. This changes the dynamic of the dialogue completely – and it's an area in which Aviva sometimes finds an advantage, thanks to our bank of in-house clinicians and strong relationships with our external claims management providers. Those conversations give a treating facility more assurance too – we're simply trying to balance cost against appropriate treatment. For this to be successful though there has to be a deep knowledge of local healthcare practices. We work with CEGA and International SOS, to support us in this aim.

At the end of the day, we all know that medical professionals do great things and medical advances are crucial, but we believe insurers should be involved in the care pathway of their members and challenge the circumstances and details when a claim is being made.

If we don't ask questions, then nothing will ever change and healthcare costs will continue to rise even higher. But if we do continue to make these challenges, then in the long term that should lead to a healthier international healthcare market. 

The average rate of medical inflation in Asia

2014	2015
10.7%	13.2%

Source: Mercer Marsh Benefits

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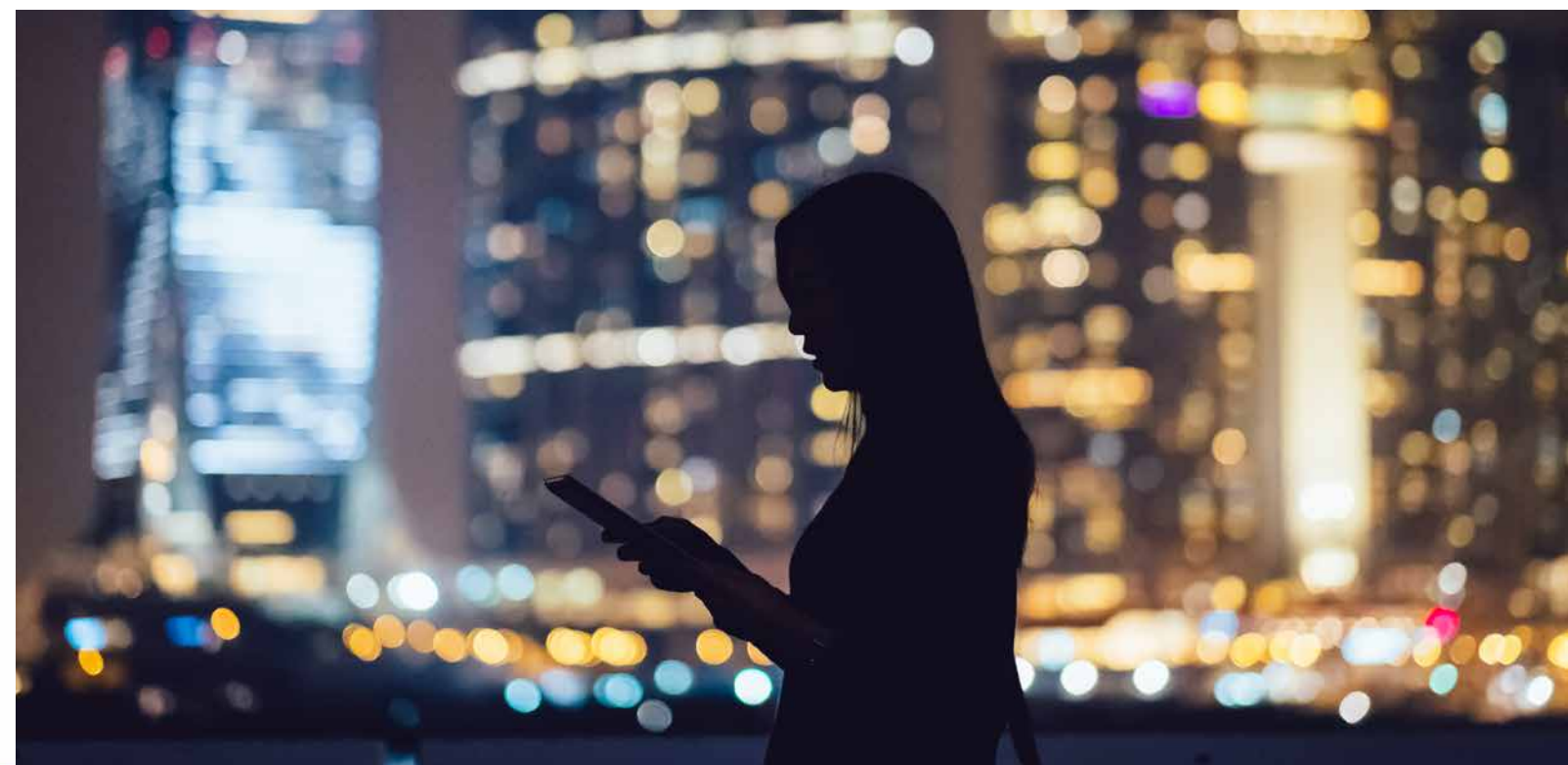


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Kevin Melton
Sales & marketing director
AXA PPP International

Who chooses International Private Medical Insurance?

What do they look for?

The international private medical insurance 'customer mix' continues to evolve as a broader range of individuals and employers becomes globally mobile. AXA PPP International's **Kevin Melton** assesses recent trends and highlights some key opportunities for brokers

For decades people have been moving and travelling all over the world. In the past, traditional expatriates were employees of large corporates, branching their business overseas; or retired people choosing to spend the rest of their days in warmer climates.

However, as businesses become more global, and offices spread across continents, this trend is shifting. Whole families are moving abroad, and young people are searching for work and education outside of their home countries. Therefore, we must consider, is there such a thing as a traditional expat?

Today there is a greater demand for international living, both from companies requiring a globally mobile workforce, but also from individuals who wish to gain experience of life abroad. Expat life is no longer solely driven by a substantial rewards package, including housing contributions and health insurance. Instead, many employees want to live and work abroad (the millennial population especially) (PwC) to develop their skills and experience new cultures, with the Middle East and Asia being key destinations.

For expats, an extensive benefits package is often a priority as their health is vital to allow them to make the most of their new life overseas. In a survey carried out by AXA PPP International, we found that only 42% of expats organise healthcare for when they arrive in their new destination. Due to the global nature of international private medical insurance (iPMI), it can be a great option for many types of people – from an individual moving abroad for six months – to a large international organisation.

“Is there such a thing as a traditional expat?”

Who is in the market for iPMI?

iPMI is a great package for businesses to offer their employees. By providing a dedicated healthcare plan, this helps to remove some of the practical stresses of working and living abroad, and enables a smoother transition for employees; giving them time and space to settle into their new surroundings. Removing these worries can help employees grow in confidence more quickly and can ensure a more successful experience for employees, and ultimately for the overall health of a business. A comprehensive iPMI package is likely to be the most valuable to:

- **The long-term assignee:** A traditional expat, likely to be either part of a small or large corporate, embarking on a long term assignment or project. This expat will be abroad for a number of years before returning home with their family or partner, and so they want to make sure the health of their loved ones is taken care of
- **The short-term assignee:** The short-term assignee will go abroad for a short time of between three and 12 months. Taking on contract or fixed term positions, these expats still have the opportunity to

share their skills where they're required, and experience life in another culture, without being away from home for more than 12 months

- **The executive:** Whether a self-employed entrepreneur or a member of an organisation's management team, the executive is based in one country but travels frequently for business, often to a number of different countries or offices around the world

It's easy to forget that work isn't the only reason to move or travel abroad long term. Our research highlighted that 37% of people surveyed planned to move abroad without a job lined up at all. Instead, adventure (37%) and a better climate (35%) are priorities for expats like these:

- **The retiree:** According to research carried out by Finaccord, there were over 1.3 million retired expats worldwide in 2013, with the majority in Europe – France, Spain and Italy as well as a significant number in the US and Canada (Finaccord). These sun-seekers are often lucky enough to either move away permanently or spend their retirement between their home country and somewhere with a better climate.

- **The student:** Although as a student, healthcare may not be top of the list when moving to a new country, it's likely to be a different story for their parents. Students are likely to be abroad from anywhere between six months and four years. Whether they're abroad for the duration of their course, on a placement, or even taking a gap year, in 2013, research estimated there were 3.4 million students overseas (Finaccord).

- **The high net worth individual:** No stranger to financial services, the high net worth individual (HNWI) is likely to have a financial adviser, wealth manager

83%

The proportion of people moving abroad who are worried about finding a good doctor

(Source: AXA PPP International)

The average number of expat employees within companies is predicted to grow by

50% by 2020

(Source: PwC)

or broker to help manage their affairs. HNWIs will spend a lot of their time travelling and working around the world, so it makes sense that their health is one of their greatest concerns (Capgemini research), and they require only the best cover money can buy.

What can iPMI offer?

Every expat's experience is different. However, when it comes to their health, their needs are often very similar. Our recent survey showed that that 83% of people moving abroad are worried about finding a good doctor in their new country and this is where an iPMI plan can help.

iPMI offers members the choice of where to be treated, ensuring that quality medical attention is always on hand. This means that even in an unknown country, it's easy to make informed choices about healthcare as established iPMI providers have strong relationships with hospitals and medical centres across the world. As part of the number one global insurance brand, AXA PPP International allows members to access treatment in any hospital around the world, or have their bills settled directly in their network of over 11,000 providers. Couple this with 24/7 multilingual customer service, and members have access to support and assistance no matter how late it is or how long it takes. Whether that's support with making a claim, checking treatment is covered or information on a medical condition, it can provide peace of mind to know that help is available whenever they need it.

Most importantly, iPMI is there if something goes wrong. Emergency care in particular

is a big concern for expats to be, and this is supported by our research. The data shows that 41% of expats are concerned about how they will access emergency healthcare in their new country.

With an international policy, cover is often more extensive than a domestic plan so members can access emergency treatment anywhere in the world as well as cover for evacuation and repatriation, chronic conditions, and inpatient and outpatient cover. Many plans can also be customised to include additional benefits such as maternity cover and dental care, if required.

Would travel insurance be enough?

For anyone who is moving abroad for the first time, it would be easy to think that travel insurance is enough. Our research showed that almost one in five respondents believed they could cover their healthcare costs with travel insurance alone. However, travel insurance will not provide cover for anyone living abroad long term as it is usually capped at three months. It's great

for those going on a short holiday and can cover against flight delays, missing baggage or lost items. It will also provide some cover for healthcare costs abroad, but does not cover any ongoing medical conditions and the treatment choices available are likely to be limited.

For those considering spending longer than three months abroad, whether that be as a result of travelling, moving for work, or due to retirement, they will need to think about their healthcare cover. As such, travel insurance is not a viable long-term option.

Endless opportunities

In the future, the iPMI market is only set to grow. As more millennials enter the workplace and business continues to become more global, the need for international healthcare will continue to increase. It is predicted that the number of expats worldwide will reach 56.8 million by 2017 (Finaccord) and the average number of expat employees within a company will have increased by 50% by 2020 (PwC).

iPMI guarantees comprehensive cover from day one, leaving time for expats to focus on immersing themselves in their new job, learning the new language, meeting new people, and understanding the new business culture. **HI**

To find out more about how you can grow your business through iPMI, call us on +44 (0)1892 556796.

References: PwC: *Talent Mobility, 2020 and beyond, 2012*; PwC: *Millennials at work, 2012*; Finaccord *Global Expatriates, 2014*; Capgemini *Survey, 2015*

“Every expat's experience is different – but when it comes to their health, their needs are often very similar”



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Tim Slee
Head of Global Broker Sales
Cigna Global Individual Private
Medical Insurance



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Key features of iPMI

What should I look for when choosing a provider?

The international private medical insurance industry is a busy marketplace with a significant number of providers all vying for business. **Tim Slee**, Head of Global Broker Sales, Cigna Global Individual Private Medical Insurance, outlines some features that he believes brokers should look out for first and foremost

Globally mobile individuals and expatriates face a range of very unique challenges that often require careful planning. This is particularly important when it comes to health and financial security. Healthcare systems vary drastically from country to country, both in terms of quality standards, ease of access, and the presence or absence of state-subsidised care. When abroad, the last thing you would want is to find it is costly and difficult to arrange medical care. That's why having the right international health insurance plan in place is more important than ever – ensuring the individual's healthcare needs are covered, and providing financial protection at what is often a very stressful time.

It is also a time when a broker's expert advice in helping clients choose the right international health insurance plan can relieve much of the pressure involved in moving overseas, or mean one less thing to worry about when abroad. When you are approached by clients looking for international health cover, how can you help them choose the right provider? What are the key features you should look for when deciding which provider to recommend?

“If the insurance provider is based in the US and your client is relocating to Singapore, will they be able to contact their Customer Service team any hour of the day or night?”

Extensive international experience and longevity

First off, do they know what they're doing? A provider who has extensive international experience and knows the challenges expatriates and globally mobile individuals face, is important to reassure your client that they're getting the service they need.

In addition, as with any healthcare product purchase it is vital that the provider entrusted with the responsibility will be around to deliver on their promise when

your client needs them, however many years in the future that may be.

Cigna is a global health service leader with years of experience in dealing with varied and unique clinical and service situations worldwide. We trace our roots back more than 200 years, but we became the company you know today in 1982 with the merger of INA Corporation and Connecticut General Corporation. Ever since, we've continued to innovate and expand around the world. We have more than 86 million customer relationships in over 200 countries and jurisdictions. Our vast experience means your clients will be provided with the highest standards of healthcare, regardless of where they may be.

We are dedicated to growing our international healthcare capabilities and have a long successful track record in the sector. We are continuously making considerable investments in our international operations, and we're here to stay.

Are they contactable?

If the insurance provider is based in the US and your client is visiting or relocating to Singapore, will they be able to contact their Customer Service team any hour of the day or night, or will they be limited in when they're able to reach them? Clients living in their home country have very similar healthcare needs to clients based abroad, but the difference is that expats

Key features to look for in a provider

- ✓ How experienced are they?
- ✓ How contactable are they?
- ✓ What are their digital capabilities?
- ✓ Do they meet your client's needs?
- ✓ Can they provide excellent access to treatment
- ✓ What are their claims processes like?

and globally minded individuals may face additional challenges in obtaining care. They may need more guidance on where to go for appropriate treatment for example. At Cigna, we offer 24/7 multilingual customer service, meaning that the customer can contact us whenever it suits them, in a language they can understand. A familiar voice on the end of the phone when things go wrong can be all the reassurance they need to provide the feeling of security.

We are continuously expanding our global service capabilities. We've just opened a new Customer Service Hub in Shanghai, China. The new centre will work in harmony with our existing service hubs around the world to ensure we are 'always open' and demonstrate our commitment to provide our global customers with easy access to our service and claims teams when they need it, regardless of where they happen to be in the world.

We're also about to launch expanded clinical case management services which means customers can speak to a nurse or doctor when it's needed. Maybe there is a complex treatment plan in place and talking it through with one of our doctors could help in understanding the merits of one treatment path over another, or maybe the customer would just like a second opinion. We'll be expanding this service during summer 2016, so look out in HI Daily for that launching.

What are their digital capabilities?

In an ever increasing digital environment, it is important that the provider keeps up to date with advances in technology to meet the demands of the modern customer.

We're embracing digital in every aspect of our customer journey. Customers can use Applink to get an instant quote from their broker's website, or for more hands-on brokers we have the Broker Quote Tool which gives the customer access to three side-by-side quotes in seconds.

We've also taken a fresh look at underwriting. Instead of completing a complex medical questionnaire, applicants now select their answers to 5 simple medical questions, and if the answers are 'no', they can proceed through to completion immediately. For customers with pre-existing conditions, they simply give us details of the condition on the underwriting tool and in many cases they will get an instant decision to load the premium or exclude the condition.

Once the customer has the policy all set-up, they have access to an online customer area, and the SafeTravel app which is all about keeping safe in the new country: the customer just selects where they are based, and they receive instant alerts based on their preferences. There is also a useful feature to securely store copies of passports and important documents in the app.

Does the cover meet your clients' needs?

Look carefully at the detail behind health insurance plans because some insurers may not cover for conditions you would have expected to be covered for. For example, if your client values the ability to visit their doctor for routine consultations, make sure your international health insurance plan has outpatient cover included. At Cigna Global, we can help you find a


plan that meets your clients' needs. We offer the reassurance of three tiers of comprehensive core cover, and the flexibility of additional modules (including Outpatient, Medical Evacuation, Health & Wellbeing and Vision & Dental)

Can my clients access the treatment they need?

Network size is important. You would want to ensure that your clients aren't limited when trying to obtain treatment in their local hospital when abroad because the provider doesn't have a relationship with that hospital. Cigna's medical network of more than 1 million partnerships with health care professionals, facilities and clinics worldwide ensures your clients are never far away from the treatment they need.

Will your clients be out of pocket when making claims?

Make sure that the provider has direct settlement arrangements with their network so that they don't have to pay for claims out of their own pocket and have to claim these back. At Cigna, if your client needs to go for treatment, the first point of contact with us is our Customer Care Team. By calling us in advance of treatment, we can help arrange a treatment plan and make sure treatment is covered, providing reassurance for your client. What's more, in most cases we can arrange direct payment and issue a guarantee of payment with the treatment provider, so your client does not have to be out of pocket. The GOP process is now taken care of in one hour in most cases, so making the call to ensure the treatment is covered is no longer a stress.

In summary, the international healthcare market is complex, full of potential dangers and pitfalls. High quality advice from the broker market coupled with the highest quality international health insurer will ensure our mutual clients are happy in the knowledge that their needs are secure. 

“Having the right international health insurance plan in place is more important than ever”

**Healthy people
drive a healthy
bottom line**



Marco Giacomelli
Head of Generali Global
Health



Genetic testing

Should it be embraced by international health insurers?

Increasing numbers of people are becoming interested in being tested for genes that have the potential to cause serious medical conditions.

Marco Giacomelli, Head of Generali Global Health, debates the uses of genetic testing and whether it offers a way for international health insurers to better manage the health of their members

Healthy employees drive productivity, but managing the diverse needs of teams working internationally can be a challenge. That's why we've designed a new international health plan that flexes around individual needs. And why we provide around-the-clock care, whether its access to our vast network of facilities or in-house emergency evacuation services.

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To find out more, contact us at ggh@generali.co.uk or call +44 (0) 207 265 6444



How does a genetic test work?

A genetic test has four main purposes:

- Identify if a person is carrying a gene that could lead to the development of a condition
- To support a medical diagnosis
- Help to establish if a problem gene can be inherited
- Determine the best treatment plan based on a person's genetic make up

DNA from a sample of blood or tissue is examined to show whether a genetic mutation is present. It can reliably indicate the presence of a specific gene but generally can't predict the likelihood of contracting a disease, the severity of a disease or provide any certainty around the effectiveness of a treatment or prevention plan. In this sense, genetic testing still has a long way to go.

Taking an alternative approach

Genetic testing is often cited in terms of its ability to indicate the likelihood of a disease occurring. Yet an alternative use is its ability to influence the course of treatment following a medical diagnosis, by providing greater insight that can be used to shape a treatment plan. Taking cancer as an example, the therapeutic process is based on limited information. Prescribed treatment is influenced by non-personal statistical data and can be imprecise as a result. Gene testing can provide a more targeted solution by individually matching the treatment to a patient's tumour genomic profile.

The benefits of this could be wide-ranging, from a reduced risk of toxicity, a reduction in unnecessary surgery and ultimately a better outcome for the patient.

Weighing up the costs

The cost of care, particularly for conditions such as cancer, can be significant. So, while genetic testing can be lengthy and expensive the efficiency of identifying and

“For an insurer, the cost is not just financial. Insurers offering genetic testing carry responsibility for the welfare of their members”

reducing risks, or funding more targeted treatment could pay-off for insurers. Add to this the advancements in technology that mean faster and less expensive tests are being developed for many diseases, and the subject of genetic testing becomes a more compelling proposition.

Advancements are also affecting consumer demand, which insurers will eventually need to respond to. For example, the Hollywood star Angelina Jolie hit the headlines when speaking out about testing for the BRCA gene; an indicator of breast and ovarian cancer. Since that coverage more women under the age of 40 are being tested than ever before. Insurers without a genetic offering risk falling behind customer demand and facing the cost of lost business as a result.

The emotional cost

For an insurer, the cost is not just financial. Insurers offering genetic testing carry responsibility for the welfare of their members. The genetic test is just the first step. Making specialist counselling and follow-up treatment available is likely to be needed too.

Counselling usually occurs before and after the test to ensure the patient has a full understanding of the process, the implications following the results and subsequent options.

Finding a mutant gene can begin a lengthy process involving close monitoring or medical care and the patient has to be prepared for difficult decisions and different forms of treatment, some of

which could be invasive and permanently life-changing.

Alternatively, if a risk is identified but there is no guaranteed prevention, the emotional impact of that knowledge on the individual could be immeasurable. A high degree of emotional support may be needed whilst the patient comes to terms with possible eventualities. This particular situation raises a moral challenge for insurers, as the test may not always provide the preventative value that has been intended.

Genetic testing and the iPMI industry

On the surface, the inclusion of genetic testing can be viewed as a positive and innovative decision for insurers and demonstrates proactivity around addressing their members' health issues. It's a way of helping a member to make more informed decisions about their lifestyle or treatment choices.

But there are many unanswered questions:

Commercially:

- Is there a risk of unnecessary or excessive 'preventative' treatment?
- What would the commercial impact be if test results led to the need for more treatment?
- Will genetic testing result in more or less risk to insurers and how should this be reflected in premiums?
- Does the industry have the capability to manage the results of testing: systems, data, case management teams and so on?

From a member's perspective:

- Will customers looking to move insurers be disadvantaged?
- Could members be refused cover on the basis of test results, or have large premium hikes at renewal?
- Are the moral risks too high; how will insurers support those who discover they have a high chance of contracting a serious illness?

In terms of medical opinion:

- Do medical professionals unanimously support these tests and, if not, could this result in conflicting advice?
- Who will case manage the patient, taking a holistic view of not just their test results but the cultural environment, their family history and their personal preferences?

Several questions remain open on the effectiveness of genetic testing as a viable strategy for insurers to actively promote and contribute to the general population's wellbeing.

A recent trend which further underlines the uncertainties about these new technologies is the relative proliferation of consumer genomics, including direct-to-consumer genetic testing (DTC-GT) marketed to individuals and made available without need for an intermediary medical professional.

Inaccurate or misleading results from a DTC-GT might actually give prospective insured members a distorted view of their health status, and as such negatively influence their ability to obtain effective and affordable health care and health insurance.

However, there are plenty of challenges for the international private medical industry but many positives too, including the possibility of:

- Members taking early action to reduce the chances of developing a genetically probable condition
- Insurers targeting wellness strategies and support to meet individual member needs
- Reducing insurer costs where targeted wellness strategies minimise the risk of a member contracting a disease

- Elevating the pressure on premium inflation to a degree through the reduction in insurer costs
- Insurers being able to tailor benefits to the needs of the member
- Tests providing greater insight so that treatment plans can be shaped for the benefit of the patient
- Insurers utilising advancements in medical technology to benefit members
- Optimised health outcomes for members

What are the regulations?

International health insurance plans may cover the costs of some generic testing when recommended by a doctor. However, it is unknown whether members will choose to use their insurance to pay for testing due to the risk of results affecting their ability to renew, either on the same terms or at all.

This is not an unreasonable assumption because regulations differ across the world, meaning that the members in certain jurisdictions may find test results could impact their ongoing insurance premiums.


In the UK for example, The Association of British Insurers and Government have set out a Concordat and Moratorium on genetics and insurance. When it comes to providing a policy, the insurer can ask for the results of a diagnostic genetic test in order to set the level of cover and costs of premium. Insurers cannot ask a person to take a genetic test, but can request the results, if one has been taken. The exception is for Huntington's disease, where an insurer

can ask for the results of a predictive genetic test if the life insurance cover is worth more than £500,000. Whereas a member can voluntarily offer the insurance company the results of a predictive test that might counteract a higher premium based on family medical history.

Taking an alternative approach, under the GINA law in the US, no insurer can discriminate against a person because of the results of genetic tests. If an insurer provides testing and genetic disorders are found, the information is protected and the insurer is bound under data protection not to disclose it.

International health insurers have the complicated task of complying with many different regional regulations across the world. However, with data suggesting policyholders stay with a provider for an average of seven years, the case for supporting genetic testing is strong.

Conclusion

For Generali Global Health, helping our members to stay well and receive the best treatment when they are unwell is a priority. As an industry we have made some important strides forward in member education, working proactively with customers and using data to gain more actionable insight from claims and other sources such as wearable tech. Genetic testing is another avenue that has undeniable potential to make a life-enhancing impact on members and deliver important benefits to the industry. But there are barriers. The question is: are we, as an industry, prepared to climb over them? 

“International health insurers have the complicated task of complying with many different regional regulations across the world”

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Growing the market



Amanda Winkle
Vice President of International Sales
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iPMI: Growing the market

What intermediaries need to know

For intermediaries already active in the world of iPMI, the rewards are clear to see. But what about brokers that are yet to take the plunge? IMG's **Amanda Winkle** outlines some of the key reasons why they should get involved

As with any business opportunity, the fear of the unknown can prevent many intermediaries from entering the international private medical insurance (iPMI) market.

However, high demand for iPMI and proven rewards for intermediaries make this type of cover an essential product in any portfolio. With guidance from experts, you can capitalise on the trends that make iPMI a potentially lucrative business, and position yourself above competitors while doing so.

Why people purchase iPMI

First, medical emergencies can pose a serious risk to people who don't have iPMI while they're away from home. Although health risks vary by person, up to 65% of people outside of their home country report a health problem during their trip, according to the 2016 International Travel Health Guide. About 8% of these people are sick enough to seek medical care and 1% are hospitalised.

Second, terror threat levels are at an all-time high, underlining another key reason people choose iPMI. Violent incidents involving criminals, terrorists or anti-government groups have the potential to affect expatriates and others who are working or living abroad, even when the violence is targeted at others.

Third, natural disasters remain a danger to anyone working or living outside of their home country. Recent — and devastating — earthquakes in Japan

and Ecuador demonstrate that Mother Nature can take its toll at any moment. However, with the proper iPMI cover, your clients can rest assured knowing they're safe wherever they are.

Limitations of domestic cover

iPMI plans also present other key benefits for your clients: They are portable, offer continuous cover, and provide access to private hospitals and facilities worldwide.

Being covered under the NHS, it's easy for UK citizens to become complacent about their health care. However, it's important to understand the risks your clients face when working or living abroad without iPMI, and the restrictions of their domestic cover.

It's true that the European Health Insurance Card (EHIC) provides access to state health care in the European Economic Area (EEA). However, those who work or live outside of the EEA on

a permanent basis are no longer entitled to medical treatment under the NHS, and most are no longer entitled to use their UK-issued EHIC to access care abroad.

Travel insurance is another option for UK citizens working or living abroad, but the short-term cover is designed only to "patch up" UK citizens in an emergency, and get them back to the UK as soon as possible to carry on treatment under the NHS. iPMI, on the other hand, is designed to provide long-term, worldwide medical cover, allowing the policyholder to continue treatment — including that for chronic conditions — anywhere in the world.

Having iPMI has become a necessity for people who are travelling frequently, working or living abroad, and for companies posting employees internationally. For all of these reasons, it's essential that your clients have access to an iPMI plan that meets their needs and budgetary requirements.

Identifying business opportunities

Ultimately, iPMI is an accelerated growth market that offers exceptional potential for intermediaries. If you haven't thought about adding iPMI to your portfolio, now is the time to consider doing so.

The prevalence of international travel, coupled with changes in the global environment, presents a significant business opportunity for intermediaries entering the market.

"High demand for iPMI and proven rewards for intermediaries make this type of cover an essential product in any portfolio"

"Ultimately, iPMI is an accelerated growth market that offers exceptional potential for intermediaries"

Number of travellers going outside their home country



Source: World Tourism Organization

In fact, the number of travellers going outside of their home country has more than doubled from 528 million in 1995 to nearly 1.09 billion in 2013, according to the World Tourism Organization. By 2030, the number of international travellers is expected to exceed 1.8 billion.

It's likely that many of your existing clients are among this growing segment. To identify potential opportunities, ask yourself these questions:

- Is an existing UK client moving abroad, or does the client have international business interests, such as an overseas property?
- Is an existing client a foreign national with interests overseas?
- Does a corporate client have offices or employees overseas? Does a corporate client employ staff from other countries?
- Would my clients like access to health care outside of the country they live in?
- Is a "travel" enquiry actually for at least one year of cover, indicating that the best solution may be an iPMI plan?
- Have I reviewed past enquiries to identify possible international requirements?

If you answered "yes" to any of these questions, it may be time to search for an iPMI provider whose plans can address the unique needs of your clients. As an intermediary, you should look for a financially stable provider that will

give you international market insight, business support and the resources you need to succeed.

In the international market, having access to diverse products is essential. Look for a provider with an extensive product line that allows you to easily assist your clients and prospects in choosing the proper cover to meet their needs.

Remember: the longer you wait to offer iPMI plans, the more clients you may lose to competitors who already provide a complete, worldwide health insurance solution.

What's in it for you

With a well-established demand for the product, you can no longer afford to ignore the growing iPMI market. Offering iPMI not only helps you maintain your existing client base and attract new clients, but it also promotes a steady flow of commission, unlike the private medical insurance (PMI) market.

With iPMI, the commissions are generally more stable across new and renewal business, which promotes long-term clients through a consistent flow of commission each year. In contrast, in the PMI market, there is often high commission in year one, but it decreases dramatically in year two and beyond, which encourages intermediaries to move the business at each renewal. Thus, the iPMI framework enables a larger, commission-based book to grow at a quicker rate than it would on the domestic side with the commission drop-off in year two.

By having iPMI in your portfolio, you can feel comfortable renewing business with an iPMI provider if your client is content, and focus your energy on new business.

Since clients are the lifeblood of any insurance organisation, it's key that you provide the products and services they need most. By selling iPMI, you will address your clients' needs, while also enjoying the perks the market has to offer.

"Remember: the longer you wait to offer iPMI plans, the more clients you may lose to competitors"

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