



Expatriate Group Insurance



By

David Tompkins

Expat Financial™

for Organization Resources Counselors , Inc.

Canadian Conference at Four Seasons Hotel

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About Expat Financial



- Part of TFG Global Insurance Solutions Ltd.
- Founded in 1998
- Provides international brokerage services for individuals and companies
- Works with companies around world - both suppliers & clients
- Extensive international group insurance experience
- web site @ www.expatfinancial.com



Services Offered - Individual

- International health insurance
- Online travel insurance
- Life insurance
- Disability insurance
- Offshore mutual funds

Services Offered - Corporate

- Group expatriate employee benefit plans
 - Life
 - AD&D
 - STD
 - LTD
 - Health - true health insurance
 - Dental
 - Travel
 - Special Risks - kidnap, political risk etc...

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Corp. Services Cont....

- Offshore Pension Plans
- Consultation on current plans
- Work on commission or by the hour

Who Do You Cover?



- Expat employees of any nationality
- Local Nationals where regulations permit + must have expat mix
- Contract employees

Local or International Plans?

- Depends on:
 - Country employee is in
 - State of local health insurance industry
 - Local laws
 - Is government plan compulsory?
 - Does employee need cover back @ home country
 - Does employee move from one country to another - what if he/she becomes uninsurable?



Why an International Plan?

- Supervisory & regulatory regulations can restrict coverage
- Blocked currencies in some countries
- Does employee want claims paid in local currency, which may be unstable?
- The local insurance companies may be unstable
- Portability
- Pooled coverage can = better economies of scale
- 1 administration source



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Why use a Canadian company?



- Your co. may use them for your domestic plan
- Same currency
- Familiarity
- Cheaper??

Why Not to Use Canadian Plan



- Most Canadian insurance firm can't cover local or 3rd party nationals
- \$USD - most employees paid in US dollars
- Benefits may only be payable if return to Canada
- Canadian firms are not set-up for int. benefits
- Canadian health plans are for Canadians, not expats - huge risk!

Why Not Canadian Plan....

- International plans offer portability of coverage from one country to another
- Offer benefits payable in a variety of currencies
- The int. insurance company's claims departments are use to dealing with int. claims
- Less access to economies of scale
- May not cover all nationalities - may only cover Canadians

Employees Going to USA



- Generally, we use a licensed third party broker in USA.

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Review of Benefits Offered

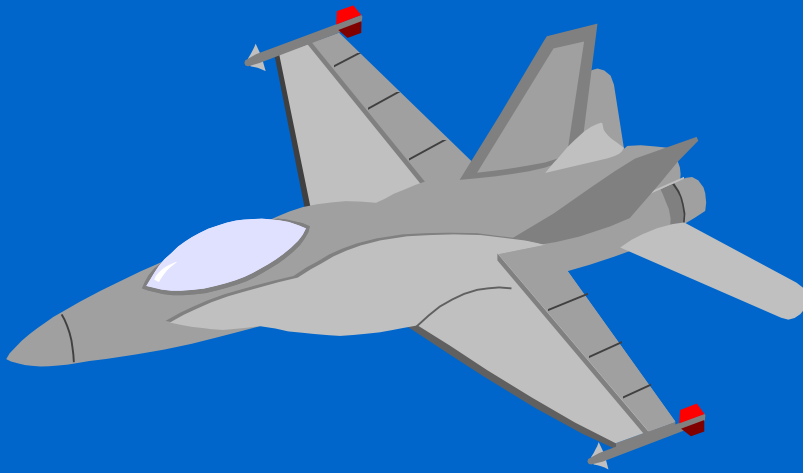
- Life
- AD&D
- STD
- LTD
- Health
- Dental

Life Insurance



- Compulsory benefit
- Usually a multiple of salary - rec. 2 times
- Currency
- Exclusion on war/riot can be waived
 - even in war torn areas
 - Africa

War Exclusions



- War = hostilities, mutiny, riot, civil commotion, civil war, rebellion, revolution, insurrection, conspiracy, military & usurped power, martial law or state of siege.
- Recommended in hot-spot counties.

AD&D



- Matches life amount
- Pilots?
- War Exclusion?
- Look @ wording carefully - loss or loss of use?

STD

- Usually 60% of salary
- Usually starts 1st day accident, 7th day sickness/hospital
- Most easily self-insured
- If self-insured, set out a policy & inform employees.
- Pays till 3rd or 4th month - which is when LTD takes over

LTD

- Usually 60 to 75% of salary
- Elimination period of 3 or 4 months
- Payable till age 65
- 2 Year Own Occupation standard
- Annuity optional
- Not advisable to self insured - claims can be huge!
- Costs are rising - high claims & low interest rates

Critical Illness



- Pays after 30 days of diagnosis of a named critical illness.
- Not yet on many group insurance plans in Canada or abroad

Health Insurance - Introduction



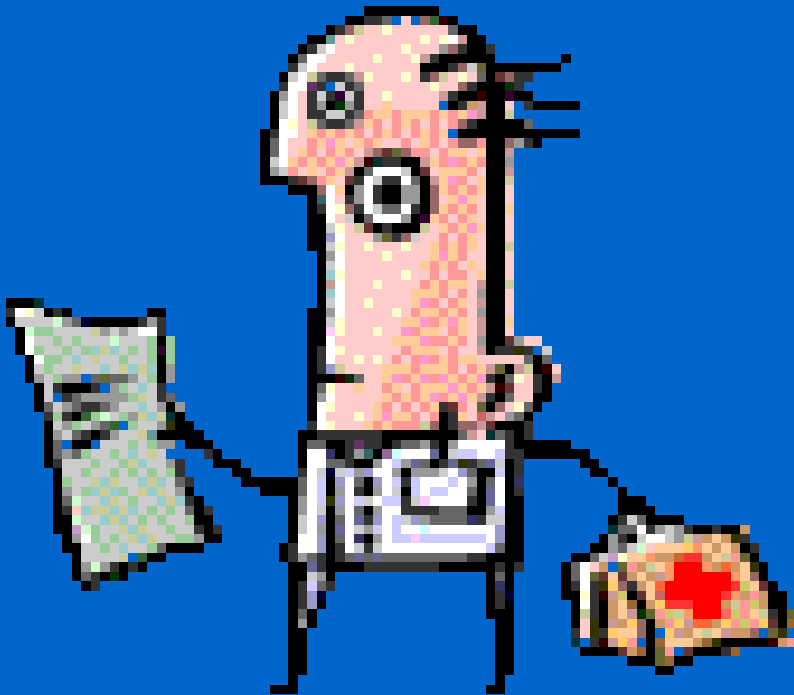
- Real Health Vs. Extended Health
- Employees are most concerned about health coverage
- Higher premiums than one is used to

Health - In-Patient Care



- This is primary health benefit
- Some plans provide only in-patient / hospital care
- Main cover is:
 - room - semi or private
 - Surgery, IC, ER dialysis
 - organ transplants, local transport, child birth
 - medicine, psychiatric
 - Chemo & other cancer treatments
 - May include Day-patient care

Health - Out-patient Care



- When you receive treatment or invest. or consults which DON'T necessitate hospital stay
- Included or can be an option
- Can double cost of health premium
- Coverage includes:
 - home nursing
 - GP visits, specialists
 - Vaccine, acupuncture
 - x-ray, EKG & other tests
 - Paramedicals
 - hearing aids & drugs

Common Health Exclusions

- Drug abuse
- HIV/Aids - depends on co.
- Infertility
- sports?
- Self-inflicted
- War/Riot
- Maternity? - some plans cover - recommended!
 - 12 Month waiting period?
- Pre-existing Conditions - can be covered, but @ increased cost

Health - Co-insurance & Deductibles

- Typical Plan Design
 - 80% 1st \$5K USD of expenses, 100% thereafter
 - Deductible vs. Coinsurance?
 - PPOs, freedom of choice or both?
 - Coverage worldwide excluding or including USA/Canada? Covering USA/Canada usually doubles the cost of health premium
 - Lifetime vs. policy year maximum?

Health Top-Up

- Expat Financial offers employees of group plans private top-up health coverage
- Provides the missing 20% that many plans don't cover
- Expat Financial also offers individual health plans for employees who either don't want to or can't be on group plan



Evacuation

- Covers transport to qualified place of treatment or to home country
- Covers transport by plane or helicopter
- May cover person accompanying insured
- Recommended that evac & health carrier be under the same health plan
- Can cover return airfare on recovery
- Make sure it covers bus. & pleasure travel



Health Plan Administration

- Does insurance company have:
 - multilingual capabilities
 - currency?
 - How are claims paid?
 - Ask for current claims processing times
 - Can hospital be paid directly
- Does insurance company
 - provide adequate communication of the plan - booklets, web, cards etc...
 - Have staff who are easy to deal with - 24 hours help line?
 - Are claims to be pre-certified

Vision & Dental



- More easily self-insured
- Not a huge risk
- No tax benefit for most expats
- Covers?

Travel Insurance



- Usually part of health coverage
- Can be carved out for expats or Canadian domestic employees
- Expat Financial also offers online travel cover for citizens around world

Special Risks

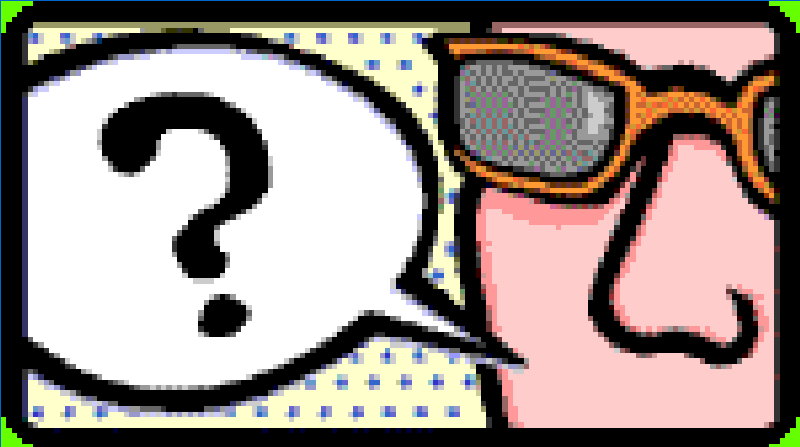


- Kidnap insurance
- Political risk
- Special AD&D cover for key employees

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Questions?

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Global Financial Security & Service

#216-2438 Marine Drive

W. Vancouver, BC V7V 1L2

Canada

P: 604-351-5278

F: 604-913-1153

E: tompkins@expatfinancial.com

W: www.expatfinancial.com

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