

Internationally Mobile Employees

2021 Survey Report

Health and Risk Benefits Design for IME

February 2022

Introduction



31% of respondents expect an **increase in international assignments** in the upcoming year



1 in 5 respondents allow some flexibility for employees to **“work from anywhere”**



#1 consideration in selecting an international health plan (IHP) vendor is ability to **offer compliant coverage** in all host/home countries



Almost half (47%) recognized a **gap in wellbeing services**, specifically telehealth and employee assistance programs (EAPs)



In a continuing upward trend, a **vast majority** bundle medical, dental and vision benefits within an IHP



A majority offer business travel medical and accident benefits, with a **quarter managing two distinct travel programs**



Highlights of participating organizations

Top industries represented in the 2021 survey are financial services, energy/natural resources, professional services, consumer goods, pharma/health and aerospace/defense. Participant headquarters represented by region indicate 54% in North America, 35% in Europe and 9% in Asia Pacific. Constructing a composite picture, a strong majority of respondents are either privately or publicly owned with revenue between \$1 billion and \$50 billion; have an average global, full-time employee count of approximately 43,000; and conduct business on at least five continents.

Figure 1. Assignments by type*

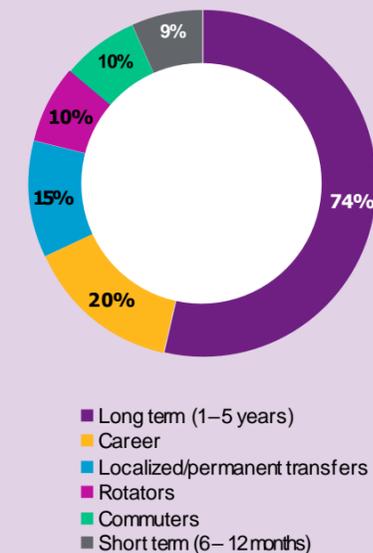
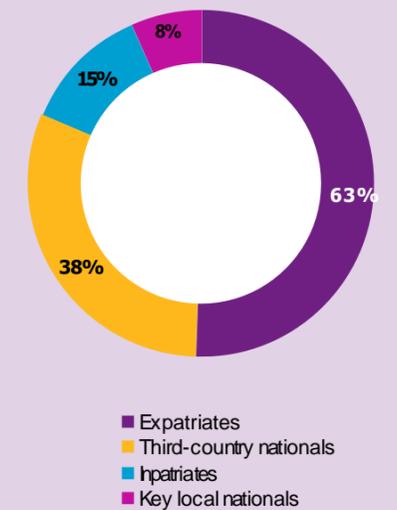


Figure 2. Assignees by assignee type*



*Percentages are not intended to equal 100%

31% of respondents expect an **increase in international assignments**

Healthcare coverage for international assignees

International assignees may be covered under home, host and/or international benefit programs. Over the past three decades, the trend for multinationals has been to offer international healthcare plans (IHPs) that are tailored to international assignees and their dependents. These plans increasingly include multiple healthcare benefits, bundling medical, dental and vision care

Figure 4. Healthcare benefits offered via IHPs



Including dental coverage under the IHP has increased from 87% in 2019 to 95% in 2021. There has been a significant increase in offering vision benefits within the international plan (88% in 2021 versus 60% in 2019).

It must be noted that the survey results indicate over half (51%) of the international plans originate in North America (the largest category with growth of 11 points over 2019), and 37% originate in Europe, including the U.K. Policy situs can have a direct impact on specific plan design features given various regulations; therefore, the survey results specific to plan design will be weighted toward U.S.-based plans.

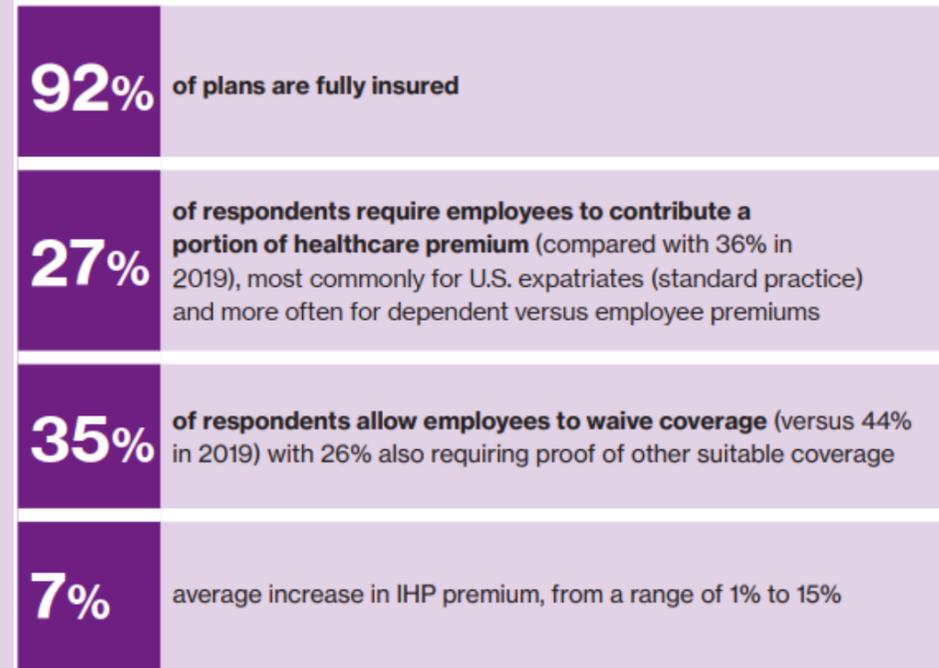
International health plan structure

Many employers maintain more than one plan design, generally in response to regulatory requirements, regional benefit strategies or specific needs for a given category of international assignees (e.g., rotators). In this year's survey, 24% of respondents had two or more plan designs.

Figure 5. IHP plan structure



Figure 6. IHP funding



Medical benefit highlights

Nearly one-third of respondents have plans with varying levels of deductibles, coinsurance percentages and out-of-pocket limits, based on claims incurred in the U.S. or outside the U.S. This is a typical practice in the U.S. healthcare market due to steerage into medical networks to contain costs.

Deductibles (excess)

- For plans with consistent provisions worldwide, 82% do not require a deductible; for those that do, the median is \$420 for an individual (2x for a family).
- For plans with individual deductibles that vary based on U.S. or non-U.S. care, median amounts are \$500 for non-U.S., \$550 for U.S. in-network and \$950 for U.S. out-of-network. Family deductibles vary from 2x to 3x the individual amounts.

Coinsurance

- For plans with consistent provisions worldwide, 68% indicate 100% coverage worldwide (same as 2019).
- For plans that vary based on U.S. or non-U.S. care, median coinsurance levels are: 90% for U.S. in-network, 70% for U.S. out-of-network and 100% for non-U.S.

Out-of-pocket limits

- For plans with consistent provisions worldwide, median amounts are \$1,235 per individual, \$2,850 per family.
- For plans that vary based on U.S. or non-U.S. care, amounts range widely with median individual amounts of \$2,000 for non-U.S., \$2,500 for U.S. in-network and \$3,000 for U.S. out-of-network (2x per family).

The top considerations when selecting a global healthcare vendor have remained fairly consistent over the past two years:

- 1 Ability to offer compliant coverage in all applicable home/host countries
- 2 Quality of services for employees/dependents
- 3 Pricing
- 4 Contractual and plan design options
- 5 Access to preferred service providers/direct payment options

Figure 7. Notable coverage provisions

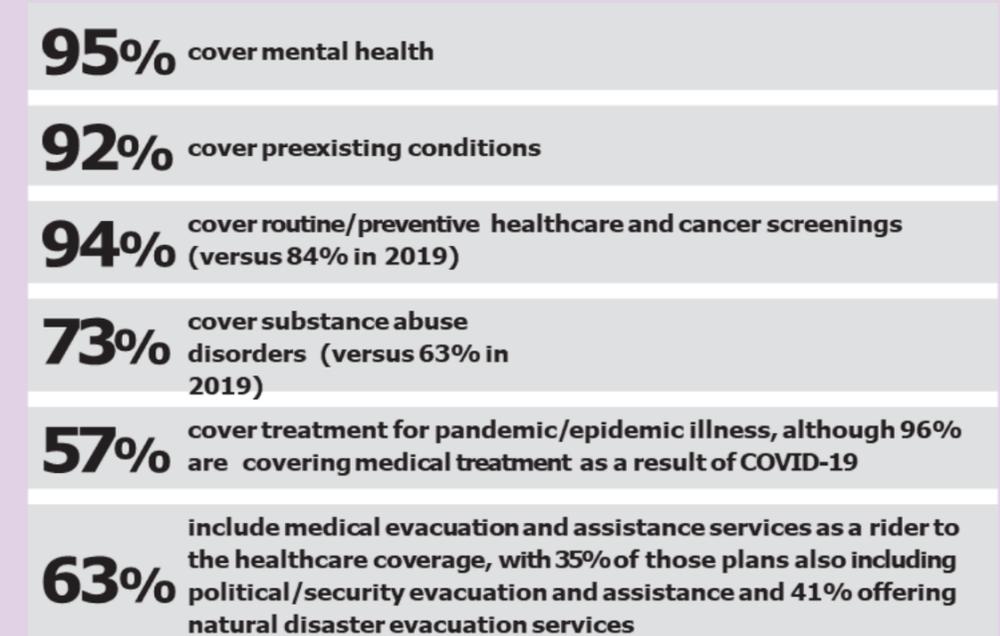


Figure 8. Dental benefit highlights

37% of dental plans have an annual deductible, with a median of \$50 per employee and \$150 per family

92% of plans have a calendar-year maximum, with a median of \$2,000

81% of plans offer orthodontia coverage, with a median lifetime maximum of \$1,875

Figure 9. Vision benefit highlights

97% offer vision exams (versus 100% in 2019)

90% offer glasses and frames

83% offer contact lenses

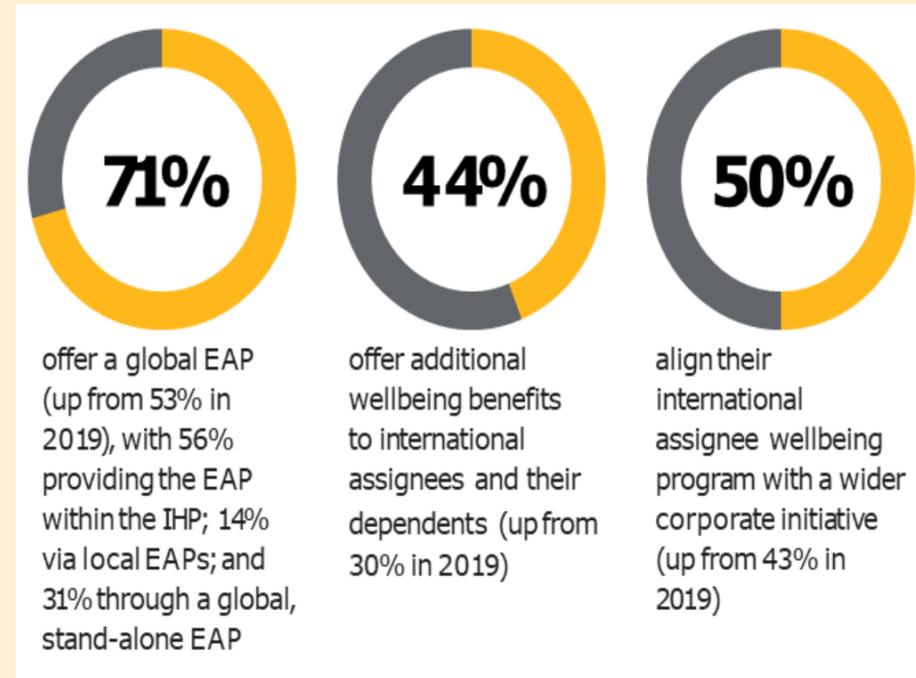
26% offer laser eye surgery

Dental and Vision benefits typically have frequency limits and financial maximums.

Wellbeing highlights

As evidenced by the increase in prevalence below, wellbeing initiatives continue to be an important aspect of employee benefit coverage for international assignees, with the majority incorporated into the IHP (Figure 10).

Figure 10. Wellbeing highlights



Additional wellbeing highlights

68%	64%	57%	50%	32%
Emotional wellbeing	Vaccination	Annual health checkup	24/7 helpline support and online information	Retirement planning and support

Nearly half (47%) of respondents recognized the need to expand wellbeing services (e.g., telehealth and EAPs), in order to cover gaps brought to light by the COVID-19 pandemic. Per our 2021 Global Medical Trends Survey, 50% of insurers globally offer telehealth across all plans; this is a growing trend as insurers expect almost one-third of plan members to access services in this manner moving forward.

Risk benefits for international assignees

Similar to healthcare benefits, international assignees may be offered risk benefits (life, accident, disability) under home, host and/or international benefit programs. While survey results indicate a majority of respondents still provide risk benefit via home country rather than international plans, there is a continuing trend for multinational organizations to seek consistent global coverage to meet minimum benefit standards for all international assignees.

Figure 11. Prevalence of risk benefit plans to international assignees

71%	offer insurance (death-service) coverage	life in-service coverage
65%	offer accidental death and dismemberment coverage	
63%	offer long-term disability coverage	

Life (death-in-service) benefits

- 71% of respondents offer life benefits to international assignees, with 44% doing so as part of an international plan and 71% leveraging the assignee's home country plan.
- 87% of plans offer a life benefit as a lump sum benefit based on a multiple of salary (12x to 50x monthly pay).
- Benefits range from \$37,500 minimum to \$2.9 million.

Accidental death and dismemberment benefits

- Accidental death and dismemberment (AD&D) benefits are offered by 65% of respondents, with 38% doing so as part of an international plan and 66% as part of a home country plan.
- 68% of plans offer AD&D benefits based on a multiple of salary (12x to 70x monthly pay).
- Benefits range from \$50,000 minimum to \$1.3 million maximum

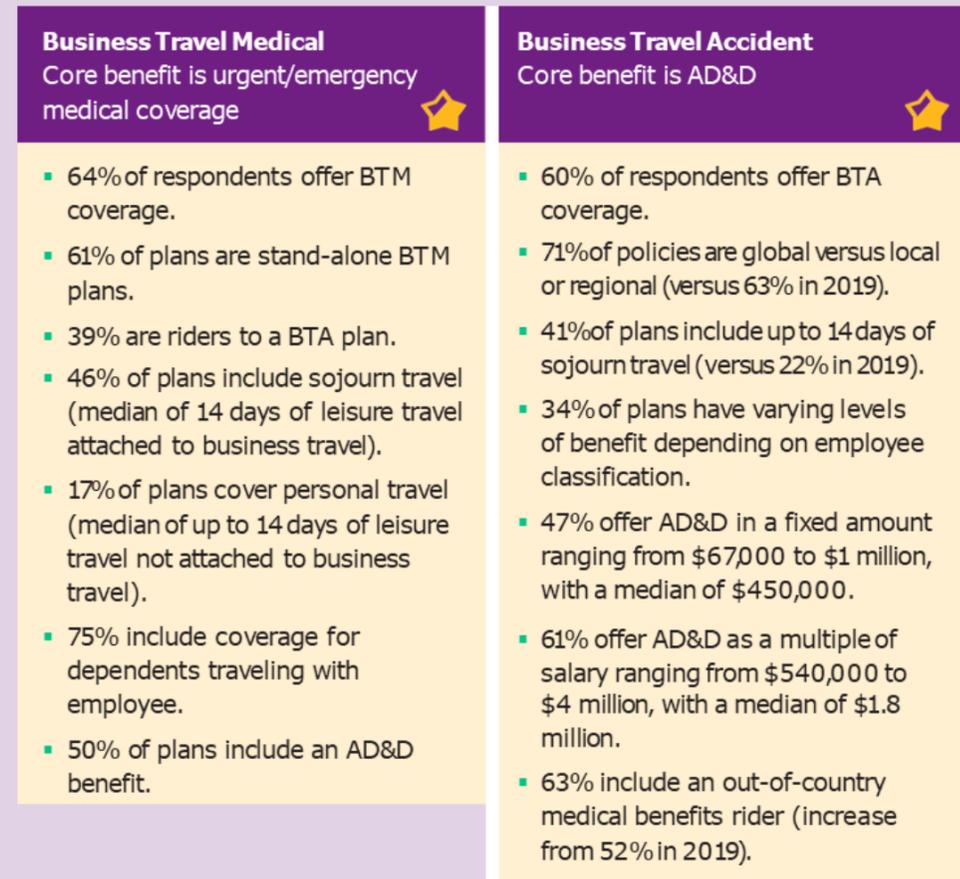
Long-term disability benefits

- When it comes to long-term disability (LTD) or total and permanent disability (TPD) benefit plans, 63% of the respondents confirmed benefits are made available to international assignees, with 35% offering those benefits through an international risk plan. Of those indicating an international plan:
- 92% provide LTD (income replacement) benefits, and 46% provide lump sum benefit payments, often as an extension of a short-term income replacement benefit (e.g., two years).
 - The median for LTD benefits as a percentage of pay is 67%.
 - The median maximum monthly benefit is US\$15,000.

Benefits for business travelers

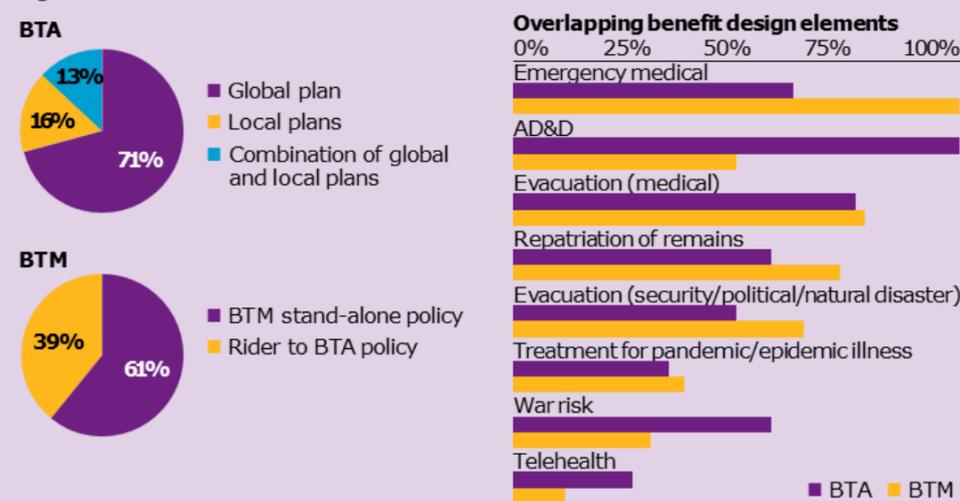
Figure 12. Business travel benefit plans

The median percentage of employees traveling internationally on business in 2020 was 10%, a significant reduction from 2019 (25%) due to the pandemic.



While 64% of respondents maintain Business Travel Medical (BTM) benefits, and 60% also provide Business Travel Accident (BTA) coverage, it is not uncommon for employers to offer two separate insurance plans covering emergency medical and business accident coverage, respectively. A quarter of respondents manage both unique types of programs. But it is also very common to bundle these coverages within a classic BTA or Personal Accident program (Figure 12).

Figure 13. Business Travel Accident vs. Business Travel Medical benefits



Evacuation and assistance services for IMEs

For most employers, it is imperative that IMEs — both international assignees and business travelers — have access to evacuation and assistance services. Such benefits can be found in a number of insured plans, including international healthcare, BTA and BTM plans. It is also quite common for employers to contract directly with an evacuation and assistance service provider.

A very high number of respondents have protocols in place in the event they need to liaise with international healthcare and business travel vendors around evacuation procedures. It is typical and recommended that HR and risk management work together to ensure alignment on such protocols (Figure 14).

Figure 14. Evacuation and assistance prevalence

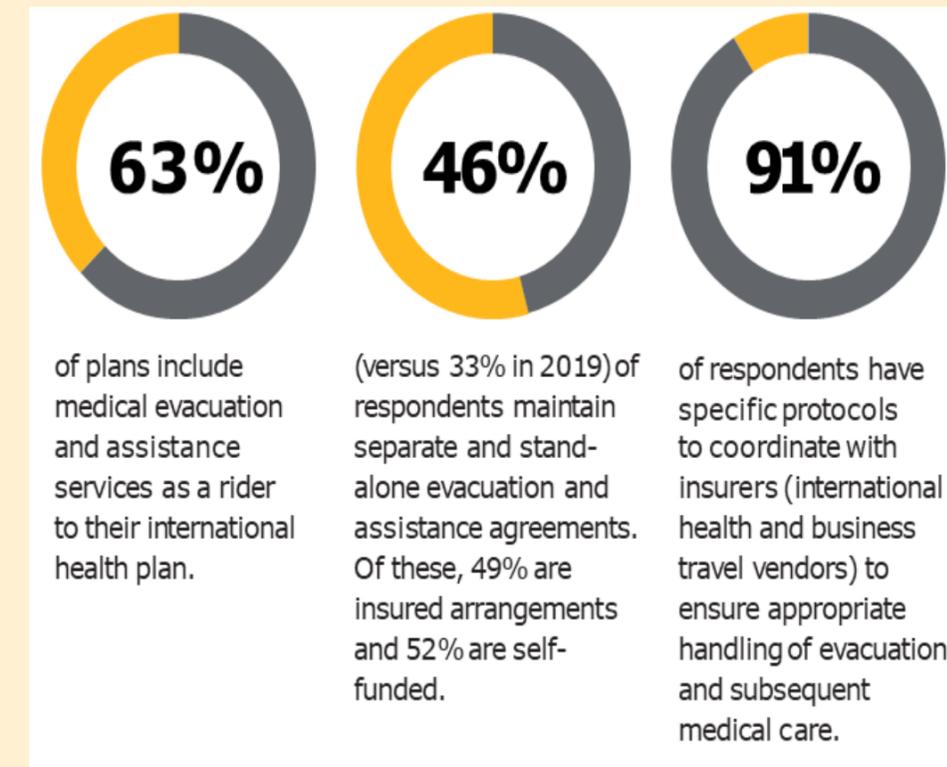
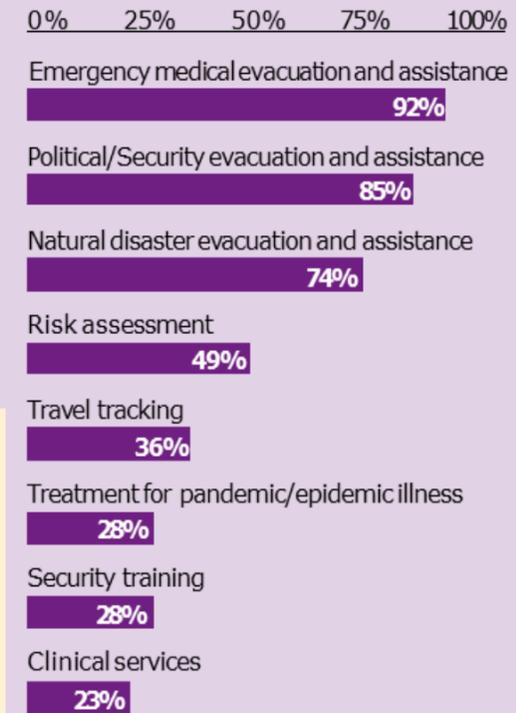


Figure 15. Evacuation and travel assistance — prevalence of services



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Our subject matter experts are uniquely positioned to support our clients with plan design (e.g., benchmarking and industry trends), regulatory compliance in an ever-changing environment, cost management (e.g., market review, analysis and financing), and ongoing management of health and risk benefits for international assignees and international business travelers.

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