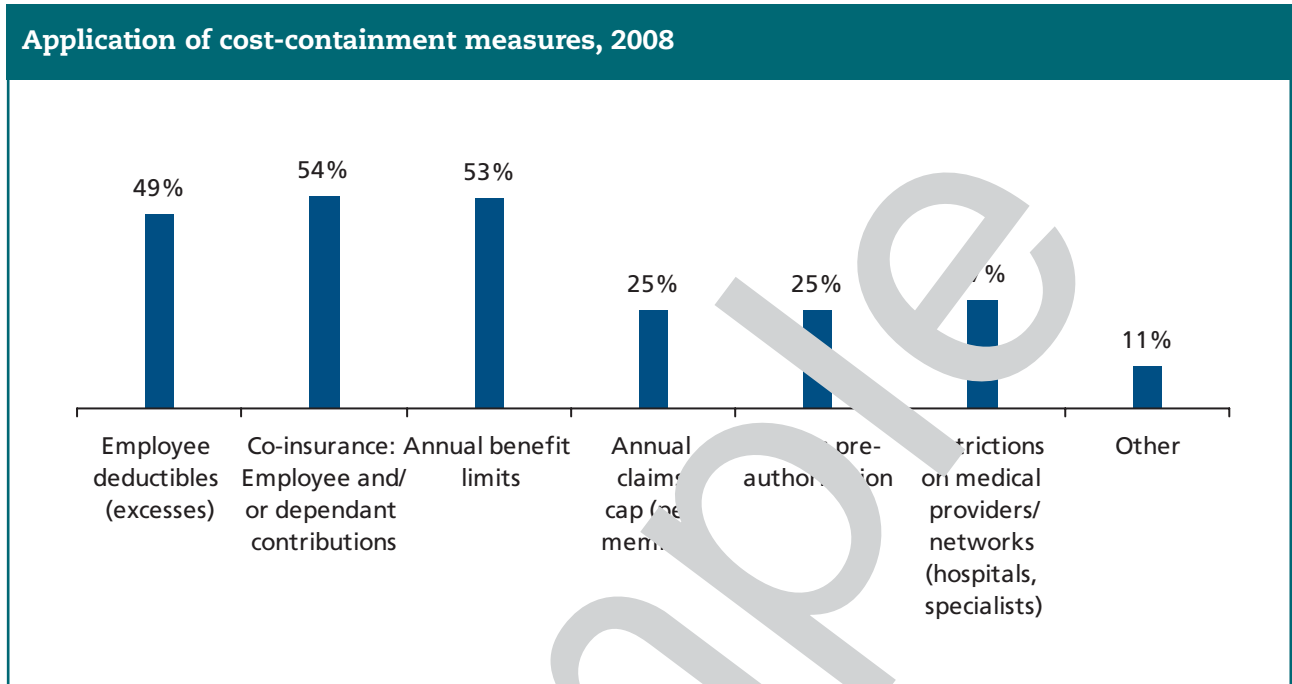
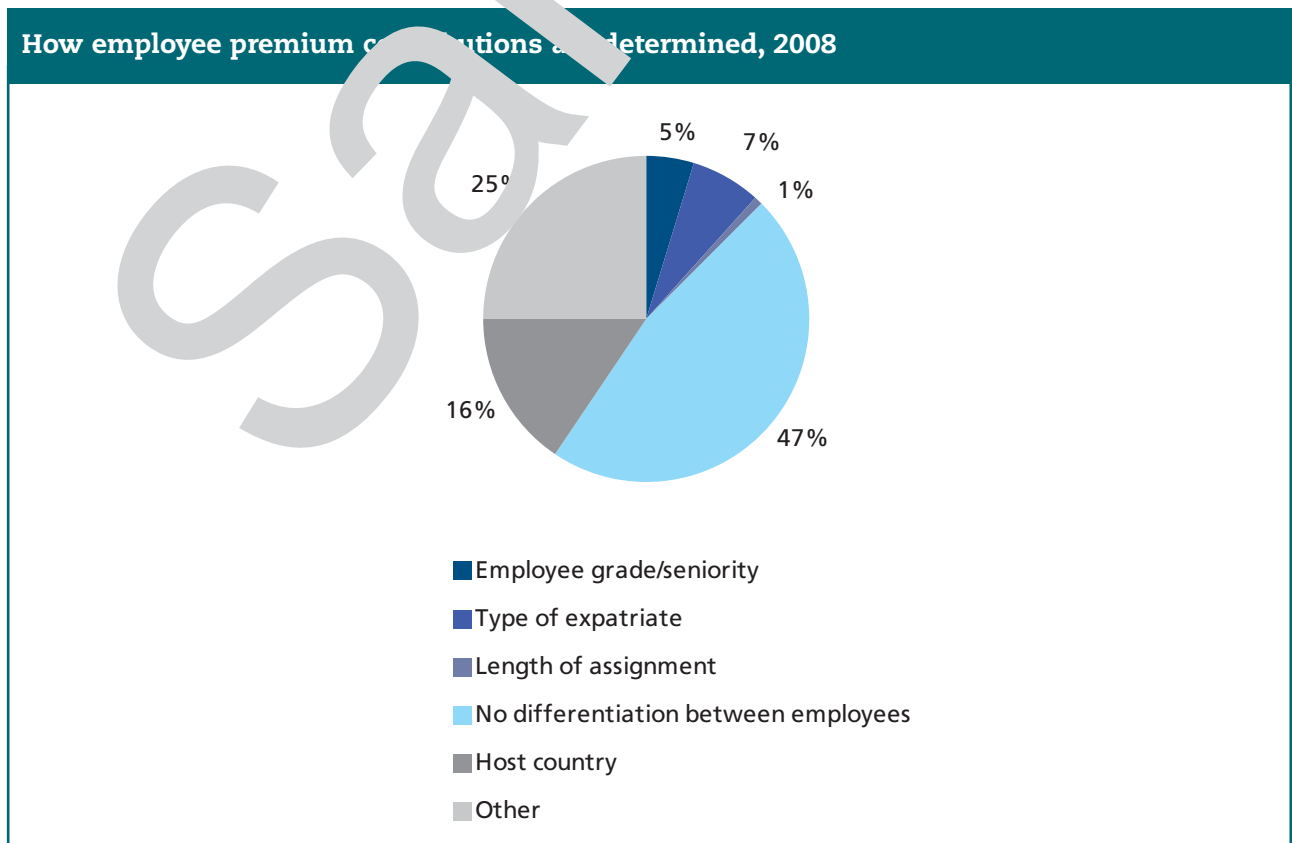


Traditional cost-containment options remain popular, with more than half the companies adopting the cost-sharing approaches of co-insurance and annual benefit limits.

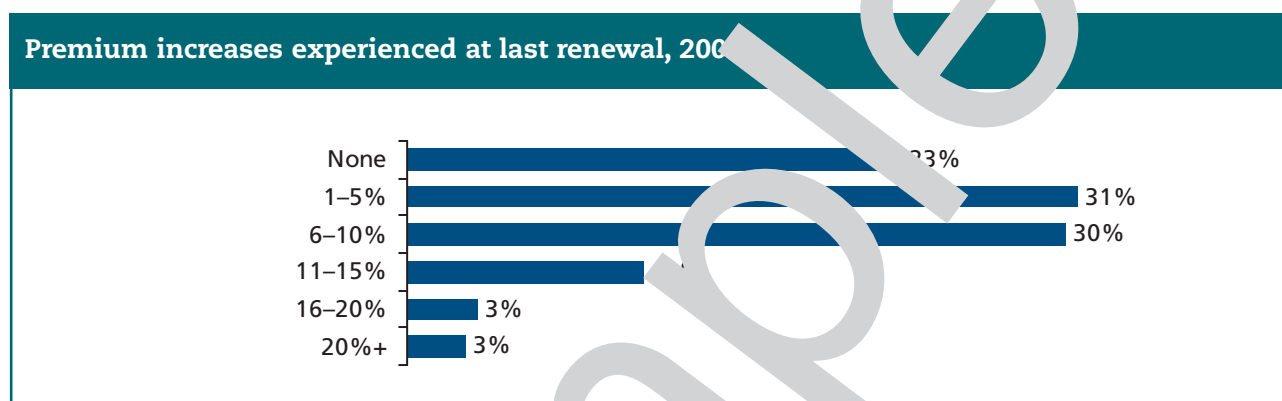


Forty-five percent of companies ask employees to contribute towards the premium cost of their cover within the plan. Of these, just under half the companies do not differentiate between employees in terms of contribution requirements.



There has been a 19% increase in companies requiring employees to contribute towards the cost of covering family/dependants on their schemes to 45%. As standard plans tend to provide benefits considered to be “top tier” as an add-on package, the inclusion can require an additional premium. Half the companies ask their members to contribute towards this cost.

Almost one-quarter of companies reported no increase in premiums at the last renewal, which is an unexpected result against a typical international market trend of double-digit increases. However, close to two-thirds of companies experienced increases of up to 10%, whilst only 3% of companies reported increases in excess of 20%.



Eligibility

Eligibility is determined primarily by type of expatriate, length of assignment and country of origin.

There has been a significant increase in the provision of medical cover through an international insurance plan since 2005, within the following groupings:

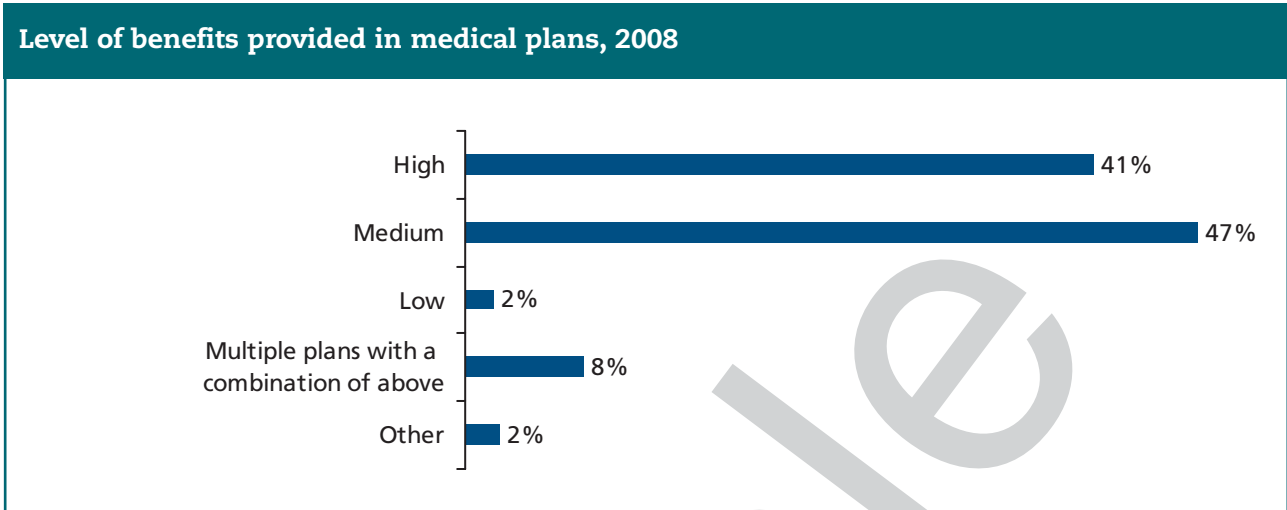
- Traditional expatriates: 10% increase.
- Long-term expatriates: 10% increase.
- Global nomads: 10% increase.

Interesting survey results indicate that almost half the international medical plans include short-term expatriates who generally require cover only on an international medical arrangement when out of the country for more than six months of the year.

Data indicates that long-term expatriates are excluded from international medical plans if local social security coverage is adequate, or if local legislation dictates that alternate arrangements are required.

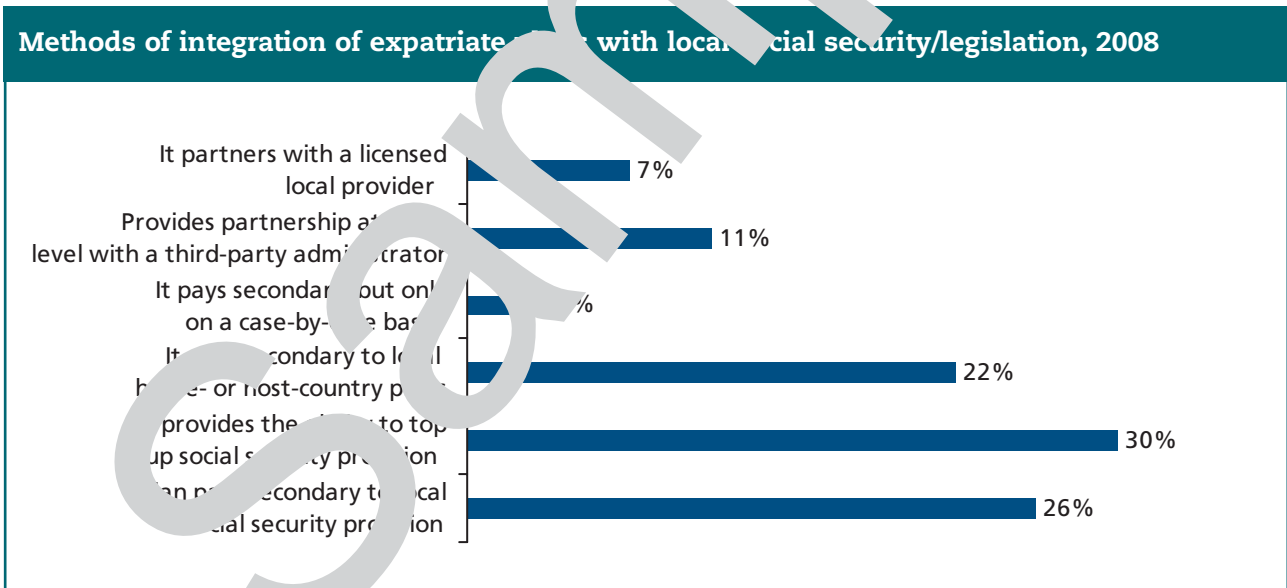
Benefit design

The majority of companies offer a comprehensive level of cover, with 41% indicating they provide a higher level of benefits and 47% providing what is perceived to be medium-level coverage.



Social security/legislative requirements

Eighty-two percent of respondents do not take into account local social security provision and legislative requirements. Companies that do consider them actively focused on complementary arrangements with the host-country's social security provision of health



“Top tier” benefits

International medical plans have historically been seen to provide various benefits often excluded from typical home country plans.

With the exception of evacuation and repatriation, the results indicate that these are no longer to be regarded as top tier benefits but a standard part of international plans. Half the companies do not require employees to contribute towards the costs of these benefits, but 25% do recover some costs through co-insurance arrangements and 10% through deductibles.