

GLOBAL EMPLOYEE BENEFIT PROGRAMS

Multinational Pooling

Optimization of employee benefit programs across countries.



Pooling helps to keep the costs of employee benefit plans under control, to keep track of the development of the plans abroad, to detect problems at an early stage and to ensure that plans are in line with your corporate policy.



A risk management program that allows multinational companies to share in the results of local employee benefit plans across the globe.

At a glance.

Pooling consolidates local employee benefit plans from two or more countries into one account to assess and additionally optimize the overall result through a better spread of risk. In addition to optimal service and enhanced transparency through global reporting, multinational corporations can receive the benefit of an international dividend.

The combined insurance risks can comprise

- LIFE
- ACCIDENT
- DISABILITY
- HEALTH
- PENSION (risk elements)

How it works.

Local group insurance contracts are combined via reinsurance through annual consolidated reporting: The local performance depicts the total premium amount reduced by the total local claim amount and the local costs. Then, profits from one country can be used to balance losses that may arise from another.

In our pooling program, the global performance of the pool is the result of the consolidated performance of all local plans reduced by international costs. A portion of the potential positive result is refunded to the client via an international dividend.

Our approach.

We help you to optimize your employee benefit programs across countries, providing a clear overview, more advanced risk management and governance.

The program allows to oversee the employee benefits risk situation firm wide. It follows a clear and customer focused value chain, comprising the following steps:

Identify

the subsidiaries that are already insured by our network insurers.

Assess

the overall potential for a multinational pooling program.

Illustrate

the pooling solution that is best suited including potential savings.

Implement

the program in close collaboration with the corporate client.

Manage

the transition of business into the pool.

Evaluate

the development of the program via annual consolidated reports.

MULTINATIONAL POOLING

Our pooling types

The choice of the right pool depends on a number of factors including size and composition of the pool in combination with your company's risk profile. The offer includes a full range of pooling types to ensure that multinationals of all sizes can benefit from pooling.

Multi-Employer Pool (MEP)

Countries: 1+

No. of employees: 100+

Risk premium (€): 10,000+

The MEP is designed to give companies with a small portfolio of pooled group contracts an opportunity to enjoy the advantages of pooling, which are usually only available for much larger portfolios. In the MEP, the client's risks are combined with risks from several other multinational clients into one single pool. In case of an overall positive result, an international dividend is paid to those multinational clients with positive individual results, after deduction of losses, distributed among all the participating multinational clients within the MEP, and international costs. In case of an overall negative result our MEP pools are protected by an annual Stop Loss cover set at 100% of the premium in the pool. Through this mechanism our clients are not exposed to financial loss from participating in our pools.

Three Year Stop Loss (3ySL)

Countries: 2+

No. of employees: 500+

Risk premium (€): 200,000+

The 3ySL is suited to companies with a small to medium portfolio of pooled group contracts. Each client has its own self-standing pool, which means that the pool is of a size that enables it to assume its own risk and consequently has the potential to profit solely from its own experience. Under this arrangement, we look at the experience over a three year accounting period. At the end of each calendar year any positive or negative results are carried forward within the accounting period of three years. The overall three year experience of the participating policies is therefore grouped together. In case of an overall positive result, an international dividend (after deduction of the international costs) is paid to the multinational client. In case of an overall loss the pool is covered by a Stop Loss set at 100% of the premium over a three year accounting period in the pool.

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Limited Loss Carry Forward (LLCF)

Countries: 2+

No. of employees: 1,000+

Risk premium (€): 500,000+

The LLCF is for companies with a medium to large portfolio of pooled group contracts with a more mature and predictable experience. Each client has its own self-standing pool, which means that the pool is of a size that enables it to assume its own risk and consequently has the potential to profit solely from its own experience. The experience of the participating policies is grouped together. In case of an overall positive result, an international dividend (after deduction of the international costs) is paid to the multinational client. However, in the event of an overall loss being incurred, a year-specific loss will be carried forward to the subsequent years (maximum of three subsequent years) and balanced with positive results. After the three year period a pool protection (Stop Loss) will be triggered to protect the pool from the remainder of the original loss which could not be balanced with positive results. The Stop Loss is set at 100% of the premium in the pool of the original year of losses to be offset.

Stop Loss (SL)

Countries: 2+

No. of employees: 2,000+

Risk premium (€): 750,000+

The Stop Loss pool is suited to companies with a large portfolio of pooled group contracts. Each client has its own self-standing pool, which means that the pool is of a size that enables it to assume its own risk and consequently has the potential to profit solely from its own experience. The experience of the participating policies is grouped together. In case of an overall positive result, an international dividend (after deduction of the international costs) is paid to the multinational client. In case of an overall loss, the pool is covered by a Stop Loss set at 100% of the premium in the pool.

Risk management options



* Three year accounting period ** Multiple companies' risks in one pool