



Spectrum *Insights*

Volume 3

Business Travel Assistance Program Overview

As companies grow and expand into new markets, an internationally mobile workforce is on the increase. Many employees are working outside their home location for extended periods of time. Companies are also moving into less developed countries with both unstable social and political environments and where the quality of medical care is less than what the company has determined to be appropriate for their mobile workforce.

It is for reasons such as these that the need for support services in the area of travel risk management is increasing. One solution is for companies to provide their mobile workforce a comprehensive business travel assistance program that incorporates travel assistance, security assistance, emergency medical insurance, emergency medical assistance, and business travel accident insurance coverage. These services ensure that employees have support services and tools available to them in the event of an emergency while traveling or working in another country.

This Overview focuses on the area of employee health and welfare benefits and programs designed to protect the employee and their

accompanying family members while traveling and working on company business.

Why Is a Business Travel Assistance Program Needed?

At the same time that worldwide travel is increasing, so is the frequency of natural disasters and political unrest. Employees may be exposed to unpredictable circumstances, physical hazards, and health and safety threats. Companies have a legal, fiduciary, and moral duty of care obligation to their employees and accompanying family members who are traveling and working on company business.

“Duty of care” is the legal responsibility of a company to do everything “reasonably practical” to protect the health and safety of their employees, regardless of work location.

A business travel assistance program is designed to ensure the health and welfare of employees on business travel or international assignments. The program typically includes unique features such as evacuation which would not be included in the benefit programs of the employee’s home location. The

types of services vary based upon the type of business travel (domestic or international), the assignment type (business travel, commuter, short term assignment, long term assignment, etc.), and the length and location of the assignment.



Services Included Within a Business Travel Assistance Program

The primary services included in a business travel assistance program

include:

- Travel assistance and support
- Security assistance and evacuation
- Emergency medical insurance
- Emergency medical evacuation and repatriation assistance
- Life and accident insurance (typically called “business travel accident insurance”)

Each of these services can be purchased as separate components or as one comprehensive program. All of these services are designed to ensure the health and safety of a company’s traveling workforce. It is becoming increasingly important that at a minimum, employees receive the appropriate medical and security briefings prior to

embarking on business travel or an international assignment.

Travel Assistance and Support Services

This key benefit provides basic travel-related support services to the employee and their accompanying family members while traveling on business or on a short-term assignment. Travel assistance and support services are usually delivered through a network of providers who can address the medical, legal, and personal needs of the traveling employees and their accompanying family members.

Typical services include:

- Concierge travel services
- Prescription refill (for lost, destroyed or forgotten medication)
- Cash advances (in the event of lost or stolen wallet)
- Travel advisory alerts (both medical and security)
- Passport/visa replacement
- Legal referrals
- Lost/stolen baggage assistance
- Roadside assistance
- Translation/interpreter services
- Emergency message transmittal

The primary service providers for these types of travel assistance benefits include: International SOS, Europ Assistance, Healix Global, AXA Equitable, On Call International, AIG Travel Assistance, Zurich, and UnitedHealthcare Global.

Security Assistance Services

Security assistance services can be quite specialized in nature.



Examples of common security assistance services include:

- Pre-trip briefings
- Security alerts and advisories (before and during travel)
- Travel safety briefing document
- Evacuation services
- 24/7 Emergency response centers
- Travel tracker system capabilities

Security assistance service providers include: Control Risk Group, iJet Intelligent Risk Systems (iJET), United Healthcare Global, Salamanca Risk Management and Drum

Cussac. These specialized security companies may be integrated into one comprehensive business travel assistance program with one of the previously mentioned travel assistance and support service companies either by shared ownership, a contractual relationship, or they may be contracted separately.

Emergency Medical Insurance

Emergency medical insurance coverage is an additional benefit that can be added to a business travel assistance program. This coverage is generally limited to emergency medical services that require immediate assistance for employees who work outside their home location less than 180 days and remain covered under a home country social system healthcare or employer provided healthcare plan.

Emergency medical insurance coverage is intended to supplement the home country healthcare plan, not to replace it. It is not intended



as a comprehensive solution but only in the event of a medical emergency while on company-sponsored business travel or a short-term assignment.

The coverage is often limited in the amount and scope of coverage. For example, emergency medical services are only covered if the services are incurred outside of the employee's home country. A typical policy might also limit the covered emergency medical services to US\$100,000.

Excludable items may include certain types of routine medical care, preventative services, and claims for non-emergency medical conditions. Some pre-existing medical conditions may not be covered. Additional exclusions such as medical services resulting from intoxication, or injuries resulting while committing a criminal act, are generally excluded. It should be made clear to the employee the services which may be excluded from coverage.

The medical support services are tailored to an international clientele. Comprehensive support is generally available through a 24/7 global customer service center with multi-lingual language capabilities and multicultural customer service representatives. Claims are

processed in a number of different languages and are reimbursed in multiple currencies via electronic funds transfer.

An interactive and comprehensive web portal available to all plan participants is generally a component of all emergency medical programs. A medical referral service may also be available that helps direct employees to an appropriate

medical facility.

Emergency Medical Evacuation and Repatriation Assistance Services

In severe medical cases, and if the appropriate treatment facility or medical personnel are not available in a particular country, an emergency medical evacuation may be necessary. In this situation, the patient is usually evacuated to the closest available medical facility that provides the necessary treatment. Medical emergency repatriation services, which arrange medical transportation to the home location after treatment, are generally included.

In the unfortunate circumstance of the death of an employee while traveling on business or on assignment, it is important that repatriation of mortal remains is a component of a comprehensive travel assistance program. It can be quite complex to secure the necessary legal death affidavits and the necessary customs clearances to transport a body across country borders. Due to religious beliefs, this often must be done in a short period of time and can be critically important to the employee's family.

Assistance companies who provide these types of services include many of the same companies that provide the basic travel assistance benefits mentioned above: International SOS, United Healthcare Global, On Call International, AIG Travel Assistance, Zurich, Europ Assistance and AXA Equitable.

Business Travel Accident Insurance

Life and accident insurance while traveling on company business is typically called business travel accident insurance. It is a life and

accident insurance policy that is usually an employer-sponsored and employer-paid insurance benefit that provides accidental injury or accidental death benefits for employees while traveling on behalf of the company.

This type of travel insurance pays a lump sum benefit if an employee dies or is accidentally injured while on company-sponsored business travel. The dismemberment or paralysis benefits are generally flat amounts or a percentage of the life insurance benefit based upon the type and severity of the disability or dismemberment.

This type of coverage is generally provided through an insurance policy and provided to employees who travel both domestically and internationally. The insurance policy may be written globally to apply across an entire multinational company's workforce or there may be country-specific policies.

Many business travel accident insurance policies can be upgraded to include coverage while traveling on pleasure in the midst of a business trip. This type of optional enhancement is sometimes called 'personal deviation' or 'sojourn' coverage.

There are a number of additional optional benefits which can be added to business travel accident insurance policies including:

- Kidnap and ransom coverage
- Lost or delayed baggage
- Security and Medical evacuations
- War risk coverage
- Board of Directors coverage

These benefits may have coverage

limits. For example, coverage for lost or delayed baggage may be capped at US\$1,000. Kidnap and ransom coverage is generally capped at US\$500,000 or US\$1,000,000 per incident. War risk coverage provides full travel accident coverage for employees who are traveling in war zones. Family members may also be covered by many of these optional benefits if they are accompanying an employee approved to travel.

Often members of the company's Board of Directors are required to travel to attend board meetings. If the Board members are not

employees of the company, they are usually not covered by the company's business travel accident insurance policy. With a special policy rider, they may be added to the coverage.

Business travel accident insurance carriers include: Zurich, AIG, Chubb/ACE and AXA Equitable. Business travel accident insurance is often secured and managed by the company's Risk Management department.

Avoiding Duplicate Coverage

When establishing a business travel assistance program or reviewing an already established program, it is advisable to perform an audit of all services already provided by the company through various programs, or insurance arrangements that may be in place to support a company's mobile workforce. Some of these programs may provide for the same services and companies may inadvertently be paying multiple times for duplicated services. This can also be confusing to employees as they attempt to access the services because it may not be clear which

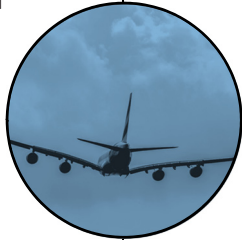


program they should use or the full extent of the services available.

This duplication often occurs because different departments within a company may be responsible for managing different assistance programs. For example, both a global medical plan and a business travel assistance program may offer emergency medical evacuation and repatriation assistance services.

Foreign liability insurance coverage, which is often managed by the company's Risk Management Department, may include repatriation and evacuation services.

Companies may be paying premiums for both these programs and not realize that both of them



offer emergency medical evacuation and medical emergency repatriation assistance services.

On a periodic basis, companies should audit all travel assistance related services to avoid a duplication of coverage and ensure efficient coordination of services.

In addition, basic travel assistance and support services (such as passport replacement, translation services) are included in almost all emergency medical insurance programs.

If an emergency travel medical insurance policy is already being provided for international business travelers or employees on a short-term assignment, additional assistance under a business travel

assistance program may not be needed.

Conclusion

With many companies experiencing an increase in their internationally mobile workforce, it is becoming increasingly important to have a comprehensive business travel assistance program to protect and support employees and their families when traveling on company business. The types of support services varies based upon the type of business travel, the assignment type and the length and location of the assignment. These programs should be reviewed frequently to ensure that they are meeting employee's needs and to avoid providing duplicate coverage through programs offered by other company departments.



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