



INNOVATION IN GLOBAL DISABILITY MANAGEMENT AND MITIGATION

Captive Review interviews Generali Employee Benefit (GEB) Network's Frederik Van Den Eede, head of client services, and Chiara Righi, head of underwriting, to learn more about disability dashboard reporting

Captive Review (CR): For a start, please tell me what you mean by disability, as I imagine it means different things to different people?

Generali Employee Benefit (GEB): We're talking here about long-term employee absence from work, due to illness or injury. By long term, assume around six months onwards. This type of insurance will pay out a certain percentage of the claimant's salary, after a deferred period until the individual is fit and well enough to return to work. Some policies will pay out until normal retirement age, if required. Others will pay out for a fixed duration.

CR: And is this type of coverage available worldwide?

GEB: No, it isn't. Through our research, we found that around 15 countries where GEB operates offer it. The benefit also varies considerably from country to country, with regards to the insurance coverage and also the early intervention and rehabilitation services embedded within the product. Such products have always included – to varying degrees – access to services to help support clients to return to work within the shortest possible duration. Increasingly now though, they also include early intervention services – such as access



Written by
Chiara Righi



Written by
Frederik Van Den Eede

to telemedicine and mental health services – to support employees at an early stage in their absence, with a view to helping individuals back to work, if at all possible (considering the degree of disability) within their current occupation, before the claim kicks in.

CR: So, considering such cover has been around for a long time in some countries, why focus on disability dashboard reporting now?

GEB: The captive community has previously not been able to analyse this in great detail, as quality data has been lacking. Through this report, we are hoping to provide insights regarding this topic in greater

detail to understand the key drivers of disability performance, such as reserving, magnitude and duration of benefit, age of claimants, etc. It's not a simple topic, by any stretch of the imagination. This isn't helped by the fact that there are so many differences in each country, as mentioned.

However, over recent years we've now seen captive clients take a first step with regards to the GEB medical dashboard. So, they are starting to get more familiar with topics such as prevention and early intervention. Many clients have sufficiently equipped themselves and are now ready to tackle an even more complex topic, in terms of disability, supported by GEB.

CR: Is this evolution being driven by captive clients?

GEB: The captive is of course the one taking the risk. They are the ones who are potentially liable for a very long time. If you have claims that last several years, which is not that uncommon, that's clearly not a short tail risk.

To date, many have relied on their local consultant or insurance network to guide them in taking an informed decision with regards to disability. But there's now more of a sense of saying 'we need to control this a bit better'.

The Covid-19 pandemic has undoubtedly accelerated this need. Clients are looking at the fact that they have quite a risk with regards to certain issues which could potentially impact the organisation's employees, such as long Covid and mental health. So, there is a strong driver to get on top of these complex risks.

Data is key to understanding what the trends are, in turn, determining how to best manage them, whether that be underwriting, benefit design or putting in place appropriate early interventions.

CR: Disability dashboard reporting sounds like a new concept. What does it give to a client? And why isn't anyone else doing it?

GEB: It is totally new. But coming up with a report that includes meaningful information in a coherent way, country by country, is very complex. That's probably why it hasn't been done by anyone else, to this level. To be fair, it's still in the evolutionary stage at GEB.

The goals of the reporting are two-fold: first to provide insight into the key drivers of disability performance, and then to look at the actions that we can help the client take with regards to benefit design, underwriting or early intervention.

With regards to the key drivers, the dashboard features a series of graphs to show aspects such as claim payouts against claim duration, benchmarked against the GEB portfolio average, to help highlight any trends and potential issues.

Also, a graph to show capitalisation factor (ie how many times annual salary has been set aside to pay the claimant) until normal retirement age. This kind of information will help captive clients determine aspects such as whether they are reserving prudently or not according to their risk appetite or whether benefit design in one country is less generous than in others. In the latter case, they might want to look at that as part of recruitment and retention strategy.

Clients don't usually have access to such information. It gives them the additional elements they need to help manage their book of business.

CR: Is this a kind of self-serve report, for the client to analyse and act upon independently?



“[Disability coverage] include early intervention services – such as access to telemedicine and mental health services – to support employees at an early stage in their absence, with a view to helping individuals back to work”

GEB: The dashboard report is just the starting point. It's vitally important in highlighting to captive clients the areas that require greater focus, but the report alone won't provide the answers to those issues. That's why alongside the report, we provide technical expertise from the GEB team, to help talk through the findings.

Together, we investigate the key drivers of disability performance – and this will look very different for each client – then examine what mitigation factors are required. This might involve changes to reserving, changes to benefits, putting in place early interventions, etc. And it would be determined during a deep dive session with HR and risk management to take

them through country by country to give meaning to the graphs.

As part of this, we've also developed a series of country-specific disability leaflets to highlight the services available locally in order to help support employees to return to work.

CR: You said the dashboard reporting is still evolving. Where next?

GEB: Next step is to add cause of claims and additional variables to add more granularity and allow us to work with clients to really drill down into the disability risk. Because without any knowledge

into what's driving your claims, it's difficult to come up with meaningful conclusions.

For medical, in contrast, there's a global consensus when it comes to codification. This helps to clearly identify the cause of claims, with consensus across countries. For disability, however, this capability was always lacking. But there's a strong need to be able to state clearly: "Look, you have 20 claims and 18 of those are related to mental health so there's clearly an issue that we can help you investigate further".

The more we advance with the data topic, the more we will be able to enrich the information at our disposal. That's the natural evolution that we expect to see. 