

Combining our resources and market experience, Generali Employee Benefits (GEB) and Granite Management Limited (Granite) have worked in collaboration to develop this short summary offering perspective on COVID-19 and its impact on employee benefit plans.

Medical plan design in the age of COVID: What should be covered by private medical plans vs public health care systems?

Since many countries face supply or distribution difficulties with the vaccine rollout, some Employers are asking if and how they could get involved to assure access to vaccinations for employees and their dependents, and how that might coordinate with existing private medical plans. We take the approach that when vaccinations are already provided through the public or national health systems, the costs should not be transferred to the private insurer. This approach helps to ensure compliance with pandemic procedures and protocols, and ensures alignment with global authorities and their need to manage and monitor vaccine rollout.

Below are some recommendations for approaching the issue of coverage related to COVID-19 vaccine costs, and any related treatment/hospitalisations due to negative drug reactions.

Recommendation: If permitted locally, provide COVID vaccination and related treatment coverage within the existing medical plan for those services not already covered by the local Government. Modify benefit plans accordingly to address any of the following scenarios where/as appropriate:

Scenario 1: Government provides vaccine at no cost

On a global basis, most Governments that approved COVID-19 vaccines are financing the entire cost of the vaccine itself, and providing support for any immediate medical needs arising from administration of the vaccine (e.g. any adverse reactions requiring emergency medical attention). In this scenario, the scope of cover under private insurance should be limited to:

- **Cost of vaccination if not otherwise covered by government health plan** (may include charges for: administering vaccines, office visit in relation to obtaining government vaccination). It is anticipated that additional charges to the insured should rarely occur since most governments are paying for the entire cost of administering the vaccines;
- **Treatment for any discomfort or complication** after taking the COVID-19 vaccine should be covered under the health insurance plan as any normal ailment and subject to any applicable plan limits;
- **Exclusion:** The cost of obtaining vaccination on a private basis would be excluded from coverage if such vaccination is already available and paid for through government-supported facilities.

Scenario 2: Government provides vaccine at no cost, but vaccine is also available via private healthcare system

In this scenario, the scope of cover under private insurance would be limited to:

- **Treatment for any discomfort or complication** after taking the COVID-19 vaccine should be covered under the health insurance plan as any normal ailment and subject to any applicable plan limits;
- **Exclusion:** if the insured chooses to get the vaccine at a private clinic, the cost of the vaccination and related services (including vaccine administration and office visit charges) would be excluded from the plan. In the event a country is having significant difficulties in distribution of approved vaccines, then this exclusion should be reconsidered, if allowed locally. Coverage should only be considered if vaccines are available through reputable providers.

Scenario 3: Mid and post pandemic

It is anticipated that governments and the WHO will eventually adopt a policy of recommending regular COVID-19 vaccinations as preventive care, and will allow the private health care system to administer vaccines, similar to seasonal flu vaccine. In this scenario, the scope of cover under private insurance would be limited to:

- **Cost of doctor office visit, vaccine cost and any costs related to administering the vaccine** would be covered by the private plan subject to any policy deductibles, co-insurance contributions and sub-limits (if any);
- **Treatment for any discomfort or complication** after taking the COVID-19 vaccine should be covered under the health insurance plan as any normal ailment and subject to any applicable plan limits;
- **Exclusion:** private plan to exclude all coverage outlined above if the vaccine is not approved by the local government/health authorities.

Approved / Leading Vaccines

Vaccine (Country where developed)
AstraZeneca (Sweden, United Kingdom)
Sinopharm (China)
CanSino (China)
Comirnaty - Pfizer, BioNTech (Germany, United States)
CoronaVac - Sinovac (China)
Covaxin (India)
EpiVacCorona (Russia)
Johnson & Johnson (Belgium, United States)
Moderna (United States)
Novavax (United States)
Sputnik V (Russia)

Updated June 2021; Source: NYTimes, <https://www.nytimes.com/interactive/2020/science/coronavirus-vaccine-tracker.html#jnj>

What can Employers do now?

As vaccine rollout continues, what can Employers do to help educate & encourage Employees to get vaccinated?

The best thing that employers can do is educate their employees on the safety and efficacy of vaccines approved by the WHO and their local government, and then encourage employees to get vaccinated as soon as possible. This means providing them information on vaccine efficacy rates and global vaccination statistics. It also means potentially providing basic information from public health officials on how vaccines were developed, what they're designed to do, and any reported potential side effects. It's important that people are fully informed about their potential vaccination and that they take the initiative to get vaccinated. Only by vaccinating the vast majority of the global population will the pandemic recede further.

What is the advice for companies interested in purchasing vaccine supplies for their Employees?

Some companies have asked for advice regarding direct purchase of vaccines for their global staff. Currently, this can be problematic due to limited supply in some countries, and the fact that it could be difficult to assure quality outside of controlled government purchasing systems. There is also the ethical concern of vaccine equity and giving preferential access to a relative few within a company, versus what is available in a country or region where vaccines may already be in short supply. We have suggested companies consider making efforts to join country/region-wide or even global vaccine purchasing initiatives, and offer to host or sponsor a vaccination site, so that their employees in those locations would benefit from their contributions to the wider effort without the issues just mentioned on vaccine quality and ethical concerns. While it's understandable that companies may wish to obtain and offer vaccines directly to staff to rapidly increase vaccine access among their workforce, given the very serious issues around vaccine quality and equity a collective, global, community-minded approach could be a better strategy, at least for now.

We have also received questions regarding coverage for vaccinations under clients' existing health plans and how or if these costs should be reimbursed by the plan. We suggest that COVID vaccinations and treatment should only be covered under private medical plans to the extent that they that are not already covered by local governments or national public health systems. This means that employee medical plans should only be modified to address identified gaps in coverage, ensuring they work in concert (not in conflict) with the local government benefits. This of course addresses the current phase that we're in, i.e. vaccine rollout. In the future, as more needs emerge related to ongoing treatment for COVID as a chronic illness and vaccinations on a regular annual basis, it's recommended that these ongoing/routine services should be covered under the plan as any other illness. At present, vaccines are being made available for private purchase in only a few countries, largely in Asia, to help assist with the local vaccine rollouts. In those countries, we recommend including cover under local plans if allowed, subject to normal policy limits. *(Please see complete recommendations on p.1 of this document)*

How can Employers help support the ongoing vaccination process?

1. Local HR functions should begin to investigate and report on which vaccines are being purchased and provided through local government health agencies/authorities, and when/how these will be available to the local population. Using this information, multinational employers should work closely with local HR functions to ensure employees and their dependents know how to access vaccines through public health systems once they become

available in-country. HR functions should also consider providing paid time off for employees to get vaccinated;

2. If vaccinations are restricted by age / condition, it is recommended that local HR functions encourage and support employees who meet the criteria to get the vaccine. Since patient privacy laws are likely to prevent specific identification of eligible individuals based on health conditions, it is recommended that local HR develop a general and wide reaching education and information campaign to make all employees aware of vaccine availability and access based on health status, age, etc;
3. HR functions should liaise with local insurers to determine how they could potentially support vaccinations that might be available outside the public system (i.e. direction to providers, employee education etc). HR should also consider a potential strategy/plan to provide coverage for COVID-19 vaccinations within the local plans. As this strategy is explored, the following points should be considered: (a) Cost; frequency; availability of cover within public sector; accessibility in remote areas; (b) The advisability of additional cover beyond public sector vaccines (if the vaccines chosen by the local health authorities are considered less effective or if they are subject to limited availability); Liability issues associated with the employer "recommending" a specific vaccine, should any negative side effects/health events result from the vaccination.

Vaccine rollout across the globe

Vaccine rollout continues to present challenges across the globe, primarily due to supply issues in low and middle income countries. Below is a list of those countries with at least 30% of the population partially vaccinated as of June 2021:

% Population vaccinated by country		
Country	% Vaccinated	% Fully vaccinated
Malta	66%	49%
Canada	64%	10%
Bhutan	63%	–
Bahrain	62%	52%
Aruba	61%	51%
U.K.	61%	43%
Israel	60%	57%
Chile	60%	46%
Uruguay	60%	32%
Mongolia	59%	50%
Maldives	59%	33%
Qatar	56%	42%
Curaçao	55%	46%
Iceland	55%	29%
Hungary	54%	42%
United States	52%	43%
Finland	49%	12%
Germany	48%	25%
Belgium	47%	24%
Austria	46%	23%
Italy	46%	23%
Netherlands	45%	23%
Singapore	44%	33%
Denmark	44%	25%
Spain	44%	25%
France	44%	20%
Luxembourg	42%	24%
Portugal	42%	22%
Lithuania	41%	27%
Czech Republic	41%	18%
Switzerland	40%	24%
Poland	40%	24%
Greece	39%	24%
Estonia	39%	22%
Sweden	39%	19%
Dominican Rep.	39%	16%
Serbia	38%	32%
Slovenia	36%	25%
Ireland	36%	–
Norway	35%	24%
Cyprus	35%	22%
Slovakia	34%	19%
Croatia	34%	16%
Barbados	30%	22%