As a broker in the international benefits industry, a key consideration for employers is the global network that will support the needs of their expatriate populations. Given the importance of the network to corporate decision makers, understanding a carrier's capabilities is essential to ensuring employers' needs are appropriately met. The Q1 Pulse Live webinar was focused on outlining the differences between healthcare networks in the U.S. compared to the rest of the world and provided guidance on how to better evaluate a carrier's international network. The webcast featured a discussion between Gregory Cain, Director of Global Networks at GeoBlue and Dave Richter, Area Senior Vice President at Gallagher Benefit Services. The discussion was moderated by Shirley Puccino, Senior Vice President of Global Healthcare Management and Strategic Business Development at GeoBlue.

The discussion begins with addressing the fundamental differences between the U.S. healthcare system and the rest of the world. Greg states that the main difference is that in the U.S. healthcare networks are built around contracting with providers, so that health plans can better manage costs that may ultimately be passed on to the member. International providers however are more concerned with the relationship between them and their patients. In many markets the provider has a single price schedule, which may even be regulated by the government. The price is the price. Dave echoes this concept and adds that healthcare overseas is approached with the idea of receiving the care that is needed with as little hassle as possible. The importance of discounts or reduced rates is not nearly as important.

While the difference between U.S. and foreign networks is important to note, it is equally vital to know how to best identify the effectiveness of networks outside the U.S. Living in the U.S., we may take for granted how easy it is to access high-quality healthcare. Institutions in the U.S. have excellent operations and regulations governing how care is delivered. However, healthcare providers outside of the U.S. may have significantly more laxed regulatory or cultural standards. To understand these differences, Greg recommends seeking the advice of someone who is familiar with the local healthcare system. They could potentially provide personal experience or expertise to help identify which providers offer quality care. From a broker perspective, Dave echoes Greg's sentiment that composition of the network, the quality of the providers and the member experience are key factors to examine.

Greg and Dave went on to discuss how the payment process is different between networks in the U.S. and the rest of the world. Providers outside the U.S. may have limited familiarity with private or third-party payers and can be turned off by the complexity of an insurance carrier's contracting process. To alleviate some of these concerns, Greg recommends employers offer simple plan designs and limited cost-sharing features for expatriate plans. In addition, Greg mentions that preferred pricing based on a carrier's negotiated rates is not nearly as common outside the U.S. Unless working with a local carrier/intermediary, small international patient populations in any given country is of minimal interest to providers. Most plan designs do not have in- and out-of-network benefits or nor do they penalize patients for using a non-network provider.

Dave adds that when traveling abroad there will be instances where members might need to go to a provider who is not in a network. Because the provider is not considered in-network, members may have to pay out of pocket or request assistance from their insurance carrier with arranging direct pay. He recommends that members are always prepared for this situation when it comes time to settling a bill after receiving healthcare services outside the U.S.

Finally, when evaluating global networks, a common misconception is that cost effectiveness, in terms of premium, is driven by a carrier's international provider network. While affordability is one component of an international network, the reality is that most U.S.-based corporate clients incur the majority of claim spend within the U.S. by either trailing dependents, inpats, and/or expats who choose to come home for treatment. Therefore, the U.S. network offering is likely the bigger contributor to a plan's overall cost-effectiveness. When evaluating networks, it's important for brokers and employers to consider both network models – the U.S. as well as the rest of the world – and to recognize that they can't be evaluated in the same way. Be sure to read our new network guide outlining the differences between healthcare networks in the U.S. compared to the rest of the world. Furthermore, it offers insights and guidance on how to better evaluate a carrier's international network. We hope you find this resource useful.