

# C13. Staff Benefits and Insurance

---

## Module 2: Staff Benefits and Insurances

Staff benefits and employee and commercial insurances should be considered in general with regard to duty of care and organizational risk management. A strong benefits package and insurance portfolio will provide support for both employees and management at any time, but particularly during an emergency. Not every organization will have the same approach to coverage. The lines of coverage you put in place, the limits to your coverage, and how you choose to structure that coverage will be informed by your budget, your risk profile, and your risk tolerance. Those criteria may have changed during the COVID-19 pandemic, and this is an opportunity to re-think how those changes might impact your benefits package and insurances portfolio.

Your organization may not use a broker to purchase the lines of coverage discussed here, or your organization may use a broker for some and not for others. Your organization may be self-insured for some of the lines of coverage, and pay claims out of pocket, rather than purchasing insurance policies that pay claims. Regardless of your approach, before beginning re-entry that would require travel or potentially put staff at additional risk, it is important to evaluate your coverage and any changes in your legal obligations. This section will provide guidance on relevant benefits programs and insurances which might be activated during COVID-19 and provide recommendations for evaluating possible gaps in coverage.

Using an insurance broker can be a resource in evaluating your organization's needs and provide you with the details necessary to enhance or change your strategy. If you work with a broker, it is strongly recommended that you work with one who has a strong INGO client base and understands the complexity of the insurance needs of organizations operating in our sector.



If you do not have a broker or are unsure where to seek out insurance consultation, consider consulting the [Humentum Industry Partners Page](#).

Collect the following information to help create a clear picture of what coverages your organization has and identify if you have any gaps in coverage:

- **Commercial Insurances:** A detailed matrix of insurance policies including coverage by geographic location along with a detailed gap analysis based on your broker's expertise in the INGO sector.

- **Employee Insurances:** A detailed matrix of insurance policies including coverage by employee population type and geographic location along with a detailed gap analysis based upon your broker's expertise in the INGO sector.
- **Employee Benefits:** A comparison of your organization's non-insurance benefits as compared to others in the INGO sector.

## The CARES Act & the Families First Coronavirus Response Act (FFCRA)

In the United States the CARES Act was enacted March 27<sup>th</sup> 2020 and was designed to provide support in response to the COVID-19 pandemic. Families First Coronavirus Response Act (FFCRA) which was enacted on April 1<sup>st</sup> 2020 and will be in effect through December 31<sup>st</sup> 2020. The CARES Act is employer focused and provides economic support to businesses impacted by COVID-19 and FFCRA is employee focused and provides guidance for tracking paid sick leave related to COVID-19. The two acts impact a wide range of employment issues related to employee benefits and insurances with strong interconnections with one another.



Please refer to the [DOL FFCRA FAQ and the DOL Coronavirus Resource Page](#) for more information.

## Understanding Population Types

Some of your coverage may be limited by the nature of your employment relationship with an individual, their citizenship as it relates to their geographic location and may also be impacted by geography alone. It is critical to understand these limitations and accurately describe the limits of coverage to your organization and to covered individuals. In the lists below, any relationship type can have any citizenship type.

### Relationship Types

*Defined by the nature of their agreement*

- **Employees:** paid through payroll and receive a regular paycheck
- **Contractors:** paid through invoice and are paid on a variable schedule
- **Volunteers:** not paid but perform services for the organization
- **Board Members:** Persons with the responsibility for directing organization activities
- **Dependents:** not paid and do not work with your organization in any capacity
- **Visitors/beneficiaries:** participate in organization activities or visit organization sites.

### Citizenship Types

*Defined by their citizenship as it relates to their location.*

- **US Based:** A citizen or legal resident of the United States who is also working in the United States;
- **US Expatriates:** A citizen of the United States who is working in another country;

- **Third Country Nationals:** Someone who is working in a country that is neither their home country nor the headquarters location of your organization;
- **Key Local Nationals:** Someone who is working in the country of their citizenship but who may be in a regional or leadership role and might be on a headquarters agreement.
- **Local Nationals:** Someone who is working in the country of their citizenship and typically on a local agreement.
- **Dual Nationals:** Someone who may be counted under more than one of the above categories, for example someone who holds both a US and French citizenship.

## Policy and Program Categories

- *Not every plan will be a stand-alone policy. Some coverage may be embedded in one or more of your existing policies or programs and your broker or organizational lead can identify the existing coverages in your contracts*

### Commercial Insurances

#### Highly Recommended

- General Liability Insurance
- Property Insurance
- Directors & Officers Insurances
- Employment Practices & Liability Insurance
- Data Breach Insurance
- Crime Insurance
- Special Insurances

### Employee Insurances

#### Highly Recommended

- Primary Medical Insurance
- Travel Health Insurance (*typically for emergencies and may cover more relationship types than just employees*)
- Disability Insurance
- Life and/or Accidental Death & Dismemberment Insurances, Death Benefits
- Workers' Compensation including Defense Base Act (DBA) insurances under USG projects and Foreign Voluntary Workers Compensation (FWWC)

#### Recommended

- Repatriation of Mortal Remains
- Travel Accident Insurance

#### Beneficial

- Other Health Insurances

## Employee Non-Insurance Benefits

### Highly Recommended

- Medical and Security Evacuation Assistance Programs (*typically for business travelers and may cover more relationship types than just employees*)
- Employee Assistance Programs

### Recommended

- Other Employee Resilience Programs that include psychosocial, mental health, and/or counseling services
- Paid and Unpaid Leaves
- Retirement Program

### Beneficial

- Tax Advantaged Programs (such as flexible spending accounts in the US)
- Wellness Programs

## Evaluating Insurance Policies:

The insurance industry is reacting to COVID-19 and underwriters will likely be making changes based on revised risk tolerances in the coming months and years. Ensure that you are aware of how your policies and availability of coverage may change as we move through and beyond this event, including policies held by HQ, as well as those held directly by Country offices. Based on your budget, risk profile, and risk tolerance your organization may have more or fewer lines of coverage than are outlined here. The list below is representative of the types of coverage that are common in our sector. For the lines of coverage you have included in your strategy, consider asking the following questions as you compile your gap analysis, either with the help of a broker or on your own:

### Questions to Ask About each Insurance Policy

#### Who is covered?

- Which relationship types and citizenship types are covered? Are volunteers, dependents, or other non-staff individuals also covered?
- Which geographic locations are covered/excluded?
- If you have subsidiaries or partner organizations, are they and their staff and other individuals covered?
- Will there be coverage for events occurring during leisure or sojourn time, during work time, while on a medical leave of absence, at an organization's facilities, or at a remote location, in a home country or abroad?

### **How will policy benefits be paid?**

- What are the limits for each incident or covered individual?
- If you have overlapping coverage for specific events in more than one policy what is the aggregate coverage and is there coordination of benefits?
- Will there be any local banking or social concerns with benefit payouts from US based insurance policies paid to individuals in other countries?

### **Are there limiting clauses?**

- Are there any restrictions due to pandemic illnesses, diseases, viruses, bacteria, pollutants and/or contaminants, war or terror, event location, or staff citizenship type, which can lead to unforeseen uncovered events. Can those restrictions be waived?
- Are there any geographic location limits, such as sanctioned countries or jurisdictions and can those exclusions be waived? **32T32T**

## **Additional Questions to Ask by Policy Category**

### **Property Insurance**

- Is there any limit to coverage if an office facility is not occupied during times when there are work from home mandates?
- Are assets covered if affected whilst not in organizational premises (i.e. laptops or printers being used by staff at their home)?

### **General Liability Insurance; Directors & Officers Insurance; Employment Practices & Liability Insurance**

- Do you have sufficient coverage for your current organizational size and to compensate for increased risk?

### **Data Breach Insurance and Crime Insurance**

- Is there any limit to coverage if work is being done remotely and the organization does not have the same controls as pre-COVID-19?

### **Primary Medical Insurance; Other Health Insurances**

- Have there been any changes mandated by law or otherwise, that have impacted coverage or access in response to COVID-19?
- Is there coverage and access for remote medical assessment and prescriptions through online video conferencing?
- Is there sufficient coverage for diagnosis, treatment, and follow-up care without substantial out of pocket costs for your covered individuals?

### **Medical and Security Evacuation Assistance Programs; Travel Health Insurance; Travel Accident Insurance**

- Is there a synergistic relationship between your evacuation provider and your insurance policies covering medical emergencies or accidents while on business travel? *Consider asking your insurance provider to indemnify the recommendation to evacuate made by your evacuation assistance program.*
- Does the security evacuation coverage include unforeseeable natural disasters such as earthquakes? Political unrest?

- Does your provider have a plan for evacuations or field care in cases where commercial flights or medical resources are limited or unavailable?
- Will employees have to pay out of pocket when seeking covered medical or accident support or will the carrier be able to place a guarantee of payment covering all costs up front for our employees?
- Are dependents or other non-staff covered, and are there any limits to that coverage?

### **Disability Insurance**

- Coverage may exist in multiple policies - which ones?
- Will your covered individuals receive pay replacement coverage for an illness lasting a few weeks?
- How long is the waiting period before benefits begin? *Short term and long-term disability policies might have individual unpaid waiting periods. Understand how long they are and how they apply to a single individual who might transition from short to long term disability claims.*

### **Life and/or AD&D Insurances, Death Benefits**

- Coverage may exist in multiple policies - which ones?
- Do we have double indemnity for our staff so that they are covered for accidental death? *In the US AD&D (accidental death and dismemberment) insurance will generally not cover death from an epidemic illness, however AD&D could provide coverage for staff experiencing secondary impacts such as death through violence or accidents unable to be treated by medical resources.*

### **Repatriation of Mortal Remains**

- Coverage typically exists in multiple policies - which ones?
- What time limits exist should immediate repatriation be impossible?

### **Workers' Compensation including Defense Base Act (DBA); Foreign Voluntary Workers Compensation (FVWC)**

- If you have staff working remotely have you updated your carrier about new work locations? *For US-based staff, Domestic Workers' Compensation is purchased on a per state basis, so consider whether it is necessary to declare any additional states where staff are working (including their homes if working remotely).*
- General Liability Insurance, Directors & Officers / Employment Practices & Liability Insurance, Kidnap & Detention Insurance
- See general questions above

### **Employee Assistance Programs or Counseling**

- Are services available worldwide and for all staff?
- How quickly can sessions be established?
- Are there counselors available to speak to covered individuals in their native language?
- Are sessions available by video conferencing AND telephone?
- Does your plan offer enough sessions to provide support through a sustained experience like lockdown? Can you add sessions if needed on a per hour basis and do you understand those costs?
- Does your plan offer trauma specialists?

## **Paid and Unpaid Leaves**

- Have you updated your FMLA and sick leave programs in line with recent US laws including the Families First Coronavirus Response Act (FFCRA) and the Coronavirus Aid Relief, and Economic Security Act (CARES Act), and in line with other country regulations and legislation?
- After your offices re-open do your staff have sufficient paid leave available so that they will stay home when symptomatic?

## **Retirement Program and Educational Assistance**

- Do you understand the new CARES Act options to support staff who may need financial options such as expanding 401(k) distribution and loans and/or providing tax-free educational assistance for student loan payments?

## **Wellness Programs**

- Does your wellness plan offer opportunities to earn incentives to stay active during lockdown or while formal classes are unavailable?

## Internal Communications

Due to an increased focus on health and sickness organizations should strongly consider informing or re-informing staff on the following topics:

- What insurances and leave programs are in place to them and how to access additional information;
- How to access routine and emergency medical care while at home and while traveling;
- How to access medical and security evacuation provider resources and support;
- Mandated or optional changes to coverage or programs in response to COVID-19 such as: changes to 401k fund access, changes to mandated paid and unpaid leaves, changes to H.S.A. funds, free qualified COVID-19 testing, etc.
- Who to contact if they need to file a claim or need a leave from work;
- Reminders about psychosocial support programs during times of crisis;
- Links to any internal or external online resources;
- Supplementary resources such as country specific email alerts, healthcare guidance, or emotional health webinars;
- Reminders for those enrolled in pre-tax savings programs such as dependent care FSAs and Commuter Benefits, of their options to make election adjustments due to changed needs as a result of COVID-19.

## **Insurance Action List**

### **Highly Recommended**

- ✓ Staff should not be required to travel to other countries without adequate insurance for medical evacuation and medical care if they become sick, injured, or die while traveling;
- ✓ Medical evacuation providers should be consulted regularly to update your organization on their ability to manage security and medical evacuations for your staff;
- ✓ Ensure your employee benefit plans are compliant with the FFCRA and US CARES Act and other country specific legislation and regulations;
- ✓ Follow ADA and GINA guidelines with respect to staff health issues and privacy. You must also follow HIPAA requirements if you are a “covered entity” which is typically an organization operating in the healthcare industry, or you are an employer with a self-insured health plan.
- ✓ [Evaluate laws passed at the US federal or state level, or in each country in which you operate, for impacts to your benefits packages and insurance policies. Some examples of mandated changes under the US CARES Act and FFCRA are:](#)
  - 401K COVID-19 related distributions and loans.
  - Changes to single employer defined benefit pension plan funding timelines.
  - Revised Student Loan Assistance limits.
  - Expanded use of H.S.A.s.
  - Changes to FMLA for current and re-hired employees.
  - Mandated emergency sick leave and mandated paid FMLA for defined COVID-19 related reasons.
  - Postponement of ERISA filing deadlines.
  - Unemployment eligible for staff who were previously not eligible, such as contractors.

## Recommended

- ✓ Consider adding or enhancing data breach policies to protect against data security risks increased by remote work;
- ✓ Consider purchase of Foreign Voluntary Workers’ Compensation insurance for expatriates traveling or working outside of U.S. without adequate Defense Base Act, state workers’ compensation or similar local coverage;
- ✓ Review current policies, including General Liability, Employer Practices, Foreign Voluntary Workers Compensation, and Business Travel, to see if exclusions include viruses, communicable diseases, contaminants or pollutant; if possible, negotiate out such exclusions in critical policies;
- ✓ Fully document any losses related to COVID-19 and discuss possible claims with your broker.

## Beneficial

- ✓ Consider enhancing existing services providing stress and trauma counseling to staff.



For US based staff taking paid leave under the FFCRA, ensure you are gathering the information required by both the DOL and IRS needed for tax purposes at the time of the request for leave. Please see the [IRS FAQ](#)



See Annex 3 for a [Sample Leave Request Form](#).

## Annexes

### Annex 3: Template Leave Request Form

#### COVID-19 Leave Request Form

Name of Employee Requesting Leave:

---

The dates for which leave is requested:

---

Please check the box below that corresponds with the reason you are requesting this leave and answer the required documentation questions:

- I am subject to a Federal, State, or local quarantine or isolation order related to COVID-19  
The name of the government entity that issued the order:  
\_\_\_\_\_
- I have been advised by a healthcare provider to self-quarantine related to COVID-19  
The name of the healthcare provider who gave this advice:  
\_\_\_\_\_
- I am experiencing COVID-19 symptoms and am seeking a medical diagnosis  
The name of the healthcare provider from whom I am seeking diagnosis:  
\_\_\_\_\_
- I am caring for an individual subject to a quarantine or isolation order or an individual who has been advised to self-quarantine by a healthcare provider  
The name of the government entity that issued the order:  
\_\_\_\_\_ OR The name of the healthcare provider who gave this advice: \_\_\_\_\_
- I am caring for a child whose school or childcare provider is closed or unavailable for reasons related to COVID-19  
The name of the child(ren) being cared for:  
\_\_\_\_\_

\_\_\_\_\_ The name of the school(s) or childcare provider(s) that is(are) closed:  
\_\_\_\_\_

\_\_\_\_\_ I hereby state that no other suitable person is available to care for said child(ren)

**Initial** \_\_\_\_\_

- I am experiencing another substantially similar condition to those listed above which has been specified by the Secretary of Health and Human Services. Please explain:

---

---

By signing below, I hereby state that I am unable to work due to the above selected reason and that my answers to the required documentation questions are true and accurate to the best of my knowledge.

I understand that I may be required to provide further documentation and agree to do so.

Signature \_\_\_\_\_

\_\_\_\_\_Date