

# **Worldwide Private Medical Insurance – Essential for the Sovereign Individual**

by Dr. André Herrmann<sup>1</sup> and Marco Gantenbein<sup>2</sup>

## **Why you need international private health insurance**

Domestic insurers offer different types of private medical insurance, inclusive of coverage for temporary stays abroad. However, if someone moves abroad, their policy will not as a rule be continued. They are left with a choice of finding another local insurer in their new country of residence or turning to an international health insurer.

International insurance policies provide the benefit of coverage independent of place of residence or duration of stay in any particular country. Naturally, it is often more expensive than a domestic policy, but some international health plans also offer a restricted-area option for people who prefer to reduce their premiums in this way. In any event, a private, international health policy gives you freedom to choose doctors and hospitals, and to move across borders without being restricted by your medical insurance.

## **Who is targeted and types of policies available**

International health insurance policies are intended for individuals and families who will have short or long-term stays abroad, either now or possibly some time in the future, but also for individuals who travel abroad, conduct business around the globe, and expatriates residing abroad.

There are many health plans to choose from whose benefits and prices vary widely. Policies differ greatly not only in their coverage of optional extras, but also of major eventualities such as transplants and chronic illnesses. It is therefore relatively difficult to get a good overview and understanding of all the features, benefits, exclusions, options, and premiums of the various plans and policies.

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<sup>1</sup> Dr. André Herrmann is a specialist in international health insurance and a Director of SIP Swiss Insurance Partners AG, Zurich

<sup>2</sup> Marco Gantenbein is the Managing Director of SIP Swiss Insurance Partners AG

## The cost of coverage

Another important factor is the area of cover. Most insurers divide the world into different areas, and policyholders can choose to limit their coverage to a particular area and thereby benefit from a lower premium level. As healthcare costs in the USA and Canada are generally higher than elsewhere, a distinction is usually made between North America and the rest of the world. When comparing premiums, therefore, it is very important to compare the same area of coverage.

The premiums of some health plans become much more expensive for higher age bands. Unfortunately, however, some insurers do not provide clear pricing tables so it is sometimes far from easy to find out how much you will pay once you get to 65, 70, or 75, which is precisely when you are more likely to need the cover. This pricing policy is justified by pointing out that the need for medical care tends to rise with increasing age. However, a few companies offer more balanced premium curves where you pay relatively more when you are younger and relatively less once you reach higher age bands. Incidentally, these tend to be also the insurers that offer fully transparent pricing tables.

## What to look for in an insurance plan

There are many factors to take into consideration when deciding on a policy. All too often, key insurance conditions are hidden in the small print of the policies. These can range from common areas of coverage to unusual or future conditions. Furthermore, people often look at what they currently pay but neglect to consider what will happen when they get older, so it is important to know the pricing of insurance plans for higher age bands.

## How to choose the right insurance plan

Particularly if you need long-term coverage, you should not only look at the product but also at the insurance company itself. There are many attractive policies on the market, some of them at apparently very affordable prices. However, it is advisable to check out the company's claims handling procedure, and it also makes sense to ask what the situation will be like in ten years' time and whether the health plan - or even the insurance company - is still likely to be around. The same is of course true for low-end plans which offer very poor cover.

It may also be advisable to use the help of an insurance consultant/broker. Such a consultant/broker is able to give advice as to what type of policy will best fit and individual's personal needs and what company will be able to provide this policy type of policy. By arranging your insurance policy through a consultant/broker, you pay no more in premiums than going directly to the insurance company. But you save time

and money because you benefit from additional advisory and support services. Not only can you be sure to select the insurance which suits your needs, you also benefit from on-going assistance and advice.

### Conclusion

In international private health insurance, too, you have to read the small print and in the end you get what you pay for. With international health insurance, most people choose more comprehensive and established plans and are generally quite prepared to pay more for good coverage that is appropriate to their needs, as the price they pay for this insurance buys them true peace of mind for themselves and their family.

S I P Swiss Insurance Partners AG  
Neustadtgasse 12  
8024 Zurich  
Switzerland  
Tel: +41 – 44 – 266 22 66  
Fax: +41 – 44 – 266 22 67  
E-mail [info@swissinsurancepartners.com](mailto:info@swissinsurancepartners.com)  
Internet: [www.swissinsurancepartners.com](http://www.swissinsurancepartners.com)