

TRAVEL GUARD
CHARTIS 

When corporate travel
isn't business as usual.

Business Traveler



DUTY OF CARE
Versus “DUTY OF DOLLAR:”
How HR and Risk Professionals Can Still Care for
Employees While Watching Their Costs

Globalization has brought today's travelers to new, far-flung locations that they would not have visited even just a decade ago. From engineers and doctors to information technology specialists and banking/financial executives, more and more people in a myriad of industries are traveling around the globe. Companies are also expanding operations internationally, with a growing population of expatriates stationed around the world. At the same time that worldwide business travel is increasing, so is the frequency of natural disasters, political unrest, and terrorist incidents affecting travelers and expatriates. The recent devastating volcanic eruption in Iceland alone cost an average of nearly \$200,000 per affected company, according to a survey from the NBTAF Foundation, the research arm of the National Business Travel Association. From the nearly 2,000 companies represented in the survey, more than 310,000 travelers experienced trip disruptions, costing in excess of \$367 million.

These kinds of disasters – both natural and manmade - pose a host of health, security, safety and risk concerns for individuals traveling on business, or for educational or humanitarian purposes. For instance, a medical evacuation can cost at least \$10,000, according to the U.S. Department of State, and easily have a price tag in excess of \$75,000 in more remote areas of the world. Now, more than ever, employers are faced with the challenge to control costs. At the same time, employers have a legal, fiduciary, and moral Duty of Care for their employees. This responsibility extends globally and must apply to employees stationed in all corners of the world. Travel Guard North America's Premier Assist, a medical, security, and personal assistance program designed for international business travelers, expatriates, and students traveling overseas, helps organizations and their people confidently navigate these challenges.

Meeting this very important and essential Duty of Care obligation is more challenging than ever. The question becomes: how can employers balance the need to send employees overseas and protect these employees, while still keeping an eye on the bottom line?

One solution is a comprehensive travel risk management program that incorporates extensive international security and medical assistance services available on a 24/7 basis for overseas travelers and expatriates. Benefits of such a program include: protecting the health and safety of traveling employees, mitigating potential legal and financial liability, protecting the company's brand and reputation, fulfilling corporate social responsibilities, meeting shareholder and stakeholder expectations, and contributing to the recruitment and retention of key employees. Even in times when increasing scrutiny of expenses has become the new norm and will continue despite an improving economy, providing Duty of Care must continue. But, even with business travel expected to rebound - particularly to emerging regions of the world – human resource directors, risk managers, and travel managers still need to watch expenses. HR professionals are tasked with evaluating and selecting a cost-effective benefits program for their employees. Increasingly, they are being called upon to provide, evaluate, and select comprehensive travel risk management programs that incorporate extensive international security and medical assistance services.

When researching and evaluating travel risk management options, HR professionals should look for a provider that offers integrated solutions, and cost management solutions, while continuing to provide high quality service. These solutions should also take into account and help address Duty of Care requirements. Since no two organizations are the same, you want a program that can be customized to meet the unique needs of your organization. For instance, you may want a program that has assistance and insurance benefits integrated into one solution or you may want a program that has assistance services that can be fully integrated with your existing insurance approach. For example, if the assistance program is fully integrated with a company's travel management program and there arises the need to provide last-minute or business class travel for an injured or ill executive, the costs could be substantially lowered. Also, you want a travel risk management program that provides travel alerts and warnings for high-risk destinations. When speaking to potential travel assistance providers, make sure to ask how they will keep your employees informed on up-to-date health and safety information while your employees are traveling. Some providers maintain dedicated customer or member web sites and/or provide the capability to send e-mail alerts and text messages with the latest alerts and updates. In addition, examine the cost drivers once you have fully assessed a provider's quality. Ask these questions: Is there a fee for service? Is there a mark-up for third-party expenses or a large fixed asset infrastructure to support? Flexibility of a strong

global provider network rather than a fixed internal structure can translate into a more cost-effective program. If you currently have a program, but you're not sure if it's working as efficiently as it possibly could or providing all the services your company needs, request that an assessment be performed. Some providers will do this free of charge, and it is a great way to compare your program to industry best practices so that you get an objective view of your company's travel risk practices. Make sure that the assessment takes a look at such items as your travel medical policy, travel security policy, pandemic policy, expense patterns, crisis response plans, governance and strategic development and team composition.

Lastly, but possibly most vital, is that once you've selected a provider and have a program in place, make sure you communicate this information to your employees on an ongoing basis. It doesn't do your employees any good if you have a great travel risk management program that they are not aware of when they travel. Offer this information in your company newsletter. Also, consider sending internal e-mail blasts that are repeated and instruct department heads to brief their staffers about this program. Communication and understanding of these programs are essential, if they are to be utilized to their fullest potential and greatest benefit to travelers within your company. Knowing this important information in advance is a key component in being able to contain costs and manage an efficient and well-developed travel program. And, at the same time, you can provide Duty of Care and quality care for employees who are venturing out to the far reaching corners of the globe.

About Travel Guard

Travel Guard, a Chartis company and worldwide leader in travel insurance and assistance, provides products and services to millions of travelers around the globe, including a wide range of emergency services through its wholly-owned assistance centers located in Asia, Europe and the Americas. Travel Guard helps leisure and business travelers alike solve problems and manage risks. Travel Guard's global reach, unparalleled service quality and proven operational capabilities allow clients to receive best-in-class care. Travel Guard's suite of technology platforms enables seamless integration with all major travel distribution systems and supplier channels. The travel insurance products marketed by Travel Guard are underwritten by insurance company subsidiaries and affiliates of Chartis Inc.

The travel insurance products marketed by Travel Guard in the United States are underwritten by National Union Fire Insurance Company of Pittsburgh, Pa., with its principal place of business in New York, NY. This is only a brief description of the coverages available. The Policy will contain reductions, limitations, exclusions and termination provisions. Coverage may not be available in all states.