

# One partnership, four perspectives

Almost three years on from the ground-breaking partnership between GEB Network and SulAmerica, which promised to bring improved control, flexibility, and cost efficiencies to multinationals with subsidiaries in Brazil, CIT hears from some of the key players on whether the rhetoric is living up to the reality



Has the expansion of the Brazilian medical solutions market brought benefits to captive clients, local insurers, and GEB Network (GEB)? GEB Network's partnership with SulAmerica, the largest independent insurance company in Brazil, was officially cemented in 2019.

The mandate effectively made GEB the first and only network able to reinsure medical solutions to a captive arrangement in Brazil.

This promised to bring considerable advantages to European (and global) captive clients with subsidiaries in Brazil, in terms of control, cost efficiencies, cash flow improvement, flexible terms, and economies of scale.

Such is the scale and impact of this initiative that it represented a significant contributory factor to GEB being awarded no less than three prestigious captive industry awards last year; across Europe, Asia Pacific, and North America.

## GEB Network's perspective

Expansion into the medical solutions market in Brazil — in a way that is economically viable — has represented a key strategic project for GEB over recent years. This is in acknowledgement of the fact that medical represents the most requested employee benefit in South America by multinational customers.

The reason other networks have not ventured down this route before is that regulation is complex. GEB requires both an insurer based in the country and also a reinsurer to retrocede the risk abroad. The latter would not be required in other territories. In this instance, Swiss Re is the reinsurer.

As Massimo Martinoli, regional manager for Latin America, comments: "Discussions with SulAmerica started around four to five years ago and we set our first contract in 2019. We have 45 captives in Brazil and we have reached out to all of them over the last two years, and already have nine captives with SulAmerica on our books, plus 25 more in the pipeline."

He adds: "It affords our captive clients the opportunity to capture a large amount of premium and properly manage the risk: they can put it to work — repatriating the money from Brazil. From there, they can invest it in other employee benefits or risk management solutions."

GEB also has a regional desk in Sao Paulo, Brazil, to help ensure the highest standards of partner and client servicing.

"We work very closely with SulAmerica, our captive clients, and local intermediaries; everything from the request for proposal and implementation process to sharing performance analytics with all," says Stefano Convertino, business development manager at GEB Desk Brazil. "We also work closely with Swiss Re to ensure that the reinsurance process is working well. It truly is a partnership."

## SulAmerica's perspective

Founded in 1895, SulAmerica has over seven million clients across Brazil and provides integrated healthcare solutions. 90 per cent of its operating revenues are health and dental.

SulAmerica has capabilities in healthcare analytics and has designed some interesting loss prevention tools, in line with personalised health programmes and population health

management — expertise to which GEB's captive clients may now of course have access.

Take its shift into the area of telemedicine, for example — a new development that was made possible during the COVID-19 pandemic.

Leonardo Francisco, head of health and dental at SulAmerica, says: "Telemedicine is the word of the moment and represents one of the biggest legacies from the COVID-19 pandemic for the Brazilian market. Local regulations prohibited our ability to offer telemedicine in the past, but during the height of the pandemic the regulator recognised it as an official medical service."

He adds: "We can now offer it to all clients and it really helps as part of our cost management strategies, and especially for efficiency in patient health care."

SulAmerica's digital health app currently has over two million users and is designed with beneficiaries in mind. It represented the first of its kind to use machine learning for app-based reimbursements. It was also the first to offer access control through face recognition. In addition to providing users with direct access to information on their health plan, it offers in-app video calls with doctors and psychologists.

Francisco goes on to say: "The direct access to doctors meant that 90 per cent of patients did not need to go to the emergency room at the local hospital — the usual route for access to primary healthcare, only when really necessary, in Brazil.

"97 per cent of cases were solved within our primary care network. We also saw an 80 per cent improvement in depression and anxiety, and 47 per cent less back care-related surgeries.

"In short — and in line with the rest of our cost management strategies — it is helping to reduce costs, while delivering best outcomes to patients."

SulAmerica has an admirable track-record in cost management, with a loss ratio that is almost 10 percentage points lower than its main peers in the local market.

This is achieved via more than 30 initiatives, from telemedicine — as just described — and the direct purchasing of drugs and special materials, to second opinion protocols, prior validation of medical procedures, and fraud prevention.

The insurer also works closely with clients, intermediaries, and brokers where there is high utilisation to support them to reduce costs.

### The client's perspective

Andrea Reggio, international insurance manager of Saipem Captive, outlines: "We placed our Brazilian group medical programme with SulAmerica and GEB in December 2020, when the pandemic was still at its height.

"Our major concern at the time was an expected, but not quantifiable, rebounding of claims once lockdowns ended.

"SulAmerica, thanks to an efficient system of claiming process and cost containment, allowed us to keep the situation under control, in spite of the complicated scenario" comments Reggio.

"Focusing on our employees' satisfaction, data tools and apps for reimbursement via a mobile device, provided by SulAmerica represented aspects that were very much appreciated by our workforce.

He concludes: "SulAmerica is the only insurance company in Brazil able to retrocede the risk to Saipem Captive 'Sigurd Ruck' through GEB Network, reinforcing relationships of mutual trust. Achieving this result has always been considered a great success." ■

**Massimo Martinoli**  
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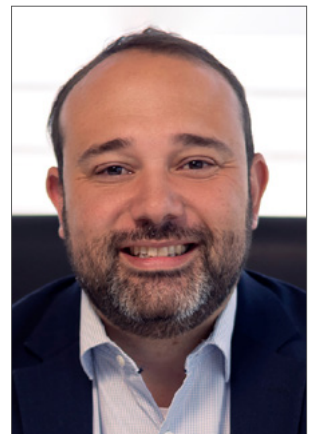
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