NEGOTIATION TIPS FOR

Mainstreaming HIV/AIDS Insurance Coverage

Outside the United States
BACKGROUND

Despite great progress on HIV/AIDS-related research, advocacy, and workplace initiatives, very little attention has historically been focused on HIV/AIDS and insurance coverage, particularly in the private market. Private insurance is important because it can improve employees’ access to effective HIV testing and treatment. For large employers, this may lead to lower health care costs by reducing hospital admissions. Employees living with HIV/AIDS who have access to effective treatment options may continue to contribute to the workplace by remaining healthy and productive workers. However, at this time, HIV/AIDS is excluded from private insurance plans in many locations outside the United States.

For example, data from a Mercer analysis of 19 countries showed that:

• 11 of those countries completely excluded HIV from private supplementary plans.
• An additional five had some coverage for HIV, but with limitations.
• In only three countries—Belgium, France and Spain—was the public health system deemed adequate for addressing the health care needs of people living with HIV/AIDS.

Based on conversations with its employer and insurer members, the Global Business Group on Health ( GBGH) has developed the following tips for large employers about:

• The most successful methods or strategies to achieve a change in coverage.
• The most convincing messages to insurers.
• How factors such as employer size, insurer size and existing relationships impact the discussion.

Note: While the focus of this paper is HIV/AIDS, some of the points below may be applicable when negotiating to fill coverage gaps for other chronic conditions.

1 The nineteen countries reviewed were Belgium, France, Spain, Mexico, Hong Kong, Singapore, Taiwan, Hungary, Italy, Indonesia, China, India, Malaysia, Philippines, Poland, Portugal, Turkey, Russia and Vietnam.
Employers should keep the following points in mind as they converse with insurer partners to expand coverage for HIV/AIDS. Select quotes from member conversations are included as they succinctly capture salient points made by global employers and insurers.

**Before Negotiations: Getting Started**

Prepare for conversations with insurer partners by considering the following:

1. **Make sure leadership is behind you.** It is important that organizational leaders support what might be a multiple attempt process, particularly for local HR staff members who conduct negotiations on the ground.

   “When headquarters asks for [HIV/AIDS coverage] and promotes [it as part of a] benefits philosophy, it’s more likely for HIV coverage to be considered. HIV coverage being globally mandated is important...the local team then understands why it is necessary.”

   - A global employer

2. **Tighten your business case for mainstreaming HIV/AIDS coverage.** Many employers realize that covering HIV/AIDS is good for business. This realization is crucial for getting organizational leadership, local HR staff and insurer partners on board. While mainstreaming coverage may impact premium costs, HIV/AIDS treatments today are more effective than in years past, allowing employees to continue to be healthy and productive members of the workforce for a limited amount of money. This is a positive for both employees living with HIV and the business. Multiple companies in high-prevalence countries have seen improvements in morale, productivity and staff turnover when they actively address HIV/AIDS.²

3. **Know what current coverage looks like around the world.** Under close examination, you may be surprised by what coverage really means in locations where it does exist. For example, historically in Mexico, market practice meant a 4-5 year waiting period for HIV coverage. Although many employers believed that HIV/AIDS was covered, in reality the waiting period essentially excluded it from plans. It’s important that you don’t take HIV/AIDS coverage at face value. It’s not simply a “yes, we have it or no, we don’t” proposition. Know the details of coverage in each of your locations before you begin or end negotiations.

4. **Be aware of what an HIV/AIDS exclusion really means.** In many countries, when HIV/AIDS is excluded, people living with HIV/AIDS cannot receive any medical care or treatment- even that which is not related to HIV (e.g. a broken leg). In places where this is an issue, consider negotiating a removal of this exclusion as a first step towards more comprehensive coverage.
5. **Get data on HIV/AIDS prevalence in the workforce, and if possible, in your own workforce.** Actuarial uncertainty is a big reason why some insurers are reluctant to cover HIV/AIDS. One GBGH member successfully negotiated for improved coverage in part because she was able to show that the company had no HIV/AIDS claims in recent years. This can be difficult if there is no history of HIV/AIDS private insurance coverage and/or a lack of available workforce data in certain locations. In the absence of health claims data, bring data from the public sector, health assessments or on-site clinics to the negotiating table. For public sector data, see UNAIDS’ AIDSInfo or the World Health Organization’s Global Health Observatory Data Repository.

“We find it very difficult to get information for our inventory. We may get three answers depending on who we ask—our local staff, our broker or our insurer. You really have to dig deep to find out what is actually covered.”

— A global employer

6. **Partner with other employers where you can.** GBGH companies leveraged their collective presence in China to influence changes, including removal of HIV/AIDS from the exclusion list, in the insurance market. This is especially helpful where you do not have your own large employee population.

“What was powerful in China was that if you were a small voice, you had the ability to go in with other large employers [through GBGH] and make a difference. You could move the market in a way you wouldn’t be able to in a single company.”

— A global employer

7. **Include other stakeholders in your efforts.** Consider including non-governmental organizations or organizations that represent people living with HIV in your negotiation efforts. They may have valuable insights to share from their experience in the field.

8. **Larger health insurers may be more willing to mainstream care.** Larger insurers may have the capacity and infrastructure to absorb more risk than smaller insurers. They may also be able to capitalize on a model built in one location by expanding it to other locations.
**During Negotiations: Hitting the Right Note**

Use the following methods and tactics during negotiation conversations:

9. **Treat your insurer as a partner.** During conversations, insurers expressed the preference to be viewed as a partner during negotiations. Go in with an open mind and plan to have honest conversations about what is possible. You may also consider publically recognizing your insurer partners who develop plans that include mainstreamed coverage, should they desire that publicity.

10. **Use your brokers.** Working with a broker- and leveraging their size and relationships- can be incredibly effective in many countries. For example, the GBGH membership was able to gain acceptance for a benefits plan inclusive of HIV/AIDS coverage in China by partnering with an experienced broker and leveraging the group's collective influence.

11. **Use the disproportionate exclusion as a lever.** In many countries, HIV/AIDS is excluded from private insurance plans, but other blood borne infections (e.g. hepatitis B), sexually transmitted diseases (STDs), chronic illnesses (e.g. diabetes) and infectious diseases (tuberculosis) are covered. If underwriting capabilities exist for these diseases, insurers may be able to underwrite for HIV as well. At the very least, reasons for the disproportionate exclusion should be discussed during negotiations.

   “I don’t have to buy a rider for pregnancy in any of my countries. I don’t have to buy a rider for covering a heart attack in any of my countries. So it does get down to a simple problem: because of the stigma around HIV we have to buy a rider or it’s not even covered at all.”

   - A global employer

12. **Consider assuming some of the risk for a specified time period.** Smaller insurers may not be comfortable covering HIV/AIDS if they feel that the risk is high or unknown. However, they might be more willing to mainstream HIV/AIDS coverage if there is a safety net in place. Employers may want to consider assuming any risk over a certain dollar amount for a limited period of time until the insurer feels they have an adequate claims experience to effectively price for mainstreamed HIV/AIDS coverage.

   **Note:** One GBGH member proposed “a scheme based on the local insurance companies that can take the small percentage of the risk, while the scheme itself could be arranged by the big companies. The local company can take 10-15% of the risk and the rest can be done by a larger company.” Consider talking to your global and local insurers about how this might work in your particular locations.
13. **Leverage your strongest points (e.g. size, global reach, brand name, or relationships).**
It is not always easy to know which employer characteristic are the strongest levers to influence change. Employers have had success leaning on their global presence, brand names (to be included on a client listing), large employee populations, membership in employer organizations like GBGH and the fact that they are pushing for HIV/AIDS coverage as a global initiative. Determine which of these factors (or others) are most influential for your organization and use them during the negotiation process.

14. **Be flexible.** Flexibility is crucial during employer-insurer negotiations. By being willing to discuss different trade-offs, you can develop an effective plan design that also controls costs. Examples of benefit designs that may keep costs down include covering outpatient treatment only and/or implementing annual or lifetime coverage limits. These options should be considered carefully as they limit employee benefits, which may result in additional costs over the longer term.

15. **Know what is non-negotiable.** You might not be able to get everything you want at once. It is important to know what is most critical for your organization. Some employers have had success developing minimum standards for coverage that are non-negotiable. Examples of potential non-negotiable items include removing provisions that exclude people living with HIV/AIDS from receiving any health services or eliminating waiting periods where they exist.

> “I think if you can start by knowing what you want for coverage it can help. Maybe starting with something smaller- like we don’t want a total exclusion- and going from there.”
>
> — A global insurer

16. **Consider disease and/or case management as part of an effective benefit design.** Disease and case management may be an effective tool for assisting people living with HIV/AIDS in receiving good care and staying on treatment. This may limit costs and improve patient outcomes. Health insurers may be more willing to negotiate for mainstreamed coverage if disease or case management is part of the package.

17. **Use insurance market characteristics to your advantage.** In markets where there is more choice, insurers may be more willing to negotiate to keep a large employer’s business. There may also be a greater ability to account for various diseases during underwriting in more established markets. Conversely, in new markets there is little or no market norm to speak of. Newer insurers in a market- or those especially interested in building a clientele base—may be more willing to meet the needs of a prospective purchaser, particularly one with a recognizable brand name.

> “One of the reasons [the insurer] was willing to be flexible and waive the waiting period was because they were going through many organizational changes and trying to get back on their feet financially. They were more willing to be flexible than in the past.”
>
> — A global employer
**Moving Forward**

If your first negotiation attempts are unsuccessful, consider the following action steps:

18. **Assess options and make vendor changes if needed.** If negotiations are proving unfruitful, going out to bid may send an important message. Doing so also allows you to review the market in detail and know what is available. This does have financial and human resource implications so negotiating with your current insurer is likely a better first step.

19. **Work to reduce stigma around HIV/AIDS.** In some cases, HIV/AIDS may be excluded primarily because of stigma around the disease that country. This may make it more difficult to negotiate mainstreamed coverage. Reducing that stigma in those communities—although a long road—could help. Check with your corporate social responsibility team about initiatives that may align with this goal.

> “The stigma of illness—AIDS is not the first; there is also diabetes, obesity, and others—is really intolerable from a business perspective because of our aging populations. If we can’t address those we’ll lose human capital.”
> 
> - A global consultant

20. **Be persistent and realistic.** Negotiating mainstreamed HIV/AIDS coverage can take time and dedication. Change doesn’t often happen quickly, particularly when it’s against the market norm. Insurer members have stated several times that the first step is asking for HIV/AIDS coverage; insurers may not have considered adding it because no one has ever asked before. Employer requests may go a long way, particularly in certain locations. If your first attempts haven’t worked, it may be a matter of continuing to ask or asking a different vendor.

> “Changing local market practice takes time, patience and perseverance. Negotiating such changes will likely be a multi-year endeavor.”
> 
> - A global employer

21. **Work with national governments.** Regulatory and governmental support can remove barriers to mainstreaming coverage and pave the way for insurance market reform. Consider making the case to the government and regulatory agency (if applicable, and perhaps with other employers and/or your broker) for legislation requiring that insurers include HIV/AIDS coverage in their plans.

> “Most local insurance outside the United States is not self-insured. The local insurer might not be able to do it from a regulatory perspective as it may not fall under their license. If you have regulatory support it’s much easier.”
> 
> - A global consultant
22. **Show you’re committed.** Insurers take their lead from employer priorities. If your first conversations with insurer partners are unfruitful, continue to openly communicate about your desire for mainstreamed coverage. According to one insurer member, “Show me your motivation. If you have a partner it can’t be just ‘solve this for me.’ The goals have to be aligned, and you have to show motivation and true partnership.”

“If I do it [cover HIV/AIDS] in good faith and you leave me in 3 years to go to someone cheaper and I haven’t recouped all my costs, I’m never going to do it again. It will never be approved again.”

- A global insurer

**IN CLOSING**

Mainstreaming HIV/AIDS coverage globally may not be easy, particularly in certain markets. Remember the first step is awareness of the problem, both by the employer and the insurer. By being aware of the problem, utilizing these negotiation tips and partnering with other stakeholders, employers can influence market changes that improve access and care for their employees living with HIV/AIDS, thus improving the health and productivity of the workforce.

Global Business Group on Health members who are interesting in filling coverage gaps for other chronic conditions should click here to access *Facilitators for Mainstreaming HIV/AIDS Insurance Coverage and Filling Other Chronic Condition Coverage Gaps Outside the United States*. This table depicts a variety of factors that may create a positive environment for various stakeholders to mainstream HIV/AIDS insurance coverage outside the United States. Employers should note that while this tool was developed with a focus on HIV/AIDS, these same facilitators may be relevant in creating a positive environment to fill other coverage gaps that exist in insurance plans around the world.
REFERENCES


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OUTSIDE THE UNITED STATES
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The Global Business Group on Health provides tools and resources that enable its large employer members to address the health and benefits needs of employees worldwide. Through collaborative next practice sharing and innovative problem solving, the Global Business Group provides practical, actionable, and culturally-relevant solutions, country- and issue-specific benchmarking, and opportunities to engage thought leaders and peer organizations. The Global Business Group also leverages the experience and influence of its collective membership to maximize human capital investments and encourage country-level market change that positively affects the lives of employees and their families.

About the National Business Group on Health®
The Business Group is the only non-profit organization devoted exclusively to representing large employers’ perspectives on national health issues and providing solutions to its members’ most important health care and health benefits challenges. The Business Group fosters the development of a safe health care delivery system and treatments based on scientific evidence. Members share strategies for controlling costs, improving patient safety and quality of care, increasing productivity and supporting healthy lifestyles.

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