

# Global Insurance Initiative



**P. Terrance McNaughton**

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NAYEN Insurance Committee  
NAYEN Conference - Chicago 2010

# NAYEN Insurance Committee - Mandate

The specific goal that was discussed with the NAYEN Board for 2009-2010 is:

**Investigate and support the international insurance initiative, if appropriate.  
(by 2010-Jun-30)**

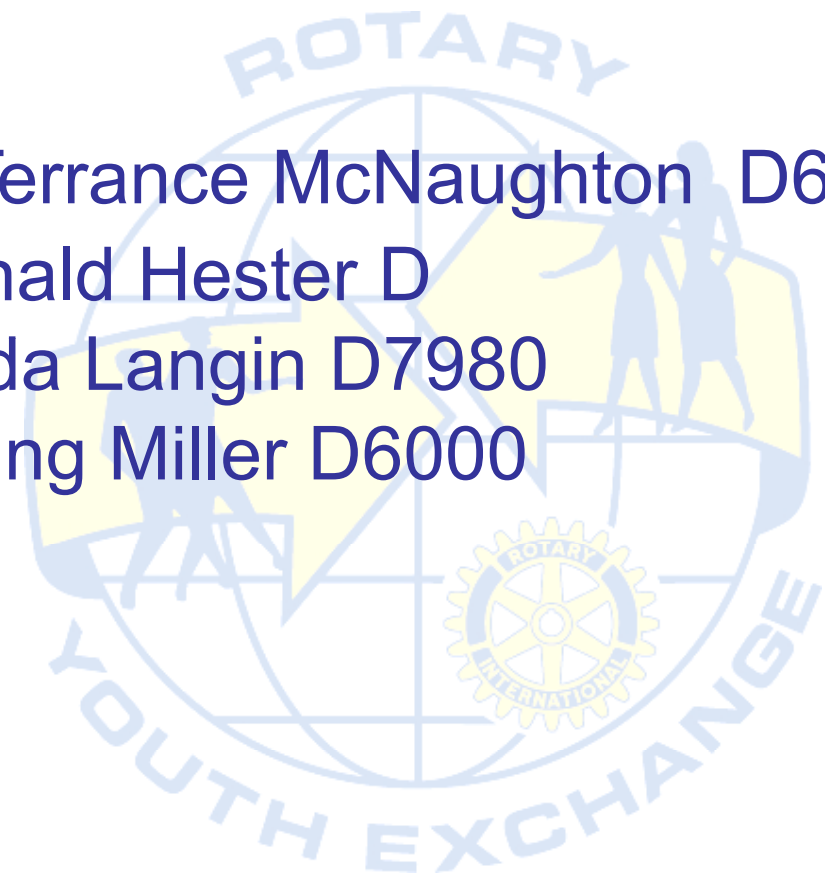


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# NAYEN Insurance Committee - Mandate

**Chair** P. Terrance McNaughton D6380  
Donald Hester D  
Linda Langin D7980  
Loring Miller D6000



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# RYE Insurance - History

- Prior to 2004-2005
  - RI Board set minimum requirements for compulsory student travel insurance
- Post 2004-2005
  - Policy revisions empowered districts/multi-districts to “... determine minimum level of insurance adequate for the exchange length and local conditions ....”
  - Resulted in many short comings



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# RYE Insurance - History

- 2008-2009
  - RI RYE Committee struck a “Working Group” to review existing policy and assess the feasibility of a global youth exchange insurance scheme
  - Representation from 4 major regional YE groups, Australia, Brazil, EEMA and NAYEN, had input
  - Peter Kaye (Australia) chaired group
- 2009 Birmingham Pre-Convention
  - Findings presented at workshops
  - 98% of participants in favour of a global insurance scheme

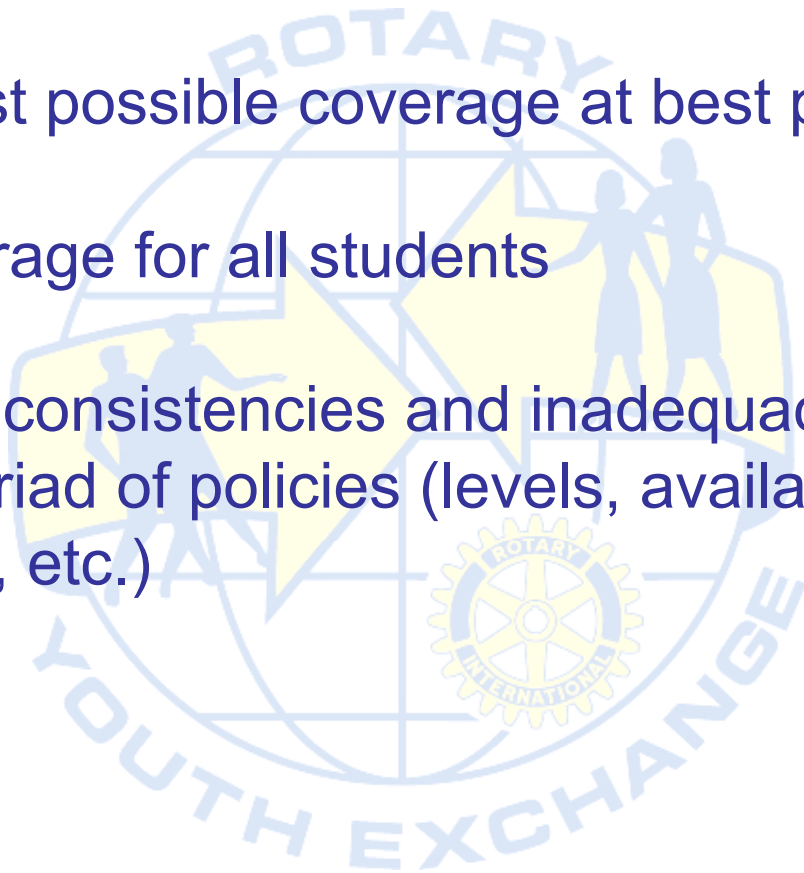


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# RYE Insurance - Initiative

- Objectives
  - Provide best possible coverage at best price
  - Equal coverage for all students
  - Eliminate inconsistencies and inadequacies of existing myriad of policies (levels, availability, claims satisfaction, etc.)

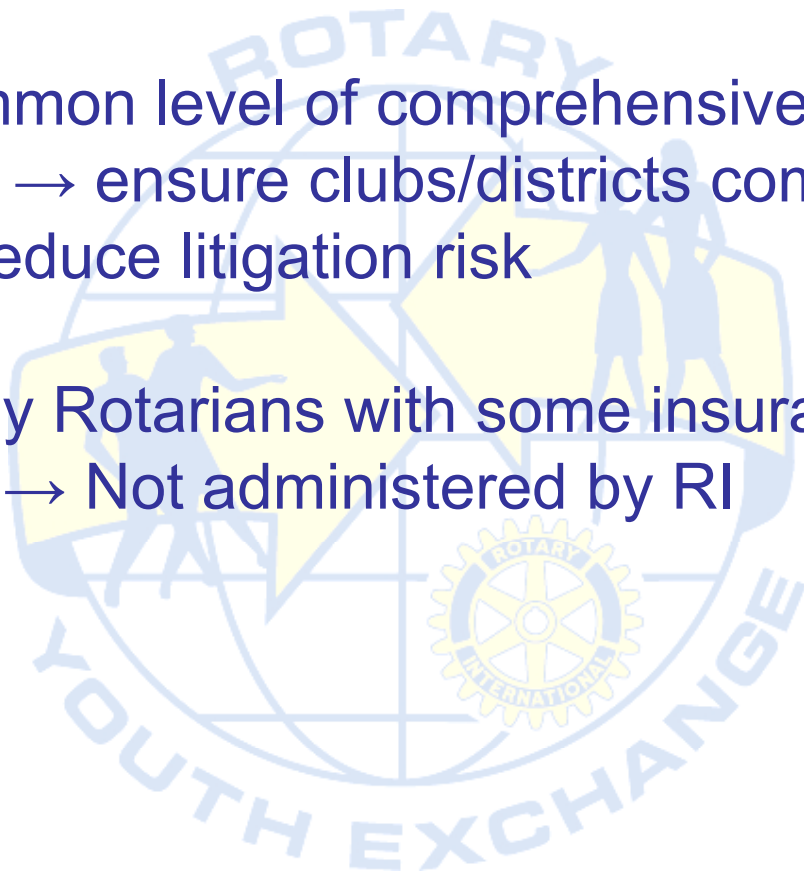


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# RYE Insurance - Initiative

- Objectives
  - Ensure common level of comprehensive coverage for all students → ensure clubs/districts comply with duty of care → reduce litigation risk
  - Overseen by Rotarians with some insurance experience → Not administered by RI

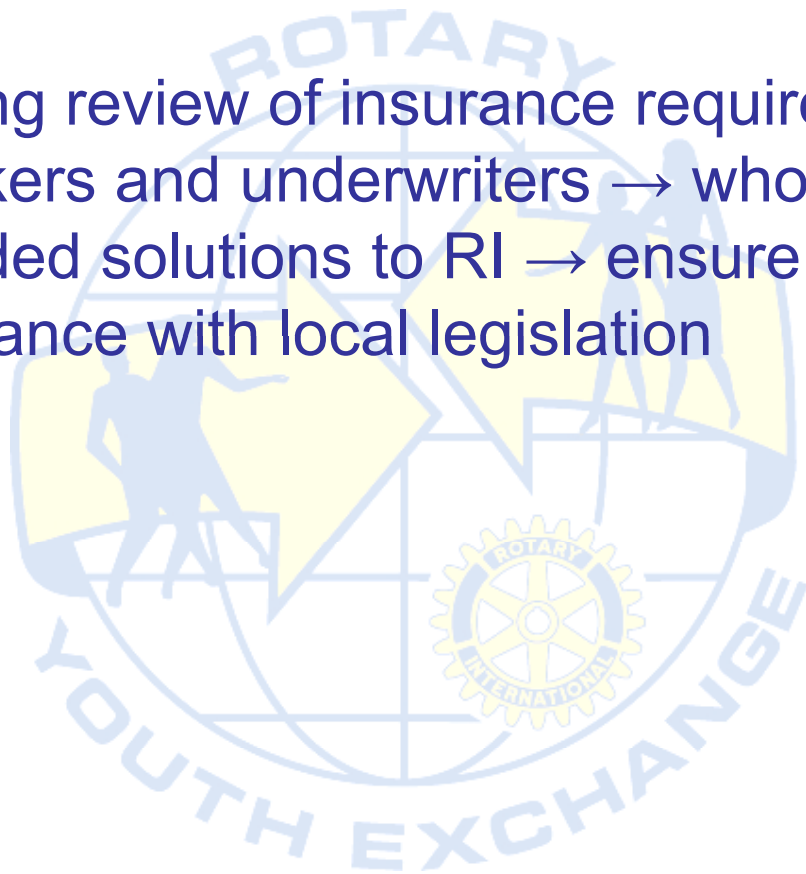


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# RYE Insurance - Initiative

- Objectives
  - Shift ongoing review of insurance requirements to private brokers and underwriters → who will report recommended solutions to RI → ensure global policy is in compliance with local legislation



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# RYE Insurance - Current Status

- 2009-Nov
  - RI Board tabled proposal pending further RI staff research
- 2010-Jan
  - Peter Kaye meeting with Aon in Brisbane → develop draft documents

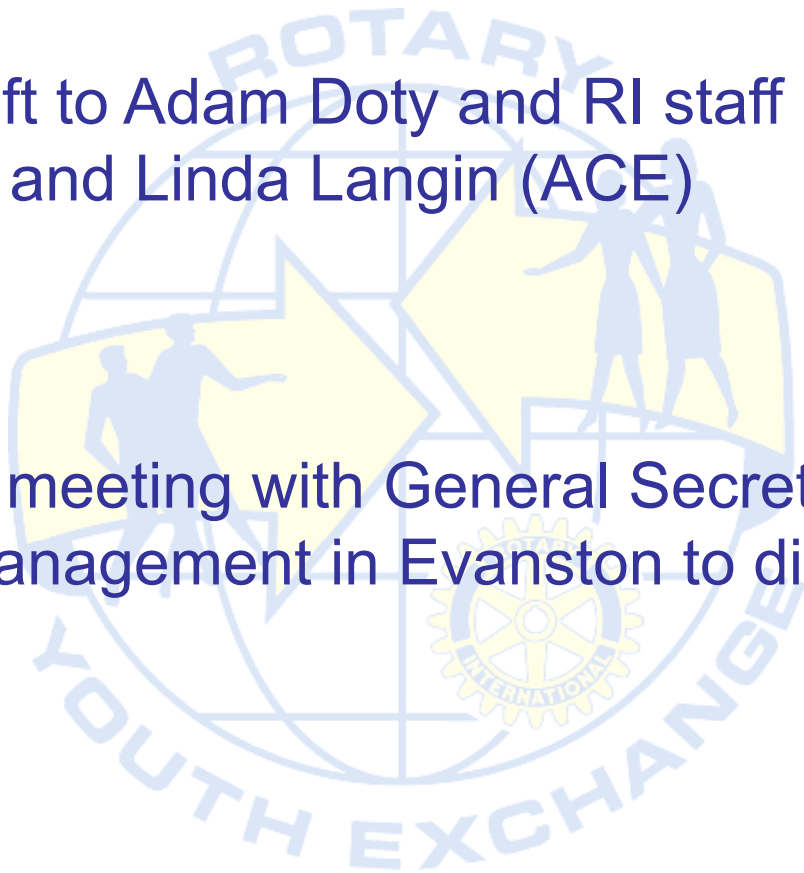


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# RYE Insurance - Current Status

- 2010-Mar-01
  - Present draft to Adam Doty and RI staff by Peter Kaye (Aon) and Linda Langin (ACE)
- 2010-Apr-23
  - Peter Kaye meeting with General Secretary, Ed Futa, and Risk Management in Evanston to discuss submission



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# RYE Insurance – Things to Consider

1. Possible barriers or difficulties RI foresees?
  - Keen to see a submission
  - Does not want to be involved in negotiations or administration of insurance



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# RYE Insurance – Things to Consider

## 2. Approach “to sell RI” on concept?

- Students suffering as a result of current insurance guidelines in RI Code of Policies
- Global insurance will eliminate these problems, plus:
  - Equality of coverage
  - Overseas medical benefits – unlimited (covering pre-existing conditions)
  - Ensure duty of care - ↓ litigation risk
  - Global buying power – best coverage at best price
  - Centralized multi-lingual 24 Hr Emergency Assistance



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# RYE Insurance – Things to Consider

3. Countries with (compulsory) national insurance plans?
  - May not fully eliminate duplicate/overlapping coverage



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# RYE Insurance – Things to Consider

4. Negotiations/tendering process - assuming RI support?
  - YE Committee working group engaged Aon Risk Services to undertake a feasibility study → conducted a market survey based on capability and capacity to provide a global solution
  - Feasibility report recommended a Lloyds policy administered by Seven Corners



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# RYE Insurance – Things to Consider

4. Negotiations/tendering process - assuming RI support?
  - An additional proposal was also submitted at Birmingham by CISI Bolduc underwritten by ACE USA in combination with ACE Europe
  - If process goes to tender → RI YE Committee could engage an international broker to approach the market



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# RYE Insurance – Things to Consider

## 5. Responsibility for overseeing insurance scheme?

- Envisage an “Insurance Committee” be established as a sub committee of the RI YE Committee
- Representatives from Australia, Japan, EEMA, NAYEN and ABIJ on committee with a rotating chair
- Imperative that at least one representative has an insurance background
- Operate under a constitution setting out rules and responsibilities
- RI YE Committee remain as conduit to RI Bd

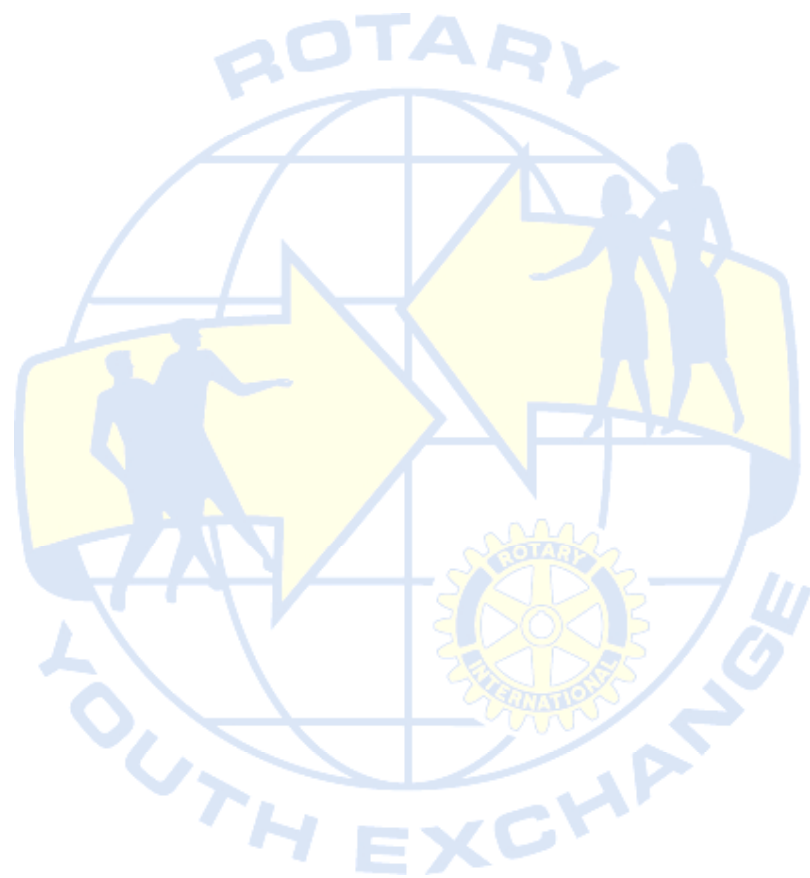


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