

## Preamble |

It is now widely accepted that HR professionals are being asked to master an ever growing number of skill sets and to possess a hyper specialised form of knowledge in a marketplace that is constantly shifting and changing. As a result, when it comes to choosing the best option for a company's group medical insurance plan, HR directors and managers are finding it difficult to navigate the myriad of choices and challenges that such an environment creates.

With recent advances in medical technologies and an ageing population, the cost of medicine has been steadily rising, and employees' medical visits are now more than ever coming under the umbrella of their company's medical plan.

Moreover, company benefits, especially healthcare programmes are becoming an increasingly significant factor driving employee engagement. So it should come as no surprise to anyone that when it comes to attracting, retaining and motivating talented employees, selecting the right medical insurance package is absolutely crucial.

However, the frustration that can occur among employees after their employers choose the wrong company policy is all too familiar in many organisations.

HR is usually the first area where such frustration is vented. Thus for companies, choosing the right plan is not to be undertaken without the proper research and consideration and should not simply be based on the cheapest option.

In light of these challenges, we have created the HR Magazine—Hewitt Associates: HR Guide to Corporate Medical Insurance, which provides important, practical, yet easy-to-use information that will help HR professionals choose the best medical policies to match their organisations.

As healthcare debates occur around the world HR Magazine and Hewitt Associates look at Group Medical Insurance in Hong Kong in a global perspective. In the following article, Susan DeGregorio notes, "The future of cost effective healthcare provision around the world is in doubt."

Hong Kong is not immune to this debate. In the last week the Hong Kong government has proposed a public option. Employee health has a proven effect on morale, productivity, absence and business competitiveness. Hence the risk of ignoring it are increasingly being seen as a business risk.

From a Hong Kong perspective we give highlights from the most recent HR Magazine—Hewitt Associates survey on medical insurance plans.

We found that according to the HR managers surveyed, private healthcare has gained increasing significance to achieving a company's business goals. Also notable is that increasingly HR directors are choosing policies based on the coverage of claims as well as the size of the provider network as opposed to cost alone. The full survey is included in this publication in this complete guide and also on HR Magazine online.

We also cover the perspective of insurance providers. We interview two such providers and learn more details of the market and issues they are facing.

Many providers established in the US market are increasingly pooling resources in Asia as uncertainty continues in American healthcare reform. One trend in Hong Kong has been an increase in the size of medical provider panels and the collaboration of these networks with insurance providers. Also important for HR is that there are many steps that can be taken to make coverage more efficient and cost effective.

Finally, we give a brief overview of the key group health insurance providers in Hong Kong to give HR practitioners an idea on what's available and provide a guide to the most suitable medical insurance plan for your organisation.

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