



Risk & Insurance | Employee Benefits | Retirement & Private Wealth

WEBINAR

The State of Global Benefits:

Trends, Risks and What Employers Need to Do Now





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Agenda

- 1** Global Benefits and Cost Trends

- 2** USAID Effect and Local National Imperative

- 3** Clinical Risk Outlook: 2026 to 2030

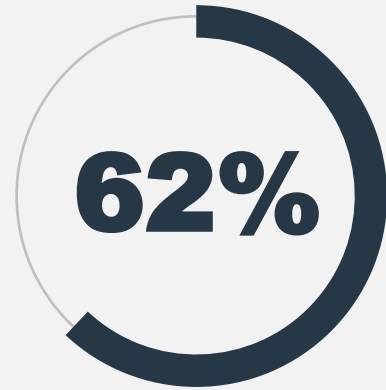
- 4** Geopolitical Risk and Duty of Care

- 5** What Employers Should Do Right Now

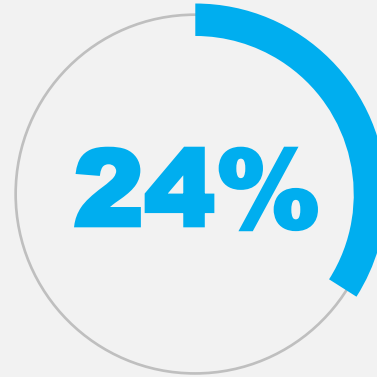
Global Benefits and Cost Trends



Three Things That Define This Moment

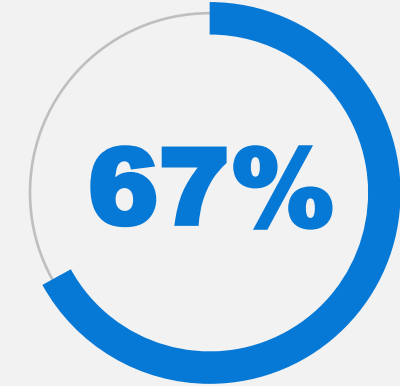


Healthcare costs have escalated +62% from 2017 to 2026 globally, creating emerging costs challenges for many employers



24% of total costs globally are now going to pharmacy spend

Items like GLP-1 drugs and specialty biologics are driving 11-12% of that annual growth



67% of multinational organizations note that U.S. costs limit what they can offer staff globally

34% of employers note that their largest concern is controlling global costs

Source: Business Group on Health 2026 Employer Health Care Strategy Survey; iPMI Global 2026

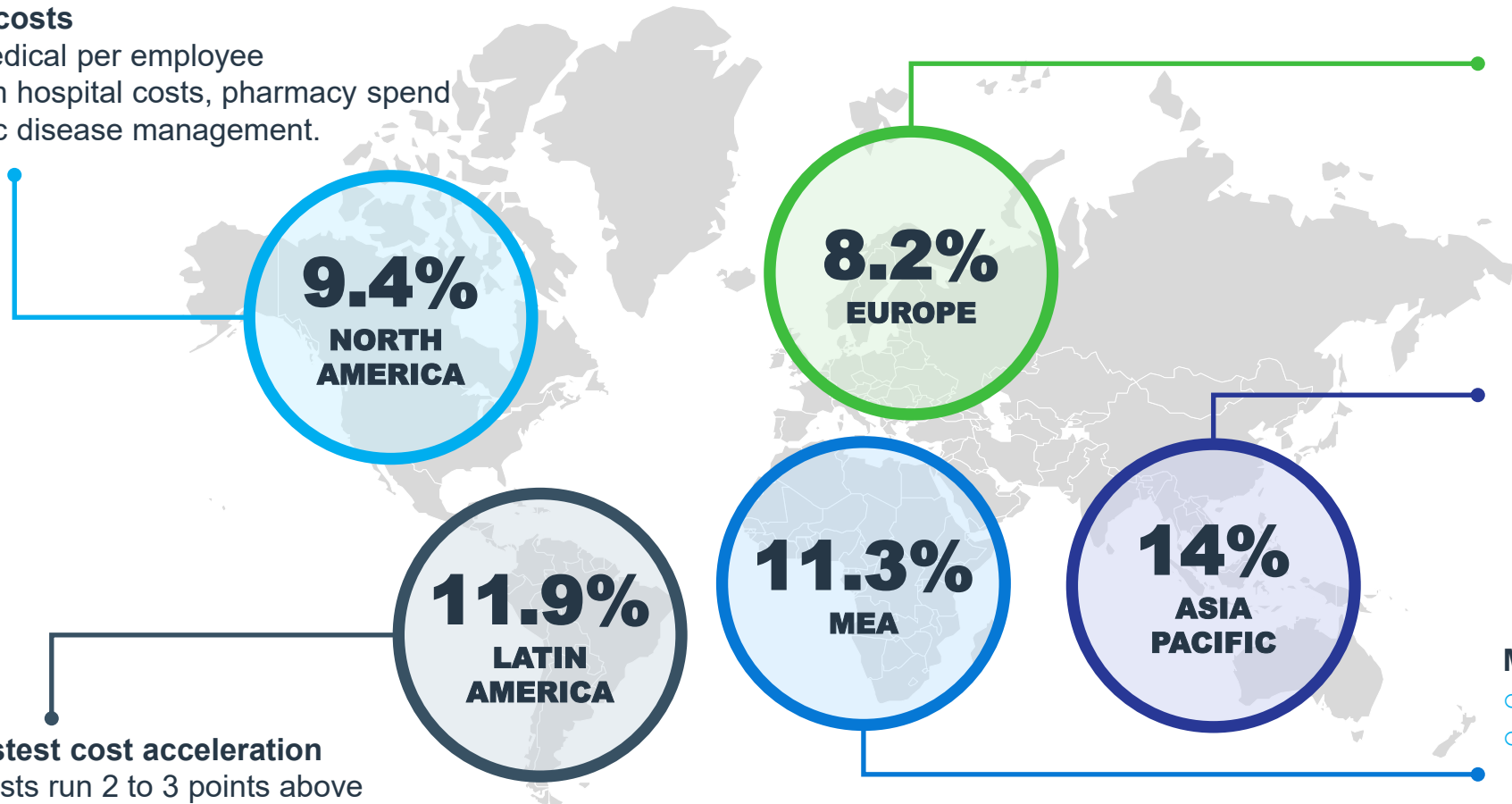
2026 Regional Medical Cost Trends

Highest unit costs

- Highest Medical per employee
- Driven from hospital costs, pharmacy spend and chronic disease management.

Lowest trend rates

- Lower trend rate can be misleading
- Growing demand due to public capacity challenges



Highest trend globally

- Pharmacy costs in Indonesia
- Biologics in India
- Aging workforce in Singapore

Region with fastest cost acceleration

- Pharmacy costs run 2 to 3 points above medical trend

Mid-range increases

- Demand in private insurance
- Emerging costs concerns from declining health capacity

Source: iPMI Global analysis of major insurer surveys across 80+ markets (2026). 6th consecutive year above historical norms.

What is Driving Global Cost Increases

Cancer and Oncology

- #1 cost driver for the fourth year in a row globally.
- 74% of insurers report more cancer diagnoses in people under 40.
- Early-onset cancer is a growing challenge.

Pharmacy and GLP-1 Drugs

- Pharmacy is 24% of total employer spend and growing at 11-12% per year.
- GLP-1 drugs cost about \$1,000 per patient per month.
- Specialty drugs are 2% of actual scripts but 50-54% of all pharmacy costs.

Heart Disease and Chronic Conditions

- The single largest global cost driver.
- Million-dollar catastrophic claims have gone up 50% in four years.
- Unmanaged chronic conditions lead to the most expensive claims.

Mental Health

- 73% of employers saw increases in mental health claims in 2025.
- Investing in effective behavioural health claims have a 4:1 Return on investment.
- Inpatient behavioural health claims are up nearly 80% in recent years.

Disability and Musculoskeletal

- Musculoskeletal conditions are the top cause of long-term disability claims.
- Mental health is now a leading cause of short-term disability claims in most countries.

Catastrophic Claims

- 5% of members account for 60% of all spending.
- Over half of high-cost claimants can be identified in advance.
- Advanced therapies like CAR-T can cost \$400,000 to \$2 million per treatment.

Source: Business Group on Health 2026; UnitedHealthcare Broker Insights 2025; Newfront 2025; National Safety Council / NORC

Why Employers Still Need Private Health Plans

Speed of Access

- NHS waiting list hit 7.4M cases in 2025.
- Long waits are the number one reason people switch to private care.
- Across Asia Pacific & Middle East, private care is increasingly the only route to timely specialist access to care.

Gaps in Coverage

- Social systems do not adequately cover dental, vision or medical health in most countries.
- The latest cancer treatments and biologics are rationed or unavailable through public systems across Latin America, Eastern Europe and Southeast Asia.

Attracting and Keeping Talent

- 92% of employees globally say health benefits are the most important factor when choosing an employer.
- In markets where employers offer private health coverage, not offering private health coverage puts you at a competitive disadvantage when attracting talent.

Declining Public Capacity

- The decline of public healthcare capacity is creating significant demand for private health coverage.
- 52% of global insurers specifically cite declining public healthcare capacity as a key cost driver.

Compliance and Legal Duty

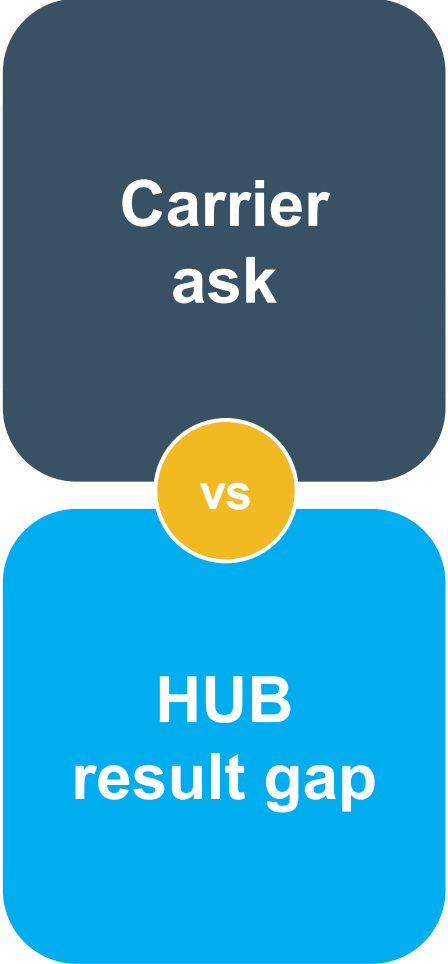
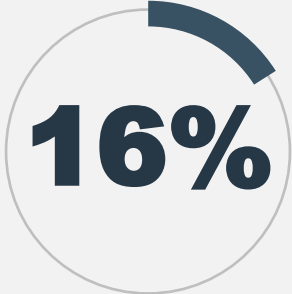
- Saudi Arabia, the UAE and other Gulf markets legally require employers to provide private health insurance.
- Internationally assigned employees carry specific duty-of-care obligations regardless of local public system availability.

"Social healthcare defines the floor. Employers define the ceiling." | Sources: Healthwatch England 2025; iPMI Global 2026; PeopleKeep Employee Benefits Survey 2025

How HUB Global Benefits help ease the burden

In 2026 medical plans received initial renewals ranging from 10% to 16% from lead global carriers in the marketplace.

Even with these higher trends, HUB clients paid significantly less, in some cases single digits and some even flat.



8-15

percentage points

- HUB clients received significant adjustments from initial market renewals.
- HUB clients saw a difference between carrier delivered and final renewals 8-15%.
- When navigating challenging renewals cycles and escalating costs it is imperative that you partner with firms that have global volume and carrier relationships that can help you manage these high increases.

Source: HUB Global Benefits Portfolio Data (2026)

USAID Effect and Local National Imperative



The USAID Effect

What Happened

- In early 2025, the U.S. government withdrew the majority of USAID development funding globally.
- The cuts affected thousands of health programs across sub-Saharan Africa, Asia and Latin America.
- Clinics closed, supply chains broke down and local healthcare capacity contracted sharply in many of the markets where multinational employers have the heaviest workforce presence.

Why It Matters to Employers

- As we just learned, declining public capacity is increasing overall pressure on the private healthcare marketplace.
- When these systems experience pressure employers end up having to fill the gap with higher premiums.
- In addition, care has been disrupted in key markets including Kenya, Uganda, Ethiopia and parts of Southeast Asia.
- Duty of care obligations become more demanding when local healthcare capacity can no longer be assumed.

What Employers Should Do

- Audit your plans and understand your coverage levels in each geography.
- Do not assume your coverage meets the local needs, not all plans maintain the same standards of care.
- Understand how your employees can access care in their home country and beyond.
- Review evacuation and medical assistance protocols for countries where public health capacity has degraded.
- Work with your broker to understand how your markets have been impacted by these changes.

Source: HUB Global Benefits analysis; IHME Financing Global Health 2025; KFF Global Health Policy analysis 2025

The Local National Imperative

The share of local nationals among HUB's global portfolio increased

14x

From 2020 to 2026

- A local national is a locally hired employee, for example a Kenyan working and living in Kenya.
- At HUB Global Benefits we have noticed the acceleration of local national hiring.
- From 2020 to 2026 we have seen a 14X portfolio increase in local national coverage.

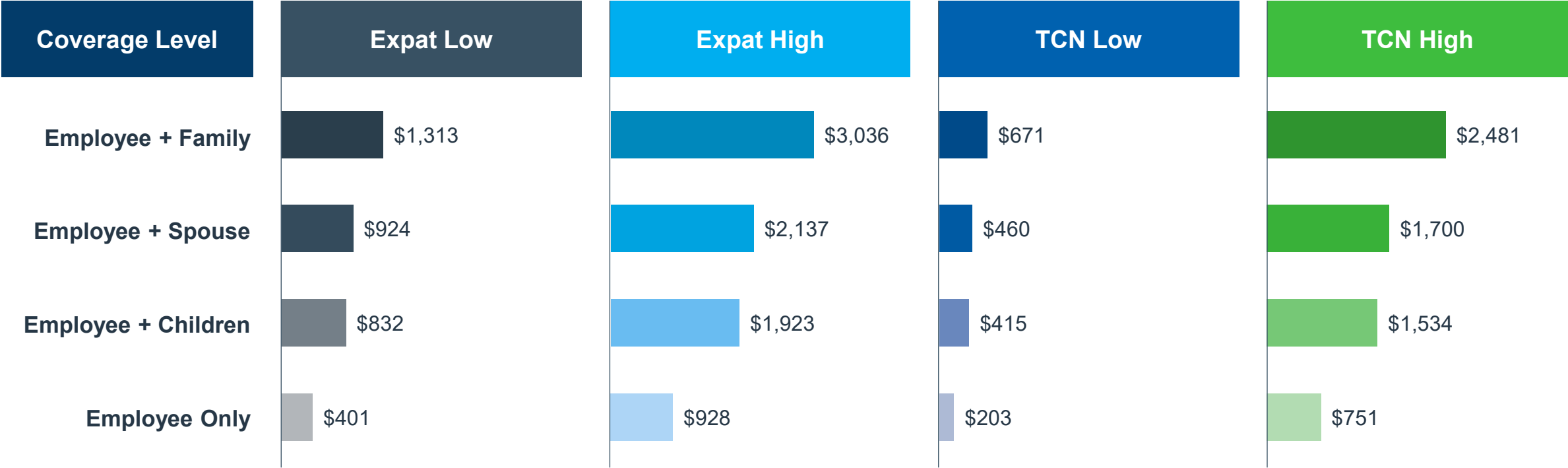
What This Means for Your Benefit Strategy

- Expat plan designs do not translate to local national populations – while coverage levels may or may not meet the need on paper, the delivery system often does not. Meaning, expat plans often expect an employee to “Pay and Claim” while a local plan will offer a more “flash the card model”.
- In today's business environment Local nationals often represent most employees on the ground and as we are learning through today's conversation – their benefit experience directly affects your ability to attract and retain talent locally.
- The HUB team can help organizations establish a benefit framework for all employee populations to help create a competitive and harmonized benefit strategy that allows you to effectively compete for talent.

Source: HUB Global Benefits Portfolio Data (2026)

2026 Expat and Third Country National (TCN) Premiums

These are real 2026 premium benchmarks from the HUB Global Benefits portfolio, provided as market context for multinational employers.



Source: HUB Global Benefits Portfolio Data (2026). Low = younger populations or lower-cost regions. High = older populations or higher-cost regions.

Clinical Risk Outlook



Five Clinical Risks Reshaping Employer Plans Through 2030

1

Metabolic Disease

Obesity is projected to rise 68% globally by 2050. 2.9 billion adults will have high BMI by 2030. Diabetes cases will grow from 529 million to 1.31 billion. GLP-1 drug costs will keep climbing.

2

Mental Health Burden

Global anxiety and depression cases will exceed 515 million and 466 million respectively by 2040. The global economic cost of mental illness is projected to reach \$16 trillion by 2030.

3

Antimicrobial Resistance

39 million AMR deaths are projected between 2025 and 2050. Annual AMR deaths will increase by 70% by 2050. This leads to longer hospital stays, more severe infections, and bigger claims.

4

Climate-Sensitive Health

12 of 20 global health-impact indicators are at record highs. Heat-related deaths have risen 23% since the 1990s. Dengue, Zika, and chikungunya are spreading into new geographies.

5

Cancer Burden Reshaping

Cancer in people under 50 is increasing fast. New therapies like CAR-T and bispecific antibodies are highly effective but extremely expensive. Centers of Excellence are becoming a must-have, not a nice-to-have.

Sources: GBD 2021/2023 Forecasting Collaborators (The Lancet); World Obesity Atlas 2025; GRAM Project / Naghavi et al.; Lancet Countdown on Health and Climate Change 2025

Regional Clinical Risk Forecast: 2026 to 2030

Sub-Saharan Africa

DUAL BURDEN - ELEVATED

- HIV, TB, and malaria still widespread alongside rapidly growing rates of diabetes, obesity, and heart disease
- Obesity prevalence will more than triple by 2030 compared to 2010
- Cuts in development health funding in 2025 is reducing public healthcare capacity

Asia-Pacific

CARDIOVASCULAR AND NCD - VERY HIGH

- Heart disease mortality projected to increase 91% by 2050
- India will see one of the largest absolute increases in diabetes globally
- High-income markets face aging-driven cancer, dementia, and musculoskeletal conditions

Europe

MENTAL HEALTH AND ONCOLOGY

- Nordic countries carry the highest mental health burden globally
- Eastern Europe has very high cardiovascular disease rates at 20-33% of all illness burden
- Private insurance use is rising as public systems become overloaded

Middle East / North Africa

METABOLIC DISEASE - EXTREME

- UAE projected to have the highest obesity rate for men globally by 2050
- Diabetes costs are already above 10% of total illness burden in Saudi Arabia, UAE, and Bahrain
- Heat exposure creates acute risk for outdoor and field-based workers

Latin America

METABOLIC AND PHARMACY COSTS

- Mexico has the highest endocrine disease burden in the Americas
- Pharmacy costs run 2.5 points above medical trend and will stay that way through 2030
- Heart disease is still the number one cause of death across the region

Sources: IHME GBD 2021; Chong et al. (Lancet RH-WP, 2024); GBD Diabetes Collaborators; World Obesity Atlas 2025; IHME Financing Global Health 2025

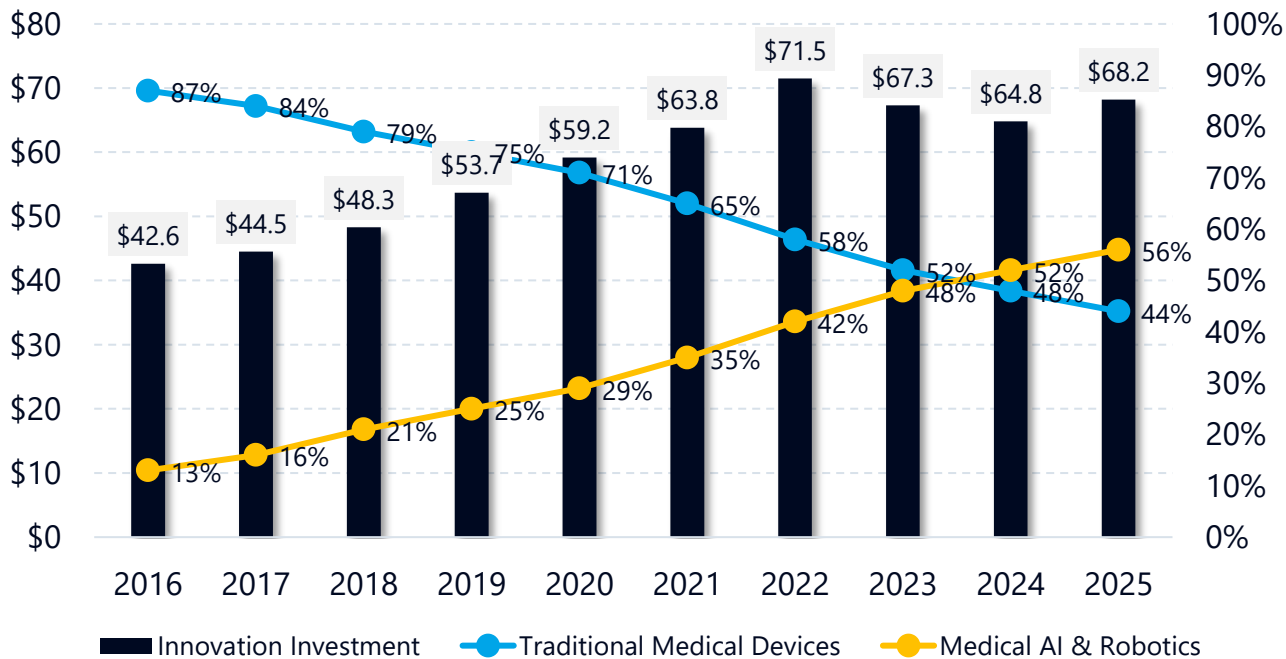
Procedural Costs Rising

Technology and medical devices are increasing costs across the globe.

Medical advancements using robotics, 3D imaging, and precision medicine are creating challenges for national health systems to improve outcomes without having to raise taxes and pay provider incentives or additional compensation for using new tools.

Change of Course in Modern Medicine

(% | \$B)



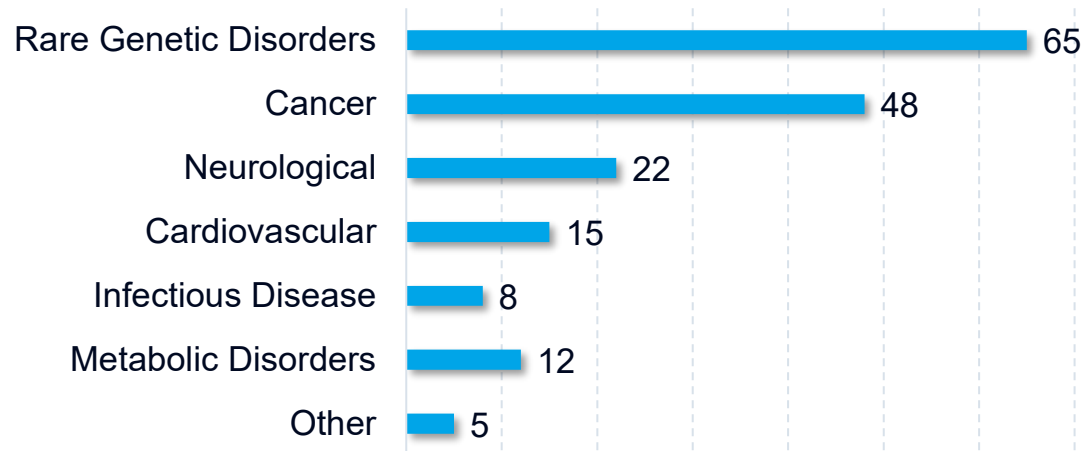
Advanced Diagnostic Procedures

| Procedure | Description | Expected Availability | Target Population |
|--------------------------------------|---|--------------------------|---|
| Liquid Biopsy Multi-Cancer Screening | Blood test for early detection of multiple cancer types | Wider adoption 2025-2026 | Preventive screening in 45+ age group |
| Quantum Molecular Imaging | Ultra-high resolution tissue analysis | Early adoption 2027-2028 | Complex cancer cases, neurological disorders |
| AI-Enhanced Full-Body MRI | Comprehensive scan with AI analysis for early disease detection | Expanding 2026-2027 | Executive health programs, high-risk patients |
| Digital Twin Health Modeling | Personalized virtual body model for disease prediction and treatment simulation | Early adoption 2027-2028 | Complex chronic disease patients, high-utilizers |
| Advanced Brain Mapping | Comprehensive functional/structural brain analysis | Expanding 2026-2027 | Neurological disorders, treatment-resistant mental health |

Pipeline Therapy Impact

Several drug therapies are expected to hit between 2026-2028 focusing largely on genetic disorders, but are now moving into other healthcare focus areas:

Number of Therapies in Pipeline



Multi-Billion Dollar Impact to Global Health System

| Year | Approved Therapies | Avg \$ | Population | Impact (\$B) |
|--------------|--------------------|-------------|------------|--------------|
| 2025 | 5-8 | \$2,780,000 | 15,000 | \$20.8 |
| 2026 | 6-10 | \$2,500,000 | 30,000 | \$37.5 |
| 2027 | 8-12 | \$1,700,000 | 55,000 | \$46.8 |
| 2028 (proj.) | 10-15 | \$1,500,000 | 90,000 | \$67.5 |

- The most dramatic development in pharmacy is gene and cell therapies. We now have over 25 approved therapies, with more than 150 in late-stage development.
- Note: While they target relatively rare conditions today, the pipeline includes treatments for more common conditions like diabetes, heart disease, and certain cancers, which would dramatically expand the population receiving these ultra-high-cost therapies.

Geopolitical Risk and Duty of Care



Four Geopolitical and Macro Risks Affecting Benefits

Conflict and Duty of Care

Over 204,000 conflict events were recorded globally in 2025 (ACLED). If your organization has people deployed in elevated-risk regions, you need documented risk assessments, contracted evacuation vendors, and tested communication protocols. In a legal review, no documentation means no program.

Tariffs and Drug Supply Chains

Trade policy is now a real variable in pharmaceutical import costs. The U.S. Most Favored Nation drug pricing policy, if fully enacted, could push pharmaceutical costs higher in non-U.S. markets where employers have little visibility or protection.

Currency and Inflation Exposure

Medical trend rates in emerging markets are already high. Add currency depreciation on top, and the real cost of locally denominated health insurance premiums can spike significantly during annual renewals. Active monitoring is required.

Eroding Public Healthcare Systems

52% of insurers globally cite declining public healthcare capacity as a key driver of rising costs. As public systems shrink or slow down, employer-sponsored plans pick up the gap. This is a structural shift, not a temporary disruption.

Duty of Care: What Every Employer Must Have

What Every Employer Must Have

- 1 Pre-deployment risk assessment for every assignment location
- 2 Contracted medical evacuation and repatriation vendor
- 3 24/7 assistance provider covering all operating regions
- 4 War risk and political violence coverage audit
- 5 Emergency response and employee communication protocols
- 6 Regular Duty of Care policy review using current risk data

Working With the Right Partners

HUB works with leading global assistance providers to help clients build a full duty of care program architecture — not just policies. The right partner network ensures your organization has the medical, security and evacuation capabilities in place before you need them. Ask your HUB advisor about our preferred partner network.

"If there is no documentation, there is no program." | Source: HUB Global Benefits Duty of Care Practice

Key Takeaways & Next Steps



Key Takeaways

Global healthcare costs are escalating; this is not an anomaly but seems more systemic as we look across the globe. This requires employers to be creating long-term, sustainable plans.

The USAID funding withdrawal and the rapid growth of local national workforces have fundamentally changed what employers are responsible for in key markets.

Clinical trends through 2030 are evidence-based and forecastable, employers who plan for them now will be better positioned than those who respond later.

Geopolitical risk demands proactive duty of care infrastructure, as we just learned, documented assessments, contracted vendors and tested protocols are critical in today's environment.

Top 10 Actions for Global Employers

1

Build a Three-Year Cost Plan

We are in the fourth straight year of elevated global healthcare inflation. Reacting each year is not enough. Model your costs forward using regional trend rates, pharmacy growth, demographic shifts and regulatory changes.

2

Revisit your Emergency Response Plans (Duty of Care Preparedness)

With the growing tension within the geopolitical environment, it is important to take an inventory of your current programs and ensure that they remain satisfactory. Review your war risk clauses, understand your triggers for evacs and know where your latest documents live.

3

Invest in Cancer Prevention and Early Detection

Cancer is the top cost driver globally for the fourth year in a row. Catching it early costs dramatically less than treating it late. Expand screening coverage, remove age restrictions and make pre-departure health screening standard for all expat and TCN employees. Consider global Cancer Carve out policies.

4

Build Real Global Mental Health Infrastructure

ROI is \$4 for every \$1 invested. A standard U.S.-designed EAP typically gets under 3% usage in Asia-Pacific or Africa. You need programs that will make a real impact, do not rush a mental health strategy.

5

Benchmark Your Plans

A plan that looks competitive by your corporate policy may be below the local market standard in India, the Gulf, or Southeast Asia. Regular country-level benchmarking tells you where you stand.

Top 10 Actions for Global Employers

6

Look at Multinational Pooling or Captive Structures

If you cover 1,500 to 2,000 or more employees internationally, a pooling arrangement is worth evaluating. If you have 5,000 or more employees and \$3 million or more in annual premium, a captive feasibility study makes sense. Both give you access to claims data you cannot get any other way.

7

Set a “Global Minimum Standard”

Define your non-negotiables across all populations: coverage limits, emergency evacuation, mental health access, life insurance. Then let local programs exceed that floor based on market norms. This builds equity across your workforce while letting you compete locally.

8

Use Your Broker's Portfolio Scale

The gap between carrier initial asks and final HUB results averaged 8 to 15 percentage points in 2026. That gap comes from portfolio volume, multi-carrier relationships, and data that no single employer can match on their own.

9

Get Ahead of Global Regulatory Changes

Stay engaged with local compliance and ensure you have firm understanding. Non-compliance carries financial and reputational risk.

10

Treat Benefits as a Business Investment, Not Just a Cost

The employers who are winning the talent competition are the ones managing benefits strategically, not just cutting them when budgets get tight.

Q&A

Why HUB Global Benefits

100+ Countries



Active global benefits portfolio across more than 100 countries, with direct carrier relationships and current market intelligence in every major region.

99.6% Client Retention



A 15-year track record in the international benefits space. Clients stay because the results are documented and the service is consistent.

Portfolio-Level Negotiation



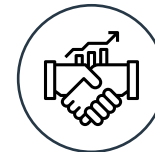
Our multi-client global portfolio creates negotiating leverage that individual employers cannot replicate — delivering an average 8 to 15 percentage point gap between what carriers ask for and what our clients pay.

Duty of Care Specialists



We work with the world's leading global assistance providers to build full duty of care program architecture for our clients — not just policies.

Preferred Carrier Partners



We work with the world's leading international health and benefits carriers — relationships that create access, data and negotiating power that go well beyond standard brokerage.

Strategic Advisory



From captive feasibility to pharmacy reform to clinical program design, we bring the full depth of global benefits consulting to every client engagement.

UPCOMING EVENTS

hubinternational.com/events/

WEBINAR – Employee Benefits

Breaking the Cost Cycle:

Taking Control of Your Healthcare Cost Strategy

Wednesday, June 24 | 12 PM CT



WEBINAR – Retirement & Private Wealth

Keeping Pace with Washington:

The Latest Department of Labor Updates Affecting Retirement Plans

Tuesday, June 30 | 12 PM CT



Thank you

For more information visit www.hubinternational.com



Glossary of Terms

- **AMR** — Antimicrobial Resistance: The ability of bacteria, viruses and other microorganisms to resist the effects of medicines, leading to harder-to-treat infections, longer hospital stays and higher claims costs.
- **Duty of Care** — An employer's legal and ethical obligation to take reasonable steps to protect the health, safety and security of employees working abroad, including risk assessment, emergency response and evacuation planning.
- **Expat / Expatriate** — An employee who is assigned by their employer to work in a country other than their country of origin, typically on a defined-term international assignment.
- **GLP-1** — Glucagon-Like Peptide-1: A class of medications originally developed to treat diabetes, now widely used for weight management. Examples include Ozempic® and Wegovy®. At approximately \$1,000 per patient per month, they represent a significant and growing driver of global pharmacy costs.
- **IHME** — Institute for Health Metrics and Evaluation: An independent global health research organization at the University of Washington whose data underpins much of the clinical forecasting presented in this session.
- **ISO 31030** — An international standard providing guidance to organizations on managing travel risk, including risk assessment, duty of care obligations and traveler safety protocols.
- **Local National (LN)** — An employee who is a citizen of and hired directly in the country where they work, as distinct from an expatriate or third-country national.
- **Multinational Pooling** — A mechanism that links insured employee benefit plans across multiple countries. When total claims across the pool fall below expected levels, the employer may receive a dividend. Typically beneficial for organizations with 1,500 or more employees internationally.
- **NCD** — Non-Communicable Disease: Chronic conditions such as heart disease, diabetes, cancer and respiratory illness that are not transmitted person to person and represent a growing share of global healthcare costs.
- **NHS** — National Health Service: The publicly funded healthcare system of the United Kingdom. Frequently referenced as an example of a universal public healthcare system that is experiencing significant capacity strain, driving increased reliance on private employer-sponsored coverage.
- **TCN / Third-Country National** — An employee who works in a country that is neither their home country nor the country of the employer's headquarters. For example, a Brazilian national working in Kenya for a U.S.-based employer.
- **USAID** — United States Agency for International Development: The U.S. government agency responsible for administering civilian foreign aid and development assistance. The significant reduction in USAID funding in 2025 has had downstream effects on public health infrastructure in several markets where multinational employers have meaningful workforce presence.