insurope

Multinational Pooling:
A Growing Opportunity in a Changing Global Benefits Landscape



For multinational companies, employee benefits are becoming more complex, more expensive, and more strategic. That is creating renewed interest in a proven solution: multinational pooling.

And the opportunity ahead is only getting bigger. According to Insurope CEO Morten Unneberg, rising healthcare costs, economic uncertainty, and the growing demand for greater transparency and governance are creating new opportunities for multinational pooling among many multinationals.

> *"Our focus is on helping more multinational companies grow with confidence by connecting local employee care with global risk management. Multinational pooling offers an opportunity not only to improve financial efficiency and global terms & conditions (such as the Free Cover Limits), but also to gain the insights, visibility and control needed to make better decisions about employee benefits worldwide,"*
>
> Unneberg said.

As multinational employers look for ways to manage rising costs while delivering competitive, sustainable benefits, the conversation around pooling is evolving. What was once viewed primarily as a way to generate financial returns is also increasingly recognized as a strategic tool for managing global employee benefits. **But what is really driving this renewed interest, and where does the greatest opportunity lie?**

To explore these questions, Insurope invited leading employee benefits brokers and consultants from Aon, Gallagher, HUB International, Lockton, and Mercer to share their perspectives from across the globe.

Their perspectives highlight a common theme: while cost management remains an important driver, the real opportunity for multinational pooling extends far beyond multinational dividends, offering employers a more connected, informed and strategic approach to managing employee benefits globally.

Perspectives on Multinational Pooling

1. What is driving the renewed interest in multinational pooling among multinational clients today?

Jonathan Seah
Regional Vice President, People Solutions Asia | Lockton

From what we are seeing in the market, rising healthcare and employee benefits costs remain a key driver. However, this is only part of the story. Increasingly multinational employers are looking beyond cost management and taking a more strategic approach to employee benefits.

Many of the clients we speak with are seeking greater visibility into their global benefits programs specifically as they navigate economic uncertainty, workforce expectations and increasing governance requirements. Multinational pooling tackles these needs by providing consolidated insights across countries while helping employers capture financial efficiencies through risk sharing. In this view, the renewed interest is being driven by both cost pressures and a growing focus on global benefits strategy.

Dieter Gistelinck
Managing Director Global EB Alliances | Gallagher

I think it's genuinely multi-factor, but cost and claims volatility combined with an increased need for governance are having the most influence.

Medical trends and healthcare inflation have been running well above general inflation in many markets for several years. As a result, multinationals are feeling the pressure across dozens of local plans.

Pooling is coming back into the conversation because it can address some of that pressure at a structural level — through dividends and risk smoothing and informed plan design adjustments rather than simply trying to negotiate harder at each local renewal.

But cost pressure is the catalyst. It doesn't fully explain the growing interest by itself. To understand that change, we need to examine the increasing strategic focus on global benefits.

More global HR, reward and benefits and Risk Management teams are seeking greater consistency, governance, and visibility across their markets. They don't just want a corporate philosophy or global strategy on paper; they want the mechanisms and data to measure and manage it. The Pooling Networks can provide a useful centralized framework: a global operating and streamlined contracting model that is fit for purpose in an evolving market.

There is also an increasing awareness of risk volatility, particularly where large claims or high-cost conditions can have a disproportionate impact on smaller local plans. This is where pooling earns its place. It can – to a degree – smooth out risk across the wider multinational portfolio, particularly when the multinational employer considers the geographic spread and balanced mix of risk, medical and eligible pension plans.

And I think there is a broader industry conversation to be had around equity and consistency of benefits. As organizations look more closely at their EVP, employee experience, DE&I and pay transparency, differences in benefit provision between countries become more visible. Pooling data and reporting can highlight some of those differences and give global teams a better foundation for deciding where intervention may be needed.

If I had to rank the drivers, I'd put cost and claims volatility first, benefits strategy centralization and governance very close behind, with the other factors reinforcing those two.

Takeshi Kubota
Vice President, Global Benefits | Aon

From an external perspective, rising employee benefit costs remain a major catalyst, particularly as medical inflation continues to put pressure on local benefits budgets. Internally, organizations are under increasing pressure to demonstrate stronger governance, transparency, and control over their global benefits spending.

Another important factor is the increased interest in employee benefits captives and broader global financing strategies. These discussions have sparked the interest of many organizations in global financing strategies. While some will move toward a captive solution, a large proportion of these organizations are looking inward and discovering that they already have pooling arrangements in place. Their approach is to revitalize and actively manage their pooling strategy and incorporate it into their Global Benefits Management framework.

Marcela Flores
President / People Solutions LATAM Leader | Lockton México

Cost management remains a key driver, particularly given ongoing medical inflation across many markets, we are also seeing organizations take a more strategic approach to benefits governance. Many global HR and finance leaders are looking for ways to better understand their benefit spend, identify trends across countries, and create a more consistent global benefits strategy without compromising local market requirements, so, Multinational pooling offers an attractive balance. As companies continue to seek efficiencies without reducing the value of their employee benefits, pooling is becoming an increasingly relevant solution.

Multinational employers are looking more closely at the sustainability of their benefits programs and asking whether they are getting the best possible value from the premium they are already spending locally.

At the same time, global HR and Benefits leaders are becoming more sophisticated. They increasingly want to move beyond managing benefits country by country and understand the financial performance of their global benefits portfolio as a whole.

Pooling can provide an additional layer of financial efficiency by aggregating results across countries and potentially generating a multinational pool surplus or dividend. However, I would say that the renewed interest is not purely about recovering money. It is increasingly about having a more strategic framework for managing global risk, volatility, and benefits costs.

This is particularly relevant in Latin America, where markets can be very different in terms of regulation, underwriting practices, medical inflation, provider networks and product structures. A multinational pooling arrangement can help bring greater consistency and visibility across those different environments.

Wil Gaitan, FCA, ASA, MAAA, EA, CCP
Global Benefits Consulting Practice Leader | HUB International Midwest Limited

Increased competition for superior talent in dwindling labor pools are pushing employers to provide ever more competitive benefit packages which include risk benefits. Small and medium size companies struggle to obtain competitive benefits due to small group underwriting limitations. This is a key area where multinational pooling comes in. Multinational pooling networks that provide attractive underwriting terms such as global free cover limits become invaluable partners. Larger companies seek better financial terms for large insured groups.

Andrew Yang, ASA, MAAA
Principal, Global Benefits Financing | Mercer

I would say that the dual pressures of rising costs and the need to attract talent with strong benefits are the key drivers behind renewed interest in multinational pooling. Rising medical and life insurance costs, inflation, and broader economic uncertainty have made finance and HR leaders much more focused on value, predictability, and efficiency. Multinational pooling fits well into broader conversations around global benefits strategy such as improved governance and better insights into employee populations.

Ricardo de Almeida
Regional Leader MMB, Latin America & Caribbean | Mercer

We're seeing renewed interest in multinational pooling because it addresses several pressures at once. Rising healthcare and employee benefit costs are certainly the major driver, but it is also important to note that Multinational employers are also operating in a more volatile environment, with inflation, wage pressure, regulatory complexity, and increased scrutiny on total rewards all contributing to a stronger focus on value and sustainability.

Multinationals are now thinking more strategically about benefits. They want solutions that do more than simply providing insurance coverage, they want to use benefits as part of a broader talent, retention, and governance agenda. Multinational pooling is attractive because it can help improve cost discipline while also creating a clearer view of global experience across markets by creating a more coordinated approach to multinational benefits.

2. Where do you see the greatest opportunity for clients through multinational pooling?

Jonathan Seah
Regional Vice President, People Solutions Asia | Lockton

While financial returns remain an important consideration, we believe the greatest opportunity today lies in the strategic insights that pooling can provide.

One of the challenges multinational employers faces is gaining a clear view of benefits performance across different markets. Pooling helps bring that information together by providing greater transparency, more meaningful reporting and a stronger foundation for decision-making. Combined with our local market expertise, it allows organizations to balance local needs with global objectives.

At Lockton, we see the most successful organizations using pooling not just solely financing mechanism but as a tool to enhance governance, improve oversight and support a more data-driven global benefits strategy.

Dieter Gistelinck
Managing Director Global EB Alliances | AJG (Gallagher)

The financial benefit is traditionally what gets pooling onto the agenda, but it is no longer the main draw. Dividends, improved risk outcomes and potentially better overall plan design terms and conditions with improved economics are obviously important and can make a compelling business case.

But I don't think our clients are motivated by the potential financial returns alone. It's a bit deeper than that now. Pool dividends, where local HR or other stakeholders through their partnership with local or global brokers and consultants already have a robust renewal strategy in place, can be relatively modest. That's because the plans are actively monitored and managed.

The bigger and, in my view, increasingly important opportunity lies with aspects of data, insight, and governance. Pooling can give clients a consolidated view of claims, renewals, and risk across countries that they often simply do not have today.

Local brokers and insurers may have a lot of granular information, but without an overarching consolidated global insurer mechanism to bring that together, the global benefits team can effectively miss out on direct market access to translate the Corporate Strategy into the local plan management.

As it happens, 'Data, Technology and Trust' are the overarching themes of the annual Gallagher Global People Strategy Forum. From my perspective, this is where two particular viewpoints dovetail to extremely advantageous effect: the global picture and the local market expertise. When advisors and insurers pool their knowledge, these viewpoints cease to be in competition and instead begin to complement each other.

Of course, securing the buy-in of local stakeholder is critical to the success of a multinational pooling initiative. This is only possible if the stakeholders have absolute trust the central teams who ensure that all Global Operating Guidelines are obeyed and communicated across all countries while delivering local service excellence.

Once again, the global and local perspectives must worth together in lockstep. The global view from the Pooling Network central team - and the Global Consultant's team – including the respective MI via the bespoke platforms which are being offered tells the client where to focus; local expertise tells you what is actually possible and appropriate in that market.

With that bundled expertise, more clients can now successfully deploy the same operating model across the smaller countries or those markets which had been missed previously. That is a great opportunity for the clients to truly globalize their governance and for the networks to expand their relationship.

The financial boost is the easiest win, but visibility, insight, and the ability to act on those insights also in countries with smaller headcounts offer the long-term value. That's also where I think clients potentially underuse pooling today. Countries outside phases 1 or 2 are not being revisited with the same discipline and robust approach. Moreover, non-poolable programs are not being considered even though they could enter the same operating model. There is a lot of opportunity here but not all of it is being realized.

Takeshi Kubota
Vice President, Global Benefits | Aon

Historically, financial return was often the primary reason organizations considered multinational pooling. Today, that conversation is broader, and data has become equally important. Organizations increasingly want better visibility into cost drivers, including data on

risk plans and, where available, ICD-code claims data for medical plans. Financial value remains a primary driver for clients to adopt pooling, but data is increasingly being used to inform decisions and support a broader employee benefits strategy. Pooling becomes a more viable solution once organizations begin defining and implementing a Global Benefits Management Governance framework, enabling more centralized decision-making.

Marcela Flores
Presidente / People Solutions LATAM Leader | Lockton México

While the financial benefits are often what initially attracts employers to multinational pooling, we believe the greatest long-term value comes from the combination of financial efficiency, governance, and decision-support insights.

A well-managed pooling arrangement gives employers a consolidated view of claims trends, cost drivers, plan performance, and emerging risks across markets. These insights help organizations identify opportunities to improve benefit design, manage healthcare costs, and implement targeted wellbeing initiatives.

For multinational organizations in Latin America, another key advantage is combining global oversight with local market expertise. Benefits strategies must reflect the distinct regulatory, healthcare, and insurance realities of countries such as Mexico, Brazil, Colombia, and Chile.

In short, the value of multinational pooling rests on three pillars: financial optimization, actionable insights, and local expertise.

The potential for dividends is certainly important, especially in an environment where benefits costs continue to rise. However, clients increasingly value the visibility that pooling provides into local plans, claims experience, insurer performance, and benefit trends across multiple countries. This level of transparency enables more informed decision-making and supports broader strategic objectives, such as harmonization efforts, governance frameworks, wellness initiatives, and long-term benefits financing strategies.

Wil Gaitan, FCA, ASA, MAAA, EA, CCP
Global Benefits Consulting Practice Leader | HUB International Midwest Limited

Two areas seem to attract most attention from clients – better underwriting terms and improved governance and information.

Andrew Yang, ASA, MAAA
Principal, Global Benefits Financing | Mercer

The greatest opportunity is in the combination of financial and strategic value. The financial upside is often the most visible starting point — namely, the ability to recover surplus and improve the economics of local insured programs. But for many clients, the real long-term value also comes from the insights and governance that pooling can provide. Through pooling, clients can gain better visibility into their global insured benefits portfolio, identify trends across countries, and understand where their programs are performing well or where there may be volatility.

That information can support better decision-making, whether the goal is cost control, benchmarking, harmonization, or long-term program design.

Clients who use pooling well often see it as a tool that supports their broader strategy, not just a standalone cost recovery mechanism.

Ricardo de Almeida
Regional Leader MMB, Latin America & Caribbean | Mercer

Many Multinationals still operates their Health and Benefits strategy with a siloed local / regional approach. They struggle to see the full picture across fragmented local arrangements. Pooling creates a structure that supports greater transparency and more consistent oversight, which is especially valuable for HR, finance, and rewards leaders who need to manage benefits globally but act locally.

On top of the greater visibility, better analytics and governance, they will also support financial efficiency.

It is important to note that another point that pooling is not one-size-fits-all. Its effectiveness depends on having the right design, the right markets, and the right governance.

That is where a global brokerage + a strong pooling network creates the most value, by helping clients assess where pooling makes sense, how it fits with their wider objectives, and how to integrate it into a broader global benefits strategy.

3. What do clients often misunderstand or overlook about multinational pooling?

Jonathan Seah
Regional Vice President, People Solutions Asia | Lockton

One misconception we still encounter is that multinational pooling is mainly about generating dividends. While financial outcomes are certainly important, many employers underestimate the broader value that pooling can deliver.

The real benefit often lies in the visibility, governance, and insights that pooling provides. These can help organizations identify trends, better manage risk and make more informed decisions across their global benefits portfolio.

There is an opportunity for us as an industry to do more in educating employers on this point. When viewed as part of a broader benefits strategy rather than a standalone financial arrangement, pooling can serve as an effective stepping stone towards a more coordinated, sustainable and data-driven approach to managing employee benefits globally.

Dieter Gistelinck
Managing Director Global EB Alliances | AJG (Gallagher)

One of the biggest misconceptions is that pooling is mainly a way of securing a rebate or a dividend. If a client looks at it through that lens, they are setting themselves up for a disappointment when the financial result is small or there is no dividend in a particular year. They may decide that pooling is not delivering value. In reality, they may be overlooking the reporting, risk-management, and governance benefits.

Another misconception is that pooling somehow means centralizing control of local benefits. It does not. Local regulation, market practice, and plan design are still important. A global pooling strategy must work within those local realities.

Clients sometimes underestimate the importance of data quality and local reporting discipline. Pooling can only be as good as the information feeding it. If local data is incomplete, late, or inconsistent, it becomes much harder to understand what is really happening across the portfolio and to act on the insights.

That's a key connection with the broader dashboard and reporting work: better local reporting is not just about making renewals easier.

It can directly improve what a multinational pooling arrangement is able to deliver and working in a tri-partite trusted relationship including the local broker who is directly acting on behalf of the local client with the local network insurer is critical for success.

Whenever I have presented the advantages of pooling to a client, I have often heard the same response: “Where’s the catch?” They struggle to understand that this solution de facto comes at no additional risk and no additional cost. The pooling reports, illustrations and the GBM dashboards provide total clarity and transparency. Every element impacting the annual international account’s result is detailed and shared with the client.

Finally, decision-makers should view pooling from a multi-year perspective. It is not necessarily something where the value can be judged on a single year’s financial result. The long-term benefit is more strategic. It comes from building a better understanding of the portfolio over time and using that information to make better decisions. This is where we can be more impactful: by combining our data and analytics and transitioning into forecast and prevention mode to favorably impact the future outcomes.

I think there is a significant education opportunity. We should be positioning pooling not as a standalone insurance product or financial rebate mechanism, but as part of a broader global benefits strategy, supported by good data, governance, local expertise, and a consistent global view.

The financial result gets the client’s attention, but the combination of data, insight, risk management, and global visibility is what can make pooling strategically valuable over the longer term.

Takeshi Kubota
Vice President, Global Benefits | Aon

One area that is often overlooked is that pooling should not be viewed as a “set-and-forget” arrangement. Pools need to be actively managed to deliver better outcomes. By this, it means that companies should include pooling as part of their renewal strategy, evaluate whether adding a particular plan to a pool supports its objectives, and analyze annual pool reports to understand pool performance, including which countries and plans are contributing positively and which are causing deficits. This analysis helps organizations better understand their overall risk and allocate resources to support countries that are struggling.

Additionally, many organizations still view pooling primarily as a dividend-generating arrangement. However, its value extends beyond financial returns by providing improved governance, richer data, and greater insight into global benefit programs. Increasingly, leading organizations are using pooling as part of a broader benefits and financing strategy, helping to inform decision-making and enhance oversight across countries.

Marcela Flores
Presidente / People Solutions LATAM Leader | Lockton México

One of the biggest misconceptions is that multinational pooling is only about generating financial returns or less limitations in Insured amounts. In that sense, in our experience there is an important misunderstanding between the short-term effect in local P&L vs the long-term sustainability globally. In lots of cases the HQ framework in the dividends results is not shared with the local ones and there is not a link between local and global impact of the pool Strategy causing local resistance because there is not clear advantage in the local´s view.

While the financial outcome is important, the real value comes from the visibility and insights pooling provides across countries. It helps organizations understand how their benefits programs are performing globally and make more informed decisions.

Another point clients often overlook is that pooling does not replace local insurance strategies. Local regulations, market conditions, and employee needs continue to play a critical role. Pooling should complement, not replace, local plans.

In short, clients should view pooling as a strategic benefits management tool, not just a financial mechanism.

Wil Gaitan, FCA, ASA, MAAA, EA, CCP
Global Benefits Consulting Practice Leader | HUB International Midwest Limited

Yes there is. Focusing on the softer areas such as improved underwriting terms (which tend to impact local executives), better global benefit governance and more quality information available to the client's HQ which is not easily obtainable from the client's international locations (e.g., more details on claims, broker commissions, local dividends, claim reserves, etc.)

Andrew Yang, ASA, MAAA
Principal, Global Benefits Financing | Mercer

Clients also sometimes overlook how pooling can complement broader global benefits objectives such as governance and risk management. It is a framework that can help organizations manage insured benefits more strategically across markets. In many cases, once clients understand how pooling connects to their larger benefits agenda, the conversation becomes much more compelling. It shifts from "Should we pool?" to "How does pooling fit into our total global benefits strategy?" As consultants, we can do more to help clients see pooling as part of an integrated approach, one that supports financial efficiency, provides actionable insights, and strengthens global oversight while still respecting local market needs.

Ricardo de Almeida
Regional Leader MMB, Latin America & Caribbean | Mercer

Clients often think of pooling primarily as a savings mechanism and many are looking for dividends. In reality, it is much more than that. Pooling can be a valuable part of a broader global benefits strategy, supporting better data, stronger oversight, and more coordinated decision-making.

There is an opportunity to educate clients that it is not just about returns, it is about improving how multinational benefits are managed overall.

Interested in multinational pooling?

For almost 60 years, Insurope has been helping multinational companies connect their employee benefits programs across borders, combining global risk management with trusted local expertise. Today, the Insurope Network Members is represented in more than 80 countries and territories, serves approximately 1,100 multinational clients and represents an estimated 32% of the global multinational pooling market. Learn more here: **www.insurope.com**.

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