

Product summary for advisers/brokers

Reinsurance of the risk of incapacity for work

Dutch product name: Herverzekering WIA-aanvullingsverzekering
English product name: Reinsurance of WIA supplementary insurance

January 2025

What is reinsurance of the risk of incapacity for work?

Reinsurance of the risk of incapacity for work is an insurance solution for pension funds. The risks relating to participants' guaranteed entitlements to an occupational invalidity pension and/or waiver of premiums under a pension fund's own management are insured.

What cover can be chosen?

Pension funds can choose one or more options from the total of four incapacity cover variants.

Overview of the four types of cover:

1. WIA basic insurance: between 15% and 35% incapacity for work; the benefit is an agreed percentage of the insured pensionable salary.
2. WIA foundation insurance: as from 35% incapacity for work; the benefit is a percentage of the pensionable salary up to the WIA wage limit.
3. WIA top-up insurance: as from 35% incapacity for work; the benefit is a percentage of the pensionable salary above the WIA wage limit.
4. WIA follow-up shortfall insurance: as from 35% to 80% incapacity for work and award of a WGA follow-up benefit; the benefit is a percentage of the pensionable salary (up to the WIA wage limit) above minimum wage.

The participant is required to be insured for the Work and Income (Capacity for Work) Act [*Wet werk en inkomen naar arbeidsvermogen*] (WIA Act) and must have entered into a pension agreement with the pension fund, which includes an occupational invalidity pension.

Payment of benefits

If the insured participant of the pension fund becomes incapacitated for work and receives a WIA benefit from the Employee Insurance Agency (UWV), there is an entitlement to payment of the insured interest to the pension fund. The WIA basic insurance pays to the pension fund if there is 15% to 35% incapacity for work. In this case, there is no WIA benefit from the UWV. If there is a waiver of premiums for retirement and/or surviving dependants' pension (after a waiting period), the insurance pays.

For which customer is the product suitable?

The insurance is suitable for pension funds based in the Netherlands. The pension fund is the policyholder and it insures the participants' incapacity benefits.

Product features

The product is a form of reinsurance. The pension fund's obligation to pay benefits to the incapacitated participant is insured. This applies if the insured participant receives a benefit from one of the insured forms of cover.

How is the insurance premium calculated?

The premium is calculated for each contract. elipsLife makes a calculation for each contract based on the number of participants and the gender, age, salary, entitlements and occupational category of the insured participants.

Has the approval process for this product been followed?

Yes, elipsLife has a product development process. All new products are reviewed in this process. Management and the responsible departments (such as legal affairs, actuarial, product management, operations and sales) participate in this process. The process checks whether a product meets legal requirements and matches customer needs in the intended market segment. The reinsurance of WIA follow-up insurance and the waiver of premiums meets these requirements.

Is the product regularly reviewed for any required adjustments?

The product is regularly assessed for customer needs, specific features and potential risks in relation to the customer segment. One way we achieve this is by continuously monitoring the legal framework and refining our products.

Conditions pertaining to this product

The General Terms and Conditions AO-H and the Special Terms and Conditions AO-WIA pertain to this product. These conditions can be obtained from your elipsLife contact person and are available on the elipsLife website: www.elipsLife.com/nl/nld/downloads.

Who is elipsLife?

elipsLife is an insurer for institutional clients (B2B) and offers all insurance covering biometric risks. These types of insurance cover the financial consequences of death and incapacity for work. elipsLife was launched in 2011 and is a subsidiary of SwissLife, one of the major international insurers.