

Product summary for advisers/brokers

Dutch product name: WGA-eigenrisicodragerschap (WGA-ERD)

English product name: WGA internal risk-bearing capacity (WGA IRBC)

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What is the WGA internal risk-bearing capacity insurance?

The WGA internal risk-bearing capacity insurance is a solution for businesses that bear the risk for WGA benefits themselves. The insurance allows businesses to insure the biometric risk of incapacity for work through elipsLife. The insurance covers the payment of the benefit under the Return to Work (Partially Disabled Persons) Regulations (WGA benefit) of employees participating in the scheme and pays the Employee Insurance Agency (UWV).

What cover can be chosen?

Businesses that are internal risk bearers for the WGA must pay the WGA benefit of incapacitated employees themselves. A business can insure this risk through elipsLife. The insurance covers the costs of the WGA benefit in case of incapacity for work.

Payment of benefits

elipsLife follows the UWV's decision. If the UWV determines that an employee is incapacitated for work, elipsLife will pay. The WGA benefit is based on the wage and salary bill. The wage and salary bill amounts to no more than it does for social insurance purposes.

For which customer is the product suitable?

The insurance is suitable for businesses based in the Netherlands that have chosen or intend to be an internal risk bearer for the WGA. These businesses no longer pay a differentiated WGA premium to the Tax and Customs Authority. Note! A business must receive permission from the Tax and Customs Authority to become an internal risk bearer for the WGA. elipsLife issues a guarantee for this purpose. The business is the policyholder and it insures the costs of the employees' WGA benefit. The product is not suitable for businesses with fewer than 100 employees or an insured wage and salary bill below €3,200,000.

Product features

Employees who become incapacitated for work after an average waiting period of two years are entitled to WGA benefits. Businesses that are internal risk bearers must pay this benefit themselves for a period of ten years. The WGA internal risk-bearing capacity insurance pays the WGA benefit for the business to the UWV. The business is insured for this financial risk. The Work and Income (Capacity for Work) Act [*Wet werk en inkomen naar arbeidsvermogen*; WIA] and the Social Insurance (Funding) Act [*Wet financiering sociale verzekeringen*] are the starting point for this purpose. The term of the insurance contract is three years. The company submits a statement of all employees for whom employer contributions are payable with the corresponding insured annual salaries. The insurance does not pay if the employee has taken up employment while incapacitated for work or if the incapacitated employee's first day of illness is before the effective date of the insurance contract.

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 employees, the gender, age, salary, insured amounts and occupational category of the insured employees and the claim record of recent years.

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 WGA internal risk-bearing capacity insurance 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. Measures may be implemented to adjust any developments that could prejudice the policyholders or insured persons. 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 WGA-ERD 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.