MICIC Save Lives Increase Protection Decrease Vulnerability Improve Response
MIGRANTS IN COUNTRIES IN CRISIS INITIATIVE

Issue Brief

Insurance Mechanisms to Protect Migrants Caught in Countries Experiencing Crises

Emily Zimmerman and Barbara Magnoni, EA Consultants

OVERVIEW **March 2016**

The life of a migrant can be saturated with risk. Often working in dangerous, low-paying, or unstable jobs with limited access to social and government support in their host countries, migrants are vulnerable to health risks, job loss, abuse, and a host of other concerns. At the same time, they are often called upon to support their families when needs arise at home, a role that can make their situations even more tenuous by reducing their ability to set money aside for unexpected needs. These "everyday" risks leave migrants particularly vulnerable to crisis events—conflicts or natural disasters affecting the country in which they live.

This brief explores the extent to which insurance may play a useful role in mitigating migrants' risks before, during, or after a crisis event. Insurance can offer coverage for specific crisis-event related needs such as property damage or the cost of evacuation. Alternatively, insurance can support migrants' broader risk management needs such as health care, death, disability, or unemployment. When benefits are accessed before a crisis, insurance coverage may boost migrants' resilience in the face of crisis events. Insurance that addresses these general needs may advance the objective of protecting migrants caught in countries experiencing crises. Insurance can also offer great value during or immediately after a crisis event, but only to the extent the logistical challenges of delivering benefits at these difficult moments are sufficiently addressed.

The discussion in this brief focuses primarily on insurance for migrant workers, whose relatively stable and often extended presence in their host country makes them particularly well suited to risk mitigation through insurance. Even when insurance is appropriate, however, it is still only a partial response. It is generally best suited to play a narrow, albeit important role amongst other tools for meeting migrants' needs in the context of conflicts or natural disasters.

What is the MICIC Initiative?

The Migrants in Countries in Crisis (MICIC) Initiative is a State-led undertaking, co-chaired by the Philippines and the United States, which seeks to improve the ability of States and other stakeholders, to prepare for, respond to, and protect the dignity and rights of migrants caught in countries in situations of acute crisis. When countries experience such crises—conflicts or natural disasters—migrants may not be accounted for in response mechanisms and may need specific support to find safety and rebuild their lives. The Initiative examines the roles and responsibilities of States, civil society, international organizations, the private sector, and migrants before, during, and after a crisis.

For more information, visit the MICIC Initiative website at: http://micicinitiative.iom.int/ or contact: MICICSecretariat@IOM.int.

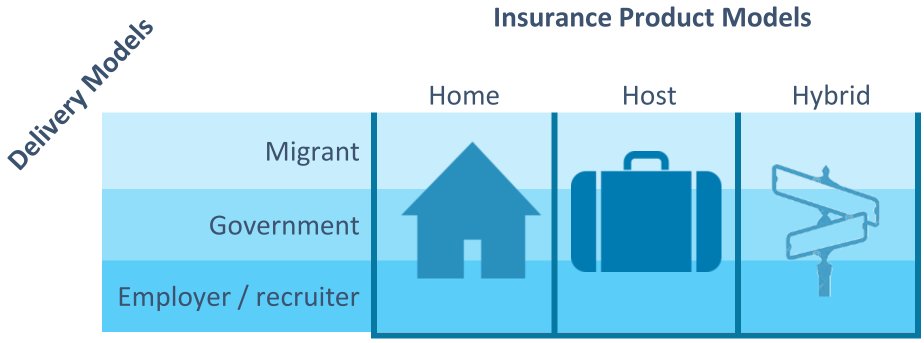
The brief describes possible approaches to designing and delivering insurance to cover migrants' risks and some of the main challenges they entail. It outlines examples of particularly instructive approaches and lessons gleaned from existing practice related to an insurance program's affordability, commercial viability, servicing, and partner selection. To design or support an effective insurance program to mitigate risks for migrants caught in countries experiencing crises, the brief recommends that actors 1) consider the variety of available options for product design and delivery, the tradeoffs they entail, and how coverage and delivery options influence one another; 2) use exploratory research to design programs and carefully monitor effectiveness; 3) consider insurance as a partial solution, within the context of other available tools; and 4) consider ways to effectively reach irregular migrants.

MODELS FOR INSURANCE FOR MIGRANTS

Only certain types of risks are suitable to be covered by insurance products. These insurable risks are definite and measurable (i.e., it is certain when a covered event has occurred), predictable (i.e., the probability of occurrence can be estimated), and random (i.e., not overly concentrated in specific areas, populations, etc.). Insurable risks may not involve costs that are beyond the capacity of the insurer to pay, meaning that the covered costs should not be catastrophic at a national or regional level. Insurable risks faced by migrants may include those related to their health, employment or loss of income, property damage from weather events, costs of death (including repatriation of their body to their home country), or the costs of evacuation or relocation in a crisis situation.

Models for designing insurance products to cover crisis-related risks faced by migrants fall into three categories, depending on the country in which the insurer is based and where the covered risk occurs: those based in migrants' host countries, home countries, and hybrid models spanning home and host countries. Delivery models also fall into three categories: sales directly to migrants, to sending or receiving governments, or to employers (including placement agencies and recruiters).

Figure 1: Models for Insurance Product Design and Delivery



(adapted from Magnoni et al., 2010[1])

Insurance Product Models: Home, Host, and Hybrid

Home-based insurance providers can insure migrants' families and/or migrants if they enroll prior to their departure. Marketing and sales should generally occur in the home country due to regulatory restrictions. Home-based insurance companies may have an advantage of better understanding the target market, and may experience economies of scale if they are in large migrant-sending countries. To enroll or renew coverage of migrants in their host countries, or to deliver services in those countries, the home-based insurer would need to engage a partner with a physical presence in the host country or (at much greater cost) develop a presence there. Without a strong presence (directly or through a partner) in the host country, home-based models may be particularly constrained in their ability to deliver benefits directly to the migrant during a crisis situation.

Host country providers are well-suited to cover the risks faced by migrants, offering risk mitigation for families at home only indirectly by reducing the vulnerability of the migrant. These institutions typically leverage existing distribution networks in the host countries, and may partner with organizations working in migrant communities to market products and build relationships with target populations. Reaching migrant communities and building trust is a major challenge for host country providers. So is designing appropriate and salient products for a new, unfamiliar market that they have not served in the past and may differ in language, culture, and other important respects from the provider's existing client base. If host country providers can find an effective strategy to distribute insurance products to migrants, they may be better placed in times of crisis than home-based programs to deliver benefits directly to migrants. Their physical presence in the host country and broader networks of staff and service providers are more likely to allow for benefits to be distributed and in a timely manner.

The hybrid model is the most comprehensive, combining the benefits of the home and host models. Hybrid model providers operate in both home and host countries and engage directly with migrants and their families without the legal and regulatory barriers that constrain other providers from insuring risks in multiple countries. Hybrid programs can maintain relationships with both migrants and their families at home, and can also more seamlessly provide coverage to a migrant after return to the home country. However, this model entails additional costs, which may put premiums out of reach of low-income migrants. It is also more complex, requiring greater up-front investments to build relationships among multiple insurers and other parties in different countries. To date, hybrid models are the least common of the three.

Delivery Models: Migrant, Government, and Employer

Products marketed directly to *migrants* (see Example 2 below) must take into account their limited capacity and willingness to pay for insurance. Migrants are most likely to purchase discrete and affordable products that cover the risks most salient to them, even if that coverage is relatively narrow. Products should be simple and explained clearly and with a minimum of documentation, especially when targeted to migrants with low levels of financial literacy and limited prior experience with insurance. Traditional agency models for distributing insurance by highly trained, licensed individuals (e.g., through visits to prospective clients' home or workplace) are likely to be cost-prohibitive. They also may not effectively reach those migrants who lack ties to the formal financial sector. Migrants, and particularly irregular migrants, are often mistrusting of insurers and other financial service providers due to limited exposure to formal financial products, past experiences of fraud or corruption from the financial sector in their home countries, or concerns about exposing their irregular status. Non-governmental organizations (and in particular, churches, community-based organizations, and others that have strong ties to migrant communities) can be effective distribution channels for reaching migrants and can leverage the trust migrants have in them. However, the distribution of insurance is typically highly regulated, and there can be complications to distributing insurance through unlicensed channels. Moreover, some migrants, particularly new arrivals in the host country, lack strong ties even to these organizations.

Insurance products may also be purchased on a migrant's behalf by the *government* of either the home or host country. This government sponsorship can allow the program to more quickly achieve sustainable scale and cover more people. However, these programs may face political barriers, especially where there is public debate around the presence of migrants in a host country or where the benefits offered exceed, or are perceived to exceed, those available to citizens. Government-sponsored programs are also subject to change or discontinuation when administrations change, and they typically overlook irregular migrants, who are among the most vulnerable populations. Although distribution is simpler when products are sold to governments instead of directly to migrants, distributors must still find an effective channel for reaching them and ensuring that they are aware of the benefits they are entitled to. For a government-sponsored program to be effective, benefits must be clearly communicated and accessible to migrants.[2]

Finally, *employers* in the host country or *recruitment agencies* in the home country (see Example 1 below) may purchase products. Unless mandated, however, many employers and recruiters lack incentives to provide insurance, especially for low-skilled or temporary workers. Where they are mandated by law or offered by very large agencies or employers, these products have similar potential to cover large numbers of migrants quickly. Employers, by virtue of their ongoing relationships with migrant workers, are uniquely suited to assist in providing the information and support they need to maintain insurance coverage and to use benefits.

PRACTICES

There are few examples of insurance specifically designed to cover risks faced by migrants in crisis situations, but a number of relevant programs for migrants offer lessons that can support the design and implementation of new programs. The following four examples illustrate some of the possibilities and challenges of offering insurance to migrants, though none of these programs have undergone an in-depth evaluation of its value in reducing migrant vulnerabilities and, consequently, should not be viewed as proven good practice.

Example 1: Philippines: Compulsory Insurance for OFWs

Home Model – Purchased by Recruiter

In 2010, the government of the Philippines began mandating insurance coverage for Overseas Filipino Workers (OFWs) placed through recruitment agencies. The insurance, which recruitment agencies are required to purchase at no cost to the migrant, is offered by various private insurers in the Philippines. Coverage must include[3]:

- accidental and natural death, and disability;
- repatriation to the Philippines in the case of natural or man-made disaster in the host country;
- a subsistence allowance should the migrant become involved in litigation in the host country;
- travel expenses to the host country by a family member if the migrant is hospitalized; and
- medical evacuation and repatriation.

Coverage lasts for the duration of the migrant's contract; however those who extend their stay may lose coverage. Irregular migrants and others who do not gain employment through a recruitment agency are not covered. Moreover, there are claims that even among migrants placed by recruitment agencies, not all have been given the statutorily required insurance coverage.[4]

Example 2: Voluntary Repatriation Insurance for Migrants in Spain

Host Model – Purchased by Migrant

The Spanish insurance company SegurCaixa offers a repatriation insurance product to migrants living in Spain. The product, an example of the host-based model for insurance, is distributed through branches of the affiliated savings and loans institution, La Caixa. This approach to distribution leverages La Caixa's brand and extensive infrastructure; it also creates opportunities to cross-sell other financial products. Premiums begin at €6 per month, and coverage includes[5]:

- repatriation of the migrant's body to the home country in case of death in Spain;
- travel expenses for a family member to accompany the body;
- €30,000 cash benefit to the family in case of death by accident; and
- coverage of outstanding balance on la Caixa credit cards in the case of death by accident.

SegurCaixa partners with a repatriation company in Spain and with funeral companies in migrants' home countries to complete the service. When necessary, it also works with the insured's consulate to gather and deliver the documentation needed to complete a claim.[6] In 2008, the product covered 66,000 African and Latin American migrants living in Spain.[7] SegurCaixa has succeeded in offering a product that addresses a discrete and salient need, and one that migrants are willing and able to pay for. Adding coverage for other needs, however, would quickly put the product out of reach of low-income migrants.

Example 3: Sri Lanka: Social Insurance for Registered Migrant Workers

Home Model – Government-Funded

The Sri Lankan Bureau of Foreign Employment (SLBFE) manages a social insurance scheme which covers all registered migrant workers and their families. The insurance is underwritten by the state-owned National Insurance Trust Board and covers:

- Repatriation due to harassment, illness, accident or injury after leaving employment abroad;
- Death while working abroad;
- Death within three months after returning to Sri Lanka, from an illness or accident incurred abroad; and
- Permanent or partial disability.[8]

These benefits are only available within the migrant's initial contract period (and in some cases, for three months after), and are only available to registered migrants. All migrants from Sri Lanka are required to register with the SLBFE and pay a fee, part of which is used to fund the insurance scheme. However, migrants who leave the country without registering or who stay in their host country beyond their contract period are not eligible.[9]

Example 4: Germany: Public Health Benefits for Irregular Migrants

Host Model – Government-Funded

In Germany, the government provides irregular migrants with the same publicly subsidized health benefits for non-emergency health care that asylum seekers have access to. Few irregular migrants access these benefits, however, because they require a medical card that is issued by a welfare office, which in turn must report the irregular migrant to the immigration office.[10] Although the migrant can avoid deportation by applying for a temporary residence permit, this is only a short-term solution and may not be understood or trusted, or desired by all irregular migrants.

Irregular migrants in Germany can otherwise seek emergency care from hospitals and general practitioners, who are required to treat them but are not required to report these migrants to the immigration authorities. Providers can also seek reimbursement from the social welfare office for the cost of treatment.[11] This alternative can be costly to the government, which could reduce expenditures on emergency care if more migrants had alternative non-emergency insurance. The government in Berlin has recognized these distortions and has explored the possibility of offering anonymous medical cards to irregular migrants to help address these barriers.[12]

Several important lessons can be gleaned from these and other existing programs. First, *low-income migrants should not generally be expected to pay for comprehensive coverage*. Migrants often have limited disposable income and many competing pressures to spend that money, including support to their families at home. When given a choice, these competing pressures will often take precedence over planning for more abstract future contingencies that insurance covers. Moreover, migrants, especially the poorest and most vulnerable, often lack experience with and trust in insurance and other formal financial services. As a result they require higher "touch" distribution approaches,[13] but often lack the ties to service providers and effective distribution channels. The most viable options for covering low-income migrants with insurance are: (1) to offer small, simple, affordable products directly to migrants, which can build their trust in insurance over time but do not attempt to cover a large array of risks; and (2) for other entities such as governments, employers, or recruiters to purchase insurance coverage on their behalf. However, even coverage that is offered at no cost to the migrant may be underused if it is not well-adapted to their needs (as demonstrated by Example 4).

Second, *to be commercially viable, insurance products must cover a relatively large number of individuals*. Scale can be reached quickly through compulsory products, such as the mandatory insurance for migrant workers from the Philippines (Example 1) and Sri Lanka (Example 3). However, compulsory products are not always politically or logistically feasible. Scale can also be reached more gradually by marketing an affordable product to a large target population (Example 2). However, especially in the case of small products marketed directly to low-income migrants, the commercial potential in the short term is limited.

Additionally, *in times of crisis, servicing the insurance can become difficult.* Insurers can sometimes be slow to process and pay claims. This is particularly true when damage is widespread, when a large number of claims are made at once, or if an actuarial adjustment is required to approve a claim and the local conditions impede adjustors from traveling to a location—for example, in the case of property damage products for weather events.[14] If insurance claims are paid in cash, getting cash to a location during times of crisis can be logistically complex, and may require partnerships with institutions that are liquid in crisis.[15] Covering services (such as healthcare) rather than providing a cash payout can create additional logistical complications. Paying insurance claims through transfers to family members in the home country could avoid some of these complications, but such coverage would be less adept in meeting migrants' immediate needs during a crisis. Delays in the delivery of benefits can reduce their value in meeting migrants' immediate needs during or directly following a crisis, but benefits directed toward recovery could be useful at a later time. In any case, programs should clearly define when and how benefits are to be paid and develop a clear strategy to avoid unintended delays.

Finally, the *careful selection of partners is crucial to a program's success*. A successful insurance program requires not only useful insurance coverage, but also an effective channel to distribute the product, a means to communicate the information migrants need to use the product, and ability to deliver covered services and other benefits in a timely and useful manner. Depending on the context and the risks covered, several different partners may perform these functions. Particularly where the insurance involves some cross-border element (for example, an insurer in the home country covering events that occur elsewhere), the insurer will not be capable of performing all of these functions—partners may be necessary to overcome regulatory, logistical, or trust barriers. SegurCaixa (Example 2) partnered with its affiliated bank to distribute a repatriation insurance product, with service providers in Spain and migrants' home countries to deliver benefits, and with consulates in Spain to assist in collecting and processing the necessary documentation. In the United States, where regulatory constraints impede insurers from marketing in the country without individual state licenses, Mexico's Banorte offered insurance to migrants' families in its branches in Mexico, but worked with a US-based repatriation company to help process claims and provide services across the border.[16]

SUGGESTED PRACTICES

Any insurance program to cover migrants' risks should be designed with due consideration for the complexities highlighted in this brief. Actors designing or supporting these programs, whether they are governments, NGOs, private insurers, or others, must consider the variety of available *options for product design and delivery* and the trade-offs they entail. This checklist summarizes the essential elements of a successful insurance program to cover migrants' risks in the context of crisis situations. All of these issues must be considered and addressed early on. Even so, in some crisis contexts insurance may not be the most appropriate tool.

Checklist: Essential Elements of a Successful Insurance Program to Cover Migrants' Risks

- ☐ Relevant and salient risk
- ☐ Insurable risk
- ☐ Product sufficiently simple for coverage to be understood
- ☐ Licensed insurer(s)
- ☐ Sufficiently large target group
- ☐ Effective distribution and marketing strategy
- ☐ Appropriate partners for distribution and benefit delivery
- ☐ Accessible process for making claims
- ☐ Capacity to process claims and deliver benefits

Programs should be grounded in a clear understanding of the context, the relevant risks, the migrant population, and the available alternative tools (existing and potential) for coping with risk. *Exploratory research* can be extremely valuable in determining the most relevant and salient risks that are not otherwise met, effective channels or approaches for distributing products, and the information and other support migrants need to avail themselves to benefits. Governments and NGOs can play a particularly important role in supporting this research and subsequent pilot programs.

It is important to remember that insurance is most relevant and useful as a *partial solution*. It is unlikely to be feasible for insurance to cover all, or even most of a migrant's needs, particularly in a crisis situation. Insurance is most useful as a complement to other financial and non-financial tools, such as disaster relief from governments and NGOs, savings, and support from migrants' families and communities. As such, insurance should be designed to avoid redundancies with these other tools and should fill needs that are not effectively met. Insurance sold directly to migrants is particularly constrained by migrants' limited capacity and willingness to pay, but even employer/recruiter- and government-sponsored programs are unlikely to provide comprehensive protection.

In designing an insurance program, it is advantageous to consider *product design and delivery* simultaneously, as the options available for one will greatly influence the other. If the only feasible delivery option is to sell products directly to migrants on a voluntary basis (for example, through a bank or NGO), products must be very affordable and must cover risks that are not only important to migrants, but sufficiently salient to motivate them to purchase instead of using the money for another pressing need. Those programs will likely still require significant investments to build migrants' awareness and trust and should not be expected to achieve financial viability early on. By contrast, delivery options will be constrained if it is determined that insurance is an appropriate tool to cover very high cost and/or extremely unlikely events.

Monitoring effectiveness of solutions is critical given the limited examples of insurance products targeting migrants. Understanding the value that insurance offers migrants in times of crisis cannot be measured ex-ante, but ex-post studies of pilot initiatives should be used to guide interventions over time.

Finally, it is important to consider ways to reach *irregular migrants*. Their status, limited access to other forms of support and, in many cases, low income leave them among the most vulnerable populations in any country and, as such, stand to benefit greatly from the protection insurance offers. However, governments and private programs often overlook irregular migrants or do not adequately address the challenges of effectively serving them. Irregular migrants are often difficult to reach with traditional delivery approaches and particularly mistrusting of financial service providers. They also lack some of the standard documentation and identification requested by insurers to enrol and/or receive benefits. These barriers can be overcome, but doing so requires creative approaches to product design, delivery, and documentation requirements.

TERMS AND CONCEPTS

Microinsurance. Microinsurance is "the protection of low-income people against specific perils in exchange for regular premium payments appropriate to the likelihood and cost of the risk involved."[17] Although this brief does not use the term microinsurance, many of the examples it cites could be described as such. A well-designed microinsurance program is not simply *small* insurance, but insurance designed with the specific needs and constraints of the low-income market in mind. Microinsurance should have simple coverage with few exclusions, straightforward documentation without "small print," affordable premiums, flexible payment and documentation requirements, and appropriate distribution channels.

Insurable risk. A risk that is susceptible to coverage by an insurance product. Insurable risks are definite and measurable (it is certain when a covered event has occurred), predictable (probability of occurrence can be estimated), random (not overly concentrated in specific areas, populations, etc.), and limited (do not involve costs that are beyond the capacity of the insurer to pay).

Claim. A request to an insurance company for payment or services according to the terms of the insurance policy.

Crisis. A natural disaster or conflict at a national level. In this brief, the term crisis is limited to these events. It does not include events that might, at an individual level, be considered a crisis (for example, a fatal accident or severe illness), although those events may be covered by an insurance policy.

Premium. The amount paid to the insurer for risk coverage under an insurance contract.

Benefit. The amount payable or the services to be provided upon occurrence of an insured event.

Home model. A model of offering migration-linked insurance in which the insurer is based (and licensed) in the migrant's home country.

Host model. A model of offering migration-linked insurance in which the insurer is based (and licensed) in the migrant's host country.

Hybrid model. A model of offering migration-linked insurance in which the insurer is based (and licensed) in both the migrant's home and host countries. These cross-border schemes facilitate marketing, sales, and payment of claims to families across borders.

AUTHORS

Emily Zimmerman is a Senior Research Associate at EA Consultants. Her work centers on researching the financial needs and use of financial services by low-income and otherwise vulnerable individuals, with a focus on the perspective of end users. A licensed attorney with extensive experience researching legal and regulatory issues related to the development and sale of insurance and other financial products, Emily previously worked as a corporate lawyer with a practice focused in equity and debt financing.

Barbara Magnoni is the President of EA Consultants. She is an international development advisor with over 18 years of international finance and development experience, with a strong focus on financial access in Latin America and the Caribbean. She has worked on research studies, evaluations and implementation of new projects; advised governments, international organizations and financial institutions on financial inclusion, gender, and microinsurance; and authored a number of studies that analyze gaps to financial access.

EA Consultants is an international development consulting firm dedicated to supporting initiatives that facilitate access to finance, markets, and social protection for low-income segments of the world's population. EA Consultants combine research and practice to ensure that their work is informed by an analysis and understanding of markets and client needs. EA Consultants goal is to ensure their research and work leads to new ways of thinking and new practice that can be transformative to benefit all segments of society. *www.eac-global.com*

ENDNOTES

[1] Magnoni, B., Lovoi, A., Brown, J., and Thornton, R. (2010). Risks across borders: A Study of the potential of microinsurance products to help migrants cope with cross border risks. Inter-American Development Bank. https://publications.iadb.org/handle/11319/2672?locale-attribute=en

[2] These complications are illustrated by a study of health insurance among domestic migrant workers in Shanghai, China, which found that although all migrant workers were eligible for free insurance, 16 percent did not enrol. The study also found that usage of covered services was limited for some migrants by the location of service providers. Zhao, D. H., Rao, K. Q., and Zhang, D. R. (2011). Coverage and utilization of the health insurance among migrant workers in Shanghai, China. *Chinese Medical Journal (English), 124(15),* 2328-34.

[3] Insurance Guidelines on Rule XVI of the Omnibus Rules And Regulations Implementing Republic Act 8042 (The Migrant Workers And Overseas Filipinos Act of 1995), as Amended by Republic Act 10022 Relative to Compulsory Insurance Coverage For Agency-Hired Overseas Filipino Workers http://www.poea.gov.ph/rules/insurance%20guidelines.pdf

[4] See, for example, press release by the migrants' rights group Migrante-Middle East: http://migrantemena.blogspot.com/2012/01/some-new-hire-ofws-deployed-without.html

[5] Seguro SegurCaixa Repatriación. Caixabank.

[6] Powers, J., Magnoni, B., and Zimmerman, E. (2011). Formalizing the informal insurance inherent in migration: Exploring the potential links between migration, remittances, and microinsurance. *Microinsurance Paper No.7*. International Labour Organization. http://www.ilo.org/public/english/employment/mifacility/download/mpaper7_migration_en.pdf

[7] SegurCaixa Annual Holding Report, 2008. https://www.vidacaixa.es/uploads/files/1-annual-report-2008.pdf

[8] Sri Lanka National Insurance Trust Fund Board. Migrant insurance http://www.nitf.lk/Migrant.html

[9] del Rosario, T. (2008). Best practices in social insurance for migrant workers: the case of Sri Lanka. International Labour Organization. http://www.ilo.org/dyn/migpractice/docs/267/WWF.pdf

[10] Gray, B. H., and van Ginneken, E. (2012). Health care for undocumented migrants: European approaches. *Issue brief (Commonwealth Fund)*, *33*, 1-12. http://www.commonwealthfund.org/publications/issue-briefs/2012/dec/health-care-for-undocumented-migrants

[11] Gray, B. H., and van Ginneken, E. (2012). Health care for undocumented migrants: European approaches. *Issue brief (Commonwealth Fund)*, *33*, 1-12. http://www.commonwealthfund.org/publications/issue-briefs/2012/dec/health-care-for-undocumented-migrants

[12] Graupner, H., and Sinico, S. (2009). Spotlight Berlin: Illegal immigrants and the health care dilemma. Deutsche Welle. http://www.dw.com/en/spotlight-berlin-illegal-immigrants-and-the-health-care-dilemma/a-4056861

[13] A study in Colombia found that, among purchasers of a retail life insurance product, those purchasing through a lower "touch" supermarket channel tended to be wealthier, less vulnerable, and have more experience with financial services than those purchasing through a higher "touch" channel. Poulton, D., and Magnoni, B. (2014). MILK Brief #33: "The right touch" – Reducing distribution costs in alternative channels for microinsurance. The MicroInsurance Centre. http://www.microinsurancecentre.org/resources/documents/policyholder-value-of-microinsurance/milk-brief-33-the-right-touch-reducing-distribution-costs-in-alternative-channels-for-microinsurance.html

[14] For example, a study of property insurance covering flood damage in coastal Colombia found that insurance adjusters were not able to visit some of the affected areas for up to two months after the floods began. The delays in paying benefits severely eroded the product's value in helping clients to recover from the damage. Magnoni, B., and Poulton, D. (20113). MILK Brief #18, "Doing the math" - Property microinsurance in coastal Colombia. The MicroInsurance Centre. http://www.microinsurancecentre.org/resources/documents/policyholder-value-of-microinsurance/milk-brief-18-doing-the-math-property-microinsurance-in-coastal-colombia.html

[15] For example, the Haitian microfinance institution Fonkoze offers its clients an insurance product paying cash and loan forgiveness benefits for property damage due to natural disaster; a study of the product after severe hurricane damage found that Fonkoze was able to verify and pay claims directly because it maintained access to its client base, but claims were still delayed by on average 58 days after the event. Budzyna, L., and Magnoni, B. (2013). MILK Brief #15: "Doing the math" – Catastrophe insurance in Haiti. The MicroInsurance Centre. http://www.microinsurancecentre.org/resources/documents/policyholder-value-of-microinsurance/milk-brief-15-doing-the-math-catastrophe-insurance-in-haiti.html

[16] Magnoni, B., Lovoi, A., Brown, J., and Thornton, R. (2010). Risks across borders: A Study of the potential of microinsurance products to help migrants cope with cross border risks. Inter-American Development Bank. https://publications.iadb.org/handle/11319/2672?locale-attribute=en

[17] Churchill, C., ed. (2006). *Protecting the poor: A microinsurance compendium.* Munich Re Foundation/ International Labour Organization. http://www.munichre-foundation.org/home/Microinsurance/MicroinsuranceCompendium.html