Group Disability solutions for Captives



Through Redion Employee Benefits

More control, better insight and smarter employee benefits governance

The reality multinationals face

Long-term sickness and work disability can become a material cost and operational risk for Dutch employers. Leading employers are investing earlier, before absence becomes long-term, through targeted interventions, manager enablement and workplace adjustments. At the same time, it is market practice to provide a certain level of disability cover as part of a competitive talent strategy.
As the cost of these benefits grows year on year, we see a clear trend towards the need to better manage risk, provide greater flexibility in the benefits offered to employees, and increase transparency through data.

A new approach: Group Disability through your Captive

Hienfeld, together with Redion, has developed a Group Disability (WIA) solution for Captives, made available through the Redion Employee Benefits network. This integrated approach enables multinationals to place long-term disability benefits into their own Captive, administered by Hienfeld and underwritten through Redion Employee Benefits direct insurance capabilities.

The legal framework: continued salary payment and the WIA

When an employee in the Netherlands becomes sick or incapacitated to work, obligations apply to both employer and employee that can ultimately lead to a WIA benefit. For Captives in the Redion Employee Benefits network, it is useful to understand this framework, as it determines exactly where statutory cover ends and where supplementary insurance begins.

Continued salary payment during year 1 and 2

As soon as an employee becomes sick or incapacitated for work , the employer is obliged under the Dutch Civil Code to continue paying salary for a maximum of 104 weeks (two years): at least 70% of the employee's last-earned salary, with a minimum of the statutory minimum wage during the first year. Many employment conditions and collective labour agreements (cao's) top this percentage up to 100%, especially in the first year. During this period the Poortwachter Improvement Act (Wet verbetering poortwachter) applies: employer and employee must actively work on reintegration, with an action plan, periodic evaluations, and guidance from the occupational health physician.

After two years: the WIA claim assessment

After 104 weeks of continued salary payment, the Employee Insurance Agency (UWV) assesses the extent to which the employee is still incapacitated for work. Based on this assessment, the employee may become entitled to a WIA benefit. The WIA consists of two schemes:

- IVA (Full Disablement Benefit Scheme): for employees who are 80% to 100% disabled and are not expected to recover (“permanently”). The IVA benefit amounts to 75% of the (capped) last-earned salary.
- WGA (Return to Work (Partially Disabled Persons) Scheme): for employees who are 35% to 80% disabled, or 80% to 100% but not permanently. Within the WGA, an earnings-related benefit is paid first (three to a maximum of twenty-four months, depending on employment record), followed (depending on the extent to which the employee utilizes their remaining earning capacity) by either a WGA wage-supplement benefit or a WGA follow-up benefit.

If an employee is less than 35% disabled, there is no entitlement to a WIA benefit. The employer remains responsible for reintegration, if necessary in a different role or with a different employer.

Please note: the WGA follow-up benefit
The WGA wage-supplement benefit is only granted for as long as the employee utilizes at least 50% of their remaining earning capacity. If this is not achieved, the employee falls back on the WGA follow-up benefit. This is based on the statutory minimum wage and the disability percentage, often a significant drop compared with the employee's previous salary.

The WIA wage limit (maximum contribution wage)

All statutory WIA benefits are calculated on salary up to the WIA wage limit, also known as the maximum contribution wage. This amount is set annually by the government and, as of 1 January 2026, is €79.409,25 per year. If an employee earns more, the portion of salary above this cap is not included in the statutory WIA benefit resulting in a correspondingly larger drop in income.
Together, the build-up of the WGA benefit and the WIA wage limit create the 'gap' and the 'excess' for which Hienfeld has developed specific insurance solutions.

Our solutions for Captives in the Redion Employee Benefits network

Specifically for the Captives affiliated with the Redion Employee Benefits network, Hienfeld has developed dedicated insurance solutions that cover the income risks described in the legal framework above. This allows employers to offer their employees a complete and attractive benefits package, at a collective premium and without the need for a medical examination or questionnaire.

There are three solutions, which can be taken out separately or in combination:

- WGA-hiaat insurance: a supplement to the WGA follow-up benefit, for employees with a salary up to the WIA wage limit.
- WGA-hiaat insurance Uitgebreid: an extended supplement to the WGA benefit, which takes into account the employee's remaining earning capacity and the extent to which it is utilized.
- WIA-excedent insurance: a supplement to the WGA or IVA benefit for the portion of salary above the WIA wage limit.

On the following pages we explain each of these three solutions in more detail, including an example.

WGA-hiaat insurance

WGA-hiaat insurance has been developed for employees with a salary up to the WIA wage limit. If, after two years of sickness or work disability, an employee enters the WGA and falls back on the WGA follow-up benefit from UWV once the earnings-related benefit ends, WGA-hiaat insurance provides a supplement to this benefit, limiting the drop in income.

Cover

- A supplement to the WGA follow-up benefit from UWV, based on the insured salary and the disability percentage determined by UWV.
- Optional: an additional 5% of cover in the event of 80% to 100% disability.

Features

- Participation is compulsory for all employees of the insured company.
- No medical examination or questionnaire is required when the policy starts.
- Salary insured up to a maximum of the WIA wage limit (as of 1 January 2026: €79,409.25).
- End age of the insured person equal to the state pension (AOW) age, or a pre-agreed age.
- Indexation of the insured salary possible based on WIA indexation or a fixed percentage.

Example 1: WGA-hiaat insurance + WIA-excedent 70% insurance



Example: WGA-hiaat insurance, combined with a WIA-excedent insurance of 70%.
Note: the 'Year 1' and 'Year 2' columns in the chart show the statutory continued salary payment by the employer during the first two years of sickness or work disability, before the employee becomes entitled to WIA benefits.

WGA-hiaat insurance Uitgebreid

The WGA-hiaat insurance Uitgebreid provides broader coverage than the WGA-hiaat insurance. This insurance takes into account not only the insured salary and the degree of disability, but also the income the employee actually earns after becoming disabled, their remaining earning capacity, and the extent to which that earning capacity is used.

Cover

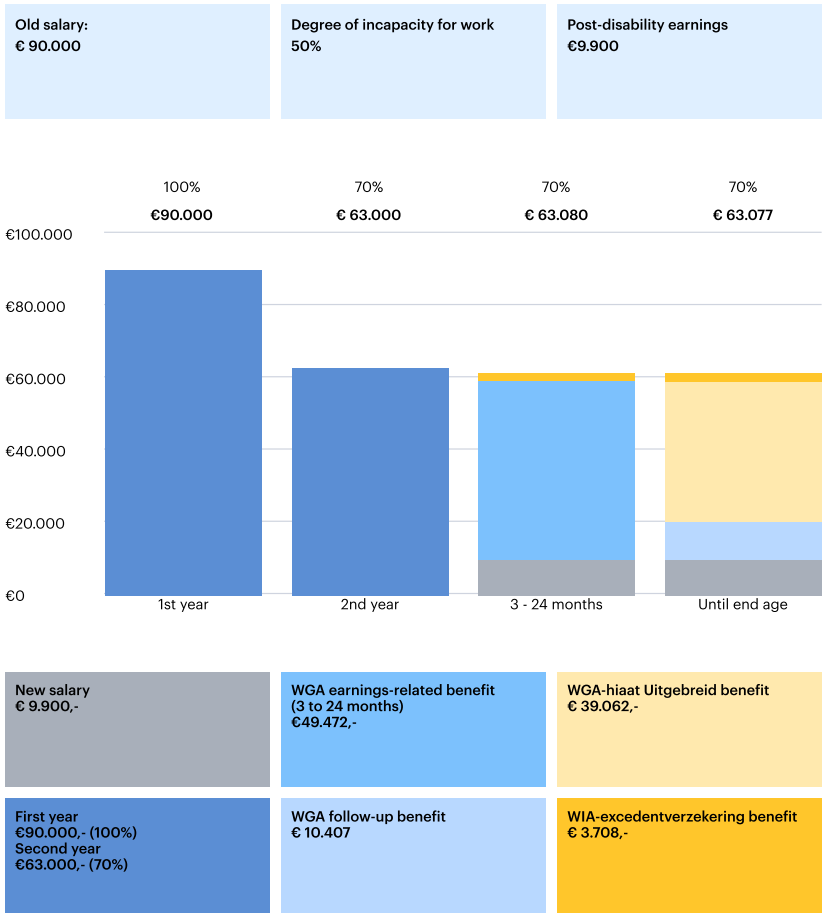
The amount of the benefit is determined in steps: first the loss of income is established (the difference between the insured salary and the salary after disability), after which this loss is multiplied by a cover percentage:

- Less than 50% of remaining earning capacity used: cover percentage 70%.
- 50% or more of remaining earning capacity used: cover percentage 75%.
- Optional: in the event of 80% or more disability, an increase of 5% can be co-insured (cover percentage then also 75%).

Features

- Participation is compulsory for all employees of the insured company.
- No medical examination or questionnaire is required when the policy starts.
- Salary insured up to a maximum of the WIA wage limit (as of 1 January 2026: €79,409.25).
- Benefit continues for as long as entitlement to a WGA benefit from UWV exists, up to up to the state pension (AOW) age or a pre-agreed age.
- Indexation of the insured salary possible based on WIA indexation (up to a maximum of 3%) or a fixed percentage.

Example 2: WGA-hiaat insurance uitgebreid + WIA-excedent 70% insurance



Example: WGA-hiaat insurance Uitgebreid, combined with a WIA-excedent insurance of 70%.
Note: the 'Year 1' and 'Year 2' columns in the chart show the statutory continued salary payment by the employer during the first two year of sickness or work disability, before the employee becomes entitled to WIA benefits.

WIA-excedent insurance

The WIA wage limit limits the amount of all statutory WIA benefits. Employees who earn more than this cap therefore receive no statutory benefit, in the event of disability, on the portion of their salary above it. WIA-excedent insurance provides a supplement on the insured salary above the WIA wage limit if the insured employee receives a WIA benefit from UWV.

Two cover variants

- WIA-excedent 70%: Supplements the WIA benefit up to a maximum of 70% of salary above the WIA wage limit.
- WIA-excedent 80%: Supplements the WIA benefit up to a maximum of 80% of salary above the WIA wage limit, plus 10% of salary below the WIA wage limit.

Which variant applies and what the maximum insured salary is are stated in the policy. The maximum insured salary is set per policy, for example up to €250,000.

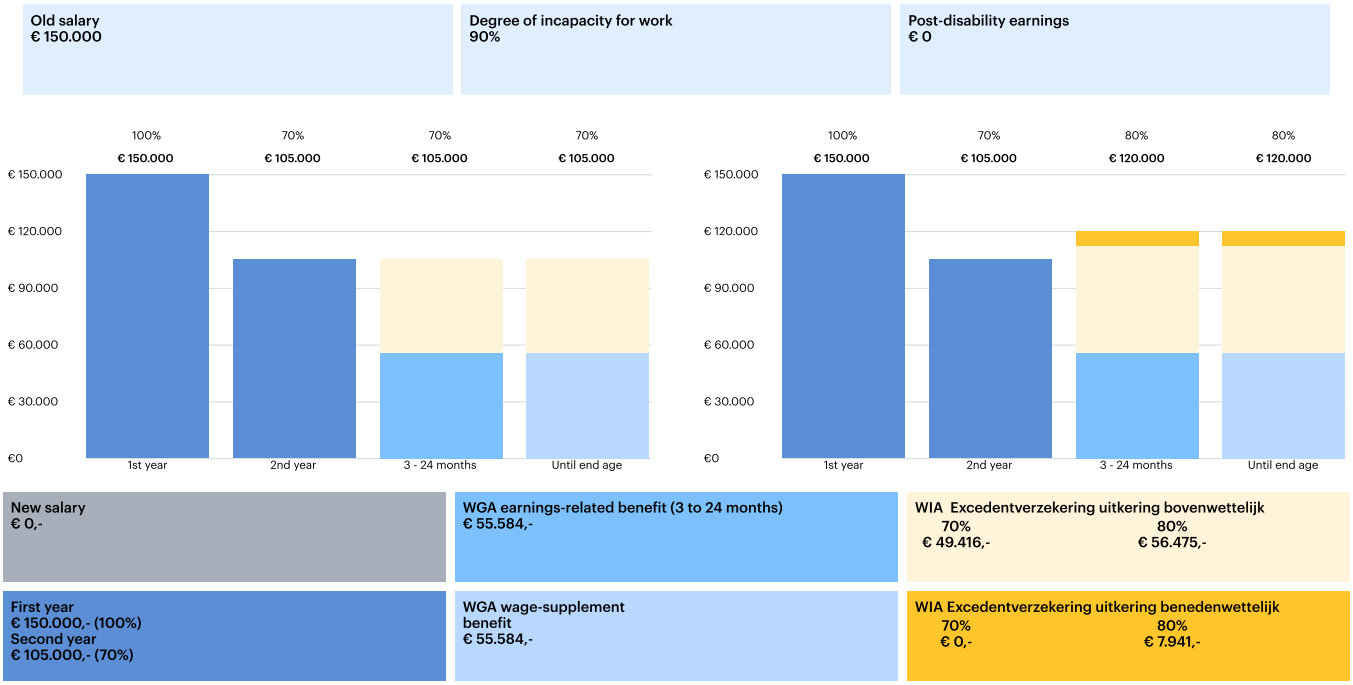
Amount of the benefit

The amount of the benefit depends on the disability percentage determined by UWV.

Features

- No medical examination or questionnaire is required when the policy starts.
- Benefit only payable if entitled to a WIA benefit (WGA or IVA benefit) from UWV.
- Salary insured from the WIA wage limit up to the maximum insured amount.
- End age equal to the state pension (AOW) age, or a pre-agreed age.
- Indexation of the insured salary possible based on WIA indexation or a fixed percentage.

Example 3: WGA-hiaat Uitgebreid + WIA-excedent 70% compared to WGA-hiaat Uitgebreid + WIA excedent 80%



Example: WIA-excedent 70% and 80% (higher income above the WIA wage limit).
Note: the 'Year 1' and 'Year 2' columns in the chart show the statutory continued salary payment by the employer during the first two year of sickness or work disability, before the employee enters the WIA.

How does this proposition benefit you in practice?

Five strategic benefits

1. **Integrated risk management.** Disability and accident risks brought together under one Captive, for better control, consistency and prevention.
2. **Cost optimization.** Direct influence over premiums, no unnecessary margins, full cost transparency.
3. **Strategic governance.** Benefits aligned with organisational objectives, adaptable to changing circumstances.
4. **Data-driven decision making.** Real-time insights and advanced analytics as the basis for decisions that reduce costs and improve outcomes.
5. **Active risk management.** Targeted prevention and early interventions structurally reduce total people risk exposure.

Want to know more?

Would you like to know which combination of WGA-hiaat insurance, WGA-hiaat insurance Uitgebreid and WIA-excedent insurance best suits your Captive as Redion Employee Benefits client? Please contact your reference person in Redion Employee Benefits network or Hienfeld for a tailored quote.

Important

This brochure has been prepared with care and provides a summary of the WGA-hiaat insurance, WGA-hiaat insurance Uitgebreid and WIA-excedent insurance. No rights can be derived from this brochure. The precise rights and obligations are described in the applicable implementation agreement and/or general terms and conditions and the policy, which always prevail.