

Press release

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Embargo: ---

Supplementary health insurance business

FINMA requires Groupe Mutuel to reimburse premiums

The Swiss Financial Market Supervisory Authority FINMA has found that Groupe Mutuel used unauthorised premiums in the supplementary health insurance business. Multiple insurance contracts that employees had concluded with Groupe Mutuel via general agreements with their employers are affected. The ensuing premiums had either been overpriced or underpriced by Groupe Mutuel. FINMA subsequently requires immediate correction of the premiums and is currently conducting enforcement proceedings to investigate the matter.

Under its supervisory remit, FINMA discovered certain issues at Groupe Mutuel relating to the supplementary health insurance business. The marketing of unauthorised premiums was one of the issues raised.

Unauthorised premiums charged

FINMA discovered that over a number of years Groupe Mutuel had been marketing and charging premiums that had not been authorised by FINMA in the supplementary health insurance business. About 24,000 insureds who are insured with Groupe Mutuel via general agreements with their employers are affected. While some 9,000 insureds had paid premiums that were above the tariffs authorised by FINMA, the premiums of 15,000 insureds were below those tariffs.

FINMA requires immediate reimbursement of premiums

FINMA has required Groupe Mutuel to immediately correct the premiums that had been overpriced. Groupe Mutuel has announced today that it will reimburse the amount overcharged for the premiums. Insureds who were undercharged will receive premium quotations for 2015 that are in line with the authorised tariffs. FINMA had frequently instructed insurers on the correct procedures to follow for fixing tariffs and applying for authorisation of premiums and discounts. The review conducted by FINMA has shown, however, that Groupe Mutuel had not followed those instructions.

Enforcement proceedings in progress

In March 2014, FINMA initiated enforcement proceedings that are still in progress to investigate the matter. In addition, FINMA is supervising the rigorous implementation of the corrective measures ordered, and had mandated two independent third parties in April 2014 to assist in the matter. At present, FINMA will give no further details on the current enforcement proceedings.

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