Press release of 12 May 2021

A balanced financial year for 2020 and increased financial solidity

Martigny, 12 May 2021. CHF 50 million redistributed to policyholders, a drop in the consolidated result but excellent financial health. In a highly unstable and unpredictable economic environment, Groupe Mutuel is pleased to have achieved a balanced financial year for 2020. In addition to these results, Groupe Mutuel has made a commitment to support its insured members by way of concrete actions, in line with its values.

We will all remember the past year. For Groupe Mutuel Holding SA, the 2020 financial year was, of course, affected by the COVID-19 pandemic that has changed our lives. “In these troubled times, the financial results for 2020 are somewhat anecdotal, but they remain balanced for basic health insurance and on the rise for supplemental insurance. They have even increased significantly for the corporate sector, where we are once again able to strengthen our market shares”, noted with satisfaction Karin Perraudin, President of Groupe Mutuel.

In 2020, the consolidated earnings of Groupe Mutuel Holding SA reached CHF 36.7 million, with a turnover of CHF 5,273 billion. This result is significantly lower than for 2019 but nevertheless ensures that the group remains financially solid. Equity increased slightly. It amounted to CHF 2.7 billion Swiss francs and represented 51% of the balance sheet total.

Corporate culture and strong values

With the COVID-19 pandemic, more than ever before, a strong corporate culture was shown to be the foundation for success. In 2020, Groupe Mutuel was able to protect and support its employees during this special period, while never discontinuing its customer services. The commitment of each and every employee was substantial and went even further, since all employees participated in redefining the company’s values. These values were drawn from the group’s mutualist background and are entirely consistent with the actions taken to support policyholders in these difficult times. “It is our responsibility to do everything we can to support our policyholders and partners in a caring and proactive way. This is done by always placing human beings, patients, insured persons and customers at the centre of our concerns”, said Thomas Boyer, CEO of Groupe Mutuel.

50 million Swiss francs will be redistributed to insured persons

Groupe Mutuel’s good financial health will allow it to decrease its financial reserves by CHF 50 million and redistribute this amount to its policyholders, subject to approval by the Federal Office of Public Health (FOPH). This refund comes on top of CHF 101 million already repaid in 2020. “It is our wish to refund our policyholders and not to accumulate financial reserves. We will continue to do so, whenever possible. Beyond any political tensions, we are facing up to our responsibilities and acting concretely in the interest of our policyholders”, said Thomas Boyer.

Financial reserves, such as the equity of any other company, are essential but should not be excessive. “They amount to approximately three months’ worth of invoices sent in by our customers. Thanks to these financial reserves, we were able to withstand the pandemic. We consider that excess reserves must benefit our policyholders and their families whose financial burden increases each year”, confirmed the CEO.
A moderate increase in health costs, but a highly unpredictable situation

With a 0.64% increase in 2020 (internal estimates as at end of February 2021), the estimated rise in health costs for compulsory health insurance (AOS/OKP) was much more moderate than in previous years and lower than expected, due to the impact of the partial lockdown periods. This is good news but may only be a short-lived respite for premium payers. Without concerted action, there could be further cost increases, not to mention a likely catch-up effect.

The COVID-19 pandemic is everywhere. It has changed not only our lives but also the Swiss health system. In 2020, direct costs related to COVID-19 are estimated at around CHF 50 million (hospital stays and screening tests) for Groupe Mutuel alone. For all insurers, costs will amount to several hundred million Swiss francs.

1.3 million customers and sustainable financial investments

The number of private customers, all sectors of activity combined, remained stable at 1,320,265 million. More specifically, we have lost close to 20,000 policyholders in compulsory health insurance (AOS/OKP). However, we have acquired around 10,000 new policyholders in supplemental insurance, which is continuing to grow. 2020 was therefore a balanced year, with a slight increase in the number of new supplemental insurance policyholders. The number of private customers who have placed their trust in Groupe Mutuel has levelled off at over 1.3 million, a result that continues to make the group one of the leading health insurance companies in Switzerland (3rd place).

The Health sector accounts for the largest share of turnover, with more than three quarters. Sectors not related to health continue to make progress within Groupe Mutuel. Despite the complex situation on the financial markets, Groupe Mutuel’s health sector was able to achieve a net positive result of CHF 68 million, which is an investment performance of almost 2%. A recent external and neutral audit also awarded an “A” rating to the Martigny-based insurer’s sustainable financial investments (ESG), which ensure efficient capital management while investing in a sustainable economy.

1,500 new companies and a strong presence in the pension sector

1,500 new companies signed up to Groupe Mutuel, bringing the total number of corporate clients to 25,500 as of 1 January 2021. Groupe Mutuel is now ranked 5th in Switzerland for corporate health insurance, ahead of most private insurers, which is a considerable achievement. In 2020, the overall turnover in the Corporate sector increased by almost CHF 24 million.

Groupe Mutuel Prévoyance-GMP also performed very well, with 2,666 affiliated companies and over 24,000 insured persons. The total LPP/BVG balance sheet is over CHF 2.3 billion with an excellent coverage ratio of 115.7%. The remuneration of LPP/BVG assets was 3% in 2020, among the best in the market. Another advantage is that between 2015 and 2020, Groupe Mutuel Prévoyance-GMP policyholders earned on average an extra 1.75% interest per year.

The only overall health and personal risk insurer in Switzerland

Groupe Mutuel offers the full range of health and personal risk insurance intended for both private individuals and companies. "Today, we are no longer simply a health insurer. We are your health and personal risk partner, whether you are an individual or a company", concluded Karin Perraudin, President.
About Groupe Mutuel

With over 2,700 employees throughout Switzerland, Groupe Mutuel is at the service of 1.3 million private customers and 25,500 companies. As the only comprehensive insurer in Switzerland, Groupe Mutuel is the reference partner in the field of health and retirement benefits for private and corporate customers. Its turnover exceeds CHF 5.2 billion. Thanks to tailored solutions, whether in basic insurance (LAMal/KVG) or supplemental insurance (LCA/VVG), it is the 3rd largest health insurer in Switzerland. Groupe Mutuel also offers an extensive range of products in individual retirement benefits and patrimony insurance. Based in Martigny, the insurer provides companies of all sizes solutions with loss of earnings in the event of illness, accident insurance (LAA/UVG) and occupational pension plans (LPP/BVG). In the field of health insurance for companies, Groupe Mutuel is ranked 5th nationwide.