

ILO/ITU STAFF HEALTH INSURANCE FUND

Record of Decisions
of the 202nd Meeting of the Management Committee

Thursday, 28 April 2011

9.30 a.m., ILO, Room XII Elimane Kane (M3 South)

Present:

Representing the insured persons:

ILO

Mr. Christopher Baron
Ms. Mireille Ecuivillon
Ms. Xenia Scheil-Adlung

ITU

Mr. David Broadhurst
Mr. Michel Rolland

Representing the Organizations:

Mr. Charles Agbavwe
Ms. Anne Drouin
Mr. Tilmann Geckeler
Mr. Fikri Gurzumar
Mr. Juan Llobera
Mr. Giuseppe Zefola

Ms. Marianne Wilson

Other attendees:

Mr. Clifford Kunstler, Executive Secretary of the SHIF

Apologies for absence were received from:

Ms. Chantal Amine – Mr. Philippe Marcadent – Mr. Jean-François Santarelli

The meeting opened at 9.40 a.m.

Item 1: Approval of meeting agenda
(SHIF/MC/11/202/AG)

Management Committee (MC) decides to approve meeting agenda.

Item 2: Approval of the Record of Decisions of the 201st meeting of the Management Committee
(SHIF/MC/11/RD.201)

Having reviewed document ref. SHIF/MC/11/RD.201, MC requests following adjustments:

- with respect to Item 4:
 - the first bullet point of the second paragraph should be modified to read: “meeting will be convened at the initiative of the MC, who will also set a **draft** agenda” (instead of “... who will also set agenda”);
 - the second bullet point of the second paragraph should be modified to read: “MC Chair will open meeting, **but meeting will be presided by the meeting Chair**” (instead of: “MC Chair will open meeting, but will hand over to meeting Chair (to be identified)”);
 - last sentence of the third bullet point of the second paragraph reading: “ meeting will need to be kept under control” should be deleted;
 - the first two sentences of the fifth paragraph should be deleted and replaced by a new sentence reading as follows:
“In so far as the Administration of the SHIF claims settlement is the responsibility of the Administrations, the MC considered that it would be for the ILO Administration to address any question regarding the feasibility study.”

With these adjustments, MC decides to approve Record of Decisions of their 201st meeting.

Item 3: Organization of the General Meeting of SHIF insured members on 12 May 2011

MC discusses meeting structure, as follows:

- Chair to open meeting by reminding floor of 4 guiding principles: (i) comprehensive coverage; (ii) affordability; (iii) freedom of choice of healthcare provider; and (iv) high level of due diligence.
- Management Committee’s work centers on 3 themes: (i) benefits; (ii) eligibility for coverage; and (iii) sustained financial control.
- Under “Benefits” theme, following should be mentioned:
 - Benefits with USD “caps” indexed to offset effects of exchange rate fluctuations
 - Accommodation benefit (in-patient/global charge) has been reviewed: *MC has found that benefits in respect of accommodation in hospital or clinic are adequate, except where a global charge in respect of in-patient treatment is high, but the period of confinement is relatively short. Amendments to Code 2.2 of the SHIF Schedule of Benefits are aimed at maintaining a fair balance between reimbursements in respect of accommodation and the reimbursement of other costs associated with the in-patient treatment.*
 - Long Term Care benefit under review (mention complexities associated with this review)
 - Rules governing reimbursement of costs in respect of cures now incorporate prior approval requirement to ensure medical necessity and therapeutic relevance. (Mention that change not aimed at limiting usage, but at ensuring that benefits remain focused on genuine healthcare.)

- Under “Eligibility for coverage” theme, following should be mentioned:
 - Terms and conditions governing Art. 1.6 (“Voluntarily covered dependants”) of SHIF Regulations & Administrative Rules under review. Eligibility rules may need to be adjusted to ensure balance between affordability and financial viability. Review also includes revisiting the method of assessing financial balance.

- Under “Sustained financial control” theme:
 - Chair to turn over to Executive Secretary (ES) for comments on financial situation
 - Fund’s solvency recovering from several years of deficits
 - Financial results boosted by changes made in 2008 & 2010 to contribution structure. ES to report as follows:
 - Estimated 2010-11 average contribution without changes;
 - Estimated 2010-11 average contribution incl. changes;
 - Estimated 2010-11 contribution without changes;
 - Estimated 2010-11 contribution incl. changes; and
 - Average gain per year average over the 4-year period.

- Comments on SHIF administration should include following:
 - Recognize SHIF staff. Findings of Dalberg study not an indictment of their performance;
 - Reminder: organizations “own” decisions in respect of SHIF administration;
 - Reminder: Dalberg study not commissioned by SHIF MC or Secretariat (ILO administration initiative); and
 - Study underscores elements of SHIF current reality (positive and negative).

- Chair to turn over to ES for further comments:
 - Quality of Secretariat’s work (cf. audit outcomes; from feedback, status quo emerging as insured persons’ preferred option (Secretariat has set high standard of expectation));
 - Sound technical management (cf. financial outcome; no base rate increase over next biennium, i.e. no increase over 4-year period);
 - Increasing claim volume and complexity translates into longer time from receipt of claim to settlement. Exacerbated when staff on leave of sick leave. High standard of expectation increasingly difficult to meet.
 - currently 3’100 unsettled claims (vs 3’600 at peak)
 - pace of settlement: 175 claims per day
 - 3 to 4 weeks (18 workdays) to resorb without overtime
 - Delays cause increase in phone traffic and correspondence;
 - System developed on obsolete platform is a hindrance to streamlining (ex.: absence of IRIS-HIIS interface translates into onerous database maintenance). Few maintenance and technical expert back-up options;
 - Other comments:
 - Transfer enrolment in respect of retirees to PENSION
 - High correspondence load results from special needs (ex.: advances)
 - Additional P position budgeted but not yet filled.

Chair reminds MC that – although voting cannot be prevented – the nature of the general meeting is purely consultative (i.e. results of votes not recognized in SHIF Regulations as binding).

MC notes that ILO administration will be represented at meeting by either by Mr. J. Thurman or by Mr. J. Llobera. ILO representative will remind floor that a working group has been established to provide Director-General with recommendations following Dalberg report. Another general meeting could be called once the working group has completed its task.

MC urges Chair to ensure that his own and ES’ statements are well coordinated and that questions are anticipated. Chair will consult with ILO Staff Union Chairperson regarding topics proposed by the MC for discussion at the meeting. MC also urges Chair not to dwell only on the negative, but also to ensure that positive is also duly recognized.

MC emphasizes that, for the meeting to be productive, Chair will need to announce how the meeting will be structured and conducted and a degree of discipline will then need to be imposed. At the same time, floor must be allowed to express itself freely and fully. No questions of an individual nature should be taken.

MC decides that Chair will circulate by e-mail the proposed meeting plan for final comments by the MC.

Item 4: Reimbursement of claims in Chile based on electronic invoices

Chair gives floor to ES who summarizes issue associated with increasing frequency of exclusively electronic invoicing in Chile, with no restriction on printing. In the past, a single original invoice would be issued. Now, the electronic invoice can be printed several times and submitted for reimbursement in full to more than one insurer. Chilean system manages this risk by maintaining a shared database in which multiple submissions are detected. SHIF cannot access this database. MC decision necessary to allow a departure from normal due diligence, which requires that single issue original bills only be taken into account for reimbursement purposes.

MC decides that ES should write individually to insured persons located in Chile, informing them:

- **that MC recognizes exceptional nature of the Chilean market conditions, that warrants equally exceptional concessions on the part of the Fund;**
- **that their reimbursements will be processed on the basis of electronic invoices, with the understanding that insured persons are required to declare all other insurance arrangements under which benefits can be received in relation to a same invoice;**
- **that, where benefits can be received in relation to a same invoice under (an)other insurance arrangement(s), the relevant statement(s) from the other insurer(s) must be attached to their request for reimbursement, along with the invoice;**
- **that, in all cases, they will be required to attach original proof of payment to their request for reimbursement; and**
- **that, as a matter of due diligence, all reimbursements can be subject to control by the Fund and/or its auditors as they deem appropriate and without prior notice.**

MC emphasizes that this should be taken to be a transitional measure, pending a more structural solution. ES to explore possibilities in due course.

Item 5: Publication of Record of Decisions of Management Committee meetings

Chair frames topic.

MC being criticized for lack of transparency. Although MC has discussed topic in the past, reason for not publishing Records of decisions never entirely clear. Current format of Records of Decisions reflect decisions taken and summary of main discussion points that led to the decisions. No reason not to publish in his view.

MC agrees with Chair's view. No member can recall difficulties arising from publication of Records of Decisions in the past. MC believes Records of Decisions should not reflect decisions only, i.e. Records of Decisions also need to include summary of discussion, as is currently the case. However, where specific views are reflected, Records of Decisions need not include names of persons who have expressed those views. Background documents need not be published.

Chair notes that past format of Records of Decisions adjusted to arrive at current format. Proposes to review most recent Records of Decisions, in order to determine whether format should be further adjusted. MC cautions on necessity to ensure confidentiality is maintained regarding certain topics (ex.: special cases).

MC decides:

- To agree in principle to the publication of Records of Decisions;
- That their format remains to decide following Chair's review of past Records of Decisions;
- That they will be published on line only;
- That they will be published only in the language in which they were written;
- That, where specific views are reflected, they should not include names of persons who have expressed those views;
- Information considered by the MC to be confidential will be withheld.

Item 6: Other Business

1. Nomination of electoral officers to organize SHIF elections of Management Committee members representing the insured persons for the period 2012-2014

MC decides to appoint as electoral officers the following persons:

- Ms. Riikka Koskenmäki (ILO);
 - Ms. Aline Marchois (ILO); and
 - Ms. Sira Montero Aparicio (ITU)
2. Request for temporary suspension of SHIF coverage of a voluntarily protected dependant

MC reviews document ref. SHIF/MC/2011/202/6.2 and decides to accede to insured person's request, provided the dependant, following her internship, remains eligible for coverage according to the rules governing Article 1.6 of the SHIF Regulations.

3. Special case on bone graft for dental implants

MC notes practice based on November 2004 Standing Subcommittee decision to reimburse bone grafts performed for the purpose of dental implants only as dental care under Code 4 and not as ordinary illness.

In view of the severity of the case, MC nevertheless decides to authorize reimbursement as ordinary illness in this case.

MC also decides to adopt the following amendment to Code 4 (4) of the Administrative Rules:

In subparagraph (iv) after "*bone grafts*" add the words "*not associated with dental care*".

The meeting ended at 12.35 p.m.
