

ILO STAFF HEALTH INSURANCE FUND

Record of Decisions
of the 241th Meeting of the Management Committee

Thursday, 6 July 2017

at 9.30 a.m., ILO, room VII (R2 South)

Present:

Representing the insured persons of the ILO:

Mr. Jean-François Santarelli (Titular member)
Ms. Mireille Ecuivillon (Titular member)
Mr. Pierre Sayour (Titular member)
Ms. Colleen McGarry (Substitute member)

Representing the Director-General:

Mr. Jean-Claude Villemonteix (Titular member)
Mr. Tilmann Geckeler (Titular member)
Mr. Giuseppe Zefola (Substitute member)

Other attendees:

Mr. Florian Léger, SHIF Executive Secretary
Ms. Heather Harris, SHIF Claims Supervisor
Ms. Corinne Michoud, SHIF Secretary

Apologies for absence were received from:

Representing the Director-General of the ILO:

Mr. Fikri Gurzumar, Mr. Sietse Buijze, Ms. Anne Drouin

Representing the insured persons of the ILO:

Mr. Christopher Land-Kazlauskas, Mr. Fabio Duran Valverde

The meeting opens at 09.45 a.m.

Item 1: Approval of meeting agenda
(SHIF/MC/17/241/AG)

MC refers to document ref. SHIF/MC/17/241/AG and approves the agenda.

Item 2: Approval of the Record of Decisions of the 240th meeting of the Management Committee
(SHIF/MC/17/RD.240)

MC refers to document ref. SHIF/MC/17/RD.240 and **decides that, considering the short notice given to its members to read and provide comments on the Record of Decisions of the 240th meeting of the Management Committee, comments can still be provided to the Secretariat until Friday 14 July at the latest. Should no comments be received by the Secretariat at that time, then the draft Record of Decisions of the 240th MC meeting will be considered as approved.**

Item 3: Actuarial Study of the SHIF for the 2016-2026 period:

The report from Aon Hewitt was sent to MC members on 24 May 2017 together with all the information requested by the MC. MC notes with satisfaction that the report drafted by the actuary is well presented and not too difficult to read for non-technical persons and decides to publish the report on the SHIF website. The forthcoming SHIF Newsletter will include a link to the report.

Item 4: Election of Management Committee members
representing the insured persons for the 2018-2020 period

ES presents the main deadlines governing the elections. The Secretariat will propose names for the three electoral officers who will organize the elections. Some MC members ask the Secretariat to ensure that § 12 of the Rules for elections is respected by all candidates. ES informs MC that the Secretariat is expecting to have an electronic vote for active staff and a paper vote for former staff, but is waiting for some confirmation that electronic voting is technically feasible. MC has no objection.

Item 5: Update from the Secretariat

ES presents an update of the situation of the SHIF Secretariat and in particular of the IT projects. Following the implementation of direct payments in the DTA at the beginning of the year, more direct payments have been made in the first 6 months of 2017 than during the entire year of 2016. Direct payments to the providers with whom the SHIF has an agreement as well as with some providers with whom the SHIF does not have any agreement have been gradually implemented for hospitalization cases. Direct payments have been made in all regions.

The IRIS/HR interface is on the right track and tests have started with the aim of going live in September, and the new payment process should be finalized before the end of the year.

A decision to implement the self-service that has been developed by the WHO should be made very soon with a target to start its use in 2018. The WHO self-service tool allows for on-line claim submission. MC notes that, while current SHIF rules are flexible enough to allow on-line claim submission, an amendment to Article 2.10 of the Administrative Rules to specify details of on-line claim submission should be made.

MC takes note of all points mentioned by ES. It is further decided that a SHIF Newsletter aimed at informing the insured persons accordingly should be published in the forthcoming weeks. MC decides on two to three publications a year. The forthcoming SHIF Newsletter should also provide an update on the publication of the Reports on the Operations of the Fund (2013/2014 and 2015/2016) and on the works carried out by the MC Working groups, and remind the insured persons about the “O” tolerance policy in case of fraud against the Fund.

**Item 6: Update from the Working Group on the revision of the Fund's
Schedule of Benefits and Administrative Rules
(Appendix I – Schedule of Benefits)**

Members of the Working Group give an update of the work they have been carrying out since the beginning of the year. The Working Group has held 4 meetings and has made good progress in the revision of the Fund's Schedule of Benefits and Administrative Rules. Two more meetings are foreseen before a final proposal can be made to the MC for approval and implementation as of 1 January 2018.

Item 7: Update from the Working group on the Fund's Governance

One representative of the insured persons shares with the MC a paper drafted by them on the Governance of the SHIF. MC decides to postpone to a later date a detailed discussion on the proposals drafted in the paper.

**Item 8: Request for coverage in exceptional cases under Article 1.7
of the SHIF Regulations
(SC 02/2017)**

SC 02/2017

This special case concerns a request from a locally recruited staff member, for exceptional coverage under Article 1.7 of the SHIF Regulations.

ES explains that the staff member had made a request for approval of a medical travel for his dependant daughter (aged 20) to be treated outside of his duty station/area of residence. The Medical Adviser had approved the medical travel for the child and one accompanying parent, but the official informed the Fund that the travel would be postponed to many months later to enable his daughter to complete her semester at the University. Neither the SHIF Secretariat nor the staff member realized at that time that the official's daughter would no longer be considered as his automatically covered dependant at the time of her travel, as she would turn 21. It is only when the staff member received the form to insure his daughter as a voluntarily insured member (beyond 21 years of age) that the issue was discovered. Voluntary health insurance coverage was proposed to the staff member to enable his daughter's coverage (US\$ 260,00 per month), which the official reluctantly accepted.

ES further explains that the Standing Subcommittee examined the case at its meeting held on 21 June 2017 and came to the unanimous decision that the staff member could not be held responsible for the SHIF Secretariat's oversight. As the no-longer "dependant" status of his child at the time of her travel would deprive the official of his right for payment of a DSA under ILO rules, and that the monthly cost of US\$ 260,00 for his daughter's coverage by the Fund did represent a burden compared to his monthly gross salary, the Standing Subcommittee had agreed to make an exception for exceptional coverage, as provided for in Article 1.7 of the Fund's Regulations.

After considering the case, MC decides, on the basis of its particulars, to grant the official's daughter an extension of her automatic coverage under Article 1.5 of the Fund's Regulations until completion of her treatment outside of her place of residence.

**Item 9: Request for coverage in exceptional cases under Article 1.7
of the SHIF Regulations
(SC 04/2017)**

SC 04/2017

ES informs MC about a topic brought to the attention of the Standing Subcommittee at their meeting held on 21 June 2017. It concerns a change in practice recently implemented by the Swiss authorities regarding the exemption from the requirement of having Swiss health insurance coverage for Swiss family members of international civil servants. Swiss authorities have made it compulsory for family members of international civil servants with a Swiss nationality to take out Swiss health insurance coverage, to comply with the provisions governing the Swiss Federal law on compulsory health care (LAMal). ES further explains that JUR has written to the Swiss authorities who have confirmed that a

change in the legislation should be implemented as from 1 January 2018, thus allowing again Swiss family members of international civil servants to be exempted from the requirement to take out Swiss health insurance.

In this connection, MC decides to accept that Swiss family members of international civil servants concerned by the measure, already voluntarily covered under Article 1.6 of the Fund's Regulations, may opt out from the voluntary SHIF insurance and be reintegrated in the Fund as of 1 January 2018, MC considering that paragraph 3 of Article 1.6 ("Voluntarily covered dependants") of the Fund's Regulations reading: "*if coverage is interrupted, it may be resumed only if the Management Committee considers that bona fide and adequate reasons existed for the interruption*" would apply in such case.

Item 10: Any other business

10.1 Financial situation as of 31.05.2017 and technical results for the period 01.01.2017 – 31.05.2017

ES explains that benefits paid over the period have increased by 10 per cent compared to the previous year and that, despite the increase in the contribution rates as of 1 January 2017 (which, as expected, triggered an increase in contributions of roughly 7.5%), there is a negative technical result over the period, amounting to approximately USD 500,000.

10.2 Case of fraud

Following the increased controls and measures implemented to detect fraudulent cases, ES informs MC members that a case of fraud involving an official at Headquarters has been identified.

10.3 Supplementary benefits

Following the request expressed by one MC member that the threshold to access supplementary benefits be lowered, ES informs MC that a change in the threshold above which supplementary benefits are paid, from 25.0 per cent of relevant annual income to 20.0 per cent of relevant annual income would represent an additional cost to the SHIF of about USD 500'000 every year. In view of the result of the actuarial study, MC members call for caution before considering any further change to the threshold.

The meeting ends at 12.10 p.m.
