



# PETITION

## ON THE SHIF CIRCULAR CONCERNING PROPOSED AMENDMENTS TO THE SHIF REGULATIONS AND ADMINISTRATIVE RULES

ILO Staff Union announcement on the Staff Health Insurance Fund (SHIF) Circular regarding proposed amendments to the Regulations and Administrative Rules of the Fund (SHIF/07/3).

On 25 October 2007 the SHIF published a Circular, which proposed modifications in contribution rates for members with automatically insured dependants and to increase the supplementary benefit threshold.

<http://www.ilo.org/public/english/bureau/pers/shif/cir073.pdf>

The proposed amendments will:

- Introduce separate contributions for automatically insured dependants (30% of the base rate for the spouse, i.e. 0.99%, 10% of base rate for the first child, i.e. 0.33%, and 10% of base rate for all other children, i.e. 0.33%. The contribution of a married insured person with two children and a dependant spouse, will increase from 3.3% to 4.65%);
- Link the supplementary benefit threshold to the insured person's income;
- Increase the reimbursement rate from 95% to 100% beyond the threshold for access to supplementary benefits.

The insured person's own share of expenses would be limited to 5 per cent of annual income irrespective of the amount of approved expenses incurred.

According to the Circular, contributions to the SHIF will be divided more equally and the new benefit system will allow families to face particularly serious health problems more easily.

The Staff Union Committee has always held that the sustainability of the SHIF, its financial stability and its solvency, must be accorded the highest priority. Thus, the Staff Union Committee congratulates the commitment and ongoing efforts of the SHIF Management Committee to preserve this equilibrium.

That having been said, the Staff Union Committee also subscribes to the following principles:

- Solidarity must be the main driver in the functioning of our Fund;
- The contribution level of the employer must remain equal to that of the insured members. It should be noted that this is not called into question by the current proposed amendments.

These new developments are not insignificant in that they imply a different approach from that which has been defended until now. In fact, the proposed increases in contribution levels apply only to one group of insured members, namely those having dependants. The Staff Union wishes to express its concern as to the continued application of the principle of solidarity within the Fund. Based on the example in the Circular, an insured person who is married with two children would see his or her contribution increase by nearly 40%.

While recognizing the importance of making savings to preserve the long-term viability of the Fund, the Staff Union Committee believes that other means of reform could have been explored and other options taken into consideration.

In addition, as the Circular points out, an increase in the supplementary benefit threshold could result in an increase in the costs born by certain insured persons. The examples given in the Circular outline the potential benefits for insured persons within the new system, however, other cases indicate that those with medical expenses below the new threshold could be penalized.

Given these concerns, the Staff Union Committee has decided to facilitate the possibility of members to express themselves on the proposed amendments in line with Article 4.17, paragraph 2, of the SHIF Regulations which states: "Any proposed amendment approved by the Management Committee shall be notified to the insured persons. Upon the written request of 200 insured persons received by the Management Committee within three weeks after such notifications, the Management Committee shall submit the proposed amendment in writing to the insured persons for vote. If more than two-thirds of the votes cast are against the proposed amendments and at least 30 per cent of all insured persons have voted, the amendment shall not be proceeded with."

**To assist our colleagues, the Staff Union Committee is putting the text of the petition at the disposal of those insured with SHIF for signature at the Staff Union Secretariat, Office 6-20, as of today and until Wednesday 14 November.**

**Colleagues in the field offices will also receive a copy of the petition electronically. Once signed, it should be scanned and sent via e-mail to the Staff Union secretariat ([syndicat@ilo.org](mailto:syndicat@ilo.org)) or by facsimile by Wednesday 14 November 2007 at 5pm at the latest (+41.22.799.82.71).**

# PETITION

In accordance with Article 4.17, paragraph 2, of the SHIF Regulations, we, the undersigned, request the submission of the proposed amendments to the Rules and Regulations of the Staff Health Insurance Fund (Circular SHIF/07/3, dated 25 October 2007) to a vote by the insured persons.

<u>NAME</u>	<u>DUTY STATION</u>	<u>SIGNATURE</u>