



International
Labour
Organization

Staff Health
Insurance
Fund



► **SHIF**
Annual Report
2018





SHIF

Staff Health
Insurance
Fund

- **Report on
the operation
of the Fund
in 2018**

CAPS

Annual report

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► Message from the Chairperson and Vice-Chairperson

It gives us great pleasure to write a few lines in this annual report of the ILO Staff Health Insurance Fund (SHIF), which has a completely new look. It was certainly time to give it a makeover, as it had not really changed for at least a quarter of a century...

Of the six members representing the insured persons, four were elected in the autumn of 2017, and the Management Committee was pleased to bring the new members on board. With that composition, the Management Committee focused its work on four areas:

- First, the governance issues which, although the subject of much discussion, have still not given rise to the adoption of decisions. It is expected that proposals will be made in 2019.
- In addition, the Management Committee continued to monitor closely the trends in the financial situation and noted with some relief that, after the 11 % increase in benefits payments in 2017, these remained stable in 2018.
- The Management Committee also supported the secretariat's communication efforts, as reflected by the general meeting of 13 December 2018.
- Lastly, the quality of service provided by the SHIF was monitored at each meeting of the Management Committee. Reimbursement times, access to healthcare and recognition of the SHIF by healthcare providers, in particular for insured persons in the field, are the issues on which the secretariat must focus its full attention and which will be the subject of new proposals in 2019.

The Management Committee noted with satisfaction that the amendments to the Regulations, which were approved in 2017 and entered into force on 1 July 2018, have met some of the demands of the insured persons, without having a significant impact on the financial situation of the SHIF.

The Management Committee also wishes to thank the outgoing Committee for its work, especially Mr Jean-François Santarelli for all the years he served on the Committee, and in particular the last three, when he served as its Chairperson.

► Message from the Executive Secretary

After a year 2017 characterized by significant developments in the area of information technology, 2018 was a year which saw the consolidation of these developments, especially with regard to the new payment process and the data management interface, and a year of preparation for the launch of SHIF Online.

The amendments adopted at the end of 2017 entered into force on 1 July 2018 and as from the second half of the year many insured persons were able to benefit from the new arrangements, whether concerning voluntarily protected children, new preventive measures or alternative medicines.

As has been the case every year for a very long time, the number of invoices that were reimbursed broke a new record (almost 153 000). As the secretariat continued to operate with the same staffing level, this did have an impact on the average processing time, which increased from 17 days in 2017 to 22 days in 2018.

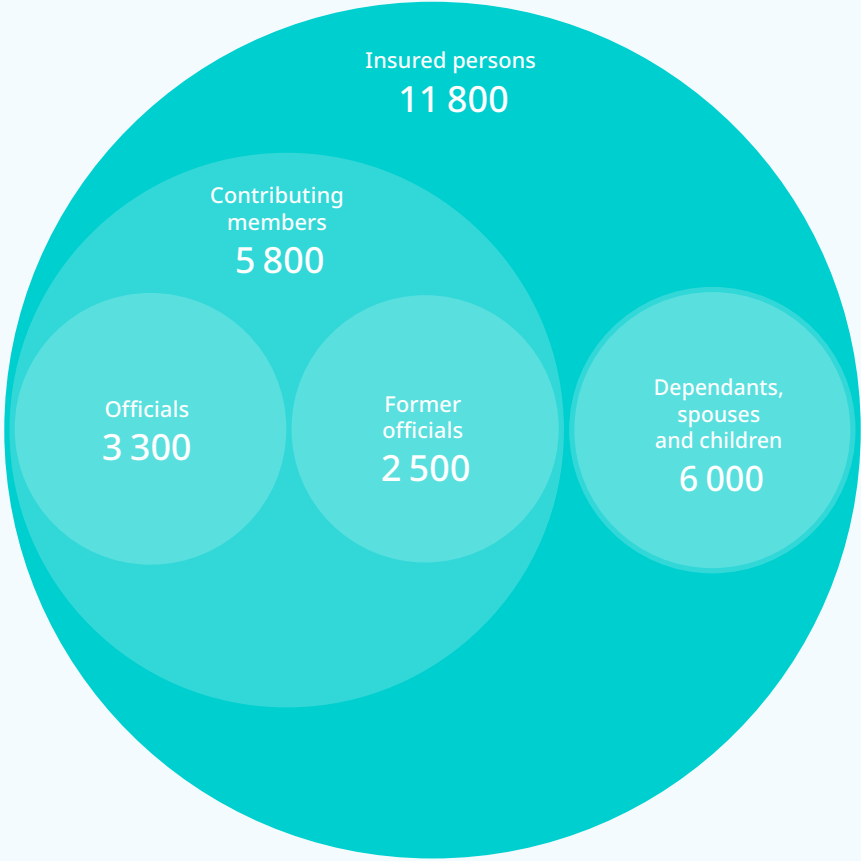
I have continued and will continue my field visits to be as close as possible to insured persons and to find solutions wherever access to healthcare poses a problem.

Lastly, I am proud to present this new-look annual report with more figures, tables and pictures, which makes it both more reader friendly and more informative than previous reports.

► The SHIF in 2018 at a glance

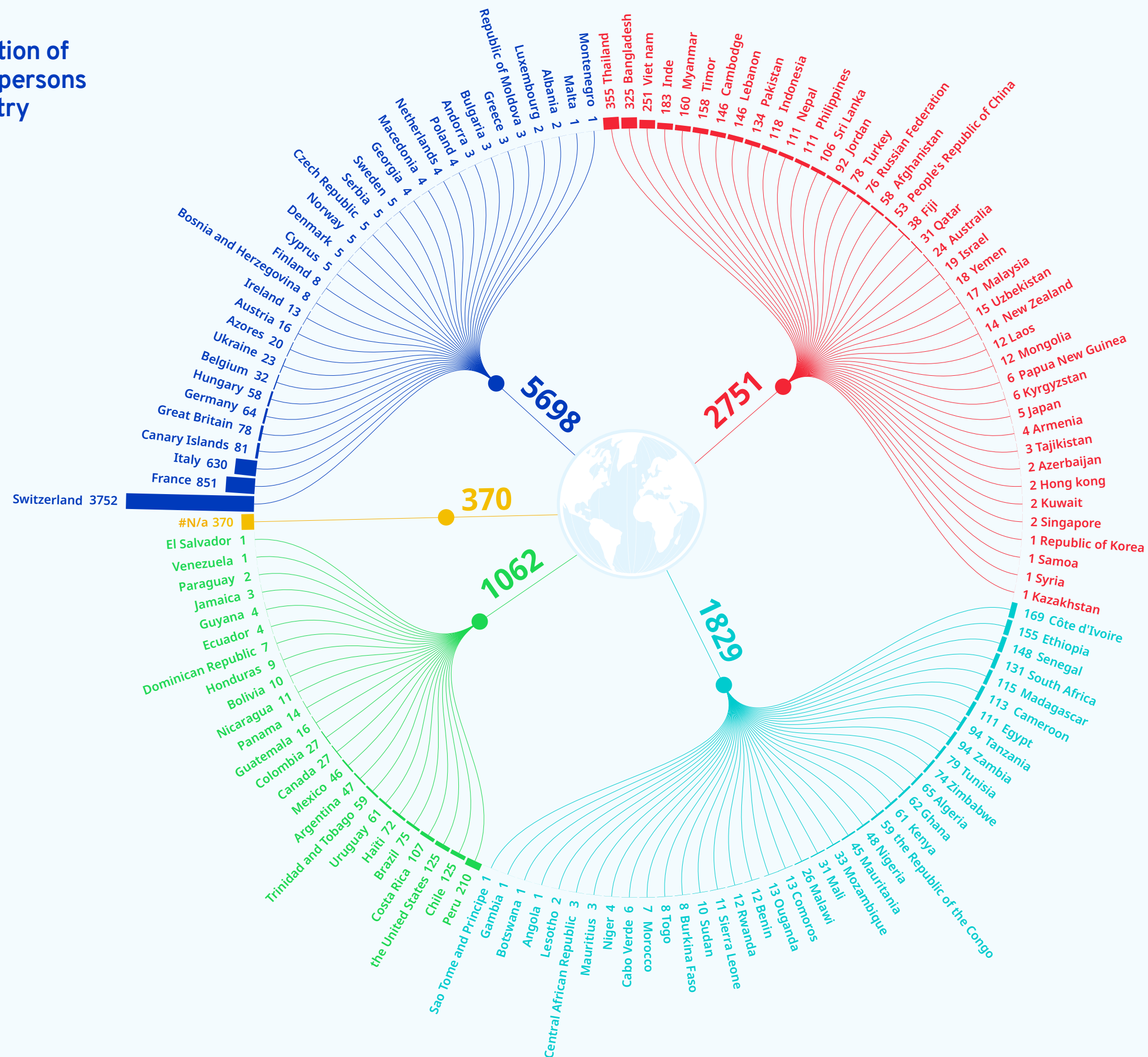


More than **150 000** invoices reimbursed
45 000 claims for reimbursement
from more than **150** countries



US\$ **48 million** reimbursed
65 % for healthcare in Switzerland
10 % in France

► Distribution of insured persons by country



Sources: ILO CAPS 2019

► Composition of the Management Committee in 2018

Pursuant to article 4.1 of the SHIF Regulations, and following the elections in 2017 of the representatives of insured persons, the Management Committee was composed of the following titular and substitute members, representing the insured persons and the administration:

Titular members representing the insured persons:

Mr Pierre Sayour, Ms Catherine Comte-Tiberghien, Ms Mireille Ecuillon.

Substitute members representing the insured persons:

Mr Simon Brimblecombe, Ms Elisabeth Fombuena and Ms Azza Taalab.

Titular members representing the administration:

Mr Tilmann Geckeler, Mr Jean-Claude Villemonteix (replaced on 1 May 2018 by Mr Luca Bormioli), Mr Fikri Gurzumar.

Substitute members representing the administration:

Mr Sietse Buijze, Mr Giuseppe Zefola and Ms Anne Drouin.

For 2018, the **Management Committee** elected Mr Tilmann Geckeler as its **Chairperson** and Mr Pierre Sayour as its **Vice-Chairperson**.

Pursuant to article 4.7.2 of the SHIF Regulations, the **Standing Subcommittee** was composed of Mr Pierre Sayour, Ms Elisabeth Fombuena, Ms Mireille Ecuillon, M Sietse Buijze, Mr Tilmann Geckeler and Mr Fikri Gurzumar.

► Amendments to the SHIF Regulations and Administrative Rules

At the end of 2017, the Management Committee adopted a series of amendments to the SHIF Regulations and Administrative Rules, which entered into force on 1 July 2018.

A number of amendments sought clarify administrative procedures, while others entailed significant changes. These include the adjustments to the method for calculating contributions for voluntarily protected children, so that insured persons with low incomes, in particular in the field, can now insure their children at a reasonable cost. Other changes concern functional rehabilitation treatments, accommodation costs for convalescence/follow-up treatment and funeral expenses, for which the limits on maximum approved expenses have been raised, because those in force were inadequate in terms of the costs applied in some countries.

Two other significant changes concerned the expansion of preventive measures and the reimbursement of certain alternative medicines. The creation of a new code “Alternative medicines” enables coverage of new treatments such as Ayurvedic medicine and traditional Chinese medicine and simplifies the administration of some treatments that were previously covered under functional rehabilitation treatment, such as acupuncture, mesotherapy, chiropractic and osteopathy, for which it was sometimes difficult to obtain a medical prescription and to define the therapists qualified to perform these treatments.

With regard to prevention, the number of vaccines reimbursed at a rate of 100% has been expanded to include all of the main vaccines (around 20 in total). Furthermore, additional preventive procedures and screenings are reimbursed at a rate of 100% (dental scaling, screening for HIV and hepatitis B and C, and prenatal screening).

The revised rules for the reimbursement of psychiatric treatments and psychotherapy propose a number of sessions in one calendar year, instead of three calendar years. This is intended to improve coverage while also facilitating the administration of claims for reimbursement.

Concerning medically assisted reproduction, an approved lifetime expense of US\$30 000 for each protected person has been established.

The details of these amendments can be found at: https://www.ilo.org/dyn/shif/website.file_open?p_reference_id=215.

► General meeting of 13 December 2018

Two years after the last one, another general meeting was held on 13 December 2018. The meeting provided an opportunity to present the amendments that had entered into force on 1 July 2018, to review the situation of the secretariat, the investments in information technology and the financial situation, and to discuss projects (including SHIF Online). Above all, the meeting provided an opportunity to answer the numerous questions of the insured persons who were either present in the room or following the meeting on the live webcast.

The Powerpoint presentation (in French only) and the video (in three languages) are available on our website at www.ilo.org/shif.



► The Executive Secretary visits insured persons in the field

This is a commitment that the Executive Secretary had made to improve communication with insured persons and to better understand local issues. After an initial visit in December 2017 to Argentina and Chile, the Executive Secretary visited South Africa in April 2018. During each visit, he held an information meeting and answered questions from insured persons (both active staff and retirees). The issues are often the same, such as the recognition of the SHIF by healthcare providers. Meetings were also held with healthcare providers enabling price and payment agreements to be signed in each of these countries. Further visits to the field will take place in 2019.

► Agreements and access to healthcare

The list of agreements with health care providers can be found at:

https://www.ilo.org/dyn/shif/website.file_open?p_reference_id=177

► Information concerning advances on benefits

https://www.ilo.org/dyn/shif/website.file_open?p_reference_id=176

► SHIF membership card



STAFF HEALTH INSURANCE FUND
CAISSE D'ASSURANCE POUR LA PROTECTION DE LA SANTÉ DU PERSONNEL
CAJA DEL SEGURO DE SALUD DEL PERSONAL

Last name / Nom / Apellido:

First name / Prénom / Nombre:

Member / Membre / Miembro:

Date of Birth / Né(e) le / Fecha de nacimiento:

Sex / Sexe / Sexo:

Valid until / Valable jusqu'à / Válido hasta:

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/ Oficina Internacional del Trabajo
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This card is the property of the ILO Staff Health Insurance Fund.
Cette carte est la propriété de la Caisse d'Assurance pour la protection de la Santé du Personnel du BIT.
Esta tarjeta es propiedad de la Caja del Seguro de Salud del Personal de la CIT

We remind you that, since 2016, the SHIF has had a contract with an internationally renowned assistance company to facilitate admission to hospitals in case of emergency treatment.

There is an emergency telephone number for use only outside the working hours of the SHIF, if:

- your situation is an emergency, in other words, you or one of your insured family members must be admitted to a hospital for immediate care; or
- a SHIF letter of guarantee has been refused for admittance to a hospital or clinic.

The emergency number is: +41 22 819 44 14

(They will ask for your telephone number and will call you back immediately)

When you call the emergency number (in English, French or Spanish), they will verify that:

- you, or your insured family member, are covered by the SHIF; and
- your situation is an emergency or the SHIF letter of guarantee has been refused for admittance to the hospital or clinic. If the situation is not considered an emergency, your case will be relayed to the SHIF for further follow up

During working hours in Geneva, you should continue to contact the SHIF directly either by telephone

- you may find all our phone numbers on our website – www.ilo.org/shif,
- or by email : SHIF@ilo.org

Important

For a planned hospitalization, please contact SHIF as soon as the name of the hospital and the dates of hospitalization are known to allow SHIF to send a letter of guarantee to the hospital prior to your admission date.

A large number of yellow umbrellas are open, creating a dense canopy against a bright blue sky filled with soft, white clouds. The perspective is from below, looking up at the tips of the umbrellas and their canopies.

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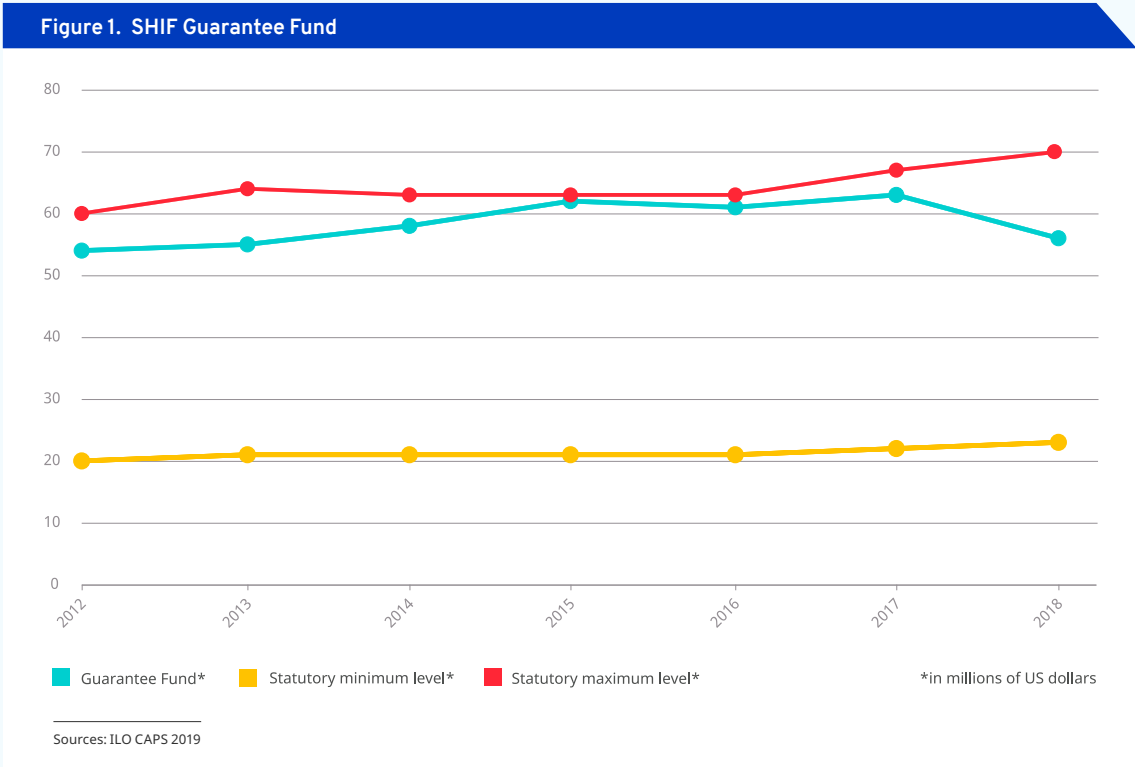
©Unsplash – Catrin Johnson

► Financial situation and Guarantee Fund

The assets and liabilities statement and income and expenditure statement are contained in Appendices I and II.

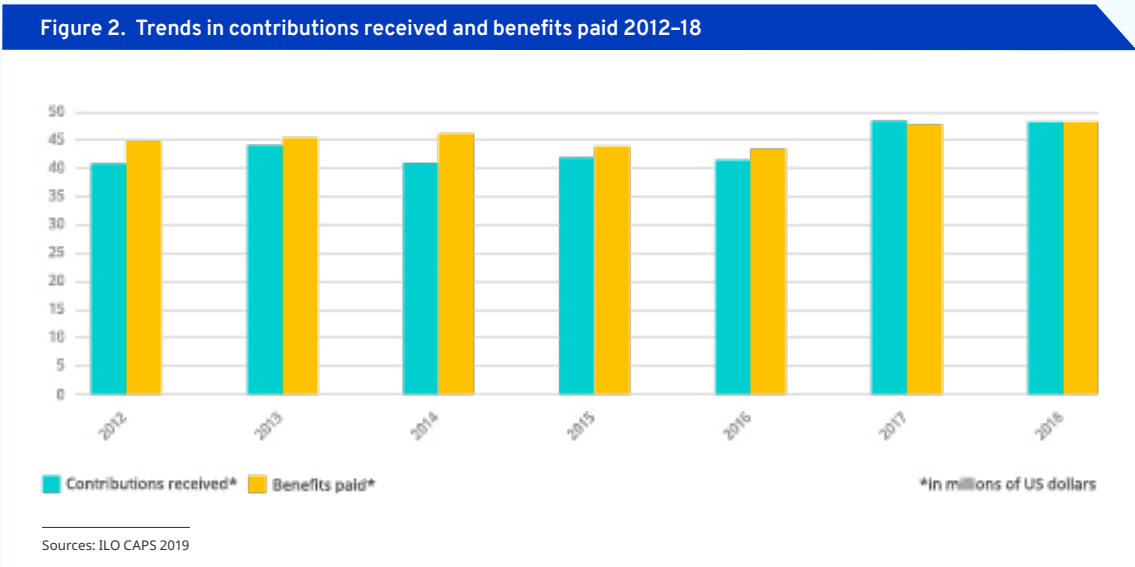
In accordance with article 3.8 of the Regulations, the level of the Guarantee Fund must be set at between one sixth (= six months) and one half (= 18 months) of the Fund's expenditure over the previous three financial years.

At 31 December 2018, the balance of the Guarantee Fund amounted to just over US\$56 million. The decrease is due largely to the transfer of US\$ 7.5 million to the International Telecommunication Union (ITU) in accordance with the arbitration award.



► Trends in expenditure and contributions

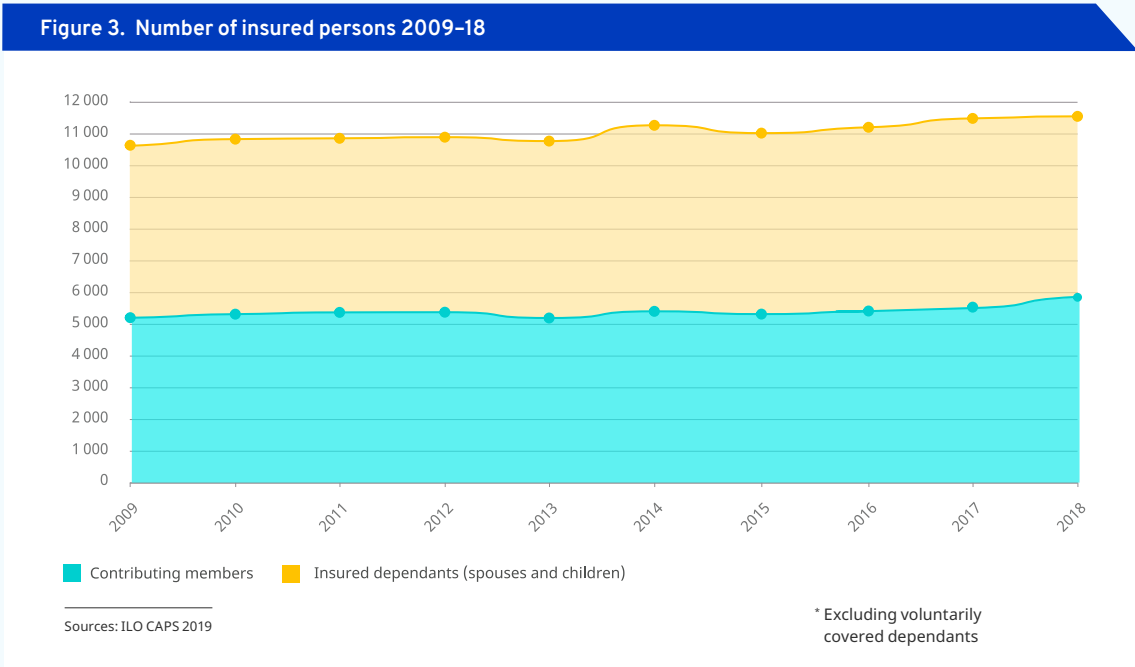
The total benefits paid amounted to US\$48.1 million, a decrease of 0.4 % compared to 2017. At the same time, total contributions increased by 1 %, amounting to US\$48.2 million. *Figure 2* shows the trends in the total benefits paid since 2012 and in the total contributions received.



► Trends in membership

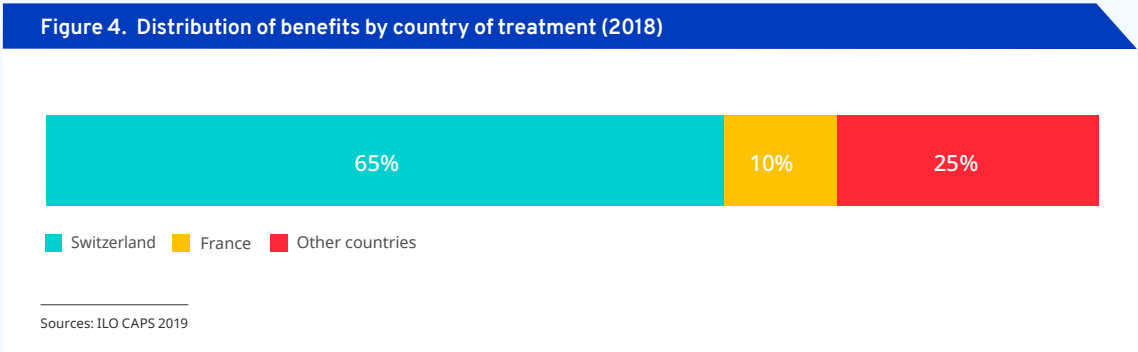
A total of 11 857 persons are insured under the SHIF, in 138 countries. Of these, 50 % are in Europe (including 33 % in Switzerland and 7 % in France), 24 % are in Asia, 16 % are in Africa and 9 % are in the Americas. Other than Switzerland and France, the main countries are Italy (5 % of insured persons), Thailand and Bangladesh (3 %), and Viet Nam, Peru and India (2 %).

Figure 3 shows the trends over recent years. Of the insured persons, a total of 462 (parents, spouses and children) were voluntarily covered at 31 December 2018.



► Benefits statistics

As shown in *figure 4* below, benefits paid to reimburse costs incurred in Switzerland continue to represent around two thirds of the total, followed by France with 10%.



In 2018, the benefits paid per contributing member increased to US\$8,256, down 7% from 2017. The benefits paid per insured person (all insured persons) increased in 2018 to US\$4,068, down 4% from 2017.

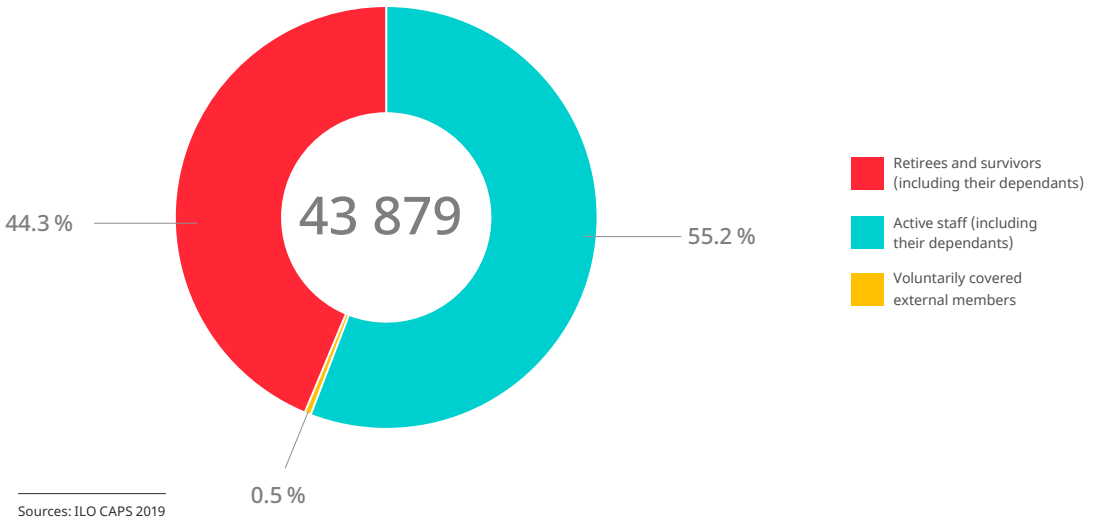
In the year under review, medical care provided in hospitals constituted the single largest item of expenditure, accounting for 41.1% of the total for 2018. Nursing care (primarily long-term) continued to increase, accounting for 13.3% of the total, followed by doctors' services and medication (9.9% and 7.6% of the total, respectively), which dental treatment represented 6.6% of the total.

> *Benefit expenditure is presented in detail in Appendix III.*

► Claims for reimbursement

The Fund's claims adjusters processed 43 879 claims for reimbursement (the ILO and Turin Centre combined) in 2018, compared with 43 223 in 2017, an increase of 1.5%. In contrast, 152 845 invoices were examined in 2018 compared with 151 295 in 2017, an increase of 1%. The average number of invoices per claim remained stable at 3.5. On average, each person insured under the SHIF submitted 3.7 claims in 2018.

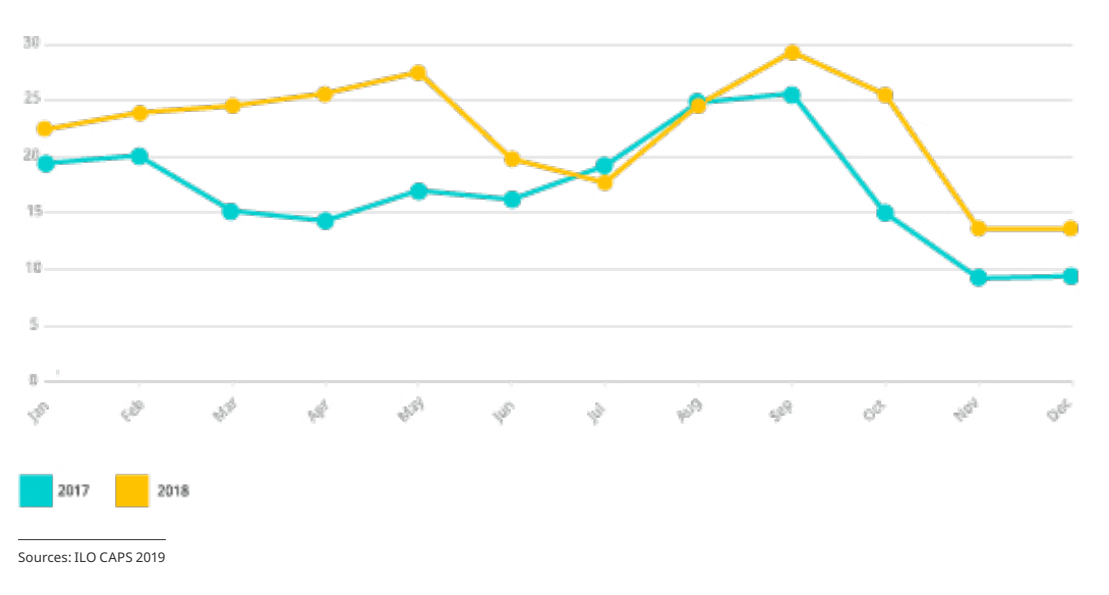
Figure 5. Number of claims by category of member in 2018



► Reimbursement times

The monthly trends in reimbursement times (calculated as the number of days between the SHIF receiving a claim and processing it) over the previous two years are shown in *figure 6*.

Figure 6. Trends in average claim processing times 2017-18 (in days)



► External audit

The Auditor General of the Philippines carried out an audit of the accounts for the 2018 financial year as part of the overall audit of the ILO financial statements. The objective of the audit was “to verify that the contributions were accurate and complete, that the claims paid were accurate and valid, that the estimate relating to the claims incurred but not received was properly estimated and that the SHIF Guarantee Fund was in compliance with the respective authority”. Pursuant to article 4.14 of the SHIF Regulations, a report of the External Auditor’s findings was presented to the SHIF Management Committee.

► Réunions du Comité de gestion

The Management Committee met **7 times** in 2018. It monitored the functioning of the secretariat and the Fund’s financial situation.

► Réunions du Sous-comité permanent

The Standing Subcommittee met **twice** in 2018 and examined **six special cases**.

► Cas de fraude

A total of **14 cases** of suspected fraud were submitted to the internal auditors in 2018.



► A committed, motivated and optimistic team for a sound and united Fund that is supported by its members.



► Appendix

► Appendix I. Assets and liabilities statement as at 31 December 2018 (in US dollars)

► ILO Staff Health Insurance Fund			
Assets and liabilities statement as at 31 Decembre		2018	2017
Assets			
Cash	Term deposits	-	-
Debtors	Advances and other accounts receivable	1 387 135	1 364 807
	Other debtors	(88 657)	2 288 252
Investments	Held with Aberdeen Asset Management	68 772 240	75 608 901
	Derivative assets	(85 302)	112 767
Other	Accrued investment income	300 583	375 707
Total		70 285 999	79 750 434
Liabilities			
Creditors	Prepaid contributions	689 114	656 376
	Other creditors	323 569	1 926 801
Accrued liability for unsettled claims		13 000 000	13 000 000
Total		14 012 683	15 583 177
Excess of assets over liabilities		56 273 316	64 167 257

SHIF Guarantee Fund		
Balance brought forward from the previous year	64 167 257	61 363 791
SHIF Guarantee Fund transfer to the ITU	(7 516 741)	-
Total surplus/(deficit) for the year	(377 200)	2 803 466
Reserve and Fund balance at 31 December	56 273 316	64 167 257

► Appendix II. Income and expenditure statement for the year ended 31 December 2018 (in US dollars)

► ILO Staff Health Insurance Fund			
Income and expenditure statement		2018	2017
Operating transactions			
Contributions received	Active staff	12 231 934	12 321 712
	Active staff – Organization	12 123 552	12 176 479
	Retirees/survivors	7 319 568	7 149 256
	Retirees/survivors – Organization	14 639 135	14 298 512
	Voluntarily covered dependants	1 904 697	1 801 686
Total contributions		48 218 886	47 747 645
Benefits paid	Active staff	12 033 570	12 645 265
	Retirees/survivors	34 693 243	34 237 442
	Voluntarily covered dependants	1 508 328	1 532 348
	Less: Recoveries from third parties	(102 889)	(1 153)
Total benefits		48 132 252	48 413 902
Net surplus/(deficit) in contributions income over benefits paid		86 634	(666 257)
Increase/(decrease) in accrued liability for unsettled claims		-	(1 000 000)
Exchange gains/(losses)		(83 420)	(55 113)
Sundry expenses		(38 389)	(2 025)
Net operating surplus/(deficit)		35 175	276 605
Investment transactions			
Interest and other income received		1 451 437	1 086 681
Capital gains/(losses) on investment sold		(398 707)	(25 478)
Unrealized gains/(losses) on investment		(44 520)	(70 266)
Subtotal		1 008 210	990 937
Gains/(losses) on currency trading	On purchase and sales	994 166	(2 694 235)
Subtotal		994 166	(2 694 235)
Total investment income		2 002 376	(1 703 298)
Expenditure:	Investment management fees	210 824	211 815
Total investment expenditure		210 824	211 815
Net income/(loss) on investments		1 791 552	(1 915 113)
Net surplus/(deficit)		1 756 377	(1 638 508)
Revaluation gain/(loss) on assets and liabilities		(2 133 577)	4 441 974
Net result for the year		(377 200)	2 803 466

► **Apendix III. Benefits statistics 2009–2018**
(including supplementary benefits) (in US dollars)

► ILO Staff Health Insurance Fund												
Type of benefit	Code	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018	
Doctor's services	1,1	3 866 154	4 022 421	4 929 676	4 661 113	4 767 205	4 480 795	4 473 707	5 047 668	4 961 590	4 786 785	
X-rays, laboratory services and other tests	1,3,1,4	1 796 587	1 845 461	2 217 817	2 243 144	2 311 305	2 256 910	2 491 297	2 639 582	2 769 462	2 687 665	
Functional rehabilitation	1,5	955 114	1 004 129	1 151 743	1 143 581	1 189 967	1 125 600	1 148 132	1 245 805	1 310 896	1 323 009	
Psychoanalysis and psychotherapy	1,7	533 825	552 604	714 299	649 615	764 895	776 136	629 457	672 856	686 244	672 542	
Common ward at fixed fee	2,1	1 536 486	1 524 772	1 789 980	1 126 496	2 070 039	1 392 228	1 903 895	1 580 402	1 321 581	1 027 319	
Hospital/clinic accommodation	2,2	1 688 508	1 779 027	1 916 222	1 625 248	1 671 556	1 631 168	1 763 703	1 659 150	1 844 624	1 696 037	
Medical care	1,2,2,7	12 528 233	14 123 431	15 684 133	15 407 576	16 172 561	16 668 735	16 591 880	16 601 614	20 852 760	19 858 463	
Post-operative convalescence	2,3	161 263	182 948	164 941	154 050	252 751	289 704	322 107	323 550	518 182	481 489	
Other convalescences or thermal cures	2,4	19 521	10 756	16 878	12 643	9 626	10 917	10 431	2 677	0	0	
Nursing care	1,6,2,5,2,6	2 642 010	3 106 882	3 880 716	4 014 423	4 069 525	3 911 344	4 012 431	4 258 877	5 578 666	6 440 397	
Prescribed medicines	3	4 090 785	4 004 818	4 526 981	4 563 828	4 514 490	4 104 577	3 779 592	3 747 067	3 750 552	3 677 686	
Dental care	4	2 855 383	3 120 687	3 671 556	3 396 172	3 519 793	3 314 703	3 081 314	3 447 306	3 056 141	3 161 601	
Optical appliances: lenses and frames	5,1	811 086	834 814	989 795	937 357	1 002 492	862 132	908 863	938 724	920 562	949 300	
Hearing aids	5,2	160 787	198 105	217 430	266 158	233 590	219 673	244 491	283 098	296 193	305 737	
Other appliances	5,5,3,5,4,5,5	198 740	224 478	297 681	324 026	300 222	279 289	323 131	310 452	336 353	383 726	
Medical transport	6,1,6,2,6,3	154 245	155 696	195 381	242 131	228 888	207 188	188 039	216 141	303 499	234 443	
Funeral costs	7	32 014	30 853	34 153	41 651	27 904	27 148	28 772	38 061	26 192	40 759	
Preventive examinations	8,1	0	0	0	0	0	0	0	208 822	326 838	399 048	
Vaccines	8,2	0	0	0	0	0	0	0	0	0	16 779	
Contraception	8,3	0	0	0	0	0	0	0	0	0	2 300	
Alternative medicines	9	0	0	0	0	0	0	0	0	0	79 046	
Fertility treatments	10	0	0	0	0	0	0	0	0	0	43 391	
TOTAL		34 030 740	36 721 882	42 399 382	40 809 212	43 106 811	41 558 246	41 901 239	43 221 854	48 860 336	48 267 522	





SHIF

ILO Staff Health Insurance Fund

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