

ILO/ITU STAFF HEALTH INSURANCE FUND

Record of Decisions
of the 224th Meeting of the Management Committee

Friday, 3 October 2014

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

Present:

Representing the insured persons of the ILO:

Mr. Sylvain Delaprison
Ms. Mireille Ecuivillon
Ms. Cherry Thompson-Senior
Mr. Gérald Weder
Mr. Jean-François Santarelli

Representing the Director-General:

Mr. Sietse Buijze
Mr. Tilmann Geckeler
Mr. Fikri Gurzumar
Mr. Jean-Claude Villemonteix

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. Giuseppe Zefola – Ms. Anne Drouin

Representing the insured persons of the ILO: Ms. Chantal Amine

The meeting opens at 9.40 a.m.

Item 1: Approval of meeting agenda
(SHIF/MC/14/224/AG)

Management Committee (MC) refers to document ref. SHIF/MC/14/224/AG and **decides to approve meeting agenda**. MC also requests an update regarding progress in the discussion with the ITU in relation to the apportionment of the Guarantee Fund balance and an update of the situation in the SHIF secretariat and more specifically regarding the delays in reimbursement of claims. MC asks that item 6.1 (Financial situation as at 31.08.2014) and 6.2 (Technical results for the period 01.01.2014 – 31.08.2014) be presented before item 5.

Item 2: Approval of the Record of Decisions of the 223rd meeting of the Management Committee
(SHIF/MC/2014/RD.223)

MC refers to document ref. SHIF/MC/14/RD.221 and **decides to approve the Record of Decisions of the 223rd meeting of the Management Committee with the following change in item 6:** "... or pension, it being understood that it could be accompanied with a possible adjustment of certain benefits which may make the proposed increase more acceptable to the SHIF insured persons."

MC also comes back to the decision of item 5 of the 222nd of the MC meeting and asks that the Fund's Regulations be updated in relation to that decision.

Item 3: Update on the SHIF Guarantee Fund investment policy
(SHIF/MC/2014/224/3)

Mr. Hsien Tan, Chief Treasury Operations, presents to MC the updated SHIF guarantee Fund investment policy. The new policy is recommended by the ILO investment committee composed of 3 independent members appointed by the Governing Body of the ILO. The amendments are made to protect the Fund with regards to the marked developments in the Bonds portfolio and mainly consist of an adjustment of credit rating which will inter alia allow investment in Bonds other than Governmental Bonds. **MC takes note of the new policy** which aims at improving the returns without taking more risks.

Item 4: Delegation of authority to authorize reimbursement of late bills to the Executive Secretary. (article 2.10 (§2) of the Fund's Administrative Rules)

MC decides to delegate its authority to the Executive Secretary (ES) to authorize reimbursement of late bills as stated in article 2.10 (§2) of the Fund's Administrative Rules but to use this delegation in a restrictive manner in conformity with past practice of the Standing Sub-committee in that matter and requests the ES to report annually on the use of the delegation.

Item 5: Continued discussion on possible benefit adjustments

MC discusses the background of the item and recalls the previous discussion, including those that took place in former working groups. MC recalls the results of the last actuarial valuation, the need to adjust some benefits that have not been adjusted for many years. **MC decides to create a working group that will make a recommendation for adoption at the next meeting of the MC on 18 November 2014.**

Item 6: Other business

6.1. Financial situation as at 31.08.2014 (SHIF/MC/2014/224/6.1)

And 6.2 Technical results for the period 01.01.2014 – 31.08.2014 (SHIF/MC/2014/224/6.2)

Mr. Gurzumar comments on the financial situation of the Fund as at 30/08/2014 as presented in document ref. SHIF/MC/2014/224/6-1 and on the Technical results for the period 01.01.2014 – 31.08.2014 as presented in document ref. SHIF/MC/2014/223/6.2 and updates the MC in the discussion with the ITU in relation to the apportionment of the Guarantee Fund balance, but no new information is available at this stage.

6.3 Date of meeting of the Standing Sub-Committee

The next meeting of the Standing Sub-Committee will take place on 3 December 2014.

6.4 Update on the SHIF elections

Ms. Michoud updates MC on the elections. The voting material will be sent between 6 and 17 October. There are 11 candidates. The vote ends on 5 December 2014.

6.5 Update of the situation in the SHIF secretariat and more specifically regarding the delays in reimbursement of claims.

Ms. Harris and ES inform MC that the reimbursement of claims has been delayed due to some long term unforeseen staff absences, that the issue is been addressed and that they are confident that the situation will improve shortly. MC is reminded that large claims continue to be settled with priority. MC is also reminded that the number of claims has increased by about 25 per cent over the last ten years.

The meeting ends at 12.40 p.m.
