

STAFF HEALTH INSURANCE FUND
Record of Decisions
of the 275th meeting of the Management Committee

Monday, 24th April 2023

at 3:00 p.m., Room VI (R3 South)

Present:

Representing the insured persons of the ILO:

Ms. Mireille Ecuivillon (Titular member)
Mr. Pierre Sayour (Titular member)
Ms. Catherine Comte-Tiberghien (Titular member)
Ms. Azza Taalab (Substitute member)
Ms. Lisa Morgan (Substitute member)

Representing the Director-General:

Mr. Fikri Gurzumar (Titular member)
Mr. Tilmann Geckeler (Titular member)
Mr. Luca Bormioli (Titular 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 insured persons of the ILO:
Ms. Elisabeth Fombuena

Representing the Director-General:

Mr. Sietse Buijze
Mr. Giuseppe Zefola

The meeting opens at 3.05 p.m and is chaired by Mr. Fikri Gurzumar (Vice-Chair).

Item 1: Approval of meeting agenda
SHIF/MC/23/275/AG

MC refers to document ref. SHIF/MC/22/275/AG and approves the agenda with the addition of one point. It is proposed and agreed to discuss the report of the 2022 Actuarial Review under Item 6 of the agenda (“Any other business”).

Item 2: Approval of the Record of Decisions of the 274th meeting of the Management Committee
(SHIF/MC/23/RD.274)

MC refers to document ref. SHIF/MC/23/RD.274.

At the request of one representative of the participants sitting on the Committee, it is decided that, as regards item 3 (“Amendments to the SHIF Regulations”), the following be added to reflect a decision adopted by the MC at the meeting:

MC discusses the definition of the dependency status of spouses as defined in the Staff Regulations. MC agrees that it would be very difficult to change the current rules and collect contributions from another source than the salary of the ILO staff or the pension of the ILO retiree. MC decides not to pursue the matter.

With this change, MC approves the Record of Decisions.

Item 3: Update on the SHIF WorkPlan for 2023

This agenda item is not discussed for lack of time.

Item 4: Internal Audit of the Staff Health Insurance Fund

Following the discussions held during the 273rd meeting of the SHIF MC and the letter sent to the ILO IAO on its behalf by the Chair of the SHIF MC, Mr. Anthony Watson, Chief of the Office of Internal Audit and Oversight (IAO), was invited to join the 275th meeting of the SHIF MC to discuss the most recent internal audit of the Fund.

The Chair welcomes and introduces Mr. Watson to the MC and explains to him the reasons why the SHIF MC has asked to meet him.

Mr. Watson explains to the MC the roles and responsibilities of the IAO, namely that it conducts internal audits and investigations and works on a risk-based approach, pointing out that it is an independent function reporting to the DG. Under its umbrella the IAO deals with issues such as governance, risk management processes and internal controls and is scrutinized by the Audit Committee. He explains that audit recommendations are suggestions, not instructions and that it is the Management’s responsibility to decide if and how to implement them. What is important for the IAO is that the substantive findings and risks identified in the audit are addressed in one way or another.

Some discussions take place on the audit procedure in the light of article 4.14 (Auditor) of the SHIF Regulations. As the article is not very detailed, it is agreed that for any future SHIF Audit, the Audit scope as well as any findings related to the SHIF MC should be shared with the MC (through the ES or through the Chair of the MC) in due time for the MC to be given sufficient time to provide comments, if any. The final report shall then be submitted to the Management Committee with copy to the Director-General.

Mr. Watson thanks the MC for having invited him to the meeting and invites the Committee to consult with the IAO as often as needed. In turn the Committee thanks Mr. Watson for his availability to interact with the MC.

Item 5: Amendments to the SHIF Regulations

SHIF/MC/23/275/5

As agreed at the 274th MC meeting, ES provides some additional data as regards the proposed 5% increase in contributions as of 01.01.2024 and the adjustment to the SHIF Schedule of Benefits and Administrative Rules, as far as Code 2.5 (“Stay in a nursing home”), Code 2.6 (“Long-term nursing services at home”) and Article 2.5.3 (“Supplementary benefits”) are concerned.

ES explains that SHIF reimbursement of medical expenses incurred under Code 2.5 and 2.6 have significantly increased over the years. The decision implemented in 2017 to increase the maximum approved expense per day from USD 120 to USD 150 for stays in a nursing home (code 2.5) and the scope of expenditure eligible for reimbursement for long-term nursing services at home (code 2.6) explains only some of the increase. He notes that the SHIF is by far the most generous health insurance fund amongst the UN Organizations as regards coverage of expenses for a stay in a nursing home. ES further explains that these are the reasons why in the proposals submitted to the MC, excluding Code 2.5 (“Stay in a nursing home”) and Code 2.6 (“Long-term nursing services at home”) from supplementary benefits was considered.

ES adds that lowering the threshold to access supplementary benefits as provided for in Article 2.5.3 (“Supplementary benefits”) of the Fund’s Administrative Rules (from 25% of the relevant annual income to 20%) would benefit to about 120 new families every year in addition to the 600 families who currently receive supplementary benefits every year. The change would also benefit to those 600 families as they would receive them even more quickly.

MC holds a discussion and finally concludes that more time is required to review the information provided by the ES with a view to taking a fully informed decision. It asks the SHIF Secretariat to take into account the points raised by the various MC members during the discussion, notably to develop some alternative options accordingly, and make further proposals at the next meeting of the SHIF MC, including the possibility to introduce grandfathering provisions to maintain the existing level of benefits for insured members who are currently receiving benefits under code 2.5 and 2.6 with a view to avoid sudden and unexpected drop in coverage level for the most vulnerable insured members.

MC confirms that the direction regarding the changes to the Regulations stands as agreed at its previous meeting. However, it notes that the final decision will be implemented through the approval of a comprehensive set of amendments to be specified in a SHIF circular, which will consist in a package including both the increase in the contributions and the changes in benefits.

Item 6: Any other Business

Item 6.1 report of the 2022 Actuarial analysis

MC decides to publish on the SHIF website “what’s new” section the report of the 2022 Actuarial Review.

The meeting ends at 5:35 p.m.
