

ILO STAFF HEALTH INSURANCE FUND

Record of Decisions
of the 263rd meeting of the Management Committee

Wednesday, 28th April 2021

at 2.30 p.m., Virtual meeting

Present:

Representing the insured persons:

Mr. Pierre Sayour (Titular member)
Ms. Elisabeth Fombuena (Substitute member)
Ms. Lisa Morgan (Substitute member)
Ms. Azza Taalab (Substitute member)

Representing the Director-General:

Mr. Luca Bormioli (Titular member)
Mr. Tilmann Geckeler (Titular member)
Mr. Fikri Gurzumar (Titular member)
Mr. Sietse Buijze (Substitute 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 insured persons:
Ms. Catherine Comte-Tiberghien
Ms. Mireille Ecuillon

Representing the Director-General:

The meeting opens at 2.30 p.m.

Item 1: Approval of meeting agenda
SHIF/MC/21/263/AG

MC refers to document ref. SHIF/MC/20/262/AG and approves the agenda with the following modifications:

Agenda item 6 is postponed to the next MC meeting because the related document is not yet ready.

Item 2: Approval of the Record of Decisions of the 262nd meeting of the Management Committee
(SHIF/MC/20/RD.262)

MC refers to document ref. SHIF/MC/20/RD.262 and approves the Record of Decisions.

Item 3: Update of the SHIF Workplan for 2021

ES gives an update on the SHIF Workplan for 2021. It is still early in the year but most outputs are progressing well. The productivity of the Secretariat during the first quarter of 2021 has never been so high in terms of number of claims reimbursed and benefits paid, as outlined in the outlook report distributed to MC members.

Item 4: Update from the Working Group on Governance

A representative of the administration provides an update on the activities undertaken by the Governance WG. He explains that the WG is considering a range of amendments to the SHIF Regulations and Administrative rules based on the terms of reference initially agreed upon when the WG was established (at the 233rd Meeting of the MC) as well as some more recent developments.

The WG is considering changes to the following areas:

Forfeiture and suspension of benefits (ref. SHIF Regulations, Art. 2.11)

Decisions of the Management Committee (ref. SHIF Regulations, Art. 4.6)

General Meeting (ref. SHIF Regulations, Art. 4.16)

Amendments (ref. SHIF Regulations, Art. 4.17)

Arbitration Board (ref. SHIF Regulations, Art. 4.18).

Disputes (ref. SHIF Regulations, Art. 5.3)

The WG intends to submit a comprehensive proposal to the MC for consideration and approval in the course of the first semester 2021 with a view to endorsing a package of amendments to be implemented by the Secretariat as from 2022.

Item 5: Update from the Working Group on the Financial Sustainability

ES gives an update. The WG met 3 times since the last meeting of the MC. ES explains that the WG has reviewed in detail the draft financial statements for 2020. The WG has concluded that the 2018 actuarial analysis was out of date, to some extent because of the impact of COVID-19, and that a new analysis should be done before any final recommendation be made. However, the WG did not consider that the new analysis should be done as of 31 December 2020, but rather as of 31 December 2021. The reasons are that this is the date when, according to the SHIF regulations, a new analysis is due and that the cost of such an analysis is important. The WG was also of the opinion that an analysis as of 31 December 2020 would not fully capture the impact of COVID-19 (either positive or negative) on the SHIF financial situation.

The WG has received and reviewed a number of statistics and analyses on benefits and has asked for more. The WG has also started to review some of the issues that it has agreed should be analysed, such as the contribution for SHIF voluntarily insured persons, the threshold for supplementary benefits, the provision for stay in long-term care institutions, etc.

The WG agreed that focus should not only be on increasing contributions or reducing benefits, but also on analysing measures that could provide savings without changing the benefits, such as more prevention, expanding the scope for alternative medicines, claim and case management, analysis of top condition, etc...

The WG also agreed it should discuss a new “funding” policy for the SHIF and may ask support from an external consultant for that.

Item 6: SHIF financial situation as of 31.12.2020 and technical results for the period 01.01.2020-31.12.2020 and SHIF financial situation as of 31.03.2021 and technical results for the period 01.01.2021-31.03.2021

A representative of the administration presents the SHIF financial situation as of 31.12.2020 and the technical results for the period 01.01.2020-31.12.2020, and the SHIF financial situation as of 31.03.2021 and the technical results for the period 01.01.2021-31.03.2021.

The SHIF Guarantee Fund has reached a record value of USD 71,198,910 as of 31 December 2020 due to a surplus of USD 9.4 million. The surplus was due to a strong technical surplus as well as to a very positive investment performance. He explains that after a positive impact of slightly more than USD 3 million, gains/(losses) on currency trading have had a negative impact of USD 3 million during the first quarter of 2021 due to the fluctuation of the USD/CHF exchange rate. The net result for the first quarter of 2021 is a deficit of nearly USD 6 million.

He provides details of the increase in the provision for accrued liability for unsettled claims as well as for the increase in the provision for outstanding advances. ES provides further details on those provisions. ES also explains that the technical deficit of the first quarter of 2021 should not be extrapolated as the first quarter is always the highest quarter in terms of benefit expenditure.

The meeting ends at 4.05 p.m.
