

STAFF HEALTH INSURANCE FUND

Record of Decisions
of the 269th meeting of the Management Committee

Monday 25 April 2022

at 9:30 a.m., Virtual meeting

Present:

Representing the insured persons of the ILO:

Ms. Catherine Comte-Tiberghien (Titular member)
Ms. Mireille Ecuivillon (Titular member)
Mr. Pierre Sayour (Titular 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)

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 of the ILO:
Mr. Giuseppe Zefola

The meeting opens at 9.35 a.m.

Item 1: Approval of meeting agenda
SHIF/MC/22/268/AG

MC refers to document ref. SHIF/MC/22/269/AG and approves the agenda.

Item 2: Approval of the Record of Decisions of the 268th meeting of the Management Committee
(SHIF/MC/21/RD.268)

MC refers to document ref. SHIF/MC/21/RD.268 and approves the Record of Decisions.

Item 3: Update on the SHIF WorkPlan for 2022
(SHIF/MC/22/268/4)

ES updates the MC on the SHIF WorkPlan for 2022. The implementation of the telemedicine service is delayed as a formal Request for Proposals (RFP) must be organized. It is expected the RFP will take 3 to 4 months and that every effort will be made to start the new service before the end of the year.

SHIF amendments on governance provisions were notified to the insured in February and since no objections were made, these will enter into force on 1st of May, as foreseen.

SHIF Secretariat remains extremely busy, and the backlog of claims continues to remain high. Overtime is not sufficient to cope with the volume of claims received. Remaining positive, the Secretariat believes that the situation will improve as the first quarter of the year is always the busiest and that Turn Over Time will be reduced to normal levels in the coming weeks. Two new staff have recently joined the SHIF and are already operational.

The new self-service tool for attestations on SHIF Online is available to all SHIF insured since mid-March.

The actuarial analysis of the SHIF will start in the coming weeks.

The Secretariat was not able to organise any meeting of the Working Group on the financial sustainability of the SHIF. While no conclusion of this Working Group will be achieved without the results of the actuarial analysis, it is decided that the Working Group should resume its work so that it can more easily conclude its work once the actuarial analysis is ready. There is also a need to coordinate with the ILO Programme and Budget (P&B) calendar should any important change be decided.

Item 4: Centenary of the SHIF
(SHIF/MC/22/268/5)

The informal steering group met twice since the last meeting of the MC. A specific SHIF branding for the occasion has been prepared by the PRODOC team and the centenary logo has already been used for the March SHIF Newsletter. The logo will also be used for some SHIF correspondence.

Ms. Dorotea Hoehtker, Senior Researcher in the ILO Research Department, has agreed to support the SHIF in this initiative. She has started to review the SHIF archives and will prepare the historical part of a publication that will be launched at the end of the year at the same time an extraordinary SHIF General Meeting of insured persons is planned.

The steering group will continue to work according to its project plan.

Item 5: Analysis of SHIF increase in expenditure in 2021
(SHIF/MC/22/269/5)

ES presents a note prepared by the SHIF Secretariat examining the increase in SHIF reimbursements for 2021 and tries to provide the SHIF Management Committee with some analysis of the reasons causing the increase. A number of reasons may explain the 2021 increase. Overall, there was a combination of increase in utilization of health care services and as well as an increase cost per unit (cost inflation). The increase of utilization can be explained by a larger number of SHIF insured as well as to some extent to the impact of the 2020 confinements (treatments were delayed and some conditions may have worsen

implying more care to be received). The increase of cost per unit may be explained by currency fluctuations, severity of cases, as well as some price increases. At the request of the MC, the SHIF Secretariat will further analyse the reasons for the increase in healthcare prices.

Item 6: SHIF Financial situation

Item 6.1: SHIF Financial situation as of 31.12.2021 and technical results for the period 01.01.2021-31.12.2021

A representative of the Administration presents the SHIF financial situation as of 31.12.2021 and the technical results for the period 01.01.2021-31.12.2021.

There is a deficit for the year of 3.9 million USD. As the expenditure has significantly increased in 2021, the SHIF experiences a technical deficit (contribution minus benefits) of USD 1.8 million.

It is noted that a draft financial situation for this period was already provided and discussed at the last meeting of the MC.

Item 6.2: SHIF Financial situation as of 31.03.2022 and technical results for the period 01.01.2022-31.03.2022

A representative of the Administration presents the SHIF financial situation as of 31.03.2022 and the technical results for the period 01.01.2022-31.03.2022.

In terms of SHIF investments, he comments that high inflation and lower growth expectations, Russia-Ukraine war and central bank's actions to increase the interest rates have impacts in portfolio's performance. Fixed-income investments have been negatively impacted due to increase in interest rates. The fluctuations in exchange rates have also an impact on the results of the investments reported in USD.

On a more positive note, there are positive technical results for the period of slightly more than USD 250'000; this is encouraging as the first three months of the year are normally the months with the highest expenditure. This is also because contributions received continue to be high.

The meeting ends at 11:20 a.m.
