

ILO STAFF HEALTH INSURANCE FUND(SHIF)

Notification of proposed amendments to the SHIF Regulations and Administrative Rules

Proposed amendments to the Regulations

Article 3.6 (Rates of contributions)

Proposed amendments to Appendix I: Schedule of Benefits

Code 1.1 (Doctors' services)

Code 1.7 (~~Psychiatry, p~~Psychoanalysis or psychotherapy)

Code 6.3 (Other transport for medical purposes)

Amendments to the Administrative Rules

Article 2.5.3 (Supplementary benefits)

Article 3.5 (Contributions in respect of voluntarily protected dependants)

Code 1.7 (~~Psychiatry, p~~Psychoanalysis or psychotherapy)

Code 4 (Dental care)

Code 5.1 (Optical appliances)

Code 5.2 (Hearing aids)

Code 9 (Alternative medicines)

Purpose of the circular

1. The purpose of this circular is to notify all persons insured under the ILO Staff Health Insurance Fund (SHIF) of proposed amendments to the SHIF Regulations under article 4.17 ("Amendments to the Regulations"), and to inform them of amendments to the Administrative Rules.

2. The SHIF Management Committee approved these proposed amendments at its 277th meeting on 19 May 2023. The proposed effective date of these amendments is 1 January 2024.

3. The proposed amendments are explained in detail below. All of the proposed amendments are appended to this circular, with the changes tracked.

Purpose of the amendments

4. The proposed amendments to the SHIF Regulations, Appendix I (Schedule of Benefits), and to the Administrative Rules, which fall within the authority of the Management Committee, are aimed at increasing the contribution rates of the SHIF to maintain the financial sustainability of the Fund and at adjusting certain benefits.

Background

5. The SHIF Management Committee monitors carefully the financial situation of the Fund. It reviews the financial statements quarterly as provided for in article 3.11 (Accounts and investments) of the SHIF Regulations. In addition, the SHIF Management Committee ensures that the SHIF actuarial reviews are regularly carried out as provided for in article 3.8 (Guarantee Fund and measures to ensure financial equilibrium) and article 3.10 (Actuarial review). According to those articles, an actuarial analysis should be carried out at least once every three years.

6. As noted in the [annual reports on the operations of the Fund](#), the SHIF financial situation is sound. Nevertheless, the insured population of the SHIF is ageing and expenditure is increasing. The 2019 and 2022 Actuarial reviews have recommended an increase in the SHIF rates of contribution to maintain the SHIF Guarantee Fund within its statutory limits (defined in article 3.8) for the next ten years. In 2020, following the 2019 review, the SHIF Management Committee decided to wait to better know what the financial impact of the COVID-19 pandemic would be. While there were some concerns that expenditure would increase because of the pandemic, the result was better than expected and the SHIF financial situation was not significantly impacted. [The 2022 actuarial review](#) estimated that, under the base scenario, an increase in the contributions of 5% would be required to maintain the SHIF Guarantee Fund above the mid-point between the statutory minimum and maximum for the next ten years.

7. The SHIF Management Committee decided to undertake an increase in the contribution rates in accordance with the actuarial review recommendations. At the same time, under its mandate to ensure that the coverage provided by the Fund continues to meet the need of all insured members, the Management Committee decided to propose certain amendments to the SHIF Schedule of benefits. These amendments aim at ensuring more inclusive coverage and equality for staff working part-time through a revised threshold to access supplementary benefits, adjusting some limits in benefits and eliminating the so-called "waiting period" for dental care, optical appliances and hearing aids. They also aim at improving the reimbursement rate for medical travel from 80% to 100%, with a specific focus on the needs and concerns expressed by insured members based outside Geneva, and at increasing the maximum annual approved expenditure for alternative medicines, optical appliance and simplifying and improving reimbursement for psychiatrist consultations.

Proposed Amendments to the Regulations

Increase in contribution rates

8. As recommended in the latest actuarial review, the Management Committee has decided to propose an increase of all contribution rates by 5%. The increase will take place in two phases, an increase of 2.5% as of 1st January 2024, followed by another increase of 2.5% as of 1st January 2025.
9. The new base rate will therefore be 3.64% in 2024 and 3.73% in 2025, as compared with today's rate of 3.55%. The corresponding rates for automatically covered spouse will be 1.10% in 2024 and 1.13% in 2025, as compared with 1.07% today. The corresponding rates for the first automatically covered child and for all other automatically covered children will be 0.37% in 2024 and 0.38% in 2025, as compared with 0.36% today.
10. In addition, as the SHIF is a small fund and expenditure are relatively volatile and subject to variations in exchange rates, the SHIF Management Committee has decided to bring forward the next actuarial review from 2025 to 2024.
11. A provision for an increase in the contributions paid by the Organization was included in the Programme and Budget for 2024-2025. The ILO's Governing Body approved that provision at its 347th bis Session. It should be recalled that the ILO Administration pays the same contribution for active staff and double this amount for retired officials.

Amendments to benefits

12. The Management Committee discussed in detail the proposed amendments at its 274th, 275th, 276th and 277th meetings and approved the following changes:
 - The threshold to access supplementary benefits (article 2.5) for staff working part-time will be based on the actual remuneration of the official and not on the remuneration that the official would receive if he/she were working full time.
 - Abolish the waiting period – which means that no benefit shall be payable in respect of acquisition or repair within one year of protection – for dental care (code 4), optical appliances (code 5.1) and hearings aids (code 5.2).
 - Move consultations with a psychiatrist from Code 1.7 (Psychiatry, psychoanalysis or psychotherapy) to Code 1.1 (Doctor's services).
 - Increase from USD 320.00 to USD 400.00 of the maximum approved expenses per protected person per calendar year for optical appliances (code 5.1).
 - The ordinary benefits will be set at 100% instead of 80% for other transport for medical purposes (Code 6.3).
 - Increase from US\$ 1,200.00 to USD US\$ 1,500.00 of the maximum approved expenses per protected person per calendar year for alternative medicines (code 9).

Procedure

13. In accordance with article 4.17, paragraph 2, of the SHIF Regulations:

Any proposed amendment approved by the Management Committee shall be notified to the insured persons. Upon the written request of 200 insured persons received by the Management Committee within three weeks after such notifications, the Management Committee shall submit the proposed amendment in writing to the insured persons for vote. If the majority of the votes cast are against the proposed amendment and at least one third of all insured persons have voted, the amendment shall not be proceeded with.

Florian Léger
Executive Secretary
Staff Health Insurance Fund

1st July 2023

Proposed Amendments to the SHIF Regulations and Administrative Rules

Regulations of the Staff Health Insurance Fund

Article 3.6

Rates of contributions

1. Subject to paragraph 2 of this article, the rates of contribution shall be as follows:

Category of protected persons	To be paid by the insured person	To be paid by the Organization	To be paid by the insured person	To be paid by the Organization	To be paid by the insured person	To be paid by the Organization
	Contribution rates as from 1 January 2017		Contribution rates as from 1 January 2024		Contribution rates as from 1 January 2025	
Compulsorily insured (Articles 1.2, 1.5 and 3.2)	3.55%	3.55%	3.64%	3.64%	3.73%	3.73%
Automatically covered spouse	1.07%	1.07%	1.10%	1.10%	1.13%	1.13%
First automatically covered child	0.36%	0.36%	0.37%	0.37%	0.38%	0.38%
All other automatically covered children	0.36%	0.36%	0.37%	0.37%	0.38%	0.38%
Officials on leave without salary ¹ (Articles 1.3(a) and 3.2)	7.10%	0.00%	7.28%	0.00%	7.46%	0.00%
Officials on leave with partial salary (Articles 1.3(a) and 3.2):						
(a) on remuneration paid	3.55%	3.55%	3.64%	3.64%	3.73%	3.73%
(b) on remuneration not paid ¹	7.10%	0.00%	7.28%	0.00%	7.46%	0.00%
Automatically covered spouse (on remuneration paid)	1.07%	1.07%	1.10%	1.10%	1.13%	1.13%
Automatically covered spouse (on remuneration not paid)	2.14%	0.00%	2.20%	0.00%	2.26%	0.00%
First automatically covered child (on remuneration paid)	0.36%	0.36%	0.37%	0.37%	0.38%	0.38%
First automatically covered child (on remuneration not paid)	0.72%	0.00%	0.74%	0.00%	0.76%	0.00%
All other automatically covered children (on remuneration paid)	0.36%	0.36%	0.37%	0.37%	0.38%	0.38%
All other automatically covered children (on remuneration not paid)	0.72%	0.00%	0.74%	0.00%	0.76%	0.00%
Officials on secondment (Articles 1.3(b) and 3.2)	7.10%	0.00%	7.28%	0.00%	7.46%	0.00%
Automatically covered spouse	2.14%	0.00%	2.20%	0.00%	2.26%	0.00%
First automatically covered child	0.72%	0.00%	0.74%	0.00%	0.76%	0.00%
All other automatically covered children	0.72%	0.00%	0.74%	0.00%	0.76%	0.00%

Category of protected persons	To be paid by the insured person	To be paid by the Organization	To be paid by the insured person	To be paid by the Organization	To be paid by the insured person	To be paid by the Organization
	Contribution rates as from 1 January 2017		Contribution rates as from 1 January 2024		Contribution rates as from 1 January 2025	
Officials whose contracts terminate (six months' coverage) (Articles 1.3(c) and 3.2)	7.10%	0.00%	7.28%	0.00%	7.46%	0.00%
Automatically covered spouse	2.14%	0.00%	2.20%	0.00%	2.26%	0.00%
First automatically covered child	0.72%	0.00%	0.74%	0.00%	0.76%	0.00%
All other automatically covered children	0.72%	0.00%	0.74%	0.00%	0.76%	0.00%
Former officials leaving service at age 55 or more, or for reasons of disability (Articles 1.3(d) and (e) and 3.3)	3.55%	7.10%	3.64%	7.28%	3.73%	7.46%
Automatically covered spouse	1.07%	2.14%	1.10%	2.20%	1.13%	2.26%
First automatically covered child	0.36%	0.72%	0.37%	0.74%	0.38%	0.76%
All other automatically covered children	0.36%	0.72%	0.37%	0.74%	0.38%	0.76%
Survivors of officials or former officials (Articles 1.3(f) and 3.4)	3.55%	7.10%	3.64%	7.28%	3.73%	7.46%
First automatically covered child	0.36%	0.72%	0.37%	0.74%	0.38%	0.76%
All other automatically covered children	0.36%	0.72%	0.37%	0.74%	0.38%	0.76%

¹ This provision may be varied by the decision of the ILO, in particular cases or categories of cases, to pay the Organization's contribution in respect of remuneration not paid.

2 The Management Committee may from time to time prescribe minima for contributions in respect of voluntarily insured persons.

3. As an exceptional measure, as from 1 July 1987, no contribution shall be payable, either by the insured person or by the organization, in respect of a former official or the survivor of an official or former official insured under article 1.3(d), (e) or (f), or in respect of the automatically covered dependants (insured under article 1.5) of a former official or of the survivor of an official or former official insured under article 1.3(d), (e) or (f), if the insured person's pension, as defined in article 3.3, paragraph 2, or the proportion of the last remuneration specified in article 3.3 or article 3.4 (as the case may be) does not exceed US\$4,500.00 per annum. This paragraph shall cease to apply as from 1 January 1989, except for persons who were subject to it on 31 December 1988.

Appendix I Schedule of benefits

Code	Items of expenditure	Benefits		Expenditure excluded from reimbursement (see also articles 2.1 and 2.4)	Qualifying conditions
		Ordinary (article 2.2)	Supplementary (article 2.5)		
1.	PROFESSIONAL CARE ¹				
1.1.	DOCTOR'S SERVICES ² CONSULTATIONS with a physician (general practitioner <u>or</u> specialist, <u>including a psychiatrist</u>), or in a hospital or clinic. VISITS to home or institutions by a physician. TREATMENTS given by a physician.	80%	Yes	Treatments for aesthetic purposes. Treatments specified in Code 1.7.	
	CONSULTATIONS with a dietician.				Subject to medical prescription and approval by the Medical Adviser. Treatments are reimbursed in case of obesity (body mass index greater than 30), anorexia or metabolic disorders, if prescribed by a physician and carried out in a recognized facility, where appropriate.
1.7.	PSYCHIATRY, PSYCHOANALYSIS OR PSYCHOTHERAPY Consultations with a psychiatrist, and s essions of psychoanalysis or psychotherapy given or prescribed by a physician.	80%	Yes		Subject to a maximum and other conditions as prescribed in the Administrative Rules.

Code	Items of expenditure	Benefits		Expenditure excluded from reimbursement (see also articles 2.1 and 2.4)	Qualifying conditions
		Ordinary (article 2.2)	Supplementary (article 2.5)		
6.	TRANSPORT COSTS				
6.3.	OTHER TRANSPORT FOR MEDICAL PURPOSES Travel for the purpose of obtaining medical care where adequate medical care cannot be obtained in the duty station or area of residence.	100% 80%	No Yes	(a)Transportation for the purpose of evacuation of the protected person for health reasons, where the cost of evacuation is covered by the organization employing the insured person or by the employer of the protected person. (b)Transportation within the duty station or area of residence, as defined in the Administrative Rules.	Subject to prior approval by the Medical Adviser and to the other conditions specified in the Administrative Rules.

¹ General: All prescriptions for care or medicines must be made prior to the date of the service or the purchase.

² According to article 2.1.3 of the Regulations, "Medical practitioner shall refer to physicians or dentists who are qualified and licensed to provide the various types of medical services referred to in the Schedule of Benefits in the country in which their professional services are used by a protected person".

Administrative Rules

Article 2.5.3

(Supplementary benefits)

1. The supplementary benefit threshold is set for each insured person at 25.0 per cent of relevant annual income, subject to the following:

- (a) “relevant income” means the income on the basis of which each insured person’s contributions are assessed, in accordance with the applicable provisions of articles 3.2, 3.3 or 3.4 of the Regulations. However, if an official works part time, the relevant income shall be assessed on the basis of the part time remuneration and not the income that official would receive if he/she were working full time. Relevant annual income is obtained by multiplying by 12 the full monthly relevant income;
- (b) the threshold is set once a year, on 1 January, for the entire calendar year on the basis of the insured person’s relevant income for the month of January;
- (c) when protection begins after 1 January, the threshold for the balance of the calendar year is based on the insured person’s relevant income for the month for which the first full monthly remuneration is received;
- (d) when the insured person retires in the course of the month of January, the threshold for the balance of the calendar year is based on the relevant income for the month for which the first full monthly pension is received.

2. The supplementary benefit rate is set at 20.0 per cent.

3. The Management Committee shall regularly review the level of the supplementary benefits threshold and rate, at least every two years, before the start of each financial period of the ILO.

Article 3.5

(Contributions in respect of voluntarily protected dependants)

► Rates of contributions (US\$)

Category	Monthly contribution as of 1 July 2018	Monthly contribution as of 1 January 2024	Monthly contribution as of 1 January 2025
Children under 30 years of age	3.55% of remuneration, subject to a maximum of 260.00	3.64% of remuneration, subject to a maximum of 260.00	3.73% of remuneration, subject to a maximum of 260.00
Spouses	650.00	650.00	650.00
Parents and parents-in-law	1 400.00	1 400.00	1 400.00

► Appendix I

(Schedule of Benefits)

Code 1.7

~~(Psychiatry, psychoanalysis or psychotherapy)~~

1. The maximum is set at 40 sessions or US\$4,000.00 of approved expenses (i.e. ordinary benefit US\$3,200.00), whichever comes first, per person per calendar year.

2. Subject to approval by the Medical Adviser, the maximum number of sessions or the maximum approved expenses may be increased to up to 20 additional sessions or an additional US\$2,000.00 of approved expenses per calendar year (i.e. a maximum ordinary benefit of US\$1,600.00).

Code 4

(Dental care)

~~1.— No benefit shall be payable in respect of treatment undertaken within one year of protection.~~

~~21.— Thereafter, t~~The maximum approved expenses are set at US\$1,500.00 per protected person per calendar year (i.e. ordinary benefit US\$1,200.00).

~~32.~~ The balance of approved expenses remaining at the end of any calendar year shall be carried over and added to the entitlement for the following year, subject to a maximum carry over from one year to the next of US\$4,500.00 (i.e. ordinary benefit US\$3,600.00).

~~43.~~ The following treatments or procedures shall not be considered as dental care, but as medical care for the purpose of benefit:

- (i) treatment of cranio-facial malformation;
- (ii) facial fissure surgery;
- (iii) orthognathic (jaw) surgery;
- (iv) bone grafts not associated with dental care;
- (v) treatment of temporomandibular joint dysfunction;
- (vi) treatment of congenital dental agenesis.

Code 5.1

(Optical appliances)

~~1.— No benefit shall be payable in respect of acquisition or repair within one year of protection.~~

~~21. Thereafter, t~~The maximum approved expenses are set at US\$~~400320~~.00 per protected person per calendar year (i.e. ordinary benefit US\$~~320256~~.00).

~~32.~~ Within the maximum specified in paragraph 2, benefit for frames shall not exceed US\$100.00.

~~43.~~ The balance of approved expenses remaining at the end of any calendar year shall be carried over and added to the entitlement for the following year, subject to a maximum carry over from one year to the next of US\$~~1,200960~~.00 (i.e. ordinary benefit US\$~~960768~~.00).

~~5.4.~~ The Management Committee may authorize payment of benefit beyond the maximum where, as a result of surgery, the condition of the eyes requires changes of lenses.

Code 5.2

(Hearing aids)

~~1. No benefit shall be payable in respect of acquisition or repair within one year of protection.~~

~~2.1~~ The approved expenses shall be limited to US\$3,750.00 (i.e. ordinary benefit US\$3,000.00) per ear in the period of three calendar years.

Code 9

(Alternative medicines)

1. The maximum approved expenses are set at US\$~~1,500~~~~1,200~~.00 per protected person per calendar year (i.e. a maximum ordinary benefit of US\$~~1,200~~~~960~~.00 per protected person per calendar year).

2. Only the treatments listed below are eligible for reimbursement:

- acupuncture;
- chiropractic;
- Ayurvedic medicine;
- traditional Chinese medicine;
- mesotherapy;
- osteopathy.

