

STAFF HEALTH INSURANCE FUND

Record of Decisions
of the 257th Meeting of the Management Committee

Monday 18/11/2019

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

Present:

Representing the insured persons of the ILO:

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

Representing the Director-General:

Mr. Tilmann Geckeler (Titular member)
Mr. Luca Bormioli (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:

Mr. Simon Brimblecombe
Ms. Elisabeth Fombuena

Representing the Director-General of the ILO:

Mr. Giuseppe Zefola
Ms. Anne Drouin

The meeting opens at 9.40 a.m.

Item 1: Approval of meeting agenda
SHIF/MC/19/257/AG

MC refers to document ref. SHIF/MC/19/257/AG and approves the agenda.

Item 2: Approval of the Record of Decisions of the 256th meeting of the Management Committee
(SHIF/MC/19/RD.256)

MC refers to document ref. SHIF/MC/19/RD.256 and approves the Record of Decisions.

Item 3: update on SHIF WorkPlan

ES updates MC on the WorkPlan. The performance issues with SHIF Online have recently been solved. Production is still very high and the backlog is low. An update on the other items of the WorkPlan will be given under the other agenda items to be discussed.

Item 4: Implication of ILOAT Judgement No. 4134 for the SHIF
Interpretation of SHIF regulations - art. 2.5 - Supplementary benefits
(SHIF/MC/257/4)

Following the minute of JUR sent on 17 September 2019 and the additional information provided by email on 25 October 2019 and the legal implications of the ILOAT Judgement No. 4134 for the SHIF Interpretation of SHIF regulations - art. 2.5 - Supplementary benefits, MC discusses the way forward. ES explains that his estimate for the overpaid benefits amounts to about USD 5'000 and that implementing the recovery of those overpaid benefits represent significant IT investment and/or administrative work that probably would cost far more than USD 5'000. MC requests ES to present at the next MC meeting figures that are more precise on the overpaid benefits.

Item 5: Actuarial analysis of the SHIF
(SHIF/MC/19/256/3)

Following the presentation of the draft results at the previous MC meeting, it was agreed that further discussions would take place within the MC. MC decides to ask the actuary to provide more detailed results and to prepare some scenarios on different contribution rates (notably for spouses) and on amendments to benefits (Long-term care, part-time work). MC also requests the actuary to change the projections to reflect the positive technical result experienced during the first 9 months of 2019.

Item 6: Write-offs

Following the adoption by the MC of a write-off policy in 2018, ES requests the MC to write-off advances deemed unrecoverable for an amount of USD 48'938. MC agrees.

Item 7: Update from the Working group on Governance

MC receives an update from the Working Group. As expected, proposals for amendments to the SHIF Regulations have been circulated within the Working Group but the Working Group needs further discussions before the proposals can be shared with the MC.

Item 8: Client satisfaction Survey on the services of the SHIF

ES presents the results of the Client satisfaction Survey on the services of the SHIF. The results are very positive. MC requests that more detailed results be shared with the MC, notably on the difference in responses received from participants in the field and in Geneva, and between active staff and retirees.

Item 9: External Audit of the SHIF

MC has received the Management Letter on the Audit of the Staff Health Insurance Fund of the ILO for the Financial Year 2018, prepared by the Commission on Audit of the Republic of the Philippines, the current ILO External Auditor. MC takes note of the recommendations pertaining to the SHIF Secretariat and discusses the recommendations that require actions from the MC. MC discusses the issue of the proof of payment. MC also takes note of the information provided by the ES on the need to better define one category of health benefits. ES will make proposals to the MC at the next MC meeting.

**Item 10: Financial situation as of 30.09.2019
and Technical results for the period 01.01.2019-30.09.2019**

A representative of the administration presents the draft financial situation as of 30.09.2019 and the technical results for the period 01.01.2019-30.09.2019. Investment returns are strong, the technical result is positive (about 2 million USD) and the net result is about 4.8 million USD. He informs the MC that, following the revised investment policy endorsed by the MC at its 251st meeting, there have been extensive discussions with the portfolio manager and the ILO's custodian on the Property Fund initially selected due to some reservations brought by the custodian. An alternative Property Fund "Aberdeen European Balanced Property Fund" was proposed by the portfolio manager. The ILO Investment Committee was supportive of the new Fund. MC agrees with the proposal.

Item 11: Any other business

It is decided to hold a meeting of the SHIF Standing Subcommittee the week starting 16 December 2019, and to hold a meeting of the Management Committee between 21 January and 23 January 2020.

The meeting end at 11.50 a.m.
