

AFICS ANNUAL ASSEMBLY

ASHI PRESENTATION

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Dear Members of AFICS/NY,

It has been a pleasure serving as your representative on the AFICS/NY Governing Board for the last seven years and ensuring that our collective interests in the After Service Health Insurance (ASHI) are well preserved.

First of all, I would like to assure you that AFICS continues to be very much involved with the Administration to ensure that any issues related to Health and Life Insurance programmes are addressed expeditiously without negative impact on retirees. I take this opportunity to thank the UN Insurance Section representatives, Mr. Genc Osmani, Ms. Elma Witherspoon, Ms. Julie Borre and their staff who continue to provide excellent service to all participants and address the concerns raised by us in a pro-active manner.

AFICS Representation on HLIC

AFICS has historically had two observer positions in the Health and Life Insurance Committee (HLIC for short). Dr. Sudershan

Narula and myself are the current representatives, Ms. Marianne Brzak-Metzler and Ms. Nancy Hurtz-Soyka and Ms. Robin Della Rocca are alternate representatives from AFICS. The HLIC has representatives of the Administration, Staff Union, and from UNDP and UNICEF and Observers from AFICS.

Let me turn now to the Main issues of 2021/2022

While AFICS provides continuous assistance to our members on individual basis, some of the main issues addressed by AFICS/NY and HLIC during the 2021/2022 are as follows:

A. Medicare Part B premium reimbursements

As you are aware Medicare Part B premiums paid by retirees are reimbursed by the Secretariat based on the claims filed by retirees with appropriate documentation submitted to the Insurance Section. Due to increase in Medicare premiums effective January 2022, while HLIS took very proactive steps in ensuring that reimbursements for retirees already in their data base was adjusted, it was necessary for some retirees to provide additional supplementary information especially if additional charges were imposed for Income Related monthly adjustment amount (IRMAA). We continued to advocate for timely response to such requests from retirees. We suggest that retirees enrolled in any of the medical insurance plans as well as Medicare Part B, verify that

they are being correctly reimbursed for Medicare premiums paid by them directly or through deductions from their social security payments. Anyone having problems with Medicare Part B premium reimbursement should inform the UN Insurance Section with appropriate documentation. Please pass on this information to fellow retirees.

Also on Medicare, as reminder please note that there are lots of advertisements for supplementary Medicare enrollment via TV Ads; robo calls and mailings. If you are already covered by Medicare Part B and one of the UN medical plans, we strongly recommend that you do NOT enroll in any Medicare supplementary plans. Please note that the UN will NOT reimburse any premiums for such additional supplementary Medicare plans.

B. Let me now turn to the 2022/2023 plan renewals

The HLIC reviewed the analysis on current plan year costs and projections for the renewal. It was noted that for all plans, the overall expenditures were showing increasing trends compared to the previous period as participants resume postponed elective procedures as well as routine visits to health care providers. Based on current expenditures projections for

the 2022/2023 period, HLIC decided to recommend modest premium increases for the Empire Blue Cross plan at 2% and for the Cigna World Wide plan at 1% and a 7.20% increase for HIP due to much higher expenditure pattern and no increases for Aetna and Cigna Dental. All of these changes were approved by the UN Controller.

Changes to benefits effective 1 July 2022 have been recently communicated by HLIS to you and AFICS/NY has also sent you this information via email and posted it on the AFICS website.

C. How do we continue to keep future premium increases at a minimum

At this stage I am going to reiterate what I have said in the past regarding our collective responsibility to ensure that future premium increases are kept at a minimum. As you know the UN plans are SELF-INSURED and premiums are based on level of expenditures as well as having adequate reserves for each plan. If overall insurance costs increase, obviously the premiums increase so the question is what can we individually do to minimize overall costs:

- you should discuss with your physician the use of generic medicines, which are significantly less expensive. For the 2021/2022 plan year we already see an increasing trend in the use of generics which is a very good sign, so let us all keep focused on continuing our efforts in this regard.
- Also, you should enroll in the mail order programme for routine maintenance medications, which is normally at lower costs than at retail pharmacy.
- Emergency Room (ER) visits for Non-Emergency medical treatments—the number of ER visits are still quite high. For your information, each ER visit costs over \$2000 on average and participants also pay \$75 as Co-pay. While during 2021/22 period, there was a slight decrease in the number of ER visits for non-emergency visits, we still see some members repeatedly using ER facilities for routine medical treatment which should be avoided. It is better to use Urgent Care Facilities, which are now available everywhere providing basic medical services at much

lower costs and with much less wait time compared to waiting for hours in the ER.

- Telemedicine services are also available to members, which should be used as an alternative to a doctor's visit.
- It appears that still a number of participants are using out-of-network providers with significant higher costs for themselves and the plan for many medical services. When you are seeking any medical treatment and look up an appropriate provider, the important insurance question to ask is not only if they accept Blue Cross or Aetna or Cigna, but also ask if they are In-Network of the plan that you have and that they will be submitting their reimbursement claim as an In-Network provider. Information on In-Network providers is also available on various insurance provider websites.

Please ensure that both your email and physical mailing addresses, as well as your current banking information are on file with the Insurance Section. Any changes in this information should be directly sent to HLIS via email at ashi@un.org. As you may be aware, based on our efforts, in addition to the staff dedicated to addressing queries from retirees, a dedicated phone line has also

been set up with specific times when retirees may call on Health insurance related matters. The number, which is also available on our website is 917-367-9727.

In closing, I want to assure you that AFICS/NY will continue to address issues related to Health and Life Insurance programmes and to advocate for all retirees. It will also continue to work closely with the Insurance Section in the UN Secretariat to help resolve any difficult problems or issues that retirees are facing. I hope this information is useful. We will be pleased to answer any questions.

Jayantilal M. Karia
AFICS/NY Co-Chair, Insurance
Committee