



Pre-Retirement Session May 2018

OVERVIEW OF UNHQ
INSURANCE PROGRAMMES



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AGENDA

1. High-level Overview
2. Cost Containment
3. ASHI Coverage
4. Medicare Part B
5. ASLI Coverage
6. Important Reminders

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Health Insurance

Self-funded (self-insured) programme

- Risk responsibility

General Assembly cost sharing

- Retiree premiums

Carriers Importance

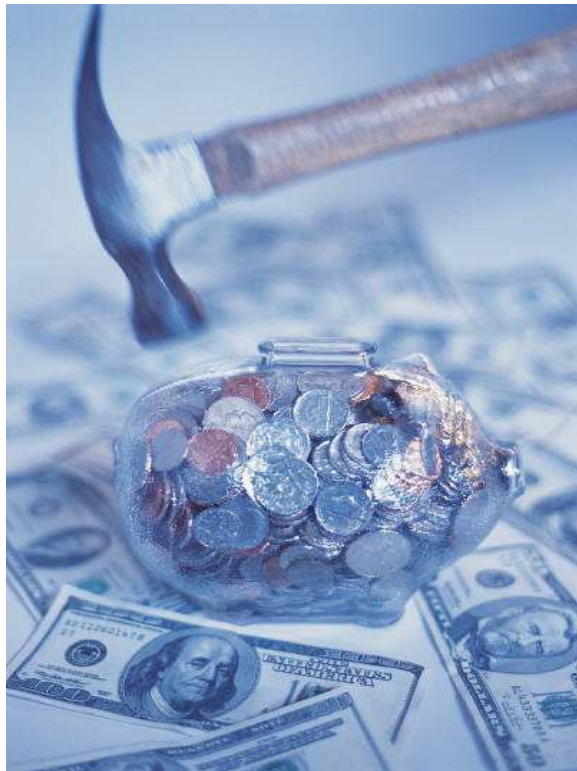
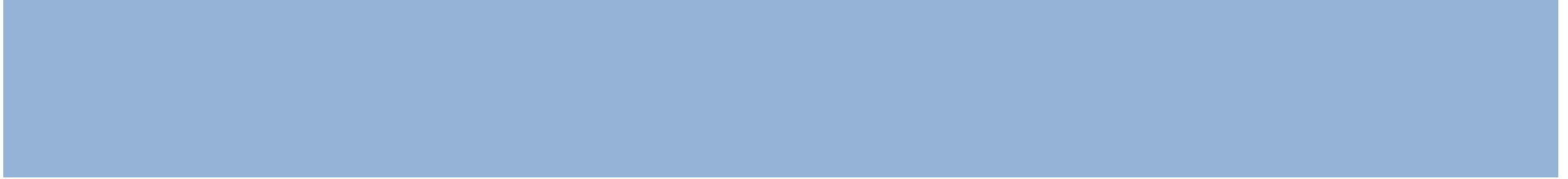
- Administrative services
- Provider networks and experts services

Plan cycle

- July to June cycle

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Cost Containment



Cost Containment

All participants share the responsibility to contain cost

- Knowledgeable consumers are vital to containing cost
- For Aetna and Empire Blue Cross participants, in-network doctor visits are less costly

Wellness initiatives are another way to save cost

- *ActiveHealth* participants are seeing health improvements which lead to cost reductions
- *ActiveHealth* participation is free





How Premiums are Determined

CLAIMS + TREND = PROJECTED CLAIMS

PROJECTED CLAIMS + FEES = TOTAL COST

TOTAL COST = REQUIRED INCREASE PREMIUMS





How Premiums are Determined

Example

Claims	1,000,000
Trend at 10%	<u>+100,000</u>
Projected claims	1,100,000
Administrative fees	+ <u>50,000</u>
Total Cost	1,150,000

Current Premium	1,075,000
Rate Increase	6.98%

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In-network Benefits Containing Costs in the United States

In-network visits are less costly for you and the UN

- In-network providers deliver their services at “discounted” rates
- Insurance generally picks up a larger portion of the bill
- Out-of-network provider usage exposes staff to high financial risks
- Use of in-network providers is encouraged

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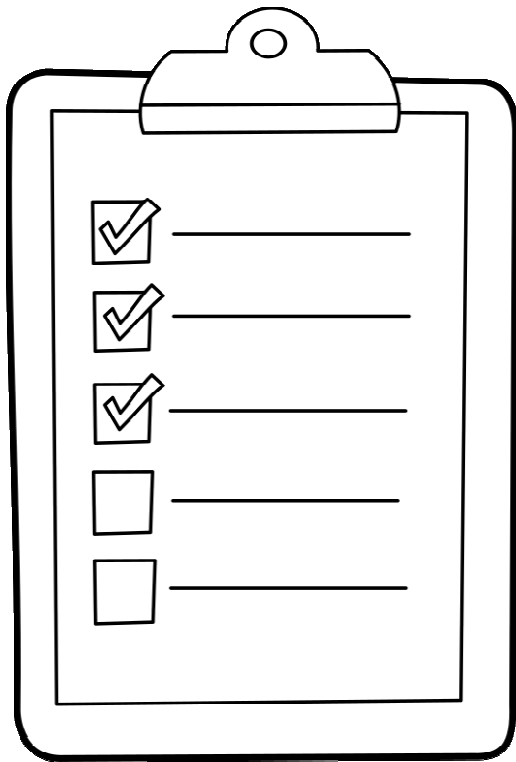
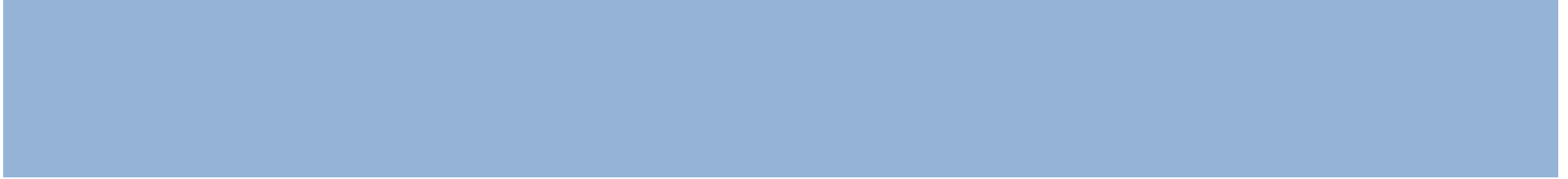
Calculation of In-network (IN) vs. Out-of-network (OON) Cost

In-network			Out-of-network		
Office visit charge		\$140	Office visit charge		\$140
Network discount	-	<u>\$60</u>	Network discount	-	<u>\$0</u>
Contracted rate	=	\$80	Rate charged	=	\$140
Your PCP co-pay	-	<u>\$15</u>	You pay	-	<u>\$28</u>
UN insurance pays	=	<u>\$65</u>	UN insurance pays	=	<u>\$112</u>

- For out-of-network (OON) expenses, the staff pays 87% more and the UN reimburses 72% more
- Costs incurred affect future premiums. Therefore, the additional cost for OON care is passed on in the form of increased premiums.

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Your Responsibilities

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Your Responsibilities

Plan Enrollment

- Ensure that all required processes, including deadlines, are followed
 - ✓ Keep your contact details (address and email) up to date
 - ✓ Inform the UN Health and Life Insurance Section (HLIS) of all changes
 - If you update changes with UNJSPF this information will not be disseminated to HLIS
- Ensure that eligible dependents are covered
 - ✓ Confirm via Umoja ESS
- Understand the ramifications of not enrolling

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Your Responsibilities

Plan Knowledge

Register online at insurance carrier's website

- Explore UN website, un.org/insurance
 - ✓ Review the applicable ST/AI and ST/IC
 - The ST/IC is updated and published every year in June
 - ✓ Member Plan Description document (MPD)
 - It is updated every year in July

Fraud Prevention

- Review explanation of benefit (EOB) documents regularly
- Know what has been reimbursed, when it was reimbursed, and what your financial responsibility entails

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After Service Health Insurance (ASHI)



ASHI Coverage



How far in advance of my retirement date should I start the process for ASHI?

6 months Before

- Ensure that your eligible dependents whom you wish to cover in ASHI are currently covered in your active insurance plan;
- Start the process of ensuring that the UNJSPF has certified disability status for children (if needed);
- If you previously had MIP coverage in the field but are now covered by an international plan, evidence of those years of coverage is also required

3 Months Before

- Start making doctors appointments and stock up on vital medication for you and eligible covered dependents in preparation for the transition from active to ASHI

During last month

- Submit your ASHI application

After day of separation

- Put aside funds for ASHI contributions as it may take a few months for the pension benefit to be established
- Communicate every change in mailing address and email address to the Health and Life Insurance Section

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Dependent Eligibility: ASHI for UN, UNDP & UNICEF

Dependents are eligible to join ASHI under the following conditions:

- Spouse or child covered at time of retirement
- Child born within 300 days of retirement
- Dependent child granted disability benefit by UNJSPF at time of retirement
 - Child must be re-certified by pension fund regardless of prior status
- Surviving spouse/children of staff member who died in active service if covered when staff member was active

NOTE: ST/AI/2007/3, dated 1 July 2007 provides ASHI details

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Documents and Information Required for ASHI Enrolment

- Approved separation Personnel Action (PA) or equivalent
- Recent pay statement if payroll data is not on the PA
- Certification letter from local HR office
 - Years covered under a UN sponsored health plan
 - Type of coverage at retirement
 - Details regarding dependents covered
 - Type(s) of contract(s) while active
- Copy of the pension estimate from the pension fund if deferring pension





Documents and Information Required for ASHI Enrolment

- Non UN email address
- Current mailing address
 - Changes in the mailing address must be communicated to the Health and Life Insurance Section in order to ensure receipt of new insurance cards
- Staff members are advised to put aside funds for ASHI contributions as it may take a few months for the pension benefit to be established.
 - When the monthly pension benefit is established, up to 70% may be deducted as repayment for outstanding ASHI premiums





ASHI Enrolment Time Limits

- ASHI applications will be accepted within a sixty-two (62) day period
 - beginning 31 days before retirement through 31 days after retirement
 - applications must be received regardless of the following:
 - any grace period for making decisions related to your pension benefit
 - if you expect to be re-employed or return to active service, within the month of your retirement
- ASHI applications for dependent spouse or children will be accepted within ninety (90) days of the staff member's or retiree's death
- Participation in ASHI is effective the first of the month following the separation date





ASHI Applications

- **Application forms are available on the HLIS website:**
 - un.org/insurance/forms
- **Where to send applications**
 - UNHQ staff: directly to UN HLIS (ashi@un.org)
 - Missions (field offices): through your respective HR offices with a copy to UN HLIS (ashi@un.org)
 - OAHs: through your respective HR offices
 - UNDP, UNICEF, UNFPA, UN Women and UNJSPF staff: through your respective HR offices

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ASHI Terminations

ASHI terminates when any of the following situations happen:

- A participant fails to remit premium contributions
- Periodic disability or compensation benefits awarded by UNJSPF or ABCC are stopped
- A dependent child marries, accepts full-time employment, or reaches the age of 25
- Upon divorce of spouse
- Upon remarriage of a surviving spouse
- A participant elects to cancel his or her participation in the ASHI programme (or drop a dependent)
 - **Re-entry into the programme is not allowed under any circumstances**





Re-employment and ASHI

ASHI coverage can ONLY continue while re-employed if you do not resume participation in the UNJSPF through monthly pension contributions

If a retiree is re-employed and has to participate in the UNJSPF, HLIS must be advised so that ASHI can be temporarily suspended

- Must re-enroll and contribute as an active staff member
- Upon completion of appointment, the staff member must submit a “Return to ASHI” form within 31 days of separation
- **ASHI will not be automatically reinstated**

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Medicare



Medicare Part B

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Medicare Part B

Eligible retirees (age 65) must join Medicare Part B

Eligible retirees (age 65) can join Medicare Part A

Medicare Part B is mandatory for all eligible retirees and their dependents enrolled in the UN After Service Health Insurance (ASHI) plan

- US citizens of 65 years are eligible
- US residents of 65 years may be eligible
- Part A if you have 10 years of contributions to Social Security
- Part B if you lived in the US continuously for a 5-year period

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Medicare Part B

Eligible retirees are required to join Medicare Part B

- Retirees are expected to join as soon as they are eligible
- The UN reimburses the approved premium amount for Medicare Part B
- Retirees eligible for Medicare Part B will have claims adjudicated as if they are enrolled in Medicare Part B

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Medicare Part B

Medicare Part B ineligibility

- Retirees must go to the Social Security Administration office to apply for Medicare Part B
- Submit Medicare ineligibility form, notice from the Social Security Administration indicating ineligibility, and copy of Permanent Resident card or passport (including visa pages) to the Health and Life Insurance Section
- Retirees ineligible for Medicare Part B will not have claims adjudicated as if they are enrolled in Part B, as long as they submit the documents indicated above to the Health and Life Insurance Section





Medicare Part B

Eligibility & enrolment:

- How do I apply?
 - If you are entitled to US Social Security benefits you will be automatically enrolled in Medicare Part B unless you opt out
 - If you are **not** entitled to US Social Security benefits you can apply by contacting your local Social Security Administration Office
- Do I have to join Medicare Part D?
 - **Do not** join Medicare Part D as UN Medical plans, Aetna, Empire Blue Cross and HIP, have a comparative prescription plan

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Medicare Part B

Coordination of benefits and claims:

- I am covered under an active plan but my spouse is age 65, what do we do?
 - If you and your spouse are covered under a UN active plan, your spouse does not have to enroll in Medicare Part B until you retire
 - Upon your retirement, your spouse must immediately apply for Medicare Part B
 - If the Social Security office requires a Verification of Employment Letter, submit the document to the Health and Life Insurance Section (HLIS) for completion

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Medicare Part B

Coordination of benefits and claims:

- Do I have to file claim forms with Medicare and Aetna or Empire Blue Cross?
 - If your medical provider participates in either the Aetna or Empire Blue Cross networks and accepts Medicare, your medical provider will file the claim forms on your behalf.





Medicare Part B

Reimbursement of Medicare Part B premiums:

- How will the UN reimburse me for my Medicare Part B premiums?

Submit the following documents to ashi@un.org and the authorized amount will be deposited into your bank account:

- Copy of your Medicare Part B card
- Medicare Part B Reimbursement Form
- Letter or notice from SSA indicating your Medicare premium amount
- Your current bank account details (a copy of a voided cheque is useful for verification)

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Medicare Part B

Miscellaneous:

- I don't receive a Social Security check, how do I pay my Medicare Part B premiums?
 - The Medicare website indicates that they accept three (3) options for payment
 1. Check
 2. Credit Card
 3. Bank Transfer

The Insurance website - www.un.org/insurance, contains detailed information on Medicare Part B in the Medicare FAQs and also the required Health and Life Insurance forms

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After Service Life Insurance (ASLI)



ASLI Coverage

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Staff Eligibility: ASLI for UN, UNDP & UNICEF

Requirements for participation in the After Service Life Insurance (ASLI)

- At least 55 years old at time of retirement
- Ten years participation as an active staff member
- Participating in life insurance at time of retirement
- Eligibility is determined by the Health and Life Insurance Section located in UNHQ

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Staff Eligibility: ASLI for UN, UNDP & UNICEF

ASLI details:

- After service life insurance coverage is free
- As it is a continuation of coverage, it is not necessary to complete an application
- Coverage is reduced at retirement
 - Details are explained in ST/IC/2002/63
- The amount by which the coverage is reduced may be converted into an individual policy

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Relevant Documents

- ASHI Application
- ASHI Frequently Asked Questions (FAQs)

- ST/AI/2007/3 – After-service health insurance coverage
- ST/IC/2017/18 – UNHQ administered health insurance programme
- ST/IC/2011/3 – Medicare Part B
- ST/IC/2005/55 – Aetna Global for services rendered outside the United States

- ST/AI/2002/6 – Life insurance
- ST/IC/2002/63 – UN group life insurance plan

- ST/AI/2015/3 – Medical Insurance Plan (MIP) for locally recruited staff at designated duty stations away from Headquarters
- ST/IC/2015/8 – Medical Insurance Plan (MIP) for locally recruited staff at designated duty stations away from Headquarters

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Important Links

- <http://www.un.org/insurance>
- <http://www.un.org/insurance/circulars>
- <http://www.un.org/insurance/faq/who-eligible-after-service-health-insurance>
- <http://www.un.org/insurance/medicare-part-b>
- <http://www.un.org/insurance/page/health-plans>
- <http://www.un.org/insurance/forms>
- <http://www.un.org/insurance/faq/what-are-2017-ashi-rates-insurance>

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Important Reminders: UNJSPF Disability Certification for eligible dependents older than 25 years

ASHI Coverage - UNJSPF must certify disability status for eligible dependents older than 25 years

- UNJSPF must certify disability status for eligible dependents older than 25 years covered under ASHI
- Medical Services Division does not certify disability for dependents covered under ASHI
- These dependents will not be allowed to continue coverage under the health insurance plans without certification
- Start the certification process with UNJSPF at least 6 months before retirement

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Important Reminders: ASHI Cost Containment

- ASHI is self-insured
- Use in-network doctors
- Participate in the Active health wellness initiatives

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Important Reminders: Responsibilities

- Ensure that names, dates of birth and all other personal details are correct before submitting ASHI applications
- Ensure that contact details – mailing and non UN email address are current
 - Notify the Health and Life Insurance Section in writing
 - Pension Fund will not notify the Health and Life Insurance Section

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Important Reminders: ASHI and ASLI Applications

- Applications are required for:
 - Initial ASHI coverage
 - Return to Active coverage, when reappointed after ASHI coverage
 - Return to ASHI coverage, after termination of reappointments
- ASLI does not require an application as it is a continuation of coverage

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Important Reminders: Outstanding Arrears for ASHI Contributions

Up to 70% of pension benefits may be deducted until outstanding ASHI arrears are completely paid

- Set aside funds to pay for ASHI contributions in case there is a delay in deducting ASHI contributions from your pension
- ASHI is continuation of coverage and contributions are deducted from the pension benefit
- However, the Organization may not receive the contributions immediately after retirement
- Therefore, up to 70% of pension benefits may be deducted until outstanding ASHI arrears are completely paid

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Important Reminders: Re-employment and ASHI

ASHI coverage continues as long as the staff member does not resume participation in the UNJSPF through monthly pension contributions

- Once pension contributions resume, the staff member must return to Active Coverage
- An application form is required for Active coverage – Active coverage is not automatically reinstated
- Upon completion of the appointment the staff member **MUST** submit a “Return to ASHI” form - ASHI coverage is not automatically reinstated

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Important Reminders: Medicare

Social Security and Medicare are separate programs

- The UN requires ASHI participants in US based plans to apply for Medicare Part B as soon as eligible
- The UN advises eligible ASHI participants to enrol in Medicare Part A **ONLY** if they are eligible without the payment of any premium
- The UN advises ASHI Participants **NOT TO** enrol in Medicare Part D or Medicare wrap-around programs (Medicare Part C) as the UN has comprehensive prescription, dental and vision coverage

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Important Reminders: Medicare

Social Security and Medicare are separate programs

- The UN does not provide any recommendations or requirements regarding applications for US Social Security Retirement Income
- When ASHI participants contact the Social Security Administration, it is imperative that the request is to apply for Medicare Part B
- ASHI participants do NOT have to apply for Medicare Parts A, C or D in order to apply for Medicare Part B

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Important Reminders: Medicare

Social Security and Medicare are separate programs

- It is not necessary to be a United States (USA) citizen to be covered by Medicare Part B
- It is not necessary to contribute to Social Security to be eligible for Medicare Part B
- Medicare Part A and Medicare Part B benefits are only provided to ASHI participants who reside in the USA

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Important Reminders: Medicare Premium Reimbursements

The UN does not reimburse Medicare Part B penalties

- The UN reimburses Medicare Part B premiums
- The UN does not reimburse Medicare Part A premiums
- The UN does not reimburse Medicare Part C premiums
- The UN does not reimburse Medicare Part D premiums

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Questions?

Contact Health and Life Insurance Section

Email: insurance-unhq@un.org

Website: www.un.org/insurance

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