



# 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**

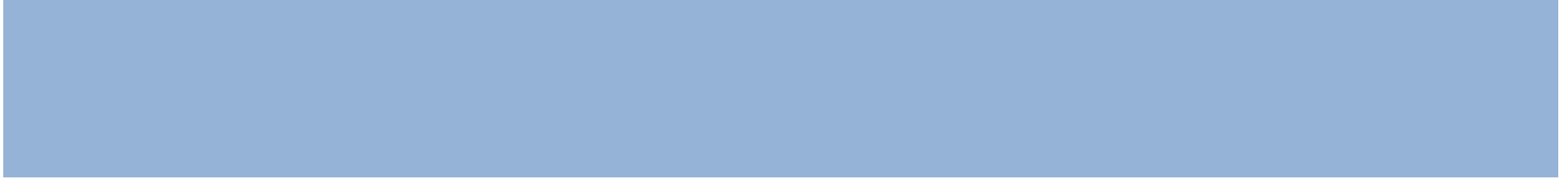
- Administrative services
- Provider networks and experts services

## **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	<b>1,075,000</b>
Rate Increase	<b>6.98%</b>

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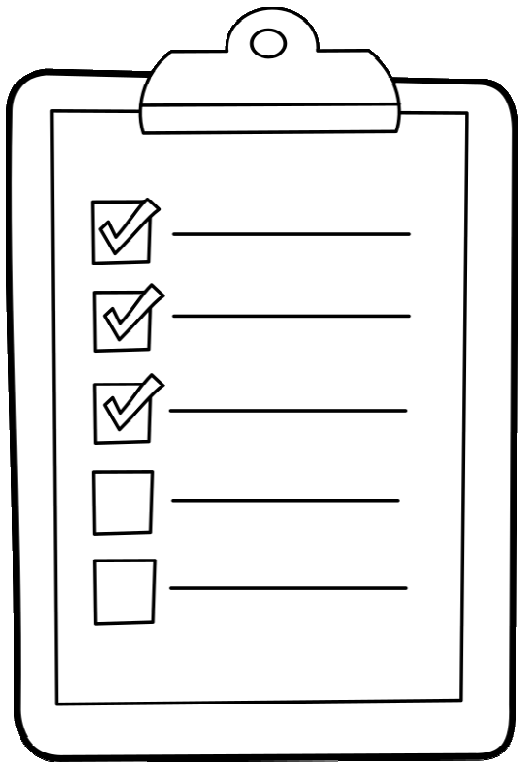
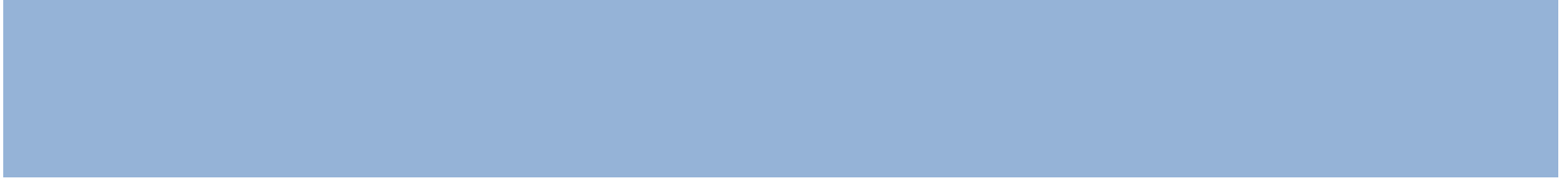
## Calculation of In-network (IN) vs. Out-of-network (OON) Cost

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	-	<b><u>\$15</u></b>	You pay	-	<b><u>\$28</u></b>
UN insurance pays	=	<b><u>\$65</u></b>	UN insurance pays	=	<b><u>\$112</u></b>

- 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



# 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](http://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

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# ASHI Applications

- **Application forms are available on the HLIS website:**
  - [un.org/insurance/forms](http://un.org/insurance/forms)
- **Where to send applications**
  - UNHQ staff: directly to UN HLIS ([ashi@un.org](mailto:ashi@un.org))
  - Missions (field offices): through your respective HR offices with a copy to UN HLIS ([ashi@un.org](mailto: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](mailto: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](http://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

[www.un.org/insurance](http://www.un.org/insurance)





# 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](mailto:insurance-unhq@un.org)

Website: [www.un.org/insurance](http://www.un.org/insurance)

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