

# 2021-UNAT-1105, Peker

## UNAT Held or UNDT Pronouncements

On appeal, UNAT held that UNDT did not commit an error of law or fact in accepting estimates from three different hospitals in Turkey, although one such estimate dated in December 2015 (close to the date of the interventions in Geneva, November 2015) and the other two estimates were submitted much later in October 2019. UNAT held the December 2015 estimate was a fair estimate of the medical costs. UNAT also rejected the staff member's argument that a more favourable exchange rate (1 USD : 3 TRY), which was applicable in 2016, should have been applied to the October 2019 estimates. The Tribunal reasoned that the staff member was attempting to combine the advantages of higher prices for medical services in October 2019 with those of a stronger Turkish currency in 2016. In dictum, the Tribunal recommended that estimates for reasonable and customary expenses must be gathered on the correct basis from the beginning, including the full scope of treatment at the relevant time. As such, when estimates are provided years later, they must account for inflation and reflect the equivalent costs at the time the treatment was administered. UNAT dismissed the appeal and affirmed the UNDT judgment.

## Decision Contested or Judgment/Order Appealed

On a private trip to Switzerland, a staff member was hospitalized on an emergency basis, and incurred approximately CHF 31,000 in medical expenses. The UNHCR settled those expenses in advance on behalf of the staff member, pending processing under the Medical Insurance Plan (MIP). The Administration sought estimates of the equivalent cost of treatment at the staff member's duty station in Turkey and only covered those expenses. For the remainder, that is the difference between the cost in Switzerland and the cost in Turkey, it was the responsibility of the staff member as the MIP does not provide for worldwide coverage. The Administration, therefore, decided to recover approximately the excess of USD 14,000 (which was the difference between the cost in Switzerland and Turkey) from the staff member's salary in small deductions. The staff member challenged the administrative decision with UNDT, which ruled in favor of the Administration that only reasonable and customary expenses at the duty station were covered under the MIP and that the MIP did not provide for worldwide coverage.

## Legal Principle(s)

When providing estimates for reasonable and customary expenses at a duty station, care should be given so that the full scope of medical treatment is accounted for, and the estimates should also be submitted close to the time that the treatment was administered. If estimates are provided many years later, inflation should be accounted for as well as fluctuations in the currency exchange rate.

## Outcome

Appeal dismissed on merits

Outcome Extra Text

UNAT dismissed the appeal and affirmed the UNDT Judgment.

Full judgment

[Full judgment](#)

Applicants/Appellants

Peker

Entity

UNHCR

Case Number(s)

2020-1396

Tribunal

UNAT

Registry

New York

Date of Judgement

19 Mar 2021

President Judge

Judge Knierim

Language of Judgment

English

Issuance Type

Judgment

Categories/Subcategories

TEST -Rename- Benefits and entitlements-45

Health (medical) and/or dental insurance

Applicable Law

Other UN issuances (guidelines, policies etc.)

UNAT Statute

- Article 2.1

Related Judgments and Orders

UNDT/2020/044

UNDT/2018/110

2019-UNAT-945