AFICS 2026 ANNUAL ASSEMBLY

ASHI PRESENTATI0N BY Dr. SUDERSHAN NARULA

29 May 2026

Good afternoon.

It has been a pleasure serving as a Co-Chair of the AFICS/New York's **Health Insurance Committee** for the last eight years. This Committee is comprised of eight members. It is co-chaired by Mr. Jay Karia and me; six other members are Ms. Nancy Hurtz-Soyka; Ms. Marianne Brzak-Metzler; Ms. Robin De La Rocca, Ms. Michelle Rockliffe, Ms. Elma Witherspoon and Mr. Michael Zilberg.

This Committee advocates for issues relating to Health and Life Insurance, keeps members informed of relevant developments, **assists members who raise health insurance issues** by bringing to the attention of the UN's Health and Life Insurance Committee (HLIC) for short or Health and Life Insurance Section (HLIS) as appropriate, **and participates in the UN's HLIC**.

We usually meet once a month and determine how we can best support retirees on health insurance issues.

Let me mention some of the important areas of our work **this past year**.

FIRST, our participation in HLIC, which determines the **benefits** and **costs of health insurance for serving and retired staff.**

We continued to actively participate in all discussions in the HLIC representing the interests of UN retirees at the bi-monthly or weekly meetings in the review and analysis of the yearly costs of the current cycle, as well as projections for the renewals for the 2026-2027 cycle. As of April 2026, review of the Medical Insurance Plan, MIP for short, which is for locally recruited staff and eligible retirees is now under the purview of the HLIC

Even with our Observer status in the HLIC, our input is always taken into full consideration and HLIC makes its recommendations on a consensus basis

Deliberations during these meetings were quite difficult this year as for four of the plans, Aetna, Anthem the UN Worldwide plan and the Medical Insurance Plan, the

costs for the current cycles far exceeded the total premium collected. As a result, and to cover the projected costs for the 2026-2027 cycle, we were faced with the need for double digit premium rate increases**,** which was much beyond the implemented increases since 2015.

Recognizing that such large premium increases would place a heavy financial burden on both staff and retirees, discussions focused on lessening the immediate impact of the required premium increase by having a portion of the premium increases for the coming year covered by plan reserves as well as some changes to plan benefits. While last year some of the reserves were used to reduce the impact, unfortunately due to continued high utilization, the deferred related portion of the required increase have to be absorbed for the 2026-2027 plan year as the reserve balances are not sufficient to be used to offset the premium increases.

The recommendations by HLIC, which are then sent to the Controller for final approval, were made by the usual consensus procedure, which is agreement by staff, management and the retiree representatives serving on the HLIC. **The recommendations are not as yet approved by the Controller so cannot be announced at today's Assembly.**

Noting the large increase in health claim costs, an obvious question is how do we continue to keep future premium increases at a minimum? Let me reiterate what we have said in the past regarding our collective and shared responsibility to ensure that medical expenses are kept at a minimum as UN health plans are **SELF-INSURED plans, so premiums are based on both the level of expenditures as well as ensuring adequate reserves for each plan**. At the Webinar, Julie had mentioned a number of actions that we all should take to use the health insurance plans more efficiently, I will highlight a few

- **Emergency Room (ER)** visits for actual emergency treatment are of course necessary; however, it is noted that many ER visits are for non-Emergency medical treatments, which remain quite high. For your information, each ER visit costs over $2500 on average and participants also need to pay $100. We still see many 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, lower co-pay of $20 and with much less waiting time compared to waiting for hours in the ER.

- While most members (Anthem– 87%, Aetna -85%) use **In-Network providers**, it appears that several participants are still using out-of-network providers with significantly higher costs. One example is that many members **use out of network providers for physical therapy** at a cost which is over four times higher than in-network providers. We understand that some of the out-of- Network providers may provide such services without charging the normal co-pay; however, they charge significantly higher amounts for their services**.**

  So, in the end, this results in all of us paying higher premiums. Please use in-network providers for such services and ask the service providers to file their claims as in-network.

- Switch to **generic drugs** where possible and select the Home Delivery Pharmacy programme to pay less and is also more convenient to get the 90-day supply of maintenance medications at home.

<u>Second Activity of HIC is on continued outreach to our members</u>, the Committee always responds to members raising their individual health insurance issues and **now it has started holding periodic open Committee meetings for them to voice their feedback and concerns regarding experiences with the New York-based health insurance plans: Aetna, Anthem/Blue Cross and Cigna Dental.**

To start the process, the committee sends an email blast inviting members to send their questions with a deadline of one week before the date of the open meeting and they receive a link to join the on-line session just before the meeting.

If the Committee can immediately answer the query, it will do so. Otherwise, it will confer with the UN Secretariat's Health and Life Insurance Committee (HLIC) or Health and Life Insurance Section (HLIS) and provides them with a response or resolution as soon as possible thereafter. **HLIS is always available and quick to provide a response to the questions asked.**

When the invited members join an open session, they benefit from the knowledge and experience of the committee members in resolving their issues as they all happen to be subject matter experts and also learn from other invitees.

This year one open AFICS/NY's Health Insurance Committee session was held which was appreciated by our members and highlighted some issues which have been referred to HLIS for appropriate actions.

Due to the number of speakers during the Assembly, as there is limited time to address all the key health insurance issues, we had also arranged a joint Webinar with HLIS for all ASHI participants including members of AFICS/NY which was held on 21 May 2026 to help ASHI participants to better understand their health insurance plans ahead of the upcoming insurance year which begins on 1 July 2026.

HLIS presentation covered:

- an overview of the UNHQ-administered health insurance plans (Aetna PPO, Anthem PPO, Cigna Dental, and the UN Worldwide Plan)
- key information on the After-Service Health Insurance (ASHI) programme and the Medicare Part B coordination of benefits
- important updates in preparation for the insurance year beginning in July 2026
- and provided answers to questions raised by retirees.

Many of you attended this Webinar and we hope that you found it useful. For those who were unable to join the webinar, or who would like to revisit the session, we are pleased to inform you that the presentation slides and the webinar recording are posted on the AFICS/NY as well as the HLIS websites.

Finally, I wish to share with you that our After-Service Health Insurance (ASHI), which plays a critical role in providing continued health coverage, is robust in its framework and careful management which allows the ASHI plans to remain resilient, safeguarding retirees' well-being despite economic fluctuations.

The UN's Health and Life Insurance Section manage these plans very well with the aim of ensuring their sustainability by adopting cost-effective practices, like emphasizing preventive care, use of in-network doctors and **generic drugs,** and timely treatment as well as implementing technology-driven solutions, such as telemedicine.

And I would like to take this opportunity to thank **the UN Health and Life Insurance Section representatives, Ms. Vera Rajic, Mr. Genc Osmani, Ms. Julie Borre and their staff who continue to provide excellent service to all participants and address the concerns raised by us in a proactive manner.**

I hope this information is useful. We will be pleased to answer any questions.

Stay in good health!

All the best.