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Joint Inspection Unit

Review of the quality, effectiveness, efficiency and sustainability of health insurance schemes in the United Nations system organizations

Note by the Secretary-General

The Secretary-General has the honour to transmit to the members of the General Assembly his comments and those of the United Nations System Chief Executives Board for Coordination on the report of the Joint Inspection Unit entitled “Review of the quality, effectiveness, efficiency and sustainability of health insurance schemes in the United Nations system organizations” ([JIU/REP/2023/9](#)).



I. Introduction

1. The report of the Joint Inspection Unit entitled “Review of the quality, effectiveness, efficiency and sustainability of health insurance schemes in the United Nations system organizations” (JIU/REP/2023/9) has the overarching objective of identifying areas for improvement and good practices with regard to the transparency, quality of service, coordination, harmonization, effectiveness, efficiency and long-term financial sustainability of the health insurance schemes of Joint Inspection Unit (JIU) participating organizations for their active and retired staff.

II. General comments

2. Organizations welcome the report, noting that the comparative analysis of health insurance schemes across the United Nations system offers invaluable insights. By revealing disparities in the structures and payment of premiums, in particular inconsistencies in coverage levels and benefits, the report serves as a road map for enhancing the effectiveness and equity of United Nations staff health insurance coverage.

3. While generally supportive of the findings contained in the JIU report, organizations point to the fact that aside from differences in the availability of health care and in health-care costs, the alignment of health insurance provisions and policies across the globe, and in particular between the United States of America-based plans and plans outside of the United States, poses several challenges relating, inter alia, to disparities in local standards of coverage, the unique coordination of benefits opportunities available in the United States and, where applicable, the diverse regulations governing required health-care coverage, especially for after-service health insurance participants.

4. Comprehensive and generally comparable health insurance coverage for all categories of active staff and retirees is the overarching goal. However, the manner in which that can be accomplished is ultimately dependent upon several factors, including the cost and availability of health care in different geographic regions, the extent of available provider networks, the number and demographics of staff and retirees in individual United Nations organizations, as these influence decisions relating to self-insurance or external insurance options, and other health insurance and related matters.

5. Organizations observe that, while desirable, improved benefits would have a significant financial impact and that in the current geopolitical and financial climate, it appears unrealistic to expect any increase in insurance benefits.

6. Overall, many observe that, given the heterogeneous organizational contexts, geographical spread, size and needs of the insured population across the system, a prescriptive one-size-fits-all approach to all medical insurance plans seems impractical beyond the sharing of best practices and the establishment of minimum standards that should be met across the board.

7. A few organizations point to the need for approval by their governing bodies before proceeding with the consideration of the proposed recommendations.

8. Organizations are partially supportive of the proposed recommendations.

III. Comments on specific recommendations

Recommendation 1

The executive heads of United Nations system organizations administering a health insurance plan should ensure that, by the end of 2026, arrangements are made for the representation of all groups of plan members, including locally recruited staff in the field and retirees, in their health insurance plan management, oversight or advisory committee.

9. Organizations support this recommendation and agree that the representation of plan members in a health insurance management, oversight or advisory committee is an important factor.

Recommendation 2

The executive heads of United Nations system organizations who have not yet done so should, by the end of 2026, explore discontinuing the practice of subsidizing premiums for secondary dependent family members, non-dependent family members and unrelated household members and the practice of mutualizing their risks with those of primary members.

10. Not all organizations support this recommendation, noting that the recommended course of action may result in a reduction of the organizations' duty of care towards families, a risk that might potentially outweigh the financial benefits highlighted by JIU. Furthermore, depending on the size of the insured population and plan design, it may not be feasible for all organizations to conceive and maintain a separate plan for different groups of beneficiaries, such as secondary dependants.

11. Some organizations find that the recommendation is unclear as to whether it targets organizational premium subsidies for such non-dependent family members or their admission. While understanding the principle, each organization should preserve the freedom to subsidize premiums of family members who are admitted to their collective insurance plans based on the specificities of their plan, size of the insured population and organizational needs.

12. Some organizations consider that discontinuing the subsidization of premiums for non-dependent family members, such as spouses and children who live in the household but for whom the staff member does not receive a dependency allowance, could lead to significant financial hardship. This is especially true for staff covered under plans based in the United States, where insurance costs are high, and under the Medical Insurance Plan, where subsidy levels are higher than other plans to make insurance affordable and encourage coverage of eligible family members.

Recommendation 3

The executive heads of United Nations system organizations who have not yet done so should, by the end of 2026, ensure that the right of family members of staff to participate in after-service health insurance is conditional on a minimum of five years of participation in a United Nations contributory health insurance scheme, without prejudice to duly justified exceptions based on life events.

13. Not all organizations support this recommendation.

14. While some organizations might consider this conditional option in the future, others note that its implementation is beyond the sole prerogative of their administrations and that it would require changes by the insurance funds.

15. Eligibility for after-service health insurance is linked to and conditional upon the qualifying number of cumulative years of in-service contributory participation in the Medical Insurance Plan or a health insurance plan recognized by the United Nations. In the case of the withdrawal from coverage of family members during the active period of service of staff members, the Medical Insurance Plan of the United Nations Development Programme, for example, has a condition of re-enrolment of the eligible family members in the plan only during the annual enrolment campaign, subject to fulfilling a minimum waiting period of two years from the withdrawal from the Plan. This is considered an adequate risk management strategy to avoid staff frequently opting in and out of the Medical Insurance Plan.

Recommendation 4

The General Assembly should request the International Civil Service Commission to propose guidelines to enhance coherence in the application of the principles of intergenerational solidarity, ability to pay and family protection in health insurance schemes co-sponsored by the United Nations common system organizations.

16. Organizations note that this recommendation is addressed to the General Assembly and relates to proposed action by the International Civil Service Commission.

17. Notwithstanding the significance of having a streamlined approach across the United Nations common system, a few underscore that it is important for the goal of such guidelines to remain one of setting high-level principles and not prescribing operational details.

Recommendation 5

By the end of 2026, the executive heads of United Nations system organizations who have not yet done so should ensure that the highest level of protection is given to all beneficiaries' health insurance-related data, including medical reports, prescriptions, tests and reimbursed amounts, and that the disclosure, transmission, processing and storage of health insurance-related personal data is subject to the written consent of the person concerned and any possible exception is unequivocally spelled out in relevant policies.

18. Organizations support this recommendation and agree on the importance of ensuring an appropriate level of protection in accordance with the data protection rules and regulations of the organizations and with the Principles on Personal Data Protection and Privacy.¹

19. Organizations further expect that stakeholders and third-party administrators of health insurance plans also adhere to the highest level of data protection.

Recommendation 6

From 2026, the executive heads of United Nations system organizations who have not yet done so should ensure that voluntary contributions cover future after-service health insurance liabilities corresponding to staff working on programmes or projects funded from such contributions as they accrue.

20. Not all organizations support this recommendation.

21. The International Civil Aviation Organization (ICAO) does not receive voluntary contributions for its after-service health insurance because, as an

¹ Available at <https://unsceb.org/privacy-principles>.

international regulatory organization, it must ensure that its duty of care is not perceived as a solicitation of funds for social security obligations. Instead, after careful actuarial evaluations, ICAO may present its case through its governing bodies to request one-time funding allocations to its after-service health insurance reserve from designated member States, thereby avoiding any potential or perceived conflict of interest.

22. The International Telecommunication Union will include future after-service health insurance liabilities for recruited staff in the budget for activities funded by voluntary contributions, while the United Nations Industrial Development Organization notes that technical cooperation projects funded by voluntary contributions typically have a defined duration and lack provisions for after-service health insurance liabilities post-project, as that could lead to cross-subsidization and requires explicit donor support for implementation.

Recommendation 7

The legislative organs and/or governing bodies of United Nations system organizations that have not yet approved a plan to fund after-service health insurance liabilities as they accrue for posts funded from assessed contributions should establish a long-term strategy to that end, at least to cover future after-service health insurance liabilities for all newly recruited staff.

23. Organizations note that this recommendation is addressed to the legislative organs and/or governing bodies of the United Nations system organizations.

24. A few observe that the current financial constraints on balancing budgets may hinder the implementation of this recommendation; however, innovative ways of financing the after-service health insurance fund are being explored with the aim of mitigating and managing the financial risks and uncertainties arising from the accumulation of unfunded liabilities.
