

ASSOCIATION DES AGENTS RETRAITÉS DE L'OTAN.

THE ASSOCIATION OF RETIRED NATO CIVILIAN STAFF.

SOUS LA PRÉSIDENTE DE MONSIEUR LE SECRETAIRE GÉNÉRAL DE L'OTAN.

UNDER THE CHAIRMANSHIP OF THE SECRETARY-GENERAL OF NATO.

(Texte Français ci-dessous)

Medical cover and rebalancing of staff contributions to the Retirees' Medical Claims Fund (RMCF)

In this Newsletter we update you on the modernization and harmonization of the NATO Medical Plan and the rebalancing of our contributions to the RMCF.

There are two phases to the modernization plan. Phase 1, which is already completed, integrated the complementary insurance into the basic medical cover and eliminated certain supplements to the latter (which mainly concerned staff of NATO bodies located in the Netherlands and Germany). The supplements have been replaced by three optional affinity products, with varying premiums, for more tailored cover.

Having finished with Phase 1, the Joint Consultative Board (JCB) and its Working Group on Insurance Matters are now working to finalize Phase 2. Representatives from our Confederation of NATO Retired Civilian Staff Associations (CNRCSA) — including from ARNS — sit on both of those bodies.

Phase 2 comprises three elements: updating the list of serious illnesses (for which medical expenses are reimbursed at 100%), payment of non-medical expenses linked to partial loss of independence, and rebalancing of staff contributions to the RMCF.

Upon a joint proposal from representatives of serving and retired staff, the list of serious illnesses was updated with effect from 1 July 2024. This list will be updated regularly.

Concerning the payment of non-medical expenses linked to partial loss of independence, the JCB and its working group are putting the finishing touches to the Administration's proposal, which should, in principle, enter into force on 1 January 2025. According to the proposal, a monthly lump sum will be paid to staff members who are no longer able to perform three of the six daily activities included in the Katz index, a globally recognized medical assessment tool. This lump sum may be used to pay for any non-medical assistance required, such as meal deliveries, housework, or a home help/carer.

Staff members who meet the conditions will also receive financial support every three years; this money must be used to improve/adapt their living conditions.

The Administration's proposal for rebalancing staff contributions to the RMCF was the subject of long, intense discussions in the JCB. Based on an updated version of an actuarial study carried out by the International Service for Remunerations and Pensions (ISRP), the JCB considered that the RMCF's long-term sustainability was no longer guaranteed.

Having consulted all its members, the JCB will make the following recommendation to the Secretary General in order to ensure fairness: all retirees must contribute to the RMCF, including those who are currently exonerated from doing so under the terms of the Civilian Personnel Regulations. This measure should be applied in 2025. The majority of CNRCSA member associations have agreed not to oppose this recommendation.

Please know that your representatives on the JCB put up a robust defence of your vested rights. In doing so, they ensured that the Administration will look into the possibility of adjusting the contribution required of staff whose medical expenses are reimbursed, in the first instance, by a mutual insurance company or private insurance, which helps to keep medical expenditure under control.

More detailed information on the new services available to you, the amount of the corresponding premiums, and the new contributions required, will be communicated to you at the ARNS General Assembly on 25 October 2024.

Best regards,

The ARNS Executive Bureau