

UNITED NATIONS



NATIONS UNIES

**Agenda item 136**  
**Programme budget for the biennium 2018–2019**

**Managing After-Service Health Insurance**

**(A/73/662/)**

**FIFTH COMMITTEE**

Statement by  
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Controller

15 March 2019

Madam Chair,

Distinguished Delegates,

1. I have the honour to introduce the Secretary-General's report A/73/662 on Managing after-service health insurance (ASHI). The report reflects the analysis, conclusions and recommendations of the inter-agency Working Group on After-Service Health Insurance, established by the Secretary-General under the auspices of the Finance and Budget Network of the High-level Committee on Management of the United Nations System Chief Executives Board for Coordination.
2. The Working Group comprised representatives of 18 United Nations system entities. Representatives of the Coordinating Committee for International Staff Unions and Associations of the United Nations System, the Federation of Associations of Former International Civil Servants and the Federation of International Civil Servants' Associations also participated in the work of the Working Group, on behalf of the body of active and retired staff members. The United Nations Medical Directors Working Group ensures that the Working Group's positions in relation to health insurance are consistent with the duty of care.

3. The report has been endorsed by the High-level Committee on Management, and areas where consensus had not been reached in the Working Group are also indicated in the report.
4. Among others, the Working Group has recommended that (a) all avenues of health insurance cost containment continue to be explored in the context of inter-agency discussions under the auspices of the High-level Committee on Management; and (b) the United Nations system organizations continue to give consideration to all insurance-related harmonization opportunities in support of inter-agency mobility.
5. The Secretary-General has proposed, in the report, a balanced approach to funding the Secretariat's ASHI liability by combining a pay-as-you-accrue method for staff recruited after 1 January 2022 and continue the current pay-as-you-go method to cover staff recruited until the end of 2021. For the pay-as-you-accrue method, the Secretary-General proposes a payroll charge corresponding to 5.35 per cent of salary mass and the establishment of a dedicated financial reserve, and to review this charge every three years to accommodate variances against projected accumulation of the dedicated reserve.
6. The General Assembly is requested to take note of the recommendations in the present report and to approve the funding of the after-service health insurance obligation in respect of officials recruited from 1 January 2022 with the application of the entitlement-accrual mechanism.
7. Madam Chair, Distinguished Delegates, I look forward to the discussions on this item.