



UNION SYNDICALE

European Civil Service Public Européen
Member of Union Syndicale Fédérale, affiliated to the ISP and to the FSESP



RESOLUTION ON SICKNESS INSURANCE

adopted unanimously

at the General Meeting of Union Syndicale Brussels on 3 June 2014

The members of Union Syndicale Brussels, assembled in general meeting in Brussels on 3 June 2014,

Finding the following:

- The population covered by the sickness insurance scheme is growing at a constant rate, of 3.5 % a year at present, and in 8 years the growth of that population has amounted to almost 60 %.
- The average age of scheme members has increased since 2009, most recently by 6 months a year, and is now 50.6 years.
- The scheme's income is increasing less quickly than the population, even in nominal terms. The cause is the freeze on salaries since 2009 and it is producing a long-term operational deficit.
- The increase in expenditure on each member, at 1.87% a year during the period 2004 to 2012, is still less than the rate of inflation.
- The true rate of reimbursement (the ratio between the total benefits paid by the scheme and the expenditure actually incurred by the recipients) is dropping. The prices actually paid more and more often exceed the scheme's ceilings, which have not changed since 2008. That undermines the principles of solidarity on which the scheme is based and charges members with a growing proportion of the burden of expenditure, to the benefit of their employers.
- The Settlements Offices are understaffed. To maintain the quality of service at a constant level the staff ought to increase in proportion to the number of recipients. However, staff numbers are not being increased but will even decrease (the reduction of staff by 5%).

Noting that:

- The result of those trends is under-financing of the scheme. Although at present it is still limited, there is a danger of its increasing rapidly.
- The Settlements Offices are reacting by "tightening the screw" without any basis in the regulations by refusing reimbursements on various pretexts (e.g., absence of a tax receipt), refusing to agree to psychological treatment, refusing to recognise serious illnesses, cutting preventative medicine, and so on.

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Fear that:

- the average age will continue to increase. That increase will be exacerbated by the non-replacement of those who retire, in the context of the reduction of staff by 5 %. The expenditure borne by each member could consequently increase more rapidly than inflation;
- the continuation of the salary freeze in 2013 and 2014 will increase the annual deficit, from which recovery will be impossible without changes in the parameters of the system;
- in the medium term, the reduction in the average speed of promotion (blockages in AST9 and AD12, and a reduction in the speed of AST/SC careers) will worsen the deficit;
- members' average contributions will tend to diminish: the average salaries of secretaries and commis will be much lower, recruitment at AST3 may be replaced by recruitment at AST1 and in future pensions will be 25 % lower than at present.

Bearing in mind the position adopted by Union Syndicale Fédérale on this matter,

REASSERT that the Joint Sickness Insurance Scheme (JSIS) is a solidarity scheme and must remain one:

- each member contributes according to his means (percentage of income);
- each member receives benefits according to his needs;
- the employer bears 2/3 of the cost,

It is vital that those characteristics be preserved.

DRAW THE FOLLOWING CONCLUSIONS:

- a) The only way of re-balancing the scheme's finances that complies with its basic principles (as a solidarity scheme) is an increase in contributions.

The Staff Regulations permit an increase of up to 2% (rather than 1.7%) + 4% to be borne by the employer, to be incorporated by the Appointing Authorities (AA) in the Common Rules. That would produce about € 50 million a year more for the scheme. The € 30 million or so a year that would have to be borne by the Community budget is a negligible amount compared to the thousands of millions of savings achieved by the reform of 2014. That boost would also produce the margins necessary for the correction of the adverse trends in reimbursements. And, at the end of the day, the JSIS would still be incomparably cheaper than any national social security scheme.

- b) The staff of the Settlements Offices must be increased in proportion to the number of recipients, *inter alia* in order to provide members and, in particular, pensioners with information and service of high quality.
- c) Ceilings must be increased by 10 % and be indexed annually thereafter.
- d) The arbitrary restrictions applied by the Settlements Offices must cease. In particular:
- i. a humane definition of serious illness must be re-established: at the very least, the cost of any life-saving treatment must be reimbursed 100%;
 - ii. the preventative components of the scheme must be preserved and developed;
 - iii. the costs of paramedical treatment (including those of psychological treatment) must be reimbursed on the same basis as those of allopathic medicine.

- e) New ways of controlling the costs of treatment more satisfactorily must be developed, in particular through negotiation with the providers of treatment in order to prevent overcharging.
 - f) The scheme should no longer be administered by the employers alone. A truly joint administration by the Sickness Insurance Management Committee (as in a large number of national schemes) would be best able to give proper consideration to members' interests. That would require delegation of the Appointing Authority's powers to the chair of that committee.
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