HIS benefit changes as of 1\textsuperscript{st} January 2012

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CHIS Board Chairperson
Why change the CHIS benefits?

- Last 5YR outcome:
  - Increase in contribution rates (as of 01.01.2011)
    - Maintain the level of benefits
    - ... but compensate for medical inflation and population ageing
  - Allow the CERN Director-General to “take measures to limit the increase of CHIS expenses, by encouraging use of health care providers/treatments with best quality-to-cost ratio.”
    - This is the main motivation for these changes
  - Simplify some rules, adapt to new techniques
    - Provided they do not increase the cost for CHIS
Principles for changes

- Maintain current level of benefits
  - After comparison with other IO’s
    - Our system is comparable in terms of benefits
  - Secure the current overall average reimbursement rate (ceilings included) of 87%

- Provide benefits to all members

- Protect even more those members with high expenses

- Review some benefits in order to make their understanding (by members) and treatment (by contractor) easier, adapt to new health care conditions

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New CHIS Rules 1\textsuperscript{st} January 2012

- Accepted by the SCC on September 1\textsuperscript{st}
  - After numerous discussions within the CHIS-Board
- Approved by the Director-General
- Implementation is ready at the contractors’ (UNIQA)
  - Reimbursement of 2011 expenses will still follow the current rules (throughout 2012)
- There will be a detailed article in the next CHIS Bull’ and the new rules are available on the CHIS site.
Replacing the deductible

- **General rule** of reimbursement rate:
  - 80% up to a certain threshold, then 90% up to a second threshold, then 100%
  - Threshold expressed in Cost Borne by the Member (FCA)
  - Choice of thresholds: from simulation, keeping same average rate
  - FCA (Frais à la Charge de l’Assuré): 500 CHF and 3000 CHF
## Hospitalisation new rules

### SUMMARY OF HOSPITALISATION BENEFITS

<table>
<thead>
<tr>
<th>Type of establishment</th>
<th>Geographical area</th>
<th>Approved by CHIS</th>
<th>Sector</th>
<th>Reimbursement rate</th>
<th>Max. annual payment borne by Member</th>
<th>Method of payment to hospital</th>
<th>Room</th>
</tr>
</thead>
<tbody>
<tr>
<td>Public hospital</td>
<td>Anywhere</td>
<td>Approved by definition</td>
<td>Public sector</td>
<td>100%</td>
<td>0 CHF</td>
<td>Direct payment by Administrator</td>
<td>Any type of room</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td>Private or Semi-private sector</td>
<td></td>
<td></td>
<td></td>
<td>(however any supplement for a single-bed room is exclusively borne by the Member)</td>
</tr>
<tr>
<td>Private hospital</td>
<td>Switzerland : explicit agreement with CHIS</td>
<td>Approved</td>
<td>General rule</td>
<td>included in FCA</td>
<td>Direct payment by Administrator</td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>Elsewhere : applying tariffs similar to those agreed with National Health Insurance</td>
<td>Unapproved</td>
<td>n.a.</td>
<td>80% (not included in FCA)</td>
<td>No limit</td>
<td>Payment by Member</td>
<td></td>
</tr>
<tr>
<td></td>
<td>If not above</td>
<td>Unapproved</td>
<td>n.a.</td>
<td>80%</td>
<td>No limit</td>
<td>Payment by Member</td>
<td></td>
</tr>
</tbody>
</table>
Ceilings

- Ceilings used to be expressed in reimbursed amounts.
- No longer possible with the variable rate...
- Ceilings now expressed in maximum expenses
  - Previous ceilings have been divided by 0.9
  - ... and rounded up!
- Ceilings expressed per calendar year
  - Pro-rata the duration of the contract
- Some “unused” parts of the ceilings may be carried over to subsequent year(s)
  - See examples later...
Other modified rules

- **Optical care:**
  - Single ceiling: 500 CHF per annum with carry-over for 3 years (i.e. 1500 CHF in total every 3 years)
  - Suppress change of diopters and ceiling for frames
  - Suppress special ceiling for lenses
  - Refractive surgery (ceiling 2000 CHF per eye)

- **Dental care:**
  - Ceiling with carry-over on 3 years: 3000 CHF per annum

- **Prevention: 100%**
  - Mammography, hemoculture (colon cancer screening), papilloma-virus vacination

CHIS benefits as of January 2012
Incentive measures

- Many calls to use less expensive health care providers
  - Quite a few persons changed their habits, thank You!
  - However: 69% of the members live in France and 64% of outpatient expenses are in Switzerland!
    ❖ This means many residents in France still go to doctors, buy their drugs or make blood tests, X-rays etc, in Switzerland

- 5% extra reimbursement rate (i.e. 85%/95%) for outpatient expenses in selected member states
  - Concerns: doctors, drugs, lab tests, imagery, and more generally most out-patient expenses (see details in the rules)
  - Countries selection based on the OECD report on health costs
  - All member states but Switzerland, Norway and Denmark
    ❖ The list will be reviewed every year

- In the future similar incentive measures could be granted to other health care providers, if it helps keeping costs under control
Conclusions

- Maintain the same overall benefits
  - 87% average reimbursement rate (all included)
- Continue protecting (even more) members with high expenses
- Rationalise hospitalisation in view of the new situation
- Simplify some rules and adapt to new practice (e.g. optical care)
- Encourage strongly to use less expensive health care providers
- ... and, last but not least:
  - Continue to negotiate best tariffs with health care providers (new round of discussions starting now...)