



12 October 2026

Dear UNSMIS Plan Participant,

We are writing to share important updates regarding your UNSMIS health insurance plan. To ensure sustainability of the plan and continued quality coverage for years to come, we must introduce two key changes to the contribution rates effective as of 1 January 2027:

- 1) A phased increase in contribution rates (or the premium) over a three-year period, and;
- 2) A change in the contribution rate structure.

These changes are not taken lightly. They are the result of rigorous analysis, careful planning, and a commitment to the long-term health of the plan for every member it serves. A testament to this is the fact that the last revision of premium rates was in 2013, spread over 3 years. Before that, the other premium rate increase was in the year 2000.

Why are these changes necessary

UNSMIS is committed to your long-term health insurance coverage and the plan's financial sustainability, so that we can all enjoy meaningful protection throughout our retirement years. To do so, UNSMIS's plan and benefit structure must continue to evolve with healthcare developments.

UNSMIS uses an independent third party to conduct long-term solvency reviews every two years to ensure the plan remains financially stable and solvent for all concerned stakeholders. Our most recent solvency study identified the following key findings:

- In 2026, claims are projected to exceed premium income for the first time.
- If no action is taken, assets are projected to be fully depleted by 2034.

We want to be fully transparent about why these changes are necessary, what they mean for you, and how we've worked to keep increases as manageable as possible without negatively impacting the level of benefits provided.

What are the main reasons claims are increasing?

- Macroeconomic Trends: Medical inflation has reached levels not seen since the early 2000s, significantly exceeding the rate of wage inflation.
- Shifting demographics; An ageing participant population is leading to higher healthcare utilization across the plan.

What analysis was carried out?

- In addition to monitoring claim trends and the macroeconomic landscape, UNSMIS hires independent actuaries every two years to carry out long term solvency forecasts and reserve adequacy studies in addition to other ad hoc studies that may be deemed necessary.
- The actuaries carried out different scenarios, taking into consideration evolving demographics, downsizing amongst some participating organizations and forecasted claim and premium trends.

How were the scenarios evaluated?

- The different scenarios were evaluated by the Secretariat of UNSMIS and brought to the attention of its governing body, the Executive Committee, composed of members appointed by participating organizations, members representing staff and members representing retirees.
- Solutions privileged were those that a) ensured financial sustainability of the plan, b) could be spread over different years, to alleviate the impact on staff, and c) were sustainable in the medium term, without having to revert to additional increases in the next couple of years.
- Additionally, in reviewing the premium structure strong consideration was given to a more equitable redistribution of the premium and a clearer per capita risk premium.

How was the final decision reached?

- The UNSMIS Secretariat presented the results of the actuarial valuation and other studies to the Executive Committee
- The Executive Committee, after careful deliberation, agreed unanimously to the proposed premium rate increases and change in the premium rate structure.
- The Executive Committee, as per UNSMIS statutes, made a recommendation to the Director general of UNOG who, in turn, approved of the recommended changes.

Contribution Rate Increases

UNSMIS will implement changes to increase the overall premium income over three years, as follows:

Year	Percentage Increase
2027	+10%
2028	+4%
2029	+4%

This phased approach is designed to make the adjustment more manageable for all participants.

Revision to the contribution rate structure

UNSMIS is also introducing a revised contribution rate structure, effective 1 January 2027, designed to distribute costs more fairly and equitably across all participant groups. The revised premium structure changes how monthly contributions are distributed among household categories, to better reflect the risk premium of insured members and have a more equitable redistribution.

Current Premium Structure and Contribution Rates for Retirees

	SM	ORG
SM	3,40%	6,80%
SM + 1	4,40%	8,80%
SM + Family	4,80%	9,60%

Reviewed Premium Structure and Contribution Rates for Retirees

	1 Jan 2027		1 Jan 2028		1 Jan 2029	
	SM	ORG	SM	ORG	SM	ORG
SM	3,41%	5,88%	3,55%	6,11%	3,69%	6,36%
Dependent Spouse	1,87%	3,22%	1,94%	3,35%	2,02%	3,49%
Each Child	0,44%	0,76%	0,46%	0,79%	0,48%	0,82%

The premium rates for non-dependent spouses, non-dependent children and secondary dependents remain unchanged.

The revised premium structure changes how monthly contributions are distributed among household categories, to better reflect the risk premium of insured members and have a more equitable redistribution.

Approximately 68% of retirees will see either no change¹ or reductions of up to 12% compared to current 2026 contribution rates (excluding the premium rebate some retirees benefit from). Retirees only and single parent households with up to 3 dependent children will all see no changes or be better off in 2027. For some, reductions are possible as the 10% increase in premium rates will be offset by a more favorable contribution rate structure. Others will pay more.

To estimate the exact increase or decrease of your monthly premium deductions, please click on the following [link](#) to access monthly premium estimation tool developed by UNSMIS.

¹ Changes +/- 0.2% are considered no change.



Please note that retirees who retired before 2020 benefit from an ad hoc 20% rebate. This rebate was granted voluntarily by UNSMIS and is not part of UNSMIS's internal rules. The need to increase premium rates has forced UNSMIS to review the need for this voluntary rebate. After careful discussions within the Executive Committee, it was agreed to remove this rebate gradually over 2 years. In 2027 the rebates, for those who benefit from it, will be reduced to 10% and then go down to nil in 2028. This rebate is not captured in the premium calculator.

UNSMIS has evolved throughout the years from a Geneva centric operation to a truly worldwide health insurance plan. To reflect the evolving demographics, UNSMIS and the Executive Committee have agreed to the abolishment of minimum premiums. This will be beneficial to locally recruited staff in low-cost duty stations, who tend to have lower pensions and are thus penalized by flat minimum premium rates set in CHF.

Cost Sharing.

As you will notice the new rate's structure also includes a cost sharing arrangement that has shifted from the current 1/3 – 2/3 to a ratio of roughly 36% for the staff member and 64% for the Organization.

The United Nations General Assembly approved in the past a 1/3 – 2/3 cost sharing arrangement for the US based plans and a 50/50 cost sharing arrangement for all other international health insurance plans of the United Nations Secretariat.

The active staff cost sharing at 50/50 with the organization and the SPP premiums, funded entirely by participants, allowed UNSMIS to maintain 1/3 -2/3 cost sharing arrangements for retirees, without deviating from the mandated 50/50 cost sharing between participants and organization.

Changing population demographics in recent years have resulted in the rate of increase of the retiree population outpacing that of the active population. The SPP premium is no longer sufficient to bring the overall cost sharing of UNSMIS to 50/50.

Why are these changes necessary

UNSMIS is committed to your long-term health insurance coverage and the plan's financial sustainability so that we can all enjoy meaningful protection throughout our retirement years. To do so, UNSMIS's plan and benefit structure must continue to evolve with healthcare developments.

Thanks to continuous cost containment efforts, UNSMIS has only increased premium rates twice since 1994 — in 2000 and 2013. (Note: the 2013 increase was also spread over 3 years.) Increases have consistently remained below premium increases in Switzerland's mandatory basic health insurance scheme as well as the amounts forecasted each year by the AON Medical Inflation Worldwide Report.



Our Commitment to You

UNSMIS remains deeply committed to:

- Maintain quality health coverage for all participants and their families.
- Continuing cost containment efforts to minimize future premium pressures.
- Ensuring fairness in how costs are shared across all participant groups.

We sincerely appreciate your continued trust in UNSMIS. These changes, whilst impacting on some colleagues negatively, reflect our commitment to ensuring the sustainability and health of the plan, ensuring that it remains solvent whilst guaranteeing inter-generational solidarity and ensuring an adequate risk repartition based on family size.

An additional FAQ document has also been prepared to assist you.

Regards,

The Executive Secretary