



# NEWSLETTER

## OF THE ASSOCIATION OF FORMER PAHO/WHO STAFF MEMBERS

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VOLUME II NUMBER 1

MAY 1992

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### EDITORIAL

The Association is expanding the Newsletter mailing list to include all colleagues retired in the United States and Canada. We will also be sending copies of the Newsletter to PAHO/WHO Representatives and/or Staff Association Representatives in the countries of the Region, thus hoping to reach as many colleagues as possible. If they are interested and specifically request it, we will send the Newsletter directly to them. Unfortunately, at this moment we do not have the resources to issue versions of the Newsletter in Spanish, Portuguese or French. The goal of the Newsletter is to inform our membership on issues affecting retirees and to provide information as to the whereabouts of our colleagues -- "*our PAHO family*"-- as some have called it in their letters.

An Association, as the dictionary defines, is "*the state of being associated; a connection of persons; companionship; fellowship; partnership; an organization of persons having common interests, purposes, etc.*" This implies that every one of its members should participate and contribute to

the common interests and purposes. As the legendary Musketeers used to say: "*All for one and one for all.*" And that is also true for the Newsletter. We need to receive contributions from all our readers; to have them tell us their needs, what they would like the Association to do, what they think about the Association; articles on their experiences after PAHO, what they are doing in community work, hobbies, art; also classes for senior citizens' that are being offered in some of their areas that other colleagues could take advantage of; solutions found in regard to common problems that might help some others, such as supplemental health insurance, coping with loneliness or physical handicaps; news of themselves such as travel, grandchildren, missions in foreign countries, etc. Many of the colleagues would like to renew old acquaintances or friendships and even start correspondence.

So let us hear from you soon so we may be better able to have our Newsletter accomplish one of its goals: to serve as a link between our colleagues.

## FOR YOUR INFORMATION

### DID YOU KNOW THAT. . .

The Pan American Sanitary Bureau is the oldest of the international health secretariats, antedating the International Office of Public Health in Paris by five years and the Health Section of the League of Nations by two decades.

The Bureau was created by the Second International Conference of American States, held in Mexico City, (22nd October 1901 - 31st January 1902) as the International Sanitary Bureau. It was formally organized by the First International Sanitary Conference in Washington (2 - 4 December 1902) as an agency of all twenty-one American republics. The Bureau and the Conferences were originally called "*International*" and were changed to "*Pan American*" at the Fifth International Conference of American States, as a result of the creation of the *International Office of Public Health at Paris*.

The original purpose in creating the Bureau was merely to establish a center of information through which the American republics could keep each other informed concerning outbreaks of certain epidemic diseases of international importance (*quarantinable diseases*). The functions of the Bureau have expanded to cover virtually every aspect of public health in which the American republics desired to cooperate with each other.

The Bureau acted as a regional bureau to the *International Office in Paris*.

During the second world war, the Bureau sent epidemiological intelligence to the Health Division of UNRRA and, since

1949, serves also as the Regional Office of the *World Health Organization*.

The resolution concerning international sanitary policy of the Second International Conference of American States, held in Mexico City (1901-1902) states that there shall be held within one year a "*general Convention of representatives of the health organizations of the different American Republics*" and "*that said Convention shall provide for the holding of subsequent sanitary Conventions at such regular times and at such places as may be deemed best by the Convention.*" The resolution further provides "*that authority shall be conferred by each Government upon its Delegates to enable them to join Delegates from other Republics in the conclusion of such Sanitary Agreements and Regulations as in the judgement of said Convention may be in the best interests of all Republics represented therein.*" The Pan American Sanitary Bureau was, therefore, at first merely a continuation committee of the Pan American Sanitary Conferences which were to be held at regular intervals.

(From the book "International Health Organizations" Second Edition by Neville M. Goodman)

**To be continued.**

### NEWS FROM OUR COLLEAGUES:

Some quotes of letters from the field.

From:

Donald J. Schliessmann (in Atlanta, GA)

... "I commend and congratulate the organizers and officers of AFSM. I am impressed with the newsletters and the work that has been accomplished"... "The office can provide a great deal of assistance in contacting and obtaining current information on PASB activities. Since retiring, personnel and reorganizational changes together with security regulations have made obtaining information and/or assistance somewhat complex and difficult."

AFSM will gladly provide information requested by our colleagues. By now you should be receiving PAHO TODAY, an internal newsletter. If not, please let us know.

Marvelle Toney (in Headsburg, CA)

"I do miss my PAHO family and welcome this channel of communication."

Evelyn Zimmerman (in Spring Valley, NY)

"A great idea - Am happy to join ! Wish you had a 1-800 telephone number."

Isabel A. Pfeifer (in Las Vegas, NV)

"What a wonderful surprise to receive a copy of the April Newsletter and learn

about the establishment of AFSM." "I experience both happiness and sorrow in reading about some of my friends, my family for 26 years." "I would very much like to participate in the work of the Association." Please convey my congratulations to all members of the Board of Directors. I read their names and a lot of good memories come to mind. Look forward to further news from AFSM."

Please send us articles for the Newsletter, your experiences after leaving PAHO, or interesting anecdotes during your life in PAHO. Thanks for offering your services to the Association.

Louis J. Lovelace (in Escondido, CA)

"Just to say thank you for the Newsletter and the important information provided to me" "I am pleased to congratulate you for the work you have done -- and are now doing -- for the benefit of all of us."

Dr. Joaquin Fermoselle-Bacardí (in Coral Gables, FL)

"I was extremely pleased to receive the news concerning the creation of the new Association"... "How would it seem to you if we were to publish an invitation in the Newsletter to play chess by correspondence between retirees?"... "I am happily married for over 55 years and am a Rotarian since 1938" ... "A tremendously cordial and warm Florida greeting to all."

#### WHO IS DOING WHAT AND WHERE:

Antonio Ríos

We are pleased to report that Antonio Ríos is hard at work after a successful heart operation (see Sept. 1991 Newsletter). He and his wife Eleanor returned to China where they plan to stay at least a year. If any of his colleagues wish to get in touch with him, his address is:

Antonio Ríos (English Teacher)  
Technical Institute of Zheng Zhyou  
Province of Henan  
Peoples Republic of China.

José M. Guerricagoitia has a bookstore and

offers books in Spanish and Portuguese. If you are interested in hispanic literature call **Cultural Hispania** Tel. (301)585-0134 or write to P.O. Box 7729, Silver Spring, MD 20907.

#### PROUD GRANDPARENTS

**Helena M. Irwin** was blessed with a granddaughter, Taylor Marie, in December, born in Kansas City. Our best wishes go to her and her family.

**Hans A. Bruch** welcomed his seventh grandchild, Hans Richard, in April, born in Baltimore. His mother is Sissi, the designer of our Association's logo.

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#### 1992 AFSM DUES

The 1992 AFSM DUES ARE DUE NOW. PLEASE SEND YOUR CHECK PAYABLE TO AFSM TO:

Pan American Health Organization  
AFSM Room 320  
525 23rd. Street, N.W.  
Washington D.C. 20037

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#### SOCIAL AND CULTURAL AFFAIRS OF PAHO STAFF ASSOCIATION

The Subcommittee on Social and Cultural Affairs of the PAHO Staff Committee is sponsoring a PAHO Theater Group. At its first meeting, the participants decided to formally constitute a PAHO Theater Group and to name it "**Delia Goldin**" in memory of our former colleague who had such great dedication and enthusiasm in the theater activities of PAHO. Two focal points were designated to coordinate activities: Inés Campiña (HPDx861-4305) and Adrian Rota (DRCx861-4305). Mr. Abel López, Director of the play "**Entre Mujeres**" (Among Women), being presented at the Gala Theater, will visit PAHO to meet the group and exchange ideas. All former PAHO staff members are cordially invited to participate in the activities of the group. If interested, please contact either one of the focal points. Hope to see you around!

## HEALTH CARE

In the U.S.A. the cost of health care is too high and is still rising while health benefits from insurance are being increasingly limited. The Association has formed a group to collect and analyze information from different agencies that deal with the subject and offer some alternatives to its members. As for example, supplemental health insurance to pay what PAHO/WHO insurance does not cover, and long term care insurance (nursing homes benefits). For your information only, we are including the plan that New York Life Insurance Co. is offering to PAHO. In due course we will send you the plan of the American Association of Retired Persons (AARP) medical supplement, and other similar alternatives.

# intouch

NUMBER 5

with the company you keep

## Long-Term Care Insurance: What You Need to Know

BY DOUGLAS DAVIN

This year, over 2.3 million people will be living in a nursing home. Over the next 30 years, that figure is expected to double. Nursing home costs are also increasing at a dramatic rate. Currently, according to the Brookings Institution, a year in a nursing home costs \$25,000 or more on average. By the year 2018 it will cost about \$55,000. Who will pay the bill?

Such statistics go a long way to explaining the growing popularity of long-term care insurance. Since they were introduced on a widespread basis during the last decade, long-term care insurance policies have become among the most talked-about policies both within and outside the insurance industry. Designed to provide funds to cover nursing home costs, long-term care policies come in a variety of forms and are now available from over 118 companies. According to the Health Insurance Association of America (HIAA), over 1.5 million policies have been sold by these companies through 1989.

But as the number of policies sold increases so do consumers' questions. Among them: Who needs it? What does it cover? What is a good policy? And what are my rights as a consumer?

### Who needs it?

To understand who may need long-term care coverage it is necessary to understand a few basic changes taking place in American society. First and foremost, according to the U.S. Census Bureau, America's Baby Boomers are aging. In 1990, there were 32 million people age 65 and older. By 2030, this figure will double to 64.6 million. Coupled with that is the fact that people are living longer today than ever before. Life expectancy is now pushing upward of 75; and by 2040 there may

| Comparing Long-term Care Policies   |                                      |                         |
|---|--------------------------------------|-------------------------|
| Features  | Recommended by Consumer Reports 5/88 | New York Life Policy    |
| Daily nursing home benefit  | \$80.00                              | \$50-\$200              |
| Waiting period  | 20 days                              | 20, 60, 90 days         |
| Maximum benefit period for one stay   | 4 years                              | 2, 5 years or unlimited |
| Maximum benefit period for all stays  | unlimited                            | 2, 5 years or unlimited |
| Does it pay full benefits in  |                                      |                         |
| Skilled-nursing facility?   | yes                                  | yes                     |
| Intermediate facility?  | yes                                  | yes                     |
| Custodial facility?   | yes                                  | yes                     |
| If it has a prior-hospitalization rule does the coverage begin within 30 days after a hospital stay of at least 3 days? | yes                                  | no stay required        |
| Does it pay home-care benefits?   | yes                                  | yes (optional)          |
| Does it pay these without requiring nursing home care, or a hospital stay?  | yes                                  | yes (if elected)        |
| Does it have a waiver of premium?   | yes                                  | yes                     |
| Is it guaranteed renewable for life?  | yes                                  | yes                     |
| Is Alzheimer's disease covered by specific policy language?   | yes                                  | yes                     |
| Does the premium stay level?  | yes                                  | yes                     |
| What is Best's rating of the company?   | A or A+                              | A+15                    |

be more people over age 85 than there are over 65 today.

Not only are we getting older, but over the next 50 years working age population will increase by only two to 18 percent, while the elderly population is expected to increase anywhere from 139 to 165 percent. Traditionally, children were expected to care for their parents during old age. However, the increase in dual career families and family mobility have made finding alternate means of long-term care a necessity for many.

### What does long-term care insurance cover?

Long-term care policies usually pay for skilled, intermediate or custodial care in a nursing home. They can also cover in-home care costs.

Generally, skilled care refers to round-the-clock treatment by a registered nurse under a doctor's supervision. Intermediate care refers to occasional nursing and rehabilitative care under the supervision of skilled medical personnel. Custodial care primarily meets personal

care needs in activities of daily living such as help in eating or bathing.

### How LTC policies work

According to HIAA, almost all policies are indemnity policies meaning they pay a set amount, usually a fixed dollar amount per day. Others reimburse policyowners for expenses incurred. Few, if any, policies, however, provide full coverage for all expenses. Long-term care policy premiums range from \$250 to \$2,500, depending on age, elimination or deductible periods and the duration of benefits (e.g., a policy that pays \$100 a day for five years will cost more than a policy that pays \$50 a day for three years.)

### How to pay for it

Who will support this population and help pay its inevitable medical bills? The writing is on the wall. "The aging of the Baby Boom generation combined with rapidly falling mortality rates for the aged inevitably will lead to sharply increased demand for long-term care that will require substantially greater



public and private spending," write Alice M. Rivlin and Joshua M. Weiner in *Caring for the Disabled Elderly*, a new book published recently by the Brookings Institution.

But when it comes time to pay the bill, no federal programs—Social Security, Medicare, or Medicaid will be able to provide the funds necessary. Neither Medicare, nor private Medicare supplemental insurance will pay for most long-term care expenses.

Social Security is not the answer either. Social Security is not a savings account that builds up over time. It is a pay as you go system, paid for through payroll taxes on present employees to support former workers. Today, according to the Social Security Administration, each retired Social Security beneficiary is supported by the payroll taxes of 3.3 workers. By 2020 the ratio will have declined to 1:1.9. According to the Social Security system, payroll taxes would have to increase by almost 60 percent in order for the system to remain solvent and provide the same level of benefits.

Medicaid, on the other hand, is a major payor of nursing home care. Providing 42 percent of all payments

to those facilities, it is meant to help with expenses for the aged, blind and disabled poor. Many people who enter a nursing home and pay for it out of their own pocket then turn to Medicaid after their resources have been depleted.

Recent changes to Medicaid allow your spouse to keep only \$786 a month and \$12,000 (actual figures vary from state to state) in assets if you should become Medicaid-eligible for nursing home care. Long-term care insurance will help people avoid having to rely on Medicaid and spend down to poverty level.

### **Just what does a good policy include?**

In May 1988, *Consumer Reports* published a study on long-term care policies. As the chart on page 1 indicates, *Consumer Reports* recommended policies that provided a minimum \$80 daily benefit, a waiting period of only 20 days; paid full benefits for all levels of nursing home care facilities; was guaranteed renewable for life; specifically covered Alzheimer's disease. When it first appeared on the market, New York Life's policy was one of the first to meet all of *Consumer Reports*' requirements.

### **Consumers' rights**

Recently the National Association of Insurance Commissioners (NAIC) has adopted a model act of consumers' rights which has been adopted in some form or another by approximately 40 states. A basic outline of the protections follows:

They prohibit: pre-existing condition exclusion periods of longer than six months; cancellation of a policy due to the age or diminishing health status of the insured; exclusion of the coverage for Alzheimer's disease; prior hospitalization requirements; and the practice of conditioning eligibility for nursing home benefits on receipt of a higher level of institutional care. The regulations also prescribe minimum standards for home health care benefits and inflation protection. A complete version of the model act and a buyer's guide can be ordered through the NAIC.

When considering long-term care, read the policies carefully and compare them. Ask for a disclosure form outlining the policy's features. Ask your agent if you have any questions.

Is long-term care right for you? Only you can decide, but with the help of an agent, you will be able to make an educated decision. ■