



# ASSOCIATION OF FORMER PAHO/WHO STAFF MEMBERS

## N E W S L E T T E R

---

VOLUME I NUMBER 1

APRIL 1991

---

### E D I T O R I A L

The Association of Former PAHO/WHO Staff Members (AFSM) was officially born on 8 November 1990, when a general meeting was held by some former staff members. They approved the Bylaws, a program of activities, and a budget for 1991, and elected the first Board of Directors.

The Association's main objectives are to provide members with a link to PAHO/WHO and to fellow members; to voice the concerns of its members to the administrations of both PAHO/WHO and the UN; to apprise the members of any issues affecting them; and, last but not least, to promote fraternal, humanitarian, educational, cultural and social activities among them.

A large order, but with your help it can be done. The Association is still a newborn and needs the help and care of all former staff members in the area; it needs to be nurtured with ideas, projects and activities. We are all responsible

for its growth and development. Once fully grown it can be a useful resource for all former staff members.

Until then, to paraphrase: "Ask not what the Association can do for you; ask what you can do for the Association."

We wish to thank the Director, Dr. Guerra de Macedo, and PAHO Administration for their continued support. They have given us meeting rooms, equipment, other facilities and even financial aid.

The Association plans to work very closely with similar entities, such as PAHO Staff Association, the Association of Former WHO Staff Members of Geneva, and the Association of Former International Civil Servants (AFICS) of the United Nations. All of them have similar goals, but also specific needs and interests. We can all be of help to each other but we must first meet the needs of the former staff members of PAHO.

**F O R Y O U R I N F O R M A T I O N**

**ELECTION OF OFFICERS**

At its first meeting, on 27 November 1990, the Board of Directors selected the following officers for the Association, from among those elected by the general meeting on 8 November:

President - Hans A. Bruch  
First Vice President - Alfred N. Gerald  
Second Vice President - Jack Anderson  
Treasurer - Federico G. Varela  
Corresponding Secretary - Helena M. Irwin  
Recording Secretary - Edith Quiñones  
Assistant Secretary - Berta Chiari

Subsequently, Jack Anderson found it necessary to resign from the Board for personal reasons. The remaining Directors, as prescribed by the Bylaws, elected Jean Surgi to the vacated position. We are grateful to Jack for his valuable contribution to the Association.

\* \* \*

**WE NOW HAVE OUR OWN BANK ACCOUNT**

The Association has opened an account in the Credit Union. We have already deposited the

1991 dues checks received to date as well as the contribution of \$800.00 from PAHO. We urge all members to send their dues checks payable to AFSM in the amount of \$10.00 to:

Association of Former  
PAHO/WHO Staff Members  
c/o Pan American Health  
Organization  
Room 320  
525 23rd. Street, N.W.  
Washington D.C. 20037

\* \* \*

**PAHO/WHO STAFF HEALTH INSURANCE**

Background

A WHO Joint Meeting on Staff Health Insurance was held at WHO Headquarters in Geneva from 6 - 8 November 1989. Participants included the members of the Headquarters Surveillance Committee as well as members of all Regional Surveillance Committees.

One of the most important items in the agenda was the presentation and review of the actuarial study of the WHO Staff Health Insurance Fund. The study was prepared by PRASA Heivett International at the request of the WHO Joint Meeting on Staff Health Insurance in November 1988. Copies of the actuarial study had been provided to all Regional Surveillance

Committees prior to the Joint Meeting of November 1989.

The major highlights of the actuarial study included:

- a), Current contributions from active staff, retirees and the Organization were inadequate.
- b) Without increases in contributions the Fund could run dry in the near future.
- c) There was an estimated deficit of \$21.8 million (after increasing contributions) against the projected costs for existing pensioners.
- d) Action was needed to build up the Fund's reserves to cover the costs of future retirees (already begun in 1989 by earmarking 15% of active staff contributions for this purpose).

The recommendations of the actuarial report, approved by the Joint Meeting of the Surveillance Committees, were submitted to the Director-General for final approval. A summary of the impact of the new staff health insurance rules for the retirees is as follows:

- a) Contribution rates will increase by 10% per year for the next five years beginning in 1990.
- b) Contributions of retirees with less than 30 years

of service will be based on the full pension to which they would have been entitled after 30 years of contributory services (this does not affect retirees with 30 years or more of contributory service).

This latter revision has caused great concern to many retirees because it represents a major departure from one of the basic concepts of the Staff Health Insurance Program - namely, that contributions should be based upon earnings. Medical costs in the Washington metropolitan area have increased enormously, and it would be understandable if contributions to health insurance increased proportionally. However, many retirees consider the new base of 30 years of contributory service to be unfair to those who served for lesser periods; it discriminates against retirees with less than 30 years of service.

A review of PAHO/AMRO retirees' pension amounts in 1989 versus 1990 indicate percentage increases as follows:

Amount of Increase	Number of Retirees
0 to 50%	269
51 to 100%	220
101 to 200%	133
201 to 220%	20
221% and above	5
TOTAL	647

Some retirees are required to pay income tax on their

pensions, i.e., US citizens or resident aliens living in the United States and citizens of other countries that tax UN pensions.

The AFICS Quarterly Bulletin (Volume XX, No. 2 May 1990 - Special Edition) indicates that recognition has been given to the need for adjustment of health insurance contribution rates for retirees who are subject to income tax. An extract from the above-mentioned AFICS Bulletin is as follows:

"AFICS (New York) representatives have pointed out, among other things, that while the contribution rates of active staff are based on their net base pay (i.e., a f t e r deducting staff assessment plus language and non-resident allowance, if any), the contribution rates for retirees is based on their gross pensions which are subject to income tax. To compensate for this, the retirees have, since 1974, been contributing on the basis of half their gross pensions."

At the last Surveillance Committee Meeting in Geneva (October 1990), the Committee acknowledged the complaints and protests that have been received both in the office and by NAFICS, pointing out difficulties arising from the sudden and high rate of contribution increases at 1 January 1990. INS/HQ will be investigating the possibility of pensioners having contributions deducted monthly from pensions to try and spread the load.

#### Actions to be taken by the Association

The increase in Staff Health Insurance rates elicited many letters of appeal to WHO Director-General from all WHO Regions and particularly their retirees.

In Geneva, the executive group of the Association of Former WHO Staff Members decided to suspend the appeals to allow for further discussions and actuarial studies. This action was taken with the assistance of Mr. Klaus Samson, an advocate, after reviewing 130 letters sent to the Director-General and meetings with the ADG and Budget and Finance Director. There is every hope that a solution will be found.

The Board of Directors of our Association will study these issues and will do all it can to find an equitable solution. We will keep you informed of developments.

#### COUNSELING SERVICES

The Board of Directors has entrusted Dr. Alfred N. Gerald the task of organizing a counseling service. He will need volunteers from the general membership, but so far no one has come forward. It is our hope that the article on the Living Trust, prepared by Dr. Gerald, will stimulate calls from prospective volunteers. This is a subject of interest to all mature citizens, especially retirees. If there is sufficient interest in

further details, we may even organize a seminar-luncheon with a professional speaker.

Members should call Dr. Gerald at (301) 770-3845 to volunteer or to make suggestions on future topics and issues that might be of interest to AFSM membership.

#### **MAINTAINING CONTROL OF ASSETS THROUGH A REVOCABLE LIVING TRUST**

A do-it-yourself manual published by the DSA Financial Publishing Corporation of Canton, Ohio, defines living trust (technically called a revocable inter-vivos trust) as "a legal instrument used to hold assets such as real estate, bank accounts, stock and bond certificates, etc." The transfer of assets, executed during one's lifetime, permits the grantor/trustee to maintain full control of these assets through his lifetime - including periods of physical or mental incompetence - and finally, as with a will, the grantor dictates every detail concerning the future immediate and long term management and distribution of all assets held in the trust after his death.

Although the ultimate function of a living trust is similar to a will (*the distribution of assets and assignment of responsibilities to heirs*), the trust is a superior alternative because it provides the grantor with significant benefits while he/she is still alive albeit incompetent due to illness, old age, or in a state of isolation (for example,

*widowed, interned in a nursing home, and childless*). In addition to the benefits stated above, the living trust provides other very significant advantages over a will. For example, the living trust will avoid the need for expensive and time consuming (a year or more after death) probate court proceedings. This procedure is unavoidable with the will. There is no opportunity for legal challenges by disgruntled relatives; taxes and legal cost are kept to a minimum, and the hassle and embarrassment of state appointed conservatorship is eliminated.

Last, but not least, probate court proceedings are matters of public record. Consequently, anyone can find out the nature and size of your estate and dispositions by the respective courts. By contrast, the living trust, by avoiding probate, rules out any possibility of unwelcome disclosures.

Generally, a living trust is created by setting up a trust agreement (*preferably with the aid of a qualified professional*) in which instructions are provided for managing the trust during the grantor/trustee's lifetime, and for its dissolution after the death of the grantor. Titles to real estate, automobiles, stock and bond certificates etc. are placed in trust in which the grantor/trustees (*husband and wife where applicable*) are placed in perpetual control, and responsibility for continued control after death of the grantors is assigned and protected. Bank accounts are

reopened in the name of the trust without prejudice to the degree of control over these assets held before the creation of the trust. The trust agreement can be revoked, modified, or terminated at will during the lifetime of the grantors.

Alfred N. Gerald.

#### HUMANITARIAN SERVICES

One of the objectives of our Association is to provide assistance to our members when they are sick, temporarily incapacitated, alone and in need of services that they cannot provide for themselves i.e., transportation to keep doctors' appointments, go to church, bank, or grocery shopping; also assistance in placing telephone calls, writing letters, filling out forms for reimbursement of health insurance, etc. In other words, we will reach out in a spirit of brotherhood/sisterhood.

For this purpose we would like to organize a **CONCERNED CARE GROUP** composed of volunteers who would be able and willing to help if and when the need arises.

If you would like to participate in this endeavor, please call any of the following members:

Helena Irwin (703) 506-8077  
Hans A. Bruch (301) 530-5450  
Edith Quiñones (202) 659-9465

After we have heard from a sufficient number of volun-

teers, we will meet to discuss the mode of operation of the group and to formalize a plan of action.

\* \* \*

#### SOCIAL ACTIVITIES:

Watch for a FLASH bulletin announcing the date and place of our AFSM luncheon. Tentatively some time during the second week of June.

What happened to the idea of an excursion or trip? We need you to write to us and let us know what you prefer so we can start organizing. Here are a few possibilities:

- New England coastal tour:  
June 22-28
- Allenberry (PA) including two shows: Oct 9-10
- Study tour with the University of Alabama: Oct 1-19
- Canada on a cruise: Fall 1991
- Portugal and Spain for the celebration of the 500th anniversary of the discovery of the New World: 1992

Requests for details and more information are welcome. Call H. Irwin (703) 506-8077

\* \* \*

#### NEWS FROM OUR COLLEAGUES

##### KUDOS FOR...

##### BERTHA de SERA

We all remember Bertha's successful show of her paintings at PAHO Headquarters in 1975. Since then she has expanded her art studies and

become an accomplished painter of miniatures.

Miniatures are no larger than 4 x 6 inches, done with brush strokes so fine that they cannot be seen. Highly treasured by European royalty, miniatures were not only framed but also inserted into pendants, brooches, buckles and buttons. Miniature art flourished from the XVIth to the XIXth centuries. Even such artists as Rembrandt supplemented their income by painting miniature portraits. Nowadays a miniature painting can cost as little as \$50 or as much as \$1,000.

Last year the "Frederick News-Post" in Maryland, highly acclaimed and publicized Bertha's miniature art. She has hosted several work-shops for artists who wished to add this skill to their repertoire. Currently she is organizing a miniature art show, and will host a workshop at her studio, 8644 Reno Monument Road, Middletown, Md. on May 24, 25 and 26 of this year. The workshop will be offered by Elizabeth Davys Wood, author of "Painting in Miniature," who will be coming to the United States from Great Britain.

We congratulate you, Bertha, on your artistic accomplishments and wish you continued success!

**PAHO Staff members retiring during 1991:**

Guillermo Dávila  
Carlos García  
Januario Gómez  
Adrien L. Leger  
Jorge Litvak  
Hortensia Saginor  
Angel E. Viladegut

We cordially invite them to join the Association and to be active in one or more of its committees. A membership application is included in this neesletter.

#### **WHO IS DOING WHAT AND WHERE**

In our September 1990 NEWSLETTER we mentioned that we would like to start a "personal" column with information on the whereabouts and doings of our colleagues.

Please send us news about yourself and any other former PAHO/WHO staff member you may know about. Likewise, if you want to know about a former staff member or wish to get in touch with him/her, please write us. We might be able to help you.

\* \* \*