



BULLETIN 2022.3

Dear Members,

This is our third bulletin for 2022, updating you on the upcoming changes to the NATO medical insurance as a result of the ongoing Modernisation of the NATO Medical Plan. In addition you will find information on the Defined Contribution Pension Scheme (DCPS) and in particular related to the taxation situation in Germany as well as a brief update on the taxation issues in Belgium, France and Luxemburg. Finally this bulletin describes the situation related to the national representatives of ANARCP and of the CNRCSA.

1 Information on the new NATO Medical Plan

1.1 Approval status of the new NATO Medical Plan

In previous ANARCP bulletins we had already reported on the progress made with regard to NATO's plans for the modernization of the NATO Medical Plan. You have now received a message from Allianz Care in July stating that the new NATO Medical Plan “has been endorsed by the Secretary General and the Strategic Commanders” and that “the related changes will be implemented as of 1 January 2023”. At the beginning of October, Allianz Care has also sent an information package to all insured members with further explanation about the changes to the medical insurance plan. Because this has quite a few consequences for all insured members and in particular for those that are currently subscribed to the Supplements B and C, we will summarise in this bulletin the most important changes with regards to the current Allianz insurance package. The information in this bulletin is therefore an additional explanation of the information you have already received from Allianz Care and in case of differences, the information from Allianz Care will be the correct one.

An overview of the evolution of the modernization of the NATO Medical Plan and the various inputs of ANARCP and of the Confederation of NATO Retired Civilian Staff Associations (CNRCSA) is included under section 1.2 here below. Important to note is that ANARCP has constantly objected to the new medical plan and will continue to do so and will continue to challenge the legality of the proposed changes.

Despite all ongoing efforts to continue to challenge the new NATO Medical Plan and despite the fact that the CNRCSA and ANARCP have not yet seen the final approval of the medical plan, the planning to introduce the new plan to take effect on 1 January 2023 is progressing. In order for insured members to better understand what will change if the plan comes into effect, the main changes to the current medical plan with a summary overview of the new coverages and premiums are presented in section 1.3.

1.2 Overview of the development of the new NATO Medical Plan

Since 2018, ANARCP has taken a clear stand against the intention to abolish the Supplements B and C, as initially proposed by the NATO Administration. The retired staff were not involved in this proposal and the proposal to abolish the Supplements would have major consequences for the retirees subscribed to Supplement B or C. ANARCP has sent early letters to the NATO Administration in Brussels with the request to refrain from this intention and to first discuss the proposals in substance during the “Joint Consultative Board” meetings where active and retired staff representatives meet with the NATO Administration.

In 2019, two fellow retirees started a petition campaign, on behalf of 483 retirees in the Netherlands and Germany, addressed to the NATO Secretary General with the request to retain the existing Supplement B. Unfortunately, the Secretary General has now decided not to comply with the wishes of these 483 retirees. The involved participants in the petition campaign have recently been personally informed about this decision.

At a later stage, ANARCP was represented at NATO meetings through the Confederation of NATO Retired Civilian Staff Associations (CNRCSA). In all these meetings there has always been a lot of opposition. Formal replies to comments from the CNRCSA on the various versions of the NATO Medical Plan have never been received. Formal and informal meetings with representatives of the NATO Administration to discuss the CNRCSA position have also been unsuccessful and meeting records have never been prepared. In addition individual letters from the ANARCP National Representative for Türkiye remained unanswered. The only answers the CNRCSA has received was that our comments would have already been incorporated into the different versions of the plan and needed no further discussion.

After the release of the 2nd and final revision of the new NATO Medical Plan, the CNRCSA had written further comments because it was clear that the 2nd revision had not taken the previous comments from the CNRCSA into account. Unfortunately, the NATO Administration in Brussels did not consider it necessary to discuss our comments further. The NATO Administration still felt that our earlier objections had been sufficiently taken into account and that the new plan would immediately be submitted for approval to the two Strategic Commanders and then to the Secretary General. However, the CNRCSA was allowed to add a letter with a list of minimum conditions and recommended changes to the plan, which would then also be submitted to the Secretary General. The letter from the CNRCSA reiterated the following conditions:

1. Supplement B, or a comparable alternative, is important in the Netherlands because of the exemption from participation to the Dutch social security system. Supplement B was accepted in the past to ensure an equivalent medical coverage as the Dutch system;
2. Any alternative insurance to replace the Supplements B and C must provide comparable cover at a comparable premium and premiums should be based on country of treatment, percentage of salary or pension and should be settled in local currencies;
3. The new medical plan must also pay attention to better coverage for long-term care such as admission to a nursing home or home care;
4. The new medical plan must also update the list of serious illnesses to reflect current medical practices;
5. The new medical plan must introduce measures for cost savings;
6. The new medical plan must include a clear procedure to guarantee cover for insured members that incur high medical costs above the yearly limits (the so-called hardship procedure).

Despite the conditions letter from the CNRCSA as well as the 2019 petition from Supplement B holders as mentioned above and repetitive correspondence from Supplement C affiliates to the

NATO Administration and the Secretary General requesting answers to very significant queries, the Secretary General has unfortunately been reported as having approved the new NATO Medical Plan, even though no evidence has been provided that this is actually the case. It is still unclear what has happened or will happen with the minimum conditions of the CNRCSA. It is also unclear if the plan still has to be approved by other NATO committees because of the financial consequences for NATO or whether anything will change as a result of comments from the Strategic Commanders. It is clear though that the NATO Administration in Brussels has already started drawing up an information campaign to ensure that all changes can take effect on 1 January 2023.

As part of the information campaigns, Allianz Care has sent an information package to all policyholders by e-mail or postal mail at the beginning of October and information sessions will reportedly be organized at various NATO locations.

Considering the above, we might conclude that the proposals and comments from the CNRCSA have not been taken into account in the final formulation of the new NATO Medical Plan. The submitted petitions have apparently only been seen for information purposes. ANARCP has not yet accepted this decision and a number of individual members have decided to submit a request for an “Administrative Review” to the NATO Administration in Brussels with the request to amend the decision on a number of points. If this is not honoured, an “Appeal” process will be initiated with the “NATO Administrative Tribunal” to repeat our claim supported by legal and/or procedural grounds to retain the Supplements B and C.

Because it is understood that an appeal process can take a long period of time, we must assume for the time being that the new NATO Medical Plan will actually come into effect as from 1 January 2023.

1.3 Main changes to the current NATO medical insurance package (Allianz Care)

1.3.1 The current NATO medical insurance package

In order to better understand what is changing when the new NATO medical insurance is planned to come into effect on 1 January 2023, it is best to first consider the coverage that is provided under the current medical insurance package as contracted under the NATO policy through Allianz Care, with particular emphasis on the coverage for retirees. The current medical insurance package consists of the following components for retirees:

1. A Base Cover insurance (the “Continuous Medical Coverage” for retirees) that provides 90% reimbursement for medical treatments up to certain limits. For retirees that need to pay a premium 1/3rd of the premium is paid by the insured member and 2/3rd by NATO. The current premium for the “Continuous Medical Coverage” for retired staff, is 1.67% of the last earned gross salary and will therefore be different for everyone. Retirees who retired no later than 3 August 2016 with at least 25 years of service are exempt from paying this premium.
2. An additional insurance (NATO-Wide Supplement (NWS)) which is optionally available for retirees and which provides 100% reimbursement for “in-patient” treatment (hospitalization with admission of 24 hours or longer), treatment of “serious illnesses” and the treatment of medical care for disabled children. The premium for this part is currently fully paid by all retirees that have opted for the supplemental insurance.
3. Additional supplementary insurances in the form of Supplements (A, B, C and D) which are only optionally available to retirees with a last duty-station in certain countries. For example, the current Supplement B only applies to retirees who worked for NATO organizations in the Netherlands or in Germany (with the exception of NETMA), while the Supplement C is only applicable to retirees with a last duty station in Türkiye. The current Supplement B provides for a 10% additional reimbursement for out-patient treatments by a specialist, including treatments and medicines prescribed by the specialist, extra reimbursement for glasses and contact lenses and extra reimbursement for transport. The current Supplement C provides for 10% additional reimbursement for all out-patient treatments in Türkiye that are under the

Base Cover. The premium for these supplementary insurances is paid in full by all retirees that have opted for the supplemental insurance.

4. The current monthly premium in 2022 for the NWS and Supplement B together is €25.52 per month for retirees with a last duty station in the Netherlands, including any partners and children.

For retirees with a last duty station in Germany, the total monthly premium in 2022 for the NWS and the Supplement B together amounts to €73.18 and is thus significantly higher due to higher medical costs and also greater use of medical care in Germany due to direct access to specialists without referral.

For retirees with a last duty station in Türkiye, the total monthly premium in 2022 for the NWS and the Supplement C together amounts to TRY 289.03 (about €16 at current exchange rates).

For all other retirees that are subscribed to the NWS and the Supplement A the monthly premium in 2022 will be between €13 and €31 depending on the country of the last duty-station.

1.3.2 The new NATO Medical Plan

The new NATO Medical Plan, is planned to take effect on 1 January 2023, subject to final approval of the plan being received. If implemented, the new NATO Medical Plan provides for the following global adjustments to the existing medical insurance:

1. The NWS will be included in the Base Cover and provides a 10% additional reimbursement, possibly with a doubled limit, for hospitalization (“in-patient” treatment), treatment of “serious illnesses” and treatment of disabled children. This will not change the existing cover.
2. The current Supplement D will be included in the Base Cover. Supplement D is only available in the current insurance package to retirees who have a last duty station in France and provides a 100% reimbursement when consulting doctors belonging to the French social security system. In the new NATO Medical Plan, this arrangement will also apply to all insured members who use or receive care in France under the same conditions.
3. The current Supplements A, B and C will be abolished. These will be replaced by new optional so-called “Affinity Products” with three different (additional) cover options and the premium for this additional insurance has to be paid in full by the insured members. Please note that if no “Affinity Product” supplementary insurance is taken out, the coverage for all “out-patient” treatments (day admission in a hospital of less than 24 hours or operations not performed under anaesthesia by an anaesthetist) will only be reimbursed at 90%.
4. The “Affinity Products” are optional and are available to everyone independent of the last duty station. The contract for an “Affinity Product” needs to be concluded individually via Allianz with the Intercovers Association. The premium payment also needs to be made directly through Allianz Care and cannot be deducted from the pension.
5. The “Table of Benefits” for the basic insurance will be adjusted by merging a number of treatment categories and by introducing *annual* limits for certain treatments where limits currently apply per treatment.
6. The premium for the “Continuous Medical Coverage” as the basic insurance for retirees will remain the same for the time being (with the exception of inflation adjustments). For retirees who retired on or before 3 August 2016 with at least 25 years of service the basic insurance with the inclusion of the NWS will still be free of premium, but it is currently unclear if the current exemption will also continue in the future. The Confederation of NATO Civilian Staff Committees (CNCSC), representing the active staff members, has demanded a “better” distribution of contributions paid by active members and retired members and the NATO Administration has promised to look into this. This is mainly aimed at the currently still valid waiver to pay the medical premium for certain retirees. The CNRCSA has strongly objected

to abolishing the current premium waiver and is also supported by a recent calculation showing that abolishing the waiver has little impact on the sustainability of the Retired Medical Claims Fund (RMCF) from which the medical costs of retirees are now paid.

7. The premium to be paid for the supplementary insurance via the “Affinity Products” will depend on the chosen option, on the family situation (single, with a partner or with children) and on the age. Full details of the three “Affinity Product” options are provided in section 1.3.4 below.

As an example for the middle option (Advance Plus) (which is closest to Supplement B), the monthly premium for a 65 year old single retiree will be €23.37 while an 80+ retiree with partner will pay €55.65 (a complete overview of premiums can be found in section 1.3.5).

The premium for a given option will be the same in each country and will have to be paid in Euro. This represents a serious problem for retirees currently affiliated to Supplement C as their pensions are remunerated in Turkish Lira (TRY) and the monthly premiums would represent gradually larger deductions with the changing EUR/TRY exchange rate.

1.3.3 Coverage overview of the new Base Cover

The coverage of the new Base Cover will remain mostly the same as the current coverage and still will provide a 90% reimbursement up to the indicated limits per insured person. A number of coverages have been simplified by merging consultations and treatments for general practitioners (GP), merging consultations and treatments for specialists and merging different dental treatments. For these three categories, the per-treatment limits will be abolished and replaced by *annual* limits that apply to all treatments in the given category. Unlike applying new annual limits, the merger of treatment types has no effect on the existing coverage. The main changes to the new Base Cover under the new NATO Medical Plan will be as follows, noting that if a cover is not adjusted, the existing cover under the current policy will remain valid:

1. Some of the language used in the “Table of Benefits” has been updated and modernized in accordance with modern practices. This will not affect the existing coverage.
2. For general practitioner consults and treatment there were previously three covers and these will now all be included under a single cover “Medical Practitioner Fees”. Also, there were previously four specialist consultation and treatment coverages under the “out-patient” category, and these will now all be included under a single “Specialist Fees” coverage. The individual limits for the old categories will now be abolished and will be replaced by one *annual* limit for general practitioner costs (in Belgium €3,000) and one annual limit for specialist costs (in Belgium €6,000). There will then no longer be an individual limit for one of the individual visits or treatments. In some cases this could lead to a higher reimbursement for individual treatment, but with frequent use of a general practitioner or specialist, the reimbursement would stop at the annual limit. To mitigate this undesirable effect of the use of annual limits, the CNRCSA wants a clear procedure to be established to cover hardship cases that will still provide for extra reimbursement in case of a necessary use of extra care. The existing procedure only provides for a case-by-case assessment.
3. As in the current NATO medical insurance package, the costs for general practitioner visits and treatment, specialist visits and treatment (“out-patient”) and dental costs are still reimbursed at 90% under the Base Cover. On top of the standard 90% reimbursement for any “out-patient” treatment, the definition of “in-patient” treatment, which falls under the “NATO-Wide Supplement”, will be adjusted to include all operations performed in a hospital and performed with anaesthesia under supervision of an anaesthesiologist. In some cases also the follow-up treatment at home will be reimbursed at 100% under the “NATO-Wide Supplement” that will be incorporated into the Base Cover.
4. Dental care will be simplified into four categories with a single *annual* limit. The individual dental care sub-limits will no longer be used. The four categories are:

1. Routine Dental Treatment and Periodontics
2. Dental Surgeries
3. Dental prostheses
4. Implants

The total *annual* limit for dental care will remain as before and will include all dental treatments. The separate limit for orthodontic treatment for children up to and including the age of 18 will also remain.

5. In case of vaccinations, both the administration of the vaccine and the costs of the vaccine will be combined and these will then no longer be included in the costs of the general practitioner and therefore will not contribute to the annual limit for medical practitioner fees.
6. In France, a reimbursement of 100% is applied to all insured persons when doctors belonging to the French social security system are consulted (this was previously included in Supplement D). This will now apply to everyone who uses healthcare in France and not just to those with a last duty station in France (this is important for our members residing in France).
7. Costs for a visit to a dietician will be covered up to a maximum of 6 visits per year (now only for a first visit). This is offered to help improve health and well-being.
8. Among the orthopaedic appliances, a new cover will be added for artificial limbs.

1.3.4 Coverage overview of the new “Affinity Products”

Once implemented the new “Affinity Products” will provide the following coverage options:

1. There are three “Affinity Product” options with different coverage levels and premiums, and all three options will provide additional coverage to the new Base Cover. The three options are:
 1. Advance (lowest coverage)
 2. Advance Plus (middle Coverage)
 3. Advance Pro (highest coverage)

The idea was that the middle cover, Advance Plus, would correspond to Supplement B and that the highest cover, Advance Pro, would correspond to Supplement C. In reality, when compared to the current Supplement B, the Advance Plus option provides higher cover in some cases and lower or no coverage in other cases. The lowest Advance option in most cases gives lower or no coverage. The highest Advance Pro option matches Supplement C only in some cases, but in many cases provides a lower cover.

The table below provides an overview of the various supplementary covers (as far as they are known now) with a comparison with the cover under Supplement B. The limits mentioned are valid per insured member and are the limits for the part to be reimbursed under the supplementary insurance. Different limits will apply under the Base Cover, as indicated each year in the “Table of Benefits”.

Category	Subcategory	Advance	Advance Plus	Advance Pro	Comparison with Supplement B
Consults (out-patient)	Medical Practitioner Fees	5% to max €150/year	10% to max €200/ year		No
	Specialist Fees	5% to max €300/ year	10% to max €400/year		10% and double limit of Base Cover
Pharmacy	Prescribed drugs	10% to max €300/year	10% to max €500/year		10% on prescription of specialist
	Prescribed phytotherapy				
Medical equipment	Prescribed orthopaedic appliances and special equipment	No	No	10% to max €3.000/year	10% on prescription of specialist
Paramedic Treatment (out-patient)	Prescribed physiotherapy	5% to max 20 treatments/year	10% to max 20 treatments/year		10% on prescription of specialist
	Prescribed speech therapy				
	Prescribed psychotherapy	5% to max 10 treatments/year	10% to max 10 treatments/year		10% op prescription of specialist
	Prescribed osteopathy				
	Prescribed Chiropractic treatment, acupuncture and podiatry				
	Treatment by a qualified nurse or midwife	5%	10%		No
	Chinese herbal medicine	No	10% to max 6 treatments/year		No
Dietician					
Diagnostics tests	CT, MRI, PET, CT-PET and diagnostic tests etc.	No	No	10% to max €500/year	10% on prescription of specialist
Dental care	Dental treatment	10% to max €300/year	10% to max €500/year	10% to max €2.000/year	10% of material
Transport	Ambulance	No	No	10% to max €500/year	10%
	Private transport for renal dialysis, chemotherapy or radiotherapy				
	Doctor's travel expenses for home visits				
Preventive treatment	Vaccinations	10% to max €50/year	10% to max €100/year	10% to max €200/year	No
	Cancer screening				
	Generic tests	10% to max €50/year	10% to max €100/year	10% to max €200/year	No
Optical	Frames and contact lenses	No	No	10% to max €200 every 2 year	10% up to basis limit + 30%

Category	Subcategory	Advance	Advance Plus	Advance Pro	Comparison with Supplement B
	Optical lenses and special contact lenses		10% to max €150/year	10% to max €300/year	
Preventive	Sport gym membership	100% to max €50/year			No
	Foam roller	100% to max €15/year			No
	SADS screening	100% to max €60/year			No
	Kids sports club	100% to max €25/year			No
Support	Parenting course	100% to max €30 for 1 course			No
	Home cleaning in case of hospitalisation	100% to max €100 per hospitalisation and max 7 days (only for parents with insured children)			No
Assistance	Repatriation and evacuation	No	Yes (after approval)		No

2. Under all three “Affinity Product” options, the general practitioner will be additionally reimbursed with 5% or 10%, including reimbursement for prescribed medicines and treatments. Under the Pro option, prescribed orthopaedic appliances will be additionally reimbursed. Under the current Supplement B, the reimbursements for medicines, treatments and orthopaedic appliances are limited to only what is prescribed by a specialist. Please note, the additional reimbursement for medicines and orthopaedic appliances do not fall under the same annual limit as those for the Medical Practitioner Fees or Specialist Fees, but each of these categories has its own annual limit.
3. The routine dental treatments are not covered under the current Supplement B, but the dental materials (crowns and implants, etc.) are reimbursed for 10% under the current Supplement B. Under Supplement C, all dental expenses are currently reimbursed at 10% up to the limit of the Base Cover, if treatment is in Türkiye. Under Supplement A, the limit for cover for dental materials (crowns and implants) is increased by 25% above the limit of the Base Cover. Under all “Affinity Product” options, the routine dental treatments and the use of crowns will be covered, with each option having a different reimbursement limit per year. The use of implants and other materials will no longer be included under the “Affinity Products” and will only be reimbursed at 90% under the Base Cover.
4. In the event of admission to a nursing home or care home, under the current Supplement B, the medical costs are reimbursed with an additional 10% if admission is prescribed by a specialist. Under Supplement C, these costs are reimbursed for all admissions for institutions in Türkiye. This will no longer be the case under any “Affinity Product” and the maximum reimbursement under the Base Cover will then be 90% in all cases. This means that even if the admission is prescribed by a specialist, the reimbursement will be limited to 90%. However, if the admission is the result of a serious illness or for a disabled child, 100% coverage of the medical costs (up to the established limit) will be covered under the Base Cover.
5. Thermal treatments are currently covered additionally under the current Supplements B and C if prescribed by a specialist and if approved in advance by Allianz Care. This will no longer be the case under any “Affinity Product” option. The 90% reimbursement under the Base Cover will remain.
6. Infertility treatments are currently covered additionally under the current Supplements B and C if prescribed by a specialist. Under the “Affinity Product” options, the individual components (medicines, research, tests, consultations and treatments) will still be reimbursed

additionally, but the coverage will be separated under the various subcategories and the corresponding applicable limits.

7. A preventive health package (sports) and support package will be added to all “Affinity Product” options and the Plus and Pro options also include assistance with repatriation and evacuation, including reimbursement of transport costs in the event of a medical repatriation.
8. For most retirees, the biggest problem will be that due to the replacement of the current Supplements B and C with the “Affinity Products”, only a small *annual* limit will remain as maximum reimbursement, while currently no limits exist. Without an additional “Affinity Product” insurance, this would also imply that, in the event of referral to an “out-patient” specialist (except in the case of “serious illness”), 10% of the bill would have to be paid by the insured member. In many nations, day treatment is the most common specialist treatment and the treatments thereof and any medicines and further referrals, for example to a physiotherapist, will not always be cheap. In practice, this will also mean that invoices from a specialist must first be paid in advance in full before submitting the claim to Allianz, after which the 90% reimbursement will take place. That would be a significant additional burden to insured members.
9. In addition, in many nations the Allianz Care insurance is not recognised and any specialist treatment will be charged under the much higher third party tariffs. Even with the eventual purchase of an additional “Affinity Product” option, the total cost of treatment by a specialist (as “out-patient” treatment) can easily exceed the maximum of the proposed limits.

1.3.5 Premiums for the “Affinity Products”

1. The proposed premiums for the “Affinity Products” will depend on the chosen option chosen and whether the supplementary insurance is taken out for a single retiree, for a couple retirees or for all family members of the retiree. Furthermore, the premium will depend on the age of the main insured member (the policy holder) and the premium tables are the same for all insured members, regardless of the level of pension or country of residence. The proposed monthly premium tables as quoted by Allianz Care for retirees are shown below for the three “Affinity Product” options. This premium is exclusive of any applicable insurance tax. In the Netherlands, Germany, Türkiye, Norway, Poland, Hungary and the Unites States health insurance policies are excluded from insurance tax. In all other nations the insurance premium tax can range from 0.5% up to 15%.

Affinity Option - ADVANCE

Age	Single	Single + child	Couple	Family
55-59	€10,05	€17,09	€20,11	€26,14
60-64	€11,46	€19,48	€22,92	€29,80
65-69	€12,62	€21,43	€25,21	€32,78
70-74	€13,62	€23,15	€27,23	€35,40
75-79	€14,43	€24,54	€28,87	€37,53
80+	€15,01	€25,52	€30,02	€39,03

Affinity Option – ADVANCE PLUS

Age	Single	Single + child	Couple	Family
55-59	€18,64	€31,68	€37,27	€48,46
60-64	€21,25	€36,12	€42,49	€55,24
65-69	€23,37	€39,73	€46,74	€60,77
70-74	€25,24	€42,91	€50,48	€65,63
75-79	€26,76	€45,48	€53,51	€69,56
80+	€27,83	€47,30	€55,65	€72,35

Affinity Option – ADVANCE PRO

Age	Single	Single + child	Couple	Family
55-59	€25,78	€43,83	€51,56	€67,03
60-64	€29,39	€49,96	€58,78	€76,41
65-69	€32,33	€54,96	€64,66	€84,05
70-74	€34,91	€59,36	€69,83	€90,76
75-79	€37,01	€62,92	€74,02	€96,23
80+	€38,49	€65,43	€76,98	€100,07

- By way of comparison: the premium in 2022 for the current Supplement B, including the NWS, for insured retirees (including family) with a last duty station in the Netherlands is €25.52 per month and is the same for all retirees independent of received pension. It should also be mentioned that the premium for insured retirees with the last duty station in Germany is now €73.18 per month and is much higher due to the higher medical costs and also greater use of medical care in Germany. If the premium for the NWS is not included, because 2/3rd will be paid by NATO in the future, then the retirees premiums for the current Supplement B are respectively €12.65 in the Netherlands and €42.88 in Germany. The differences with current Supplement C premiums in Türkiye is even worse. The current Supplement C, including the NWS is TRY 289.03 (equivalent to €16 at current exchange rates).
- Whether the above proposed premiums for the “Affinity Product” options remain interesting enough for insured retirees will depend on the personal situation, especially considering that the cover in combination with the applicable *annual* limits is also limited.

1.3.6 Enrolling to the “Affinity Products”

The following applies when enrolling to one of the “Affinity Products”:

- “Affinity Products” are offered through an independent insurer, namely Intercover Association. The individual contracts are concluded through this insurer. Allianz Care itself remains responsible for the administration and settlement of claims.

2. “Affinity Product” options will be available from 1 January 2023, and can be purchased in the period from 1 October 2022 to 31 March 2023. The effective date in all cases will be 1 January 2023.
3. “Affinity Products” can be taken out through the Allianz MyHealth digital service or via the Allianz helpdesk (+32.2.210 6600).
4. If an “Affinity Product” option is not taken out at the launch, it will still be possible to do this every two years. The next option then will be in the period from 1 October 2024 to 31 December 2024, with effect from 1 January 2025. This process of being able to enrol is then repeated every two years.
5. Payment of the premium has to be made by credit card or by normal bank transfer and the premium cannot be deducted from the NATO pension. Each insured member will be responsible for timely payment.
6. “Affinity Product” options do not have to be taken for all family members, but it will be possible not to add family members or to add them later during one of the renewal periods.
7. If several family members do choose an “Affinity Product” option, all family members must choose the same option.
8. An “Affinity Product” contract will be valid for two years and will automatically be renewed. An existing the contract can be ended up to 1 month before the end of the contract.

1.3.7 Making claims for coverage to be provided under “Affinity Products”

1. Claims can be submitted as usual via Allianz Care even if a claim is made for reimbursement under an “Affinity Product” option. There will be no need to submit two claims. Allianz will divide the claim between the different policies. However, there will be two different overviews and two different payments.
2. Claims for the “Affinity Product” supplementary insurance can be made from the start date of the contract.
3. Claims under the current supplements are still possible for all claims with a treatment date in 2022, even if the invoice is not submitted until 2023.

2 Defined Contribution Pension Scheme (DCPS)

NATO staff recruited after 1 July 2005 are not covered by the Coordinated Pension Scheme but by the Defined Contribution Pension Scheme (DCPS). Despite its name, DCPS is not a pension scheme. Indeed, NATO was unable to provide for pensions, but instead pays out a lump sum to the retiree, unless retirees or their survivors demand an annuity, in which case Allianz is asked to come up with a commercial proposal. This rarely happens because it is generally not a good deal. This is not the only flaw in the DCPS. Many proposals have been made to remedy the situation. Recently a proposal to withdraw money early for housing purposes was agreed, but this does not make the DCPS a pension scheme. The Confederation and ANARCP have stated repeatedly in the JCB meetings that it is a shame that NATO is the only Coordinated Organisation that does not provide a regular pension for its current staff and have proposed a new pension scheme based on the examples of the other Organisations. Unfortunately, there is no progress on that matter.

Retirees that depart with a lump sum will normally not become a member of one of our Associations as there is little benefit for them. However, there are some and most of them join ANARCP. Last year the Confederation supported two DCPS retirees from Germany who were taxed by the German authorities on the lump sum. They were advised by NATO that (even after retirement) the lump sum is seen as a tax exempted emolument but the German tax authorities are

of a different opinion. They appealed stating that NATO is liable but our Admin Tribunal ruled that this a matter for the German Courts to solve. The Secretary General has talked to the German Chancellor and has written letters to convince him that the exemption from taxation under the Ottawa Treaty should be upheld. As of today there is no positive answer. ANARCP is pushing the administration for a final solution this year. In the meantime, the two retirees went with ANARCP support again to the Tribunal and asked for a revision. A decision on whether the request for revision is accepted is expected any day.

3 ANARCP NATREPs and CNRCSA Delegates

Our NATREP in the USA, Mark Beauchamp, has indicated to stop as the USA NATREP as of August 2022.

Mrs Andrea Caputa has volunteered to replace him. She is now the new NATREP USA, covering the USA and Canada.

We thank Mark for his service.

The NATREPs for France have been reinstated. They are Graham Robertson who is the NATREP and Günter Franzreb who is the deputy NATREP.

A full list of all NATREPS is included in the Annex A.

At the next CNRCSA EXCOM on 21 October, there will be a proposal from the CNRCSA to not continue with the concept of CNRCSA Delegates. The CNRCSA EXCOM will have to vote to for this proposal. If accepted the different associations can then decide to continue or not with their own NATREPs. ANARCP has already indicated that they will continue with the NATREPs.

4 Taxation

An increasing number of NATO pensioners resident in Belgium and Luxemburg have, in recent years, seen their health insurance premiums taxed in addition to their pension. The NATO HR Deputy Assistant Secretary General has been asked to look into this issue.

In France (Strasbourg area), 13 new cases were noted whereby pensioned members were required by local tax inspectors the payment of 7 to 9 percent of their pensions with retroactive effect of 3 years, which means a pension cut by almost 40 percent. AAPOCAD is in the lead on this issue that affects more the retirees from OECD and CoE. For ANARCP members in France, our sister Association AROF in France coordinates the interests of NATO retirees. AAPOCAD has decided to get the help of an experienced lawyer now that the number of retirees is growing.

5 Replies

For all communication relating to this Bulletin, please reply to: anarcp@cnrcsa.nato.int.

Or by post:

ANARCP
SHAPE Personnel Branch
J1
B-7010 – SHAPE
Belgium

Allow us to again request all members who still receive this Bulletin in hard copy, but who have an e-mail address to communicate that to us. It will make the life of our Secretary a lot easier and it allows us to spend our financial means to better courses.

6 ANARCP Website

The url for our website remains unchanged: www.anarcp.org

There is a restricted part for members only. To login use the following:

Username : anarcp

Password : Iamretired (first character upper case)

With warmest regards,
For the Executive Committee

Hessel Rutten
ANARCP EXCOM Chair

Annexes: A: Updated ANARCP NATREPs list