

Minutes of the Meeting No. 06/09
Board of Directors of the IDB Retirees Association
Wednesday, May 6, 2009
Room: NW-469 - Time: 10:30 a.m.

Present: Saúl Hanono (10), President
Nohra Rey de Marulanda, (10) Vice-President
Paula G. Verdun (10), Treasurer
Marie Joelle Haas (10), Deputy Secretary
Asunción Aguilá (11), Director
Ciro de Falco (11), Director
Isabel C. Larson (10), Director
James R. Taylor (10), Director

Absent: Federico Germán Klein (10), Secretary
Fausto Medina-López (11), Deputy Treasurer
Alfred Thieme, Jr. (10), Director
Gabriela Sotela (10), Director

1. The meeting started at 10:30 a.m., with the necessary quorum. **The Agenda for this meeting was approved unanimously. It should be noted that the minutes corresponding to the April 29, 2009 meeting had been approved by short procedure last May 5, 2009.**
2. The Board approved a suggestion made by the Board Secretary to modify the “Procedure for Agendas and Minutes of the Meetings of the Board of the Retiree Association” to allow that the provisional **Minutes be approved by short procedure**, unless the Board decides, under special circumstances, to approve these Minutes in the subsequent meeting of the Board.
3. The Board unanimously approved the appointment of Ira Kaylin to fill a **remaining vacancy** on the Board.
4. The Board unanimously approved the appointment of its **representatives to the Committees of the Staff Retirement Plans**, as follows: “Pension Committee”: Saúl Hanono, Member, and Marie-Joelle Haas, Alternate Member; “Administration Committee”: Nohra Rey de Marulanda, Member, and Asunción Aguilá, Alternate Member; “Investment Committee”: Ciro De Falco, Member,

- and Ira Kaylin, Alternate Member. The Board agreed to appoint the retiree representative to the “Retiree Life and Insurance Committee”, if in need of replacement, at a later date.
5. Paula Verdun reported on the **last Investment Committee meeting**, which dealt with the appointment of a firm to undertake an “Asset Liability Management Study”. Two companies (out of twelve) were considered for the job: Watson Wyatt and Milliman Associates, the latter being ultimately selected, to undertake the study for \$135,000. Four additional meetings of the Investment Committee are scheduled to take place during the implementation of the study, which should help the Board have a better understanding of the study’s ultimate objectives including the “model” being used.
 6. Saúl Hanono thanked Paula Verdun for her contribution as a retiree representative to the Investment Committee.
 7. Saúl Hanono has accepted the invitation of the **IMF Retiree Association** to attend their Annual Meeting, which will take place on May 19th.
 8. **Concerns from the Chapters** center around: a) the adjustment of pensions (difference between the local CPI and the US CPI); b) the adjustment of pensions (exchange rate evolution vis a vis the US dollar), and c) the CIGNA premium and late claims processing. In this regard, a yearly meeting between the Board and CIGNA officials was suggested, including an assessment of the company’s performance with specific recommendations for improvements. The Board agreed that the complaints from the Chapters needed to be carefully reviewed and assessed prior to taking any action. The Board also recognized the need for the Chapters to be timely informed about the results of Board meetings, as well as to have a contact person at Headquarters. In this respect, Saúl Hanono suggested that Gabriela Sotela be such contact person. It was agreed that Ms. Sotela would be provided with the “Communications Strategy” document (stressing the need for better communication with the Chapters) prepared by Jairo Sanchez last year.
 9. In the future meeting (still not confirmed) between the Board President and Vice President, and the HRD Manager, Saúl Hanono suggested to inquire about the recently hired “Insurance Official”, and his specific role and responsibilities vis a vis the current Insurance Section Chief, Michael Gagnon.
 10. To ensure timely communication with all retirees, in the US and outside the US, the Board emphasized the need to have an **updated list of all Retirees (and their emails)**, and plans to make a formal request to HRD for such a list.
 11. Isabel Larson provided a briefing on the **Medical Insurance Program**, which essentially has the following components: a) the actual program and its coverage, and b) the administration of the Plan insofar as CIGNA. While the *medical coverage* is satisfactory (although a review of the 10 year old dental cap is in

order), and the *administration of CIGNA in the US* is acceptable (91% of retirees are using doctors within the network), the administration of *CIGNA International* is less than satisfactory. The US diagnostic codes used are not compatible with codes used in other countries, the retiree is often “stuck” with a significant amount of co-payment (has to put money aside as a result), and the processing of medical claims is very slow. The already less than satisfactory administration of the medical claims has worsened in the last couple of years due to the fact that the Country Offices are no longer providing help and support to retirees in these matters, and are in fact instructed not to do so. Furthermore, since the Bank is no longer guaranteeing the payment of pre-surgery/emergency procedures, the retirees are expected to put a significant amount of cash upfront prior to treatment, which many can’t afford. Although members of the Review Committee of Life and Medical Insurance (MIRC) have met with the new HRD Manager a few months ago to discuss these issues, no action was taken. Nonetheless, the MIRC is carefully reviewing these problems with the hope of a workable solution.

12. Saúl Hanono recommended that the Board find out whether the Chapters currently have **access to the Country Offices’ facilities**, and if so, the extent of that access. Asunción Aguilá agreed to draft a few questions on the subject of CO access, which will be sent to each Chapter.
13. The meeting adjourned at 12:10pm.

Marie-Joelle Haas
Deputy Secretary