Happy 7th Anniversary

Healthcare Fund (HCF) Training with Calvo’s Consultant in Manila:
SSA/HCF Administrator Ulai Teltull and HCF Manager Jarela Ngoriaked attended a training hosted by Calvo’s Select Care in Manila Philippines from 11/28/2017 to 12/1/2017. The Training was held to assist the Healthcare Fund prepare for direct billing and settlement of claims with approved Manila referral providers. Currently, all medical referral bills for Palau patients from Manila and Taiwan hospitals are sent to the Belau National Hospital, the hospital then claim reimbursements from the Healthcare Fund (NHI). While in Manila, Administrator Teltull and HCF Consultants met with St. Luke’s Medical Center team to understand the current billing process between St. Luke’s and ROP Ministry of Health. The meeting with St. Luke’s team at Global and Quezon City was positive and all look forward to improve the processes and build on the relationships with HCF and MOH.

MSA Contributions vs. MSA Expenses FY 2018

NHI Contributions vs. NHI Expenses FY 2018
HCF MOU with St. Lukes Medical Center, Manila, January 27, 2018

Palau HealthCare Fund Vice Chairman & Minister Sadang inks formal Agreement with the St. Luke’s Medical Center at St. Luke’s Medical Center, Global in Manila on January 27, 2018.

The new MOU superseded the previous MOU under MOH and St. Luke’s Medical Center. The purpose of the new MOU is part of the HCF and MOH efforts to streamline the existing Palau medical referral processes and payment services for off island medical care.

Signing on behalf of the HCF Governing Committee were Minister of Finance/Vice Chairman Sadang, Minister of Health/Member Dr. Emalis Roberts, and HCF Secretary/Treasurer/Governor Frances Remengesau. Signing on behalf of St. Luke’s Medical Center were President & CEO Mr. Arturo S. De La Pena, M.D., FPCS, FACS, Editha M. Simeon, EVP & CFO, and Josephine C. Aguilar, SVP & Head, Marketing and Industry Relations Group. Both parties expressed interest to build on the long standing relationships with Palau especially with expansion and branching of new hospitals within Manila and Davao already in the works.

HCF MOU with Adventist Medical Center, Manila, March 12, 2018

Palau Health Care Fund Chairman inks formal Agreement with the Seventh Day Adventist—Manila Sanitarium Hospital on March 12, 2018, Monday- Pasay City, Metro Manila, Philippines. The National Healthcare Fund Delegation was lead by its’ Chairman Dr. Victor M. Yano and the Honorable Elbuchel Sadang, Co-Chair & Minister of Finance for the signing of the MOU with the Adventist Medical Center, Manila. This brings SDA Hospital in Manila to add among other partner institutions such as both St Luke’s Medical Centers in Quezon City and Global City- Taguig. The delegation from Palau also had in attendance Ms. Ulai Teltull, SS/HCF Administrator & Member of the HCF Committee, Ms. Merii Besebes, Medical Referral Program Manager- attending on behalf of the Minister of Health and Ms. Marilou G. Dimalanta representing Calvo’s Select Care & HCF UR/Consultant.

The Seventh Day Adventist- Manila Sanitarium Hospital on the other- hand was represented by President Dr. Bibly L. Macaya accompanied by Vice President for Operations, Mr Charlie P. Acebedo and Legal advisors as they gave a warm welcome to the delegation for the occasion.

During the exchange, both parties expressed their sentiment of gratitude for the MOU. President Mr Macaya further reassured the delegation of management’s keen interest to collaborate on the following areas of development; stressing the importance of keeping the signed agreement between both parties a living-document- flexible to improvements along the way.

1. Extending its credit-line to patients covered under the program
2. The inclusion of a Wellness program
3. Opportunity on the use of Telemedicine between hospitals
4. Exchange program between the hospitals that would involve visits and perhaps training in certain areas.

Efforts are also underway to seek similar arrangements with hospitals in Taiwan.
MSA Refunds... Why are foreign nationals allowed a refund of their MSA Balance but citizens are not?
The Healthcare Fund Act (RPPL 8-14) and regulations are very specific as far as MSA Refunds are concerned: only foreign nationals who depart Palau permanently are granted a refund of their MSA Balance six months after departure. But why are citizens excluded from this? Citizens are not allowed to refund their MSA because Palauans generally remain in Palau until death and many does enroll their family members under their MSA thus to allow a refund could jeopardize the ability of dependent beneficiaries to access services at any outpatient clinics. The framers of the law determined that Palauans, even if they leave, will generally return home and the MSA funds will be available in the future or dependents residing in Palau will have access to MSA if primary owner leave for good. The concept for healthcare fund being the social benefit to our people remain.

Coverage under National Health Insurance (NHI) for Foreign Nationals
Foreign nationals who are in Palau under a work permit should have NHI coverage as required under the law for employers to pay NHI coverage of an employee. Foreign nationals with valid resident or dependent permits may purchase voluntary NHI coverage. Two consecutive, fully paid quarters are required to start coverage. We encourage all foreign retiree residing in Palau beside employment to purchase a voluntary NHI coverage to avail in-patient coverage at BNH and medical referral services outside of Palau.

Annual Benefit Recalculation .... It pays to work even after you have started receiving social security benefits.
In early January 2018, Social Security Administration did the Annual Benefit Recalculation in order to include reported wages for fiscal year 2017 (October 2016 to September 2017). As a result of this Benefit Recalculation, some 713 beneficiaries received benefit increases ranging from a low of $.02 to a high of $48.78. January 2018 benefit checks which came out on February 1, 2018 reflected the increases on annual benefit recalculation. Those whose health allows them to continue working in their 60's can expect to see an increase in their benefit amount every year in January following annual benefit recalculation. A total of 713 beneficiaries received raises in January 2018, increasing SSA’s monthly benefit payout by $8,317.

Earnings Test (ET) Adjustment....for beneficiaries with reported earnings in excess of $3,000 per quarter.
Shortly after Annual Benefit Recalculation was completed, SSA also ran the quarterly Earnings Test (ET) Adjustment for beneficiaries with reported earnings in excess of $3,000 for quarter ending September 30, 2017. For benefit months of January, February and March 2018, SSA used reported wages for quarter ending September 30, 2017 as basis for ET adjustments. But why September 30, 2017 wages? Because in January 2018, September 30, 2017 quarter was the last fully paid and posted quarter.

ET adjustments withhold $1.00 in benefit for every $3.00 earned above the ET threshold of $3,000 per quarter. ET adjustment ends for the Retirement Beneficiary in the quarter he turns 65 years of age and for the Surviving Spouse, the quarter in which she turns 60 years old.

Out of 3458 active beneficiaries, 205 beneficiaries reported earnings in excess of $3,000 during quarter ending September 30, 2017 thus their benefits were reduced accordingly, resulting in a monthly savings of $62,834 to social security program.

SOCIAL SECURITY TAX REFUNDS FOR CALENDAR YEAR 2017...
In what is to be the last such transaction, Social Security Administration issued tax refund checks for calendar year 2017 in late March 2018 and delivered the checks to the post office to be distributed into mailboxes of taxpayers expecting a refund on April 1, 2018. Taxpayers whose combined taxable wages as assessed during tax year 2017 (from January to December 2017) exceeded $24,000 were due a refund pursuant to law. Over 222 checks, totaling $84,669.10, for tax refunds for as low of $5.13 to as high as $2,361.60 were issued and delivered on time, in compliance with the law-mandated disbursement deadline of April 1, 2018. Social Security tax refunds were withheld for taxpayers with outstanding social security tax obligations in deference of the law.

Social Security tax refunds accrue only to taxpayers with two or more employers (or businesses) and whose combined taxable wages as assessed during the calendar year exceed the taxable ceiling of $24,000.

RPPL 10-12, also known as "The Fiscal Year 2018 Budget Act" which became effective October 1, 2017 effectively ended tax refunds by removing the maximum amount of remuneration, meaning all remunerations are to be assessed at 7% for employee and 7% for employer, no matter how many employers or businesses a taxpayer has and no matter how much his combined reported taxable wages are. Thus beginning with calendar year 2018 onward, no tax refunds will be forthcoming.
Annual Survey Form (ASF)... File your survey now or risk your benefit being put on HOLD
About 2,722 or 91% of the 3,007 annual survey forms which were mailed in early November 2017 to current addresses of beneficiaries have been received so far. These surveys were due to SSA on January 15, 2018, however, the Administration has granted an extension until May 15, 2018, after which time, those who have not complied and submit their ASF will be put on hold. The annual survey is an important document that SSA uses to determine benefit entitlements. Any changes will have to be updated, adjusted or ceased depending on eligibility. Information that the survey seeks to gather include but are not limited to marital status, employment status, change of address, change of phone number, and even whether or not beneficiary is still living. For more information on this survey, you can contact 488-2457 from Monday to Friday, 9:00AM until 5:00PM.

Foreign Beneficiaries Must Report every 6 months... to validate continued benefit payments
Foreign beneficiaries must report to SSA with a valid permit and valid passport every 6 months in order for benefit payments to continue uninterrupted in accordance to the SS regulations.

The following documents need to be provided to SSA to support continued benefit payment and/or for claim to be reinstated:
- Valid Passport
- Spouse permit
- Residence permit
- Investor permit
- Work permit
- Dependent permit
- Missionary permit

If traveling overseas, Beneficiaries are advised to report to SSA Office with a copy of their travel documents, e.g. airline ticket, etc. Frequent travelers who are found to be in and out of Palau for more than 5 months will be placed on hold pending review of permit status to ensure that purpose of permit is consistent with SS regulations.

$50 Supplemental Benefit...
On September 27, 2017, Budget Bill FY2018 or RPPL 10-12 mandated SSA to pay $50 in supplemental benefit to all active social security beneficiaries. Therefore beginning on October 2017 forward, the $50 supplemental benefit is part of SS benefit added on to the normal benefit calculations. All beneficiaries must review their benefit to ensure that rightful amount of benefit is being received on a monthly basis. Take note that your benefit is earned after month end, therefore if 1st of the month falls within working days, then your SS benefit is paid to you on said date.

Benefits are being paid to you either by ACH or check. We are encouraging every member to move from check to ACH to save cost and time for processing benefits.

Announcement:
The Republic of Palau Social Security Administration (SSA) is hereby informing the public that we no longer issue Employer Identification Number (EIN) and that Ministry of Finance are handling this EIN, effective December 1, 2017.

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SSA / HCF New Business Hours
Effective: February 1, 2015
MON - FRI 9:00 am—4:00 pm

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