ADS Chapter 496

FSN Health and Accident Coverage (HAC)

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ADS Chapter 496 – FSN Health and Accident Coverage (HAC)

496.1 OVERVIEW

Effective Date: 08/04/2015

This chapter provides guidance on required Health and Accident Coverage (HAC) for Foreign Service National (FSN) direct-hires and personal services contractors (PSCs), and Third Country National personal services contractors (TCNPSCs) compensated on the local compensation plan, who plan to travel to the U.S. or a third country for training or other official business. For the purposes of this chapter, the term FSN refers to the above categories of personnel. Throughout this chapter, this required health and accident insurance coverage is referred to as FSN HAC.

TCNPSCs compensated outside the local compensation plan must refer to their contracts or contact the cognizant Contracting Officer for further policy guidance. This chapter does not apply to U.S. citizens or U.S. dual nationals.

United States Government (USG) funded health and accident insurance coverage must be provided by USAID Missions in accordance with the terms stated in **STATE 00328740** or subsequent cables and this ADS Chapter. Failure to insure FSNs traveling outside of their home country may result in serious financial expenses for the USG and the Mission.

496.2 PRIMARY RESPONSIBILITIES

Effective Date: 08/04/2015

a. The **Mission Executive Officer (EXO) or designated representative** is responsible for:

(1) Ensuring that all FSNs who are scheduled to travel to the U.S. or to a third country on official business are enrolled in a HAC plan;

(2) Determining whether a medical examination to identify pre-existing conditions is necessary for FSN travelers and, if so, ensuring that the travelers undergo the medical examination prior to requesting enrollment in a HAC plan;

(3) Documenting the Mission's acceptance of liability for medical costs incurred due to non-coverage of pre-existing conditions, as necessary; and

(4) Advising FSNs of the terms, conditions, and exclusions of the HAC policy in which they are enrolled and the FSNs' responsibilities regarding the insurance prior to their travel to the U.S. or to a third country on official business.

b. Foreign Service Nationals (FSNs) are responsible for:

(1) Advising the Mission EXO or designated representative (usually the Mission Human Resources Officer) of their prospective official travel to the U.S. or to a third country and following Mission procedures for a pre-travel medical examination, if one is required per Mission policy;

(2) Informing the Mission EXO or designated representative of any known pre-existing medical conditions that could present during travel;

(3) Following Mission procedures for a pre-travel medical examination, if one is required per Mission policy;

(4) Preparing requests for insurance enrollment in accordance with this chapter's guidelines and submitting such requests to the EXO for review, approval and processing; and

(5) Obtaining health and accident insurance coverage for personal leave and travel that will be taken in conjunction with official travel to the U.S. or to a third country; and obtaining health and accident insurance coverage for any accompanying dependents, as defined in **AIDAR Appendix J, General Provision #1**. Employees must contact the insurance company directly to purchase this additional insurance coverage and must provide proof of insurance to the EXO or designated representative before traveling.

c. The **Office of Overseas Human Capital Initiatives (OHCI)** in the Office of Human Capital and Talent Management (HCTM) is responsible for:

(1) Providing guidance, in coordination with the Bureau for Management, Office of Management Services, Overseas Management Division (M/MS/OMD) and the Bureau for Management, Office of Acquisition and Assistance (M/OAA), on FSN HAC requirements and options; and

(2) Responding to questions in regard to HAC for FSNs.

496.3 POLICY DIRECTIVES AND REQUIRED PROCEDURES

Effective Date: 08/04/2015

The following sections set forth the Agency's official policies and procedures for administering HAC for FSNs.

FSNs are generally provided health care benefits through a host country's medical coverage and/or the employing Mission's Local Compensation Plan (LCP). These benefits may or may not be adequate coverage for official travel outside the host country. Mission EXOs or designated representatives **must** purchase HAC for FSNs on official travel outside of the host country when one of the following conditions exist, as stated in **STATE 00328740** or subsequent cables on the subject:

(1) LCP and/or host country's medical plan does not provide medical or accident coverage for travel outside the host country.

(2) Local medical plans have a relatively low cap on payments compared to medical costs of the country to which the individual will be traveling.

496.3.1 Periods of Coverage
Effective Date: 08/04/2015

a. Coverage generally begins at 12:01 a.m. on the start date of coverage on the enrollment request. Missions must show the FSN's departure date from their home country (or country of regular domicile) as the insurance effective date.

b. Coverage generally ends at 11:59 p.m. on the end date of coverage on the enrollment request. Missions must at a minimum add one day onto the FSN's scheduled arrival date in their home country (or country of regular domicile) to allow for coverage in transit and when flight delays occur. Requests to extend coverage beyond the original end date must be submitted by the Mission directly to the insurance plan provider.

496.3.1.1 Coverage Related to Pregnancy
Effective Date: 08/04/2015

The designated officials at Missions must not authorize expectant FSNs to travel unless their return to the home country will be completed by the end of the second trimester of the pregnancy (or earlier if medical authorities indicate such). **Missions must not waive this provision**. (Note: The FSN is responsible for obtaining maternity coverage benefits for dependents, if appropriate, and is responsible for covering any costs related to medical incidents while their dependents are on travel beyond the second trimester of pregnancy or earlier if medical authorities indicate such).

496.3.2 On the Job Accidents and Work-Related Illnesses
Effective Date: 08/04/2015

Work-related accidents and illnesses and associated medical costs are covered under the Workers' Compensation Program (OWCP) of the Department of Labor and not under FSN HAC plans (see **ADS 442, Workers' Compensation Program and AIDAR Appendix J**).

496.3.3 Pre-Travel Medical Clearance/Pre-Existing Condition Limitation
Effective Date: 08/04/2015

HAC providers normally do not cover expenses due to pre-existing conditions. Missions desiring to send an FSN who has a pre-existing condition(s) on official travel will assume full liability for unreimbursed medical costs arising from such a condition(s) during the period of official travel. The Mission's designated representative must document the Mission's acceptance of this liability at the time of HAC enrollment.

Missions are strongly encouraged to require a medical examination to determine pre-existing conditions before enrolling FSNs in a HAC plan. The determination for establishing a pre-enrollment medical examination requirement is at the Mission's discretion; the insurance companies do not require it. Mission EXOs or representatives should be familiar with policy exclusions. The determination whether or not to require a pre-enrollment medical examination should take into account the potential liability for unpaid health insurance claims balanced against the Mission's benefit associated with the FSN's trip.

Missions will be required to substantiate the FSN's compliance with a Mission's requirement (if one exists) for a pre-departure medical examination if a question concerning pre-existing conditions arises during the claims process. Missions must advise the FSN to keep a record of any special condition and treatment for the condition on their person at all times while on travel status.

Missions must establish their own pre-travel medical examination guidelines, including the length of time for which an examination will be valid (one year is suggested as a standard; an examination may not remain valid for more than two years). Proof of medical clearance to travel, if required, should be retained at the Mission in the FSN's personnel file.

It is suggested that where pre-travel medical examinations are Mission policy, they include, at a minimum:

a. Medical tests to detect high blood pressure, cardiovascular or circulatory conditions, diabetes, tuberculosis, hepatitis, kidney/bladder problems, and asthma;

b. A clinical evaluation of:

(1) Head, nose, and mouth;

(2) Ears and auditory acuity;

(3) Eyes;

(4) Lung and chest;

(5) Heart (rhythms and sound);

(6) Abdomen; and

(7) Spine, arms, and legs (strength, range of motion); and

c. A medical history on any injury or illness that was contracted or manifested itself, or for which a licensed physician was consulted, or for which treatment or medicine was prescribed, within the past 12 months.

496.3.4 Personal and Dependent Travel

Effective Date: 08/04/2015

USG-funded HAC does not cover an FSN's personal travel or the travel of an FSN's dependents in conjunction with official travel. Missions must not authorize an FSN to take personal travel in conjunction with official travel unless the FSN provides proof that they have obtained insurance coverage for the period that they are in personal travel status. **Missions must not waive this policy provision**.

FSNs must contact an insurance provider directly to purchase, prior to travel and at their own expense, insurance for personal travel and, if desired, for dependents who will accompany them during the period of official travel. Since the employee must cover any and all expenses for dependents who accompany the employee on official and personal travel, it is strongly recommended that they purchase HAC insurance for dependents.

496.3.5 Insurance and Deductible Costs

Effective Date: 08/04/2015

The USAID Mission or hosting entity funding the travel authorization is expected to cover the cost of enrollment under a HAC insurance plan, the pre-travel medical examination, if required, as well as deductibles and excess charges not allowed by the insurance provider. When FSN travel is not funded by the Mission, the EXO or designated representative must coordinate HAC coverage with the hosting entity. Appropriate wording must be included in the Travel Authorization (TA) to authorize these payments as allowable travel expenses. Suggested wording to be included in the Travel Authorization to authorize medical payments is as follows:

> "The FSN HAC plan deductible per covered incident and medical costs in excess of the customary and reasonable limits are allowable expenses, subject to approval by the authorizing officer."

496.3.6 Enrollments

Effective Date: 08/04/2015

Missions may enroll FSNs with any travel/medevac insurance provider; however, benefits should meet the minimum J1 Health Benefits established by the Department of State. FSNs traveling to the U.S. must be enrolled in a U.S. company or company that provides coverage for travel in the U.S. (see **496.5** for a list of available providers with Web site addresses). This list is provided for convenience and does not constitute endorsement or recommendation by USAID. FSNs traveling to third countries may be enrolled with a local insurance provider that offers applicable coverage (see **496.5**).

The Mission EXO or designated representative works with the FSN to effect the HAC enrollment upon notification by the FSN of upcoming out-of-country travel. FSNs should be enrolled directly via the selected insurance provider's Web site. The Centrally Billed Account (CBA) Travel card should be used for purchasing HAC/travel insurance. **Use of a Purchase card is only permitted when use of the CBA Travel card is not available to the Mission.**

As noted in **496.3.5**, FSNs are responsible for obtaining a personal travel insurance policy of their choice to cover their personal travel days that are in conjunction with official travel. Missions must request proof of personal travel insurance from the employee prior to issuing tickets.

496.3.7 Submitting Claims

Effective Date: 08/04/2015

FSNs are responsible for submitting claims directly to their applicable travel insurance plan and for notifying the Mission EXO that a claim has been submitted. Written notice of claims must be submitted to the insurer or plan administrator in accordance with plan requirements but in no event more than 30 calendar days after the event, or as soon thereafter as is reasonably possible. The FSN must visit the plan's Web site for claim forms and instructions on how to file.

496.3.8 Medical Emergency Contacts in USAID/W

Effective Date: 08/04/2015

Missions must advise all FSN travelers of the USAID/W emergency contacts and telephone numbers during working and after hours. After business hours – i.e., 8:45 a.m. to 5:30 p.m. - the point of contact is the State Department Watch Officer, (202) 647-1512, who will contact the USAID Duty Officer in the event of an emergency.

496.4 MANDATORY REFERENCES

496.4.1 External Mandatory References

Effective Date: 08/04/2015

a. **22 USC Section 2395(e)**

b. **22 USC Sections 3922 and 3968(b)**

c. **STATE 00328740 "Medical Insurance for TDY – Locally Employed Staff Paid Under the Local Compensation Plan"**

496.4.2 Internal Mandatory References

Effective Date: 08/04/2015

There are no Internal Mandatory References for this chapter.

496.5 ADDITIONAL HELP

Effective Date: 08/04/2015

a. ADS 496saa, List of Travel/Medevac Insurance Providers

496.6 DEFINITIONS

Effective Date: 08/04/2015

The terms and definitions listed below have been incorporated into the ADS Glossary. See the **ADS Glossary** for all ADS terms and definitions.

dependent
A spouse (defined as a partner in any legally-recognized marriage, regardless of the employee's state of residency. The term "spouse" does not include unmarried domestic partners, unless they meet the requirements of being spouses in a common-law marriage in States where such marriages are recognized.), unmarried child (including unmarried dependent stepchild or adopted child) under 21 years of age, a dependent parent, a dependent designated in official records, or an individual determined to be a dependent by the Chief Human Capital Officer (CHCO), Office of Human Capital and Talent Management (HCTM), or designee. (**Chapters 442, 443, 478**, 496)

Foreign Service National Direct-Hire
A non-U.S. citizen employee hired by a USAID Mission abroad, whether full- or part-time, intermittent or temporary, and inclusive of a Third Country National (TCN) who is paid under the local compensation plan (LCP), and who was appointed under the authority of the Foreign Service Act of 1980 (the ACT). (**Chapter 495**, 496)

Foreign Service National Personal Services Contractor (FSNPSC)
1) A non-U.S. citizen employee hired by a USAID Mission abroad, whether full or part time, intermittent, or temporary, and inclusive of a Third Country National (TCN) who is paid under the LCP, and 2) who entered in a contract pursuant to the AIDAR Appendix J. (**Chapter 496**)

Third Country National Personal Services Contractor (TCNPSC)
An individual (a) who is neither a citizen or a permanent legal resident alien of the U.S., nor of the cooperating country to which the individual is contracted for duty; and (b) who is brought into the cooperating country at USG expense for purposes of the contract, and who is eligible for return to their home country or country of recruitment at USG expense (often referred to as repatriation). Also, the individual is required to return to their home country or country of recruitment within (30) days after termination or completion of the contract or forfeit all rights to the repatriation. (**Chapter 496**)

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