CALENDAR OF EVENTS

SUMMER RECEPTION

Date: June 29, 2004
Time: 6:00 - 8:00 p.m.
Place: Botanical Garden
100 Maryland Ave. SW
(Near the Capitol building)

In a departure from the practice of holding functions in the World Bank, and responding to requests for a wider variety of social events, the Society will be holding a reception in the beautiful and recently restored US Botanic Garden. Members will have the opportunity to sip a cool beverage and to snack on hors d’oeuvres amidst the lush greenery in the Garden Court and to wander at leisure through the flora of a variety of climatic zones. Invitations will be mailed local members shortly.

FLORIDA REUNION DATES

Please note that the dates for the next Florida reunion have been changed from May to November 2004. New dates are:

Dates: Thursday, November 4 thru Sunday, November 7, 2004
Place: St. Petersburg, Florida

Please let Richard Clements know as soon as possible whether you plan to attend. Richard Clements, 1213 Royal Street, Key West, FL 33040, telephone no. 305-294-7450, and email address RClem73143@aol.com.

RMIP Updates

Changes in Retiree Medical Insurance Premiums and Bank Advice on Medicare Drug Benefit

Participants in the Bank Group’s Retiree Medical Insurance Plan (RMIP), please look out for the Bank’s Benefits Administration letter to be issued in May. It will give you important information about the Plan’s premium increases per May 1, 2004. For those of you who participate in U.S. Medicare, you also want to read the Bank’s advice on what to do about the U.S. Medicare Drug Law for the time being. Basically, the Bank says:” stick with your present Pharmacare Drug card” (see last para. of this article).

Consultation with 1818 Insurance Committee

On April 13 Insurance Contracts Manager Deborah Wright and Actuary Rajiv Nundy met with The 1818 Society’s Insurance Committee to explain these issues and answer questions. After thorough consideration the Committee submitted its findings to the 1818 Board, namely that the proposed changes were justified, and the 1818 Board concurred.

Con’t on pg. 2

DUTCH CHAPTER
Fifth Dutch Reunion
Dates: September 10 - 11, 2004
Place: Groningen, Netherlands
The Reunion will be held in the Golden Tulip Hotel in Paterswolde on the lakeside. Program includes a tour in Groningen with a return by boat to the hotel, evening dinner in a lakeside pavilion. The meeting will be held the second day followed by a tour with lunch to one of the Groningen “Borgen” (agricultural castles).
For further information and registration please contact Eilert de Jong at: ejdj3808@aol.com

Sixth Dutch Reunion
Dates: September 9 - 10, 2005
Place: Maastricht
For further information please contact Herman van Wersch at: Hvanwersch@comcast.net

NON-SOCIETY EVENTS
World Bank - IMF Chorus
Date: Wednesday, May 26, 2004
Time: 1:00 p.m.
Place: Bank Atrium
The World Bank - IMF Chorus will sing Mozart’s Requiem

BASIC RMIP FACTS
The Bank uses a self-insurance system for the RMIP. This means that the Bank itself covers the costs of claims, while Aetna and other companies act under contract as Administrators. The RMIP is designed so that the Bank contributes 75% and the retirees 25% in aggregate of the premium needed to cover claims. At the beginning of 2004, about 4,000 retirees participated in the RMIP, and their policies covered about 7,000 persons.

RETIREE RMIP PREMIUM PAYMENTS TO GO UP:
BY 6.6% FOR INDIVIDUAL COVERAGE, 6.6% FOR DUAL COVERAGE, 33.3% FOR FAMILY COVERAGE (REDEFINED), AND 12.5% ON AVERAGE

Recent claims experience continues to show significant increases in medical costs, both in frequency of usage and in prices. The 1818 Society has asked the Benefits Administration to undertake an analysis of the increases in hospital and emergency room admissions. We noted that medical costs – especially prescription drug costs – are also increasing significantly. The increased claims must be borne by the Bank and by the retirees. A breakdown of the increases in the RMIP premium by group and by Income bracket is shown in the table below.

THE ARGUMENTS FOR CHANGES
1. General premium increase is required
The last premium increase (19.1 percent) was in May 2001. There were no premium increases in 2002 and 2003. But overall Plan

Table
Monthly RMIP Contribution scheduled May 1, 2004
Overall Rate increase: 12.5%

Con’t on pg. 3
<table>
<thead>
<tr>
<th>Income Bracket</th>
<th>Current Rates Plan 1</th>
<th>Current Rates Plan 1</th>
<th>New Rates Plan 1</th>
<th>New Rates Plan 1</th>
<th>New Rates Plan 1</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Individual</td>
<td>Family</td>
<td>Individual</td>
<td>Dual</td>
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<tr>
<td>A</td>
<td>30</td>
<td>60</td>
<td>32</td>
<td>64</td>
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<tr>
<td>B</td>
<td>60</td>
<td>120</td>
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<tr>
<td>C</td>
<td>95</td>
<td>190</td>
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<td>253</td>
</tr>
<tr>
<td>D</td>
<td>131</td>
<td>262</td>
<td>140</td>
<td>279</td>
<td>349</td>
</tr>
</tbody>
</table>

Costs are accelerating again. And the actuary’s calculations indicate that an increase of 12.5% is required starting May 2004, assuming no catastrophic increases in 2004/2005.

2. Mitigation of Cross-Subsidization between two-person and more person families overdue.

The retiree premiums have long been split in Individual and Family Groups; the latter is irrespective of family size. For many years most retiree families consisted of two adults or one adult and one child. This setup differed from the three-pronged system for Active Staff, which uses individual, dual and family groups, because their families often contained more than two persons and were likely to generate more costs. Since 1998 more staff members with more than one dependent have taken early retirement, and while their cost per policy was often higher than that of the more traditional two persons per policy, they were only charged the existing retiree Family premium based on two-person coverage. So in fact, the about 600 participants with more than one dependent have been cross-subsidized by their fellow participants in the RMIP.

In early 2003 the Bank Benefits Administration decided that the cumulative effect of the demographic shift needed a change of the retiree premium into a three-pronged system. It based the relative premiums of 1.0 to 2.0 to 2.5 for Individual, Dual and Family groups on its experience with claims submitted by the three groups. This formula intends to mitigate the cross-subsidization. To this end, the Bank benefits managers are applying a one-time extra increase of 25% for the Family Group, plus a 6.6% increase across the board for all three categories. The Family group premium goes up by 33.3% in total this year. Compared with insurance premiums for Families in the market, the resulting level still buys them good value. This high percentage was discussed at length, but within the 1818 Society we concluded that the reasons given to make this change were valid. Below is one more relevant fact.
3. Retention of cross-subsidization between higher and lower income brackets required for fairness’ sake.

The World Bank RMIP continues to use an escalating premium scale for the four income levels A, B, C and D, with level A participants paying considerably lower premium dollar amounts than level D participants.

Given this differentiation by income bracket which also applies to the new Family category, Family Group retirees in the lower income brackets will not find their premium increase an undue hardship: families in A face an increase of $20 to reach a total of $80 per month, whereas those in D, the highest bracket, pay $87 per month more amounting to a total of $349 per month.

MEDICARE DRUG CHANGES:
DO NOT BUY NEW CARDS

In its letter, the Bank Benefits Administration will also recommend that you do NOT buy any new Medicare approved Drug Discount cards; you are better off if you stick with your present Pharmacare card which is a component of the Bank’s Retiree Medical Insurance Plan. The new cards are an interim measure for the period June 2004 through the year 2005. The Bank has held discussions with Pharmacare and has requested Pharmacare to spell out clearly for the Bank Benefits Administration how they will treat the new cards.

Starting in 2006 a new Medicare Drugs Program (Medicare D) will become effective, but the World Bank’s special international status appears to exclude the Bank from receiving the 28% tax advantage for employers providing their own drug coverage. It is not clear whether participants under the Bank RMIP will be obliged to participate in Medicare D. The Benefits managers are actively pursuing this matter and will keep RMIP participants informed.

WORLD BANK/IMF STAFF MARCO POLO SOCIETY

The Marco Polo Society is an association of World Bank and IMF Staff, families and retirees whose objectives are (a) to complement World Bank/IMF efforts in China and (b) to share skills and match competencies on a volunteer basis with local civil society organizations in China with a view to promoting poverty elimination, capacity building, empowerment and gender equality.

The Marco Polo Society will make use of resources inside the World Bank and the IMF and will seek partnerships with universities, private and public donors, Chinese non-profit organizations and Chinese Government agencies. Information about the Marco Polo Society is available from info@marcopolosociety.org and from their website www.marcopolosociety.org (under construction).

The Society is seeking volunteers and new members for reinforcing its structures, namely its administration, communication, project, finance and technology committees and to take part in various initiatives and activities. The 1818 Society has assigned one of its members, Guy de Lusignan, to liaise with and assist the Marco Polo Society, in particular, the administrative and project committees. For more information, please contact him at lusignan@erols.com.

New Members

We extend a warm welcome to the following retirees who became members of the Society since the last Bulletin:

Chaima Akkad, Thelma Alfred
J.L. Wanrik Barron, Geraldine Burnett
Jacques L. Cellier, Noel Carrere
Paul R. Deuster, Mohammed A. El-Shinnawy
Lucila Gingco, Ezedine Hadj-Mabrouk
NOTICES

Candidate Search Continues for Next Society Board Members

The Nominating Committee, chaired by Charlotte Jones-Carroll, is requesting your recommendations for potential candidates for the Society's Board of Directors.

Three candidates will be proposed for two year terms at the Annual Meeting in October. Suggestions should be sent to Charlotte Jones-Carroll at cjonescarroll@aol.com.

Wireless Discounts

Cingular will offer a special discount for Bank retirees. Specifically, they will provide a $3 discount for service plans costing $49.99 or less per month, and a $5 discount for service plans costing more than $49.99 per month. You must deal with corporate headquarters to obtain the discount. Call Maurice Styles at 301-483-3613 or M. Torres at 301-489-3027 if you are interested in signing up.

Couples Can Now Avoid Duplicate Mailings from The 1818 Society

We have had quite a few requests from Society members who are married to other Bank retiree Society members asking if both could be listed in the Directory of Retirees without getting duplicate mailings from the Society. The way our database was originally set up, this could not be done. The only way to get off our mailing list was to be removed from the Directory. We are happy to tell you that we have now fixed this problem. So
IN MEMORIAM

We regret to inform you of the deaths of the following, to whose families we extend our sincere sympathy:


**Mervyn Faunt**, 79, of Falls Church, Virginia, spouse of retiree Merle Faunt, on April 13, 2004.


**John A. King**, 85, of Siena, Italy, on April 17, 2004. Mr. King retired from the Bank in 1981.


**Yogendra Saran**, 70, of Bhopal, India on April 7, 2004. Mr. Saran retired from the Bank in 1996.


**Ann B. Winterbottom**, 74, of Rockville, Maryland, spouse of retiree Goddard Winterbottom, on April 12, 2004.

The 1818 Society
World Bank Group Retirees’ Association

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Fax: (202) 522-2417
E-mail: Society@worldbank.org

Board members - 2004
Adrienne Nassau, Soonhoon Ahn, Hayley Goris, Ricardo Halperin, Jean-Pierre Jacqmotte, Jochen Kraske, James Socknat, John Blaxall (Honorary Member)

Officers - 2004
Adrienne Nassau, President
Hayley Goris, Vice President
Xavier Simon, Treasurer
Tauheed Ahmed, Assistant Treasurer
Jochen Kraske, Secretary

Retiree Representatives on Bank Group Committees
Stephen Eccles – Pension Finance
Eva Meigher – Pension Benefits
Pierre Jacqmotte - Alternate, Pension Benefits

The 1818 Society RMIP Committee
Hayley Goris, Chair

Office Manager: Annabel Bracher
Bulletin Editor: Anne Gesell Vaughn
Newsletter Editor: Suzanne Snell Tesh
Volunteer Coordinator: Charlotte Jones