



NATIONAL PUBLIC SERVICE

CIRCULAR INSTRUCTION NO: 24 OF 2024

DATE: 12th December 2024

FILE: SEC 4-10

**TO: ALL NATIONAL DEPARTMENTAL HEADS
ALL PROVINCIAL ADMINISTRATORS
ALL HEADS OF OTHER PUBLIC AUTHORITIES
ALL PUBLIC SERVANTS**

**SUBJECT: ROLLOUT OF THE PUBLIC SERVICE NIUCARE
POLICY AND SCHEME WITH EFFECT FROM
FEBRUARY 2025**

BACKGROUND

This Circular is issued to inform you all that the National Executive Council in its Decision No.178/2022 on the 4th May 2022 approved the National Medical and Life Insurance (NMLI) Policy and the establishment of the Public Service Niucare Association to manage this policy. This is a major policy and is the first ever in the National Public Service where we will see the State through the Public servants own this policy and will benefit them in the long run and contribute to a proper welfare system.

Since independence, the Government did not have any health and life insurance cover for its Public Servants. It was difficult for Public Servants and their families to sustain an affordable healthcare service or afford a private health and life insurance cover. This resulted in a costly healthcare for public servants and their families and funeral expenses incurred by the Government. We have seen a lot of our Public Servants die from preventable diseases on their job as they cannot afford the medication, and their health have not been considered whilst considering the time and effort put into their jobs in building this country.

Recently, the health challenges presented by the Covid-19 and the lifestyle diseases, brought urgency to my department to consider improving the conditions of employment, considering emerging health challenges. These

issues and considerations cover Public Servants for the high risk associated with their line of duties and the employment environment within which they work. Recognition was granted to our frontline health service providers in awarding Health and Life Insurance Cover in their various Agreements, a classic example of the emerging terms and conditions of employment in the Public Service.

As part of the Public Service Reforms in modernizing the terms & conditions of employment in the Public Service and a responsibility of this department, NMLI Policy was identified as a key impact project and became one of the Key Result Areas for the Minister for Public Service and Secretary for Department of Personnel Management.

Consultations with key stakeholders began in 2020 and continued into 2021 and in the first quarter of 2022 on the NMLI policy, its benefits to the Public Servants and to the State. Regional Awareness workshops continued in 2023 and 2024 to educate Public Servants to have an in-depth understanding of the insurance concept and its administration. The workshop was successful in delivering NIUCARE policy awareness for all Public Servants. Awareness is continuing through TV advertisements and Radio advertisements.

The NMLI policy will consequently support healthcare services for all Public Servants enabling them to be healthy and productive throughout their career. It will now take care of these services and expenses and ease the burden off the Government and public servants and their families. It is very timely that such a policy is introduced and will become a reality in the public service.

NIUCARE POLICY

The NIUCARE Policy is for all Public Servants who are employed by National Departments, Provincial Administrations and other fully funded agencies.

The Public Service NIUCARE policy is funded jointly by the Government, as its seed capital, and by the Public Servants, as their contribution towards the NIUCARE scheme.

To realise the policy's benefits, Public Servants must make a fortnightly contribution of **2.7% of their Annual Base Salary (ABS)**.

The Public Service NIUCARE policy covers the fortnightly membership contribution for; (a) Medical Care claims payments and (b) Funeral NIUCARE covers expenses and transportation costs to the burial place.

As of February 2025, the National Medical and Life Insurance Policy and Scheme will be referred to as "NIUCARE". Niucare covers both the medical and funeral cover.

NIUCARE POLICY RATIONALE

A NIUCARE policy covering public servants' medical and funeral cover will significantly improve public service employment terms and conditions whilst improving the healthiness of Public Servants.

The Department of Personnel Management in consultation with the Public Service Niucare Association Incorporated (PSNA Inc.) have already established the operating systems and processes to implement the policy in 2025 including the support of the PSNA Board of Trustees, which comprises of membership from DPM, Finance, Treasury, RPNGC, Health and Education as outlined in the Constitution of the Board.

Other funded or semi-funded agencies and institutions are eligible to participate in this NIUCARE policy and scheme, as our primary aim is to assist our public servants across all sectors.

CLAIMS ADMINISTRATION

All claims will be processed online using the management systems developed by PSNA Inc. Medical treatments and payments shall be dealt with in a timely manner that reflects best practices.

All claims must be referred to PSNA Inc. for processing. This includes medical bills and funeral expenditures. The claimant (public servant) is duty bound to initiate his/her claim for PSNA Inc. to consider payments.

PSNA Inc. has developed internal operating, and management systems and processes to cater for all NIUCARE claims submitted to it. These forms are available on the PSNA website: - www.niucare.com.pg.

Processing of claims is strictly within the Niucare policy guidelines and practices. All Public Servants are informed of these policy guidelines which PSNA Inc. will announce from time to time through Circular Instructions or PSNA Inc. announcements to the Public Servants.

PSNA Inc. will hold annual general meetings to inform its members (Public Servants) on the performance of the policy. An internal operating system shall be developed by PSNA Inc. to manage this meeting.

Claims may be made online or via email service or posted to their postal address. PSNA Inc. will announce claims processing mechanisms and procedures from time to time.

WAY FORWARD - IMPLEMENTATION

All Public Servants are advised that as of **February 2025, Public Servants NIUCARE contribution will commence.** The commencement and processing of the NIUCARE contribution deduction will follow a Plan.

It must be noted that to avoid any severe take-home pay implication, the contribution deduction, will follow a plan. As per the plan, priority applies to those public servants, who currently have a minimum take-home pay of K500 and above. This group of Public Servants will see their contribution implemented in the payroll commencing February 2025. The second, third and the rest of the Public Servants contribution deductions will follow after February 2025.

Upon receipt of this Circular Instruction, all Public Servants must prepare for their fortnightly NIUCARE contribution deductions.

In preparation, all Public Servants must ensure that there is sufficient take-home pay available to them and their families. NIUCARE contribution deduction will occur without notice every fortnight, commencing in 2025.

The Department of Personnel Management ICT/Payroll branch, in consultation with the appropriate departments and all departmental HR Branch staff, will coordinate and effect the deductions as per the implementation plan.

DPM Payroll branch staff will be assembled to coordinate and implement the NIUCARE contribution deductions for all Public Servants.

All Public Servants must note this Circular Instruction and check with their HR Manager or HR Officers for the scheduled month, to ensure that their NIUCARE contribution deduction is completed and done correctly. **The normal rate is 2.7% of the Annual Base Salary and is compulsory for all public servants under this Scheme.**

Public Servants must also ensure that their NIUCARE contributions are being made fortnightly and are not interfered with. Should Public Servants become aware that their NIUCARE contributions are not being made, they must immediately inform their HR Manager or HR Officer and PSNA Inc, for corrective actions to be taken to commence the deduction of their NIUCARE contributions.

The NIUCARE contribution deduction inputs will continue beyond these scheduled dates, if necessary, until all the Public Servants' NIUCARE contributions are completed in all the departments, agencies and Provincial Administrations.

New Employees engaged by departments and agencies, will automatically have their NIUCARE contributions simultaneously processed into the GoPNG Ascender Payroll system.

By July 2025, it is anticipated that all Public Servant's fortnightly contributions will be completed, whereby every Public Servant will be contributing towards the implementation of this policy.

For those public servants currently part of a Union/Association or contributing to other medical insurance firms, they will be considered separately in the near future, based on further consultations.

I urge all Public Servants to meet with their HRM Branch Manager and HR Officers or call our PSNA Inc. staff and seek details of the NIUCARE policy, its operations and benefits and work on ensuring smooth operations and deductions of the NIUCARE contribution to meet the NIUCARE policy needs now and into the future.

The PSNA Inc. staff are available to help all the Public Servants. They are currently located at Tower A, 5th floor of the Department of Personnel Management. The PSNA Inc. Regional offices shall be established to serve Public Servants located in the provinces.

For any queries concerning this Circular Instruction, please communicate directly with (1) Office of the Secretary on telephone numbers 3276447 or 3276379; (2) Office of the Deputy Secretary for Policy on 327 6335 and (3) our PSNA Inc., staff on any of the following telephone contacts below: -

- (1) General Manager, Operations - 3276496
- (2) HR Manager - 3276498
- (3) WhatsApp - 7281 0256 or
- (4) Email the PSNA Inc. using info@niucare.com.pg or claims@niucare.com.pg for more information and assistance; and
- (5) Website is www.niucare.com.pg

I look forward to your full cooperation in implementing this Public Service NIUCARE Policy Scheme for the benefit of our public servants now and into the future.


TAIES SANSAN
Secretary

