

March 2014

TO: CUPE Locals 1145, 1770, 1775 and 3260 Active Plan Members
FROM: Trustees

New Rates for Group Insurance Coverage Effective April 1, 2014

Starting on April 1, 2014, new rates will apply for the health, long-term disability, basic and dependent life benefits.

Health

	Single coverage			Family coverage		
	Current	New	Difference	Current	New	Difference
Per pay						
Health coverage						
▪ 12-month employee	\$25.59	\$21.37	(\$4.22)	\$59.65	\$49.81	(\$9.84)
▪ 10-month employee	\$30.71	\$25.64	(\$5.07)	\$71.58	\$59.77	(\$11.81)

Long-term Disability, Basic and Dependent Life

	Current	New	Difference
Per pay			
Long-term disability	1.125% of earnings	1.225% of earnings	0.10% of earnings
Per month			
Basic Life (\$1,000 of coverage)			
▪ 12-month employee	\$0.1245	\$0.1320	\$0.0075
▪ 10-month employee	\$0.1494	\$0.1585	\$0.0091
Dependent Life			
▪ 12-month employee	\$1.32	\$1.40	\$0.08
▪ 10-month employee	\$1.58	\$1.68	\$0.10

The dental, travel, optional life and accidental death and dismemberment rates will not be changing effective April 1, 2014.

How rates are determined

The rates for health and dental coverage are based on the claims paid out to plan members in the past 12 months. As a result, the more the plan is used in any given year, the greater the rates when the plan is renewed the next year.

Rates for travel coverage as well as life, long-term disability and accident insurance are based on the insurance company's manual rate tables and experience of the group.