

March 2015

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

New Rates for Group Insurance Coverage Effective April 1, 2015

Starting on April 1, 2015, new rates will apply for the health, long-term disability, basic life and dependent life benefits.

Health

	Single coverage			Family coverage		
	Current	New	Difference	Current	New	Difference
Per pay						
Health coverage						
▪ 12-month employee	\$21.37	\$18.17	(\$3.20)	\$49.81	\$42.34	(\$7.47)
▪ 10-month employee	\$25.65	\$21.80	(\$3.85)	\$59.77	\$50.81	(\$8.96)

Long-term Disability, Basic Life and Dependent Life

	Current	New	Difference
Per pay			
Long-term disability	1.225% of earnings	1.410% of earnings	0.185% of earnings
Per month			
Basic Life (\$1,000 of coverage)			
▪ 12-month employee	\$0.1320	\$0.1405	\$0.0085
▪ 10-month employee	\$0.1585	\$0.1685	\$0.0100
Dependent Life			
▪ 12-month employee	\$1.40	\$1.49	\$0.09
▪ 10-month employee	\$1.68	\$1.79	\$0.11

The optional life rates will decrease 5% while the dental, travel, and accidental death and dismemberment rates will not be changing effective April 1, 2015.

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.

Recent health plan changes

Effective January 1, 2015 the following changes were made:

- The vision care benefit increased from the \$160 maximum to \$250 in any 24 consecutive months (dependents age 18 and under in any 12 consecutive months).
- The addition of an occupational therapy benefit of 100% reimbursement with a maximum annual reimbursement of \$300. The occupational therapist must be a registered therapist in the province where service is provided.