

February 2016

## 2016 Benefits Update

Your benefits coverage through CUPE Locals 1145, 1770, 1775 and 3260 benefits program is an important part of your total compensation package, providing health and dental coverage and financial protection for you and your family throughout your career. That is why we are proud to offer you a comprehensive program that includes 100% reimbursement for all health and drug expenses (subject to maximums).

The Group Insurance Trust Committee for CUPE Locals 1145, 1770, 1775 and 3260 recently completed the annual renewal of your benefits program. Below are the results of the renewal, including two plan enhancements that came into effect on January 1, 2016, and highlights of the rate changes effective April 1, 2016.

### Need more information?

For more information about your benefits, visit the PSGIP website at [www.mybenefitplan.ca](http://www.mybenefitplan.ca) or by consulting your *Benefits Summary*.

You can also contact Johnson Inc. for benefits information at 902-628-3537 (or toll-free at 1-800-371-9516) and Great-West Life for questions about claims at 1-800-957-9777.

## What's new

<b>Vaccine coverage</b>	<p>Effective January 1, 2016, the plan added coverage for Great-West Life's standard vaccine list, which includes coverage for the following vaccines: hepatitis (A &amp; B), influenza, meningitis, chicken pox, shingles, and human papilloma virus (HPV).</p> <p><b>Coverage:</b></p> <ul style="list-style-type: none"><li>– 100% reimbursement after you pay a \$7.50 deductible per eligible drug expense</li><li>– \$500 lifetime maximum per covered person</li></ul>
<b>TENS machines</b>	<p>Effective January 1, 2016, the plan introduced coverage for transcutaneous electrical nerve stimulation (TENS) machines, provided the machine is used to treat a chronic condition.</p> <p><b>Coverage:</b></p> <ul style="list-style-type: none"><li>– 100% reimbursement, limited to one TENS machine every five years, to a maximum of \$500 per covered person</li><li>– \$700 lifetime maximum per covered person</li></ul> <p><b>Things to note when making a claim:</b></p> <p>Great-West Life must receive the following information in order to process your claim:</p> <ul style="list-style-type: none"><li>– Name of supplier (including the receipt)</li><li>– A physician's prescription that must include:<ol style="list-style-type: none"><li>a) the referral for the TENS machine,</li><li>b) the nature of condition being treated, and</li><li>c) confirmation that the condition is chronic in nature.</li></ol></li></ul>

## 2016 rates

Each year we review our benefits program to ensure that contribution rates are adequate to pay expected claims and expenses in the coming benefit year.

As a result of this review, you will see some changes to the health and dental rates effective April 1, 2016. Although some of our rates are increasing, they do remain competitive when compared to industry norms.

There will be no change to the cost for travel insurance, optional life and accident insurance.

### Overview of rate changes

Here's an overview of the rate changes effective April 1, 2016:

	12-month employees			10-month employees		
	Cost per pay			Cost per pay		
	Current	New	Difference	Current	New	Difference
<b>Health coverage</b>						
– Single	\$18.17	<b>\$26.16</b>	\$7.99	\$21.80	<b>\$31.39</b>	\$9.59
– Family	\$42.34	<b>\$60.97</b>	\$18.63	\$50.81	<b>\$73.16</b>	\$22.35
<b>Dental coverage</b>						
– Single	\$10.46	<b>\$10.75</b>	\$0.29	\$12.55	<b>\$12.90</b>	\$0.35
– Family	\$22.06	<b>\$22.68</b>	\$0.62	\$26.47	<b>\$27.22</b>	\$0.75
<b>Basic life – for you (\$50,000 of coverage)</b>						
	\$3.16	<b>\$3.48</b>	\$0.32	\$3.79	<b>\$4.18</b>	\$0.39
<b>Dependent life</b>						
	\$0.75	<b>\$0.82</b>	\$0.07	\$0.90	<b>\$0.98</b>	\$0.08
<b>Long term disability (percent of earnings)</b>						
	1.410%	<b>1.545%</b>	0.135%	1.410%	<b>1.545%</b>	0.135%

## A closer look at health and dental costs

Health and dental costs in Canada have continued to rise over the last few years. An aging population, increased use of services and more expensive treatments are all factors that are causing benefit costs to increase.

In addition, as a result of legislative changes to the PEI Drug Cost Assistance Act, private health care plans have become the first payer for medications that were covered by the provincial Drug Cost Assistance Programs (DCAP). Because of this change, our health plan has had to pick up the coverage of these medications, which were previously covered by DCAP. This has increased our drug expenses and, as a result we've had to increase the rates.

### Tips to help control benefit costs

Here are a couple of ways to help you and our benefits program save on health and dental expenses.

- Shop around – drug costs and dispensing fees can vary considerably between pharmacies. Dispensing fees can range from as low as \$8.25 up to \$12.32 per prescription.
- Order a three-month supply of long-term or maintenance prescription drugs to save on extra dispensing fee costs.
- Take your medication as directed to avoid a reoccurrence of your illness and the need to start the treatment over again.
- Get a second opinion before starting expensive dental treatment. Procedures and costs can vary considerably from one dentist to another to treat the same dental problem.