DATE: May 31, 2013

TO: Members of the Memorial University Group Insurance Program

FROM: Glen Roberts, Manager of Benefits and Pensions

SUBJECT: Dental and Long Term Disability Changes – Effective June 1, 2013

As a follow-up to the April 1, 2013 renewal of Memorial University’s group insurance plans, the University Benefits Committee submitted a recommendation to the Board of Regents for several plan changes. At its meeting on May 9, 2013, the Board approved the Committee’s recommendation to improve long term disability (LTD) and dental benefits. The following LTD and dental provisions and associated rate changes are effective June 1, 2013:

i. the maximum reimbursement for major restorative services under the dental plan has been increased from $1,000 to **$1,200 per calendar year at a rate increase of 1.5%**;

ii. the accidental dental provision under the health plan has been updated to reflect the Blue Cross standard language, including an increase in the time limit for completion of dental work from 6 months to 24 months and provisions for deferral of dental treatment where necessary. More detail on the accidental dental provision is located on page 2 and can also be found in the Employee Benefits Guide.

iii. the maximum monthly benefit under the long term disability plan has been increased from $5,500 per month to **7,500 per month for employees who become disabled on or after June 1, 2013**. This increase in benefit level will effectively increase the maximum insured salary for LTD purposes from the current $90,826 to $123,853. The LTD premium rate of 1.46% of insured salary will not change, however, as more salary is now insured employees whose annual earnings are above $90,826 will pay more in LTD premiums up to the new maximum insured salary of $123,853. The maximum bi-weekly LTD premium paid by employees will therefore increase from the current $51.00 per payday to **$69.55 per payday**.
Please note that if you are already a recipient of LTD benefits on June 1, 2013 (or became eligible to apply for LTD before June 1, 2013), the change in the LTD monthly maximum does not apply to your benefit. Should you return to work and subsequently re-qualify for LTD benefits your application would be adjudicated under the LTD policy provisions in place at that time.

**Changes in Deductions**

A revised statement of deductions for group benefits is attached. These deductions are effective June 1, 2013.

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**Accidental Dental Provision of Health Plan - Effective June 1, 2013**

Charges for dental treatment required as a result of accidental injury to natural teeth. This dental treatment must be rendered or reported and approved for payment by Medavie Blue Cross within 180 days of the accident and dental work must be completed within 24 months from the date of the accident.

Eligible expense will be the dentist’s usual and customary fee up to the “Dental Fee Guide” for General Practitioners in effect where services are rendered.

All deferred dental treatment must be completed and approved for payment by Medavie Blue Cross no later than the last day of the month in which the person turns 21 years of age unless otherwise prescribed by statute, in which case the statutory provision applicable in the province where the participant resides shall apply. When such dental treatment must be deferred because of the age of the patient, or other factors which are justified, in the opinion of Medavie Blue Cross, the claim may be approved for later payment. To meet our payment criteria, the participant must have been covered by Medavie Blue Cross for accidental dental at the time the accident occurred, and must still be covered by Medavie Blue Cross at the time the services are rendered. The only exception to this criterion is when the participant is uninsured for dental benefits at the time the service is rendered, in which case the claim may be approved. The subscriber must submit to Medavie Blue Cross within 180 days of the accident complete details of the required services from the dentist and reason for deferment.