Benefits Bulletin: 2018 Update

Group Insurance Renewal 2018

At its meeting on March 15, 2018, the Board of Regents approved a recommendation of the University Benefits Committee that the group insurance plans be renewed for the policy year beginning April 1, 2018, at the rate actions shown below. The plans are being renewed with no change in benefit levels.

New Bi-Weekly Benefit Rates for 2018–2019

The following rate schedule is effective April 1, 2018. For a more detailed explanation of coverage, please refer to the Employee Benefits Guide at http://www.mun.ca/hr/services/benefits/group.php.

<table>
<thead>
<tr>
<th>Benefit</th>
<th>Rate Change</th>
<th>Employee Rate ($)</th>
<th>University Rate ($)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Health - Single</td>
<td>7.5%</td>
<td>6.41</td>
<td>29.20</td>
</tr>
<tr>
<td>- Family</td>
<td></td>
<td>19.07</td>
<td>86.86</td>
</tr>
<tr>
<td>Dental - Single</td>
<td>n/a</td>
<td>6.99</td>
<td>10.49</td>
</tr>
<tr>
<td>- Family</td>
<td></td>
<td>12.80</td>
<td>19.20</td>
</tr>
<tr>
<td>Travel - Single</td>
<td>-7.1%</td>
<td>0.62</td>
<td>2.82</td>
</tr>
<tr>
<td>- Family</td>
<td></td>
<td>1.07</td>
<td>4.88</td>
</tr>
<tr>
<td>Basic Life</td>
<td>7.8%</td>
<td>0.012 / 1,000</td>
<td>0.059 / 1,000</td>
</tr>
<tr>
<td>Optional Life</td>
<td>n/a</td>
<td>0.95 / 10,000</td>
<td>--</td>
</tr>
<tr>
<td>Dependent Life</td>
<td>n/a</td>
<td>0.10</td>
<td>0.31</td>
</tr>
<tr>
<td>AD&amp;D - basic</td>
<td>n/a</td>
<td>--</td>
<td>0.20</td>
</tr>
<tr>
<td>- optional</td>
<td>n/a</td>
<td>0.057 / 10,000</td>
<td>--</td>
</tr>
<tr>
<td>- voluntary (S)</td>
<td>n/a</td>
<td>0.067 / 10,000</td>
<td>--</td>
</tr>
<tr>
<td>(F)</td>
<td>n/a</td>
<td>0.114 / 10,000</td>
<td>--</td>
</tr>
<tr>
<td>Long Term Disability</td>
<td>2.3%</td>
<td>0.02799 times bi-weekly</td>
<td>--</td>
</tr>
</tbody>
</table>

Other Benefits to Remember:
- The Special Authorization Appeals Subcommittee is available to you if you wish to appeal a decision of Medavie Blue Cross denying coverage of a “Special Authorization Drug”.
- The Employee Assistance Program provided by Shepell offers a comprehensive and confidential suite of services to Memorial’s employees, retirees and family members at no cost, 24 hours a day, seven days a week.
- Benefits and pension continuation for periods of approved leave in excess of 30 days is optional, including maternity/parental/adoption leave. (Exception: NAPE 7850 employees need to refer to their collective agreement for conditions applicable to maternity/parental/adoption leave).
- Employees travelling for longer than 180 days for work related reasons may request an Extension of Travel Health Insurance Coverage.
- Download the Medavie Mobile App.
Rate Changes and the Financial Positions of the Group Insurance Plans

Health and Dental

Memorial’s health and dental plans are administered by Medavie Blue Cross on an “Administrative Services Only” basis. This means that the plans are self-insured under an arrangement whereby Memorial and plan members are responsible for deficits as they arise and, in a similar fashion, they are the beneficiaries of surpluses that might accumulate.

For the past three years, claims paid by the health plan have exceeded premiums contributed and the plan has incurred annual operating deficits. The deficit for 2017 was $863,000. Despite these deficits, the health plan still retains an overall surplus and this has contributed to rate stability as deficits are paid using accumulated surplus rather than through an additional rate increase. As with the health plan, the dental plan also retains an accumulated surplus and operated at a deficit for the past year, although to a lesser degree. The dental deficit for 2017 was $24,800.

When recommending rate adjustments in the health and dental plans, the University Benefits Committee takes into consideration the level of surplus in each plan and the expected cost increases for the upcoming year. Where warranted, surplus will be used to offset rate adjustments. For the health plan, the Committee recommended a 7.5 per cent rate increase and for the dental plan it recommended no change in the rating based upon the stability of the plan’s financial position.

Travel Health

The travel health plan provided by SSQ Insurance is a fully insured plan with rates determined based upon the experience of the plan as a whole. The prior year’s travel health experience was very good with a loss ratio of just 33 per cent. As a result, SSQ has reduced premium rates by 7.1 per cent.

Basic Life

The basic life plan is underwritten on a refund basis which means that where surplus is generated it is available to the plan to stabilize rates. As a result of higher than expected basic life claims in the prior year, the plan incurred a deficit, however, this was paid through the use of accumulated surplus. The rate setting process employed by Manulife Financial takes into consideration the previous five years of plan experience and, based upon this, a rate increase of 7.8 per cent has been applied for the 2018-19 policy year. This rate increase is lower than it might otherwise have been had the plan not been able to pay the deficit from surplus.

Dependent and Optional Life (Employee Only and Spousal/Dependent Child)

The dependent and optional life plans are fully insured plans with Manulife Financial and therefore have no provision for surplus or deficit accounting. No rate change is necessary for the optional life insurance plans.

Accidental Death and Dismemberment (AD&D)

The AD&D plans are fully insured plans provided by SSQ Insurance. No rate changes are necessary for the AD&D plans.
Long Term Disability (LTD)

Financial experience and rate increase:

The LTD plan is also administered by Manulife Financial on a refund accounting basis. It generated a modest surplus last year compared to deficits in each of the previous three years. As LTD rates are based upon the last five years of plan experience, a rate increase of 2.3 per cent is required Manulife. The surplus that has accumulated will be retained to mitigate any future experience losses of the LTD plan in order to stabilize rates as has been done in the past.

Health and Benefits Snapshot (past year)

Dental Care
Tip: Prior to any major dental work being commenced, request a predetermination

86%: of total dental spend is on Basic Services

Dental claims paid $3.5 million

Health Corner:
Approximately half of all Canadians are living with at least one chronic health condition, and more than one in four Canadians report having two or more chronic conditions.

Cardiovascular Disease
Cancer
Respiratory Diseases
Diabetes
Mood and Anxiety Disorders

Luckily, many of the risk behaviors for these conditions are within your control

- Smoking
- Harmful use of alcohol
- Unhealthy Eating
- Physical Inactivity
Know Your Numbers: To assess your current health status as well as potential future risks, ask your doctor where you measure up with the following indicators.

Reminder: your EAP provider Shepell can provide you access and assistance to many more resources including professional counselling, health coaching, nutritional and fitness supports, smoking cessation and more.
Visit www.workhealthlife.com or call 1-800-387-4765

HEALTH GOALS
Limit your alcohol consumption & do not smoke

Aim for:
150 minutes of exercise per week & 7 to 10 servings of fruits & veg per day

- resting heart rate
- blood pressure
- total cholesterol
- height and weight
- glucose
- BMI and waist circumference

Limit your alcohol consumption & do not smoke
Aim for:
150 minutes of exercise per week & 7 to 10 servings of fruits & veg per day