

# 2021

# BENEFITS BULLETIN



At Memorial University we are committed to supporting the health and well-being of you and your family. Our benefits program offers support and resources for your physical, mental and financial well-being.

On March 11, 2021, the Board of Regents met and approved a recommendation of the University Benefits Committee that the group insurance plans be renewed for the policy year beginning April 1, 2021, at the rates shown below. The plans are being renewed with no change in benefit levels. In addition, accumulated surplus held in the LTD plan will be rebated back to employees through an eight pay-period contribution holiday, beginning April 22, 2021.

Benefit	Rate Change	Bi-weekly Rate (\$)	
		Employee	University
Health	Single	7.37	33.56
	Family	21.91	99.83
Emergency Travel	Single	0.59	2.68
	Family	1.02	4.64
Dental	Single	7.22	10.84
	Family	13.23	19.84
Basic Life	11.1%	.014 / 1,000	.067 / 1,000
Optional Life	n/a	0.95 / 10,000	—
Dependent Life	n/a	0.11	0.32
AD&D	Basic	—	0.20
	Optional	n/a	0.057 / 10,000
	Voluntary (S)	n/a	0.067 / 10,000
	(F)	n/a	0.114 / 10,000
Long Term Disability	-1.5%	0.02150 times bi-weekly salary to maximum of \$116.07	

## IMPORTANT DATES TO REMEMBER

**April 1, 2021:** New benefit rates are effective.

**April 8, 2021:** Blended benefit rates will be reflected in your pay.

**April 22, 2021:** Full impact of the rate changes will be reflected in your pay.

**April 22, 2021 to July 29, 2021:** No LTD premiums will be deducted.

**August 12, 2021:** LTD deductions resume.

## WHAT DOES THIS MEAN FOR ME?

The extent of the impact to your bi-weekly pay is largely dependent on LTD premiums as they are based on a percentage of salary as opposed to a fixed amount like in the health plan. For example, if you earn \$50,000 and have family health coverage, your total premium deductions (health, life and LTD) will increase by **\$0.96** bi-weekly. If you earn \$125,000 and have family health coverage, your total premium deductions will increase by **\$0.15** bi-weekly.

# 2021

## Rate Changes and 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.

Experience under the health and dental plans continued to be positive for the past year as the level of premium contributed was higher than the total of claims plus expenses paid, leaving both plans with healthy surplus positions. A significant driver of the good experience was a reduction in claiming patterns caused by the COVID-19 pandemic which led to reduced access to certain health and dental providers. With the exception of prescription drug costs, which rose by 10.4 per cent, all other claim cost categories experienced a decline during the year.

In determining an appropriate premium rate for 2021-22, expected claim costs were normalized to remove the pandemic impact and account for escalating drug costs.

The University Benefits Committee has taken this into consideration along with the level of surplus in the plans and has recommended rate adjustments for the 2021-22 fiscal year that are lower than those requested by Medavie Blue Cross. Medavie has accepted these lower rates.

### 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 positive with a loss ratio of just 33 per cent. There is no change to the travel health rate for 2021/22.

In 2020, SSQ Insurance and La Capitale Insurance combined their operations to form a new financial services enterprise known as Beneva. There are no changes to Memorial's travel health policy as a result of this merger.

### BASIC LIFE INSURANCE

The basic life plan is underwritten by Manulife Financial on a refund basis which means that any surplus generated is available to the plan to stabilize rates in the event that a deficit emerges. Deficits, when incurred, must be paid.

Experience last year was on par with that of the previous year and claims again exceeded the level of premium contributed. As a result, the basic life plan incurred a deficit.

Rates are determined based upon the previous five years of plan experience and any deficit recovery. Given the experience, a rate increase is required; the magnitude of the increase has been mitigated through the use of surplus to pay the deficit.

### IMPORTANT RESOURCES

Access our EFAP by calling 1.800.387.4765, downloading the MY EAP app or through [Workhealthlife.com](http://Workhealthlife.com).

Access your health and dental benefits through the Medavie Blue Cross mobile app, [plan member site](#) or by calling 1.800.667.4511.

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## Rate Changes and Financial Positions of the Group Insurance Plans



### DEPENDENT AND OPTIONAL LIFE INSURANCE

The dependent and optional life plans (employee only and spousal / dependent child) 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 (Beneva). No rate changes are necessary for the AD&D plans.

### LONG TERM DISABILITY

The LTD plan is also administered by Manulife Financial on a refund accounting basis and is five-year experience rated. Unlike other group insurance plans, experience under an LTD plan can be significantly more volatile from one year to the next. The incidence of claims in any particular year and past experience is not necessarily an indicator of what the next year may hold as experience can vary greatly depending on the number and nature of individual claims.

Looking back over the past five years of experience, the LTD plan generated annual operating surpluses in four of those years. As a result, a significant surplus has accumulated. This experience has also warranted a modest reduction to the premium rate.

The University Benefits Committee has considered the financial position of the plan and its risk profile and has determined that some of the surplus should be rebated back to employees. In doing so, the Committee has taken a balanced approach to financial management that should ensure that sufficient surplus remains in the plan to guard against future adverse experience.

LTD deductions will be suspended for eight pay periods beginning on April 22, 2021 and continuing through to July 29, 2021. Deductions will resume on August 12, 2021. Premiums that would otherwise have been paid by employees during this time will instead be paid from accumulated surplus.

It is important to note that past experience under the LTD plan is not an indicator of what the future may hold. Premium rates are calculated by Manulife based upon actual plan experience and not the level of surplus retained. Should LTD experience deteriorate in future years, upward rate adjustments may be required.

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## Things to keep in mind....



### NEW FEATURES OF OUR SUPPLEMENTARY HEALTH PLAN

Our psychologist paramedical benefit now covers access to internet-based cognitive behavioural therapy (iCBT) through [MindBeacon](#) and [AbilitiCBT](#) from Morneau Shepell. Links to these providers are here: <https://www.mun.ca/hr/services/benefits/iCBT.php>

iCBT is a form of online, therapist-assisted support for mild to moderate anxiety and depression.

Our physiotherapy benefit now covers virtual physiotherapy. Access an eligible provider through Medavie Blue Cross' Connected Care portal on your MBC mobile app or through your online account.

### DID YOU KNOW?

Memorial University is a member of Interuniversity Services Inc. (ISI), a not-for-profit organization that administers volume-purchasing arrangements for member post-secondary institutions throughout Atlantic Canada. Memorial benefits from this arrangement through lower group insurance costs and enhanced coverage while at the same time maintaining independence over our own plan design and administration.

### REMEMBER TO USE YOUR EMPLOYEE AND FAMILY ASSISTANCE PROGRAM (EFAP)

As part of our commitment to the well-being of you and your family, Memorial sponsors access to an EFAP. This 24/7 confidential service offers short-term counselling, WorkLife Services (including legal and financial services, child and elder care support), and access to online self-paced mental health and wellness e-courses.

### MAKE SURE YOUR COVERAGE IS UP-TO-DATE

Ensure your benefits coverage is always up-to-date by:

- Letting us know when you experience a life change - a new child, a change in your marital status or loss of coverage under another group plan
- Checking that your life insurance beneficiaries are up-to-date
- Reviewing your coverage levels - you may be eligible for optional life insurance with evidence of good health

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