

Group Insurance Benefits Program

– an update for Management members –

Bulletin 05-01

November 2005

Effective May 1, 2005, premium rates have changed for Extended Health Care, Dental, Basic Life and Long Term Disability (LTD) insurance plans.

In early May 2005, the Joint Management Committee (JMC) determined the changes to premium rates for some group insurance benefit plans. The changes are retroactive to May 1, 2005 and affect both the employer and employee contributions. Our benefits program is with Sun Life Assurance Company of Canada.

You may have noticed some new premium rates on your October pays. Adjustments to the rates for the five months from May to September will appear on your pay after the October pays have been processed.

Extended Health Care premium changes for Management:

The monthly premium rates for Extended Health Care have increased by 6.5 percent. Premium changes for Extended Health Care apply to the Basic Extended Health Care rate and the Enhanced Extended Health Care rate.

Extended Health Care (EHC) premium rate changes			
Plan	Old Single / Family	New Single / Family	\$ change Single / Family
Basic EHC (Plan A)	\$48.81 / \$85.60	\$51.97 / \$91.14	\$3.16 / \$5.54
Enhanced EHC (Plans B,C & D)	\$58.49 / \$102.60	\$62.28 / \$109.24	\$3.79 / \$6.64

The factors for management employees to consider are:

- the type of coverage (Basic Extended Health Care or Enhanced Extended Health care);
- if you have Enhanced Extended Health Care, which plan do you have (i.e. Plan B, C or D) – this will determine how much of the total premium you pay; and
- your level of coverage (i.e. single or family).

If you elected Basic or Enhanced Extended Health Care (Plans B or C), the employer pays the full premium rate. If you elected Enhanced Extended Health Care (Plan D), your portion of the premium will be increasing from \$9.68 to \$10.31 (single) or from \$17 to \$18.10 (family).

**Dental Plan premium changes
for Management members:**

The monthly premium rates have increased 15.3 percent for Basic and Enhanced Dental Care plans.

Dental Care premium rate changes			
Plan	Old Single / Family	New Single / Family	\$ change Single / Family
Basic dental (Plan A)	\$25.46 / \$70.93	\$29.36/ \$81.78	\$3.90 / \$10.85
Enhanced dental (Plans B, C, D)	\$30.19 / \$84.09	\$34.81/ \$96.96	\$4.62 / \$12.87

The factors for management employees to consider are:

- whether or not you have dental coverage;
- whether you elected Basic or Enhanced Dental Care coverage;
- if you have Enhanced Dental Care, which plan do you have (i.e. Plan B, C or D) – this will determine how much of the total premium you pay; and
- your level of coverage (i.e. single or family).

If you selected Basic Dental (Plan A), the new single rate is \$2.94 (up from \$2.55/an increase of 39 cents). The new family rate for Basic Dental (Plan A) is \$8.18 (up from \$7.09/an increase of \$1.09).

If you selected Enhanced Dental (Plans B or C), the new single rate is \$2.94 (up from \$2.55/an increase of 39 cents). The new family rate for Enhanced Dental (Plans B or C) is \$8.18 (up from \$7.09/an increase of \$1.09).

If you selected Enhanced Dental (Plan D), the new single rate is \$8.39 (up from \$7.27/an increase of \$1.12). The new family rate for Enhanced Dental (Plan D) is \$23.36 (up from \$20.25/an increase of \$3.11).

**Basic Life Insurance changes
for Management members:**

The structure of the premium rate calculation for Basic Life Insurance has changed so that there will be one flat rate for all employee groups. The overall monthly premium rate will decrease by nine percent for all groups combined and 26.3 percent for the management group specifically.

The combined result of these two changes for the Basic Life rate means a change from the current rate of .27/\$1000 of

benefit to .199/\$1000 of benefit. This is a decrease .071/\$1000 of benefit.

When you are looking at the premium rate for Basic Life insurance, the only relevant factor for the Management group is your annual salary rounded to the nearest \$1000.

The employer pays the full premium rate for Basic Life insurance.

For example, if your annual salary is \$69,800, you have \$70,000 of Basic Life Insurance coverage, the total monthly premium paid will change from \$18.90 $((\$70,000/\$1000) \times .27)$ to \$13.93 $((\$70,000/\$1000) \times .199)$. In this case, the change is a decrease of \$4.97.

Long Term Disability changes for Management members:

The employer pays the full premium for Long Term Disability for the Management group of employees.

Long Term Disability is now based on a blended/common rate for all groups of employees. What this means is that the total premium rate per \$1000 of annual salary will be the same for every employee group, at 1.33 per \$1000 annual salary (a change from the current \$1.04 per \$1000 annual salary for the Management group). This is an increase of 29 cents per \$1000 annual salary.

The relevant factor for determining the premium for Long Term Disability insurance is your annual salary, rounded to the next highest \$250, if not already a multiple of \$250.

For example, on an annual salary of \$69,800 the Long Term Disability premium calculation is based on adjusted annual earnings of \$70,000 (\$69,800 rounded to the next highest \$250). The total monthly premium will change from \$72.80 $((\$70,000/\$1000) \times 1.04)$ to \$93.10 $((\$70,000/\$1000) \times 1.33)$, an increase of \$20.30 in this example.

Other premium rates:

Your Optional Life premium rate remains the same.

Your Accidental Death and Dismemberment premium rate remains the same (\$7.50 a month for \$250,000 of benefit) and your Dependent Life/Accidental Death and Dismemberment premium rates (\$1.70 per employee per month, if applicable) also remain the same.

If you have questions about your Benefits Plan:

If you want more information about a decision made by Sun Life about an extended health or dental plan claim, or if you want to know the status of a claim, contact Sun Life Claim's Department at 1-800-361-6212 (toll free).

CONTACT	FOR
Lynne Hutsul 867-667-5655	<ul style="list-style-type: none"> • Health & Social Services • Executive Council • Legislative Assembly • Ombudsman's Office
Kim Ponsoien 867-667-8149	<ul style="list-style-type: none"> • Education
Susan Hager 867-667-8779	<ul style="list-style-type: none"> • Highways & Public Works • Energy, Mines & Resources • Environment
Dale Krockner 867-667-3080	<ul style="list-style-type: none"> • Tourism • Justice • Yukon Workers' Compensation Health & Safety Board • Economic Development • Public Service Commission • Finance
Scott Tyrner 867-667-5789	<ul style="list-style-type: none"> • Community Services • Yukon Housing Corp • Yukon Liquor Corp

The Yukon government policy number is 25515. The person you speak to will need this number as well as your employee/certificate number when you call. Have this information on hand.

If you have questions about eligibility of dependents, if you have problems with your pay direct drug card or if you have other questions that Sun Life cannot answer, contact your Pay and Benefits Coordinator in the Public Service Commission, Employee Compensation Branch.

Your Joint Management Committee (JMC):

The JMC is responsible for the management of our group insurance benefit plans.

The Joint Management Committee includes representatives from the Management, Confidentials, YTA and YGEU employee groups, as well as two representatives nominated by the Public Service Commissioner and one representative nominated by the Deputy Minister of Finance. JMC employee group representatives are:

- Eric Magnuson (Management);
- Allan Koprowsky (Confidentials);
- Paul Nordahl (YTA); and
- Diane Anderson (YGEU).

