

2017 Benefits Update for Active Employees

Your benefits coverage through PSGIP 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.

The PSGIP Trustees recently completed the annual renewal of your benefits program. Below are the results of the renewal, including highlights of the rate changes effective April 1, 2017.

2017 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 basic and dependent life, long-term disability, health and travel rates effective April 1, 2017. Although some of our rates are increasing, they do remain competitive when compared to industry norms.

There will be no change to the cost of dental coverage, optional life and basic and optional accident coverage.

Plan	Rate Change
Basic and Dependent Life	4% increase in rates
Basic and Optional Accidental Death & Dismemberment (AD&D)	No change in rates
Optional Life	No change in rates
Long-term Disability	24% rate decrease
Health Plan	23% increase in rates
Dental Plan	No change in rates
Travel Plan	15% increase in rates

Massage Therapy Update

A physician's note is no longer required for massage therapy.

Claims can be submitted directly to Great-West Life for reimbursement up to allowable limits.

See mybenefitplan.ca for coverage details

Overview of rate changes

Here's an overview of the rate changes effective April 1, 2017:

		Cost per month		
		Current	New	Difference
Health coverage	Single	\$42.04	\$51.76	+\$9.72
	Family	\$97.98	\$120.60	+\$22.62
Travel	Single	\$1.34	\$1.54	+\$0.20
	Family	\$2.68	\$3.08	+\$0.40
Long-term disability		1.78% of earnings	1.36% of earnings	-0.42% of earnings
Basic Life (Per \$1,000 of coverage)		\$0.0755	\$0.0785	+\$0.003
Dependent Life (Per \$1,000 of coverage)				
• Health PEI (flat amount)		\$0.45	\$0.47	+\$0.02
• Civil Service (flat amount)		\$0.90	\$0.94	+\$0.04

A closer look at health and dental costs

Member health and dental premium rates are determined by the paid claims of the group. Premium rates must be able to cover the cost of claims made under the Plan as well as the costs of running the Plan. The increases in Health rates this year can be attributed to several factors:

- 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.
- Changes in legislation: As a result of legislative changes to the PEI Drug Cost Assistance Act in 2014, private health care plans have become the first payer for medications that are also covered by the provincial Drug Cost Assistance Programs (DCAP). The PSGIP is now covering the cost of these medications, which has contributed to an increase to our drug expenses.
- The Canadian drug landscape: There have been a number of articles in the news lately regarding the increased cost of prescription drugs and the impact on private benefit plans. The federal Health Minister recently stated that Canadians pay the second-highest drug prices in the world.

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 \$8.82 up to \$12.36 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.

Take a *Personal Health Risk Assessment* to Help Reach Your Wellness Goals

Great-West Life's *Personal Health Risk Assessment* is an easy first step to take stock of your current health and set a course to improve it. It only takes 15 minutes to complete the assessment. With the results, you can create an action plan to lower your risks and support your wellness goals, tracking your progress as you go.

Get started today.

Login to Great-West Life's GroupNet for Plan Members at greatwestlife.com – you'll need to know your height, weight, hip and waist measurements. Click the *Health & Wellness* tab and follow the instructions to launch the Health & Wellness website. Under *How healthy is your life*, click *Start Now* to start your *Personal Health Risk Assessment*. [Learn more](#).

Need more information?

For more information about your benefits, visit the PSGIP website at mybenefitplan.ca or consult 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.