

2019 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, 2019.

2019 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 long term disability, travel and health rates effective April 1, 2019. 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 basic life and dependent life, dental coverage, optional life and basic and optional accident coverage.

Plan	Rate Change	Plan	Rate Change
Basic Life	No change in rates	Long-term Disability	18% increase in rates
Dependent Life	No change in rates	Health Plan	2.9% increase in rates
Basic and Optional Accidental Death & Dismemberment (AD&D)	No change in rates	Dental Plan	No change in rates
Optional Life	No change in rates	Travel Plan	2% increase in rates

Overview of rate changes

Here's an overview of the rate changes effective April 1, 2019:

		Your Cost per month		
		Current	New	Difference
Health coverage	Single	\$52.80	\$54.33	+\$1.53
	Family	\$123.02	\$126.59	+\$3.57
Travel coverage	Single	\$1.54	\$1.59	+\$0.05
	Family	\$3.08	\$3.13	+\$0.05
Long Term Disability (Per % of Salary)		1.36%	1.60%	+0.24%

Change in Termination Age of Long Term Disability Benefit

The Parties to the PSGIP Trust voted unanimously to extend the termination age of the long-term disability (LTD) plan to keep it aligned with recent Pension Plan changes. As such, the termination age for the LTD plan was extended from age 60 to age 62 for disabilities commencing on or after January 1, 2019. This plan enhancement is the primary reason for the LTD rate increase.

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. Health 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.

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 \$9.33 up to \$12.39 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.

The impact of Diabetes

High rates of obesity, poor diet and a lack of physical activity are all contributing to a significant increase in Type 2 diabetes. Today, claims for diabetes are the second highest cost driver of the health plan. According to Great-West Life's statistics, individuals with diabetes claim an average of 2.7 times more than a person without diabetes. This is because medical conditions such as depression, high blood pressure, eye complications, and elevated cholesterol are more common for people with diabetes.

Individuals with Type 2 diabetes can take preventative steps to help improve and protect their health. Healthy eating, regular exercise and maintaining a healthy weight are all important tools to improve health.

Great-West Life has a wealth of information and tools ready to help. Login to Great-West Life's GroupNet for Plan Members at greatwestlife.com — Click the *Health & Wellness* tab on the right and follow the instructions to launch the Health & Wellness website.

A *Personal Health Risk Assessment* is an easy first step to take stock of your current health and set a course to improve it. In the *Health and Wellness* website, under *How healthy is your life*, click *Start Now* to begin your *Personal Health Risk Assessment*.

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.