

2022 Benefits Update for Retirees

Your benefits coverage from the Public Sector Group Insurance Plan (PSGIP) plays a key role in your healthcare throughout your retirement years. That's why the PSGIP Trustees carefully manage health benefits coverage for you and your eligible family members.

The PSGIP Trustees, with consultation from the Retiree Advisory Committee, recently completed the annual review and renewal of your retiree benefits program. This notice includes the results of the renewal, including the rate changes effective **April 1, 2022**.

This notice summarizes the outcomes of the renewal analysis, including the rate changes effective **April 1, 2022**.

This is your once-a-year opportunity to change your Health or Dental plan option for the next year. Review your choices carefully and make sure you're enrolled in the right coverage option for you and your family. If you plan to make a change, complete the *Coverage Change Request Form* included with this notice and return it to Johnson Inc. no later than **Monday, March 7, 2022**. Your new coverage takes effect starting **April 1, 2022**.

Important dates

Thursday, February 24, 2022

- Renewal Information posted to mybenefitplan.ca/groupRetirees/home.aspx

Monday, March 7, 2022

- Coverage Change Request Form due to Johnson Inc. if you want to change your Health or Dental Plan option

Thursday, April 1, 2022

- Your new coverage takes effect

2022 rates

Each year the PSGIP Trustees review the benefits program to ensure that contribution rates are adequate to pay expected claims and expenses in the coming benefit year. This past year was another challenging year due to an increase in paid claims under both the health and dental programs.

Health and Dental premium rates are based on the claims actually paid for the group. The premium rates must be adequate to cover the claims made, as well as the administration costs required to keep the Plan running. The increases in Health rates and the differences in the rate changes between the Under 65 and Over 65 groups are primarily related to prescription drug costs, and are influenced by several factors, including:

- **Participation Levels.** Since 2018, there has been an 18% increase in the number of participants in the Over 65 plan, which represents an average annual growth rate of roughly 6%. The Under 65 plan has experienced a 6% reduction in headcount since 2018, which represents an average annual decline of roughly 2% per year. The changing participation levels can have a positive or negative impact on the overall costs of the program.
- **Rising health care costs,** particularly for high-cost specialty drugs to treat conditions such as rheumatoid arthritis and cancer, along with significant increases in claims for diabetes. For the Under 65 plan, claims for Cancer increased roughly \$200,000 from the prior period. For the Over 65 plan, the cost of diabetes has nearly doubled when compared to 2017 claims with total costs in the most recent period totaling roughly \$800,000.

- Pent up demand for services: Covid-19 restrictions prevented retirees from obtaining services for a period of time, however, most practitioners were back to normal for the most recent year. As a result, the plans experienced an increase in services, particularly as it relates to dental coverage.

The following charts summarize the Health, Dental, and Travel rates effective **April 1, 2022**.

	Under age 65			Over age 65		
	Your current monthly cost	Your new monthly cost	Change	Your current monthly cost	Your new monthly cost	Change
Health						
Option 1						
– Single	\$197.69	\$236.43	+\$38.74	\$188.28	\$215.20	+\$26.92
– Family	\$421.01	\$503.53	+\$82.52	\$400.90	\$458.22	+\$57.32
Option 2						
– Single	\$169.48	\$202.70	+\$33.22	\$146.63	\$167.60	+\$20.97
– Family	\$364.86	\$436.37	+\$71.51	\$312.38	\$357.05	+\$44.67
Option 3						
– Single	\$119.57	\$143.01	+\$23.44	\$113.19	\$129.38	+\$16.19
– Family	\$254.61	\$304.51	+\$49.90	\$241.09	\$275.57	+\$34.48
Option 4						
– Single	\$27.30	\$30.03	+\$2.73	\$27.30	\$30.03	+\$2.73
– Family	\$58.18	\$64.00	+\$5.82	\$58.18	\$64.00	+\$5.82

Health Plan Change Effective April 1, 2022

Provide coverage for two surgical/mastectomy bras per year (80% reimbursement)

	Under/ Over age 65		
	Your current monthly cost	Your new monthly cost	Change
Dental			
Basic Services			
– Single	\$26.92	\$30.83	+\$3.91
– Family	\$60.91	\$69.75	+\$8.84
Basic & Major			
– Single	\$31.47	\$34.55	+\$3.08
– Family	\$71.20	\$78.18	+\$6.98
Travel			
– Single	\$10.31	\$10.31	\$0.00
– Family	\$20.49	\$20.49	\$0.00

Life Rates Effective April 1, 2022

1. Dependent Life rates: -13%
2. Optional Life rates: No Change

Making changes to your benefits coverage

Each benefit year, you are eligible to change your level of Health and Dental coverage without having to provide medical evidence. If you would like to change your current Health or Dental Plan option effective **April 1, 2022**, complete the enclosed *Coverage Change Request Form* and return it to Johnson Inc. by **Monday, March 7, 2022**.

To help you decide which Health option is best for you, follow the steps below to estimate your total annual cost under each option and consider your tolerance for risk.

Step ①	Estimate your annual health expenses for you and your family.
Step ②	Determine the annual premiums for each option.
Step ③	Calculate the amount you will pay (co-pay/deductible) for your estimated health expenses under each option. Add this amount to your annual premiums.
Step ④	Think about how much risk you are comfortable taking for unforeseen health events and expenses. Option 1 provides the most protection against unforeseen health risk.

When determining your level of coverage, don't forget to take into account the different coverages and limitations of the Health Plan options. You also need to consider your level of comfort with expenses that cannot be foreseen. See *Your Retiree Benefits Options At-a-Glance* on page 4 of this notice for a brief summary of coverage under each Health and Dental option.

Manage your health

Canada Life has a wealth of information and tools ready to help you manage your health. Login to GroupNet for Plan Members at www.canadalife.com/sign-in — Click the *Health & Wellness* on the right tab 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*.

More information

For more information about your benefits, visit the PSGIP website at www.mybenefitplan.ca or consult the Benefits Summary for Retirees. You can also contact Johnson Inc. for benefits information at **902-628-3537** (or toll-free at **1-800-371-9516**) and Canada Life for questions about claims at **1-800-957-9777**.

Benefits information meeting – a change for 2022

Due to restrictions related to COVID-19 and the Trustees' concern for the safety of retirees, there will not be an in-person information session for the 2022 renewal. Instead, the Trustees will post a recorded video about the renewal and rate changes on the retiree website at the following link mybenefitplan.ca/groupRetirees/home.aspx. The video will be available on **February 24th, 2022**

Your Retiree Advisory Committee representatives

Anne Daniels-Brunet, Aubrey MacDonald, Beth Gaudet, Bill Harper, Chander Sahajpal, Don Scott, Jeannie Pitts, Miriam Lank, and Pat Ellis

Your retiree benefit options at-a-glance



Health and Dental Plans

Health Plan	Option 1	Option 2	Option 3	Option 4
Prescription drugs	80% reimbursement of the first \$150 per eligible drug expense, and 100% reimbursement thereafter (\$500 lifetime maximum per person for vaccines)	You pay an annual* deductible before drug coverage begins: \$300 single \$600 family 80% reimbursement of the first \$150 per eligible drug expense, and 100% reimbursement thereafter (\$500 lifetime maximum per person for vaccines)	You pay the first \$50 per eligible drug expense, and 100% reimbursement thereafter (\$500 lifetime maximum per person for vaccines)	Coverage for vaccines only: 80% reimbursement, to a \$500 lifetime maximum per person
Hospitalization	No coverage (Options 1, 2 & 3)			100% reimbursement of the difference between a ward and semi-private room 80% reimbursement of the difference between a semi-private and private room
Eye exams	80% reimbursement, for one eye exam once every two calendar years (every calendar year for children under age 18)			
Eye glasses or contact lenses	80% reimbursement, to \$80 once every two calendar years (every calendar year for children under age 18)			
Medical services and supplies	80% reimbursement, to specified annual maximums (includes paramedical services and private nursing care)			
Ambulance services	100% reimbursement of the first \$50 of eligible expenses per calendar year, and 80% reimbursement thereafter			

* Annual deductible runs April 1 to March 31.

Dental Plan	Plan A	Plan B
Coverage	Basic services only 80% recall exam once every 5 months 80% maintenance services (e.g., fillings, oral surgery and periodontic and endodontic care)	Basic and Major services 80% recall exam once every 5 months 80% maintenance services (e.g., fillings, oral surgery and periodontic and endodontic care) 50% Major restorative services (e.g., dentures, crowns and bridges) to a maximum of \$500 per year