

HEALTH WEALTH CAREER

BENCHMARKING REPORT

SASKATCHEWAN SCHOOL
BOARDS ASSOCIATION

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BENCHMARK REVIEW

This benchmarking reviews several of the main benefit policy provisions of the Saskatchewan School Boards Association (SSBA) against the Alberta School Employee Benefit Plan (ASEBP), the Manitoba School Boards Association (MSBA) and the Saskatchewan Teachers' Federation (STF) employee group benefit programs.

We have also made some observations in the context of how your benefit plan compares with plans sponsored by other organizations in our database. The Mercer Plan Design Database represents a comprehensive cross section of over 900 employers and over 2,000 employee benefit programs.

When reviewing the results, we suggest you do not give equal weighting to all provisions. For example, other plans may have a more generous Paramedical Practitioner offering, but may only provide Basic Dental coverage.

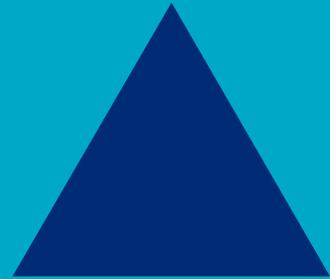
While some benefits being offered by SSBA may be considered at the higher end, other benefits may not be as competitive. The entire program needs to be reviewed against the organizations Total Rewards philosophy which should take into account the elements of compensation, benefits, work, lifestyle and career development to determine its overall competitiveness and alignment to the market.

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SECTION #1

EXECUTIVE SUMMARY



EXECUTIVE SUMMARY

We believe SSBA offers a competitive benefit plan in most areas and superior in others when compared to the other organizations. However, based on our review, we have highlighted the following areas where you could consider potential changes to either improve your benefit program or protect your current benefit program from future costs. It should be noted that as benefits are improved, costs will certainly increase.

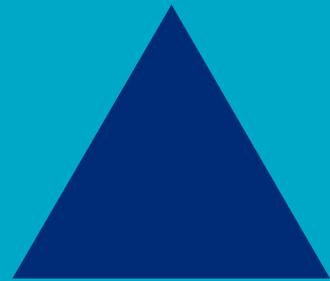
- SSBA could review the termination age for the Basic Life and Optional Life benefits as currently these benefits terminate at age 70. As many employees are delaying retirement, increasing to age 75 or at retirement will provide financial protection to those continuing to work.
- SSBA provides a drug benefit based on an open formulary. Drugs continue to represent the greatest cost within a Health plan and many employers are being challenged with how to maintain coverage. Incorporating some type of drug management techniques or programs will be effective in preventing high cost claims.
- SSBA's current Paramedical Practitioner maximum is \$300 per calendar year. The most common plan maximum is \$500 per calendar year. Another option that organizations are now moving to is an all practitioners combined annual maximum. Also, SSBA could add coverage for Acupuncturists under the current paramedical practitioner listing.

EXECUTIVE SUMMARY CONT'D

- SSBA provides 100% reimbursement for Orthopedic shoes up to \$100 per calendar year combined with Orthotics. The most prevalent option is to have a separate maximum of \$300 per calendar year for Orthotics and \$300 per calendar year for Orthopedic Shoes.
- The Dental Care benefit is slightly below market. The plan offers 80% reimbursement for Basic services. Basic services are commonly reimbursed at 100%. The plan also provides a lower Orthodontic lifetime maximum of \$1,500 whereas lifetime maximums of \$2,000 or \$3,000 are more prevalent. However, the recall exam frequency under the Dental Care benefit could be changed from every 6 months to every 9 months.
- An alternative to increasing benefit maximums is to add the Health Spending Account (HSA) which provides all employees with more flexibility and choice and they are tax advantageous to the individual.

SECTION #2

COMPARISON OF PLANS



BASIC LIFE

SSBA

- Provides two options of 1x or 2x annual salary. The overall maximum is \$1,000,000 and terminates at age 70.

ASEBP

- Provides 2x annual salary with an overall maximum of \$600,000. Note coverage reduces at age 65 by 50% and terminates at age 70.

MSBA

- Provides a minimum of 2x annual salary with no overall maximum. Coverage terminates at retirement.

STF

- Provides 2x annual salary to a maximum of \$187,000. Note coverage reduces at age 65 to a maximum of \$18,700 and terminates at age 85.

Key Points

Similar to SSBA, the most common plan design is 2x annual salary. Note SSBA offers the highest overall maximum which translates to an employee earning \$1,000,000 or \$500,000/year to be fully insured based on the option. SSBA does not include a reduction in coverage whereas a number of plans reduce by 50% at age 65. SSBA could increase the termination age to be aligned with the EHC, Vision Care and Dental Care benefits which is age 75.

EMPLOYEE OPTIONAL BASIC LIFE

SSBA

- Employees can obtain units of \$10,000 up to a maximum of \$1,000,000. New employees can purchase \$20,000 without medical evidence. Coverage terminates at age 70.

ASEBP

- Employees have the option of obtaining units of \$25,000 up to a maximum of \$300,000. Evidence is required for all levels of coverage. Coverage terminates at age 70. Note employees can enhance coverage by purchasing term to age 100.

MSBA

- Employees have the option of increasing their Basic Life benefit to 3x, 4x, 5x, 6x or 7x annual salary within 31 days from their date of hire without medical evidence. As well, they may increase coverage within the 90 day period before or after a life event without medical evidence. Note there is no overall maximum and coverage terminates at retirement.

STF

- Employees can obtain units of \$20,000 up to a maximum of \$400,000. Medical evidence is required except new employees can obtain two units without medical evidence provided their application is received in the first year. Coverage per unit reduces at age 71 to \$17,000, to \$12,000 at age 76 and \$7,000 at age 81. Coverage terminates when premiums are not paid when due.

Key Points

All plans provide additional coverage to employees in order to financially protect themselves.

DEPENDENT LIFE

SSBA

- Provides two benefit options of \$10,000 for the spouse and \$5,000 for the child or \$5,000 for the spouse and \$3,000 for the child. Coverage terminates at age 70.

ASEBP

- Does not provide coverage.

MSBA

- Provides a benefit of \$20,000 for the spouse and \$10,000 for the child. Coverage terminates at retirement.

STF

- STF provides coverage of \$20,000 for the spouse and \$5,000 for the child only if the employee obtains one unit of Optional Life. Coverage reduces at age 71 to \$17,000, to \$12,000 at age 76 and \$7,000 at age 81. Coverage terminates when the employee's attained age at November 1 is 90.

Key Points

SSBA and MSBA are the only plans to provide traditional dependent life coverage. Although the industry norm is to provide \$10,000 for the spouse and \$5,000 for the child, MSBA offers higher coverage at \$20,000. STF also provides coverage, however, the employee must have one unit of Optional Life to receive this benefit. SSBA's current level of coverage provided is competitive to industry and market comparators.

DEPENDENT OPTIONAL LIFE

SSBA

- Spouses can obtain units of \$10,000 up to a maximum of \$1,000,000. Evidence is required for all levels of coverage. Coverage terminates when the employee reaches age 70 or when the spouse reaches age 70, whichever is earlier.

ASEBP

- Spouses have the option of obtaining units of \$25,000 up to a maximum of \$300,000. Evidence is required for all levels of coverage. Coverage terminates at age 70.
- Child coverage of \$5,000 is available.

MSBA

- Does not provide coverage.

STF

- Spouses can obtain units of \$20,000 up to a maximum of \$400,000. Note units reduce as outlined under Employee Basic Life. Medical evidence is required and coverage terminates when premiums are not paid when due.
- Children can also can obtain units of \$20,000 up to a maximum of \$400,000 only if the employee obtains one unit of Optional Life. Children must be age 16 or older but under age 26. Reduction in units also applies. Evidence is not required on the first 3 units.

Key Points

All plans except MSBA provide additional coverage to spouses in order to financially protect their families. SSBA provides the highest overall maximum of \$1,000,000. The SSBA plan would be considered above market.

ACCIDENTAL DEATH & DISMEMBERMENT (AD&D)

SSBA

- Offers an amount equal to the Basic Life benefit which is 1x or 2x annual salary to a maximum of \$1,000,000. Coverage terminates at age 70.

ASEBP

- Provides an amount equal to the Basic Life benefit which is 2x annual salary with an overall maximum of \$600,000. Note coverage reduces at age 65 by 50% and terminates at age 70.

MSBA

- Does not provide coverage.

STF

- Offers an amount equal to the Basic Life benefit which is 2x annual salary to a maximum of \$187,000. Note coverage terminates at age 65.

Key Points

Similar to SSBA, the most common plan design is 2x annual salary (and is equal to the Basic Life benefit). Note SSBA offers the highest overall maximum of \$1,000,000 which is well above the comparator groups and market.

OPTIONAL ACCIDENTAL DEATH & DISMEMBERMENT (AD&D)

SSBA

- Employees can obtain units of \$10,000 up to a maximum of \$1,000,000. Coverage terminates at age 70.
- Family coverage is available in the amount of Spouse: 50% of employee's optional benefit amount (40% if there are children) and Child: 10% of employee's optional benefit amount (15% if there is no spouse)

ASEBP

- Employees have the option of obtaining units of \$50,000 up to a maximum of \$500,000. Coverage reduces at age 70 by the lesser of 50% or \$100,000 and terminates at age 75.
- Family coverage is available in the amount of Spouse: 100% of employee's optional benefit amount (100% if there are children) and Child: 10% of employee's optional benefit amount (10% if there is no spouse)

MSBA

- Employees can obtain units of \$18,000 up to a maximum of \$360,000. Coverage terminates at retirement.
- Family coverage is available in the amount of Spouse: 50% of employee's optional benefit amount (40% if there are children) and Child: 5% of employee's optional benefit amount (10% if there is no spouse)

STF

- Employees can obtain units of \$20,000 up to a maximum of \$400,000. Similar to Optional Basic Life, coverage per unit reduces at age 71 to \$17,000, to \$12,000 at age 76 and \$7,000 at age 81. Coverage terminates when the employee's attained age at November 1 is 90.

Key Points

All plans provide additional accidental coverage to employees. SSBA provides the highest overall maximum of \$1,000,000. This benefit is above both the comparators and the market.

OPTIONAL CRITICAL ILLNESS

SSBA

- Employees and Spouses can obtain units of \$5,000 up to a maximum of \$150,000 (minimum of \$10,000). Evidence is required for amounts higher than \$25,000. Coverage reduces to \$10,000 at age 65 and terminates at age 70 or if this benefit is paid out.
- Children can be covered for a maximum of \$5,000 and coverage terminates at child's attainment of age 18, employee's age 70 or if this benefit is paid out.

ASEBP

- Employees and Spouses can obtain units of \$25,000 up to a maximum of \$300,000. Evidence is required for all amounts elected. Coverage terminates at age 75 or if this benefit is paid out.
- Children can be covered for \$5,000 or \$10,000. Coverage is only provided if the employee is insured for Optional Critical Illness. Coverage terminates at age 21 or 25 (full-time studies) or if this benefit is paid out.

MSBA

- Does not provide coverage.

STF

- Does not provide coverage.

Key Points

SSBA and ASEBP provide the employee the option of obtaining Critical Illness coverage which provides a lump sum benefit to the insured to use as they wish.

SHORT TERM DISABILITY (STD) / SICK LEAVE

SSBA

- Provides an insured STD plan which pays employees 66.67% of their weekly salary up to a maximum of \$1,000 for a maximum of 15 weeks. Coverage terminates at age 65.

ASEBP

- Provides various negotiated sick leave programs through collective bargaining with the various unions.

MSBA

- Provides various negotiated sick leave programs through collective bargaining with the various unions.

STF

- Provides an accumulated sick leave plan up to a maximum of 180 days.

Key Points

SSBA does provide an insured STD benefit, however, similar to the other plans most employees are covered through a negotiated sick leave program. The sick leave programs differ by each school division and are outlined within their collective agreements. However, most sick leave plans will provide 100% of their salary up until completion of the Long Term Disability elimination period provided employees have enough sick leave days available to them. Employers should review their STD or cumulative sick leave programs to determine if they would qualify for the Employment Insurance (EI) premium reduction program. To be considered for a premium reduction, the program must:

- provide at least 15 weeks of benefits;
- match or exceed the level of benefits provided under EI;
- pay benefit to employees within 14 days of illness or injury;
- be accessible to employees within 3 months of hiring;
- cover employees on a 24-hour-a-day basis.

LONG TERM DISABILITY (LTD)

SSBA

- Provides four LTD plan options; two are Taxable and two are Non-Taxable. The Taxable plans have a LTD benefit equal to 75% of an employee's monthly earnings while the Non-Taxable plans have a LTD benefit equal to 60% of an employee's monthly earnings.
- One Taxable and one Non-Taxable option include a Cost of Living Adjustment (COLA) which matches CPI to a maximum of 3%.
- The non-evidence maximum is \$15,000 and the overall maximum is \$20,000 for all options.
- The benefit is paid after a 105 day elimination period. Benefits cease at age 65.
- The plan has a 2 year own occupation; any occupation thereafter provision.

ASEBP

- Provides two LTD plan options; one is Taxable and one is Non-Taxable. The Taxable plan has a LTD benefit equal to 70% of an employee's monthly earnings while the Non-Taxable plan has a graded LTD benefit equal to 66 2/3% of the first \$2,500 of an employee's monthly earnings and 45% thereafter.
- Both plans do not include COLA.
- The overall maximum is \$17,500 for the Taxable plan and \$11,792 for the Non-Taxable plan.
- The benefit is paid after a 90 day elimination period. Benefits cease at age 65.
- The plan has a 2 year own occupation; any occupation thereafter provision.

LONG TERM DISABILITY (LTD)

MSBA

- Provides two LTD plan options; one is Taxable and one is Non-Taxable. The Taxable plan has a LTD benefit equal to 70% of an employee's monthly earnings while the Non-Taxable plan has a LTD benefit equal to 60% of an employee's monthly earnings.
- Each group can elect or decline COLA. The COLA options are after a year of disability benefits commencing on January 1 the previous year's CPI to a maximum of 3% or after 24 months of disability benefits commencing on September 1 50% of the increase in the previous year's CPI to a maximum of 3%.
- The overall maximum is \$8,000 for the Taxable plan and \$6,000 for the Non-Taxable plan.
- The benefit is paid the later of expiration of sick leave or after a 120 day elimination period. Benefits cease at age 65 less the greater of the number of sick days available to the employee or the elimination period.
- The plan has a 2 year own occupation; any occupation thereafter provision.

STF

- Provides a graded LTD benefit of 50% of the first \$4,150 of an employee's monthly earnings plus 40% of the next \$8,200 up to \$12,350 and 30% thereafter.
- The plan provides COLA. On January 1 of each year the monthly benefit will be increased by the lesser of 80% of the CPI for the 12 months ending on the previous October 31 or the average investment earnings of the Income Continuance Fund in excess of 3% for the period July 1 of the immediately preceding year and July 1 of one year earlier.
- The plan has an unlimited maximum.
- The benefit is paid once the employee has exhausted all of their sick leave days to a maximum of 180 days. Benefits cease at age 65 or the last day of the month in which a member attains 35 years of pensionable service.
- The plan has a 2 year own occupation; any occupation thereafter provision.

LONG TERM DISABILITY (LTD)

Key Points

- All plans except STF provide a Taxable and Non-Taxable option. Note STF's plan is Non-Taxable which is more commonly found. For a plan to be considered Non-Taxable, 100% of the premium cost must be paid by the employee.
- The maximums should reflect the salary of the organization. For SSBA the non-evidence maximum is \$15,000 and overall maximum is \$20,000, therefore an employee would need to earn \$240,000 (Taxable) or \$300,000 (Non-Taxable) annually to be capped at the non-evidence maximum or \$320,000 (Taxable) or \$400,000 (Non-Taxable) annually to be capped at the overall maximum.
- Only the ASEBP plan excludes a COLA provision. SSBA allows groups to exclude or decline this provision.
- SSBA has an elimination period of 105 days . Ultimately the elimination period should ensure no gap in coverage if the plan had a STD or a sick leave plan. Benefits for most plans cease at age 65 which is standard amongst all LTD programs as insurers are not willing to go beyond this age.
- All plans have the definition of disability of 2 year own occupation; any occupation thereafter which is most commonly found. This means that benefits would be paid to an employee should they meet the definition of disability from doing his/her own job for the first two years, and after the second year, the definition of disability changes to any occupation.
- The plans offered by SSBA are highly competitive and provide coverage for an individual earning a significant level of income. The comparator plans with the exception of STF provide much lower maximums compared to SSBA's program.

EXTENDED HEALTH CARE (EHC)- DRUGS

SSBA

- The EHC plan has a drug card.
- Reimbursement for drugs is 80%. All drugs requiring a prescription are covered. The plan has generic substitution, however, it is not mandatory.
- The plan includes a per prescription deductible equal to the dispensing fee.

ASEBP

- The EHC plan has a drug card.
- Provides three drug plan options. The first option reimburses drugs at 100% for all drugs requiring a prescription for Least Cost Alternative (LCA), the second option reimburses drugs at 80% for all drugs requiring a prescription for LCA or 75% if no LCA is available and the third option reimburses drugs at 90% for all drugs requiring a prescription for LCA.
- The plan includes a per prescription dispensing fee maximum of \$9.00 for drugs and \$13.00 for compounds.

EXTENDED HEALTH CARE (EHC)- DRUGS

MSBA

- The EHC plan has a drug card.
- Reimbursement for drugs is 80%. All drugs that are eligible with Manitoba Pharmacare are covered. The plan includes a per prescription dispensing fee maximum of \$7.00.

STF

- The EHC plan has a drug card.
- STF has a tiered Drug plan reimbursing 100% of National Formulary drugs; 75% of Special Authorization drugs and 100% of Saskatchewan Formulary drugs. The plan has mandatory generic substitution.
- The plan includes a per prescription deductible of \$5.00.

Key Points

Similar to SSBA, all plans offer a Drug card which is becoming much more prevalent due to the ability to manage drug plans much more effectively. The data and plan designs available with drug cards is also much more robust. A drug card allows for:

- details of the components that contribute to the cost of a drug are more easily identifiable
- different drug formulary options to select from
- drug plan management tools (i.e. mail order, prior authorization programs etc.) are available when a drug card is provided

EXTENDED HEALTH CARE (EHC)- DRUGS

Key Points continued

SSBA provides a common reimbursement level of 80%. Drugs are the most costly portion of an EHC plan and there is evidence that the costs for Drugs will continue to increase significantly for the following reasons:

- high cost of new specialty drugs (typically biologics),
- increasing use of drugs to treat chronic conditions
- new indications for drugs
- higher use of drugs that comes with ageing

There are many specialty (biologic) drugs in the pipeline awaiting approval for conditions such as cancer, depression, inflammatory and hepatitis C. It should be noted that Drugs to treat hepatitis C are becoming more prevalent.

- It is estimated that 250,000 to 300,000 Canadians have a chronic hepatitis C virus (HCV) infection and may not even know it.
- There are 6 types of HCV and 60% of Canadians have type 1 which is the hardest to treat.
- Public Health Canada is screening people with certain risk factors and the Canadian Liver Association is recommending screening for individuals born between 1945 and 1975.
- The newest medication for HCV to hit the market comes with a price tag of over \$70,000 for a course of treatment.

EXTENDED HEALTH CARE (EHC)- DRUGS

Key Points continued

SSBA has a per prescription deductible equal to the dispensing fee. All other plans have a form of cost sharing and this is increasing. As dispensing fees vary quite widely by pharmacy, having an employee pay the dispensing fee may promote wiser consumers.

A managed or provincial formulary is not in place for SSBA as they have an open formulary. Note a managed or provincial formulary is substantially more restrictive. Most insurance carriers/pharmacy benefit managers (PBM) continue to develop innovative plan design alternatives to help control the high cost of drugs such as step therapy, mandatory generic substitution, Preferred Provider Networks to offer savings in drug mark up, dispensing fees, mail order etc. However, plans have not been quick to change their open drug formularies as they are still very prevalent in the industry.

Manulife offers a number of drug plan alternatives which clients can select to help them manage their drug spend.

EXTENDED HEALTH CARE (EHC)- PARAMEDICALS

SSBA

- Provides Paramedical practitioner benefits at 100% to a maximum of \$300 per practitioner per calendar year.

ASEBP

- Provides Paramedical practitioner benefits at 100% to a maximum of \$50 per visit to a maximum of \$700 per practitioner per calendar year for Physiotherapy, Chiropractors, Massage Therapists, Podiatrists and Acupuncturists. Naturopaths are covered up to a maximum of \$20 per visit to a maximum of \$200 per calendar year. Lastly, Psychologists are covered at 100% up to \$100 for the first hour of each visit and \$50 for each half hour to a maximum of \$1,200.
- Note there is a combined maximum of \$1,600 per calendar year for Acupuncturists, Chiropractors, Massage Therapists and Physiotherapy.

MSBA

- Provides Paramedical practitioner benefits at 80% to a maximum of \$850 per practitioner per calendar year.

STF

- Provides Paramedical practitioner benefits at 80% to a maximum of \$500 per practitioner per calendar year except Psychologist which is up to a maximum of \$700 per calendar year.

Key Points

SSBA provides 100% reimbursement which is competitive, however, provides a lower calendar maximum of \$300. The most commonly offered plan is a maximum of \$500 per calendar year, however the comparator groups above have greater maximums.

EXTENDED HEALTH CARE (EHC)- HOSPITAL

SSBA

- Provides semi-private hospital coverage at 100% coinsurance.

ASEBP

- Provides semi-private hospital coverage at 100% coinsurance up to a maximum of \$144 per day.

MSBA

- Not provided.

STF

- Provides semi-private hospital coverage at 100% coinsurance.

Key Points

All plans provide coverage for hospital at 100% except MSBA which does not provide coverage.

EXTENDED HEALTH CARE (EHC)- OTHER

SSBA

- Provides 100% reimbursement for Hearing Aids up to \$500 per 3 calendar years.
- Provides 100% reimbursement for Orthopedic shoes up to \$100 per calendar year combined with Orthotics.
- Provides unlimited Ambulance services, including air ambulance at 100% reimbursement.

ASEBP

- Provides 100% reimbursement for Hearing Aids up to \$3,000 every 3 years and \$3,000 lifetime maximum for expenses related to damage caused by an accident.
- Provides 100% reimbursement for Orthopedic shoes up to \$1,500 every 2 years and Orthotics up to \$200 every calendar year.
- Provides unlimited Ambulance services, including air ambulance at 100% reimbursement.

MSBA

- Provides 80% reimbursement for Hearing Aids up to \$2,000 every 6 years.
- Provides 80% reimbursement for Orthopedic shoes up to \$500 every calendar year and Orthotics up to \$500 every calendar year.
- Provides Ambulance services, including air ambulance (up to the amount equivalent had the services been provided by ground ambulance) at 100% reimbursement. Maximum of \$250 per trip outside of province. Non-emergency trips are covered on the prior recommendation of the attending physician if patient can not be transported by other means.

EXTENDED HEALTH CARE (EHC)- OTHER

STF

- Provides 80% reimbursement for Hearing Aids up to \$1,200 every 4 years.
- Provides 80% reimbursement for Orthopedic shoes up to \$500 every calendar year and Orthotics up to \$500 every calendar year.
- Provides unlimited Ambulance services, including air ambulance at 80% reimbursement.

Key Points

SSBA provides the lowest maximum for Hearing Aids based on the above-noted groups, however, provides a maximum similar to the majority of other plans in our database.

SSBA's combined Orthotic and Orthopedic shoe combined maximum is not competitive against the other plans as all offer a higher separate maximum. A more common approach is to have a separate maximum of \$300 per calendar year for Orthotics and \$300 per calendar year for Orthopedic Shoes as per our database.

All plans provide coverage for Ambulance services.

Please refer to the handout for additional information regarding covered EHC expenses.

VISION CARE

SSBA

- Provides coverage for eye glasses and contacts at 100% coinsurance with two plan options of a maximum of \$225/24 months or \$300/24 months.
- A separate lifetime maximum of \$1,000 for laser eye surgery is also provided under both options.
- Eye exams are provided up to a separate maximum of \$100/24 months under both options.

ASEBP

- Provides coverage for eye glasses, contacts and laser eye surgery at 100% coinsurance with three plan options of a maximum of \$150/24 months, \$250/24 months or \$350/24 months.
- Eye exams are provided up to a maximum of \$50/calendar year under all options, however, this is paid out of the eye glasses, contacts and laser eye surgery maximum.

MSBA

- Provides coverage for eye glasses, contacts and laser eye surgery at 100% coinsurance with two plan options of a maximum of \$200/24 months or \$300/24 months.
- Eye exams are provided up to a maximum of \$75/24 months under both options with a reduced coinsurance of 80%.

VISION CARE

STF

- Provides coverage for eye glasses, contacts and laser eye surgery at 100% coinsurance with a maximum of \$400/24 months.
- Eye exams are provided up to a maximum of \$125/24 months for adults and \$125/12 months for dependent children under age 21.

Key Points

SSBA provides a robust Vision Care offering by including a separate lifetime laser eye surgery maximum and offers the second highest eye exam maximum which is also separate from the eye glasses, contacts and laser eye surgery maximum. Note SSBA's eye glasses and contacts are in line with the majority of plans in our database.

DENTAL CARE

SSBA

- Provides three plan options:
 - Option 1: Basic services only at 80% to a maximum of \$2,000 per calendar year
 - Option 2: Basic services at 80% and Major services at 50% to a combined maximum of \$2,000 per calendar year.
 - Option 3: Basic services at 80% and Major services at 50% to a combined maximum of \$2,000 per calendar year. Orthodontic services at 50% to a lifetime maximum of \$1,500. Orthodontic services are for dependent children only.
- All options include recall exams every 6 months.

ASEBP

- Provides three plan options:
 - Option 1: Basic services only at 100% to a maximum of \$1,500 per calendar year
 - Option 2: Basic services at 100% and Major services at 50% to a combined maximum of \$2,500 per calendar year.
 - Option 3: Unlimited Basic services at 100% and Major services at 60% to a maximum of \$2,500 per calendar year. Orthodontic services at 60% to a lifetime maximum of \$3,000. Orthodontic services include adult coverage.
- All options include recall exams every 9 months.

DENTAL CARE

MSBA

- Provides Basic services only at 75% to a maximum of \$1,000 per calendar year.
- Recall exams every 6 months.

STF

- Provides unlimited Basic services at 85% (with the exception of Diagnostic and Preventive at 100%), unlimited Major services at 60% and Orthodontic services at 50% with a lifetime maximum of \$2,000. Orthodontic services include adult coverage.
- Recall exams every 6 months.

Key Points

SSBA provides flexibility when choosing a Dental Care plan, however, overall they could improve certain benefit provisions to be more competitive. Both ASEBP and STF offer a higher reimbursement level for Basic services. SSBA could look at increasing the reimbursement level from 80% to 100% for certain services (Diagnostic and Preventative) or for all Basic services. For the options with Major and Orthodontic coverage, providing a 50% reimbursement is common, however, ASEBP and STF do provide 60% in their offerings.

SSBA's Basic annual maximum of \$2,000 per calendar year is competitive, however, ASEBP and STF provide unlimited coverage. When Major services is provided, Basic and Major have a combined maximum of \$2,000. Although this is at the lower end compared to the above-noted plan our database indicates this is a common maximum. SSBA's Orthodontic lifetime maximum of \$1,500 is the lowest of the above-noted groups and a higher maximum of \$2,000 or \$3,000 is more commonly found.

Recall exams are offered every 6 months for SSBA, similar to all other plans except ASEBP which offers recall exams every 9 months. There has been a slight increase in plans that offer every 9 months. All but ASEBP reimburses dental costs on the current fee guide in the employee's province of residence which is the norm.

HEALTH SPENDING ACCOUNT (HSA)

SSBA

- Provides a credit carry forward HSA.
- Plan year is January – December.

ASEBP

- Provides a credit carry forward HSA.
- Plan year is September – August.

MSBA

- Does not provide.

STF

- Does not provide.

Key Points

An alternative to increasing benefit maximums is to incorporate a HSA which provides all employees with more flexibility and choice and they are tax advantageous to the individual. Only SSBA and ASEBP provides the school divisions with the option of offering an HSA.

EMPLOYEE & FAMILY ASSISTANCE PROGRAM (EFAP)

SSBA

- Provides an EFAP to employees and dependents.

ASEBP

- Provides and EFAP to employees and dependents.

MSBA

- Does not provide.

STF

- Provides an EFAP to employees and dependents.

Key Points

All plans except MSBA provide an EFAP which is a proactive health program which provides support services and counselling to employees and their families. These programs are effective at addressing health issues and well being of individuals, such as employee absenteeism and presenteeism.

MAKE  **MERCER**
TOMORROW,
TODAY