

CUPE GROUP INSURANCE TRUST COMMITTEE

MEETING SUMMARY

December 6, 2023



WELCOME

We welcome Kelly Mathson from Local 1770 and Chantal Chanell-Walsh from Local 1775 to the trusteeship. Thank you, Randy Vissey for your two years of service as a Trustee for Local 1775.

REVIEW OF RENEWAL ANALYSIS

Mercer Representatives: Marie Leslie and Michael Horne presented the renewal analysis. The Trustees were informed that claims were higher than anticipated and remaining surplus will soon be used.

The Health and Dental plan both operate the same, premiums are used to cover the use of services or products. If the use of services and products are low then the plans runs a surplus. If the use of services or products are more than the premiums coming in than the plan runs a deficit.

The last few years Trustees have been able to use the accumulated surplus to offset any large increases to premiums. The remaining surplus will be used up prior to the April 2024 renewal. With no longer a surplus to offset premiums for 2024/2025 we will see increases in Health, Dental and Travel Insurance.

April 2024 proposed rates are as follows: a 7.1% decrease in Long Term Disability, a 4.1% decrease in Basic Life/Dependent Life, a 0.1% decrease in Optional Life Insurance/Optional Critical Life Insurance/ Basic Accidental Death & Dismemberment Insurance/Voluntary Accidental Death & Dismemberment Insurance, a 16.3% increase for Travel Insurance, a 25% increase in Health and a 6.1% increase in Dental.

❖ **Health:** Health rate will have an **25% increase** per month

Split the below number in half as it is cost shared with the Employer 50%

	Year 2019	Year 2020	Year 2021	Year 2022	Year 2023	Year 2024
Health 12-month Rates Single	\$140.10	\$145.42	\$142.51	\$131.11	\$127.83	\$159.79
Health 12-month Rates Family	\$326.49	\$338.90	\$332.12	\$305.55	\$297.91	\$372.39
Health 10-month Rates Single	\$152.83	\$158.64	\$155.47	\$143.03	\$139.45	\$174.32
Health 10-month Rates Family	\$356.17	\$369.71	\$362.31	\$333.33	\$324.99	\$406.24

HEALTH 12 MONTH EMPLOYEES (over 24 pays)

Single	\$31.96 increase	Cost Shared with the Employer→	\$15.98 increase per member	+\$7.99 per pay
Family	\$74.48 increase	Cost Shared with the Employer→	\$37.24 increase per member	+\$18.62 per pay

HEALTH 10 MONTH EMPLOYEES (over 22 pays)

Single	\$34.87 increase	Cost Shared with the Employer→	\$17.44 increase per member	+\$8.72 per pay
Family	\$81.25 increase	Cost Shared with the Employer→	\$40.63 increase per member	+\$20.31 per pay

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HEALTH USAGE VS PREDICTION

(*the 2023 usage does not include December claims as information was not available.)

	Year 2019	Year 2020	Year 2021	Year 2022	Year 2023	Year 2024
Health Claims Paid	\$2,449,522	\$2,213,832	\$2,242,093	\$2,332,639	\$2,669,057	-----
Health Claim Usage Prediction	\$2,171,517	\$2,312,826	\$2,346,661	\$2,421,460	\$2,449,271	\$2,965,074

❖ **Dental:** The Dental rate will have a **6.1% increase** per month.

Split the below number in half as it is cost shared with the Employer 50%

	Year 2019	Year 2020	Year 2021	Year 2022	Year 2023	Year 2024
Dental 12-month Rates Single	\$45.00	\$45.00	\$43.43	\$44.73	\$43.61	\$46.27
Dental 12-month Rates Family	\$94.93	\$94.93	\$91.61	\$94.36	\$92.00	\$97.61
Dental 10-month Rates Single	\$49.09	\$49.09	\$47.38	\$48.80	\$47.57	\$50.48
Dental 10-month rates Family	\$103.56	\$103.56	\$99.94	\$102.94	\$100.36	\$106.48

DENTAL 12 MONTH EMPLOYEES (over 24 pays)

Single	\$2.66 increase	Cost Shared with the Employer→	\$1.33 increase per member	+\$0.67 per pay
Family	\$5.61 increase	Cost Shared with the Employer→	\$2.81 increase per member	+\$1.40 per pay

DENTAL 10 MONTH EMPLOYEES (over 22 pays)

Single	\$2.91 increase	Cost Shared with the Employer→	\$1.46 increase per member	+\$0.73 per pay
Family	\$6.12 increase	Cost Shared with the Employer→	\$3.06 increase per member	+\$1.53 per pay

DENTAL USAGE VS PREDICTION

(*the 2023 usage does not include December claims as information was not available.)

	Year 2019	Year 2020	Year 2021	Year 2022	Year 2023	Year 2024
Dental claims paid	\$688,290	\$689,663	\$786,457	\$756,887	\$807,356	-----
Dental claim usage prediction	\$703,551	\$722,705	\$724,147	\$841,509	\$815,924	\$855,797

❖ **Basic Life and Dependent Life:** Will decrease **4.1 %**.

	Year 2023	Year 2024		Year 2023	Year 2024
Basic Life 12 months	\$0.450	\$0.431	Dependent Life 12 months	\$2.38	\$2.29
Basic Life 10 months	\$0.491	\$0.470	Dependent Life 11 months	\$2.60	\$2.49

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- ❖ **Travel Insurance:** Will have a **14% increase in Single and 16.8% in Family rates** per month.

	Year 2023	Year 2024		Year 2023	Year 2024
Single 12 months	\$1.79	\$2.04	Family 12 months	\$3.44	\$4.02
Single 10 months	\$1.95	\$2.23	Family 11 months	\$3.75	\$4.39

- ❖ **LTD:** There will be a **7.1% decrease** in the LTD rate.
LTD is currently 4.60% (cost shared with Employer).
It will change to 4.28% (cost shared with Employer).
As of August 31st, 2023, there are 34 LTD Claimants.

CUPE RENEWAL PREMIUM ILLUSTRATION

Due to decreases in Basic Life, Dependent Life, Long Term Disability and increases in Health and Dental the chart below provides Employees with an overview of the impact per pay.

Salary Level	\$30,000	\$35,000	\$40,000	\$45,000	\$50,000	\$55,000
Single ~ 12 Month Rates						
Current Cost	\$76.67	\$81.46	\$86.26	\$91.05	\$95.84	\$100.63
Increase per pay ~ April 1 st	\$6.44	\$6.11	\$5.77	\$5.44	\$5.11	\$4.77
Family ~ 12 Month Rates						
Current Cost	\$131.89	\$136.68	\$141.47	\$146.26	\$151.05	\$155.84
Increase per pay ~ April 1 st	\$17.79	\$17.45	\$17.12	\$16.79	\$16.45	\$16.12
Single ~ 10 Month Rates						
Current Cost	\$83.64	\$88.87	\$94.10	\$99.32	\$104.55	\$109.78
Increase per pay ~ April 1 st	\$7.03	\$6.66	\$6.30	\$5.93	\$5.57	\$5.21
Family ~ 12 Month Rates						
Current Cost	\$143.87	\$149.10	\$154.33	\$159.56	\$164.78	\$170.01
Increase per pay ~ April 1 st	\$19.40	\$19.04	\$18.67	\$18.31	\$17.94	\$17.58

HEALTH AND DENTAL FINANCIAL POSITION

An estimated surplus as of October 31, 2023 of \$372,643.

MEMBERS' CONCERNS:

Concerns addressed by the Trustees and Mercer Representatives

- **Online Claims:** A member has experienced difficulties trying to process health claims when dealing with companies outside of Canada.

The date of the next meeting should be April 14, 2024.

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If you have any concerns then please contact your CUPE Local Trustee.

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