HBTA Health Benefit Trust of Alberta

Benefit

Out of Scope Flex Benefit Program

Why Bene*fit*?

- One consistent benefit package for Out of Scope employees
- Plan designed to increase choice and flexibility
- Fit your benefits selections to your personal and family needs
- Ongoing individual customization of benefit package

Health Benefit Trust of Alberta

- Affiliated health care employer benefit plans under a Trust structure
- Health Benefit Trust of Alberta (HBTA)
- Governed by participating employers

Benefit Plan Carriers

- Alberta Blue Cross – Supplementary Health, Dental, Spending Accounts, Flex Enrolment web site
- Great-West Life - Life, LTD, Critical Illness
- Industrial Alliance (IA) - AD&D
- Manulife - Group RRSP & TFSA

Bene*fit* General Plan Features

- Combination of:
  - core plans with optional plans
  - flex credit options
  - employer provided credits
  - payroll deductions
- Annual allocations to select your benefits choices
- In-year changes for qualified events
- Relaxed enrollment rules for supplementary health & dental plans
- Enrollment online through Blue Cross Flex Enrolment web site

Benefit

CORE PLANS
(BASIC LIFE, BASIC AD&D,
SALARY CONTINUANCE, LTD)

CORE OPTIONS
(LIFE, AD&D, LTD COLA)

+

FLEX CREDITS
Percentage of salary with minimum and maximum
Allocate credits towards health & dental and/or one or more flex accounts

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SUPPLEMENTARY HEALTH

Choose to opt out or use credits towards one of three options

DENTAL

Choose to opt out or use credits towards one of three options

OPTIONAL CRITICAL ILLNESS

Choose to purchase units of coverage for you and/or your spouse

HEALTH SPENDING ACCOUNT

Non-taxable health spending account for health related expenses

PERSONAL SPENDING ACCOUNT

Taxable personal spending account for items related to your wellness, professional development and family care expenses

GROUPSAVINGS ACCOUNT

Group Registered Retirement Savings Plan (RRSP) and/or group Tax Free Savings (TFSA) Account

Eligibility

Must be an employee who is:

- regular, working minimum 15 hours per week
- regular, working in a temporary assignment
- temporary, working minimum 15 hours per week & 6 month assignment

Dependents

Spouse

- legally married, or
- continuously cohabited with you 12 consecutive months; publicly represented as your spouse; not a blood relative

Child

- your or your spouse's natural, adopted child or step child that is financially dependent on you
- a child for whom you or your spouse is a legal guardian
- unmarried
- under 21 years of age, not working more than 30 hrs./week
- under 25 years of age, registered half time or more with an accredited educational institution, college or university
- over 21 years of age, and dependent upon you by reason of a mental or physical disability and continuously disabled since age 21

Flex Credits & Premiums

- 1 credit = $1.00
- Benefit Year = Calendar Year January 1 to December 31
  - 6.25% of annual salary at designated date (normally in November) prior to Benefit Year
- Minimum $4,500, maximum $10,000
- Minimum/maximum prorated by FTE
- New credits provided for each new calendar year
- Credit carry forward feature
- Supplementary Health, Dental and Critical Illness premiums are paid with Flex Credits

Flex Credits

- Purchase Supplementary Health and/or Dental options you need first
- Purchase Optional Critical Illness – Employee and/or Spouse
- Remaining credits can be used for:
  - Health Spending Account
  - Personal Spending Account
  - Group Savings Account
    - Registered Retirement Savings Plan (RRSP)
    - Tax-Free Savings Account (TFSA)

Supplementary Health Options

Opt-Out	Safeguard	Preventative	Protective
No Coverage	• Drugs: 50% • No Dispensing Fee Cap • Paramedical: None • Psychologist/MSW: None • Vision: None • Travel Emergency: 100% to 30 days • Other Medical: 50%	• Drugs: 80% • Dispensing Fee Cap: $8 • Combined Paramedical: up to $800/yr • Psychologist/MSW: up to $800/yr • Vision: eye exam/2 yrs • Travel Emergency: 100% to 30 days • Other Medical: 100%	• Drugs: 90% • No Dispensing Fee Cap • Combined Paramedical: up to $1,000/yr • Psychologist/MSW: up to $1,000/yr • Vision: $250/yr; includes an eye exam • Travel Emergency: 100% to 30 days • Other Medical: 100%
Credits: 0	Single Credits: $307/yr. Family Credits: $692/yr.	Single Credits:$1,009/yr. Family Credits: $2,271/yr.	Single Credits: $1,539/yr. Family Credits: $3,501/yr.

Dental Options

Opt-Out	Safeguard	Preventative	Protective
No Coverage	• Basic/Preventive: 50% • Extensive: 50% • Annual combined max: $1,000/yr • Fee Guide: Current usual & customary • Orthodontia: No Coverage	• Basic/Preventive: 80% • Extensive: 50% • Annual combined max: $2,000/yr • Fee Guide: Current usual & customary • Orthodontia: 50%, Max $2,000/lifetime (Dependent Child only)	• Basic/Preventive : 90% • Extensive: 60% • Annual combined max: $3,000/yr • Fee Guide: Current usual & customary • Orthodontia: 60%, Max $3,000/lifetime (Dependent Child only)
Credits: 0	Credits Single: $291/yr. Credits Family: $654/yr.	Credits Single: $627/yr. Credits Family: $1,412/yr.	Credits Single: $1,018/yr. Credits Family: $2,290/yr.

Supplementary Health & Dental

You can choose:

- single coverage even if you have dependents (single or family coverage level must be same for both Supplementary Health & Dental)
- to opt out (proof of other coverage not required)
- different options for Supplementary Health & Dental
- new options each annual allocation
- certain changes allowed in specified situations (birth of child, marriage, divorce, loss of coverage etc.)

Changes

- Add or delete a child:
  - ✓ birth, formal adoption, legal guardianship
  - ✓ over age, marriage, death

- Add or delete a spouse:
  - ✓ marriage, common-law one continuous year
  - ✓ divorce, death, dissolution of common-law

- You can add:
  - ✓ within 31 days of a qualifying event
  - ✓ annual enrollment
  - ✓ Never

- Gain of other coverage – not an opportunity to opt out

Annual Flex Enrolment

- You may change your level of coverage
- Supplementary Health and Dental are subject to “ladder” provisions – one level up or one level down
- Opted out employees re-enter into Safeguard
- Life insurance increases require medical evidence
- Default provisions apply if you do not allocate – existing coverage will continue, but all new credits default to your Health Spending Account

Optional Critical Illness

- Optional coverage (must be under age 65) for you &/or spouse
- Lump sum payment upon diagnosis & survival of a covered serious illness/condition
- Covers 24 conditions including life threatening cancer, heart attack, severe burns, coma, Parkinson's, MS, blindness, loss of speech
- Credits buy units of $10,000 – maximum $500,000 each
- On initial enrolment, medical evidence not required on first $30,000
- Medical evidence required for any amount after initial enrolment
- 24 month pre-existing condition
- Premium rates based on gender, age & smoking status
- Credits used to pay Critical Illness premiums are a taxable benefit

Health Spending Account

- Covers expenses for you and your dependents as defined by the CRA
- Covers medical, dental and vision expenses not covered under Supplementary Health or Dental
- Other health related expenses as per CRA
- Non-taxable
- Credits deposited January 1
- List of eligible expenses on Blue Cross Plan Member website
- Automatic payment feature for Supplementary Health and Dental claims

Personal Spending Account

- For you and your eligible dependents (as defined in your Benefit Plan Booklet)
- Wellness (fitness classes & equipment, weight management programs, smoking cessation programs)
- Technology (home computer, printers, business software)
- Professional Development (courses, seminars, professional membership fees, journal subscriptions)
- Family Care (daycare, respite care, elder care – can be used for dependents)
- Taxable benefit (taxed via payroll & subject to EI & CPP)
- List of eligible expenses available on the HBTA Website
- Credits deposited January 1

Credit Carry Forward

- Unused credits in Health or Personal Spending accounts:
  - ✓ carry forward for one year (in same account)
  - ✓ forfeit at the end of carry forward year
- Expenses not carried forward

Savings Account

- Administered through Manulife
- More savings - lower management fees; up to 1% lower
- Employee Group RRSP (taxable; Manulife issues tax receipts for income tax)
- Group Tax Free Savings Account (taxable)
- Credits processed each month
- Must set up each account with Manulife within 60 days; otherwise funds default to your Health Spending Account
- Manulife microsite available for account information, status and investment management

Not enough credits ?

- If you don’t have enough credits to buy the Supplementary Health, Dental and Critical Illness benefits you need:
  - shortfalls can be paid through payroll deduction
  - automatically set up via Flex Enrolment web site

Basic Life and AD&D Insurance

- Basic life: 1X, 2X or 3X annual salary
- Maximum $1,000,000
- Increases to basic life require medical evidence; and is not in effect until approval has been received from the Insurer
- Basic AD&D matches basic life
- You pay 100% of premiums through payroll deductions

Optional Life Insurance

- You may purchase additional coverage:
  - yourself: units of $10,000 – maximum $500,000
  - spouse: units of $10,000 – maximum $500,000
  - child: units of $10,000 – maximum $50,000 each
- Medical evidence required; and insurance not in effect until approval has been received from the Insurer
- You pay 100% of premiums through payroll deductions
- Rates based on age, gender, and smoking status

Optional AD&D

- You may purchase additional AD&D coverage:
  - yourself: units of $10,000 – maximum $500,000
  - spouse: units of $10,000 – maximum $500,000
  - child: units of $10,000 – maximum $50,000 each
- You pay 100% of premiums through payroll deductions
- Medical evidence not required

Salary Continuance

- Covers absences from work due to non-occupational illness or injury
- Replaces former sick banks if transferring into the plan
- 100% salary for up to 16 weeks each calendar year
- Used days in a calendar year replenished at 80%
- Rejuvenates every January 1 if actively at work for 2 weeks (16 weeks at 100%)
- Fully employer paid

Salary Continuance - scenarios

- You are sick on 5 days during a calendar year
  - you are F/T:
    - all paid at 100% salary
    - left: 15 weeks @ 100% & 1 week @ 80%
  - you are P/T (.5 FTE):
    - all paid at 100% salary
    - left: 14 weeks @ 100% & 2 weeks @ 80%

- Next January 1: 16 weeks @ 100% salary replenished if actively at work

Salary Continuance - scenarios

- You are sick on 10 separate occasions and then experience a prolonged illness:
  - you are F/T:
    - all 10 occasions (2 weeks) paid @ 100% salary
    - prolonged illness: 14 weeks paid @ 100% salary and 2 weeks paid @ 80%; eligible for LTD
  - you are P/T:
    - same principle applies

Long Term Disability

- Provides replacement income should you become totally disabled and unable to work
- Qualifying period: 16 calendar weeks
- 60% of your basic salary
- Monthly maximum benefit of $15,000/month
- Non-taxable benefit
- Treated as a leave of absence for LAPP purposes
- You pay 100% of premiums through payroll deduction

Optional LTD COLA

- You may choose to add COLA (Cost of Living Adjustment) to your LTD coverage
- Provides a cost of living adjustment if you are receiving LTD benefits
- Adjustment is Alberta CPI up to 3% per year
- Medical evidence required to add COLA after your initial enrolment
- You pay through payroll deductions

LTD COLA – Impact

LTD (not taxed)

- Employee earns $5,000/month
- LTD benefits = $3,000/month (60% of regular earnings)
- Payments continue at $3,000/month for duration of LTD

LTD with COLA (not taxed)

- Employee earns $5,000/month
- Year 1: LTD benefits = $3,000/month
- Year 2: Alberta CPI is 3%; LTD benefits = $3090/month
- Year 10: Alberta CPI remains at 3%; LTD benefits = $3914/month

Default Benefit Plan

- Employees who miss the allocation deadline will have coverage that defaults to:

  - ✓ Previous year's selection for Life, AD&D, LTD
  - ✓ Previous year's selection for Supplementary Health, Dental, Critical Illness (if applicable)
  - ✓ All remaining new credits will default to your Health Spending Account, regardless of previous year's distribution

- If you miss the deadline, coverage cannot be changed until the next year's allocation period

Default Benefit Plan (continued)

- New employees who fail to allocate will default to the following coverage:

  - ✓ 1 X basic life and AD&D
  - ✓ LTD with COLA
  - ✓ Preventative Health – single coverage
  - ✓ Preventative Dental – single coverage
  - ✓ Remaining credits to Health Spending Account

- Coverage cannot be changed until the next allocation period

Things to Consider

- Allocation period for two weeks November/December
- Think about expenses coming up (crowns, braces)
- Safeguard plan or opt out if you have another plan
- Ladder provisions if you plan to increase or decrease coverage next year
- Health spending accounts cover health & dental expenses
- Which life insurance is most cost effective for you?
- What can you afford?
- What is your risk tolerance?
- What do you really need?

Evaluating your Options

- How much health & dental coverage do you need?
  - How much have you spent?
  - How much were you reimbursed?
  - How much do you think you will spend?
  - How much will be reimbursed from each option?
  - How many credits will you use?

Bene*fit* – Scenario #1

Dual income household – spouse has benefit coverage

Should you consider:

- Safeguard Health and Dental plan for coordination of benefits purposes?
- Opt out; use HSA for unpaid medical expenses?
- Employee Critical Illness or additional life insurance?
- LTD with COLA?

Bene*fit* – Scenario #2

Sole income earner – family or single parent

Should you consider:

-Protective Health & Dental to cover dependents?

-Additional life insurance for yourself and dependents?

-Remaining credits to Group RRSP or TFSA

Bene*fit* – Scenario #3

Sole income earner – single

Should you consider:

-Basic Life and AD&D @ 1 X annual salary?

-Protective Health; no Dental?

-Remaining credits in PSA for personal wellness and professional development expenses; savings account?

Flex Enrolment Web Site

- On Alberta Blue Cross web site
- Your invitation to allocate is e-mailed to you at the email address in the enrolment web site.
- Flex Enrolment Website includes:
  - ✓ plan details
  - ✓ annual credits & premiums
  - ✓ options calculator for different plan combinations
- "Submit" your selections (Submit – Confirm and Submit again) to lock in your benefit choices; you will receive a confirmation e-mail when you have successfully submitted.

Claims

- If transferring into Bene*fit* claims history carries forward
- Unused credits carry forward for one year but must be used by the end of the second year or you will lose them
- Claim forms available on Alberta Blue Cross website
- Supplementary Health/Dental – automatic payment feature on Health Spending Account
- Alberta Blue Cross must receive claims for current year within 2 months of calendar year end

ID Cards

- New ID card(s) will be mailed to you from Alberta Blue Cross.
- If you change Supplementary Health and/or Dental options in subsequent years you will also receive a new ID card(s)
- If you lose your Blue Cross card
  - ✓ phone or order cards online
  - ✓ print one online
  - ✓ Blue Cross will mail you a new one
- Update your pharmacist, dentist with your new plan information

Need More Information

HBTA website

- ✓ Benefits booklets
- ✓ Plan information and “What’s New?” announcements
- ✓ FAQs
- ✓ Presentation

Benefits Representative

Call 1-780-608-8522

Email: camrose.payroll@ahs.ca

Need More Information

Blue Cross (Supplementary Health, Dental, Spending Accounts)

- help with the Flex Enrolment web site
- Plan Member web site information
  - ✓ Supplementary Health & Dental plan information
  - ✓ claims information & claim frequencies
  - ✓ spending account credits
- enrolment for online claims submission
- Customer Help Line:
  - ✓ Edmonton - 780-498-8000
  - ✓ Calgary - 403-234-9666
  - ✓ Other areas call Toll-free at 1-800-661-6995
- Web site address: www.ab.bluecross.ca

Need More Information

Manulife

- ✓ user name & password mailed to you after you register
- ✓ Must open account with Manulife within 60 days or fund default to your Health Spending Account
- ✓ View/change your investments
- ✓ retirement calculator

- Phone: 1-800-242-1704, ext. 304000
- Dedicated microsite: www.manulife.ca/ahs

Key things to remember

- 2 week enrollment period (normally early December) to select your benefits for the next year
- Take time to think about benefits – you have many options available
- Be aware of any restrictions
- Allocation process invitation is e-mailed to you
- Your allocations are for a full calendar year
- You will make new allocations every year
- Allocation periods are announced in advance

Questions?

- HR Contact Centre
  Call 1-877-511-4455
  Email: HRContactCentre@ahs.ca