



## Marketing of group benefit plans results in Manulife continuing to provide coverage

As a result of our January 2019 strategic planning session, Worker Benefit Services (WBS) conducted a market survey of benefit providers this spring to determine which one would be best suited from a pricing and service perspective to be the provider of choice. This survey has now been concluded. The group benefits included the health, dental, life, disability and accident plans amended for the changes announced earlier in the year (i.e., the elimination of the flex choices and the use of Option 2 for all members along with basic life insurance based on three times annual salary). WBS had our consultants, Ellement Consultants, coordinate the process and assist the board in reviewing the annual premium rates and charges being proposed by the responding insurers. As well, Ellement provided additional information on what other insurers charge their clients.

Six insurers were sent a Request for Proposals on the Group Benefit Plans with five of the insurance carriers submitting proposals. Manulife and one other carrier submitted the most competitive bids

with Manulife's bid providing slightly lower rates. Manulife was selected because of their competitive rates and existing reserves that would have to be re-established with the other insurer. We believe overall Manulife has provided us with good service, with few complaints from members. In addition, Manulife has guaranteed the rates for life, accident and disability for 24 months.

During the 2018 regional meetings to introduce Worker Benefit Services there were some concerns expressed by some employers in regard to the costs of the plans and ensuring we obtain the best possible rates. While this marketing survey has

provided some modest savings, more importantly it has confirmed that we are providing a cost-effective program for the dollars spent by both employers and members.

The new rates will come into effect January 1, 2020. Further details on the changes to the plan will be provided prior to implementation. In the meantime, if you have any questions or comments, please e-mail or call:

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## Health Spending Account to close December 31, 2020

If you were someone that had left over FlexDollars that you directed to the Health Spending Account in 2019, you will want to use those funds up before the Health Spending Account closes effective December 31, 2020. The new Group Benefits Program structure no longer uses FlexDollars so the Health Spending Account Plan is being closed. Eligible health and dental claims incurred up to and including **December 31, 2020** must be submitted to Manulife by **February 28, 2021** to be eligible for reimbursement from your Health Spending Account. The following Questions and Answers are intended to provide additional information on the Health Spending Account:

### **Q. What happens to the funds I have in my account on December 31, 2020? Will I get cash back?**

A. Tax regulations prohibit the return of unclaimed funds to members, since there must be an element of risk involved in Health Spending Accounts. Forfeited funds are used by Worker Benefit Services to offset the costs of administering your extended health and dental plans.

### **Q. When can I submit claims?**

A. Claims can be submitted on an ongoing basis throughout 2020.

### **Q. To ensure I do not forfeit any of my funds in my Health Spending Account when do I need to submit claims?**

A. Eligible claims are those incurred up to and including December 31, 2020. These must be submitted by February 28, 2021.

### **Q. What kinds of medical expenses can be claimed?**

A. Any health and dental related expenses that are not

covered by your health and dental plan that would be accepted by Revenue Canada under the medical expense credit on your personal income tax return is eligible through your Health Spending Account. This would include things such as amounts in excess of your coinsurance amount—that is to say the percentage amount of approved claims that is not covered by the health and dental plans and amounts in excess of annual or lifetime maximums.

You can call Manulife's Customer Service section for more information at 1-800-268-6195.



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