Connection

Issue 2 – 2014

Group Benefits News and Views for Clients of The Co-operators

In brief

This issue of *Connection* is full of helpful reminders to ensure your plan members keep getting the coverage they need. With the winter semester wrapping up, remind plan members about maintaining coverage for their dependent students. And for you, find out how to avoid coverage gaps by ensuring that your new employees are enrolled in time.

You'll also find helpful information about how to support plan members dealing with cancer, how your group benefits plan boosts your ranking in the job market, and how to save time and money with faster claims repayments, Cost Plus, and co-ordinating public and private drug coverage.

At The Co-operators, our group is you.

Click and Learn: Plan Administration Basics

We're pleased to introduce the launch of our latest Click and Learn training module: Plan Administration Basics.

This module provides you with an overview of important information, such as:

> Responsibilities of a plan administrator
> Determining plan member eligibility
> Day-to-day activities, such as enrolling new members and reporting plan member changes
> How premiums are calculated
> When evidence of good health is required

Click and Learn is a series of free training modules designed to provide you with valuable information about a variety of topics related to Group Benefits. Each interactive, narrated module takes between 15 and 20 minutes to complete. You're welcome to revisit the modules as often as you like.

If you haven't already, be sure to check out the first module: Group Benefits Basics.

We'll be introducing a number of new product-based modules throughout the year. The training will focus on Extended Health Care, Dental, Disability, and Life products.

Accessing Click and Learn

Click and Learn is available exclusively through Benefits Now™ for Plan Sponsors, our online administration site. If you haven't already, contact the Group Client Service Centre at 1-800-667-8164 to register for Benefits Now.™ Once you've registered you can access Click and Learn and take advantage of the other features available through the site.

The Co-operators is committed to providing ongoing value to our clients and implementing initiatives that make it easier for you to do business with us. Click and Learn is another example of our commitment.

In this issue

Supporting cancer patients in your workplace

If you have plan members diagnosed with cancer, it's important for you to know what is covered under both your provincial health care plan and your group benefits plan. You can offer a great deal of support and education to them and their families during this trying time just by being well-equipped with this knowledge.

The Co-operators disability case managers are also available to provide information and to ensure that your plan members receive the support they need.

Also, remember that confidentiality is important. Please respect your plan member's wishes not to share their health information with others.

Why your group benefits plan is a must in today's job market

Your group benefit plan is a vital incentive for attracting quality employees. As part of your total compensation package, your plan helps:

> keep your organization competitive in today's job market
> attract and retain employees
> boost your salary attractiveness
> maintain your employees' good health

Group benefits plans also help to keep employees healthy and happy, reducing the risk of employee absence, sickness, and disability. Happy employees mean less turnover, which keeps your new-employee training costs down.

Remember to review your plan and assess your needs each year at renewal. We're committed to ensuring your plan meets the needs of you and your employees. If you have any questions about your plan or would like to discuss updates, contact your group business representative.

Re-enrol dependent students to keep them covered

Each year, plan members with an eligible dependent student must complete a Student Eligibility Form, which they can download through Benefits Now™ for Plan Members, and return it to The Co-operators by August 15. Without this annual confirmation, students will be terminated on the system effective September 1, and any claims will be denied. If we receive the form after August 15, the coverage will be reinstated back to the termination date, so there is no gap in coverage. Any claim can then be resubmitted.

Coverage for students enrolled in the spring semester will continue over the summer months if they plan to return to school in the fall and are not covered under another group benefit plan during that time.

Plan members can find information about eligibility requirements in their benefit booklet. Over-age dependent students are eligible for all Extended Health and Dental benefits for the duration of their studies as long as they:

> continue to meet the definition of dependent in your policy
> remain covered by a provincial government health insurance plan
> give us confirmation that they are attending full-time, post-secondary education

Plan members can submit claims on our standard claim forms. Claims are paid as if the expenses were incurred in the student's home province.

Avoid declined claims and extra paperwork by reminding your plan members to update student status for their dependent children. For more on benefit coverage for dependent students, call our Group Client Service Centre at 1-800-667-8164.

The low-cost way to boost your benefits offering

Cost Plus is a tax effective, flexible way to supplement Health, Dental, and Vision Care coverage that may be limited or not available under an insured group benefits plan. It also enhances benefits for key plan members, such as executives, and provides benefits to members who would not otherwise have coverage, such as those who are ill and need products or services not covered by an insured plan.

How does Cost Plus work?
Plan administrators submit approved claims to the insurer on a Cost Plus claim form, and include a cheque for the claim amount, the administration fee, and applicable sales tax. The insurer then sends a reimbursement cheque for the claim to the plan member.

What and who is eligible?
Cost Plus covers any medical expense that qualifies under Subsection 118.2 (2) of the Income Tax Act (Canada). The plan sponsor defines the class or classes of plan members, such as managers or executives, that are eligible for the Cost Plus plan, but must offer coverage to all plan members in that class.

Why consider Cost Plus?
Cost Plus pays expenses:

> not covered by a group insurance contract, or those in excess of plan maximums
> for plan members not eligible under a group insurance contract, such as those over the termination age or declined for coverage due to poor health
> for a broader range of dependents, as defined by Canada Revenue Agency

Tax benefits
Plan sponsors may be eligible for a tax deduction based on the amount of the expense and the administration fee. Plan member benefits are non-taxable. Expenses paid by a Cost Plus plan are not charged to the insured plan, and are not included in renewal rate calculations. Contact your accountant or tax advisor for details.

Cost Plus can be a valuable option for plan sponsors wanting to provide coverage outside the terms of their insured Health and Dental plan. For more information, contact your Co-operators Group Benefits Representative.

Are your new employees enrolled in your plan?

Submitting completed enrolment forms early is the best way to ensure all eligible plan members have full access to your benefits plan and not be left without coverage.

New employees/hires must enrol in their group benefits plan within 31 days of becoming eligible for coverage. If they are not enrolled within this timeframe, they are considered late applicants and must prove they are in good health by completing health questionnaires for themselves and their eligible dependents.

The questionnaires are reviewed by our medical underwriters, and coverage is subject to their approval. At best, late applicants will have their Dental benefits limited to $250 per person for the first 12 months of coverage, but be approved for other benefits. At worst, coverage may be declined for all benefits.

To avoid late applicants, make it a best practice to complete the group benefits enrolment form on the employee's first day of work.

Faster Health and Dental claim reimbursements in two easy steps

Why wait for a cheque to come in the mail? Your plan members can choose to receive their claim payments deposited directly into their bank accounts.

It's quick and easy for plan members to opt in themselves:

1. Log into Benefits Now™ for Plan Members
2. Select the Personal Information/Electronic Funds Transfer (EFT) option and enter the required banking information.

They'll receive their next Extended Health Care and Dental benefit claim payments directly to their bank accounts through EFT.

All information is protected on our secure server. Not only is it faster and more convenient, but it's also the more sustainable choice by reducing paper cheques and envelopes. For answers to any questions, call our Group Client Service Centre at 1-800-667-8164.

Maximize your health care spending by co-ordinating public and private drug coverage

The Canadian Institute for Health Information (CIHI) estimates that Canadian drug expenditures reached $33 billion in 2012*, split between the public sector and the private sector. You can help reduce your health spending by co-ordinating your group benefits plan with your provincial pharmacare plan.

Doing so can protect your plan from paying claims that your provincial program should pay. It can also help to ensure your plan members receive the maximum financial assistance they are entitled to receive from both plans, and minimize their out-of-pocket expenses.

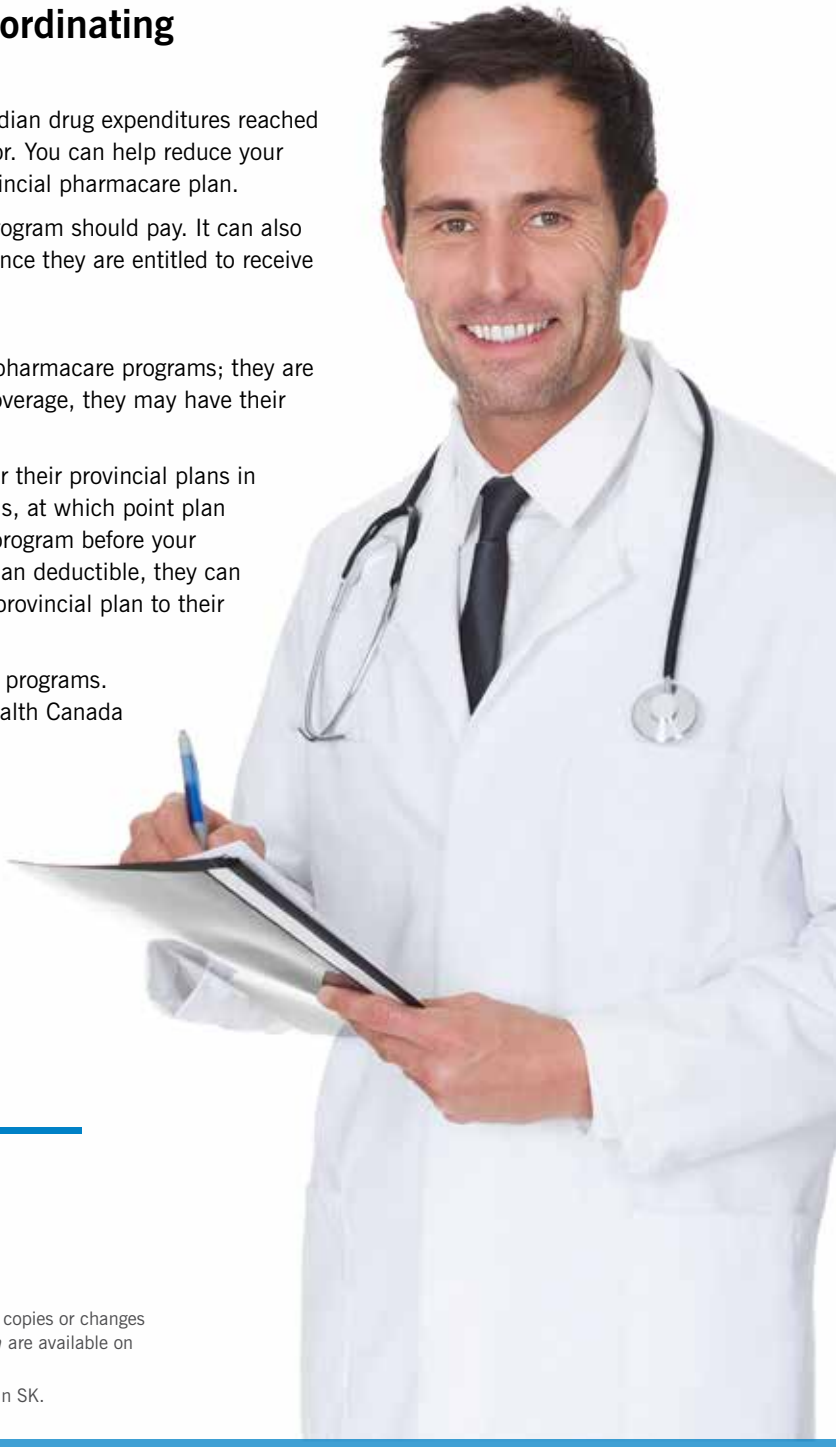
Encourage your members to enrol

It is important to note that Canadian residents must apply for provincial pharmacare programs; they are not enrolled automatically. If plan members do not apply for provincial coverage, they may have their claims denied or coverage terminated.

The Co-operators implements policies to ensure plan members register for their provincial plans in order to co-ordinate benefits. This includes implementing claim thresholds, at which point plan members must provide proof of enrolment in the provincial pharmacare program before your plan pays additional claims. Once plan members reach their provincial plan deductible, they can continue to submit any portion of eligible drug expenses not paid by the provincial plan to their group benefits plan for reimbursement.

Each province and territory has different eligibility requirements for these programs. For more information about provincial pharmacare programs, visit the Health Canada website for links to each of the provincial ministries of health.

*Canadian Institute for Health Information. Drug Expenditures in Canada, 1985 to 2012.



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Please direct your comments about this issue of *Connection*, as well as requests for additional copies or changes to the distribution list to group_marketing@cooperators.ca. This and past issues of *Connection* are available on www.cooperators.ca/groupbenefits.

*Auto insurance not underwritten by The Co-operators in BC and MB. Extension policy offered in SK.