



Newfoundland and Labrador Teachers' Association  
**Group Insurance**

## MEMO

**To:** Members Insured in the NLTA Group Insurance Plan  
**From:** Bill Chaisson, Chairperson, NLTA Group Insurance Trustees  
**Re:** May 2016 Group Insurance Annual Renewal

Dear Colleagues:

On behalf of the NLTA Group Insurance Trustees, I wish to inform you of the details of the annual Group Insurance Renewal that will become effective during your April payroll deductions. Each year, the various insurance policies must be renewed with the insurance underwriters and the premium rates must be set at a level sufficient to pay the claims predicted for the next insurance policy year. Based on the NLTA claims analysis, it has been determined that there will be premium increases necessary for the coming year in certain policies while others will remain unchanged.

Specifically, the following decisions were made by your Group Insurance Trustees:

1. Maintain current monthly insurance premiums in Option:
  - A1 - Basic and Dependent Life and Post 65 Life
  - A4 - Voluntary Accidental Death and Dismemberment
  - CI - Basic Critical Illness
  - CV - Voluntary Member Critical Illness
  - CS - Voluntary Spouse Critical Illness
  - CC - Voluntary Dependent Child Critical Illness
  - LC - Long Term Care
  - T - MEDOC Travel

2. Increase A3 – Basic Accidental Death and Dismemberment by 20%.
3. Increase A2 – Voluntary Life (Member) and A5 – Voluntary Life (Spouse) by approximately 12.5%.
4. Increase Option B – Health Insurance monthly premium by 9.0%.
5. Change the basis for payment of dental claims from the 2015 to the 2016 Newfoundland and Labrador Suggested Dental Fee Guide.  
  
Increase the Option B2 – Dental Insurance monthly premium by 7.9%.
6. Increase the Option C – Long Term Disability monthly premium by 15%.

## **NEW PILOT PROGRAM INTRODUCED: CAREPATH**

Trustees are pleased to inform you that as of May 1, 2016, a two-year pilot program called **CAREPath Navigational System** will be introduced. CAREPath is a Canadian owned and operated program that is designed to assist all clients, both before and after their first visit to an oncologist, and during their entire cancer treatment process. The system provides supportive counseling and additional specialized counseling, when necessary; explains options for tests and treatments according to set guidelines that have been designed and continually updated by the world's leading cancer clinicians; provides in-depth assessments of treatment plans and options proposed by local oncologists to ensure that they are consistent with medical best-practice; facilitates access to the best cancer expertise and options for tests, treatments and clinical trials within Canada; facilitates access to medical second opinions when requested or required; provides guidance to alternate treatment locations when requested or required; advises on optimum management of the immediate and delayed toxic side effects of treatment to promote a speedier recovery; and will work in collaboration with the client's family physicians during the entire process. All services in this program are provided in both English and French and are designed to ensure that the emotional and medical needs of newly-diagnosed cancer patients are met in a timely and effective manner. This program will cover **all** enrolled members of the NLTA Group Insurance Program, including their dependents, who have been newly diagnosed with cancer or a cancer recurrence any time after April 1, 2016, to assist them in navigating the public health care system as they deal with their treatment for cancer. Additional information will be forwarded to schools and members as soon as it becomes available.

## Analysis of Premium Rate Adjustments

Table 1: Comparison of the Current and New Premium Rates.

| Total Monthly Premium Rates                |  |   |
|--|--|---|
|  | Current  | New                                       |
| *Basic Life (2 x Salary/Pension)           | \$0.123/\$1,000 of benefit   | Same                                      |
| *Dependent Life                            | \$1.70   | Same                                      |
| Voluntary Member/ Spousal Life             | Step Rated by Age  | Increase all steps by approximately 12.5% |
| *Basic Accidental Death & Dismemberment    | \$0.15/\$10,000 of benefit   | \$0.18/\$10,000 of benefit                |
| Voluntary Accidental Death & Dismemberment | \$0.19/\$10,000 of benefit (Single)<br>\$0.26/\$10,000 of benefit (Family) | Same (Single)<br>Same (Family)            |
| Basic Critical Illness                     | \$3.62   | Same                                      |
| Voluntary Member/Spouse Critical Illness   | Step Rated by Age Band, Gender, Smoker/Non-Smoker Status                   | Same                                      |
| Voluntary Dependent Child Critical Illness | \$2.38   | Same                                      |
| *Health: Single                            | \$122.88   | \$133.82                                  |
| Family                                     | \$219.88   | \$239.40                                  |
| Dental: Single                             | \$35.58  | \$38.40                                   |
| Family                                     | \$71.48  | \$77.14                                   |
| Long Term Disability                       | \$0.90/\$100 of salary   | \$1.035/\$100 of salary                   |
| **Retiree Post-65 (\$15,000)               | \$23.70  | Same                                      |

\* Government contributes to this premium rate in accordance with the Collective Agreement.

\*\* For retired teachers who turned age 65 after September 1, 2004, \$18.20 is paid by the retiree, \$5.50 is paid from the Post-65 Life Fund established when the Post-65 Paid-Up Life program was eliminated on September 1, 2004. Retired teachers who turned 65 prior to September 1, 2004 and were eligible for the Paid-Up Life benefit are not eligible for this subsidy.

### Government Contribution Rates - Impact on Teacher Premiums

Government's premium contributions to the premium rates in the A1 - Basic and Dependent Life, the A3 - Basic Accidental Death and Dismemberment, and the B - Health plan options are determined annually in accordance with a Premium Rate Setting Process utilizing an independent insurance consultant. Government's contributions to the NLTA premium rates are the lesser of 50% of the NLTA premium rate calculated under the rate setting process in the Collective Agreement or 50% of the Government premium rate for its Basic / Dependent Life, Basic Accidental Death and Dismemberment, and Health plan options calculated under this rate setting process. The premise is that Government will contribute a consistent amount to Group Insurance for all government employees, including teachers. The following table illustrates the impact of the Premium Rate Setting Process and the Government contribution rate determined for 2016-17.

| <b>Basic Plan Premium Rates Per Pay Period</b>                       |               |          |          |                         |         |         |                      |         |         |
|--|---------------|----------|----------|-------------------------|---------|---------|----------------------|---------|---------|
| Effective April 1, 2016 Deductions Based on a \$70,000 Annual Salary |               |          |          |                         |         |         |                      |         |         |
|  | Total Premium |          |          | Government Contribution |         |         | Teacher Contribution |         |         |
|  |               | Current  | New      |                         | Current | New     |                      | Current | New     |
| Basic Life   | Single:       | \$8.61   | Same     | Single:                 | \$4.48  | \$4.06  | Single:              | \$4.13  | \$4.55  |
|  | Family:       | \$9.46   | Same     | Family:                 | \$4.88  | \$4.39  | Family:              | \$4.58  | \$5.07  |
| AD&D   |               | \$1.05   | \$1.26   |                         | \$0.37  | \$0.42  |                      | \$0.68  | \$0.84  |
| Health   | Single:       | \$61.44  | \$66.91  | Single:                 | \$18.90 | \$19.18 | Single:              | \$42.54 | \$47.73 |
|  | Family:       | \$109.94 | \$119.70 | Family:                 | \$47.75 | \$48.45 | Family:              | \$62.19 | \$71.25 |

A benefit statement from the Plan Administrator, Johnson Inc., outlining your personal coverage and premiums will be mailed to you in the near future.

For membership access, the NLTA Group Insurance Program Booklet has been updated on the NLTA website at [www.nlta.nl.ca](http://www.nlta.nl.ca). Click on Programs and Services then Salary, Benefits and Pension. All future NLTA Group Insurance Booklets, Overviews, Memorandums and correspondence will be forwarded electronically to members and available on the NLTA website. **If you are a retired member, please forward your email address to: [mail@nlta.nl.ca](mailto:mail@nlta.nl.ca) with the subject line Group Insurance Program if you have not already done so.**