

Highlights of the March 18, 2022, Trustees' Meeting

1. PLAN DESIGN – SECOND READING

- The ASEBP Trustees recognize the importance of supporting the health journey of the public education sector in Alberta. The Trustees are constantly striving for value and to make balanced decisions about plan benefits and the cost of investing in the current and future health of covered members.
- The ASEBP Trustees gave **final approval** (second reading) to the following Extended Health Care changes effective January 1, 2023:
 - **Drug management strategy:** Changes to how ASEBP manages its Drug Benefit List will mean increased savings while improving the experience covered members have when seeking approval through special authorization. Additional savings are expected through an expanded generic drug pricing policy.
 - **Psychology benefit:** Counsellors will be added as eligible providers, recognizing the need for expanded mental health supports. ASEBP's website, asebp.ca, will detail the criteria for counsellors to be considered eligible providers once this change is in effect. Reimbursement limits will also be changed:
 - \$180 per treatment for a psychologist, a provisional psychologist, or a person holding a Master of Social Work degree.
 - \$120 per treatment for a counsellor.
 - \$300 per assessment.The calendar year maximums for psychology benefits will remain at their current levels.
- **Air purifiers:** Air purifiers will no longer be covered.
- **Splints:** Splints will be added to the canes, crutches, walkers, casts, and cervical collars benefit. Each category has a \$40 maximum, and a combined maximum of \$100 per calendar year also applies.

ASEBP TRUSTEES

Drew Chipman, Chair
James Gerun, Vice-Chair
Evelyn Chan
Doug Lerke
Judy Muir
Shirene Napier
Kim Pasula
Daryl Scott
Natashya Shewchuk
Brad Toone

CHIEF EXECUTIVE OFFICER

Kelli Littlechilds

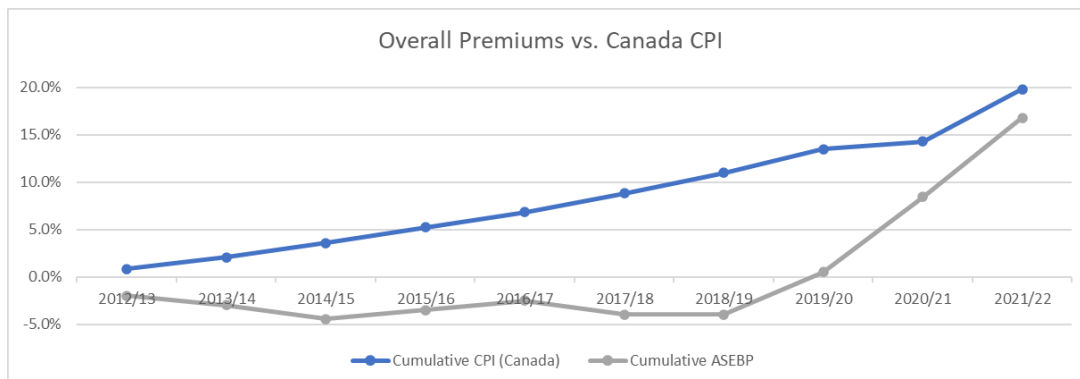
2. PREMIUM RATES – SECOND READING

- The ASEBP Trustees gave **final approval** (second reading) to September 1, 2022, premium rates. Instead of a 13.2% increase (which, based on claims experience, would be break-even), the ASEBP Trustees have limited the base increase to 7.7% for 2022-23. Here are the premium rate changes by plan:
 - Life Insurance: no change
 - Accidental Death & Dismemberment Insurance: no change
 - Extended Disability Benefits: 5.0% increase



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- Extended Health Care: 10.8% increase
 - Dental Care: 6.7% increase
 - Vision Care: 7.1% increase
 - Employee and Family Assistance Program: no change
- Please note that while the base increase equates to 7.7%, this does not mean that premiums may increase by only this amount—there are other factors that may impact a covered member or employer’s premium rates, such as being in a surcharge position in ASEBP’s Experience Adjustment System. Alternatively, a covered member or employer’s premium rates may not increase by a full 7.7%—or at all—if they are in a discount position in the Experience Adjustment System.
 - Overall premium rates for ASEBP have increased at a rate of only 1.56% per year over the past 10 years. This is largely due to premium subsidies the ASEBP Trustees were able to apply because of excess investment returns. ASEBP cannot continue to provide subsidies to the same magnitude of those historically provided at this time. Last year the ASEBP Trustees committed to working towards balancing premium rates with actual benefit costs over three years.
 - After the 7.85% increase for 2021-22 and a 7.7% increase for 2022-23, increases next year are anticipated to range from 5-8%, depending on plan experience. Strategic plan design discussions will continue to include a review of potential cost containment measures while at the same time supporting the health of covered members.
 - The plan design changes coming into effect January 1, 2023, as noted above, represent a decrease in costs of 0.57% to the Extended Health Care plan. Medical inflation is also impacting Extended Health Care as it increases at a rate much higher than regular inflation.
 - A premium increase for Extended Disability Benefits is required because of more claims, delayed access to diagnosis and treatment due to the pandemic, and other factors.
 - The overall increase to premium rates continues to be lower than trends within the industry, where suggested increases to long-term disability average over 17% in the public sector*. The increase also trails the Canadian consumer price index (CPI). CPI changes reflect the annual change in CPI for the calendar year preceding the premium rate change.



*as per Aon



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- The ASEBP Trustees are continuing to draw down part of the Capital Adequacy Reserve to offset premium rate increases for the coming year, as the reserve is currently funded at more than 100%. The Capital Adequacy Policy includes guidelines for ASEBP Trustee action when the Capital Adequacy Reserve is not fully funded, which include the potential for additional premium rate increases as well as containing costs through plan design.
- Future premium rates will be dependent on claims experience, investment returns, plan design changes, etc.
- A breakdown of the monthly premium rates, except as noted, is provided below:

Life		
Plan 2	per \$1,000 of coverage	\$0.113

Accidental Death & Dismemberment		
Plan 2	per \$1,000 of coverage	\$0.011

Extended Disability Benefits		
Plan D	% of monthly earnings	1.90%
Plan E	% of monthly earnings	1.90%

Extended Health Care		
Plan 1	Single	\$118.50
	Family	\$285.00
Plan 2	Single	\$86.50
	Family	\$207.00
Plan 5	Single	\$107.00
	Family	\$255.50



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Dental Care		
Plan 1	Single	\$49.50
	Family	\$123.75
Plan 2	Single	\$64.50
	Family	\$157.00
Plan 3	Single	\$64.50
	Family	\$175.50

Vision Care		
Plan 2	Single	\$6.00
	Family	\$14.50
Plan 3	Single	\$12.00
	Family	\$29.50

Early Retirement Benefits Package 2*		
	Single	\$125.00
	Family	\$200.00

*Closed to new participants as of September 1, 2011

MyRetiree Plan		
Premium rates remain in effect until August 31, 2023, and can be found here .		



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Supplemental Package		
<i>Without Dental</i>		
Package 1	Single	\$98.25
Package 2	Family	\$223.25
Package 3	Single	\$105.00
Package 4	Family	\$229.00
<i>With Dental</i>		
Package 1	Single	\$180.50
Package 2	Family	\$417.25
Package 3	Single	\$187.25
Package 4	Family	\$423.00

Blanket Life Insurance for School Trustees		
	Annual	\$60.00

Employee and Family Assistance Program		
Provided by ASEBP at no cost		

- Notification to employers about their final 2022-23 premium rates, including any discounts and surcharges, will be sent in late March or early April.
- Level 1 and 2 Health Benefits Claims Experience Reports will be distributed in April.

3. SPENDING ACCOUNTS' ADMINISTRATION FEES

- There are no changes to Spending Accounts' administration fees for 2022-23.
- A breakdown of the monthly administration fees is provided below:

Spending Accounts		
Standalone Health Spending Account (HSA)	Per employee	\$2.55



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Combined HSA/Wellness Spending Account (WSA)	Per employee	\$2.80
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4. INVESTMENTS

- The ASEBP Trustees reviewed investment results for the period ending December 31, 2021. The overall return for the year was 13.1% whereas the benchmark return was 10.8%. The return over four years was slightly below benchmark. Volatility over the four-year period for the ASEBP fund was more favourable than for the benchmark.

5. 2021 ANNUAL REPORT

- The ASEBP Trustees are proud to share that the [2021 Annual Report](#), themed around creating a vision for the future of ASEBP and how it will be achieved, is now available and in a completely digital format.

6. GOVERNANCE EFFECTIVENESS

- The ASEBP Trustees participated in a workshop about risk as it pertains to strategy. These strategy workshops are regularly scheduled, each focusing on a particular topic and technique. The intent is to better prepare the ASEBP Trustees for setting strategy in the future.

7. APPOINTMENTS

- Audit & Risk Committee appointments are normally three-year terms starting April 1. Terms are staggered for members and their alternates to maintain continuity. Shirene Napier's term on the committee will end March 31, 2022, and the ASEBP Trustees appointed Evelyn Chan as member of the Audit & Risk Committee effective April 1, 2022. Other committee members are Kim Pasula and Daryl Scott (alternate). There remains a vacancy for an alternate member, who is expected to be appointed in September 2022.

The ASEBP Trustees' Report provides an overview of topics discussed at all ASEBP Trustees' Meetings. These meetings provide the opportunity for ASEBP Trustees to come together to discuss matters of importance at ASEBP—from the financial health of the benefit plan to the introduction of new benefits and programs. While all information in each report is an accurate account of decisions made at the meetings, there can be changes that occur between first and second readings of certain topics, which may result in differences between their reporting. To learn more about the ASEBP Trustees, please visit the Governance page, found in the About section of our website, [asebp.ca](#).

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