

ASEBP Trustees' Report

Volume 27-19 No. 03 March 2019

Highlights of the March 15, 2019, Trustees' Meeting

1. Premium Rates 2019/20 – Second Reading

- The ASEBP Trustees gave **final approval** (second reading) to September 1, 2019, premium rates. Instead of a 7.2 per cent increase (which, based on claims experience, would be break-even), the ASEBP Trustees are pleased to report that there will be **no change for 2019/20** premium rates. Premium rates have been relatively stable for the past several years
- The ASEBP Trustees are drawing down part of the Capital Adequacy Reserve to offset premium rate increases for the coming year. The Capital Adequacy Policy includes guidelines for ASEBP Trustee action when the Capital Adequacy Reserve is fully funded and additional monies are available. These actions include the potential for premium rate reductions as well as benefit improvements. Capital Adequacy Reserve funds were drawn down for benefit improvements that took effect on January 1, 2019, such as the increase to massage therapy, physiotherapy and acupuncture per visit maximums as well as historical changes, including funding the Employee and Family Assistance Program since its 2015 inception. The Capital Adequacy Reserve has also been used to offset premium rates for the last five years
- 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 and Dismemberment		
Plan 2	per \$1,000 of coverage	\$0.011

Extended Disability Benefits		
Plan D	% of monthly earnings	1.71%
Plan E	% of monthly earnings	1.71%

Extended Health Care		
Plan 1	Single	\$86.50
	Family	\$207.75
Plan 2	Single	\$63.00
	Family	\$151.00
Plan 5	Single	\$78.00
	Family	\$186.25

ASEBP TRUSTEES

Karen Holloway, Chair
Fred Kreiner, Vice-Chair
Holly Bilton
Chad Bowie
Drew Chipman
Doug Lerke
Kathy Maclsaac
Shirene Napier
Kim Pasula
Daryl Scott

CHIEF EXECUTIVE OFFICER

Kelli Littlechilds



Dental Care		
Plan 1	Single	\$42.25
	Family	\$105.50
Plan 2	Single	\$55.00
	Family	\$133.75
Plan 3	Single	\$55.00
	Family	\$149.50

Vision Care		
Plan 2	Single	\$5.00
	Family	\$11.75
Plan 3	Single	\$9.75
	Family	\$24.25

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


*Closed to new participants as of September 1, 2011

Supplemental Package		
<i>Without Dental</i>		
Package 1	Single	\$71.75
Package 2	Family	\$163.00
Package 3	Single	\$76.50
Package 4	Family	\$167.00
<i>With Dental</i>		
Package 1	Single	\$141.75
Package 2	Family	\$328.25
Package 3	Single	\$146.50
Package 4	Family	\$332.25

Blanket Life Insurance for School Trustees		
	Annual	\$60.00

Employee and Family Assistance Program		
	Provided by ASEBP at no cost	

- Notification to school jurisdictions about their final 2019/20 premium rates, including any discounts and surcharges, will be sent to employer and employee representatives following final approval in late March or early April. Preliminary information is available by contacting your ASEBP school jurisdiction liaison

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- Level 1 and 2 Health Benefits Claims Experience Reports will also be distributed in April or May

2. Health Spending Account Administration Offerings and Fees – Second Reading

- The ASEBP Trustees reviewed enrolment in the two packages offered for Health Spending Account (HSA) administrative services. Due to low enrolment in HSA Package 2 (annual) and the costs associated with maintaining this second administrative structure, a significant increase to the fee would be required to maintain its viability. Instead, the ASEBP Trustees gave **final approval** (second reading) to winding down HSA Package 2 at the end of August 2019
- The ASEBP Trustees gave **final approval** (second reading) to changing Health Spending Account (HSA) Package 1 administration fees to \$2.55 per employee per month, effective September 1, 2019

3. Investments

- The ASEBP Trustees reviewed investment results for the period ending December 31, 2018. The overall return for the year was 3.4 per cent whereas the benchmark return was significantly lower at -2.5 per cent. ASEBP returns over two, three, four, five and 10 years were also above benchmark
- The ASEBP Trustees met with two of their investment managers regarding specific mandates

4. A Farewell

- The ASEBP Trustees wish Karen Holloway all the best, acknowledging her contributions as Chair and member of the Extended Disability Benefits Appeal Committee during her tenure as Trustee

5. Appointments

- Drew Chipman has been named incoming Chair (April 1) by the Alberta School Boards Association
- Maddy Daniels has been appointed as incoming Trustee (April 1) by the Alberta School Boards Association
- Doug Lerke was named to the Audit and Risk Committee and joins existing member Kim Pasula
- The Extended Disability Benefits Appeal Committee includes Chad Bowie, Karen Holloway (until March 31) and Dwight Anthony. An appointment is expected at the April Trustees' meeting to fill the vacancy created by Karen Holloway's departure. Doug Lerke, Drew Chipman and Jojy Oommen are alternate members
- The Executive Committee includes the Chair, Karen Holloway (until March 31 when Drew Chipman assumes the position), and the Vice-Chair, Fred Kreiner



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, www.asebp.ca.



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