



# Trustees' Report

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Information for school trustees, participating employers, and employee representatives  
published following each regularly scheduled meeting (Sept. – June)

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## Highlights of the February 17, 2017, Trustees' Meeting

### 1. CEO's Report

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- ◆ The customary overview of claims statistics was presented.

### 2. Premium Rates 2017/18 – First Reading

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- ◆ The ASEBP Trustees gave **initial approval** (first reading) to September 1, 2017, premium rates. Instead of a 4.9 per cent increase (which, based on claims experience, would be break even), the Trustees have decided on a **1 per cent increase** for 2017/18. This increase follows a 1 per cent increase last year and four previous years of maintaining or decreasing rates.
- ◆ The changes by plan:
  - Life Insurance: 1.2 per cent decrease
  - Accidental Death and Dismemberment Insurance: no change
  - Extended Disability Benefits: 1.3 per cent increase
  - Extended Health Care: 0.3 per cent increase
  - Dental Care: 1.2 per cent increase
  - Vision Care: 5.8 per cent increase
  - Employee and Family Assistance Program: no change
- ◆ 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 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 funds were drawn down for benefit improvements that were effective January 1, 2015, such as Dental Care and the Employee Family and Assistance Program. The capital adequacy reserve was also used to offset premium rates the last three years.
- ◆ The ASEBP Trustees decided to keep the ASEBP Dental Benefit List fees frozen at 2015 levels for 2016 and again for 2017 (see the [December ASEBP Trustees' Report](#) for more information). This action has kept Dental Care premiums 4.8 per

cent lower than they would be otherwise (the increase/break even for 2017/18 would have been 6 per cent instead of 1.2 per cent.) It appears that some dentists have increased their charges in 2017, but this has not resulted in a significant increase to out-of-pocket expenses for ASEBP covered members. The situation will continue to be monitored.

- ◆ Future premium rates will be dependent on claims experience, investment returns, plan design changes, etc.
- ◆ A breakdown of the monthly\* premium rates is provided below.

\*except as noted

<b>Life</b>		
Plan 2	per \$1,000 of coverage	\$0.112
<b>Accidental Death and Dismemberment</b>		
Plan 2	per \$1,000 of coverage	\$0.011

<b>Extended Disability Benefits</b>		
Plan D	% of monthly earnings	1.92%
Plan E	% of monthly earnings	1.92%

<b>Extended Health Care</b>		
Plan 1	Single	\$84.00
	Family	\$201.75
Plan 2	Single	\$61.25
	Family	\$146.50
Plan 5	Single	\$75.75
	Family	\$180.75

<b>Dental Care</b>		
Plan 1	Single	\$42.25
	Family	\$105.50
Plan 2	Single	\$55.00
	Family	\$133.75
Plan 3	Single	\$55.00
	Family	\$149.50

<b>Vision Care</b>		
Plan 1	Single	\$2.50
	Family	\$5.75
Plan 2	Single	\$4.75
	Family	\$11.00
Plan 3	Single	\$9.00
	Family	\$22.50

<b>Early Retirement Benefits Package 2**</b>		
	Single	\$125.00
	Family	\$200.00

\*\*closed to new participants as of September 1, 2011

<b>Substitute Teachers and Casual Staff / Part-time Employees</b>		
<i>Without Dental</i>		
Package 1	Single	\$69.75
Package 2	Family	\$158.25
Package 3	Single	\$74.25
Package 4	Family	\$162.25
<i>With Dental</i>		
Package 1	Single	\$139.75
Package 2	Family	\$323.50
Package 3	Single	\$144.25
Package 4	Family	\$327.50

<b>Blanket Life for School Trustees</b>		
	Annual	\$60.00

<b>Employee and Family Assistance Program</b>		
Provided by ASEBP at no cost		

- ◆ **Please note** that final approval (second reading) is required and changes could occur between readings.
- ◆ The ASEBP Trustees have suspended the Extended Health, Dental and Vision Care component of the Experience Adjustment System for 2017/18. This will allow time to review the system and the impact of high cost claims (for example, outside Canada emergency travel, specialty prescription medicines, etc.). The Life/Extended Disability Benefits component of the Experience Adjustment System will operate as usual for 2017/18.
- ◆ Notification to school jurisdictions about their final 2017/18 premium rates, including any discounts and surcharges, will be sent to employer and employee representatives following final approval of premium rates (late March or early April). Preliminary information is available by contacting their ASEBP Stakeholder Relations representative.
- ◆ *Level 1 and 2 Health Benefits Claims Experience Reports* will be distributed in April/May.

### **3. Health Spending Account Administration Fees – First Reading**

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- ◆ The ASEBP Trustees gave **initial approval** (first reading) to September 1, 2017, health spending account (HSA) administration fees. The fees for 2017/18 will remain the same:
  - HSA Package 1: \$2.00/employee/month
  - HSA Package 2: \$10.00/employee/year
- ◆ Final approval (second reading) is required and changes could occur between readings.

### **4. Reminder: Retirement Incentive for Disability Recipients**

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- ◆ In 2017, the ASEBP Trustees will be offering a retirement incentive for disability recipients (also known as RITE) to covered members on Extended Disability Benefits who meet the criteria (see the [January ASEBP Trustees' Report](#)). ASEBP will be holding information sessions for RITE candidates and will be encouraging them to seek financial and legal advice to support their decision making.

### **5. Retirement Announcement**

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- ◆ Jennifer Carson, CEO, has announced her decision to retire later this year.
- ◆ The ASEBP Trustees wish to express their deep appreciation for the strong leadership Jennifer has brought to the organization over the past nine years. With her guidance and team-building skills, Jennifer has led ASEBP to be a highly-regarded, best practices organization that not only offers quality benefits but also supports the ongoing health journey of its covered members.
- ◆ With the goal of ensuring a smooth transition and stable focus, the Trustees have engaged a consultant to assist in the recruitment process and expect to have made a hiring decision by the summer.

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The ASEBP Trustees' Report is distributed to participating employers, school trustees, ATA and CUPE locals and other employee representatives. It provides an overview of issues discussed by ASEBP's Trustees. Information from this report may be provided to covered members, but please note that changes may occur between first and second readings. ASEBP will continue to confirm policy changes in Administration Bulletins. If you would like to be included on the distribution list, please contact ASEBP.



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