



Trustees' Report

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

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Highlights of the April 21, 2017, Trustees' Meeting

1. CEO's Report

- ◆ The customary overview of claims statistics was presented.

2. Plan Design – Second Reading

- ◆ The ASEBP Trustees gave **final approval** (second reading) to a change in approach to the composition of the ASEBP Drug Benefit List.
- ◆ The ASEBP Trustees have continued to enhance their management of the ASEBP Drug Benefit List in recent years, striving to balance the health needs of covered members and their families with the financial realities of operating a benefit plan. This is due, in large part, to enhanced reporting and data analytics capabilities as well as greater access to clinical pharmaceutical expertise.
- ◆ ASEBP has also developed a more comprehensive understanding of the end-to-end cycle of a prescription drug, from the time it receives notice of compliance from Health Canada to the time it's listed on the ASEBP Drug Benefit List. When listing a drug, appropriate criteria have been developed and are followed to ensure coverage for the right drug is available at the right time for the right person at a fair price.
- ◆ To date, all drugs that have been approved by Health Canada have been added to the ASEBP Drug Benefit List with cost and utilization managed through a variety of mechanisms including pricing policies, such as least cost alternative pricing and therapeutic alternatives reference pricing, and clinical management, such as step therapy and special authorization, to name a few. Not all new drugs bring good value, however. At times, clinical effectiveness is not substantially improved yet the price of a new drug is considerably higher than those of existing drugs that have proven clinical effectiveness at a lower cost.
- ◆ The ASEBP Trustees will continue to carefully consider the composition of the ASEBP Drug Benefit List. In the meantime, most drugs will continue to be added and managed through the variety of mechanisms already in place. Going forward, the ASEBP Trustees may choose to exclude select drugs to ensure coverage is available for the right drugs—ones that offer both good value and proven efficacy.

3. Plan Design – Preliminary Discussion (potential changes)

- ◆ The ASEBP Trustees had a preliminary discussion about potential plan design changes for January 2018. Further discussion will occur at the May meeting when initial approval (first reading) is expected. Changes will be published in the May edition of the *ASEBP Trustees' Report*.
- ◆ The ASEBP Trustees are constantly striving to balance benefits and the cost of investing in the current and future health of covered members. The ASEBP Trustees are sensitive to participant needs and stakeholder concerns as well as the impact of changing medical, dental, pharmaceutical and other practices and changes to the health care system. The Trustees are also cognizant of plan utilization; statutory or regulatory requirements and market conditions (i.e. competition from other benefit providers and fiscal constraints).

4. RITE Update

- ◆ The 2017 voluntary Retirement Incentive for Teachers and Employees (RITE) is underway. Candidates have been invited to attend one of a series of presentations scheduled for early May. The application deadline is May 30. (For details about the program, please refer to the January *ASEBP Trustees' Report*.)

5. Extended Disability Benefits – Cost-of-Living Adjustment

- ◆ The ASEBP Trustees regularly set aside monies to be used for ad hoc cost-of-living adjustments (COLA) for recipients of Extended Disability Benefits (EDB). The last adjustment was made in 2014.
- ◆ The ASEBP Trustees assessed the erosion of disability benefits compared to the Consumer Price Index in Alberta and have agreed to make an adjustment effective January 1, 2018, for individuals who have been in receipt of EDB for at least two years.

6. Committee Appointments

- ◆ Gary Sawatzky of Aon Hewitt has been appointed as the independent member of the EDB Appeal Committee. He joins existing EDB Appeal Committee members, Chad Bowie and Christopher Cook. Dwight Anthony of Aon Hewitt was named the alternate independent member and joins existing alternate members, Doug Lerke and Karen Holloway. The Audit Committee includes Kathy MacIsaac and Heather Tkachuk.

- ◆ The Executive Committee includes the Chair, Karen Holloway, and the Vice-Chair, Fred Kreiner.

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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