

# ASEBP Trustees' Report

Volume 27-19 No. 07 September 2019

## Highlights of the September 20-21, 2019, Trustees' Meeting

### 1. Plan Design – Second Reading (for January 1, 2020)

- The ASEBP Trustees are constantly striving for value as well as balancing plan benefits and the cost of investing in the current and future health of covered members. They're sensitive to participant needs and stakeholder concerns, as well as the impact of changing medical, dental, pharmaceutical and other practices, in addition to changes to the health care system. The ASEBP Trustees are also cognizant of plan utilization, statutory or regulatory requirements and market conditions (i.e. competition from other benefit providers and fiscal constraints)
- The ASEBP Trustees gave **final approval** (second reading) to a number of plan design changes effective **January 1, 2020**
- **Extended Disability Benefits**
  - The pre-existing condition criteria won't apply where a lapse in coverage is due to a layoff of less than 90 days, thereby recognizing a natural gap in employment
  - The Accommodation Employment Program will become the Progressive Disability Program to minimize confusion with an employer's legal duty to accommodate
  - The application window for the Progressive Disability Program will be extended from 30 days to 90 days from the reduction of an employee's normal full-time equivalent due to illness or accidental injury. This addresses employer and employee concerns about the current timeline being too short
  - The elimination period for the Progressive Disability Program will be prorated in the same way it is for the Early Intervention Program (EIP), thereby minimizing the number of different calculations
  - The EIP will allow for participation at any point during the elimination period rather than being limited to 30 days (previously the ASEBP Trustees gave ASEBP administration direction to relax the 30-day requirement on a trial basis)
  - The elimination period for the EIP will be clarified. Moving forward, it'll be based on the full-time equivalent portion of time an employee is unable to work, using consecutive calendar days and adjusted from time to time due to changes in the reduced full-time equivalent, to a maximum of 153 days
- **Extended Health Care**
  - Hospital accommodation coverage will align with the Government of Alberta's reimbursement rate for semi-private hospital room charges rather than referencing a specific dollar amount. This housekeeping change will reduce the number of times the ASEBP Trustees must approve a change to the reimbursement rate as the intent has been, and continues to be, to match the government rate
  - The pre-approval process for joint injectable materials will be removed

#### ASEBP TRUSTEES

Drew Chipman, Chair  
Fred Kreiner, Vice-Chair  
Holly Bilton  
Chad Bowie  
Evelyn Chan  
Maddy Daniels  
Doug Lerke  
Shirene Napier  
Kim Pasula  
Daryl Scott

#### CHIEF EXECUTIVE OFFICER

Kelli Littlechilds



- The pre-approval process for private-duty nursing services will be added to the plan document. This housekeeping change will align the plan document with current administrative practice

- **Multiple benefits**

- The termination age for benefits for those actively at work (including school trustees) will be aligned where practicable by removing the 50 per cent reduction in benefits after 65 and removing the requirement to have joined the plan prior to 65

| <b>Benefit</b>  | <b>Current termination ages</b>   | <b>Future termination ages</b>   |
|---|---|--|
| Life and Basic Accidental Death & Dismemberment Insurance         | <ul style="list-style-type: none"> <li>● 70 for active employees, with a 50% reduction in benefits after 65</li> <li>● 70 for school trustees (if appointed before 65)</li> </ul> | <ul style="list-style-type: none"> <li>● No change in termination age for active employees; last day of the month upon reaching 70 for school trustees</li> <li>● Remove 50% reduction after 65</li> <li>● Remove requirement to have joined the plan prior to 65 for school trustees</li> </ul> |
| General Health Benefits (Extended Health Care, Dental and Vision) | <ul style="list-style-type: none"> <li>● 70, but must have joined the plan prior to 65</li> </ul>   | <ul style="list-style-type: none"> <li>● No change in termination age</li> <li>● Remove requirement to have joined the plan prior to 65</li> </ul>   |
| Extended Disability Benefits                                      | 65  | No change  |
| Supplemental Package  | 70  | No change  |

## 2. Plan Design – First Reading (for January 1, 2020)

- The ASEBP Trustees gave **initial approval** (first reading) to additional plan design changes effective **January 1, 2020**

- **Extended Disability Benefits**

- The offset provision dealing with ‘other income’ will be amended to recognize covered members who are working less than 1.0 full-time equivalent (FTE) and have income from another job. In the event a covered member becomes disabled from a position that’s covered by ASEBP EDB but they’re still able to complete the duties of their other position, their EDB benefit will be reduced only if the other job commenced within a six-month period prior to their disability date or commenced after their disability date. When other income has been in place longer than six months prior to disability, no offset will be made

- **Extended Health Care**

- Coverage for flash glucose monitors (such as the brand FreeStyle Libre) will be added to the diabetic supplies category, which has an annual maximum of \$4,000. Members will be able to purchase one reader every rolling 2-year period and 30 sensors every rolling 12-month period, as long as they haven’t reached their diabetic supply maximum

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- Assignment billing is a privilege allowing covered members to sign a form authorizing a medical practitioner or medical supply vendor to make a claim for ASEBP benefits on their behalf. This method of billing can be open to unusual claiming practices and it may not always be clear to covered members what they are signing. In 2016, the ASEBP Trustees took the first step in phasing out assignment billing. As most providers are now able to bill the plan directly, it's time to make further changes. Assignment billing will be limited to three benefits: ambulance services, hospital accommodation and oxygen (including oxygen equipment)

- **Multiple benefits**

- Previously, the ASEBP Trustees suspended relevant provisions of the plan documents to accommodate Workers' Compensation Act changes in 2018, requiring employer groups to continue Extended Health Care, Dental Care and Vision Care coverage for injured workers for up to one year after the date of their injury. These provisions will now be amended in the plan wording

- **Administrative change**

- The enrolment window for benefits applications will be extended to 90 days (from 31 days). The late applicant deductibles under Vision Care and Dental Care will be removed along with the orthodontic restriction. An ASEBP Administration Bulletin will announce the details and effective date once established

- **Please note that final approval (second reading) is required and changes may occur between readings**

### 3. Governance

- As previously reported, the ASEBP Trustees engaged an advisory firm to undertake a governance effectiveness review. The primary objectives were to gain insight into governance functioning, consider ways to evolve the overall governance in step with how the plan has changed over time and identify opportunities to enhance governance practices in ways that'll support ASEBP's ability to meet its mission and strategic goals. The ASEBP Trustees prioritized recommendations made by the advisory firm and developed an action plan, which is now underway

### 4. Appointments

- The ASEBP Trustees welcomed Evelyn Chan to her first meeting. Evelyn was appointed as an ASEBP Trustee by the Alberta Teachers' Association



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](http://asebp.ca).



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