

ASEBP Trustees' Report

Volume 28-20 No. 01 January 2020

Highlights of the January 17, 2020, Trustees' Meeting

1. Plan Design – First Reading (for March 1, 2020)

- The ASEBP Trustees are constantly striving for value; balancing plan benefits and the cost of investing in the current and future health of covered members. They are 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 **initial approval** (first reading) to **Extended Disability Benefits** plan design changes effective **March 1, 2020**. These changes, while relatively minor, support the continued participation of employer groups in the Service Canada Employer Insurance Premium Reduction Program. Participation in this program has provided significant savings to employer groups in the past and it's anticipated these savings will continue
- Please note that final approval (second reading) is required and changes may occur between readings
- **Reminder:** a number of plan design changes went into effect on January 1, 2020. Check out the [Planning Ahead for Plan Changes](#) article on our website, asebp.ca, for a summary of changes

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

2. Enterprise Risk Management

- ASEBP recognizes that effective risk management strategies contribute to ASEBP's ongoing success and its oversight is a core responsibility of the ASEBP Trustees
- The ASEBP Trustees participated in a risk assessment workshop focused on plan design, financial, strategy, legal, regulatory and governance risks

3. Reporting Highlights

- The ASEBP Trustees review reports on a quarterly, semi-annual and annual basis. Highlights include:
 - There were just under 61,000 covered members (including early retirees) as of October 1, 2019. This may not reflect full enrolment for the year, as there's generally a lag between when an employee is hired and when ASEBP receives the enrolment data
 - For the period of September 2018 to August 2019 (comparatives in parentheses are for the prior year):
 - \$100M (\$87M) was paid for Extended Health Care claims; approximately 58% (63%) of this was for prescription medications. The plan experienced a 3% increase in per capita paid claims for prescription drugs (last year there



was a 1% increase year-over-year). ASEBP's medication management strategy continues to support the health of covered members and their dependants while striving for sustainability. The plan experienced a 27% increase in per capita paid claims for paramedical services (last year there was a 10% increase year-over-year). A larger increase was expected due to plan design changes that took effect January 1, 2019

- \$71M (\$70M) was paid for Dental Care claims; approximately 77% (78%) was for basic preventative and restorative services. The plan experienced a 2% decrease in per capita paid claims (last year there was a 2% increase year-over-year). Oral health is an important aspect of total health and regular dental check-ups are covered within this category
- \$11M (\$9M) was paid for Vision Care claims; approximately 77% (76%) was for eyewear. The plan experienced a 20% increase in per capita paid claims (last year there was a 2% increase year-over-year). A larger increase was expected due to plan design changes that took effect January 1, 2019
- As of September 2019, the rate of Extended Disability Benefits claims is higher than 2018. However, over the 10-year history, the rate has consistently trended downward
 - Physical claims are the most prevalent cause of disability
 - The top three causes of disability continue to be mental disorders, diseases of the musculoskeletal system and connective tissue and diseases of the nervous system and sense organs

4. Governance Effectiveness

- The ASEBP Trustees continue to implement recommendations from the governance effectiveness review conducted last spring
- The primary objectives of the review 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 will directly support ASEBP's ability to meet its mission and strategic goals
- The current key areas of attention include governing body and committee evaluation, delegation of authority, CEO evaluation and succession planning as well as human capital oversight. Human capital oversight includes the people in the organization; the culture, values, norms and ethics within which they work; the nature and capacity of leadership to align them; and the structures into which they're organized and supported to best deliver their work

5. Support is Available

- The incredible loss of life as a result of the Ukrainian International Airlines Flight PS752 tragedy in Iran has impacted the lives of many in Alberta and across Canada, including those in Alberta's education sector. We at ASEBP extend our sincere condolences to everyone affected by this disaster
- Homewood Health has opened a special phone line to provide free, confidential telephonic support to anyone who is having trouble dealing with the aftermath of this disaster. Callers do not have to be an Employee and Family Assistance Program (EFAP) client. If you know someone who is impacted or struggling with this devastating incident, please do not hesitate to provide them with this information. The new Homewood Health support line for this disaster is available to English and French speakers at 1-833-375-0267, 24 hours a day, seven days a week

-
- For more information on the support Homewood Health is providing in the aftermath of this tragedy, please view their press release, which is available in [English](#) and [French](#)

6. Teachers' Conventions

- ASEBP is pleased to be heading back to the various teachers' conventions in February and March. Teachers can drop by the ASEBP booth to learn more about our extended call centre hours, early retirement benefits and the variety of programs offered through the EFAP. We'll also have some helpful resources to grab, an engagement board and more!

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.



Allendale Centre East • Suite 301, 6104-104 Street NW • Edmonton, AB T6H 2K7
Phone: 780-438-5300 • Email: trustees@asebp.ca • Website: asebp.ca