



October 2021

Dear Friend,

We never imagined that we would be in ministry through yet another year navigating these pandemic times. But here we are. Some parts of our country are again facing critical levels of infection and hospitalization while others are holding a cautious, uncertain truce with the virus. I pray daily for your continued well-being, resourcefulness, and, especially, faithfulness as you serve in this United Church of Canada in these times.

Just a year ago Nora Sanders, then the General Secretary, advised you that both active employee and ministry personnel and retiree group health and dental plans were under enormous pressure. Collectively they were reimbursing members \$3.2 million more in benefits than the premiums were covering. The deficit was being covered by a quickly shrinking benefits reserve fund. This was not news: staff have been raising concern for years, and this concern has been communicated to you.

Difficult decisions were made to move, over five years, the retiree plan, which about half of our retired employees and ministry personnel subscribe to, to sustainability through premium increases. The added costs are challenging for many of these retirees but we are able to continue to offer the plan.

The active member Core and Optional health and dental plans, however, did not appear to be so simple to address. The General Council Executive directed staff to undertake a thorough forensic review of the plans with the aid of professional benefits consultants and actuaries and to consider changes, including the prospect of discontinuing the Optional plan, that would lead to both sustainability and affordability while protecting you and your family from extraordinary economic loss because of medical, dental, or disability expenses.

A number of factors are challenging our ability to provide comprehensive and affordable coverage:

- rising benefit costs due to increased claims activity
- an older employee population requiring more (and often more costly) medical resources
- drug price inflation, which spiked at 5.4% in 2020
- a shrinking number of participating employers

Currently all employees and ministers working 14 hours or more are covered by a core set of benefits paid for by the employer. About 40% of our plan members elected to supplement these benefits with the Optional health and dental plan. Last year the premium for this optional benefit increased 50%. This increase did not eliminate the deficit but only stemmed the draw on reserves. You responded clearly that such continued increases are not affordable for you.



The thorough study of the plan, based on data, usage, and industry norms, concluded that, while the Core plan is sustainable with predictable, manageable premium increases, there are no easy, simple, or affordable alternatives for the Optional plan. Partnering with other denominations that have the same demographics as us would not diversify the risk. The recommendation of an advisory group of an Executive member, a retired minister with earlier insurance industry experience, a senior risk management insurance executive, and staff (two with young children in the plan) was that the Optional health and dental plan be discontinued effective January 1, 2022. Reluctantly, the Executive agreed with this recommendation: the Optional health and dental plan for active members will close at the end of this year.

The accompanying chart summarizes at a high level the benefits of the new single plan and how they differ from the closing Optional plan. The plan will move to a “managed formulary” for newly prescribed drugs, a common practice that excludes drugs for which there are other effective but less expensive alternatives. Members currently on prescribed drugs not included in the formulary will continue to be covered for those drugs. When a newly prescribed drug is not covered because of available alternatives and the member has medical confirmation that alternatives are not effective for them, a process of review and adjudication will determine whether an exception will be made.

A significant improvement to the current plans is the addition in the new year of counsellors, psychotherapists, and psychoanalysts as approved providers under mental health coverage. As well, doctor’s referrals will no longer be required for acupuncture, massage therapy, physiotherapy, speech therapy, and approved mental health providers. Both are improvements long and often asked for.

Other good news in the full coverage picture is that long-term disability premiums (LTD), paid fully by the employee and ministry personnel, will decrease 40% in 2022. This is because of plan experience and tough negotiation with the insurer of this product. LTD, coupled with six months of salary continuance in the event of a qualifying medical leave (Restorative Care Plan), protects us against catastrophic financial loss when confronted with serious health issues.

The detailed plan summary will be available at uccbenefits.ca in early November. You will also find there a comparison chart of the plans (included here) and an extensive FAQ in the Document Library under Benefits Administration compiled from questions that you have asked this fall.

As Nora wrote last year this time, we remain committed to the well-being of you and your family. The Executive and I appreciate your patience and understanding as we implement these necessary changes to our plans.

Kindest regards,

The Reverend Michael Blair
General Secretary, General Council

Benefit Plan Changes – Comparison of Plans

	CORE	OPTIONAL	NEW ACTIVE PLAN Effective Jan. 1, 2022	
DRUGS	Deductible (annual)	\$250 per single / family Drugs and Medical	\$50 per single / family Medical only	\$250 per single / family Drugs and Medical
	Drug Reimbursement %	80% generic or brand	100% generic or 90% brand	80%
	Formulary	Open (coverage based on lower cost drug)	Open (coverage based on lower cost drug)	Managed (New prescriptions only)
	Other	Includes PocketPills Mandatory Generic Substitution	Includes PocketPills Mandatory Generic Substitution	Include PocketPills Mandatory Generic Substitution
	Out of Pocket Maximum	\$1,000 for drugs and medical	\$1,000 for drugs and medical	\$1,000 for Drugs ONLY
HEALTH	Orthopedic Shoes	50% Reimbursement level; 2 pairs per calendar year	80% Reimbursement level; 2 pairs per calendar year	50% Reimbursement level; 2 pairs per calendar year
	VISION	Eye Exams	\$100 per person per 24 months	Included in Vision max
Vision Reimbursement %		No Coverage	100%	100%
Vision – Maximum		No Coverage	\$200 per person per 24 months	\$100 per person per 24 months
OUT OF COUNTRY	Emergency Maximum	\$500,000 Lifetime	\$500,000 Lifetime	\$5,000,000 Lifetime
	Annual reinstatement	annual reinstatement of \$5,000 once lifetime maximum is reached	annual reinstatement of \$5,000 once lifetime maximum is reached	N/A
	Referral Maximum	N/A	N/A	\$50,000 annual with pre-approval

Benefit Plan Changes – Comparison of Plans

		CORE	OPTIONAL	NEW ACTIVE PLAN Effective Jan. 1, 2022
PARAMEDICAL PRACTITIONERS	PARAMEDICAL PRACTITIONERS			
	Acupuncture*	\$500 per year	\$750 per year	\$500 per year (all practitioners combined)
	Chiropractor	\$500 per year	\$750 per year	
	Massage Therapist*	\$500 per year	\$750 per year	
	Naturopath	\$500 per year	\$750 per year	
	Osteopath	\$500 per year	\$750 per year	
	Physiotherapy*	\$500 per year	\$750 per year	
	Speech Therapist*	\$500 per year	\$750 per year	
	Mental Health*	\$3,000 per year	\$5,000 per year	\$3,000 per year
	Included providers	Psychologist Master of Social Work Mind Beacon	Psychologist Master of Social Work Mind Beacon	Psychologist Master of Social Work Mind Beacon Counsellor Psychotherapist Psychoanalyst
Doctors Note	*Required	*Required	Not Required	
DENTAL	Annual Deductible	\$75 per family (Preventive); \$250 per family (Basic and Major)	\$50 per family (Basic and Major)	\$75 per family (Preventive); \$250 per family (Basic and Major)
	Reimbursement %:			
	Preventive	80%	100%	80%
	Basic	80%	80%	80%
	Major	50%	50%	50%
	Orthodontics	No Coverage	50%	No Coverage
	Annual Maximum (Preventive, Basic, Major)	\$1,500 per year combined	\$3,500 per year combined	\$1,500 per year combined
Annual Maximum (Orthodontics)	N/A	\$2,000 lifetime	No Coverage	