

Message from the Board of Trustees

Annual Welfare Fund Newsletter

We are pleased to present our first annual year end newsletter to our UA Local 67 members. This newsletter provides details of how our Group Benefit Plan is performing from an overall financial perspective. Given our plan's ongoing financial strength and our commitment to providing a strong and competitive plan, many enhancements were made to the Group Benefit plan in early 2020 for our members.

This newsletter also provides an inside look at where claims dollars were spent in 2019 and how trend and inflation might affect 2020 claims. Additionally, we have highlighted the rules regarding eligibility and how payment is made for those benefits which are binding on all covered members. We believe that education is key to economic advancement for you and your family members. It can also be personally fulfilling and contribute to your enjoyment of life.

We encourage all eligible members to read through the enclosed material and take advantage of our Group Benefit plan to help improve your health on and off the job.

The Trustees and our team of expert advisors are committed to monitoring and managing the plan in the best interest of our members – and keeping you informed as we move forward.

Sincerely,

Your Board of Trustees

Victor Langdon (Chair)
Ross French (Secretary)
Nathan Bergstrand
Leslie Ellerker

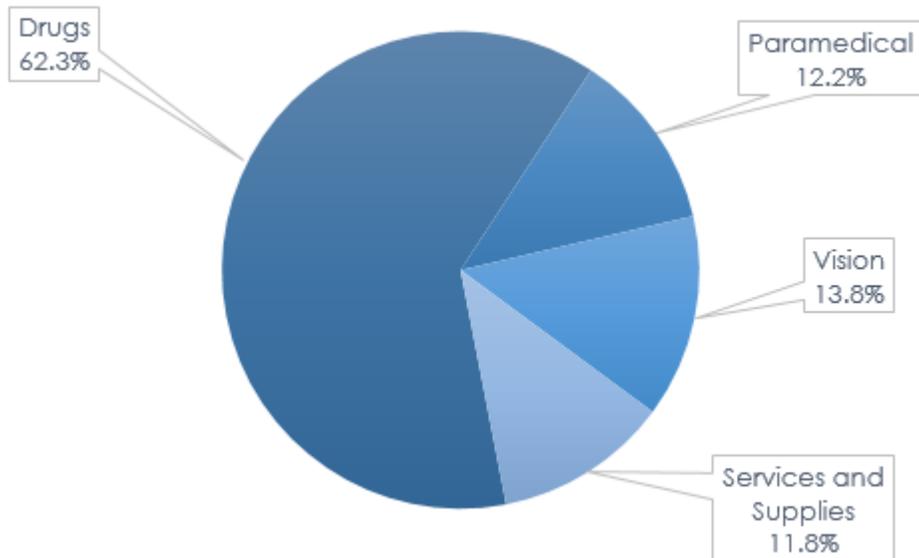
Steve Foffano
Ken Luxon
Dave Marcus
Bill Stanger

What's inside?

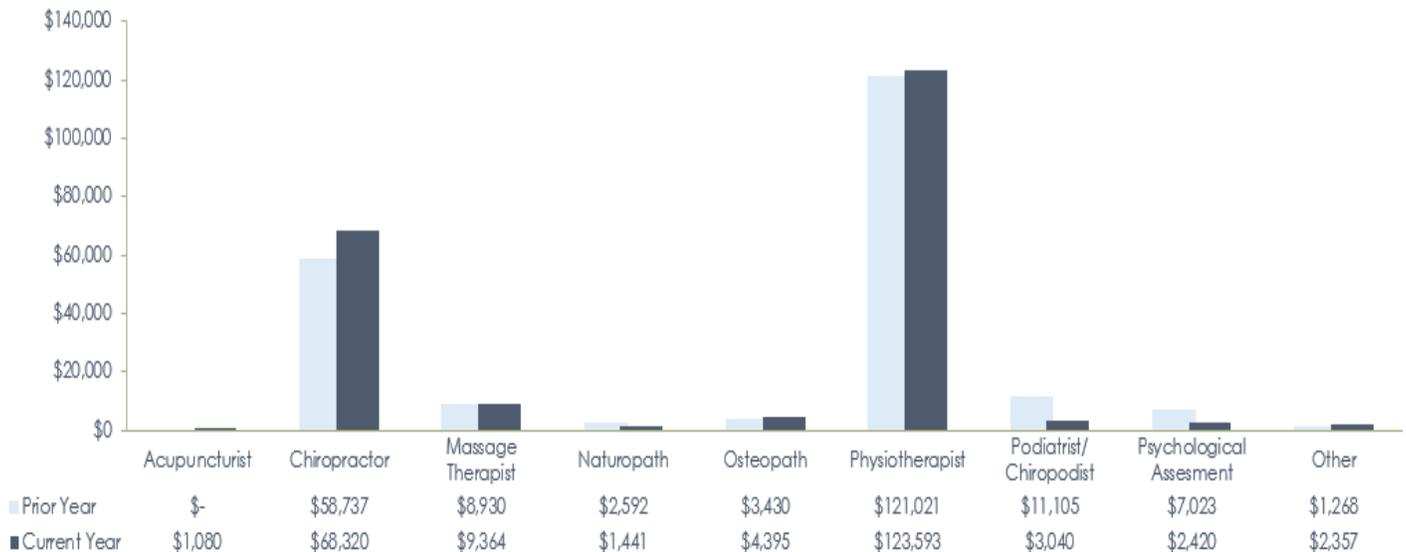
- 2019 Plan Statistics
- Benefit Changes – January 1, 2020
- Industry Updates
- Reminders

2019 Group Plan Statistics – Health Care

2019 Total Health Care Claims



Breakdown of Paramedical Claims



Historically, Drug Claims have been the largest component of your Group Health Care Plan. In 2019, Drug claims remained the highest component at 62.5% of total health claims. Standardly, Parmedical and Vision Care claims follow close behind.

Paramedical Claims for the UA Local 67 is the next largest component. We have broken the claim information by the highest utilized therapies. It is very common in your industry to have Chiropractic, Massage and Physiotherapy claims rank as the top three.

2019 Group Plan Statistics - Drugs

Prior Year					2019				
Rank	Therapeutic Class	# of Claims Paid	Amount Paid	% of Total Dollars Paid	Rank	Therapeutic Class	# of Claims Paid	Amount Paid	% of Total Dollars Paid
1	INJECTABLE BIOTECHNOLOGY AGENTS	83	\$114,274	10.9%	1	INJECTABLE BIOTECHNOLOGY AGENTS	85	\$115,565	10.5%
2	PROTON PUMP INHIBITORS	1,923	\$62,272	5.9%	2	PROTON PUMP INHIBITORS	2,071	\$63,977	5.8%
3	ANTIDEPRESSANT AGENTS	2,879	\$47,791	4.6%	3	ANTIDEPRESSANT AGENTS	3,087	\$55,872	5.1%
4	MULTIPLE SCLEROSIS AGENTS	33	\$36,874	3.5%	4	MULTIPLE SCLEROSIS AGENTS	31	\$40,907	3.7%
5	LONG ACTING BRONCHODILATORS	494	\$36,141	3.4%	5	LONG ACTING BRONCHODILATORS	460	\$37,827	3.4%
6	HMG-CoA REDUCTASE INHIBITORS	2,563	\$33,197	3.2%	6	DIPEPTIDYL PEPTIDASE 4 INHIBITOR	602	\$32,265	2.9%
7	DIPEPTIDYL PEPTIDASE 4 INHIBITOR	591	\$32,452	3.1%	7	HMG-CoA REDUCTASE INHIBITORS	2,725	\$30,768	2.8%
8	ANTIRHEUMATIC AGENTS	85	\$26,144	2.5%	8	ANTINEOPLASTICS	207	\$28,194	2.6%
9	ANTICONVULSANT AGENTS	1,060	\$25,067	2.4%	9	CNS STIMULANT AGENTS	286	\$24,436	2.2%
10	COAGULANTS AND ANTICOAGULANTS	600	\$20,632	2.0%	10	GLUCAGON LIKE PEPTIDE-1 AGONIST	64	\$23,242	2.1%
Total Top 10		10,311	\$434,843	41.4%	Total Top 10		9,618	\$453,053	41.0%
Total Paid Drugs			\$1,049,378		Total Paid Drugs			\$1,105,023	

The above chart provides a list of the top 10 Therapeutic classes of drugs in 2018 and in 2019. The list of Therapeutic classes of drugs has not changed much over the last year nor has the percentage of dollar spend for each class. However, the dollars spent on these particular therapeutic classes of drugs has increased while the number of prescriptions has decreased.

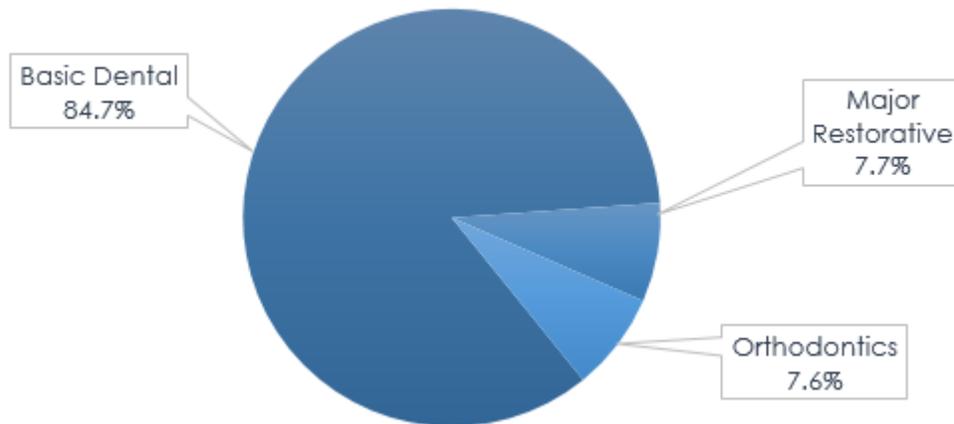
Drug claims make up the largest component of Health Care spend. The above chart illustrates that in 2018, total Drug claims were \$1,049,378 and in 2019 Drug claims increased to \$1,105,023. This increase is due to a variety of reasons, but most commonly it is due higher drug costs (manufacturer to pharmacy), markup and the increase in inflation factors as well.

Drug Type	Prior Year				2019			
	Amount Paid	% of Total	# of Claims	% of Total	Amount Paid	% of Total	# of Claims	% of Total
Generic	244,452	23%	24,880	66%	235,579	66%	26,213	67%
Multi Source	251,419	24%	3,853	10%	279,196	10%	4,411	11%
Single Source	553,506	53%	8,772	23%	590,249	23%	8,753	22%
Total	\$1,049,377	100%	\$37,505	100%	\$1,105,023	100%	39,377	100%

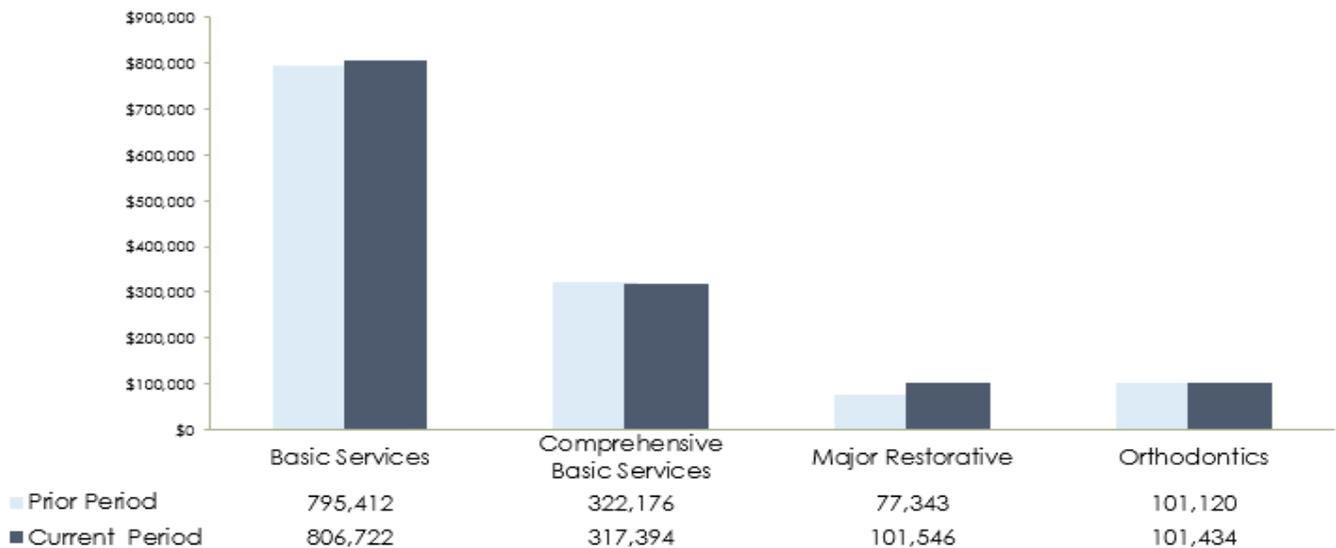
Single-source drug products are drug products for which the patent has not yet expired or has certain exclusivities so that only one manufacturer can make it. Single-source drug products are usually brand-name drug products. A **multisource** drug product is a drug product that contains the same active drug substance in the same dosage form and is marketed by more than one pharmaceutical manufacturer. These drugs cost approximately 75-85% more than their Generic equivalent. If you are taking a Multi Source drug, a Pharmacist in Ontario should ask you if you would like a Generic drug dispensed as an alternative if it is available. If you choose to take the Generic equivalent, there will be savings to your out of pocket expenses and savings to the plan. The Chart above indicates that in 2018 and 2019, 66% of members were using Generic type drugs.

2019 Group Plan Statistics - Dental

2019 Total Dental Care Claims



Breakdown of Dental Services



Like Health Care claims, Basic Dental Services historically have been the largest factor in Dental claim spend. In 2019, Basic Dental services made up 84.7% of total Dental claim spend or \$806,722. In 2020, the expectation is that these claim dollars will slightly increase with the recent enhancement to the Dental Fee Guide.

In 2019, your plan paid Dental claims based on the Current Fee Guide minus 2 years. Effective January 1, 2020, the plan was enhanced to pay eligible Dental claims based on the **Current Fee Guide minus 1 year**. In addition to the increase in costs based on the change in your Dental Fee Guide, there are annual increases related to the General Practitioner Dental Fee Guides issued annually by the Canadian and Provincial Dental Association. These increases can equate to 2-4% each year.

Talk to your Dentist and let him/her know what fee guide your plan pays by in order to minimize your out of pocket costs.

Benefit Changes Effective January 1, 2020

Life Insurance

Your Life Insurance will increase from \$20,000 to \$50,000 and will be payable to your beneficiary(ies) or estate in the event of your death.

As a Local 666 Retiree, you have a one time option to increase your Life Insurance to \$50,000 or leave at \$10,000.

ODA Fee Guide

Beginning January 1, 2020, your plan will now pay these dental services based on the current ODA fee guide minus 1 year. This is an increase to your benefit from the ODA fee guide minus 2 years.

Custom Moulded Orthotics

Coverage for custom moulded Orthotics (excluding Orthotics for sports purposes) will increase from \$250 every 2 years to \$300 every 2 years. All required information must still accompany your claim submission.

Out of Country Emergency Travel

Effective January 1, 2020, our Out of Country Emergency Travel insurance moved from AIG/Chartis to Berkley Canada. We are happy to announce that this coverage will also be made available to all members of the UA Local 67, under the age of 85 years, in good standing and their families.

ID cards for Travel insurance with new policy numbers and call numbers will be made available.

General Travel information for Canadians: Government of Canada Travel Advisory

<https://travel.gc.ca/travelling/advisories>

If Canada assigns a country the warning 'Avoid all travel' or 'avoid non-essential travel' Then Canada does not recommended travel to that country.

Annual Drug Maximum

Beginning January 1, 2020, your annual Drug maximum will change to \$15,000 per individual insured person (previously \$20,000 annual maximum). The annual Drug maximum replenishes itself every January 1st (as long as coverage remains active and

you continue to qualify according to the terms and conditions of the policy).

Should you or one of your dependents reach the annual maximum or if you believe you will reach or exceed the annual maximum, please reach out to our Benefit Consultant, Underwriters Alliance Inc. for assistance far in advance of reaching your annual maximum.

Underwriters Alliance Inc. will be pleased to assist you with your application and redirection of your drug costs over and above your annual maximum. Please contact Alexandra Fedak at Underwriters Alliance Inc. at 1-877-472-2205 or via email at afedak@uainc.ca . All information is confidential.

Health Care Spending Account

The Health Care Spending Account (HCSA) will increase from \$500 to \$750 per calendar year on January 1, 2020. Members must be in good standing for this benefit to be made available.

In addition, a HCSA of \$750 per Calendar year will be offered to members who currently are ineligible for full benefits. These members must also be in good standing and/or have worked 1200 hours in the last 12 months. Members in this category will be registered for the HCSA only through Reliable Administrative Services Inc.

Paramedical

Removed the per visit cap on Paramedical services for members only. Coverage remains at 80%.

Please note that Physiotherapy services have a separate per visit and annual maximum.

Reminders

Re-enrollment (2019)

From time to time it is important to ensure that your information is up to date. It is our fiduciary responsibility to engage in a reenrollment audit in order to have the correct information on file so that claims can be paid with accuracy and efficiency.

In 2019, you received a letter and enrollment form in order to update your beneficiary information, dependent information and provide the appropriate documentation for any overage dependent still attending school. In addition, we may have asked for confirmation and documentation to determine which insurance company is first payer of insurance claims for minor children.

In February 2020, we sent additional information regarding the questions you might have had regarding why the reenrollment was performed.

If you have not done so already, please complete the enrollment form previously provided and/or provide the additional Documentation requested and we will update your records. A return address and postage paid envelope has been previously provided for your convenience.

If you do not comply, this will mean that your dependents may be removed from your base plan.

Deadline Date: December 31, 2020

The image shows a portion of the T1 GENERAL 2010 Income Tax and Benefit Return form. Key sections visible include: Identification (with fields for name, address, and contact info), Information about you (with fields for SIN, date of birth, and language), Information about your spouse or common-law partner, Information about your residence, Elections Canada section, and Goods and services tax/harmonized sales tax (GST/HST) credit application. The form is titled 'T1 GENERAL 2010 Income Tax and Benefit Return' and includes the Canada Revenue Agency logo.

Top Up or Extension of Travel Insurance

As a member of UA Local 67 you and eligible dependents are now able to purchase top up or extension emergency travel coverage.

Please contact Underwriters Alliance Inc. who will provide you with a quote.

By Phone: 1-877-472-2205 and advise that you want a travel quote.

By General Email: jainsworth@uainc.ca or apaul@uainc.ca

Cancellation and Lost Baggage Insurance

As a member of UA Local 67 you, your eligible dependents and family and friends are now able to purchase cancellation and lost luggage insurance. Members can add this insurance to their group plan, or friends and family who do not have this coverage can obtain it through Underwriters Alliance Inc.

Please contact Underwriters Alliance Inc. who will provide you with a quote.

By Phone: 1-877-472-2205 and advise that you want a travel quote.

By General Email: jainsworth@uainc.ca or apaul@uainc.ca

Life Event Changes?

Please contact Reliable Administrative Services Inc. if...

- Your marital status has changed
- You are adding a new child or dependent
- If there are custody changes
- If your child becomes an overage dependent (documentation required)
- Your spouse has lost their coverage or acquired new coverage

Industry Updates

OHIP Out of Country Legislation

Effective January 1, 2020, due to changes to the Ontario's Insurance Plan, Ontarians will now have to pay out of their own pocket for emergency medical attention when visiting another country. The only treatment the new plan will cover is \$210 per treatment for kidney dialysis patients, which can cost up to \$750 a day in the U.S. All other medical coverage outside of the country is up to the traveler to cover out of pocket.

Previously the program covered inpatient treatment in other countries, up to a maximum of \$400 a day, for higher tiers of care, like intensive care, and \$50 a day for emergency outpatient and doctor services.

The prior program was scrapped as a result of high administrative costs, which was costing the government around \$2.8 million a year. The way to bridge that gap in coverage is to get familiar with the different types of travel insurance available. While there's insurance to cover lost luggage or last-minute cancellations, your Emergency Out of Country Travel Benefit is in place if emergency services are required. Non-emergency medical services while travelling abroad should be paid for by the member and then remitted to the base plan for processing of eligible expenses.

At this time, we do not know the impact this will make on rates, and we have asked your health care carrier to advise.

COVID-19 (Coronavirus)

Travel Insurance Medical and Non Medical – Alert: There is no coverage for coronavirus Trip Cancellation claims for policies issued after March 9, 2020

The novel coronavirus SARS-CoV-2 and the disease it causes, coronavirus disease 2019 (abbreviated COVID-19), are now known and cannot be considered as unforeseeable.

For any policies with Trip Cancellation coverage issued after March 9, 2020 there will be no Trip Cancellation coverage for any Insured Risks related to SARS-CoV-2 or COVID-19.

This includes Medical and Delays, Cancellations and Schedule Changes Insured Risks.

All Berkley policies include an exclusion for any losses or expenses related in whole or in part, directly or indirectly, to: Travel to, from or through any country, region or city for which, prior to the effective date, the Canadian Government, or any department thereof, has issued a warning to avoid all travel or to avoid non-essential travel during the time of your trip if the loss is the result of the reason for which the warning was issued.

All inquiries regarding the above should be sent to travelportal@Berkley.com

Dental Care for Low Income Seniors in Ontario

Coverage includes:

- check-ups, including scaling, fluoride and polishing
- repairing broken teeth and cavities
- x-rays
- removing teeth or abnormal tissue (oral surgery)
- anesthesia
- treating infection and pain (endodontic services)
- treating gum conditions and diseases (periodontal services)

Eligibility

You can apply for the program if you:

are 65 years of age or older

are a resident of Ontario

meet the income requirements:

an annual net income of \$19,300 or less for a single senior

a combined annual net income of \$32,300 or less for a couple

have no other form of dental benefits, including private insurance or dental coverage under another government program such as Ontario Works, Ontario Disability Support Program or Non-Insured Health Benefits

Learn how to access free, routine dental care for eligible seniors 65 years or older,

<https://www.ontario.ca/page/dental-care-low-income-seniors>

Questions?

Should you have any questions regarding your benefit coverage, please contact our plan administrator, Reliable Administrative Services Inc. at the following:

By Phone: 905-387-5861

Toll Free: 1-855-387-5861

By Fax: 905-387-4146

By General Email: local67@reliableadmin.com