



USW Local 2010
Employee Benefits Review
Town Hall

August 30, 2018
WELCOME!



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- Timelines
- Brief Background
- New Proposed Plan Design
- Comparisons – Old vs. New Plan Design
- Next Steps | Vote Details
- Questions





Timelines

- **May 2016** | Multi-Employee Group Employee Benefits Committee (MEGEBC) first meeting
 - CUPE/QUFA Locals negotiated a Letter of Understanding (LOU) in 2015 bargaining to review employee benefits
- **November 2016** | Survey released to all Employee Groups
- **October 2017** | Survey results provided to Unions for analysis
- **February 2018** | USW Benefits Review Meeting to review survey results and analysis



Timelines

- **June 2018** | Multi-Employee Group Employee Benefits Committee (MEGEBC) Meeting to discuss:
 1. RFP Selection Criteria
 2. New Benefits Plan Design
- **August 2018** | USW only Town Hall Meetings to review/discuss New Benefit Plan Design
- **September 2018** | USW Members Vote (electronic format)
- **Fall 2018** | Request for Proposal (RFP) Process to begin in the fall

Town Halls Vote



USW Town Halls | **Scheduled for:**

- August 22, 2018
- August 23, 2018 (*West Campus*)
- August 29, 2018 (*at August Membership Meeting*)
- September 11, 2018 (*if needed*)

- Details to be uploaded to USW web site | **Members will need to login**

- **VOTE on the New Benefits Plan Design**
 - Electronic Vote
 - Scheduled for September 10 – 13, 2018





Employee Groups Survey



Overview - Survey Participants – November 2016

Employee Groups - Union:	Number of recipients at survey launch	Total Number of responses (complete and partial)	Overall Response Rate
CUPE Local 229	285	45	16%
CUPE Local 254	93	45	48%
CUPE Local 1302	59	37	63%
ONA Local 67	9	5	56%
OPSEU Local 452	14	7	50%
USW Local 2010	1,189	769	65%
PSAC Local 901, Unit 2	166	53	32%
Queen's University Faculty Association	925	406	44%
Union Subtotal	2,740	1,367	50%
Employee Groups - Non-Union:	Number of recipients at survey launch	Total Number of responses (complete and partial)	Overall Response Rate
External Postdoctoral Fellow	25	2	8%
GFT Clinical Faculty	362	55	15%
Confidential/Managerial excluded (grades 2-9)	358	237	66%
Research, Grant and Contract Staff (grades 2-9)	451	218	48%
Queen's Managerial and Professional Group (grades 10-14)	314	203	65%
Executive	72	27	38%
Non-Union Subtotal	1,582	742	47%



What improvements did USW Members identify in the Survey:

1. Registered Massage Therapy
2. Increased Vision Care
3. Registered Psychologist
4. Pay Direct Drug Card

Improvements to Insurance:

1. Critical Illness Insurance
2. Basic Life Insurance Amount



Note: cost neutral changes only; review mandate



New Benefit Plan Design



CURRENT Benefit Plan Provision Highlights – Supplementary Medical:

- Calendar year deductible of \$25 for single/family for all expenses other than in-Canada hospital and chronic care, global medical assistance and vision care.
- 100% Reimbursement for prescription drugs and dispensing fee, no mandatory generic substitution.

Mandatory generic substitution: is a plan feature that limits the ingredient cost of a drug charge to that of the generic alternative. A Generic drug is defined as "a drug product that is comparable to a brand listed drug product in dosage form, strength, quality and performance characteristics, and intended use."



New Benefit Plan Design



CURRENT Benefit Plan Provision Highlights – Supplementary Medical:

- 50% Reimbursement for chiropractor, podiatrist, osteopath, chiropodist or naturopath for up to \$300 per calendar year for each practitioner.
- 100% reimbursement for speech therapy for up to \$1,000 per calendar year.
- 100% reimbursement for physiotherapy with no annual maximum. \$55 for first visit maximum, and \$35 per subsequent visit maximum.
- No massage or registered psychologist coverage.



New Benefit Plan Design



CURRENT Benefit Plan Provision Highlights – Supplementary Medical:

- Eye exam fees reimbursed up to \$65 every 24 months.
- 100% reimbursement for glasses, contact lenses, laser eye surgery to a maximum of \$250 every 2 years.



Comparisons Old vs. New Design



Benefit*	Current Plan Design Details	Proposed Plan Design Details
Prescription drugs	No pay-direct drug card	Introduce pay-direct drug card
	\$25 annual deductible	No change
	No generic substitution	Introduce generic substitution
	No dispensing fee maximum	Introduce dispensing fee maximum of \$10 per prescription
Paramedical (chiropractor, podiatrist, osteopath, chiropodist, naturopath)	50% reimbursement up to \$300 per year per practitioner	No change



Introduction of **Generic Substitution** for Prescription Drugs:

- Generic drugs contain the same medicinal ingredients as the Brand Name drug, and are considered bioequivalent.
- In Ontario, Pharmacists have a legal obligation to offer their patients the least cost alternative drug (i.e. generic) as an option, *unless* the Physician writes “no substitution” on the prescription.
- If “no substitution” is requested by the Physician, the Pharmacist is obligated to fill the prescription with the brand name drug.
- There is no change in reimbursement level for generic drugs or brand name drugs where *no generic equivalent exists*.



New Benefit Plan Design



Introduction of Generic Substitution for Prescription Drugs:

- Based on the Queen's current plan experience (Great West Life), in a recent 12-month period, the generic substitutions represent roughly 95% of drug claims.
- In other words, roughly 5% of drug claims would be impacted by the proposed change of adding generic substitution.



New Benefit Plan Design



What is the process if you need a Brand Name Prescription:

1. Employee requests that Physician completes a *“Request for Brand Name Drug Coverage”* Form.
2. Physician submits the completed form to the Insurer.
3. The Insurer may take up to 5 business days to review the request (note: times may vary depending on insurer).



What is the process if you need a Brand Name Prescription:

4. If the Employee needs the prescription filled before the Insurer responds to the request for a Brand Name drug, the Employee would be eligible for reimbursement of the cost of the Generic Drug. The Employee would pay the difference between the brand name and the generic drug. If the brand name request is approved, the Employee can submit the remaining portion of the claim for reimbursement.
5. Denied Brand Name requests can be appealed by submitting in writing the reasons for believing the claim decision was incorrect, along with any supporting medical information that may be relevant.



Comparisons Old vs. New Design



Benefit*	Current Plan Design Details	Proposed Plan Design Details
Paramedical (physiotherapist)	100% reimbursement up to \$55/initial visit and \$35/subsequent visits; no annual maximum	80% reimbursement up to \$500 per year; no per-visit maximum
Registered psychologist	No coverage	Introduce 100% reimbursement up to \$1,000 per year
Speech therapy	100% reimbursement up to \$1,000 per calendar year.	No change



Comparisons Old vs. New Design



Benefit*	Current Plan Design Details	Proposed Plan Design Details
Vision (eye examinations)	Up to \$75 every 24 months for QUFA/\$65 every 24 months for all other employee groups	Increase reimbursement to \$100 every 24 months
Vision (glasses, contact lenses, laser eye surgery)	\$250 every 24 months	Increase reimbursement to \$300 every 24 months
Long-Term Disability	COLA provision up to a maximum of 5% per year (based on CPI)	COLA provision up to a maximum of 3% per year (based on CPI)

* All benefit coverage amounts not listed here (e.g. semi-private hospitalization, dental, basic life insurance) remain unchanged.

Note: Any active LTD Claimants will be grand-parented under the old provisions



New Benefit Plan Design



Long-Term Disability (LTD; 100% Employee Paid Premium):

- **CURRENT** LTD Cost of Living Adjustment (COLA) provision:
Any employee drawing LTD income benefit is eligible to receive an annual COLA, which is tied to the annual Consumer Price Index (CPI) rate on their income benefit, up to a maximum increase of 5% per year.
- **PROPOSED** Change:
Modify the annual LTD income COLA provision from CPI of up to 5% to CPI up to 3% and keep all other aspects of LTD plan design the same.
E.g. - this results in an estimated 7.7% reduction in premium costs to Employees for the LTD benefit (*based on salary of \$60,000, reduction in annual premium would be \$91*). Please note that the annual estimated reduction is subject to change as a result of the Request For Proposal (RFP) Process.



New Benefit Plan Design



Optional **Employee-Paid** Benefits:

- Employer could introduce the following optional and fully employee-paid premium additional coverages as part of RFP process:
 - Additional optional employee life insurance
 - Optional spousal/dependent life insurance
 - Optional critical illness coverage

NOTE:
EMPLOYEE paid
Not Employer paid.



New Benefit Plan Design



Recap | USW wanted:

1. Registered Massage Therapy
2. Increased Vision Care
3. Registered Psychologist
4. Pay Direct Drug Card

*The cost of introducing a **Registered Massage Therapy Benefit**, is more than vision improvements, psychologist services, and pay-direct drug card combined.*

Recall: *cost neutral changes only; review mandate*



Request for Proposal (RFP) Process

- Criteria recommendations
- RFP begins this fall
- Employer decides on final selection of Insurer

The next step:

- *vote to ACCEPT the new Proposed Plan Design or vote to REJECT it and continue with the Current Plan Design*



VOTE on the New Benefits Plan Design

- Following Town Hall Meetings in August, an electronic vote will be conducted for all USW Members.
- Electronic Vote scheduled for:
 - September 10, 11, 12, & 13
- Watch your email for more details



The next step:

- *vote to ACCEPT the new Proposed Plan Design or vote to REJECT it and continue with the Current Plan Design.*



Questions from the floor?

[if time permits]

Create your USW login Account TODAY!
[JE details and updates will be uploaded]

QUESTIONS? CONCERNS?
Contact your Steward!