

MINUTES OF THE BENEFITS COMMITTEE MEETING HELD ON WEDNESDAY, MAY 24, 2006, AT 9:00 A.M., IN THE SENATE ROOM OF THE R.D. PARKER BUILDING

Present: Ronald Chrysler, **Chair**, Gail Cowper-Benoit (for Wendy Hampson), Colette Brunette, Gerry Labelle, Claudette Lefebvre, Peter McMullen (for Judy Leore), Branko Rayakovich, Reza Sina, Ginette Trottier (for Shelley Machum), Ronald Wallingford, and Julie Larivière, as Observer

Regrets: Richard Carrière, Mary Cornthwaite, Lise Poirier

The Chair of the Benefits Committee called the meeting to order at 9:03 a.m.

1. Approval of Agenda

It was

Moved: G. Labelle

Seconded: P. McMullen

THAT the Benefits Committee adopts the Agenda.

The Agenda was adopted unanimously.

2. Approval of Minutes of November 17, 2005

It was

Moved: C. Brunette

Seconded: G. Cowper-Benoit

THAT the Benefits Committee adopts the Minutes of November 17, 2005.

The Minutes were adopted unanimously.

3. Business arising from Minutes

3.1 Status Update on the *Guide for Prospective Retirees*

C. Lefebvre indicated that the Guide had been translated. It will be provided to this year's retirees. It will also be placed on the HR website.

The Chair suggested that all employees be informed of the location of the Guide once it has been placed on the website.

4. New Business

4.1 Request to have Registered Social Workers included in the Paramedical Category

An anonymous letter requesting that Registered Social Workers be included in the

paramedical practitioners category had been forwarded to some Members of the Benefits Committee. The writer provided many reasons for the inclusion of Registered Social Workers. Discussion ensued on the request.

The insurance carrier had indicated that it could include the fees charged by Registered Social Workers as eligible for reimbursement under the paramedical practitioners category, but that reimbursement would be subject to the **reasonable and customary** limit. The carrier further indicated that there would be no increase required at this time to the extended medical rates for the addition of the Registered Social Workers under the paramedical practitioners category, but it was noted that this would likely lead to increased claim costs for our plan.

It was

Moved: R. Sina

Seconded: G. Labelle

THAT Registered Social Workers be added on a temporary basis to the paramedical practitioners category for a period of two years at which time it will be reviewed and a decision made to retain or discontinue Registered Social Workers under the category of paramedical practitioners.

The motion was adopted unanimously.

P. McMullen suggested that a procedure be implemented for how request for changes to the benefits are to be dealt with by the Benefits Committee. Parameters need to be established to ensure that individual requests are brought forward via the appropriate group representative.

The Chair suggested that the Terms of Reference for the Benefits Committee be circulated.

4.2 Status update on the experience of various benefits in the current benefit year

Group Life Insurance For the period May 1, 2005, to April 30, 2006, there has been a substantial number of death claims submitted to the carriers. Sun Life will have processed six employee deaths claims and three dependent claims. For the period July 1, 2005 to date, Manulife will have processed one employee claim.

Long-Term Disability Plan There has been a substantial increase to the number of LTD claims from July 1, 2005, to date.

The Chair informed the Committee that an LTD study was currently under way to determine if the number of LTD claims for our group is higher than other employers. It will also identify the reasons for it. The LTD study is a result of a request made by LUFA during last year's negotiations.

Paramedical Practitioners According to a quarterly report received from the insurance carrier there has been an increase in claims being submitted for physiotherapist, chiropractor, and massage therapist.

4.3 Rate change:
Group Life Insurance - Effective May 1, 2006, the life rates were increased by 6.5%. The rate will increase from \$0.246/\$1,000 to \$0.262/\$1,000 for all employees, except LUSU-MPR. The rate for LUSU-MPR will increase from \$0.223/\$1,000 to \$0.237/\$1,000. The rate does not include the provincial sales tax.

4.4 Enhancement to RHBP Subsidy Payments and Increase to Employee Contribution – status update

All employee groups, except LUSU, along with the Federated Universities are now paying \$10 per month for the RHBP and, therefore, will be entitled to receive the increased subsidy payment.

R. Wallingford raised the issue of a retiree not being entitled to receive the subsidy payment because he was participating in a group plan.

After some discussion, it was agreed that if the reimbursement requested was for premiums paid to an employer, who, in turn, was a conduit to the insurance company, the premiums would be eligible for reimbursement.

As per the Income Tax rules, premiums paid to private insurance are deductible from income, and if paid by an employer are not a taxable benefit. Premiums paid to a “public plan” would be considered to be a taxable benefit.

It is important to ensure that the subsidy does not become taxable income for the retirees.

5 Next meeting

The next meeting will be held in the Fall of 2006.

The meeting ended at 10:05 am.

Material distributed at the meeting:

- Benefits Chart as of May 1, 2006
- List of Benefits Committee Members for 2005-2006