



HEALTHCARE BENEFIT TRUST

December 12, 2012

Changes to the Benefit Plans under the PAR-BC Agreement - effective January 1, 2013

Please find attached information regarding changes to the benefit plans under the PAR-BC Agreement.

If you have any questions about the attachments, please feel free to contact:

- Wendy Fullerton (wendy.fullerton@hbt.ca or 604-678-8316)
- Darren McKnight (darren.mcknight@hbt.ca or 604-678-8512)
- Toll free at 1-888-736-2087.

HEALTHCARE BENEFIT TRUST

Please ensure that this communication is distributed to the appropriate people within your organization.



New Health and Welfare Benefit Provisions PAR- BC

2012 – 2014

Administrative Guidelines #1 – 2012

To: Wendy Steadman, HSSBC

c: Danielle Mitchell, HSSBC
Dave Power, HSSBC
Milagros Murillo, HSSBC
Pauline Kwan, HSSBC

Date: December 12, 2012

Subject: 2010 – 2014 Professional Association of Residents Collective Agreement

We have now received confirmation from HEABC regarding changes to the benefit plans under the Professional Association of Residents Collective Agreement. These changes are effective January 1, 2013.

Please find attached:

- Administrative Guidelines
- Employee Bulletin that you may wish to distribute

The new provisions apply to HBT Class Code 21.

If you have any questions about the attachments, please contact:

- Wendy Fullerton, Client Consultant wendy.fullerton@hbt.ca or 604- 678- 8316
- Darren McKnight, Manager, Operations darren.mcknight@hbt.ca or 604- 678- 8512

This Administrative Guideline is to advise you of the new benefit plans provisions that were recently negotiated under the 2010 – 2014 Professional Association of Residents (PAR-BC) Collective Agreement.

Changes to Long Term Disability Provisions Effective December 31, 2012

LTD	<p>Effective midnight, December 31, 2012 the LTD benefit is terminated. The Trust will not be responsible for LTD claims with dates of disability incurred after December 31, 2012. Individuals who are disabled beyond December 31, 2012 and who receive LTD benefits from the Trust will continue to receive LTD benefits as per the provisions of the plan.</p> <p>Employers are to cease reporting earnings to HBT effective December 31, 2012.</p>
------------	---

Changes to Cost- Sharing of All Benefits Effective January 1, 2013

Cost- Sharing of Benefit Contributions	<p>Effective January 1, 2013 the employer and employee will be sharing the contribution costs of Group Life, Accidental Death and Dismemberment (AD&D), Dental and Extended Health Care benefits. The employer will be responsible for payment of 90% of the costs, the employee will be responsible for payment of 10% of the costs.</p> <p>HBT will continue to collect 100% of the contributions from employers. The employer should arrange collection of the employee's share of the payment either in advance on a monthly basis or via payroll deduction.</p> <p>Effective January 1, 2013, the taxable benefit portion for the Group Life and AD&D benefits will be 90% of the cost of Group Life and AD&D.</p>
---	---

Changes to Extended Health Care Provisions Effective January 1, 2013

Increase in Annual Deductible	The annual deductible is increased from \$25 per person/family to \$75 per person/family. The new deductible will be applied to all Extended Health Care claims incurred on or after January 1, 2013.
Contraceptive Coverage	Effective January 1, 2013, oral contraceptives, contraceptive injectables and IUDs will be covered.
Prescription Drugs	Effective January 1, 2013, prescription drug coverage will be limited to those drugs that are approved by BC PharmaCare. Claims incurred on or after January 1, 2013 will be adjudicated by Pacific Blue Cross under the new provision.

Changes to Extended Health Care Provisions Effective January 1, 2013									
Impact of Change	<p>The drug portion of the plan has reverted to the pre- July 2001 plan provisions. This means that only those prescription drugs that are approved by BC PharmaCare will be reimbursed. If a member’s physician determines that the only drug that will treat the condition falls outside of the scope of BC PharmaCare approved drugs, the physician can apply to BC PharmaCare for Special Authority for approval of the drug.</p> <p>For further information, please visit: http://www.health.gov.bc.ca/pharmacare/decision.html</p> <p>or refer to the attached Bulletin for employees.</p>								
Extended Health Rates	<p>The monthly Extended Health contribution rates will reduce from \$33.06/single and \$79.33/couple or family, to:</p> <table style="margin-left: 20px;"> <tr> <td>Effective January 1, 2013</td> <td>\$26.41 Single</td> </tr> <tr> <td></td> <td>\$63.38 Couple/Family</td> </tr> <tr> <td>Effective April 1, 2013</td> <td>\$34.10 Single</td> </tr> <tr> <td></td> <td>\$81.84 Couple/Family</td> </tr> </table> <p>The revised rates will be reflected on your Pacific Blue Cross January and April 2013 invoices respectively.</p> <p>The changes in costs will also apply to employees on unpaid leave or LTD who are paying their own contributions.</p>	Effective January 1, 2013	\$26.41 Single		\$63.38 Couple/Family	Effective April 1, 2013	\$34.10 Single		\$81.84 Couple/Family
Effective January 1, 2013	\$26.41 Single								
	\$63.38 Couple/Family								
Effective April 1, 2013	\$34.10 Single								
	\$81.84 Couple/Family								
Employee Communication	<p>Attached to this Guideline is a Bulletin that describes the revised changes to the benefit plans for PAR- BC. We encourage you to distribute copies to eligible employees and/or post copies on bulletin boards.</p>								

At a later date, revised benefit booklets will be produced that will include the new benefit provisions.



**Notice to Residents covered under the
Professional Association of Residents Collective Agreement
(PAR- BC)**

Change in Benefit Coverage as at January 1, 2013

PAR- BC and HEABC have negotiated the following changes in the PAR- BC Agreement.

LONG TERM DISABILITY (LTD) PLAN

Effective midnight, December 31, 2012 the LTD benefit is terminated. The Trust will not be responsible for LTD claims with dates of disability incurred after December 31, 2012. Individuals who are disabled beyond December 31, 2012 and who receive LTD benefits from the Trust will continue to receive LTD benefits as per the provisions of the plan.

COST- SHARING OF ALL BENEFITS

Effective January 1, 2013 the employer and employee will be sharing the monthly contribution costs of Group Life, Accidental Death and Dismemberment (AD&D), Dental and Extended Health Care benefits. The employer will be responsible for payment of 90% of the costs and you will be responsible for payment of 10% of the costs.

EXTENDED HEALTH CARE PLAN

Increase in Annual Deductible

The annual deductible is increased from \$25 per person/family to \$75 per person/family. The new deductible will be applied to all Extended Health Care claims incurred on or after January 1, 2013.

Drug Coverage

• **Contraceptive Coverage**

Effective January 1, 2013, your Extended Health Care plan will include coverage for contraceptives. You will be reimbursed by Pacific Blue Cross for oral contraceptives, contraceptive injectables and IUDs.

• **PharmaCare Tie- In**

Effective January 1, 2013, the Extended Health Care plan will include a BC PharmaCare tie- in. Reimbursement of prescription drugs purchased from a licensed pharmacy applies only to drugs approved by BC PharmaCare unless Special Authority is granted.

Prior to January 1, 2013, you were reimbursed for prescription drugs based on PharmaCare's Low Cost Alternative (LCA) and Referenced Based Pricing (RBP) restrictions. This has not changed. Reimbursement for drugs will be in accordance with BC PharmaCare price limit maximums.

Reimbursement of claims continues to be subject to the annual deductible, coinsurance and exclusions.

What has changed?

Effective January 1, 2013, only drugs that are approved by BC PharmaCare will be reimbursed unless Special Authority is granted by BC PharmaCare. Reimbursement of covered drugs is in accordance with BC PharmaCare price limit maximums.

What should you do to ensure your drugs are/will be reimbursed?

1. Contact BC PharmaCare

Customer Service Representatives are available at:

From Vancouver, call **604- 683- 7151** or from the rest of B.C., call toll- free **1- 800- 663- 7100**

- Monday to Friday 8:00 a.m. to 8:00 p.m. (except statutory holidays)
- Saturday 8:00 a.m. to 4:00 p.m. (except statutory holidays)

More information on drugs approved by BC PharmaCare can be found at:

<http://www.health.gov.bc.ca/pharmacare/decision.html>

2. Talk to Your Physician

When obtaining a prescription for you and/or your dependents, discuss the BC PharmaCare eligibility of the medication with your Physician to ensure that drug is covered by BC PharmaCare. If the drug is not covered, your physician may prescribe an alternate drug that is approved and reimbursed under BC PharmaCare program.

You can search the BC PharmaCare website to see if your drug is covered or find other alternative drugs eligible for coverage:

<http://www.health.gov.bc.ca/pharmacare/benefitslookup/>

3. Apply for Special Authority (SA)

If your drug is not covered by BC PharmaCare and there is no suitable alternative that is available under BC PharmaCare, it may be available with Special Authority approval. Not all drugs are eligible for Special Authority. Your physician can apply to BC PharmaCare Special Authority for approval of the drug. If the criteria is met and the drug is approved by PharmaCare, Pacific Blue Cross will reimburse you subject to any deductible, coinsurance, exclusions and as per the BC PharmaCare price limit maximums.

For a list of drugs eligible for Special Authority approval visit:

<http://www.health.gov.bc.ca/pharmacare/sa/criteria/genericbrandtable.html>

For further information from Pacific Blue Cross contact:

Client Service Representatives 604- 419- 2600 or 1- 877- 342- 2583

If you have additional questions about the negotiated changes to your benefit plan please speak directly with your employer or your union representative.