

February 21, 2012

## HBT's Newsletter: Trust Matters

Attached is the latest issue of the Healthcare Benefit Trust's newsletter, *Trust Matters*. This issue includes:

### Page 1: CEO Message

- 2012 Priorities

### Page 2: Quarterly Report

- Balance Sheet
- Investment Performance
- Pool Deficits
- LTD Claim Trends

### Page 3: Benefits Administration


- [Plan Document Changes](#) (*memo attached*)
- LTD Overpayments
- MSP to be Employer Paid
- Continuation of Benefits During a Severance Period
- Waiver of Premium for Employees on LTD
- Changes to EI and CPP

### Page 4

- Key Contacts at HBT
- Events

### Diane Wild

Communications Specialist  
Client Relations & Communications

 Please think Green before printing this email

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HEALTHCARE BENEFIT TRUST

**RE M I N D E R**

## WEBINAR: PBC Web Tool for Earnings Reporting *(Choose one of three date options)*

The *PBC Web Tool for Earnings Reporting* webinar is an important opportunity for PBC and HBT to address your questions, concerns or technical issues regarding this option for earnings reporting, well in advance of your transition.

**\*\* RSVP** Elisabeth Whiting: [elisabeth.whiting@hbt.ca](mailto:elisabeth.whiting@hbt.ca) | 604.678.8739 with ONE of the following dates.

[WEBINAR ACCESS](#) - Dial and Login Information:

## FEBRUARY 22, 2012 - 1:30 pm

- Dial: 1.800.707.7427 (Participant Toll-Free)
- Login Weblink: <https://cc.callinfo.com/r/1tyxbu3jp37wn>

## FEBRUARY 29, 2012 - 1:30 pm

- Dial: 1.800.706.4417 (Participant Toll-Free)
- Login Weblink: <https://cc.callinfo.com/r/1qbx0wr2hsi9c>

## MARCH 7, 2012 - 1:30 pm

- Dial: 1.800.701.9749 (Participant Toll-Free)
- Login Weblink: <https://cc.callinfo.com/r/19lljd38o4lid>

## HBT CONTACTS ....

### CLIENT RELATIONS

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Director, Client Relations & Communications

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## CEO Message

As we look ahead into 2012 and beyond, Healthcare Benefit Trust (HBT) is continuing its focus on client service, with initiatives to improve processes and systems well underway. Our goal over the next three years is to improve your overall service experience with HBT and satisfaction with our service providers, currently Pacific Blue Cross (PBC) and Great-West Life (GWL).

Three areas of focus for HBT include:

1. **Rates Stability**  
HBT's rate-setting and funding policies aim to provide more stability over time in your contribution rates.
2. **Statement-Based Reporting**  
HBT is working toward improved reporting to clients on benefits utilization, costs and rates.
3. **LTD Adjudication and Rehabilitation Services**  
HBT will work in closer partnership with employers and GWL to more clearly define our services regarding "stay at work" and "return to employability" for beneficiaries in health care and social services.

### 2012 PRIORITIES

- » **Making Our Systems Easier**  
Health care and community social services employers will be transitioned to the new enrolment and billing systems offered by PBC from mid-2012 through 2013, and the Health Authorities will follow in late 2013. Through this transition the new system will be more efficient for all our clients.
- » **Managing Deficits**  
The exit levy is a legitimate business obligation of those members who have left the Trust. HBT offers payment plans to address the debt owed by exiting members.
- » **Linking Client Survey Outcomes With Our Strategic Plan**  
Our thanks to those who participated in the recent client survey. We have addressed gaps in service and information highlighted in the survey through our three-year strategic plan. Soon we will share a summary of the results along with our action plan for improvements.
- » **Bargaining Support**  
A new bargaining cycle is a crucial time to highlight opportunities to manage the costs associated with benefits. HBT is supporting client and stakeholder decision-making by providing analyses and comparisons on benefits utilization and plan design.



*Jan K. Grude  
Chief Executive Officer*

### CLIENT CONSULTATION

HBT remains committed to providing you with the most cost-effective self-insurance option for the administration of health and welfare benefits. Your input has been the catalyst for a number of significant business changes recently, including the alignment of contribution rates notices with your budget cycles, the selection of the British Columbia Investment Management Corporation (bcIMC) as our investment manager, and the transition of enrolment and billing of benefits products to PBC. I welcome any feedback you may have on HBT, PBC and GWL services.

## HBT Quarterly Report

As of the end of 2011, LTD performance continues to be positive. A decrease in active claims in 2011 provided a positive impact on the deficit in some pools. Unfortunately, market volatility during the year means investment performance was lower than expected. Watch for the HBT annual report in May for further information.



Sarah Hoffman  
Chief Financial Officer

### BALANCE SHEET SNAPSHOT

\$'000	Forecast DEC 31/11	DEC 31/10	DEC 31/09
ASSETS	\$1,035,006	\$982,051	\$786,304
LIABILITIES	\$1,023,823	\$1,010,875	\$895,220
DEFICIT	(\$10,606)	(\$28,824)	(\$108,916)

### 2011 INVESTMENT PERFORMANCE

- » return expectation is set at 6.0% annualized
- » actual returns for 2011 were approximately 2.9%

### HEABC AFFILIATES AND CSSEA POOL DEFICITS

	HEABC	CSSEA
<b>2009</b>		
December 31, 2009	\$52 million	\$18 million
<b>2010</b>		
June 30, 2010	\$43 million	\$16 million
December 31, 2010	\$30 million	\$14 million
<b>2011</b>		
June 30, 2011	\$31 million	\$13 million
September 30, 2011	\$36 million	\$14 million
December 31, 2011	Available March 2012	Available March 2012

### ACTIVE LTD CLAIMS BY POOL

	2006 (Dec 31)	2007 (Dec 31)	2008 (Dec 31)	2009 (Dec 31)	2010 (Dec 31)	2011 (Sep 30)
Fraser Health Authority	783	845	975	1,189	1,143	1,138
Vancouver Coastal Health	571	624	676	836	768	787
Vancouver Island Health	693	738	813	977	885	940
Interior Health	782	868	992	1,134	1,071	1,059
Northern Health	193	224	267	317	308	283
Provincial Health	136	138	164	222	213	211
Providence Health	178	193	213	271	265	258
HEABC Affiliates Pool	898	958	1,050	1,112	1,063	1,079
CSSEA Pool	375	441	451	469	448	443
Non-Health/CSSEA Pool	25	27	26	37	36	41
Employee Paid Pool	57	46	38	32	40	35
Pre-1997	919	817	768	-	-	-
<b>Total</b>	<b>5,610</b>	<b>5,919</b>	<b>6,433</b>	<b>6,596</b>	<b>6,240</b>	<b>6,274</b>
% change		5.5%	8.7%	2.5%	-5.4%	0.5%

### contact

#### SARAH HOFFMAN

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# Benefits Administration

## PLAN DOCUMENT CHANGES

The Plan Document (aka the "Plan"), section XI of the Healthcare Benefit Trust Administration Manual, has been revised effective September 1, 2011.

These changes have been made to address three issues:

1. updates to the Introduction/Preamble
2. clarification of dependent definition for the Dependent Life product
3. correction of minor formatting/grammatical errors from the previous version

The revised Plan Document plus a summary of all changes are located on HBT's [website](#). These changes do not affect your benefits administration processes.

## EI AND CPP CHANGES DO NOT AFFECT EMPLOYERS

The Canada Revenue Agency has changed how they collect EI and CPP on benefits for STD and LTD. These changes do not affect HBT or our clients. However, if clients move to a plan administered by the employer themselves, there might be a change in EI and CPP collections.

## CONTINUATION OF BENEFITS DURING A SEVERANCE PERIOD

Employers are occasionally faced with the decision to terminate an excluded employee's employment. If the employer is required to provide the employee with pay in lieu of notice, often the continuation of benefit coverage forms part of the compensation package.

In these situations, employers are encouraged to seek the advice of the Trust before entering into a severance agreement with an employee.

The benefits that may be continued are limited to Group Life, AD&D, Dependent Life, Long Term Disability, Dental and/or Extended Health. Optional Life and AD&D **cannot** be extended during the severance period and are to be terminated on the employee's last day of employment.

## LTD OVERPAYMENTS

Employers can reduce LTD benefit costs by immediately advising Great-West Life when, for example, LTD claimants:

- » have their WCB claims/appeals accepted
- » receive an increase in their WCB award
- » terminate their employment
- » are working and have not advised Great-West Life

Each year the Trust loses substantial amounts of LTD benefits through uncollectable overpayments, and incurs significant legal fees to pursue these debts. This directly impacts the overall cost of the LTD Plan.

Please ensure that your staff are aware of the importance of promptly communicating these situations to GWL.

## ENROLMENT DOCUMENTATION REQUIRED FOR COVERAGE

Your employees must be enrolled in each applicable Life and Disability benefit (Group Life, AD&D, Dependent Life, LTD) in order for coverage to be in place. It is not sufficient to simply remit contributions. If HBT and/or PBC are not advised when an employee becomes eligible for coverage, a future claim may not be paid.

### *contact*

**Toni Sulpher**  
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Community Social Services  
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604.678.8775 / 1.888.736.2087

**Wendy Fullerton**  
Client Consultant, Healthcare  
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604.678.8316 / 1.888.736.2087

## MSP TO BE EMPLOYER PAID

Employees in receipt of LTD benefits are entitled to receive other benefits while on disability, including MSP benefits which are 50% employer paid, 50% employee paid. Effective January 1, 2013, HBT will no longer be paying 50% of the MSP premium for disabled members on employers' behalf. Employers will remit their portion of MSP premiums for all employees and issue the T4 for the payment as of this date.

## WAIVER OF PREMIUM FOR EMPLOYEES ON LTD

### *reminder*

Employers are billed for Group Life and AD&D coverage for their employees on LTD.

- » **Employees disabled prior to April 1, 2011**, who have been approved for LTD, will be billed effective April 1, 2012.
- » **Employees disabled on or after April 1, 2011**, who are approved for LTD benefits, will be billed starting the first of the month the LTD claim commences.

## Key Contacts at HBT

### BENEFITS

#### » BENEFITS ID NUMBER

[enrolment@hbt.ca](mailto:enrolment@hbt.ca)

604.678.6449/

1.877.678.6449

#### » ELECTRONIC DATA TRANSFER (EDI)

[techsupport@hbt.ca](mailto:techsupport@hbt.ca)

604.736.2087\*

#### » ENROLMENT SUPPORT/ SPREADSHEET

[enrolment@hbt.ca](mailto:enrolment@hbt.ca)

604.678.6449/

1.877.678.6449

#### » FLEX BENEFITS

[flexhelpdesk@hbt.ca](mailto:flexhelpdesk@hbt.ca)

604.678.6449/

1.877.678.6449

#### » BENEFIT PLAN DESIGN

604.736.2087\*

### CONTRIBUTION RATES

#### » HEALTH CARE

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Client Consultant

Benefits Administration

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#### » COMMUNITY SOCIAL SERVICES

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604.678.8775\*

### CLAIMS ADMINISTRATION

#### » EARLY RETIREMENT INCENTIVE BENEFIT (ERIB)

Mia deMercado, Team Lead  
Claims Administration

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#### » CLAIMS PACKAGE

Christine Fenske

Team Lead Operations

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604.678.8287\*

#### » CLAIMS ADJUDICATION

• Health Care

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Consultant

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604.678.8316\*

• Community Social  
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Toni Sulpher, Client  
Consultant  
Benefits Administration  
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604.678.8775\*

#### » CLAIMS REVIEW

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Claims Administration

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604.678.8217\*

*Please notify us when contacts  
change at your organization:*

#### » MEMBER CONTACT UPDATES

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Manager Operations

[darren.mcknight@hbt.ca](mailto:darren.mcknight@hbt.ca)

604.678.8512\*

### INVOICING/ACCESS ISSUES

[invoicing@hbt.ca](mailto:invoicing@hbt.ca)

### CHANGING YOUR EMPLOYEE BASE? EXIT LEVY QUESTIONS?

• Sarah Hoffman, CFO  
[sarah.hoffman@hbt.ca](mailto:sarah.hoffman@hbt.ca)

604.678.8519\*

• Tony Green, Controller

[tony.green@hbt.ca](mailto:tony.green@hbt.ca)

604.678.8928\*

### MEET WITH THE HBT CEO? FEEDBACK? QUESTIONS?

Elisabeth Whiting

Director, Client Relations and  
Communications

[elisabeth.whiting@hbt.ca](mailto:elisabeth.whiting@hbt.ca)

604.678.8739\*

### REFERRAL TO REHABILITATION SERVICES QUESTIONS?

[rehabilitation@hbt.ca](mailto:rehabilitation@hbt.ca)

604.630.1456\*

### Main Switchboard

604.736.2087

\*Toll-Free in BC

1.888.736.2087

## HBT Communications Calendar

### FEBRUARY

22 PBC Web Tool for Earnings Reporting Webinar

29 PBC Web Tool for Earnings Reporting Webinar

### MARCH

7 PBC Web Tool for Earnings Reporting Webinar

15 Early Retirement Incentive Benefit (ERIB)  
Webinar

### APRIL

19 HBT Annual General Meeting

### MAY

Annual Report 2011

Client Information Sessions: Claims Review  
Committee (CRC) Webinar

### JUNE

PBC Transition Update

### JULY

26 HBT Quarter Report/*Trust Matters*

### SEPTEMBER

HBT Client Event

### OCTOBER

25 HBT Quarter Report/*Trust Matters*

2013 Rates Notices

Client Information Session: 2012  
Contribution Rates Webinar & Presentation

### NOVEMBER

Client Information Session: 2012

Contribution Rates Webinar & Presentation

### DECEMBER

Year in Review

## WEBINAR REMINDER

**PBC WEB TOOL  
FOR EARNINGS  
REPORTING  
FEB 22, 29 OR MAR 7**

*TRUST MATTERS* is published  
by the Client Relations &  
Communications department  
of the Healthcare Benefit  
Trust.

Please send your feedback  
or suggestions for future  
articles to Diane Wild at  
[diane.wild@hbt.ca](mailto:diane.wild@hbt.ca).

[www.hbt.ca](http://www.hbt.ca)

Please think GREEN  
before you print



**To:** All Holders of the Healthcare Benefit Trust's Administration Manual  
**Date:** February 20, 2012  
**From:** Darren McKnight, Manager, Operations

**Healthcare Benefit Trust Administration Manual Update**

*Plan Document Revisions effective 09/2011*

The Plan Document (aka the "Plan"), section XI of the Healthcare Benefit Trust Administration Manual, has been revised effective September 1, 2011. A copy of the updated Administration Manual, including the revised Plan Document is available on the Healthcare Benefit Trust's website at the following links:

- [Healthcare](#)
- [CSSEA](#)

*Summary of the changes:*

1. **Section XI/Page 2: Introduction/Pre-amble:** Wording for Introduction/Pre-amble has been updated.
2. **Section IX/Page 5 - Conversion Option:** Added **on** and **or** to the wording describing the maximum amount that can be converted by an Employee on or after his/her 65<sup>th</sup> birthday is \$50,000.
3. **Section XI/Page 6 - Accidental Dismemberment (v):** Corrected spelling of one-eight to one-eighth, and added numerical representation of the fraction (i.e.  $\frac{1}{8}$ ).
4. **Section XI/Page 8 - Termination of AD&D Benefit (b):** Removed semi-colon (;) and **or** from the wording describing the date he/she ceases to be eligible under the Applicable Collective Agreement or under the terms of his/her contract of employment.
5. **Section XI/Page 10 - Sickness (k):** The definition of "Sickness" has been added. This definition was mistakenly omitted from the previous version due to a formatting error.
6. **Section XI/Page 12 - Definition of Earnings:** Added colon (:) to Section V:C to wording "Despite the foregoing, a 2006 Signing Bonus paid to an Employee shall not be considered "earnings" for the purposes of this Section V:C."
7. **Section XI/Page 18 - Dental Mechanic Fee Schedule (d):** Added underline to Dental Mechanic Fee Schedule.

8. **Section XI/Page 18 – Dentist (e):** Added underline to Dentist.
9. **Section XI/Page 19 -** Fixed the format of definition of “Child” to be aligned directing under the Terms Defined sub heading.
10. **Section XI/Page 30 – Dentist (e):** Added underline to Dentist.
11. **Section XI/Page 30 – Diabetes Equipment (f):** Added underline to Diabetes Equipment.
12. **Section XI/Page 30 – Hearing Aids (h):** Added underline to Hearing Aids.
13. **Section XI/Page 31 – Naturopath (j):** Added underline to Naturopath.
14. **Section XI/Page 32 – Prescription Drugs (o) (ii):** Removed **and** from the wording injectable drugs provided by a Physician or Dentist.
15. **Section XI/Page 37 - Dependent (ii):** The definition of “Common law spouse” has been amended to the common law spouse\* of the Employee, of the same or opposite sex whom the Employee publicly represents as his/her spouse and has been living with for the past 12 months; or
16. **Section XI/Page 37 – Dependent (iii):** The definition of “Child” has been amended to include minimum age for a child must be at least 14 days old in order to be eligible for coverage.
17. **Section XI/Page 37 – Dependent (v):** The definition of “Child” has been amended to include minimum age for a child must be at least 14 days old in order to be eligible for coverage.
18. **Section XI/Page 37 –** Add **and** to the wording “and who has satisfied any other requirements of the Trustees.”

## Questions?

Please contact:

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604-678-8512 or toll-free at 1-888-736-2087





## UPCOMING WEBINAR ON PBC WEB TOOL FOR EARNINGS REPORTING

Please RSVP Elisabeth Whiting [elisabeth.whiting@hbt.ca](mailto:elisabeth.whiting@hbt.ca) | 604.678.8739 with **ONE** of the following dates then on that day dial and log in using the following Webinar Access Information.

### WEBINAR ACCESS INFORMATION

	1. DIAL IN Participant Toll-Free	2. LOG IN Web Link
<b>Feb 22 (1:30-2pm)</b>	<b>1.800.707.7427</b>	<a href="https://cc.callinfo.com/r/1tyxbu3jp37wn">https://cc.callinfo.com/r/1tyxbu3jp37wn</a>
<b>Feb 29 (1:30-2pm)</b>	<b>1.800.706.4417</b>	<a href="https://cc.callinfo.com/r/1qbx0wr2hsi9c">https://cc.callinfo.com/r/1qbx0wr2hsi9c</a>
<b>Mar 7 (1:30-2pm)</b>	<b>1.800.701.9749</b>	<a href="https://cc.callinfo.com/r/19lljd38o4lid">https://cc.callinfo.com/r/19lljd38o4lid</a>

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