

July 2020

IMPORTANT NOTICE

Re: Extended Health and Dental Premiums

Each year, the Trustees of the TW-Employee Life and Health Plan in conjunction with Pacific Blue Cross (PBC) and the Plan's consultants conduct a review of the financial experience of the Retiree Extended Health Care (EHC) and Dental plans. These benefits are 100% experience rated and as such, the premiums charged are based solely on the experience of the retiree group along with provisions for administration expenses.

Each year, PBC provides estimates of health care inflation in British Columbia. This health care inflation generally ranges between 8 to 10%. In addition to these general cost increases, the utilization of the retiree health care plans will increase with the aging of the group. Both factors are reflected in the updated premiums for Extended Health Benefit Plans and this trend is expected to continue in the future. The Extended Health Plans have not experienced a premium increase since 2017; the Trustees work hard to find an optimal balance of benefits and cost for all of you.

In recent years, prescription drug spending has accounted for an increasingly large proportion of expenditures for your plans, with these expenditures growing faster than any other component of health care. The main drivers behind these increased expenditures are:

- an increase in the overall use of prescription drugs; and
- the use of newer and more costly prescription drugs.

September 1, 2020 Rate Changes

Based on the recent comprehensive review of the plan's experience, please see the following changes to the premium rates:

Basic Extended Health Plan	10% increase
Enhanced Extended Health Plan	10% increase
Dental Plan	No change

Starting September 1, 2020 your monthly pension will be adjusted to reflect the new premium rate if applicable and the monthly rate will be as follows:

September 1, 2020	Single	Couple	Family
Basic EHC Premiums	\$40.65	\$83.26	\$83.26
Enhanced EHC Premiums	\$99.03	\$203.56	\$203.56
Dental Premiums (no change)	\$37.76	\$75.58	\$110.82

EHC Plan Modifications

In order to ensure that the retiree plans continue to provide excellent coverage to participants while managing costs, the Trustees have identified the following plan modifications which will be implemented September 1, 2020.

<p>BASIC and Enhanced Extended Health</p> <p>Implementation of generic pricing and a mark-up limit:</p> <ul style="list-style-type: none"> The Plan will only cover the cost of generic medications. For situations where there is a medical reason, the name brand drug will be covered provided that the member's physician provides the reasons why this is required. As a part of this transition, if you have a prescription that is marked as "no substitution", we suggest that you speak to your doctor about these changes prior to September 1, 2020 to avoid any delays in obtaining your medications. When prescriptions are prepared, the pharmacist will include a mark-up limit to cover their cost of operations as well as a profit margin. These mark-ups vary by chain. We will be implementing a maximum 15% mark-up. This means that in cases where pharmacist charges more than 15%, the balance will be picked up by the member.
<p>ENHANCED Extended Health</p> <p>Implementation of the Pharmacare Enforcement Cut-off:</p> <ul style="list-style-type: none"> Pharmacare Enforcement is intended to ensure that Plans do not pick up the cost of drugs that would be eligible for reimbursement from Pharmacare. If you receive notification that your medication is covered by Pharmacare, then you will need to submit your prescription to Pharmacare as the Plan will not pick up the cost of those medications.

Other PBC Options

The Retiree EHC and Dental programs sponsored by the ELHT are just one benefit option for retirees. Attached is a description of PBC's individual retiree programs. The rates for these plans are based on your age and family status. As an example, for a couple where the member is a male age 72 with a female spouse age 68, the monthly premiums would be as follows:

Plan	Benefits Covered	Monthly Premium
Silver	Health, Drugs, Dental	\$388
Gold	Health, Drugs, Dental	\$493
Gold	Health, Drugs	\$341

Further information and quotes are available using their online quote tool:

<https://ipweb.pac.bluecross.ca/ipweb>

In reviewing other options and comparing them to the programs provided through the ELHT, you will need to determine the plan that best fits the needs of yourself and your family.

* SAMPLE FOR INFO ONLY *

Your healthy retirement

It may seem like just yesterday that you were starting your very first job. Now you find yourself looking back at a rewarding career, thinking about where you go from here. How do you want to live the rest of your life? You've earned it. You deserve it.

During your working years, your employer likely provided an extended benefits package that covered all or a portion of your out-of-pocket expenses for health and dental. Your benefits may have included coverage for your BC Medical Services Plan (MSP) premiums, extended health care, prescription drugs, dental, vision and possibly even disability and life insurance.

Once you retire, all of the costs that were previously covered by your employer will be transferred to you.

Why pick Pacific Blue Cross Personal Health Insurance for retirees?

- **The most coverage for British Columbians** — Our comprehensive options offer coverage that you won't find anywhere else on the market.
- **Personalize your plan** — Our flexible plan design allows for up to 21 different combinations. Select your preferred level of coverage (Bronze, Silver or Gold) for each plan component: Health, Prescriptions and Dental.
- **Adjust your coverage** — Exclusive to Pacific Blue Cross. We give you ongoing flexibility to make adjustments to your plan.
- **Guaranteed coverage** — Get coverage for your pre-existing conditions with no medical questionnaire required.

Design your healthy retirement plan in 3 easy steps. Your plan will include health and prescriptions coverage with optional add-on coverage for dental.

Step 1: Health

Your personal health insurance includes Extended Health Coverage that protects you from healthcare expenses not covered by MSP.

Your coverage

Each option covers 80% of these eligible expenses.

- Vision care
- Registered therapists and health practitioners
- Hospital accommodation
- Medical Services and Supplies
- Nursing care
- Ambulance services
- Out-of-province, in-Canada travel
- Accidental dental
- Accidental death and dismemberment
- Final expense benefit
- Survivor benefit

Your options

Choose from Bronze, Silver or Gold Health coverage.

Step 2: Prescriptions

Our prescription drug coverage makes your life easy with a Pacific Blue Cross Pay Direct Drug Card. If you have a prescription, take your card to a pharmacy and we pay them directly so you only pay your portion.

Your coverage

Each option covers 80% of eligible expenses and aligns with BC PharmaCare formulary pricing or the cost of the lowest priced equivalent drug.

Your Options

Your Health choice from Step 1 influences your Prescription options. For Gold and Silver Health, choose a prescription option.

HEALTH	BRONZE	SILVER	GOLD
Registered therapists			
Physiotherapists, massage therapists, chiropractors, chiropodist/podiatrists, naturopaths, acupuncturists, osteopaths	\$25/visit, 12 visits/yr	\$400 combined	\$600 combined
Speech therapists	\$45/visit, 10 visits/yr	\$45/visit, 10 visits/yr	\$45/visit, 10 visits/yr
Psychologists	\$65/visit, 10 visits/yr	\$65/visit, 10 visits/yr	\$65/visit, 10 visits/yr
Vision			
Prescription	\$150	\$250	\$300
Eye exam	\$50	\$50	\$80
Medical Services and Supplies			
Year 1	\$1,500	\$1,500	\$2,500
Year 2+	\$1,500	\$2,500	\$5,000
Hearing aid	\$300/5 years	\$400/5 years	\$600/5 years
Hospital accommodation			
Hospitalization	\$125	\$200	\$250
Day limit	30 days	30 days	30 days
PRESCRIPTIONS	BRONZE	BRONZE OR SILVER	SILVER OR GOLD
Dispensing fee	—	—	\$10*
Year 1	\$500	\$500	\$1,000
Year 2	\$500	\$500	\$2,000
Year 3+	\$500	\$500	\$3,000

*Maximum follows BC PharmaCare

Prescription coverage is for drugs that legally require a prescription. Certain high-cost drugs will require special authorization from BC PharmaCare. Exclusions include: contraceptive, fertility, smoking cessation, anti-obesity and erectile dysfunction.

*** SAMPLE FOR INFO ONLY ***

Step 3: Dental

Taking care of your oral health plays an important role in your overall health. All of our dental plans include a direct bill feature, so you only have to pay your portion.

Your coverage

Each option covers 80% of basic services which include regular cleanings and check-ups. Higher coverage is available to cover endodontics (root canals) and major work (bridges, crowns, etc.).

Your options

Boost your personal health plan by adding Bronze, Silver or Gold Dental coverage.

DENTAL	BRONZE	SILVER	GOLD
Services			
Basic	80%	80%	80%
Endodontics	—	80%	80%
Major	—	—	60% after Year 1
Limits			
Year 1	\$500	\$600	\$1,000
Year 2	\$500	\$800	\$1,250
Year 3+	\$500	\$1,000	\$1,500
Usage			
Recall Package*	Every 9 months	Every 9 months	Twice per year

*Includes exam, polishing and fluoride

This is not a contract. Actual terms and conditions are detailed in the contract issued by Pacific Blue Cross upon approval of application. Our contract will detail plan limitations and exclusions.

The content in this brochure is effective May, 2017, but subject to change without notice. Please check pac.bluecross.ca for current details of the Personal Health Insurance – Retirement plan.

Member benefits

- Save 10% on Travel Insurance**
Ready for a sandy beach and warm weather? Members save 10% on Canada's Most Trusted Brand of Travel Insurance.
- Fast Online Claims**
Through our online member service, CARESnet, you can: see right away if your claim has been approved and payment will usually be deposited into your bank account within 48 hours.
- Savings on Health and Wellness products and services**
Gym memberships, eyewear, hearing aids, and more.
- Preferred Pharmacy Network**
Members save time and money through our Preferred Pharmacy Network (PPN).
- My Good Health**
Create a personal profile to map out health risks and set personalized goals for keeping healthy.
- Pacific Blue Cross at your fingertips**
Download our free app from the App Store or Google Play to have your health plan in the palm of your hand. Submit claims with a photo, check your coverage balances, and even buy travel insurance.

To qualify

- You must apply within 60 days of the date on which your group coverage was cancelled
- You must be retiring
- You must be 50+ years of age
- You must have been covered under a group plan recognized by us for at least 6 months
- You must be actively enrolled in the Government health plan of BC or Yukon

Talk to an expert

Chat with your advisor or one of our retirement health plan experts today. They'll help customize your healthy retirement plan.

Call **1 800 USE-BLUE**
Visit pac.bluecross.ca/healthyretirement




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PERSONAL HEALTH INSURANCE

Retirement

Most coverage for British Columbians