

Memorandum

To: All Treasurers and Church Administrators, Pastors in Transition, and Retiree Members – PAOC
Western Ontario District
CC: Dan DiSabatino – Secretary Treasurer
From: Jeff Kechnie, President – Kechnie Benefits
Date: December 22, 2023
Re: WOD District Group Benefits Plan Renewal - Effective January 1, 2024

Greetings All!

We are pleased to report your Plan's sustained strength and benefit thanks to your continued participation. Please take some time to review this notice, as it contains a summary of changes to coverage that we implemented in 2023, new features that will be implemented in 2024, your renewal rates, and administrative reminders pertaining to your plan.

Effective September 1, 2023 – 2-Step Diabetes Step Therapy Program:

A growing topic of concern this year has been the medication known as Ozempic, and the increase interest in main stream media promoting this drug as a treatment for weight loss. Here in Canada Ozempic is only approved by Health Canada to treat diabetes, and in an effort to manage this within your District's program the 2-Step Diabetes Step Therapy Program was implemented to ensure those with Diabetes, and under a doctor's care, would continue to be able to have this medication covered through your benefit program, while limiting it's off-label use as a weight loss aid. In short, Ozempic is only covered for treatment of diabetes and as previously communicated, the 2-Step Diabetes Step Therapy Program implemented on September 1, 2023:

- coverage was grandfathered for those who demonstrated they were using Ozempic for diabetes.
- requires new claimants to try alternative diabetes treatments prior to Ozempic.

Having said that, this topic opened the door for more conversation surrounding Anti-Obesity treatments with the National Administrators and how your program should adapt in light of growing acknowledgement from experts that deem obesity as a complex chronic disease rather than a lifestyle choice.

NEW to your Program – Effective February 1, 2024 – Anti-Obesity treatment coverage:

In line with this new perspective, coverage for anti-obesity drugs will be added to your Extended Health Care plan, as will the addition of Registered Dietitians and Nutritionists under eligible Paramedical Care providers.

- *Prior Authorization will be required in order for Anti-Obesity Drugs, approved by Health Canada for the treatment for obesity, to be reimbursed by your plan within existing plan limits (e.g. coinsurance, maximums etc.)*
- *Please note that Ozempic is currently only approved by Health Canada to treat diabetes, and its counterpart to treat obesity, Wegovy has not been launched in Canada; as such these medications will not be eligible for use as a weight loss treatment.*
- *An annual Drug Maximum for the Anti-Obesity Class of medications is set at \$2000/year per eligible member.*
- *Coverage for Registered Dieticians and Nutritionists will be covered under your Paramedical benefit, similar to Chiropractic, Massage, etc., with \$500/provider/member/year*

Rate Changes

We are pleased to report that your **Plan overall increase is only 3.9%.**

Please note that your Pooled Benefits premiums are set to renew **January 1, 2024** with a net decrease. Your **Health and Dental Premiums changes will come into effect February 1, 2024 and will be prorated over the course of 11 months.**

Health & Dental Experience

94.8% of every dollar paid in Health Premium was paid out as a claim.

91.0% of every dollar paid in Dental Premium was paid out as a claim.

Additional Items of Note:

The Federal Government as begun the roll out of their Canadian Dental Care Plan (CDCP), for Canadian Residents who do not have access to dental insurance and have an adjusted family net income of less than \$90,000. In order to qualify for the CDCP, you must:

- Not have access to dental insurance, which is defined as:
 - No dental insurance through your employer or a family member's employer benefits, including Health Care Spending Accounts (HCSA) nor Wellness Accounts; this includes Dental benefits that you have available to you but have Waived Coverage for
 - No dental insurance through your pension (previous employer) or a family member's pension benefits; or
 - No dental insurance purchased by yourself or by a family member or through a group plan from an insurance or benefit company.
- Have an adjusted family net income of less than \$90,000
- Be a Canadian Resident for Tax purposes
- Have filed your tax return for the previous year.

Employers and Church Administrators will be required in 2023 and going forward to indicate whether your employee or any of their family members were eligible, on December 31 of that year, to access any dental care insurance, or coverage of dental services of any kind, that you offer, including coverage under your Districts Group Benefit Plan. More information can be found here: <https://www.canada.ca/en/services/benefits/dental.html>

2024 Reminders

Mandatory Enrolment – within 90 days of hire, those working 20 hours or more on average a week, must be on the plan. If you do not subscribe to this practice, it may compromise your employees' eligibility at a later date, with possible liability consequences as an employer.

Avoid Late Entrants – this occurs when a church does not adhere to the abovementioned "Mandatory Enrolment". When requesting coverage beyond 90 days of employment, the question Insurers ask is, "why wasn't this person put on the plan based under the eligibility terms of YOUR Plan?" Typically, this is because of either perceived affordability or one does not feel the need for the coverage until a health issue arises. Here lies the crux of the matter. Insurers provide coverage as a "right" or "term of employment" when hired without evidence, meaning no medical questions or tests are asked/required. With a "late entrant" there is usually a medical issue or what we would call a pre-existing condition discovered. In this respect, NO Insurer is going to approve coverage for a known liability when the individual or employer has not been contributing to the "pool" to cover unexpected health issues during the period of eligibility; the person can be declined for coverage and this now becomes an issue of liability for the Church, as the Employer is required to administer their Plan according to the contract.

Contract vs. Permanent Employees - We've discussed at length with your District Leadership Team the difference between a Permanent Employee and a Contracted Employee, and how it impacts the provision of Benefits to those that work for your District's churches. For more information from a trusted Legal Office that is well versed in PAOC history, and Employee Law, please refer to the following article: [Employees, Contractors, and the Obligations that Follow](#)

Out of Country Travel – Provided by Canada Life – Includes a \$5 Million maximum benefit per person per trip, and a Trip Limit of 60 days for all Active Pastors and their dependents. **Additionally, RETIREES have their own Out of Country Plan, which provides the same maximum benefit of \$5 Million per person per trip, but with the added possibility to modify their Trip Limit Option Levels from 60 days, to 90, 120 or 180 days, based on Canada Life's program criteria. The Option to modify a RETIREE's coverage may ONLY occur every 2 years with renewals taking place on January 1st of**

*that year. **IMPORTANT TO NOTE: RETIREE Members are only able to move up or down one Trip Limit Level at a time** (E.g. A member may move from the 90 day Level up to 120 day Level, or from 180 day Level down to 120 day Level; You may not move from 60 day Level up to 180 Level, or down from 180 Day level to 90 day Level in one 2 year period). **Once an Option Level is selected, it is locked in for 2 years** (some exceptions are made in the event of a change in family status during a plan year that affects a Retiree's coverage needs).*

TELUS Health Virtual Pharmacy (THVP) – Prescription Renewal – AUTO REFILL Set-Up – THVP Members have the option to set automated renewals for their prescriptions or to be provided with notices when their prescriptions require refills. **Login into your TELUS Health Virtual Pharmacy Portal, created upon registration for the program, to manage these options.**

Virtual Care App – All members enrolled in the Health Care Benefits have Virtual Care coverage, 24/7 access to medical doctors and nurse practitioners via mobile text or telephone. If you are unable to access your account or need a personalized email registration link resent to you please contact Kechnie Benefits for assistance.

Salary Changes – please submit your Salary Changes for 2024 to benefits@kechnie.com. Salary Change forms can be downloaded from www.kechnie.com/paoc benefits portal.

EFT Payments – receive claim payments quicker, without Canada Post delivery delays. Please use our online claim portal to input your banking info for direct deposit of your reimbursements, or download a Direct Deposit form located under the benefits portal www.kechnie.com/paoc and attach to your next claim submission.

Electronic Invoice Delivery – Over 70% of PAOC Churches/Participants have signed up for Electronic Invoice Delivery, helping to conserve the environment and mailing costs. With more individuals/bookkeepers working from home, this gives you the convenience of accessing current and historic invoices from any location. Electronic Invoice Delivery Request forms are included with your monthly billing statements.

Should you have any questions or concerns, please do not hesitate to contact us.

Sincerely,



Jeff Kechnie

HOLIDAY HOURS:

Please be advised that our office will be closed as of

Friday, December 22nd, 2023 at 4:00pm (Eastern Time).

We will return to regular office hours as of 8:30amlg Tuesday, January 2nd, 2024.