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Christmas, 2000



The Department of Pensions and Group Insurance

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It is ALL good news this year. Read on!

Penumbra ...Pension Staff

Pension Plan Improvements

Once again a Valuation of the Pension Fund finds the Fund to be solvent and in a healthy surplus position. And once again the spendable surplus will be used to improve the Plan design and to increase our accumulating pensions.

Update

In keeping with our long standing tradition of updating (increasing) pensions every two years, another increase is scheduled for January 1, 2001. The Church Plan is quite unique in that ALL Plan Member categories are eligible to receive increases: **Actives** (that's 'us' currently contributing to the Plan); **Vested Deferreds** (that's 'those' who have terminated employment with the Church and left their pension entitlement with us) and **Pensioners** (that's 'them' who are receiving monthly pensions). *Of course it is the Pensioners who notice the increase the most because they see the difference in their bank accounts.* The amount of increase for Active Members varies according to our salaries and length of service. Service prior to 1996 will receive the boost. The exact amount of your increase will be shown on your Annual Statement of Benefits which you will receive in June 2001.

'Reducing the Reduction'

The Pension Plan is lowering the Early Retirement reduction factor from 5% per year to 4% per year. This is a better deal for you if you want to retire early and won't reach the somewhat magical 60/35 - for unreduced pension. Currently, if you retire five years early, your accrued pension is reduced by 25%. Under the improvement, your accrued pension would be reduced by 20%. This provision will be effective for retirements taking place on or after July 1, 2001. The advance notice is to allow you some thinking/planning time just in case if you are considering an early retirement in July...

Did you know...

- that the Pension Fund has almost a billion dollars in assets
- that it sits in the top 100 pension funds in Canada
- that we run a pensioner payroll in excess \$37 million per year

- that, with this update, the pensioners payroll will be closer to \$40 million?

Could you guess...

- that the price tag on this Plan improvement and Update is \$57 million?

Constitution Changes

Spousal Pensions

In the case of a Separation, and the Plan Member dies during the period the spouse is still an Eligible Spouse under the Plan, currently the benefit is based on the pension to the *date of separation*. From January 1, 2001, the benefit will be based on the pension to the Member's *date of death*.

Shortened Life Expectancy (Ontario)

The Plan will now allow Plan Members to cash out their pension entitlement when their life expectancy is less than two years. This is a new piece of legislation and comes with some serious implications such as loss of surviving spouse pension and loss of health and dental coverage.

Pro Claiming...Group Insurance Plan Staff

Out of the red...

We were pleasantly surprised to find the Active GROUP Plan in a surplus position this year. But alas, we had to use it to pay down the deficit that is still owing to the insurance company. They are kind of picky that way. GOOD NEWS! No health and dental plan increase this year folks...except for a few cents per month -- .14 for Single, or .32 for Family Optional Health and Dental. **The news on the Pensioners Plan is not good though as it went further into deficit. We will increase our Pensioner Premium Support subsidy to help out. Our \$3.50 per month will increase to \$4.55 per month. All other group insurance costs remain at the 2000 rates.**

Over 65 Life Insurance

Of interest if you are nearing or over 65: currently the small residual Core Life Insurance is in the amount of \$2,500 and is payable to your named beneficiary upon your death before or after retirement. This modest benefit has been increased to \$3,000 and the change is effective on deaths that occur after December 31, 2000. This benefit remains premium free to you and remains a taxable benefit to you since the premium is Employer paid.



Comprehensive Dental Examination

Reimbursement for a comprehensive dental examination is once every 24 months. Dentists should probably not be conducting this examination more frequently than this. This examination is different from the nine month recall and includes more X-rays etc. *In order to ensure reimbursement, ask your dentist what service will be performed, before the service is performed. If you are changing dentists, find out the date of your last comprehensive check-up before you go.*



Breast Prosthesis Replacement

The Plan will now cover replacement of breast prosthesis on a 'reasonable and customary' basis'. You might want to note this in your Booklet insert (I missed this design change when I was writing up the 2001 insert. Sorry.)

Removal of Cap on ED Drugs

The \$500 annual maximum reimbursement on drugs for the treatment of Erectile Dysfunction has been removed.

Improvement in Short Term Disability (STD) Benefit

We have been able to increase this benefit to 70% of Pensionable Earnings (up from 55%) for lay employees at pastoral charges without increasing the Employer paid premium. This will apply to all STD's that occur on or after January 1, 2001.

Other Health Related Stuff

Preferred Vision Services (PVS)

If your group plan relationship with the Church goes back to 1996 or earlier you will remember PVS from Aetna days...Maritime Life Insurance is now offering a Preferred Provider Network for eyewear. This enables you to purchase your glasses or contacts at a discounted price if you use a PVS service provider. There are over 700 providers in the PVS network. If you wish access the service, call 1 800 668 6444 or visit the web at www.pvs.ca for a list of the locations nearest to you. Then at the eyewear location simply present any of your Maritime Life Group Plan Member. Voila! Up to 20% discount. **Remember, this is only a discount. Don't submit 'claims' to Maritime Life!**



Well Aware

We have been so pleased with your response to the *Well Aware* Newsletter and if it is helping to pull down the group plan costs, then Amen and Amen. The Spring issue will deal with healthy weights and (oh, oh) our eating habits.

Medication Records

...a gift from *Well Aware*, our newsletter and RX & D, a group of pharmaceutical manufacturers who provide health related information...we are able to provide, at no cost to you or the Plan, the two enclosures: an informative brochure on taking our medications as prescribed and a Medication Record Card to help us keep track of our medications.



...you asked for an explanation on the administrative process around death benefits when a Plan Member dies...



We are usually notified by family, someone from the pastoral charge or other employer, or the Conference Personnel Minister. In order to process a death claim we need the date of death and the proper documentation. The Department writes to the spouse or the named beneficiary, next of kin, executor etc. if there is a no spouse and requests a copy of the funeral home Death Certificate or Physician's Statement and copies of birth certificates if there are dependent children. Group Insurance Designation of Beneficiary documents are forwarded to the insurance company, and although it is the insurer who pays out the group life insurance benefits, we remain the liaison between the beneficiary and the insurer. We calculate pension benefits and explain the various options to the survivor. It is important to remember that we are the point of contact throughout this difficult time and we try to be as helpful as we can.

The administrative process takes between three and six weeks depending on when we receive the documentation. A claim for Accidental Death and Dismemberment requires more documentation for the death must have been by accident in order for the claim to be paid.

Income Tax Stuff

It will soon be that time again, so here we go for your year 2000 tax return. You can claim:

1. your Optional Health and Dental Care premiums if you were carrying the Optional coverage in 2000:
 - \$31.47 per month for Single coverage, or
 - \$89.56 per month for Family coverage, plus
 - \$3.50 per month Pensioner Premium Support, and, if you work in Ontario or Quebec
 - the 8% sales tax for Ontario folks, 9% for Quebec folks
2. annual deductibles and per prescription deductibles (dispensing fees)
3. unpaid balances after reimbursement (10%, 20%, 50%)
4. medical expenses not covered by our Plan (e.g. eye wear)

'Our' web site

Have you looked? We are getting there. Try www.uccan.org/pgi/ We hope to have most of our information and forms up in the next few months. Send us your comments, especially nice ones, and suggestions for material you think would be helpful to you.

Have a happy, holy Christmas. Blessings and peace for 2001.



Alayna Wilson

