

December 2020

## **IMPORTANT NOTICE TO MEMBERS ABOUT IMPROVEMENTS TO YOUR WELFARE PLAN AND OTHER IMPORTANT NEWS**

The Trustees are pleased to announce the following benefit improvements and other news:

### **2021 ALLOCATION OF \$650 TO HEALTH CARE SPENDING ACCOUNTS (HCSA)**

The Trustees are happy to report that the HCSA will continue for 2021.

On January 1, 2021, an allocation of **\$650** will be deposited to the HCSA of:

- all active Plan members in Good Standing with the Union who are covered under the Plan as of January 1, 2021; and
- all retired Plan members in Good Standing with the Union who are covered under Plan A or Plan B as of January 1, 2021.

Expenses that can be paid from your HCSA are:

- Those that qualify for the medical expense tax credit under Canada Ontario Revenue Agency (CRA) Income Tax guidelines;
- The portion of medical expenses not paid by the Welfare Plan such as Drug Benefit (ODB) and other deductibles, co-insurance amounts and dispensing fees.

If you qualify, the 2021 allocation of \$650 will be added to your HCSA in January 2021. The January 2021 allocation will be available for you to use until December 31, 2022. Any money left over from 2021's \$650 allocation at the end of 2022 is forfeited and returned to the Welfare Fund in compliance with the Income Tax Act. The table below shows how the HCSA works:

Year of Allocation to the Health Care Spending Account	Health Care Spending Account Allocation	Last Day the Health Care Spending Account Allocation for the year is available
2019	\$600	December 31, 2020
2020	\$650	December 31, 2021
2021	\$650	December 31, 2022

While the Trustees anticipate the HCSA benefit will continue, it is important that members understand this may not be a permanent benefit. On a regular basis, the Trustees determine if future allocations can be made to the HCSA. Their decision is based on the Welfare Fund’s financial results, overall claims experience and the expected future cost of benefits. The long-term financial stability and sustainability of the Welfare Plan are of primary importance.

You should submit your HCSA claims online to reduce the time it takes to process your claim.

### **PRESCRIPTION DRUG PLAN**

Effective March 1, 2021, the Prescription Drug Plan will implement a process called “automatic switching” which allows the Plan to pay for biosimilar drugs which are alternative to the applicable biologic drug. Biologic drugs are live drugs produced in a laboratory. Biosimilars are safe and effective, will work the same way as the biologic drug, have no additional risk of adverse reactions or immunological response and they do not require significant changes to routines or dosing. They are used to help manage chronic illnesses such as rheumatoid arthritis. Biosimilar drugs are lower cost alternatives to biologic drugs.

Effective with new prescriptions issued on and after January 1, 2021, if you are prescribed a biologic drug and there is a biosimilar, the Plan will pay for the biosimilar drug. If there is no biosimilar drug available, the Plan will pay for the biologic drug.

If you had a prescription for a biologic drug prior to January 1, 2021 and you are receiving the biologic drug, the Plan is allowing until March 31, 2021 for you to work with you physician to switch to the biosimilar drug. You will receive customized communication from the Plan to guide this simple process.

Please note that if your physician prescribes a biologic drug with “no substitution”, you would submit the prescription for review under the Plan’s prior authorization process. The prior authorization process will determine if the biosimilar drug can be substituted. If, during this process, it is determined that a biosimilar drug can be used, the Plan will pay for the biosimilar drug and, if you want the biologic drug you would pay the difference in cost between the biologic drug and the biosimilar drug. You can use your Health Care Spending Account for this difference.

## **MATERNITY LEAVE BENEFITS**

Effective January 1, 2019, the Plan's disability benefit coverage included a maternity leave benefit. The benefit is available to women who are laid off work prior to their due date because of pregnancy. The benefit will help to bridge the gap before regular Employment Insurance (EI) maternity and parental leave benefits begin. The benefit is intended to be a special benefit and not to interfere with EI maternity and parental leave benefits. The maximum benefit period provided by the Plan would be four weeks. The maximum benefit will be the EI declared maximum weekly disability benefit. The benefit is taxable.

## **ADDITIONAL BENEFIT FOR MATERNITY LEAVES**

Effective January 1, 2021, the Plan has introduced a maternity leave top up benefit. This benefit will provide a top up to the Employment Insurance (EI) maternity benefit. The maximum benefit is \$100 per week for 52 weeks.

This benefit is available to female Plan members. To qualify for this benefit, the member must be receiving the EI maternity benefit. The Plan's benefit is payable only when the person is receiving the EI maternity benefit.

The Plan member must provide proof of receipt of the EI maternity benefit. This benefit will not interfere with EI maternity and parental leave benefits. The benefit is taxable.

Please contact the Plan Administration Office for further eligibility and benefit details.

## **DENTAL BENEFIT**

Eligible dental expenses incurred on and after January 1, 2021 will be reimbursed on the basis of the 2020 Ontario Dental Association (ODA) Suggested Fee Guide for General Practitioners.

The Plan will pay for the new Ontario Dental Association dental codes anticipated for personal protective equipment (PPE).

## **FILING CLAIMS ELECTRONICALLY**

Claims must be filed by your medical/dental services provider at point of sale. Your providers can easily register for e-filing with the Plan. Most providers will e-file a claim for you to save your time.

If your provider won't provide an e-filing service you must file your claim electronically. Filing claims electronically provides for fast payment of your claims. If you need help with your electronic submission or have not registered for electronic payment with the Plan's electronic claims payment provider, please contact the payment support team for complete assistance at: 1-888-711-1119.

### CLAIM PAYMENTS BY DIRECT DEPOSIT

When you file your claim electronically, your payment will be made by direct deposit. Direct deposit is now the only payment method used by the Plan. Direct deposit enhances the security of payments, shortens processing time, and reduces the cost of processing claims including mail costs. If you have not enrolled for direct deposit please contact the Plan Administration Office for the necessary form or download it (from the Welfare Plan Forms section of the member website – [www.lu30plan.com](http://www.lu30plan.com). Direct Deposit and E-Notification Request Form).

### RETIRED MEMBER WELFARE PLAN PAY DIRECT

The amount retired members pay for health benefits is:

Effective Date	January 1, 2017	January 1, 2018	January 1, 2019	January 1, 2020	January 1, 2021
Plan A	\$98.77	\$98.77	\$98.77	\$98.77	\$98.77
Plan B	\$39.16	\$39.16	\$39.16	\$60.00	\$60.00
Plan C	\$2.40	\$2.40	\$2.40	\$2.40	\$2.40

There is no change to amount paid by retired Members effective January 2021.

### MEMBER ASSISTANCE PROGRAM (MAP) **fseap** Now we're talking.

It's no secret that COVID-19 and other stresses have made things difficult to cope with. The Plan's Member Assistance Program can help.

The Member Assistance Program is administered by Family Services Employee Assistance Programs (FSEAP). FSEAP provides 24/7 free confidential counselling services for crisis support, advice and information by telephone, face-to-face or online. FSEAP provides assistance for a broad range of personal and work-related issues including: personal/job stress, relationship issues, depression/anxiety, eldercare/childcare, addictions, teen hotline, divorce, parenting, financial/legal issues, nutritional counselling, smoking cessation, life coaching and much more.

FSEAP has updated its website to provide more information on services and how to access services. The FSEAP website is [www.myfseap.ca](http://www.myfseap.ca). Groupname: tosmwiamap Password: myfseap1 The toll free number is 1-800-668-9920.

### **MENTAL HEALTH BENEFIT**

Effective January 1, 2020, the Plan provided enhanced mental health benefits. Registered psychologists, registered psychotherapists, psychiatrists, registered social workers (Master of Social Work) are covered. The Plan pays 100% of reasonable and customary (R&C) charges for the listed practitioners up to a maximum of \$200 per hour and subject to a combined \$2,000 maximum benefit per person per calendar year.

If applicable, additional costs can be paid through the Health Care Spending Account (HCSA).

To make the most of your Plan's mental health benefit, members are urged to fully utilize the Plan's FSEAP benefit (see above) first because that service is free to members and is not included as part of the annual maximum benefit for mental health services. If additional mental health treatment is required after utilizing the services of FSEAP, then the mental health benefit coverage of the Plan could be utilized.

### **MEMBER ANNUAL MEETING**

The member annual meeting that was scheduled for May 2020 was cancelled due to the COVID-19 pandemic. This will be rescheduled for 2021 if the conditions surrounding the COVID-19 pandemic improve. The Trustees will provide advance notice of any scheduled member annual meeting.

### **PENSION PLAN ACTUARIAL VALUATION AS AT DECEMBER 31, 2019**

The pension plan filed an actuarial valuation report as at December 31, 2019 with the Financial Services Regulatory Authority of Ontario (FSRA). The last valuation filed with FSRA was as at December 31, 2017. The following are the highlights from the report:

- The market value of the assets as of January 1, 2018 were \$515,535,568 and they increased to \$567,898,873 as of December 31, 2019;
- The return before investment management fees for 2019 was 16.3%;
- The Plan was 96.8% funded as of December 31, 2019. This was an improvement from 95.8% funded as of December 31, 2017.

We wish you the best of health for the coming winter season.

Sincerely,

**The Board of Trustees**

Fernando Canonico

Shannon Kilgar

Bowen LaFave

Martin Roberts

Art White

Bill Wilkinson