

2008 RENEWAL CONDITIONS

Life Insurance: As previously confirmed, the basic premium rates for 2007 are being maintained for a second year. However, the monthly deduction amount for 2008 is being increased to take into account the reduction in premium holiday, which is decreasing from 8% to 6%.

Accident and Health Insurance: New rates vary depending on the member's plan or age group.

Members of the “**Basic Plan**” (regardless of age group) will benefit from a rate freeze for 2008.

Members of the “**Extended Plan**” will see their premiums go up. The basic rate for members **under age 65** is going up 14.2%, while members aged **65 and over** will see an increase of 7.1%.

Given that the premium holiday is decreasing from **10% to 9%** in 2008, all members with Accident and Health Insurance will be paying more every month.

Lastly, **members who pay an additional premium** will benefit from a rate freeze in 2008.

For details, please refer to the enclosed comparison table of 2007 and 2008 premiums rates.

Gilles Bourget, ACR President

LIFESTYLE-BASED PREMIUM INCREASES

Premium increases are directly related to the group's experience over the past year, primarily the number of prescription drug claims made. Despite the vigilance of ACR members and Treasury Board Secretariat representatives, the insurer must make adjustments based on the amount of premiums paid in versus benefits paid out. **The actions of each individual insured have an impact on the overall cost of the group's insurance plan.**

Unhealthy lifestyle choices can take their toll on a person's health. Numerous studies have demonstrated the negative effects of smoking, and a recent study published by Laval University has found a direct link between poor diet, excess weight and cardiovascular disease. Certain types of illnesses like high cholesterol, diabetes and high blood pressure are determining factors in an individual's overall health. In some cases, the health problem is hereditary, and despite a person's best efforts, medication becomes essential to good health. In many cases, it has been proven that a person's overall health can be improved by adopting a healthy lifestyle, which in turn affects the need for prescription drugs.

Research results are conclusive: maintaining a healthy weight has an impact on blood pressure, high cholesterol and diabetes. For some patients, losing weight has cured their sleep apnea and snoring, resulting in a better night's sleep. Sometimes achieving a healthy weight, combined with exercise, can eliminate the need to take medications. Even individuals who aren't necessarily athletic can walk or participate in some other form of physical activity. Eating lots of fruits, vegetables, grains and proteins, and even consuming alcohol in moderation, can help a person stay healthy. More and more retirees are embracing the belief that they, first and foremost, are responsible for their own health and wellbeing. Doctors and pharmacists will always be there to assist and guide us, but in the end, it's **up to each of us** to take charge of our own health.

Pierre Gadoury, ACR Member

HIGHER PREMIUMS FOR SMOKERS

For several years now, the Optional Life Insurance Plan for active members has offered separate rates for *smokers and non-smokers*. This is not however the case with the Life Insurance Plan for Retirees

Therefore, given that members of one plan eventually become members of the other once they retire, and based on the health care costs associated with smoking, the ACR is recommending that **a different rate structure be introduced for smokers participating in the Life Insurance Plan.**

This change could take effect in 2010, subject to certain decisions regarding its application, and to meeting certain administrative requirements. We also need to work with the insurer to make sure this change is a feasible one. **For the time being, it is hoped this initiative will encourage smokers to join the non-smoking majority.**

Marcel Myre, ACR Member

NEGOTIATE PRESCRIPTION DRUGS? WHY NOT!

Negotiating is not something most people are accustomed to doing. However, like any other product or service, it is possible to negotiate with your pharmacist in order to obtain a discount on your medications. It's not something most people would think of doing, as prescription drugs are often covered by government or private insurance plans. But even paying a few dollars less for prescription drugs can have a positive impact on the cost of your group's premiums and deductible.

However, this isn't something pharmacists are in the habit of doing either. Nevertheless, this matter was raised at an SSQ conference in June 2007, to many people's surprise. So why not take a chance? And if it happens to be a drug that's not covered by insurance... even more reason to give it a try!

Pierre Gadoury, ACR Member

2008 ACR OPERATING STRUCTURE

Since its inception, the Advisory Committee for Retirees has undergone a number of changes to its structure, its operating methods, its member appointment process, and its autonomy. After eight years of operations, nineteen different colleagues have sat on the committee for varying lengths of time. Although it is made up of eight retirees, a high turnover rate has created a certain amount of instability in the committee. As a result, ACR retirees are taking stock of the situation, and will be submitting a policy to the other committee members.

In the coming months, the ACR will be looking for someone who can make a long-term commitment to managing initiatives and relationships with the various people involved. During this time, the representatives will be preparing a job description, a summary of the working conditions and a posting that will be distributed to target personnel.

Gilles Bourget, ACR President

AVOID OVERPAYING FOR PRESCRIPTION DRUG COVERAGE AFTER AGE 65

Upon turning age 65, retirees who do not wish to contribute to the *Public Prescription Drug Insurance Plan* must notify the RAMQ of their intention not to participate in the public plan. This means that if you are paying additional premiums for prescription drug coverage under an SSQ policy, or under any other policy (your spouse's, for instance), you must notify the RAMQ that you do not wish to participate in their plan because otherwise you automatically start paying contributions to the public plan when you turn age 65. There is an agreement in place between Revenu Québec and the RAMQ, under which the government drug insurance contribution is paid either on your tax return, or in the form of tax refunds, depending on your eligibility. If you have drug coverage under a private plan, it is important to verify this item on your tax return, but most importantly, to notify the RAMQ.

Guy Boutin, ACR Member

DELEGATES FOR THE SSQ ANNUAL GENERAL MEETING

The SSQ Mutual Management Corporation's AGM will be held on April 18 and 19, 2008. Members of the Advisory Committee for Retirees (ACR) have designated Gilles Bourget, Pierre Gadoury, Guy Boutin, Gilles Dufour and Mathieu Vaillancourt as delegates for the group of retirees.

These delegates represent the three sectors our group insurance plan members come from, i.e. Health & Social Services, Education and the Public Service – as well their geographic distribution in different regions of Quebec.

If you have any questions you would like to submit for the AGM question period please forward them to us, preferably by e-mail, in order so they can be passed on to the delegates.

Mathieu Vaillancourt, ACR Member

MOVING? DON'T FORGET TO NOTIFY YOUR INSURER!

As today's prescription drug claims are often submitted electronically with some payments being made by direct deposit, insureds sometimes forget to inform their insurer of their new address when they move. **However, it is very important to notify your insurer of any change to your address or phone number.** Otherwise, you won't receive premium adjustment notifications, updates to group insurance brochures, the biannual newsletter Good News from the ACR, or any other important correspondence.

Gilles Dufour, ACR Member

2008 SURVEY OF RETIRED MANAGEMENT PERSONNEL

In September 2007, ACR members decided to conduct a survey to evaluate the level of satisfaction of plan members. Certain modifications to the group health insurance plans may flow out of this survey.

The previous survey was carried out in 2002. Since then, premiums have been increasing steadily for all age groups both under the Basic Plan and the Extended Plan. A new government prescription drug policy is also having an impact on premiums. After just three months of this policy, we are already seeing a significant increase in benefit payout costs. In addition, the number of plan members has increased from 11,000 in 2002 to 15,000 in 2007.

Over the years, insureds have made lots of suggestions. This survey will allow us to gauge how plan members feel about some of these suggestions, including adding more benefits to the Extended Plan, increasing the eligible maximum for services offered by healthcare professionals, and various other suggestions the insurer feels warrant feedback from retired management personnel. The survey will be carried out according to the procedure established by the committee. It will assess satisfaction levels and propose different scenarios, along with the impact any change to the overall plan would have on premiums.

The survey is to be mailed out in May 2008 to a sample selection yet to be determined. Telephone assistance will be available during the survey period. Once the results have been analyzed, a final decision will be made regarding the renewal conditions for the group health insurance contract, taking into account the contract negotiation period. The survey will be sent out at the same time as the “ Good News from the ACR ” newsletter, for which the distribution date will be moved up one month earlier than usual. A more definite schedule is yet to be determined, in cooperation with the various ACR partners.

Denise Champagne, ACR Member

COMPARISON TABLE – BASIC ACCIDENT AND HEALTH INSURANCE PLAN				
	Basic Plan		Expanded Plan	
	2007	2008	2007	2008
Under age 65:				
Individual coverage				
Total premium:	\$93.51	\$93.51	\$126.31	\$144.25
Premium holiday:	\$9.35	\$8.42	\$12.63	\$12.98
Amount paid monthly:	\$84.16	\$85.09	\$113.68	\$131.27
Single-Parent coverage				
Total premium:	\$120.57	\$120.57	\$163.72	\$186.97
Premium holiday:	\$12.06	\$10.85	\$16.37	\$16.83
Amount paid monthly:	\$108.51	\$109.72	\$147.35	\$170.14
Family coverage				
Total premium:	\$184.07	\$184.07	\$253.32	\$289.29
Premium holiday:	\$18.41	\$16.57	\$25.33	\$26.04
Amount paid monthly:	\$165.66	\$167.50	\$227.99	\$263.25
Age 65 and over:				
Individual coverage				
Total premium:	\$12.89	\$12.89	\$34.54	\$36.99
Premium holiday:	\$1.29	\$1.16	\$3.45	\$3.33
Amount paid monthly:	\$11.60	\$11.73	\$31.09	\$33.66
Single-Parent coverage				
Total premium:	\$16.40	\$16.40	\$44.91	\$48.10
Premium holiday:	\$1.64	\$1.48	\$4.49	\$4.33
Amount paid monthly:	\$14.76	\$14.92	\$40.42	\$43.77
Family coverage				
Total premium:	\$24.52	\$24.52	\$67.07	\$71.83
Premium holiday:	\$2.45	\$2.21	\$6.71	\$6.46
Amount paid monthly:	\$22.07	\$22.31	\$60.36	\$65.37
Additional premium: Age 65 or over				
Individual coverage:	\$206.53	\$206.53	\$206.53	\$206.53
Single-Parent coverage:	\$206.53	\$206.53	\$206.53	\$206.53
Family coverage:	\$413.05	\$413.05	\$413.05	\$413.05

These premiums do not include 9% sales tax.

MEMBERS OF THE ACR

Gilles Bourget (Education)
 Guy Boutin (Education)
 Gilles Michaud (Public Service)
 Gilles Dufour (Public Service)
 Denise Champagne (Health & Social Services)
 Pierre Gadoury (Health & Social Services)
 Marcel Myre (Health & Social Services)
 Mathieu Vaillancourt (Health & Social Services)

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NEXT ISSUE:
May 2008

Happy Holidays!

GOOD NEWS FROM THE ACR

Year 2, No. 5, December 2007

Published for:

“ Members of the Group Insurance Plan for Retired Management Personnel of the Quebec Public and Parapublic Sectors ”

By: Your Advisory Committee for Retiree Representatives

A MESSAGE FROM THE PRESIDENT

Why an increase in premiums?

Premiums will be going up for some of our members. This increase is justified for various reasons including: an analysis of the claims experience for 2006-2007, statistics submitted by the insurer, as well as for the reasons described below.

- 1- Ongoing adjustments needed to attain **equilibrium between premiums paid in with benefits paid out.**
- 2- **Increased use of prescription drugs** by Extended Plan members under age 65.
- 3- Impact of 2006-2007 **travel and trip cancellation insurance** benefits paid out to members aged 65 and over.
- 4- **Increase in cost of certain prescription drugs** since introduction of new government prescription drug policy last April.

Gilles Bourget, ACR President