

The ACR Team wishes you a great summer!



Plan Sustainability – Progress Update



Robert Fortier
ACR spokesperson

In the January newsletter, I told you about the work being done to ensure the plan's sustainability. The ACR requested the opinion of associations that could be represented at the Committee on this matter. The vast majority wanted to keep their assets, since the plan has specific advantages, but they would also like to find a solution to the problem affecting retirees under the age of 65 who are forced to have their prescription drugs covered by the group insurance plan. I would like to remind you that this is not an issue for those over 65 because they have access to the public option. We've been working on this issue, calling on several different professionals for advice, in an effort to find possible solutions.

The main issue with our health and accident insurance plan lies in the policyholder's legal obligations, as an employer of retired managers, to include prescription drugs in its coverage. In fact, the *Act respecting prescription drug* insurance obligates participants to enrol in the group insurance plan that they are presented with, at least up to their 65th birthday. Since prescription drugs represent 70-80% of the insurance premium, in some instances more, participants under age 65 are stuck between a rock and higher premiums.

The Committee concluded that the only viable option is to try to find a new policyholder who would not be obligated to include prescription drugs in its insurance plan. The next step is to clarify the conditions that could allow participants in our plan to have their prescription drugs covered by the public option, while having access to an insurance plan similar to what they currently have.

The work is still ongoing. We hope to find an adequate solution sooner than later. We will keep you abreast of all future developments. If the situation progresses quickly, specifically before the January 2018 newsletter is published, the news will be posted on our website: www.ccr-quebec.com.

Request for proposals

Robert Fortier
ACR spokesperson

The group insurance contract of retired managers is up for renewal on January 1 of each year, at the same time as that of active managers. Our consulting actuary participates in this renewal. Negotiations will be going on in the months leading up to the renewal between the *Secrétariat du Conseil du trésor* (SCT), on behalf of the policyholder, and the insurer. The policyholder is accompanied by representatives of the retirees and active employees in order to determine the renewal terms and conditions of each contract. These will be friendly negotiations. A limited working committee will be made aware of the insurer's offer and assist the SCT in the negotiations with the insurer.

In the next few months, the SCT will request proposals from several insurers to make sure that the services offered by the insurer in question and the group insurance plan costs for retirees are the best possible. A consulting firm has been mandated to prepare a report on the specifications. We will work with the SCT on its preparation.

Please refer to the ACR website for more information: www.ccr-quebec.com. We will keep you informed on the progress and timeline.

The request for proposals for a new group insurance contract will be launched and will conduct to new contracts effective in January 2019.

Electronic newsletter – The importance of keeping your email addresses up-to-date



André J. Boucher
ACR Member

This is for readers who signed up to the electronic version of the ACR newsletter.

In order to be able to send you the e-newsletter, the ACR must have your most recent email address.

Digital communications are good for the environment and moving from paper to electronic format allows us to save trees. For this reason, we must have your latest email address.

If you change email address, please re-subscribe to the ACR newsletter via our website at www.ccr-quebec.com. Simply click, *Je m'inscris au bulletin électronique du CCR*, in the top right of the home page. We would also like to remind you that to remove your name from the paper mailing list, you must enter your SSQ certificate number.

Thank you for helping us be more eco-responsible.

Change of address

Are you planning to move? Remember to notify your insurer of your address change, either via the ACCESS website or by calling 1-888-651-8181. Please note that ACR does not keep any nominal data.

The ACR and Pension Plan of Management Personnel (PPMP)

The Advisory Committee for Retirees (ACR) is receiving more and more requests from insured who want to be informed when modifications are made to the Pension Plan of Management Personnel (PPMP).

We would like to remind you that the purpose of the ACR is to oversee the group insurance interests of the retired management personnel of the Quebec public and parapublic sectors in terms of **group insurance**. Its mission is not to participate in PPMP administration. With respect to the plan for Retired Management Personnel, please contact your association of retired management personnel directly or Retraite Québec at **418-643-4881** (Quebec City area) or at **1-800-463-5533** (toll free).

What is making insurance costs go up?



Gilles Dufour
ACR Member

The answer is clear: the rise in prescription drug costs. According to the Canadian Institute for Health Information (CIHI), from 1985 to 2008, the total health care expenses increased 6.6% per year, on average, and the total prescription drug expenses increased by an average of 9.1% over the same period⁽¹⁾. Furthermore, "Savings from the use of generics between 2008 and 2013 were largely offset by increased spending on other drug classes."⁽²⁾

"One of the reasons explaining this increase (cost of prescription drugs) is that prescription drugs are increasingly specific," says Christina Lacombe, pharmacy owner. Doctors must devote themselves to each patient as well as dispense the best care. The fact that "doctors prescribe the latest medication offering the fewest side effects and the highest efficiency" raises the bill.⁽³⁾

Moreover, "in addition to new medication, many patents are expiring and the policies dictating the price of generics are having a greater impact than in years past," says Michael Gaucher, Director, Pharmaceuticals and Health Workforce Information Services at the CIHI. "The savings made remain, but they don't put a stop to the growth of expenses year-on-year."⁽⁴⁾

As far as our group of retired managers is concerned, only those under age 65 are affected by rising prescription drug costs. Below is the analysis of the findings of the most recent reports:

For the Enhanced plan (under 65)

For the period from July 1, 2014, to June 30, 2015, the benefits paid by SSQ for prescription drugs represented 81.9% of the total health insurance cost. By comparison, for the period from July 1, 2015, to June 30, 2016, it was 78.4%.

For the Basic plan (under 65)

For the period from July 1, 2014, to June 30, 2015, the benefits paid by SSQ for prescription drugs represented 98.2% of the total health insurance cost. By comparison, for the period from July 1, 2015, to June 30, 2016, it was 98.3%.

It is therefore up to us to do everything we can to use prescription drugs as efficiently as possible; ask for generics, renew prescriptions every two or more months, shop around, etc.

On that note, I wish you good health!

Références :

- ⁽¹⁾ Canadian Institute for Health Information, Prescribed Drug Spending in Canada, 1985 to 2012
- ⁽²⁾ Canadian Institute for Health Information – May 2015
- ⁽³⁾ L'Exemplaire, Université Laval, November 5, 2015
- ⁽⁴⁾ Canadian Institute for Health Information, December 15, 2016

Prescription Drug Coverage Change – Remicade and Inflectra



Daniel Poirier
ACR Member

When RAMQ announced that starting February 15, 2017, it would no longer cover Remicade, choosing to replace it with Inflectra, a cheaper biosimilar product, SSQ Financial Group followed suit. This decision was made for reasons of sound management and group insurance plan sustainability. More specifically, since February 15, 2017, SSQ has been managing **new claims** for Remicade or Inflectra as follows:

- **Reimburse Inflectra only for approved claims for the following conditions:**

- Crohn's disease in adults
- rheumatoid arthritis
- ankylosing spondylitis
- psoriatic arthritis
- chronic plaque psoriasis
- ulcerative colitis in adults

- **Reimburse Remicade for Crohn's disease in children and for juvenile idiopathic arthritis**

Note: SSQ will continue to reimburse Remicade for any insured who obtained an authorization for this drug prior to February 15, 2017.

Reduced life insurance at age 75 and 80



Serge Lévesque
ACR Member

As part of the group insurance plan for retired management personnel, insured members have access to optional life insurance, which provides for the payment of an amount equal to the amount of life insurance held by the participant at the time of death.

As stated on page 49 of your SSQ booklet, the following life insurance amounts are available:

- 150%,* 125%,* 100%,* 75%,* 50% or 25% of the participant's earnings immediately prior to retirement. The amount of life insurance selected cannot exceed the sum of the amounts of coverage the participant held under the Basic and Optional Life Insurance plans at the time of retirement. The amount is always rounded up to the nearest \$1,000;
- or
- \$10,000, \$5,000 or \$2,000.

***Maximum amount:** As of the first day of the month coinciding with or following the participant's 75th birthday, coverage is limited to no more than 75% of pre-retirement earnings; and as of the first day of the month coinciding with or following the participant's 80th birthday, coverage is limited to no more than 50% of pre-retirement earnings.

For more information about your amount of life insurance coverage, refer to the insurance certificate that was sent to you by the insurer when you retired, or call SSQ at **1-888-651-8181**.



We need your email!

The ACR would like to have the email addresses of all insured members to be able to reach everyone by email, when needed. Since our newsletter is only published twice a year, the Committee may need to keep you up-to-date on various topics, including the future of the group insurance plan.

If you would like to receive emails from the ACR, please send your email address to info@ccr-quebec.com, making sure to indicate that you want to receive our emails.

Please note that this service is currently at the planning stage and has not yet been implemented.

Nevertheless, it is important to note that this request is different from the ACR electronic newsletter subscription and has no impact on the regular mailings of the newsletter.

The ACR coordinator is there for you



Geneviève Simard
ACR Coordinator

Did you know that you can contact me at any time? You can send me your questions, service requests or comments, day or night, by leaving me a voice message at **1-888-777-5546**. You can also reach me by email at info@ccr-quebec.com. I check my messages regularly. Don't forget to leave your contact information as well as the best time to reach you so that I can quickly follow-up on your request. I will do everything I can to get back to you as quickly as possible.



Sign up for our electronic mailing list by completing the registration form at www.ccr-quebec.com.

Health and Accident Insurance Plan Data

Gilles Dufour

ACR Member

Distribution of the number of certificates by age group, plan and coverage as at June 30, 2015 (20,511) and June 30, 2016 (21,177)

Plan and coverage Age group	Basic				Enhanced			
	Individual	Family	Single-parent	Total	Individual	Family	Single-parent	Total
under age 65								
As at June 30, 2015	626	1,022	26	1,674	1,870	2,698	74	4,642
As at June 30, 2016	698	1,094	29	1,821	1,796	2,511	72	4,379
Age 65 and over								
As at June 30, 2015	527	694	5	1,226	6,000	6,775	31	12,806
As at June 30, 2016	592	763	7	1,362	6,331	7,090	34	13,455
Additional premium (not enrolled with RAMQ)								
As at June 30, 2015	1	0	2	3	97	2	61	160
As at June 30, 2016	1	0	2	3	96	2	59	157

The data in this table are taken from documents prepared by Carole Giroux, consulting actuary, as part of the 2016 and 2017 renewal process of the group insurance plan of retired management personnel.

Note: The number of certificates increased between 2015 and 2016, except for those under age 65 who opted for the Enhanced plan.

A mailing address for the ACR

It is now much easier for retirees to send documents, comments or other correspondence to the Advisory Committee for Retirees, at the following mailing address:

CCR Québec, C.P. 67009 Québec C.P. Orsainville, Québec (Québec) G1G 0B2

ACR contact information

1-888-777-5546 · www.ccr-quebec.com · info@ccr-quebec.com

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- » Mr. Serge Lévesque

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- » Mr. François Dumulon

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- » Mr. Robert Fortier
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