



CHRISTIAN SCHOOLS
INTERNATIONAL

CSI Canada Insurance Plan & Trust Fund

UPDATE

Date: March 11, 2004

To: Participating School Boards and
Eligible Employees

From: Howard Van Mersbergen
Executive Secretary-Treasurer

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September 2004 Premium Rate Projections

To help schools with budgeting for the 2004/2005 school year the Trustees have asked Mercer Consulting (Toronto) to analyze premium rates and provide projections for September 1, 2004. The Trustees received projections indicating that the premium rates for the Limited Benefit Plan (Life, Accidental Death and Dismemberment, Short Term Disability, and Long Term Disability) will increase from 32% to 41%. The projected range for the full plan (Limited Benefits with Health and Dental) is an increase from 3% to 13%. Actual rates will be determined in May 2004.

Plan Structure for the 2004/2005 Plan Year

The current plans will continue to be offered next year. Schools can choose between the Standard Plan and the Flexible Benefit Plan. As we mentioned last year, a move from the Standard Plan to the Flexible Benefit Plan is the preferred option among focus group participants. Schools in the Flexible Benefit Plan can choose from among Flex Plan 1, Flex Plan 2, and Flex Plan 3, or a school can let each employee choose from among the three Flex Plans. For additional details, contact the CSI-Canada Insurance Plan Office at 800-635-8288, ext. 230.

Cost Containment

A large portion of the projected rate increase relates to a significant increase in long-term disability claims. Incurring a long-term disability is a very difficult experience for the individual and also for the school. When a disability occurs we work closely with Sun Life, the disabled individual and their school to ensure that benefits are processed correctly and all possible steps are taken to help the individual return to work. Our goal is to provide the important income needed for disabled individuals while at the same time, work hard on rehabilitation to both help the individual and to minimize the costs for the group.

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In looking at the continued rise in health care costs, we recognize the need for a process to help manage these costs. Our research with focus groups consisting of retirees, teachers, administrative employees, and board members clearly showed that the most beneficial idea to reduce costs was for the schools to shift to all three CSI Flex Plans from the CSI Standard Plan. At this point, almost 30% of CSI schools have made this change. If your school would like information and guidance in making such a change, please let us know.

We are continuing to monitor the plan design and are closely watching the development of two-tiered drug formularies. Focus group participants rated this idea favorably, noting that it was a fair and responsible option. Currently, Sun Life's two-tiered drug formulary is not developed to the point that we are comfortable adding it to the CSI Plan.

We appreciate all of your suggestions, ideas, and careful use of the benefits. It is by working together that we are best able to provide benefit plans that meet the needs of our schools at costs that are sustainable within Christian school budgets.

Employee Assistance Program

One new idea that provides a variety of benefits including help with cost containment is our new Employee Assistance Plan. Balancing the demands of work with those of your personal life can be difficult. Stress, work concerns, and coping with personal situations can throw your life out of balance. The new benefit option called LifeWorks OneSource provides important assistance.

LifeWorks OneSource is an employee and family support program designed to help your school and you address issues such as work-life balance, employee retention, and productivity. It is a one-stop confidential resource that offers consultation, information, and personalized community referrals, available 24 hours a day, 7 days a week for you and your family members. For more information, go to www.CSIonline.org and look at Update 283 under CSI Canada Insurance.

Extended Out-of-Province Coverage

The CSI-Canada Insurance Plan protects employees who are traveling or living outside their province for the first 60 days of any one travel period. In addition, an emergency medical insurance plan is available through Sun Life that provides additional protection for up to two years beyond the 60-day standard extension period.

This benefit is useful to individuals who are going on a sabbatical outside their province. The main criteria to be met for an employee to qualify for this coverage are:

1. Provincial Medicare must be in effect for the period of coverage,
2. CSI medical coverage must be in effect for the period of coverage,
3. All family members must be under 65, and
4. Pre-existing medical conditions will be excluded from coverage.

Emergency medical care will provide insurance protection of up to \$1,000,000 per family member. Coverage includes physician and hospital charges plus required supplies and services such as ambulance. Coverage for medical checkups is not included.

Application for this coverage can be made by contacting the CSI-Canada Insurance Plan Office at 800-635-8288, ext. 230 or by e-mail at sbosma@CSIonline.org