



Newfoundland and Labrador Teachers' Association

2020 Group Insurance Annual Renewal Update

The following decisions were made by Group Insurance Managers:

1. Maintain current monthly insurance premiums in Option:
 - A2 – Voluntary Life (Member) and A5 – Voluntary Life (Spouse)
 - A3 – Basic Accidental Death and Dismemberment
 - A4 – Voluntary Accidental Death and Dismemberment
 - C – Long Term Disability
 - CI – Basic Critical Illness
 - CV – Voluntary Member Critical Illness
 - CS – Voluntary Spouse Critical Illness
 - CC – Voluntary Dependent Child Critical Illness
2. **A1 – Basic Term Life** no change, **Dependent Life** decreases by \$0.06 per month for members (from \$0.78 to \$0.72), and **Post-65** coverage increases to \$22.80 per month which means an increase from \$16.04 to \$17.30 per month for members.
3. **B – Health Insurance** monthly premium deductions increase for single coverage by \$13.86 per month (\$6.93 per pay period) and \$25.56 per month (\$12.78 per pay period) for family coverage.
4. **B2 – Dental Insurance** monthly premium increases by \$0.78 per month (\$0.39 per pay period) for single coverage, and \$1.56 per month (\$0.78 per pay period) for family coverage.

Analysis of Premium Rate Adjustments

Table 1: Comparison of the Current and New Premium Rates.

Total Monthly Premium Rates		
	Current	New
*Basic Life (2 x Salary/Pension)	\$0.112/\$1,000	\$0.111/\$1000
*Dependent Life	\$1.56	\$1.55
Voluntary Member/ Spousal Life	Step Rated by Age	Same
*Basic Accidental Death & Dismemberment	\$0.191/\$10,000 of benefit	Same
Voluntary Accidental Death & Dismemberment	\$0.24/\$10,000 of benefit (Single) \$0.33/\$10,000 of benefit (Family)	Same
Basic Critical Illness	\$3.66	Same
Voluntary Member/Spouse Critical Illness	Step Rated by Age Band, Gender, Smoker/Non-Smoker Status	Same
Voluntary Dependent Child Critical Illness	\$2.40	Same
*Health: Single	\$151.66	\$164.42
Family	\$271.26	\$294.08
Dental: Single	\$38.68	\$39.46
Family	\$77.72	\$79.28
Long Term Disability	\$1.10/\$100 of salary	Same
**Retiree Post-65 (\$15,000)	\$21.54	\$22.80

* Government contributes to this premium rate in accordance with the Collective Agreement.

** For retired members who turned age 65 after September 1, 2004, \$17.30 is paid by the retiree, \$5.50 is paid from the Post-65 Life Fund established when the Post-65 Paid-Up Life program was eliminated on September 1, 2004. Retired members who turned 65 prior to September 1, 2004 and were eligible for the Paid-Up Life benefit are not eligible for this subsidy.

Government Contribution Rates - Impact on Member Premiums

Government's premium contributions to the premium rates in the A1 - Basic and Dependent Life, the A3 - Basic Accidental Death and Dismemberment, and the B - Health plan options are determined annually in accordance with a Premium Rate Setting Process utilizing an independent insurance consultant. Government's contributions to the NLTA premium rates are the lesser of 50% of the NLTA premium rate calculated under the rate setting process in the Collective Agreement or 50% of the Government premium rate for its Basic / Dependent Life, Basic Accidental Death and Dismemberment and Health plan options calculated under this rate setting process. The following table illustrates the impact of the Premium Rate Setting Process and the Government contribution rate determined for 2020-2021.

Basic Plan Premium Rates Per Pay Period Effective April 1, 2020 Deductions Based on a \$70,000 Annual Salary									
	Member Contribution			Government Contribution			Total Premium		
		Current	New		Current	New	Current	New	
Basic Life	Single:	\$3.57	\$3.57	Single:	\$4.27	\$4.27	Single:	\$7.84	\$7.77
	Family:	\$3.96	\$3.93	Family:	\$4.44	\$4.69	Family:	\$8.62	\$8.55
AD&D		\$0.92	Same		\$0.42	Same		\$1.34	Same
Health	Single:	\$53.84	\$60.77	Single:	\$21.99	\$21.44	Single:	\$75.83	\$82.21
	Family:	\$80.15	\$92.93	Family:	\$55.48	\$54.11	Family:	\$135.63	\$147.04