Outline of Issue

Changes to Dental Coverage Under the GSA Health and Dental Plan

Suggested Motion for GSA Council:

MOTION: That GSA Council APPROVE that dental coverage under the GSA Health and Dental Plan be increased from an annual maximum of $500 per Plan member per policy year to an annual maximum of $650 per Plan member per policy year to begin 1 September 2019.

Note: This addition will cost between $18 and $19 per Plan member per policy year. As approved at the March GSA Council meeting, the 2019-2020 Plan fee will remain at $500.36 per Plan member and this increase will still allow for around $5 per Plan member to be deposited in the GSA Health and Dental Plan Reserve Fund (HDPRF). The final amount of the increase in coverage will be dependent on final negotiation with Desjardins.

Background:

Past surveys conducted by Studentcare and discussion at GSA Council has shown an interest from Plan members in increasing dental coverage. As the GSA has seen a decline in claims for a few years, it is recommended that an increase in dental coverage is appropriate at this time (however, it is important to note that this might result in an increase in the cost of the Plan in future years as the cost is driven by both the volume and amount of claims and expanding coverage may result in an increase in claims).

As noted at the March GSA Council meeting, the GSA Board had previously discussed this matter and agreed to bring forward to GSA Council a motion to increase dental coverage under the Plan. At that time, early analysis from Studentcare projected that dental coverage could be increased up to $700 per Plan member per policy year but, following the receipt of additional claims analysis, increasing coverage to $700 would mean that the Plan fee and the cost of the Plan fee would be almost the same and so would not allow for any funds (or only a very small amount) to be deposited in the HDPRF. Accordingly, GSA Board recommends to GSA Council an increase in dental coverage of $650 per Plan member per policy year to begin 1 September 2019; this increase would both not involve a draw down of the HDPRF and would allow for around $5 per Plan member to be deposited in the HDPRF.

Jurisdiction:

GSA Bylaw and Policy, Section M: GSA Health and Dental, GSA Policy, GSA Health and Dental Plan and GSA Health and Dental Plan Reserve Fund, Section M.POL.6.1:
“The amount of the Plan fee includes both Plan premiums and administrative overhead. The Plan fee may include an amount for the replenishment of the Health and Dental Plan Reserve Fund.”

GSA Bylaw and Policy, Section M: GSA Health and Dental, GSA Policy, GSA Health and Dental Plan and GSA Health and Dental Plan Reserve Fund, Section M.POL.9.1:
“The GSA Board (GSAB) is mandated to oversee the implementation, administration, and performance of the GSA Health and Dental Plan, and to make recommendations to GSA Council regarding the Plan.”

GSA Bylaw and Policy, Section M: GSA Health and Dental, GSA Policy, GSA Health and Dental Plan and GSA Health and Dental Plan Reserve Fund, Section M.POL.10.1:
“GSA Council, on the recommendation of the GSAB, must approve any increase in the Plan fee or modification of coverage. Any increase in the Fee or modification of coverage must be approved by GSA Council on the recommendation of the GSA Board. Any increase in the Fee exceeding 15% of the previous year’s Fee must also be put to a referendum.”

GSA Bylaw and Policy, Section M: GSA Health and Dental, GSA Policy, GSA Health and Dental Plan and GSA Health and Dental Plan Reserve Fund, Section M.POL.11.1.b:
“All surpluses from Plan fees must be transferred into the HDPRF at the end of the fiscal year.”