Outline of Issue

GSA Health and Dental Plan Fee for 2019-2020

Suggested Motion for GSA Council:

MOTION: That GSA Council APPROVE that the GSA Health and Dental Plan Fee be set at $500.36/annum, effective 1 September 2019, with collection from graduate students to begin 1 September 2019.

Note: Based on current projections provided by Studentcare, setting the Plan fee for 2019-2020 at $500.36/per Plan member would still enable the GSA to direct approximately $30/per Plan member into the Health and Dental Plan Reserve Fund (GSA HDPRF). The GSA HDPRF currently sits at in excess of $208,498 and is thus very healthy. In the interest of not having the GSA HDPRF contain an excessive amount, the GSA Board has discussed increasing dental coverage from an annual maximum of $500 to an annual maximum of up to $700 per policy year to begin 1 September 2019. The final amount of the increase in coverage will be dependent on forthcoming claims analysis and projections from Studentcare, as benefit adjustment costs are subject to change and can vary dependent on final negotiation with Desjardins. A separate motion concerning this expansion of coverage will be brought forward at an upcoming meeting. Early projections from Studentcare indicate that dental coverage could be increased to an annual maximum of $700 per policy year while still allowing for $6/per Plan member to be directed to the GSA HDPRF.

Background:

The key driver for cost increases to the GSA Health and Dental Plan is usage. There is no increase in premiums for 2019-2020. Should GSA Council approve the attached proposal, the fee paid by graduate students for the Plan would be $500.36/year for 2019-2020 (remaining the same as the 2017-2018 fee). Additionally, even after potentially increasing coverage as discussed above, around $6/per Plan member could still be deposited in the GSA HDPRF (the exact amount that can be directed to the HDPRF will be determined once Studentcare provides a finalized cost estimate associated with the increase to coverage).

In past surveys conducted by Studentcare and in discussion at GSA Council, graduate students have expressed interest in increasing dental coverage. As the GSA has seen a decline in claims for a few years it is recommended that increases in dental coverage are appropriate at this time (however, it is important to note that this might be result in an increase in a small premium increases in future years). Likewise, growing the GSA HDPRF as proposed is recommended to offset any cost increases caused by increased claims.

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 Plan fee exceeding 15% of the previous year’s Plan fee must also be put to a referendum.”