



CEPACC Membership Bulletin May, 2011

Increased Cost to Benefits

On April 25, 2011, the company sent an e-mail notifying all employees of the re-enrollment for flex-connect benefits. Attached to that e-mail was an FAQ which explained that there are significant increases to benefit premiums for the next 12 months. It seems that a lot of members aren't aware of these increases.

SUMMARY OF BENEFIT COSTS

The medical plan is increasing 8.3% and dental is increasing 16.5%. The amount of price increase varies by single, couple and family coverage selections, and by option selection of 80% or 90%.

Basic life insurance (1 – 3 x earnings) prices are increasing by 17%.

Optional or supplemental employee and spousal life insurance rates are remaining the same.

Dependent child life insurance prices are decreasing by 20%.

Basic and supplemental, spouse and child AD&D prices are increasing 14.3%.

Long term disability (LTD) prices are increasing 10%.

The medical and dental plans are self insured and the premiums are based on usage. Blue Cross invoices Bell Aliant for claims paid each month. At the end of the plan year, if there weren't enough premiums collected to cover the claims, the premiums will increase to cover the costs.

There have been higher than normal death claims, and there are more employees availing of the LTD benefit. There were also higher than normal AD&D claims.

You may want to have a closer look at the new premiums before committing to benefits for the next year. Please read the e-mail and it's attachments for more information.

**In solidarity,
Penny Fawcett
Bobby MacDonald
Mary Croke**

**Phil Briffett
Lynn Briggs
Joyclin Coates**