



# Retiree Benefits At A Glance

Standing Committee on Insured Benefits

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REVISED

Winter 2016

## THIS ISSUE:

The Standing Committee on Insured Benefits (SCIB) continues to review the Retiree Benefit Plans to ensure ongoing affordability and sustainability for all plan members. We are aware of the issues with the dental plan and you will receive further communication about this in the near future.

## PRESCRIPTION DRUGS

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Effective April 1, 2016, a Mandatory Generic Substitution (MGS) approach will be applied to your drug claims. Under this approach, your plan will only reimburse up to the lower cost of the generic drug – even if a brand name drug is dispensed, unless your doctor provides documentation supporting a medically-essential need to dispense the brand name drug.

## TRAVEL

## RETIREE BENEFIT PLAN UPDATES

### What does this mean for you?

Retirees affected by this change have already received a letter from Medavie Blue Cross with instructions. If you did not receive a letter, it means that your prescriptions have been dispensed by the pharmacist with the lower cost drug. Or, in exceptional circumstances you had been previously approved under the Special Authorization process. In these cases, you do not need to do anything.

Beginning April 1, 2016, if you have a new or renewed prescription and your doctor has written “NO SUBSTITUTION” for a specific drug, your pharmacist will advise you to contact your doctor so that you can discuss your options. “No Substitution” could mean that you have had an adverse reaction to a drug. In this case your doctor would be required to submit documentation to Medavie that supports why you cannot take a drug. The Medavie Blue Cross Special Authorization Team will be responsible for approving applications.

### What is an adverse reaction?

An adverse reaction is a harmful and unintended response to a health product. This would include any undesirable interactions, such as a drug-drug and/or drug-food interactions.

A serious adverse reaction is one that requires in-patient hospitalization, results in persistent or significant disability or incapacity, is life-threatening or results in death. Adverse reactions that require significant medical intervention to prevent an undesirable outcome are also considered to be serious.

### What other options do you have?

As a plan member you can choose to keep taking the brand name drug without going through the Special Authorization process. If you choose:

- 1) the brand name drug, you will pay \$15.00 per prescription **and** you will be required to pay the difference in cost between the brand name drug and the lower cost generic drug.
- 2) the lower cost generic drug, you will pay \$15.00 per prescription.

## TRAVEL PLAN

Due to the increase in travel claims and costs, where claims have more than tripled over the past two years, it is necessary to increase the monthly travel rates. This is the first increase in 14 years.

If you have travel coverage, your travel rates will increase **effective April 1, 2016** for May coverage as detailed in the table. There is no change to the health rate.

**You can cancel your health, travel or dental coverage at any time. However, it cannot be cancelled retroactively. Once you cancel coverage, you cannot reapply at a later date.**

Single Coverage	March 2016	April 2016
Health	\$147.53	\$147.53
Travel	\$4.99	<b>\$18.29</b>
<b>Total</b>	<b>\$152.52</b>	<b>\$165.82</b>
Family Coverage		
Health	\$295.06	\$295.06
Travel	\$9.98	<b>\$36.59</b>
<b>Total</b>	<b>\$305.04</b>	<b>\$331.65</b>



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## RETIREE BENEFIT PLAN UPDATES

Effective April 1, 2016, the Retiree Benefit Plan is being updated as follows:

### Eligibility for Participation

To be eligible to participate and maintain coverage in the plan, you and your eligible dependents must:

1. Be age 50 or older (excluding dependent children) at time of transfer, unless you are transferring into the plan due to disability, in which case you can transfer at any age.
2. Be a resident of Canada; and
3. Be eligible for benefits under a provincial government health care program in your province of residence (e.g., Medicare). **If Medicare coverage lapses, coverage under the Retiree Benefit Plan would terminate as well.**

Once coverage has been approved, it remains in effect as long as the premiums are paid and the participants continue to meet the eligibility requirements.

### Eligible Dependents

Dependents are defined as your legal or common-law spouse and unmarried, unemployed, natural, adopted or step children who are dependent upon you, as the retiree, for financial care and support.

*Spouse* means:

- an individual to whom the retiree is legally married, or
- a common-law spouse with whom the retiree has cohabited continuously in a conjugal relationship for at least one year immediately prior to being eligible for coverage.

With respect to common-law spouse, there is a requirement of public representation of a spousal relationship. **Only one individual will qualify as a Spouse.** This definition extends to partners of the same sex.

*Dependent children* are eligible for coverage:

- to age 21; or
- to age 26 if a full-time student at an accredited educational institution; or
- beyond age 21 if a mental or physical disability commenced prior to age 21 and continues thereafter.

### Adding a Spouse or Dependents to your Plan

As a retired employee, you may add an eligible spouse and/or dependent(s) to your plan **within 31 days** of one or more of the following events:

- Marriage;
- Common-law relationship (following 12 months co-habitation);
- Birth of a child;
- Your dependent child (age 26 or less) registers as a full-time student at an accredited educational institution.

### Surviving Spouse

If a retired employee passes away, the eligible dependents may continue coverage providing premiums are paid and they meet the eligibility requirements. It is important to note that a surviving spouse cannot add a new spouse and/or dependents that were acquired through re-marriage or following 12 months co-habitation.

### Website

Please visit the Employee Benefits website to access the updated version of the Retiree Benefit Plan booklet, along with new and improved forms.

For information about or to make changes to your benefit plan, contact  
Pensions and Employee Benefits at 1-800-561-4012 (toll free in Canada) or 506-453-2296  
or you can visit our web site at [www.gnb.ca/employee\\_benefits](http://www.gnb.ca/employee_benefits)