



SHEET METAL WORKERS LOCAL UNION 30 WELFARE AND PENSION TRUST FUNDS

PLAN ADMINISTRATION: EMPLOYEE BENEFIT PLAN SERVICES

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IMPORTANT NOTICE TO MEMBERS ABOUT UPCOMING WELFARE PLAN BENEFIT IMPROVEMENTS

The Trustees of your Welfare Plan are pleased to announce the following improvements

ACTIVE MEMBERS

LONG TERM DISABILITY BENEFIT

Effective with disabilities arising on and after January 1, 2016 the Monthly Benefit will be increased from \$1,750 to \$2,000.

The Monthly Long Term Disability Benefit will be reduced if the income from other plans, except for any income from Canada Pension Plan disability, exceeds 75% of pre-disability earnings. Income from the Sheet Metal Workers Local Union 30 Pension Plan's disability benefit will be included in the income from other plans that is compared to the Member's pre-disability before-tax earnings.

These changes will not apply to disabilities that commenced before January 1, 2016.

RETIRED MEMBERS

DENTAL CARE PLAN DEDUCTIBLE – to be removed

The annual \$100 deductible will no longer apply to Retirees or their Dependents with respect to claims for Dental services and supplies incurred on or after January 1, 2016.

MAJOR MEDICAL PLAN DEDUCTIBLE – to be removed

The annual \$100 deductible will no longer apply to Retirees or their Dependents with respect to claims for Medical services and supplies incurred on or after January 1, 2016. Note: this change has no impact on the deductibles that apply under the Ontario Drug Benefit for Seniors (ODB)- these can be claimed under the Health Care Spending Account..

DENTAL CARE PLAN FEE GUIDE

Dental claims incurred on or after January 1, 2016 will be paid on the basis of the 2015 Ontario Dental Association (ODA) Suggested Fee Guide for General Practitioners.

ERECTILE DYSFUNCTION (ED) DRUGS

Erectile Dysfunction (ED) drugs purchased on or after January 1, 2016 will be covered by the Plan. Plan Members age 65 and over should be aware that a number of ED drugs are covered by the Ontario Drug Plan for Seniors (*ODB*) and must be submitted to the ODB for payment.

PRIOR AUTHORIZATION DRUGS

Most prescription drugs do not require prior authorization but some do. The Plan, following accepted industry practices, has established medical criteria that must be met in order for these drugs to be covered under the Plan. If you get a prescription for a drug that requires prior authorization, your pharmacy will let you know. Your physician or authorized prescriber will fill out the Plan's Prescription Drug Special Authorization Request Form, which is available on the Green Shield website (the link to it is on the Member website). You can also get the form from your pharmacist or by calling the Plan Administration Office. Once you are approved for a drug all future claims for the same drug are automatically approved. Be sure to let your physician know that your drug plan includes a prior authorization program.

EXPANDED SERVICE – HIGH COST SPECIALTY DRUGS

There are approximately 120 Specialty Drugs that require prior authorization. These drugs are very expensive and are for very serious medical conditions. The current prior-authorization process for receiving Specialty Drugs has been enhanced to be consistent with general industry practice.

As part of the prior authorization process, a case manager will provide patient support to the Member or Dependant and will help to navigate the process with one of the designated pharmacies within the network. Arrangements of this nature can help to better manage overall Plan costs for these Specialty Drugs.

Please note: Regular, prescription drugs that are not Specialty Drugs can continue to be purchased at your usual pharmacy.

HEALTH CARE SPENDING ACCOUNT

On January 1, 2016 a new allocation in the amount of \$500 will be available to:

- all Active Members in Good Standing with the Union who are "in Benefit" as of January 1, 2016; and

- all Active Members in Good Standing with the Union who are “in Benefit” as of January 1, 2016; and
- all Retirees in Good Standing with the Union who are covered under Plan A or Plan B as of January 1, 2016.

Eligible expenses include those that qualify for medical expense tax credits under the Canada Revenue Agency (CRA) Income Tax guidelines, including medical expenses not covered by the Welfare Plan, the unpaid portion of medical expenses partially paid by the Welfare Plan, and ODB deductibles and dispensing fees.

Please note that the January 1, 2016 allocation of \$500 will be separate from and in addition to the January 1, 2015 \$500 allocation. If you received the 2015 allocation, and if there is a balance remaining on January 1, 2016, that balance will be applied against eligible expenses submitted in 2016 before the 2016 allocation is utilized. If any portion of the 2015 allocation is left in your HCSA on December 31, 2016, it will revert back to the Welfare Trust Fund. Similarly, if any portion of the 2016 allocation is left in your HCSA on December 31, 2017, it will revert back to the Welfare Trust Fund.

While the Trustees anticipate the HCSA option will continue, it is important that Members understand this may not be a permanent benefit improvement. On a regular basis, the Trustees will determine if future allocations can be made to the HCSA based on the Welfare Plan’s financial results and overall claims experience. The long term financial stability and sustainability of the Welfare Plan are of primary importance in this regard.

Sincerely,

The Board of Trustees

Bowen LeFave

Martin Roberts

Art White

Bill Wilkinson

Peter Witruk