



February 2024

Plan Update

Read this newsletter to learn about the upcoming expected contribution rate, self-pay and Retiree Benefit Plan premium increases. Plus, find out how prescription drug and dental fees work.

IN THIS UPDATE:

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EMPLOYER PAID PENSION CONTRIBUTION ALLOCATION - RETIREES

Effective January 1, 2024 and as a result of changes to pension legislation, for members returning to work after retirement and active members over age 71, your employer-paid pension contributions will be reallocated to fund your future CMAW Retiree Benefit Plan monthly premiums. Once your active plan hour bank becomes depleted, you only need to pay monthly Retiree Benefit Plan premiums when these contributions have been exhausted.

Also, if you don't qualify for membership in the Retiree Benefit Plan and return to work following retirement, you are now able to participate in the Plan for as long as your allocated employer-paid pension contributions can be used to pay your Retiree Benefit Plan premiums. In this case, you still will not be eligible to participate in the Retiree Benefit Plan on a self-pay basis.



REMINDER: BC RESIDENTS TO REGISTER FOR FAIR PHARMACARE

Are you registered for Fair PharmaCare? If you're not sure, please call GreenShield Canada at 1-888-711-1119.

A reminder that in order to have claims adjudicated in a timely manner and remain covered for benefits under this Plan, all BC residents must provide their Fair PharmaCare registration number to GreenShield Canada. To register for Fair PharmaCare, call BC PharmaCare at 1-800-663-7100 or visit my.gov.bc.ca/ahdc

UPCOMING RATE INCREASES

The following rates will be effective July 1, 2024:

- The expected contribution rate will increase by 4% to \$2.60 per hour (from \$2.50)
- The self-pay rate will increase by 4% to \$332.58 per month (from \$319.20)
- Retiree Benefit Plan monthly premiums will increase by 2.5% to \$125 for singles and \$235 for couples (from \$122 for singles and \$229 for couples)

The decision to increase rates and premiums is never made lightly. The Board of Trustees prioritizes the Plan's long-term stability and high level of benefit coverage. Supporting the ongoing health of the Plan means balancing costs, contributions, and coverage; rising expenditures, unfortunately, must be offset by expected contribution and premium increases.

Based on a recommendation by our consultants, the Trustees are therefore increasing the expected contribution rates and self-pay premiums for Active Plan members, as well as the premiums for the Retiree Benefit Plan, effective July 1, 2024. While these decisions are difficult to make, they are necessary to continue to provide exceptional benefit coverage to our members and families.



IT IS IMPORTANT TO REMAIN IN GOOD STANDING

Members must be in good standing to qualify and maintain CMAW Benefit Plan coverage. Otherwise, your coverage will be cancelled until local counter dues are paid. Coverage will be (re)activated once the Plan Administrator receives confirmation of payment from the Local Union.

As per Article 3.06 of the CMAW Constitution and Bylaws "a member being three (3) months in arrears in payment of Local Union counter dues, and having received due notification of such delinquency, shall be deemed not to be in good standing with the Union."

SELF-PAYMENT EXPLAINED

If a covered member's hour bank falls short of the monthly draw, they will receive a Self-Payment Notice indicating the number of banked hours they are short and the payment amount required to maintain coverage. The self-pay rate reflects the actual cost of benefits coverage and is reviewed and adjusted periodically to keep pace with rising costs.

UPDATED MEMBER BOOKLET & OTHER ONLINE RESOURCES

The CMAW Benefit Plan Member Booklet has been updated to include recent Plan changes. Print copies will soon be available by request or at your local union office. You can always visit the Plan website cmaw.ca/members/pensions-benefits for the most recent edition, as well as all CBP forms, applications and more.



RISING DENTAL FEES

Is your visit to the dentist getting more expensive? Canadian dentists usually base their fees on an annually updated fee guide published by their provincial Dental Association. Each guide contains a list of all the procedures that general practitioners can perform with a suggested fee (or range of fees) for each procedure.

In BC, a new fee guide goes into effect each year on February 1. Last year, the average dental fee increased by 5.9%, and the average increase for 2024 sits at almost 5%. Specialists and hygienists also have their own fee guides that are reviewed and adjusted annually.

Your CMAW Benefits Plan uses this fee guide to calculate coverage reimbursements. Any amounts above the average or maximum costs in the fee guide are not covered and will therefore be out-of-pocket expenses for you.

If you are curious about the fees charged by your dentist, ask your dental office directly and compare the fee associated with a procedure's specific code with the suggested provincial fee guide. Unfortunately, the BC Dental Association does not produce an electronic version of the fee guide for the public. However, if you have questions about a specific code, ask your dentist directly or contact the BCDA at 604-736-7202.

Although many dentists base their charges on the BC fee guide, it is not mandatory for them to do so. Dentists may charge over or under the suggested fees at their discretion. To make your dental costs a little more affordable, consider spreading out the frequency of visits and work with your dentist to see what options are available to optimize your dental benefits.



UNDERSTANDING THE COST OF PRESCRIPTION DRUGS

Did you know that pharmacies can set their own markup and dispensing fees, provided they don't exceed any legislated maximums? As a result, the cost of the same prescription drug can vary widely between pharmacies and even among pharmacies in the same chain.

The total cost of a prescription drug is made up of 3 components:

- **Ingredient Cost:** the cost the pharmacy pays the drug company to purchase the drug, also referred to as the Manufacturer's List Price (MLP). This is the actual cost the pharmacy pays the drug company or wholesaler to buy the drug.
- **Mark Up:** the percentage pharmacies charge to cover the expenses of running a pharmacy, including their profit margin.
- **Dispensing Fee:** the professional fee the pharmacy charges to have licensed pharmacists dispense drugs, provide patient counselling, review medication records for safety and appropriateness, and collaborate with physicians and other health care providers. This amount can vary from pharmacy to pharmacy.

Pharmacist's fees and services can differ greatly from pharmacy to pharmacy – making a big difference in the total cost of the prescription and your share of that cost. If you can access multiple pharmacies, shop for a pharmacy that best meets your needs.

YOUR TRUSTEES

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