



# UASU HEALTH & DENTAL PLAN Financial Overview

April 2021

# Agenda

- **New 2020-21 Plan Features**
- **Key Concepts**
- **What drives the cost of the Plan?**
- **Impact of COVID-19**
- **Plan Costs Moving Forward**

# New 2020-21 Plan Features

## **SU COMPREHENSIVE CARE HEALTH & DENTAL PLAN**

**Flexible Options!**

	<b>Comprehensive Care Plan (coverage from Sept. 1, 2020 – Aug. 31, 2021)</b>	<b>Basic Care Plan (coverage from Sept. 1, 2020 – Aug. 31, 2021)</b>
<b>Health &amp; Dental Plan</b>	\$315.00	\$240.00
<b>Health Plan</b>	\$159.48	\$130.00
<b>Dental Plan</b>	\$155.52	\$110.00



## New 2020-21 Plan Features

**EMPOWER ME**  
**BY STUDENTCARE**

# Key Concepts



**Plan Fees:** Amount assessed to students, currently \$315



**Plan Premiums:** Amount paid to insurer, currently \$321.96



**Benefits:** Claimable services provided to students



**Reserve Fund:** Money set aside to protect the Plan from abrupt premium increases

# Key Concepts



**Plan Renewal:** The UASU renews their insurance contract annually with Desjardins



**Fully-Insured vs. Self-Insured:** UASU is fully-insured



**Plan cost** is determined by claims history

# What drives the cost of the Plan?



**Projected Claims:** An estimate of total 2020-21 claims based on previous history.



**Trend:** Increased volume due to awareness or new benefits



**Inflation:** Increased cost of services. Ex. new drugs on the market, increase in professional fees



**Admin Expenses:** Fixed costs such as pooled benefits, insurer admin expenses, and Studentcare fees

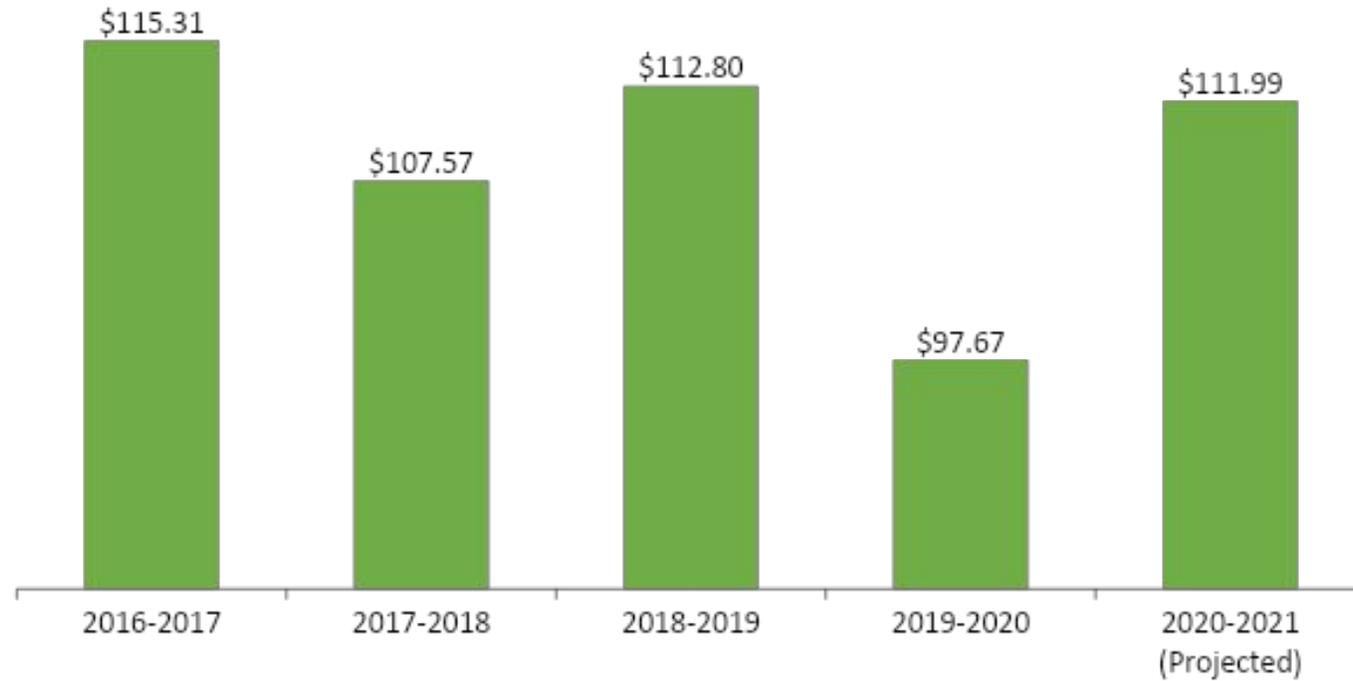
# Claims History

Per Capita Claims - Health



# Claims History

Per Capita Claims - Dental



# Impact of COVID-19



**Early:** Access to services was limited due to restrictions and claims were significantly reduced for the first three months of the pandemic.



**Continued:** Access is no longer limited, but students may be apprehensive in using services due to exposure risk. This has resulted in slightly lower than normal claims.



**Future:** Demand for benefits has not disappeared and is likely to return in the form of a claim spike or gradual return to pre-pandemic claims. The Plan may return to a higher-than-normal volume due to postponed services resulting in more serious health concerns.

# Plan Costs Moving Forward

# 2021-22 Plan Cost Estimate



Claims are slightly reduced due to COVID-19 resulting in preliminarily Plan Premium estimates below the current Plan Fee.



Internal analysis with data until February 2021 estimate a Plan Premium of approx. **\$300-\$305**. This is driven by a reduction in health claims.



Final quote from Desjardins is being processed and will be provided before the next Council meeting.



At the current Plan Fee, the UASU will be able to cover Plan Premiums, Empower Me, and contribute approx. \$10-\$15/member to their reserve fund.

# Ongoing Plan Costs



The UASU has a healthy reserve fund, and aggressive contribution is not essential at this time.



With a lower projected premium, the UASU has the flexibility & financial health to consider keeping the Plan Fee the same or reducing it **temporarily**.



If Council chooses to reduce the Fee, it must be noted that we anticipate the Plan Premiums to eventually **return to pre-pandemic levels**, which would result in a need for the Fee to **return to its normal level**.

**QUESTIONS ?**

For complete details  
[www.studentcare.ca](http://www.studentcare.ca)