



TO: Chair and Members of the Finance & Facilities Committee

FROM: Christopher Mackie, Medical Officer of Health; Emily Williams, CEO (Interim)

DATE: 2021 April 1

CANADA LIFE BENEFITS – RENEWAL RATES

Recommendation

It is recommended that the Finance & Facilities Committee review and make a recommendation to the Board of Health to approve the renewal of the group insurance rates administered by Canada Life as described in Report No. 11-21FFC re: “Canada Life Benefits – Renewal Rates”.

Key Points

- The group benefits contract with Canada Life (formerly Great-West Life (GWL)) was renewed effective January 1, 2021 following staff review in December of 2020 with AON Hewitt (AON).
- As part of the renewal, the recommended insurance premiums will remain unchanged from prior year with the exception of Group Medical Assistance / Virtual Health Service (GMA) which increased by 210% or \$ 305 monthly.
- Overall, the impact on the Benefit rate changes is an increase in costs of 0.3% or \$3,654 annually.

Background

Since 2013, with the assistance of AON Hewitt (AON), MLHU has been insured by Canada Life (formerly Great West Life) for insured benefits [Life, Accidental Death & Dismemberment (AD&D), Long-Term Disability (LTD), and Pooling and Administrative Services Only (ASO)]. Rate guarantees have been in place with the current rate guarantee set to expire January 2022. [Appendix A](#) provides a detailed renewal analysis.

For 2021, rates remain unchanged from 2020, with the exception of Group Medical Assistance (GMA) which has an increase of 210% or \$305 monthly, as a result of the addition of Virtual Health Services. Table below shows the changes in proposed rates.

Benefit	GWL		AON		Change	Change %
	Current	Proposal	Negotiated			
Life	\$ 9,101	\$ 9,101	\$ 9,101	\$ -	0 %	
AD&D	1,049	1,049	1,049	-	0 %	
Long Term Disability	11,143	11,143	11,143	-	0 %	
GMA ¹	145	450	450	305	210.3 %	
Medical	61,365	68,207	61,365	-	0 %	
Dental	33,457	36,470	33,457	-	0 %	
Total benefits	\$ 116,259	\$ 126,418	\$ 116,564	\$ 305	0.3 %	
Annual Benefits	\$ 1,395,112	\$ 1,517,019	\$ 1,398,766	\$ 3,654	0.3 %	

¹ GMA - Group Medical Assistance / Virtual Health Service

Conclusion

The Health Unit's contract with Canada Life to provide group insurance has renewed effective January 1, 2020 with a rate guarantee expiring January 2022. The premium increase for 2021 is \$ 3,654.

This report was prepared by the Healthy Organization Division.



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