beneplan

2020 Annual Report

The Beneplan Employee Benefits Co-operative Inc

April 2021
Management, Beneplan Inc
Beneplan.ca

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Executive Summary

The total amount of dividends payable to 370 member-owners due to benefit plan surpluses accrued in calendar year 2020 is **$5.7 million**. Largely attributable to the COVID-19 global pandemic, this is an increase of $3.2 million or 128% compared to last year. This is a rare and large dividend that management does not predict will continue, and predict 2021 to be significantly lower. We will comment more on this in our report.

The COVID-19 pandemic overshadows this report. It has created an unusually high 2020 dividend, the highest on record, but management predicts that this will impact the 2021 and 2022 surpluses and dividends significantly. It is unpredictable, but based on the actions of 2020, it may mean significant deficits and an overall lower net dividend for 2021-2022.

Total membership grew by 41 new member-owners, a loss of 11, for a **net growth of 30**. A few members left the co-operative for the following reasons:

- To become self-insured (administrative services only or 'ASO') for health & dental
- They received a lower rate from a competing benefits carrier
- Business closure
- One left to join a competitor that would integrate payroll, benefits and HR systems into one

Management's choice to distribute co-operative membership through the broker channel has brought great gifts, as well as normal distribution strains. For example, it has led to more rapid growth and surpluses, while also meaning shorter average membership durations and responding to market forces associated with fair market compensation. We discuss all of this in the report herein.

The financial statements will reflect the following key highlights:

(click here to jump to it)

$5.7 million:
The 2020 calendar year total dividend paid to member-owners.

$3.2 million:
The amount that the 2020 dividend was increased compared to 2019.

$28.7 million:
The cumulative dividends paid to member-owners since inception.

$15,880:
The average dividend per member in 2020.

21%:
Dividends as a percentage of health and dental premiums, on average.

61%:
The actual health & dental loss ratio under the stop loss.

92%:
The average ratio outputted when the member's gross dividend payable divided by the actual health / dental surplus accrued by the member. This means that groups gave up on average 8% of their ASO surplus (premiums minus claims, minus expenses) to participate in the co-operative. The closer the figure is to 100%, the stronger is the reason to choose the co-operative over ASO.

4.6X:
The average ROI on dividend received to broker commission paid, as a result of choosing the right broker to join the co-operative.

$593,051:
The largest dividend paid out to a Beneplan member.

19:
The number of members with dividends less than $1,000, indicating efficient rate setting.

$46:
The smallest dividend paid.

9:
The number of members in deficit, ranging from $45 to $10,995.

How to read this report

All references to Beneplan Inc will be referred to as 'Management' or 'Beneplan.' All references to the Beneplan Employee Benefits Co-operative Inc will be referred to as 'the co-operative.' All references to the Board of Directors of the Beneplan Employee Benefits Co-operative will be referred to as 'the Board.'

All references to insurance companies will be referred to as either 'insurers', 'carriers', or their name. The Co-operators Life Insurance Co is abbreviated to 'CLIC'. Green Shield Canada is abbreviated to GSC.

References to member-owners may be interchanged with 'plan sponsor,' 'business', or 'employer.' References to benefit plan members may be interchanged with 'employee', 'patient,' or 'people'.

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Management Report

2020 was a very unusual year for the co-operative. Since its inception in 2001, we have never observed such a tremendous shock to our loss ratios. Driven by the global COVID-19 pandemic, loss ratios are at historic lows because of the Canadian government's stay-at-home orders and temporary closure of many businesses.

In return, this caused our plan members (your employees) to purchase less health and dental services because of the following:

- Decreased visits to the physician or dentist for preventative check-ups subsequently decreased the rate of diagnosis of cancers, heart diseases, nerve disorders, and more.
- While some health providers businesses re-opened, public fear of contracting the virus prevented people from seeking dental care, visits to the physiotherapist, or retail stores to complete an eye exam.
- Some family doctors and specialists temporarily closed their doors, while physicians have reported a lower ability to detect issues through virtual medicine alone.
- Long term disability claims plummeted, and management suspects it's a combination of the following: reduced in-person doctor visits leading to diagnoses, The Canada Emergency Response Benefit (CERB), and Beneplan's hypothesis that remote work may have eliminated workplace stressors that typically exasperate paid sick leave.

At the same time, some macro effects increased the purchasing behaviour on the prescription drug benefit:

- Emergency rooms reported record high visits for mood disorders and suicidal thoughts.
- During the first lockdown from mid-March to summer 2020, people often stockpiled their daily medications for chronic conditions for fear of a breakdown in the supply chain.
- Provincial dental associations increased their fee guides at a greater rate than previous years likely due to the additional investments needed in personal protective equipment (PPEs), air filtration systems and physical barriers. Insurers promptly dismissed this as ineligible claims and fee codes. The classic whack-a-mole effect is still alive and well.
- Health spending accounts were very much used to their full extent. When you combine financial strain and limited access to using health or dental, people found ways to use their spending accounts towards at-home healthcare where possible.

All of these factors combined resulted in a record high dividend for member-owners of the Beneplan Co-operative.

However, the shadow of 2021 and beyond clouds the results of the 2020 dividend (paid in calendar year 2021). We say this because we predict the easing of lockdown restrictions and re-opening of in-person businesses will cause a fierce pendulum effect that may produce record high deficits for calendar year 2021, 2022 and beyond. The timing of this pendulum effect largely depends upon how quickly the Canadian vaccination roll out takes place.

It is unclear whether this will be balanced by the Federal government's push for national pharmacare. Depending upon where they land and how each province reacts, this may either decrease drug claims between 2021 and 2027, or it may have no change at all.

Rare and expensive drugs are continuing to impact plans, but the work that management does to keep costs in line include implementing drug caps, and working with an employer-side drug advocate to help plan members receive coverage through all possible sources.

Foreward - COVID19's Impact On Beneplan

The coronavirus pandemic hit Canada by storm in Q1 2020, and continues to be named an official global pandemic according to the World Health Organization (WHO).

Since the co-operative's inception in 2000, we've lived through both the SARS crisis and the 2008 global recession. Therefore, we are in a position to provide commentary on how the combination of a pandemic and a potential recession could impact the 2021 and 2022 dividends.

A Brief Background On COVID-19

December 31, 2019

cases of pneumonia detected in Wuhan, China were first reported to the World Health Organization (WHO). During this reported period the virus was still unknown.

January 7, 2020

Chinese authorities confirmed that they have identified the virus as a novel coronavirus, ultimately named 2019-nCoV by the WHO.

March 11, 2020

the WHO officially declared COVID-19 a global pandemic. Since this declaration, the virus has had far-reaching impacts across all business types including the Canadian group benefits market.

March 13, 2020

the Canadian government implemented strict social distancing and quarantine rules which have had an impact on group benefit plans. It caused panic among Canadian consumers and led businesses to question how long they would be able to afford to maintain the benefit plan.

March 19, 2020

the government introduced the Infectious Disease Emergency Leave (IDEL) which outlined that anyone who went on a leave of absence as a result of the pandemic would still have their benefits maintained by law.

Management observed a great number of layoffs began in the spring of 2020 and continued throughout the summer. Management also noticed a higher than normal amount of permanent terminations towards the end of 2020 and first months of 2021. While this is the average across all businesses and industries we serve, we noticed that essential businesses that needed to increase output were in a race to acquire new talent to fulfill the heightened demand.

Benefits extensions during a layoff period was frustrating and confusing for employers since it took insurers a few weeks to catch up to the demands of the market. After a short delay, all insurers agreed to extend benefits during the time that was being requested.

Travel insurance was turbulent throughout 2020 since both of our carriers for travel (The Co-operators Life Insurance Company and Green Shield Canada) temporarily halted coverage if an individual was travelling outside of Canada. They soon amended it per CLHIA guidelines that if an employee is part of the essential supply chain and are required to cross the Canada/US border as a commercial transport professional, their coverage would be maintained.

It wasn't until the fall of 2020 when the insurers reinstated the normal travel insurance policies. However, it's important to be mindful that the insurers still respect the travel advisories posted by the government on **https://travel.gc.ca/travelling/advisories** and while the government are telling Canadians to "avoid all non-essential travel until further notice", insurers have the right to refuse coverage on the basis of the blanket travel restriction.

We know that hasn't deterred some people from continuing to travel, but management must caution all covered plan members not to assume they have travel insurance until they speak to their doctor about travelling, and their carrier about where they intend to go and the risks they take. Travel insurance is adjudicated at the time of claim, so unfortunately no advisor or even insurer can definitively say "yes" or "no" to coverage until a situation exists and is interpreted in the bounds of the policy.

Is our coverage for life insurance and disability adequate?

Should we add paid time off for caregivers that have lost their normal support structure?

What government support exists for businesses and workers?

How is each insurance company updating their wording to address the pandemic?

All of these questions are consolidated in a single help centre on our website. Visiting **www.beneplan.ca** will have a section in the footer called Help Center that takes readers to our support articles where they can access the COVID-19 updates section (**https://intercom.help/beneplanfaq/en/collections/2209348-covid-19-updates**). If you have further questions that have not been answered, please reach out to your representative.

At this time we are not sure how long the pandemic will exactly last even while the Canadian government is projecting that it will take until the end of 2021 to vaccinate a significant majority of the population. It's

Health & Dental

During the SARS crisis in 2003, the Co-operative experienced a large surplus as we had an unusually low amount of hospital claims that year. Hospital claims are typically covered by many benefit plans and the co-operative does absorb deficits on behalf of any large extenuating items under the stop loss of $10,000 per individual, per calendar year.

It was the following calendar year -- after SARS had resolved itself -- where we saw an unusually high amount of deficits in the hospital claim category. Our hypothesis is that there were a large number of patients who were told to stay away from health care facilities unless it was absolutely necessary. Therefore, patients self-isolated and sought care the following year. Even if they have an illness, patients were told not to go see their primary care physician, specialist or make a visit to a hospital unless it's a dire emergency. With the COVID-19 pandemic in 2021, it's possible that we will see the same situation but to a much greater degree.

With that in mind, we did see historically high surpluses in 2020 mostly due to the dental office shutdown for the greater part of two months (spring/summer 2020). While dental offices are health care facilities, they are also private, for-profit enterprises that are inclined to balance this negative growth period somehow. We therefore saw a greater than average increase in the dental fee guide, and a pendulum effect in claims once offices were able to re-open. We also note that insurers largely rejected the practice of dentists submitting the cost of personal protective equipment (PPE in the form of masks, gowns, etc) under benefit plans, but we know that those increased costs on a business has to go somewhere. It either is passed onto patients or addressed elsewhere.

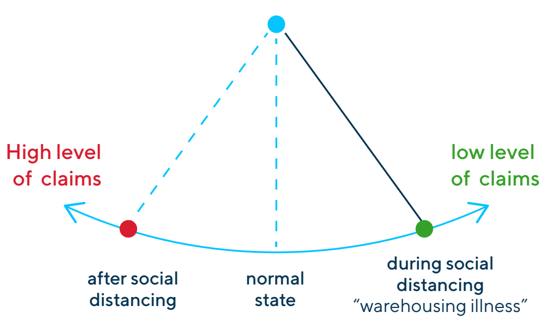
Pharmacists continued to stay open while the Canadian Pharmacists Association encouraged Canadians to only pick up a 30 day supply of maintenance medications, as opposed to a 90 day supply. They did not want Canadians to be stockpiling medications the same way they were stockpiling other household staples like toilet paper and dried goods.

Therefore, management's prediction one year ago of unusually low claims did come to pass. We further predict that depending on how quickly the population can be vaccinated in 2021, claims patterns will return to normal by Q4 2021 and 2022.

While the SARS crisis was less severe, the co-operative experienced a pendulum effect with claims. During SARS, hospital claims slowed down as people who had non-emergency reasons to visit the hospital reduced their regular visits. However after the public was given the 'all-clear' by authorities, there was a greater than normal impact to hospital claims. We call this effect 'warehousing' their illnesses (see figure 1)

PENDELUM EFFECTS IN CLAIMS

figure 1



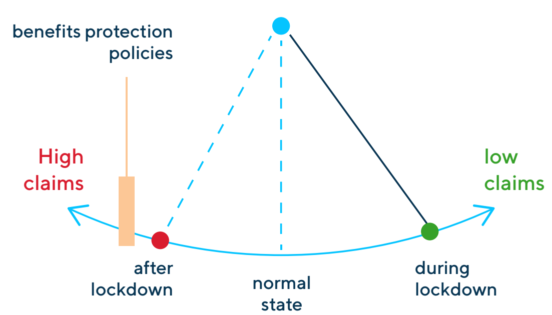
The practitioners who are for-profit may react severely to the lost revenues they suffered during the lockdown period. Dentists, chiropractors, naturopaths, and all other non-emergency providers will be motivated to recover any lost revenues using employee benefit plans.

Finally, any employee on temporary layoff who is unsure if they will return to a job, will normally have their benefits extended for at least the statutory notice period. These employees have at best four months of government income, but what happens after that? What will the job market look like? This may motivate human behaviour to submit claims to a benefit plan that are not genuine, just in order to find money from any source. Carriers will need to closely monitor claims for orthotics, compression hose, back brace, and other benefit types that have a reputation for unethical practices.

There are normal protections in place for this type of behaviour: annual dollar limits, fraud detection software, random audits of plan members and clinics, and delisting providers who submit inappropriate expenses. Therefore, there will be a pendulum effect that will be tapered by limits (see figure 2), but member-owners should expect deficits to impact both the 2021 and 2022 dividends.

PENDELUM EFFECTS IN CLAIMS

figure 2



Regardless of the change in dividends, we remind ourselves that the goal of the co-operative is not to manufacture a surplus for the sake of paying dividends -- the goal is to reduce the cost of employee benefits, while putting patient care first.

We also remember the benefits of being part of a member-owned co-operative: the Board has been able to respond quickly by approving faster dividends by direct deposit, flexibility for businesses in renewals and payment, and ensuring the Annual General Meeting (AGM) can be held fully online.

Group Life Insurance

In 2020, the co-operative saw 41 life insurance claims pass through, with only one tied specifically to COVID-19. We suspect a few others had it as a secondary cause of death. There were only two accidental death claims, which seems low compared to previous years, likely due to the lockdown.

The big leading causes of death continued to be heart attack and cancer - the type of causes that will continue to happen regardless of a pandemic. It will be interesting to see how this trend continues throughout 2021.

While this is not a time to talk about improving or adding cost to benefit plans, we have a duty to underscore the need to ensure that group life volumes keep up with the rising cost of living.

We've noticed that many members have contracts that have a flat amount of life insurance which has not kept up with cost of living. Flat life insurance amounts that were trendy in the 1990s have failed to keep up the pace with modern salaries. If your policy has a flat life benefit amount, we ask that you consider updating it to a multiplier of annual earnings. Why? Well, it's the best way to protect employees and their families.

It's important to have a policy that's cost adjusted to present times so that any plan member who passes away leaves behind something meaningful for their family. Too many people are leaving behind only enough to cover funeral expenses and not enough to financially sustain a family.

This holds true for group dependent life insurance also. The cost to increase coverage on dependent life insurance from $5,000 to $10,000 is negligible, but it goes a long way for grieving parents who have lost a child too soon. Sadly, the pandemic has highlighted how an unexpected death can disrupt a family.

Please talk to your advisor about how to ensure this coverage is up-to-date.

DISABILITY

Quickly into the pandemic, Service Canada, who adjudicates Employment Insurance (EI), announced that anyone who claims the EI sickness benefit as a result of COVID-19 will not need to produce a doctor's note. Soon after, insurers followed suit and indicated that a self-assessment form would be sufficient to qualify for group short term disability for presumptive COVID-19. Management updated plan sponsors who have self-insured short term disability plans to follow suit, as they must comply with the minimum standards provided by the government.

Long term disability (LTD) claims experienced a decrease in new claims likely due to availability of the Canada Emergency Response Benefit (CERB), Canada Recovery Benefit (CRB), and Employment Insurance (EI). With an extension of up to 52 weeks at a payout of $2,000 per month, these benefits likely diverted many individuals from applying for LTD.

We also know from the Canadian Medical Association that there was a significant backlog of regular surgeries from March to June 2020 because non-essential surgeries were cancelled (source: www.cmaj.ca). LTD is often a benefit people to use to recover from a serious surgery, especially when it's tied to an illness like cancer.

Our disability team anecdotally observed that while we ultimately anticipate an increase in LTD claims once the pandemic is over, some people are mindful of the economy continuing to tighten and are opting to stay at work longer for fear of being left out of the recovery. It is balanced by those who are fearful of leaving the workplace permanently, and may be submitting a claim as a last resort for income. There was also talk of white and grey collar workers being able to work from home that may have minimized the normal workplace stressors that aggravate disability claims, such as conflict or job satisfaction.

It will only become clearer how disability will behave once the government basic income benefits begin to run their course.

SHORT TERM DISABILITY

Many employers lack an official short term disability program. Small and medium businesses often cannot afford to add costs to an area that seems unquantifiable. People may rarely need to take more than 2 weeks off work for sickness and often may use vacation or personal days to fill the gap.

However, when a company has chosen to purchase long term disability insurance, a missing short term disability program can lead to an increase in claims for long term disability. It is critical when an employee begins a sick leave to provide support and resources as soon as possible. Support can be in the form of paid time off, access to mental health benefits, and most importantly, a third party review of the medical situation and management of the absence. The goal is always to support an employee in their sick leave and provide a soft landing for them to return to work at the earliest opportunity. It is also critical to shield the business's leadership team from getting involved in the private medical details of the case; this is to protect both the business and the patient from unnecessary risk and harm.

Returning to work is important for businesses, but also for employees. People do best when they have a sense of purpose, routine, regular income, and stability in their career. It is a mental challenge to deal with the uncertainty of being off work and a reduced income.

We hear from many employers on a range of issues: some are truly concerned for their staff - some admit that they saw it coming and it was part of a larger performance issue. Regardless of the employer's worldview, it's critical to have a third party review of the situation.

We have heard from many businesses who use the EI sickness plan that EI does not adjudicate claims - they simply look for the presence of a doctor's note and proceed to pay the claim to the maximum of 15 weeks. This unfortunately sets a precedent and makes it difficult for an employee to find motivation to return to work. Statistically speaking, all disability case managers point to data that the longer an employee is off work, the less likely they will ever return to work at all.

An employee failing to return to work leaves an employer with a difficult HR and legal quagmire. What happens if an employee refuses to return to work? Can the employer refuse to allow them back? Is that illegal? What are the costs and legal ramifications to an employer in this case? Can an employer terminate an employee who does not return to work?

Every case is unique, and every business requires an independent review. Legalities aside, if a business has not implemented any form of short term disability management, they should seriously consider doing so. This can either be through an insurance company early intervention program, a fully insured short term disability plan, or a third-party disability management firm.

The rates to manage short term disabilities are very reasonable, starting from a few hundred dollars per case and up, and is an investment that pays off tremendously down the road.

If you have questions, please reach out to your group benefits advisor.

LONG TERM DISABILITY

All Canadian insurers have reported an increase in disability claims over the last decade. That, paired with an aging working population, historically low interest rates, and an increase in mental health claims, has soured this profitable product and turned it into a losing line item.

This impacts the co-operative, since the co-operative has a long term disability (LTD) refund agreement with one carrier. This has not paid surplus, and management believes that there must be a significant change in order to correct this negative path. This path has caused a global increase in LTD rates.

Here are the efforts that management has made to reduce LTD rating:

1. Conducted an audit on LTD claim payment practices
2. Requested quotes from other carriers to review and provide an update
3. Set up quarterly calls with LTD claims payers to monitor claims
4. Communicate plan sponsors' concerns on LTD claims to insurers frequently

In addition, here are solutions that management recommends all plan sponsors review:

1. Keep track of anyone who has left work due to sickness or disability.
2. Keep in touch with people on disability periodically.
3. If you don't have a short term disability program, please implement some sort of adjudication. It can be ASO, fully insured, or self-administered. One key thing to note is that only the adjudication that comes from a third party should provide the accountability framework needed for a potential return to work.
4. Over-communicate with your partners. If something needs to be added to the story, share it.

DISABILITY PREVENTION

We know that an ounce of prevention is worth a pound of cure. The best way to prevent a large amount of disabilities is to have a positive relationship with your employees.

There will always be disabilities that cannot be prevented by an employer: cancers, mental illnesses, and broken bones will always be part of the human experience.

However, some disability case managers have told us that disability can become 'a dumping ground' for workplace issues. Here's how a toxic workplace costs the organization money: a negative interaction with an employee who is already stressed out can push them to seek out claiming disability. Although 90% of employers charge LTD premiums back to employees, the more LTD claims are in a company's history, the harder it is to shop the market for lower rates and the harder it is to negotiate with an incumbent carrier.

Therefore, look at the following preventative measures:

1. Your health & safety committee needs a mental health component
2. Invest in HR, management and leadership training for your front-line supervisors
   a) If you don't have HR on staff, reach out to Beneplan's HR advisor at **hr@beneplan.ca**
3. Invest in mental health resources: increase coverage for psychologists / therapists, educate employees on the meditation resources in your plan, and provide paid time off.

Premium Collection and Renewals

Under normal circumstances there are always a small handful of employers who struggle to pay their benefits invoices every month. The pandemic has expanded this issue to more employers and management has responded by extending the grace period for groups who apply with financial hardship.

Beneplan worked with businesses under financial strain throughout 2020 to help ease their payment schedules. Almost all businesses have returned to normal payment schedules by the end of 2020.

That being said, insurance carriers do cut off claims if premiums are not collected by 60 days, so we do ask that if your business needs help, to notify us immediately if you are in need of relief.

We must support businesses during this time and grant a few requests to defer or postpone rate actions on a case-by-case basis. The decision was made not to unilaterally defer renewal since many renewals may ultimately be a decrease of premiums.

Drug Advocacy

Beneplan's proprietary Drug Advocacy program triaged 24 cases in 2020, bringing our total to 119 since the introduction of the program in 2016.

All patients have been successfully managed and plan sponsors have benefited greatly as a result. The Drug Advocate has been able to triage questions on cancer, inflammation, neurologic issues, and other new and rare diseases.

To request assistance, please contact drugadvocate@beneplan.ca.

Pharmacogenetics

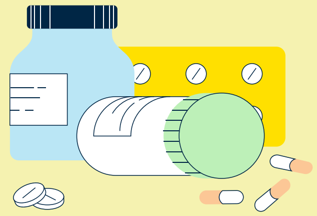
All Beneplan members have access to pharmacogenetic testing, and the usage has been growing. In 2020, the total tests completed for employees or dependents of Beneplan was 305.

Out of these tests, 25 were resolved by speaking with the pharmacist and without the need for a test. 19 kits were mailed but samples never returned. According to patient feedback, 94% of employees were satisfied or very satisfied with the service. The utilization is still below expectations, and we encourage all plan sponsors to promote the coverage.

Marketing brochures are posted online at **www.beneplan.ca** and can be obtained from your group representative. Plan members are able to reach out directly to request a test at **info@personalizedprescribing.com**.

Here's a case study of a patient who used the service with success. Please note that names and unique identifiers have been changed to protect privacy.

CASE STUDY



Jane is a 30 year old female with chronic depression and anxiety. She was referred to Personalized Prescribing from her disability case manager. The test determined that she was incompatible with two out of five medications she was prescribed. The report was shared with Jane, who shared it with her treating physician. As a result of the changes made to her treatment plan, Jane experienced decreased anxiety and increased motivation and she was able to reduce the number of cigarettes that she smoked per day. Though Jane still experienced bouts of dizziness, she no longer had any fainting spells, and could function well at work.

Beneplan HR Advisory Program

In 2020, the Beneplan HR Advisory program supported members with 557 cases in total, experiencing a 40% increase in case volume. This was primarily due to impacts of COVID-19 and rapidly evolving business requirements and legislative changes relating to the declaration of the pandemic. Support for clients was in the following categories:

33% Employee Relations

24% Compliance & Legal

16% Benefits & Disability

15% Separation

10% Documentation & Payroll

1% Talent

1% Health & Safety

More HR templates were made available to clients, with a significant increase in requesting for document templates pertaining to a **Temporary Layoff Agreement**, and **Work From Home (Telecommuting) policy**.

We were also able to produce and present a Mental Health During COVID-19 presentation for a few members with tips for managing stress and enhancing well-being during the COVID period and work from home with resource links to public and company sponsored EFAP programs.

More HR templates were updated in the member login area of the website. The most frequently requested template was the temporary layoff agreement.

Employee Family Assistance Program

The usage on the Shepell Employee & Family Assistance Program (EFAP) has been 5%. We encourage all members to use the free service at www.workhealthlife.com. This EFAP acts like a mental health concierge, referring patients confidentially to councillors to help with all of life's stressors. This is included for all Beneplan members who can cite either their company name or the code 'Beneplan EFAP' to access the service 24/7.

The service connects patients to a therapist, psychologist, councillor or social worker to help with financial stress, marital or family discord, caregiver burnout, family legal issues, or any life stress that a plan member may face.

2021 Industry Trends

TELEMEDICINE AND DIGITAL HEALTH

While telemedicine existed before the pandemic, there was a rapid uptick in demand and adoption among employers for this very valuable new technology. Beneplan partnered with Maple, one of Canada's top telemedicine providers, to expand access to physicians without an employee having to leave their couch.

This provided much needed relief for people who were able to avoid the waiting room during a pandemic, and especially for Canadians without an official family doctor to manage their care. By no means did telemedicine replace the family doctor relationship, but it did help employees resolve acute situations in minutes as opposed to multiple hours.

If you are interested in trying Maple's telemedicine service, please talk to your benefits advisor to learn more.

FERTILITY COVERAGE

There is another epidemic among us - infertility. According to the Trio Clinic in Toronto, one in six couples of childbearing age require assistance conceiving a child. Employers are able to add fertility coverage to their benefit plans on a sliding scale, starting from $1,000 per member, per lifetime, all the way up to $15,000 per member, per lifetime. This benefit will cover fertility drugs and treatments not covered by a provincial health insurance plan.

The increase to premiums is usually 3% to 5% of the health rate, and the same equivalent savings can be found by either converting from a generic substitution formulary to a mandatory generic formulary, implementing a drug cap, or other cost containment measures that may be discussed with a benefit plan advisor.

Learn more about the importance of fertility coverage **here.**

MENTAL HEALTH

The mental health crisis has been exacerbated by the COVID-19 pandemic. It pushed people to stay at home, isolate from loved ones, abandon regular routines and limit regular care from their physician. Employers should be mindful of this and ensure they offer the free Employee Assistance Program and consider adding coverage to their psychologist or psychotherapy line of benefits.

DEMAND FOR OTHER BENEFITS

While the pandemic has forced a large chunk of the working population to operate from home, it has limited their ability to access dental, vision, paramedical and other traditional benefits. Moreso, it has heightened the attention on other pain points that arise from being confined at home for extended periods of time.

While we will continue focusing on the pandemic, we wanted to take this opportunity to pause and reflect on how other areas of people's lives are impacted. We want to use our powers for good and raise awareness to issues that don't get the spotlight they deserve.

Through countless conversations with members, carriers and advisors, we noticed we had an opportunity to offer more coverage for many high-impact life necessities. Leveraging the power of our large co-operative, we went to insurers and asked for support. Here's what we got in return.

Effective May 1st 2021, we will apply minimum standards to our benefit plans with the following enhancements:

1. Adding Breast Pump coverage at $300 per lifetime
2. Adding Fertility Drug coverage at $2,500 per lifetime
3. Increasing Psychology, Social Worker/Counsellor, Master of Social Work or Psychotherapist to $1,000/year/individual
4. Adding Erectile Dysfunction drugs at $500 per lifetime
5. Adding Intrauterine Devices (IUDs) at $200 per lifetime
6. Add Smoking Cessation Coverage
   a) For groups with the Cooperators, add Anti-Smoking Drug coverage at $300/lifetime
   b) For groups with Greenshield, add one course of treatment in their Smoking Cessation Program in any 12 month period

At the effective date, these plan enhancements will impact new groups immediately while existing members will get updated at their next amendment. Please note this change will not impact existing member premiums. A mass change to booklets requires systems changes so we thank you for your patience. If a plan already has the above in place, no change will be made unless requested by you, the plan sponsor.

We strongly believe these enhancements better reflect the changing needs of our members and we are proud to lead the way. We hope that this standard encourages

03

Board Governance

Board Members

The May 1st 2019 to April 30th 2020 board of directors of the Beneplan Employee Benefits Co-operative Inc (also known as "the co-operative") was comprised of the following professionals:

Ian Torrance
- Chair - VP of P. K. Douglass Inc. (2019-2022)

Beverly Ferguson
- VP of Chantler Packaging Inc (2019-2022)
- Nomination Committee

Colleen Musalem
- President, Cana-Datum Moulds (2019-2022)
- Finance Committee

Antero Elo
- CEO, Finnish Credit Union - (2018-2021)
- Governance Committee

Jennifer Osborn
- VP, Lawrie Insurance Brokers (2017-2020)
- Nomination Committee

Daniel Friedman
- VP Admin, Starline Industries (2017-2020)
- Finance Committee

George Zeni
- VP, Clover Tool Industries (2018-2021)
- Nomination Committee

George DiPede
- President, North Rock Group (2018-2021)
- Finance Committee

Nick Moscella
- President, Forbes Hewlett Transport (2020-2023)
- Governance Committee

Joe Guerreri
- President, St Andrews Insurance Brokers Inc (2018-2021)
- Finance Committee

Emma Horgan,
Chief People Officer, Quest Enterprises (2020-2023)

Arun Srivastava
- President, Paystation (2020-2023)

The Board met 4 times between the 2019 AGM and the 2020 AGM. The Finance Committee met another 2 times. Board meeting agendas consisted of:

Board governance training

Updating the board policy

Reviewing new products and plan designs

Reviewing the financial position of the co-operative

Addressing the problem of rising disability premiums through shopping and audit

Strengthening negotiating agreements with carriers (including requesting interest on surplus to be paid)

All queries and projects were completed within the provided time frame. Full minutes of the AGM are included in this report. Minutes of subsequent board meetings are available for all member-owner review by request at any time, please email **service@beneplan.ca.**