



## Group Insurance Renewal 2024 – Active Teachers

Following a review of the financial results and liabilities of our group insurance plan by the QPAT Membership Plans Committee, the QPAT Executive Committee recommended a renewal proposal to the QPAT Board of Directors, which approved premium adjustments for 2024.

### 2024 Premium Adjustments

Coverage	Premium Adjustment
Health Care Insurance	+14.7%
Long-Term Disability (LTD) Insurance	+5.0%
Basic Life Insurance (optional)	+0.0%
Dental Care Insurance (MTA only)	+10.0%

### Group Insurance Renewal Notes

Our group plan is 100% funded by members. We support each other's health care needs, provide income replacement benefits (LTD) to those experiencing prolonged periods of disability, as well as waive all premiums for members on a disability leave for at least 6 months.

Premiums are determined based on the group plan's claims experience and administrative fees, which were 9.8% of premiums in 2022. Please note that Quebec charges a 9% premium tax, which is included in the rate tables and per pay adjustments detailed below.

#### *Health Care*

The technical analysis of the health care benefit took into consideration our claims experience and financial results, as well as other economic, demographic, plan design and governance factors, supporting a premium adjustment of +14.7%.

A health care deficit was generated in 2022 despite a premium adjustment of +11.0%. Analysis of health care claims projects another deficit in 2023. Over the last three 12-

month reference periods, paid health care claims have increased from \$8.7M to \$10.5M. With health care inflation projected at 6%, prescription drug costs will likely continue to rise.

During the most recent reference period, prescription drugs accounted for 84% of all health care claims, with the average drug claim increasing by 10.7% per certificate holder. The number of health care claims of over \$50K increased during the reference period. While the 10 most costly drugs account for 28.5% of all drug claims, it's important to remember these medications may dramatically impact the quality of life of members and their families.

**Health Care Modification:** As of January 1, 2024, the group plan will be modified to increase the vision care maximum to \$200 per 24-month period, as well as to include eye exam as an eligible expense under the vision care maximum. The 24-month period begins as of the last vision care claim. Policy language regarding reimbursement for glasses or lenses following cataract surgery will also be clarified.

Other potential group plan modifications were analyzed and discussed but were deemed too costly at this time.

The following table reflects the health care adjustment per pay:

Individual	Couple	Single Parent	Family
+\$10.04	+\$19.12	+\$14.16	+\$23.26

\*For those 65 years and older, please see the rate table.

### *Long-Term Disability (LTD)*

As many members are experiencing prolonged periods of disability, with working conditions often contributing factors, our group plan claims experience continues to see negative trends, with the effects of the pandemic beginning to affect our experience. Dramatic increases in short-term and long-term disability claims are being seen in many group plans across various sectors.

An LTD deficit was generated in 2022 despite a premium adjustment of +12.0%. Initial estimates project a smaller LTD deficit in 2023; however, as there were a greater number of recoveries than expected, technical analysis supported a +5.0% premium adjustment, the lowest LTD increase since at least 2016.

Any potential impact of the cost containment measures implemented as of January 1, 2023, will only be reflected in future renewals.

The following table includes a selection of approximate LTD adjustment per pay:

Step 5	Step 9	Step 13	Step 16
+\$2.15	+\$2.49	+\$2.94	+\$3.49

### *Basic Life*

Basic Life, an optional benefit, ended 2022 in surplus and initial estimates suggest that another surplus in 2023 is possible. Given that life insurance is a volatile benefit, and the recent open enrolment campaign did not require proof of insurability, technical analysis supported no change to the premium.

### *Dental Care*

As it is not a core benefit of our group plan, dental care is only available to MTA members.

While a small surplus was reported in 2022, initial estimates project a deficit in 2023. The plan was modified in 2023 to reimburse eligible claims according to the current dental fee guide, and recent claims history has shown a greater demand for services, resulting in the average dental claim increasing by 13.3% per certificate holder.

As 2023 saw a 9.8% increase in average fees as per the Quebec dental fee guide, coupled with a 6% projection for health care inflation, technical analysis supported a +10% premium adjustment.

The following table reflects the dental care adjustment per pay:

Individual	Couple	Single Parent	Family
+\$2.16	+\$4.10	+\$3.77	\$5.72

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For more information, please consider logging in to your iA [My Client Space](#), where you can find an overview of your coverage, your claims history, documents and forms, etc. Group insurance information can also be found on the [QPAT website](#).