



GROUP BENEFIT PROGRAM

TRIUMF

ANNUAL REVIEW

Renewal Effective Date: **December 1, 2022**

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RENEWAL ANALYSIS

EXTENDED HEALTH CARE

EHC Claims Experience

Your Experience Period runs August 1st to July 31st of each year. Rates are based on the last three years of experience. For comparative purposes we illustrate the last three year’s plan experience below:

Experience Period	Non-Pooled Paid Premium	Adjusted Premiums	Non-Pooled Paid Claims	Paid Loss Ratio
August 2021 - July 2022	\$211,390	\$209,881	\$163,554	90.53%
August 2020 - July 2021*	\$214,235	\$214,321	\$155,305	83.25%
September 2019-August 2020	\$202,183	\$205,800	\$145,177	70.44%

*Note: the experience period has changed due to a change to the renewals notice period from 30-days to 60-days

Rates

To set the EHC rates, PBC applies the following factors:

- Target Loss Ratio 85.97%

Using a similar methodology to PBC, our analysis closely aligned with their presented rates. However, following negotiations, your EHC renews as illustrated below:

Division 1: Retirees Under 70 Years of Age					
EHC	Current	Presented	%	Negotiated	%
Single	\$73.91	\$80.67		\$76.97	
Couple	\$146.46	\$159.83	9.2%	\$152.50	4.1%
Family	\$189.54	\$207.43		\$197.62	
Division 2: Retirees Age 70+					
EHC	Current	Presented	%	Negotiated	%
Single	\$82.24	\$89.91		\$85.71	
Couple	\$166.01	\$181.52	9.3%	\$173.02	4.2%
Family	\$207.82	\$227.71		\$216.81	

Extended Health Care Utilization

Extended Health Care Expenses	% of Current Year excl. OOC	% change over prior	AUG - JULY		SEP-AUG
			2021-2022	2020-2021	2019-2020
Drugs	69%	-2%	\$113,438	\$115,174	\$117,048
Paramedicals	13%	15%	\$21,521	\$18,646	\$16,544
Eye exams	1%	-35%	\$2,162	\$3,338	\$2,049
Medical Services & Supplies	16%	55%	\$25,921	\$16,692	\$7,741
Ostomy supplies	0%	-	\$0	\$0	\$1,309
Emerg. Out-of-Canada	0%	-	\$0	\$0	(\$320)
Other	0%	-65%	\$512	\$1,455	\$485
Total Paid Claims Sub-total	100%	5%	\$163,554	\$155,305	\$144,857
<i>Change over prior year</i>	<i>0%</i>		<i>5%</i>	<i>7%</i>	<i>-3%</i>
Pooled Emerg. Out-of-Canada	0%	0%	\$0	\$0	-\$320
Pooled Drug Claims	0%	0%	\$0	\$0	\$0
Pooled Paid Claims Sub-total	0%	0%	\$0	\$0	(\$320)
TOTAL Non-Pooled Paid Claims	100%	5%	\$163,554	\$155,305	\$145,177
Avg # of employees in EHC		2%	169	165	157
Avg \$ per ee excluding OOC		3%	\$968	\$941	\$925

- Non-pooled claims saw a 5% increase from the year prior. The change in spend is primarily driven by the increase in Medical Services & Supplies. Medical Services & Supplies claims increased from the year prior by 55%. Medical Services & Supplies are attributed to the purchase of various medical equipment, such as:
 - Wheelchairs: \$11,450
 - Prosthetics: \$5,981
 - Glucose Equipment: \$2,033

PARAMEDICALS

Paramedical Expenses	% of Current Year	% change over prior	AUG - JULY		SEP-AUG
			2021-2022	2020-2021	2019-2020
Acupuncturist	9%	-24%	\$1,839	\$2,409	\$2,230
Chiropractor	18%	-7%	\$3,830	\$4,128	\$2,630
Massage Therapist	17%	57%	\$3,656	\$2,328	\$1,529
Naturopath	5%	231%	\$1,160	\$350	\$292
Physiotherapist	35%	6%	\$7,545	\$7,115	\$6,776
Podiatrist	8%	-24%	\$1,768	\$2,317	\$2,838
Psychologist	8%	1723%	\$1,723	\$0	\$248
Total	100%	15%	\$21,521	\$18,646	\$16,544
Avg. # of employees		2%	169	165	157
Avg \$ per employee		13%	\$127	\$113	\$105

DENTAL CARE

Your Experience Period runs August 1st to July 31st of each year. Rates are based on the last three years of experience. For comparative purposes we illustrate the last three year's plan experience below:

Experience Period	Paid Premium	Adjusted Premiums	Paid Claims	Paid Loss Ratio
August 2021 - July 2022	\$137,125	\$136,966	\$110,394	94.3%
August 2020 - July 2021*	\$136,742	\$137,417	\$101,643	75.1%
September 2019-August 2020	\$109,053	\$109,100	\$82,766	74.8%

*Note: the experience period has changed due to a change to the renewals notice period from 30-days to 60-days

Rates

To set the Dental rates, PBC applies the following factors:

- Target Loss Ratio 87.44%

PBC requires an adjustment in rates to better support claims go-forward. In addition, the carriers apply a standard trend factor for rate setting purposes including Dental fee guide adjustments. For 2022, the BC Dental Association announced a +7.35% increase to their aggregate fees, versus historic adjustments of 2-4%, which will result in upward pressure on projected claims.

As such, the Dental rates renew as follows:

- Dental: +6.5% (down from the original +12.5%)

Dental - Div. 1 & 2					
Dental	Current	Presented	%	Negotiated	%
Single	\$57.01	\$64.13		\$60.71	
Couple	\$116.92	\$131.52	12.5%	\$124.51	6.5%
Family	\$163.63	\$184.07		\$174.25	

Dental Care Utilization

Dental Expenses	% of Current Year	% change over prior	AUG - JULY		SEP-AUG
			2021-2022	2020-2021	2019-2020
Minor Restorative	34%	5%	\$37,418	\$35,795	\$14,243
Preventative	31%	8%	\$34,681	\$32,128	\$24,887
Diagnostic	12%	11%	\$13,117	\$11,814	\$8,739
Periodontics	7%	0%	\$7,504	\$7,523	\$6,497
Endodontic	9%	107%	\$9,618	\$4,649	\$6,283
Oral Surgery	3%	19%	\$3,749	\$3,155	\$2,586
Other Services	0%	0%	\$0	\$0	\$450
Total Basic	96%	12%	\$106,087	\$95,065	\$63,684
Major Restorative	0%	0%	\$0	\$0	\$14,811
Major Prosthetic	4%	-35%	\$4,307	\$6,578	\$4,272
Total Major	4%	-35%	\$4,307	\$6,578	\$19,082
Total	100%	9%	\$110,394	\$101,643	\$82,766
<i>Change over prior year</i>			9%	23%	-14%
Avg. # of employees		3%	128	124	117
Avg \$ per employee		5%	\$862	\$820	\$707

- Dental claims are predominantly driven by patient needs; therefore, someone needing a crown or bridge this year, likely will not require those same services next year.
- The 9% increase over the year prior could be driven by the COVID impact on consumer confidence, and the residual effect of restricted access to services, make it difficult to anticipate the claiming activity for the upcoming benefit year. That said, based on our current analysis, premiums have been set appropriately to cover projected claims.