

## **Saint Mary's University Faculty Union Employee Health and Life Trust Report**

To: Dr. Conrad, President, Saint Mary's University Faculty Union

From: Dr. R. J. Konopasky, Chair, Saint Mary's University Faculty Union, Employee Health and Life Trust

Date: April 16, 2025

Subject: Saint Mary's University Faculty Union Employee Health and Life Trust: Report

### **Trustees of the Saint Mary's University Faculty Union Employee Life and Health Trust:**

- a. Chair: Dr. R. Konopasky
- b. Trustees: Dr. Nicole Conrad and Dr. James O'Brien
- c. Alternate Trustee: Ms. C. Harrigan

The Trustees are grateful for the services of Trustee of Dr. Francis Boabang, who was with us from the beginning of the Trust in 2008, but who recently stepped down from the role of Trustee.

Dr. James O'Brien has replaced Dr. Boabang as a Trustee with signing authority.

In addition to this change, the Trust has changed our third-party administrator from the Canadian Benefits Consulting Group (CBCG) to the McAteer Group of Companies. We are confident that the new third-party administrator will provide us with better services.

Negotiating the next Collective Agreement: The highest priority of the Trust is to safeguard your benefits at all times and during negotiations. To that end, we will have \$500,000 available to pay the premiums for Health and Dental Benefits, Life Insurance, LTD insurance, Telus Virtual Health Care, Travel Insurance, etc., were there to be a strike or lockout, money is not withheld from your pay checks, and the Employer does not send its contributions to our Benefits Plan.

To help you understand the place into which our Benefits Plan and the Trust fits, I have provided a brief description below.

We have a Benefits Plan, which is independent of the Employer's Benefits Plan.

The Employer's Contribution to our Benefits Plan: The Employer sends a percentage of the salary mass to our Benefits Plan, the vast majority of which is used to pay for Health and Dental benefits.

In the current Collective Agreement, The Employer's contributions were/are:

- a. 2.8% of the salary mass as of September 1, 2022
- b. 3.0% of the salary mass as of September 1, 2023
- c. 3.2% of the salary mass as of September 1, 2024

Members contribute to the cost of Health and Dental benefits and pay for the majority of Life Insurance and LTD premiums.

Coordination with the Union Negotiating Team: The Trustees are pleased to work closely with the Union Negotiating Team regarding the necessary increase in the Employer's contribution to benefits to pay for inflation of the cost of benefits.

The Trustees have advised the Union Negotiating Team that the Trustees:

- a. Will use increases in the Employer's contribution to our Plan to reduce members' payments and to pay for inflation of the costs of benefits, a cost-effective way of paying for benefits because it reduces members' income taxes.

The Union and the members of the Plan are reminded that the Employer splits its costs evenly with the members of the Employer's Plan. In contrast, the Employer contributes a negotiated percentage of the salary mass of faculty and librarians to our Benefits Plan. As such, the Employer is committed to paying half of the inflation of benefit costs in their plan; for our Benefits Plan, the Union must negotiate an increase in Employer contributions to offset the cost of inflation.

- b. Will not make costly improvements in benefits without the Union's approval.

Members might wonder why there are two benefits plans on campus.

**History:** Before June 1, 2008, neither the faculty, nor the librarians had control of the kind and quality of their benefits. There was an Employer's Benefits Plan, and a Saint Mary's University Benefits Committee, but the mandate and role of the Committee were no more than advising the President of Saint Mary's University regarding benefits and costs. The administration of the Employer's Benefits Plan was wholly under the control of the Employer.

The benefits under the Employer's benefits plan were inadequate, e.g., there were neither orthodontic nor counselling benefits, some benefits had caps, which were too low, e.g., hearing aids, orthotics, orthopedic shoes, etc., to offer practical help.

Wanting better benefits, the Saint Mary's Faculty Union negotiated the withdrawal of the faculty and librarians from the Employer's benefits plan and creating and administering a better benefits plan.

Solvency and capacity to pay premiums: In 2008, the Union's directives were made clear:

- a. The Trust must improve benefits.
- b. The Trust must use the Employer's contributions in the most tax-efficient manner.
- c. The Trust must negotiate the lowest possible rates for benefits with a provider.
- d. The Trust must have enough funds in its portfolio to be able to pay all premiums during a strike or lockout
- e. The Trust must employ a third-party administrator to be responsive to the day-to-day needs of members.

On June 1, 2008, the Trust assumed responsibility for creating the Plan and contracting with Great-West Life to provide benefits for about 270 – the number fluctuates when members retire, and when new faculty/librarians are hired – members of the Plan. Our current provider is Canada Life, formerly Great-West Life.

Improving Benefits: The purpose of having control of the Plan is to enhance the lives of our members by way of improving benefits. Our first Benefits Plan in 2008 was similar to the Employer's Benefits Plan. Then, steadily, albeit conservatively, we added benefits and improved benefits, e.g., our cataract surgery is \$2000/eye, the Employer's Plan, \$0.00; our basic dental benefits are not capped, SMU's plan is capped at \$2500, which includes major dental restoration; our Orthodontic benefit is 75% of cost up to \$6000/life time, SMU's Plan, 50% of cost to \$2000/life time.

What follows is not a list of all the improvements since June 1, 2008; rather, it is a list of recent improvements.

On June 1, 2023, we:

- Removed the lifetime cap for psychological/counseling/social work services. (There is maximum per visit of reasonable and customary cost. There is yearly cap \$3000/person/year.)

On October 1, 2023, we:

- Increased coverage for major dental restorations from 70% to 80%. There is maximum per visit of reasonable and customary cost. There is yearly cap \$2000/person/year.
- Extended the term of Life Insurance policies for active members and retirees: The termination age has been extended to 90.

On May 1, we are on the cusp of improving our mobility device benefit to include electronic mobility devices, including three-wheeled devices, for dependent children.

The Trustees continue to grapple with the issue of drug benefits for members: Members, who are 65 years of age or older, lose their drug benefits; dependents of members, who have family coverage, lose their drug benefits at the same age.

To offset this loss of drug benefits, affected members are given an additional HCSA of \$400, which can be used only for drug related expenses, e.g., Nova Scotia Pharmacare premiums. If a member has family coverage and if their spouse/partner has lost this benefit, that dependent also receives an additional HCSA of \$400 that can be used only for drug related expenses, e.g., Nova Scotia Pharmacare premiums.

Given the formulary of the Nova Scotia Pharmacare and changes in its policies for avoiding being the first payor if a member of its plan has access to any coverage that could be used for drugs, the Trustees support continuing drug benefits for members and insured dependents until the member retires. Were this change to be made, members and insured dependents, who are 65 years-of-age or older, would lose these special HCSAs.

Delivery of Services: Apart from improving benefits, there are times when members question whether their claims have been decided fairly. We have some control over these issues. Members, who think that there has been a mistake or that a claim has been wrongly decided, can make their concerns known and they will be addressed: The Trust encourages those who work with our members, e.g., Ms. Jaclyn Lyons, the McAteer Group, to treat each member with care and respect.

Administrative costs: We endeavor to keep administrative costs low: There is no office for the Trust. There is no secretary, but we do give the Union's Office Manager a small honorarium for helping us to keep our physical records in the Union office. There is no budget for coffee, entertaining, etc. The Chair of the Trust has the use of a cell telephone and the use of a laptop.

Dollars in your pocket: The Trust reminds members that they can claim and be reimbursed for their health and dental premium payments against their 160597 HCSAs up to the amount of their HCSAs. To do this, please obtain a receipt for these payments from Ms. Jaclyn Lyons, McAteer Group. As such, there is no member who cannot make full use of their HCSA. If you have not exhausted you \$450 HCSA, do it now.

As Chair of the Trust, I acknowledge the helpful perspective and judgment offered by Dr. Nicole Conrad, Dr. James O'Brien, and Ms. Cindy Harrigan,

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R. Konopasky Ph.D.  
Chair, Saint Mary's University Faculty Union Employee Health and Life Trust