

PLANTalk

LIFE INSURANCE PLAN SPECIAL EDITION

SPRING 2012

Life Insurance Plan enhancements and one-time open enrolment **coming soon!**

HEB Manitoba is pleased to announce several improvements to the Life Insurance Plan effective April 1, 2013. The upcoming changes, which will enhance the Life Insurance benefits currently offered by HEB Manitoba, are a result of a global review and comparison of the Plan against other similar Plans. The changes reflect a commitment to competitive Life Insurance benefits that meet the needs of members and their families.

Key highlights of upcoming changes

Current Benefits	Enhanced Benefits
3-month waiting period	Coverage as of the employment start date in an eligible part-time or full-time position
Maximum benefit of \$500,000	Maximum benefit of \$1,000,000
Up to 3 units of Optional coverage available	Up to 4 units of Optional coverage available
Optional Accidental Death & Dismemberment (AD&D) units at a cost of \$0.35 per unit to the employee	Matching AD&D coverage equal to Basic plus Optional units at no additional cost to the employee Optional AD&D coverage no longer offered
Spousal and dependant coverage maximum benefits of \$50,000 and \$20,000 respectively	Spousal and dependant coverage maximum benefits of \$100,000 and \$50,000 respectively

One-time open enrolment period this fall

From **October 1 to November 30, 2012**, HEB Manitoba will hold a one-time open enrolment period for the Life Insurance Plan. The 60-day open enrolment period will provide all active, eligible members with a one-time opportunity to make new Life Insurance benefit elections based on upcoming benefit enhancements. Elections made during the open enrolment period will become effective April 1, 2013.

→ It is very important that you make your benefit elections before the November 30 deadline.

If you miss this open enrolment window, you will have only one employer-paid Basic unit of Life Insurance coverage under the enhanced Plan. Future increases will be subject to Evidence of Insurability requirements unless you experience a significant life event.

[more information and FAQs inside...](#)

What do I need to know?

1. All active, eligible employees must re-enrol during the open enrolment period.

You must be actively at work on or after April 1, 2013, to be eligible for the enhanced Life Insurance Plan. If you went on an unpaid leave of absence (LOA) on or after December 1, 2012, and are not actively at work on April 1, 2013, your benefits will take effect on the day you return to active, eligible employment.

Note: *If you are on an LOA or approved for premium-free coverage under the Waiver of Premium provision prior to November 30, 2012, you will have the opportunity to enrol in the enhanced Life Insurance Plan within 60 days of your return to active employment.*

2. An open enrolment package will be mailed to each active, eligible member's home approximately one week before October 1. Please contact your employer if you do not receive your enrolment package.
3. More information will be provided to you over the next six to seven months. If you have any questions or require further information, please contact our Member Services team at **(204) 942-6591** or toll-free at **1-888-842-4233**.
4. HEB Manitoba will be providing presentations regarding the changes and will be available to answer your questions. Please watch for more information from your employer on presentation dates in your area.

Coverage & premiums

Under the enhanced Life Insurance Plan, the premium rate will remain at the current level of 8.26 cents per \$1,000 of earnings.

Effective April 1, 2013, each unit of employee Life Insurance coverage (Basic and Optional) and the related premium deductions will be based on your prior year's gross basic annual earnings, rounded to the next higher \$1,000. Every subsequent April, this amount will be adjusted to reflect any change in your earnings from the previous year worked.

If you are a newly hired employee, return from an unpaid leave of absence, or become eligible for Life Insurance benefits part way through the year, your coverage and related premium deductions will be based on your estimated annual earnings for your EFT at that time. Insurance amounts will remain in effect until you have a full year of earnings in the prior calendar year.

Additional improvements

In addition to introducing benefit enhancements, HEB Manitoba is partnering with Great-West Life Assurance Company (Great-West Life) to assist in maintaining the accuracy of enrolment and change information.

Processes will be streamlined by maintaining all enrolment data on Great-West Life's GroupNet system, and starting in 2014, all active Life Insurance Plan members will receive an Annual Statement of Benefits.

The Statements will provide an overview of important information including your coverage level and named beneficiary(ies). It is important that you review your statement each year to ensure the information is correct.

Watch for upcoming communication

In September 2012 HEB Manitoba will mail open enrolment packages to all active, eligible members. The package will include an open enrolment form and a brochure outlining the Life Insurance Plan changes. **Please ensure your employer and HEB Manitoba have your current address**, as any delay in receiving this time sensitive information may impact the amount of Life Insurance you are eligible to elect.

HEB Manitoba is committed to ensuring all members are aware of the upcoming Life Insurance Plan changes. We will be using a variety of methods to provide information to members including in-person and online presentations, newsletters, direct mailings and posters. Information will also be available on our website at www.hebmanitoba.ca. It is very important to us that you receive the necessary information to make informed benefit decisions based on your individual and family needs.

Some advantages for members include:

- 1 A **uniform premium deduction** each pay period.
- 2 A **known amount of Life Insurance** for financial or Estate planning purposes.
- 3 **Peace of mind** that you have appropriate Life Insurance coverage to provide for your family/beneficiaries in the event of your death.

Q. When is the open enrolment period?

- A. The open enrolment period for all members will be from October 1, 2012, to November 30, 2012.

Q. When is the enhanced Plan effective?

- A. Although HEB Manitoba will commence the open enrolment of all members in October 2012 your enhanced coverage will be effective April 1, 2013.

Q. Who is eligible to participate in the open enrolment?

- A. All employees in an eligible position and actively at work during the open enrolment period will be required to re-enrol in the enhanced Plan. However, you also must be actively at work on the day the enhanced Plan takes effect (April 1, 2013) to be eligible for the enhanced benefits. If you are not actively at work on April 1, 2013, your benefits will take effect on the day you return to active, eligible employment.

(Dependant) units. Accidental Death and Dismemberment (AD&D) coverage, equal to Basic plus Optional units elected, will automatically be included at no additional charge.

Q. Will premium rates for Family (Dependant) Life Insurance increase as a result of the changes?

- A. The value of each unit for Family (Dependant) Life Insurance has now changed under the enhanced Life Insurance Plan. The spousal unit doubles in value (from \$5,000 to \$10,000) and the dependant unit value increases by two and a half times (from \$2,000 to \$5,000) under the enhanced Plan. Although the premium cost did not increase, the premium amounts were adjusted to reflect the new unit value. For example, an employee who had elected eight units of Family (Dependant) Life Insurance under the current Plan and wishes to maintain the same premiums and coverage under the enhanced Plan would only need to elect four units of coverage instead of eight units.

Did you know?

If you experience a significant life event that changes your circumstances and you do not update your Life Insurance beneficiary(ies), your Life Insurance benefits may be paid to an unintended recipient in the event of your death.

Q. If I want to keep the same elections I have under the current Plan, do I still need to submit an enrolment form during the open enrolment period?

- A. Yes, all coverage elections under the current Plan will expire March 31, 2013. It is extremely important that you complete and return the open enrolment form to your employer within the open enrolment period. If you do not submit a new form you will be provided with only one unit of Basic Life Insurance coverage under the enhanced Plan.

Q. Why are the changes being made?

- A. The HEB Manitoba Board of Trustees' mandate has always been to provide competitive benefits at the lowest possible cost to all participating healthcare employees and their families. As a result of a global review, the Life Insurance Plan is being enhanced to provide more competitive benefits and options to all eligible members of the Plan.

Q. Will the premium rate change?

- A. The premium (per thousand dollars of insurance) will remain the same as it is now for the Basic, Optional and Family

Q. Is there a change to the amount of my Life Insurance coverage?

- A. Yes, previously your Life Insurance premiums were determined based on your bi-weekly pay. As such your premiums and coverage amounts fluctuated depending on your working pattern.

Under the enhanced Plan, Life Insurance unit(s) for all members hired before January 1 of the previous year will be based on their prior year's gross basic annual earnings.

Example: If you commenced employment in December 2011 and continue working beyond the effective date of the enhanced Plan (April 1, 2013) your coverage under the new Plan will be equal to:

- The number of units selected during the open enrolment,
- Multiplied by your earnings in the previous year (earnings for the 2012 calendar year), and
- Rounded up to the nearest \$1,000.

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Q. How do I make changes to benefit elections that have already been selected?

A. Once the open enrolment period ends, standard HEB Manitoba administrative practices will apply. Therefore, if you have made elections under the enhanced Plan within the open enrolment period, any changes after November 30, 2012, will require Evidence of Insurability unless the change is due to a significant life event.

Q. What if I was previously denied a request to increase Optional or Family Life Insurance coverage after submitting an Evidence of Insurability application?

A. All eligible employees will have the opportunity to make new Life Insurance elections during the open enrolment period regardless of whether or not they, or eligible dependant(s), have been denied the ability to increase insurance in the past.

Q. What will my Life Insurance units be based on if I haven't worked a full calendar year?

A. Under the enhanced Plan, all units of insurance will be based on your prior year's gross basic annual earnings. If you have been hired mid-year, your employer will provide an estimate of your expected annual earnings based on your EFT at that time. Once you have completed a full calendar year of employment, the value of each unit will be based on your prior year's earnings, which may include extra shifts that you have worked, excluding overtime.

Q. I missed the open enrolment period – can I still make changes?

A. Yes, however Evidence of Insurability provisions will apply.

Q. Where can I get more information about the enhanced Life Insurance Plan?

A. Please visit our website at www.hebmanitoba.ca for more information and updates. Regular updates will be posted as the open enrolment period nears.

Please visit www.hebmanitoba.ca for more information and FAQs.

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RETURN UNDELIVERABLE CANADIAN ADDRESSES TO:

HEB MANITOBA
900-200 GRAHAM AVE
WINNIPEG MB R3C 4L5

We appreciate your questions & feedback

PlanTalk is based on an overview of HEB Manitoba Plans. Not all employers participate in all of the Plans offered. If you have questions or comments about the information provided in PlanTalk, please contact us at:

Mail: PlanTalk
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900-200 Graham Avenue
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