



SUPERANNUATED TEACHERS OF SASKATCHEWAN

MEMORANDUM

TO: STS Extended Health and Dental Plan Participants

FROM: STS Executive

DATE: May 1, 2021

RE: Benefit Plan Enhancement – Health Spending Account

1. Background

The first STS Extended Health and Dental Plan was established in 1996 and for the past twenty-one years (January 1, 2000 – June 30, 2021) STS has had a contract for the Extended Health and Dental Plan with Saskatchewan Blue Cross.

As has been reported in the last number of issues of *Outreach*, the COVID-19 situation and the resulting reduction in utilization of some benefits has resulted in substantial surpluses within the STS Extended Health and Dental Plan. These surpluses have allowed for enhancements to be made for vision care and hearing aids effective July 1, 2020, the extension of the current contract with Saskatchewan Blue Cross to June 30, 2022, with no premium increases and the addition of Audiologists, Dieticians and Social Workers and Counsellors to the list of Paramedical/Health Practitioners effective January 1, 2021.

Although benefit utilization has again increased, the unanticipated one-time surpluses that have accumulated due to COVID-19 still remain. After careful examination, investigation and discussion, the Provincial Executive, upon recommendation of the Group Benefits Committee, has **authorized the implementation of a \$250 Health Spending Account per Extended Health and Dental Plan Member (Primary Plan Holder) to be utilized between July 1, 2021, and June 30, 2023.** This \$250 may be used by anyone covered by the Plan Member.

2. Decision Making Regarding Enhancements to the Extended Health and Dental Plan

Any discussion regarding enhancements, or any changes, to the Extended Health and Dental Plans are informed by the overall objectives of the Plans, namely:

- To continue to provide an affordable safety net Extended Health and Dental Plan to eligible STS Members.
- To maximize the use of premium dollars for payment of claims. The Plan is totally funded by Plan participants.
- To keep administrative costs as low as possible.

- To encourage Plan participants to take ownership for the Benefit Plan.
- To encourage Plan participants to question physicians regarding the appropriate and most cost-effective use of prescription drugs.
- To promote a healthy lifestyle for all Plan participants and all STS Members.

STS Members communicate their desires for enhancements, changes or direction of the Plan through resolutions to the Annual General Meeting, or through direct communication with the STS Office. The Group Benefits Committee has been very much aware of the wide range of suggestions for enhancements to the Plan such as a desire to add additional procedures, services, pharmaceuticals and/or a reduction in premiums. The Committee in an effort to provide members with as much flexibility as possible in benefiting from this unanticipated one-time surplus, decided on the creation of the Health Spending Account and the allocation of \$250 per Health or Dental Plan Member (Primary Plan Holder). The overall cost to the Plan with approximately 8,500 members is anticipated to be in excess of \$2.125 million.

3. How Can a Health Spending Account Be Used?

A Health Spending Account can be used for health expenses allowed by the Canada Revenue Agency (CRA) but are not included in, or completely covered by, the STS Extended Health and Dental Plan. Please see the CRA website under [Eligible Medical Expenses](#).

4. Further Questions

Given this enhancement is something new for Extended Health and Dental Plan members, it is anticipated that many questions will arise. Please see the STS website under Group Benefits Frequently Asked Questions ([FAQ](#)) for additional information and clarifications.

5. Conclusion

This new benefit is possible due to the recent positive financial experience that has occurred and the conscientious utilization by Plan members. The Group Benefits Committee and Provincial Executive view this as a positive opportunity to provide Plan members a very flexible benefit that still allows the Group Benefits to be sustainable in the long run.