The University of Guelph has finalized the Group Benefits premium rates with Sun Life for the upcoming policy year, effective May 1, 2015. Sun Life is the group insurance carrier for the University’s Life, Long Term Disability (LTD), Extended Health Care (EHC) and Dental insurance. The premium rates for the upcoming year are based on claims experience, claim trends, insurer’s expenses for administering the plans, and the required insurance reserves. Effective May 2015, the premium rates payable to Sun Life by the University as well as the premium deductions from your pay, will change as follows:

**Extended Health Care and Dental**

The EHC premiums for regular full-time and temporary full-time employees are 100% funded by the University; the Dental plan, 80% funded for by the University and 20% by employees. Part-time employees contribute a larger percentage of the EHC/Dental premiums depending on the full-time equivalency of their University appointment(s).

- EHC premium rates will increase by 10%
- Dental premium rates will increase by 5%

The increase in Extended Health Care and Dental premiums continues to be largely a result of the overall trend in the cost of medical and dental supplies and services.

**Long Term Disability**

LTD premiums are funded 2/3 by the University and 1/3 be employees.

- Premium rate will increase by 25%.
  
  Example: an employee earning $50,000 per year will see an estimated LTD premium increase of $3.46 per bi-weekly pay.

The premium rate increase for LTD is primarily a result of a significant increase in the University’s claims experience. The University continues to work with Sun Life to control these cost while ensuring the well-being of our employees.

**Life insurance**

Life premiums are funded 2/3 by the University and 1/3 by employees.

- Premium rate will remain unchanged this year

As a result of good claims experience, the life insurance plans currently maintains a surplus. Therefore, for a one-year period, May 1, 2015 to April 30, 2016, the group life insurance premiums will be funded by this surplus. Employees will not see a deduction for life insurance during this period.

Please refer to your bi-weekly pay notice available on the Pay & Pension Link to confirm the amount of your premium deductions. As a reminder:

- Sun Life provides employees with on-line e-claims submission option for health and dental expenses. If you have not already done so, I encourage you to explore this option to expedite and simplify your claims submission and reimbursement process.
- To assist in containing future costs, a Survey of Dispensing Fees at local pharmacies can be found on the Human Resources website.

If you have any questions, please contact our office at extension 53374.