NOVEMBER 2022

OVER the WIRE

Prescription Drug Benefit UPdates

The following provides a brief overview of some of the recent changes to the Electrical Workers' Benefit Plan. For a more comprehensive review of the benefits provided by the Plan consult the booklet found at **www.ebfa.ca**.

ClaimSecure

On March 1, 2021, the Plan transitioned successfully to a new prescription drug benefit provider: ClaimSecure.

There was no change to your coverage as a result of transitioning to a new provider. For example, prescription drugs covered under the Plan remain payable at 90%, limited to wholesale costs plus provincial markups.

Prescription drugs that are covered under the Plan are shown on your Member eProfile, located on the ClaimSecure web portal, **www.claimsecure.com**. You can also contact ClaimSecure directly at **1-888-513-4464** for more information about what is covered by the Plan.

FreeStyle Libre System

The FreeStyle Libre System is a glucose monitoring system comprised of a hand-held reader and a sensor worn on the back of the upper arm. Effective January 1, 2022, the FreeStyle Libre System began to be covered under the Plan as a Prescription Drug Benefit. A brief summary of the new coverage follows (refer to the Plan booklet for more information about this important update):

Coverage Summary for FreeStyle Libre System

Reader:

- Open to all eligible Plan Members and Dependents with Type 1 or Type 2 diabetes
- Reasonable and Customary fee applied on each Reader

Sensor:

- Open to all eligible Plan Members and Dependents with Type 1 or Type 2 diabetes
- Maximum of 26 sensors per person per calendar year

Claims for FreeStyle Libre Systems are made through ClaimSecure.

Prescription Drug Exception

Until recently the Plan allowed the maximum purchase of a 100-day supply of prescription drugs. Effective April 1, 2022, eligible Members and Dependents may receive an exception for a prescription drug supply of up to 200-days, if you are leaving Canada and require a supply of greater than 100 days. This exception applies to multiple prescriptions, one time per year per claimant.

To apply for the exception:

- contact the EBFA Fund Office or ClaimSecure
- ask for the Prescription Drug Purchase Exception Request Form at least 7 business days prior to departure, and
- return the completed form to the EBFA Fund Office.

Your ClaimSecure prescription drug card will not work outside of Canada. Any prescription drugs purchased out of country will need to be submitted to ClaimSecure via Member eProfile, by email, or by standard mail.

If you are experiencing any issues with your prescription drug coverage, claims or accessing ClaimSecure, please contact the EBFA Fund Office at **780-465-2882** or email **claims@ebfa.ca**.

The information set out above is a summary of some of the terms of the Plan but in the event of a conflict with the terms of the Plan the Plan will always prevail.

Definition of Dependent

Who qualifies as a dependent child under the plan?
A Dependent under the Plan is a child of the Plan member meaning:

- a child of the marriage, or
- legally adopted, or
- the Plan Member's Spouse's child and under the Spouse's custodial care, or
- a foster child residing with the Plan Member and not covered under any government plan or legislation.

If the Dependent meets one of the four categories above, they must also be:

- under age 21, and
- unmarried, and
- relying on the Plan Member for financial support.

The Fund Office may request court appointed evidence to prove that a Dependent qualifies as a Plan Member's Dependent.

Once the dependent child attains age 21, can they still be covered under the Plan?
Dependents aged 21 to 24 are covered under the Plan if they meet the above criteria (other than age) and if:

- they are functionally impaired, not receiving payments from an aid program, incapable of self-sustaining employment due to the functional impairment specified in a government regulation and wholly reliant on the Plan Member for support and maintenance; or
- they normally reside with the Plan Member (and in Canada) and they are enrolled in a full-time program at an accredited school, college, or university.

If coverage for a child depends upon them being enrolled in an accredited school, college or university then continued coverage depends on the Plan Member providing a "Dependent Update Form" at the beginning of each school term. The school, college or university must confirm the Dependent:

- meets the definition of a full-time student and
- upon completion will receive a diploma, degree, or a designation/ certification.

After age 25, Dependents are no longer covered under the Plan unless the Dependent is functionally impaired and meets the conditions set out above. Proof of incapacity must be provided to the Plan within 31 days following the Dependent's 21st birthday.

example of *COVERAGE*

Your Dependent is attending school full-time from January 2022 - April 2022, and then returning to school from September 2022 – December 2022.

Will the Dependent be covered, from May 2022 – August 2022 when they are not attending school? Yes, if the Plan Member submits a Dependent Update Form with proof of enrolment when they return to school in September 2022.

Plan Members should submit a Dependent Update Form if there is any change in Dependent status.

FORMS ARE LOCATED AT www.ebfa.ca

claims *TIPS*

Submitting Claims

Claim volumes are usually high from November to March. Here are some tips to assist with the claims processing by the Fund Office.

1. Submit your claim right after the expense is incurred. Do not wait until the end of the year.
2. Provide complete documents including receipts and referrals. Make sure the form is dated and signed.

Email your claims to claims@ebfa.ca
Only send information that is encrypted.

Income Tax Act Rule Changes

Your pension plan, Electrical Workers Pension Plan Alberta ("Plan"), is a specified multi-employer plan. In 2021, the Government of Canada changed the rules for this kind of plan.

The changes mean that contributions to a pension plan cannot be made if the contributions relate to members who are receiving a pension from the pension plan to which the contributions are made.

new Electrical Industry Savings Plan

To comply with these changes the Trustees created the Electrical Industry Savings Plan so that retired members of the Plan who are receiving a pension and who are under age 71 ("Savings Plan Participants") can accrue pension benefits from contributions made on and after January 1, 2022. From January 1, 2022 onwards, Savings Plan Participants working in Covered Employment will have contributions deposited into the Savings Plan until they reach the maximum pensionable age (end of the calendar year in which the Savings Plan Participant reaches age 71).

No contributions can be paid to a pension plan (the Plan or the Savings Plan) after the end of the calendar year in which a member reaches age 71.

How Will It Work?

Contributions received on or after January 1, 2022 from a Contributing Employer are deposited into the Savings Plan. Total contributions to the Savings Plan will be invested collectively with the assets of the Pension Plan.

The Savings Plan will be credited with the net rate of return of the funds in the Pension Plan less administration costs. The net return may result in an increase or decrease in the Savings Plan accounts, just as you would see in a RRSP. Interest earned on the Savings Plan is not taxed in the Plan.

Employers are responsible for ensuring the Pension Adjustment reflects the Saving Plan Participant's participation in the Savings Plan.

When Can I Access My Electrical Industry Savings Plan?

The Savings Plan can grow over time and supplement the Savings Plan Participant's retirement income. Savings Plan Participants will also be allowed to withdraw all their Savings Plan balance once per calendar year commencing in 2023.

You can also access your Savings Plan balance once you terminate your membership in the Savings Plan (you cease working for the Participating Employer that is making contributions on your behalf) or at the end of the calendar year in which you reach age 71.

If, at that point, your Savings Plan account balance is less than 20% of the current Yearly Maximum Pensionable Earnings (YMPE), you may take a lump sum payment less tax, or transfer the funds into a RRSP.

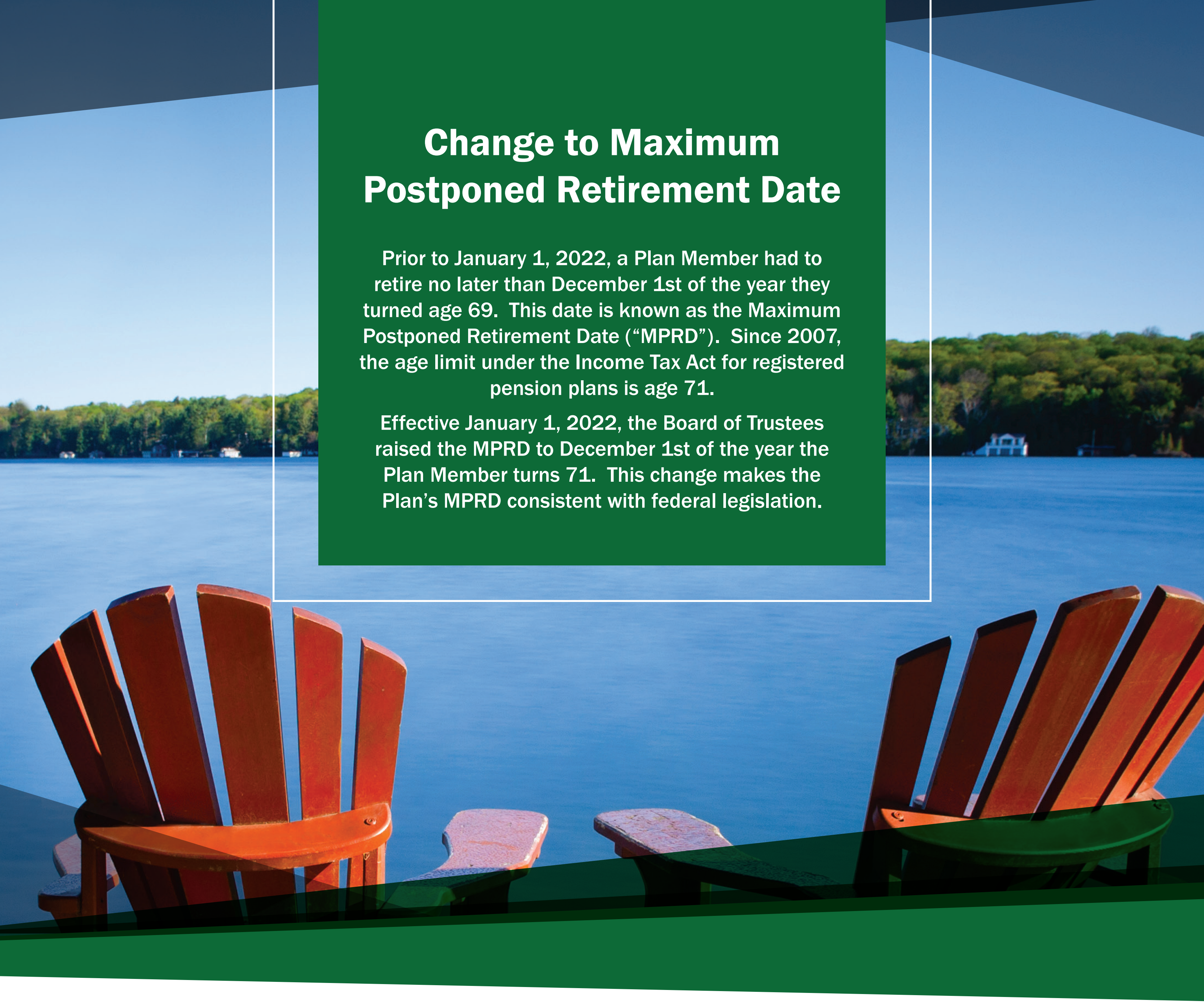
If, at that point, your Savings Plan account balance is greater than 20% of the current YMPE, it must be transferred into a LIRA.

If the rate of return is not available at the time of payment, interest will be credited using a three-month average of the CANSIM interest rates to any month in which the rate of return has not been applied.

When Does the Savings Account Terminate?

At the end of the calendar year in which the Savings Plan Participant turns 71, Contributions will no longer be accepted from the Employer. The Savings Plan Participant must then withdraw all their funds from the Savings Plan.

If the Savings Plan Participant dies then the Savings Plan account will be paid to the surviving Pension Partner (spouse). If no Pension Partner exists, the monies will be paid to the last-named Beneficiary and, if none, to the estate of the Savings Plan Participant.



Change to Maximum Postponed Retirement Date

Prior to January 1, 2022, a Plan Member had to retire no later than December 1st of the year they turned age 69. This date is known as the Maximum Postponed Retirement Date ("MPRD"). Since 2007, the age limit under the Income Tax Act for registered pension plans is age 71.

Effective January 1, 2022, the Board of Trustees raised the MPRD to December 1st of the year the Plan Member turns 71. This change makes the Plan's MPRD consistent with federal legislation.

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