

Standard Teacher Extended Health Benefit Plan

Background

As you are aware, a standard teacher extended health benefit plan was concluded between BCPSEA and the BC Teachers' Federation (BCTF). This new plan represents an improvement for the majority of teachers and it is anticipated that in the majority of districts the local teachers' association will opt to move to this new plan.

Where it is perceived by the BCTF that this plan does not involve an improvement, the local teachers' association may opt to stay with their current plan. The BCTF will indicate which local associations will have their members join the new plan. They have set up their own internal process for this determination. The BCTF has given their locals until September 24, 2012 to provide their response.

In order to make their determination, many teacher locals are requesting documentation to illustrate a side by side comparison of a district's current plan and the proposed standard plan. If you would like this comparison for your district, please contact your Morneau Shepell representative who will provide you with this information.

It should be noted that teacher locals will not be able to choose certain elements from both plans. They must choose the new plan in its entirety or remain with their previous plan in its entirety. It should also be noted that the standard plan does not include dental and all teachers will remain with their previous dental plans.

Transition

The process to move from existing plans to the standard plan will require a transition period. There are several factors affecting this transition period including the number of districts that are involved, the timing to terminate the previous plan, the completion of claims under the previous plan, the effective date of the new plan, etc. We will be working with both the BCTF and Morneau to conclude these processes as soon as possible.

Frequently Asked Questions

- **Does the employer have any input into whether the new standard extended health benefit is adopted in our district?**

No. The local teachers' association makes the determination of whether to move to the new plan. As referenced above, it is anticipated that locals will make this determination by September 24.

- **If the local teachers' association makes the determination to move to the new plan, does the school district have to join the BCPSEA Buying Group as part of this transition?**

Yes. The new plan is part of the BCPSEA Buying Group.

- **What is the timeline for implementation?**

BCPSEA and the BCTF are currently discussing implementation timelines and possible effective dates. The BCTF and its locals have not yet finalized which locals will elect to access the new plan. The timeline for implementation will depend on this and a variety of factors. The entire process will take several months.

- **What if my current extended health care insurance carrier is not Pacific Blue Cross (PBC)? Will the insurance carrier change?**

The insurance carrier may change. Part of the process will include a provider search for the standard extended health benefit plan. Dependent upon the results of the provider search, districts may be required to change providers. One of the criteria considered will be ease of transition. More information will be provided once the provider search is complete. We will work with districts to ensure that any transitions are as smooth as possible.

- **What is required from the district in the event the local teachers' association chooses to join the new plan?**

Once the locals have made their final decisions and the provider search is complete, BCPSEA will be in contact with districts to discuss next steps.

- **When can employees send in claims for reimbursement under the new plan?**

This will depend on the decisions made regarding timelines and possible effective dates. At this time employees should continue current extended health claiming practices under the current plan, and not in anticipation of the new plan coming into effect. For example, if your current massage therapy is limited to \$200 per year and the new plan provides for \$500 for massage therapy, employees should not expect the additional \$300 to be covered at this time.

- **Who do we contact if the district or the local teachers' association has questions about the new plan?**

The district can contact Candice Wright (604 730 4504, candicew@bcpsea.bc.ca) at BCPSEA with questions about the new plan. The local teachers' association should direct questions to the BCTF.

- **What are the changes to the drug plan?**

The new plan includes a pay-direct drug card and a managed care drug formulary (Blue Rx). A pay-direct drug card provides employees with the ability to submit and have prescription drug claims adjudicated electronically in real time at a participating pharmacy. As such, the employee will know

at the point of purchase their out-of-pocket costs (if any) rather than having to pay the full cost of a prescription drug claim and wait to be reimbursed by the claims administrator (e.g., Pacific Blue Cross). There is an expected cost for this convenience as there is general acceptance that pay-direct drug cards increase prescription drug usage and the typical “leakage” when members forget or fail to submit claim receipts for reimbursement are eliminated.

To mitigate the expected increase in cost to add a pay-direct drug card, some plans have incorporated a managed drug program. The new standard extended health benefit plan contains the Blue Rx managed drug plan provided by Pacific Blue Cross. Blue Rx is a dynamic program that is continuously refined with features that include, but are not limited to:

- Managed care drug formulary, which is a customized list of drugs covered by PBC (and reviewed quarterly) based on therapeutic effectiveness and cost
- Special authorization enforcement, which requires members to apply and coordinate coverage if the drug is approved by Pharmacare or another government program
- BC Cancer Agency drug management, which requires the member to seek coverage with the Agency before being covered under the extended health benefit
- Low cost alternative price control, which requires dispensing of a lower cost generic drug if available
- Reasonable and customary mark-up and dispensing fee limits, which recognizes the difference in cost between pharmacies and encourages members to seek competitive pricing

With a managed drug program, communication support and member education is recommended. This can be accomplished through the claims administrator and/or supplemented with additional communication and change management strategies. The objective is to educate employees, in advance, of changes to their prescription drug program and help them to better understand how to best utilize the program without encountering surprises.

Questions

If you have any questions related to the plan, please contact Candice Wright at 604 730 4504 or candicew@bcpsea.bc.ca