



STAFF

2011

FLEXIBLE BENEFIT SELECTION



Phone: (604) 980-6227 or 1-800-432-9707

FLEXIBLE BENEFITS

INDIVIDUAL SPENDING ACCOUNT – (the basics)

Your flexible benefit plan provides for the allocation of fringe benefit coverage to the level of an employee's need for coverage. Capilano University pays for all the benefits at the default level and any unused balance from the benefit choices remains in the employee's spending account. The spending account can be used for reimbursement of professional development expenses, medical and dental expenses which are ineligible under our extended health or dental plans, as a contribution to our group RRSP held with Great West Life or taken as cash through payroll.

Other than if taken as cash, money within the Spending Account is not added to your taxable income (note, RRSPs are added as income but taxes are not withheld), and allows you to purchase your selected benefits in **before tax dollars**.

You have the choice to maintain these default levels of coverage or to re-allocate your Spending Account money amongst 9 benefits -- (note: you have a number of choices within each of these benefits). There is a minimum choice to each benefit -- i.e. Life Insurance & A.D.&D. minimum is \$5,000, as well as a maximum. As you make choices each benefit will either **free up money, or cost you money**, depending upon whether you increase or decrease your coverage from the default level.

Mandatory benefits – not part of flex benefit selection process

DISABILITY BENEFITS - Underwritten by Manulife Assurance Co.- Policy #G0039943

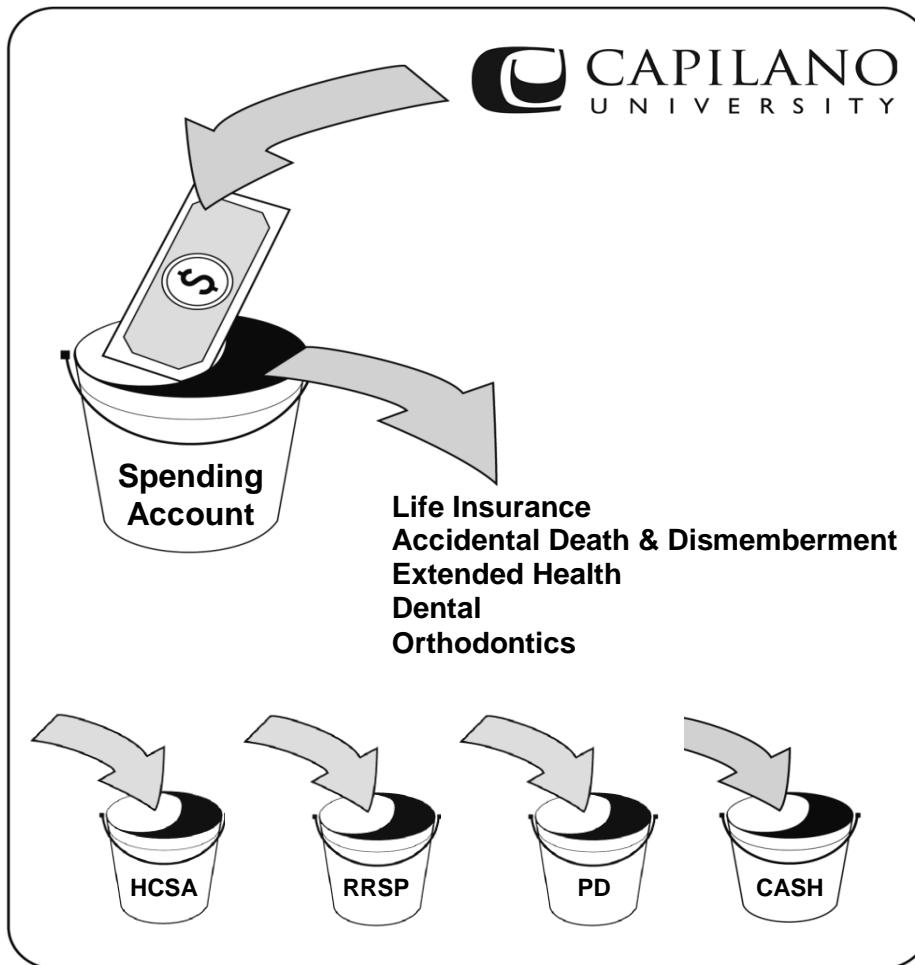
The short term and long term disability benefits provide a weekly/monthly entitlement to be paid to an employee who is unable to work due to medical reasons and whose claim is accepted by the insurer, Manulife Assurance Company. Both the premium and entitlement are salary driven. See your Manulife plan booklet for details of these benefits.

MEDICAL SERVICES PLAN OF BRITISH COLUMBIA - Basic medical coverage is available through the Medical Services Plan of British Columbia, under the Capilano University group plan. The premium is paid monthly according to the level of coverage requested (single, couple or family). The premium is a taxable benefit.

Presented by:



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You are permitted to allocate money within your spending account amongst the following benefits:

BENEFITS	CHOICES
• Life Insurance	6 choices
• Accidental Death & Disablement	6 choices
• Extended Health Care	3 choices
• Dental Care	3 choices
• Orthodontic Dental Care	1 choice

Once the above choices have been made, the remaining funds can be allocated between Health Care Spending Account (HCSA), RRSPs, Professional Development (PD) or cash (less source deductions).

SPENDING ACCOUNT CHOICES*	
• Health Care Spending Account (HCSA)	any \$ amt.
• R.R.S.P.	any \$ amt.
• Professional Development (PD)	any \$ amt.
• Cash (less source deductions)	any \$ amt.

FOUR YEAR ELECTION

You will be permitted to **annually (April 1st) redirect monies amongst your R.R.S.P., HCSA, Professional Development (PD) or cash (less source deductions).**

You are not permitted to change any of your other elections more frequently than **once every four years, with the exception of an increase in your dependent load -- i.e. Single --> Couple --> Family.** Upon a dependent load increase you shall have 31 days to re-select Life Insurance coverage levels. In most cases the next opportunity to elect benefits shall be **APRIL 1, 2015.**

The following will review the choices you will be making through the 'Select Program'.

LIFE INSURANCE

(Underwritten by Manulife Assurance Company – Policy #G0039943)



- BASIC:** • 2 times your annual income
- MANDATORY:** • Minimum of \$5,000
- OPTIONAL:** • You can move your basic coverage up or down in units of \$25,000 to a maximum coverage level of 6 units or \$305,000

GRANDFATHERING •

The **greater of** your current coverage or your default level of life insurance is provided without a requirement to prove medical evidence of insurability, i.e.: “non-evidence”. Any increase in life insurance beyond this coverage is subject to proof of medical evidence of insurability. Manulife Assurance Company must approval all amounts in excess of the default level.

SAMPLE ANNUAL COSTS

<u>INSURANCE AMOUNT</u>	<u>ANNUAL COST</u>
\$ 5,000	\$9.42
\$ 14,000	\$26.38
\$ 39,000	\$73.48
\$ 64,000	\$120.58
\$ 89,000	\$167.68
\$114,000	\$214.78
\$139,000	\$261.88

The cost of the life insurance premium is \$.157 per \$1,000 of coverage chosen.

ACCIDENTAL DEATH AND DISABLEMENT

(Underwritten by Industrial Alliance Pacific – Policy #100007329)



- BASIC:**
- 2 times your annual income
- MANDATORY:**
- Minimum of \$5,000
- OPTIONAL:**
- You can move your basic coverage up or down in units of \$25,000 to a maximum coverage level of 6 units or \$305,000

The default and options available are the same as those provided with the life insurance. The premium is \$.015 per \$1,000 of coverage. The accidental death and disablement coverage does not require medical evidence of insurability for any level of coverage.

SAMPLE ANNUAL COSTS

INSURANCE AMOUNT	ANNUAL COST
\$ 5,000	\$ 0.90
\$ 14,000	\$ 2.52
\$ 39,000	\$ 7.02
\$ 64,000	\$ 11.52
\$ 89,000	\$ 16.02
\$114,000	\$ 20.52
\$139,000	\$ 25.02

The employer pays the premium up to and including the default level of coverage (2 times annual salary) to a maximum of \$305,000. The premium for coverage beyond the default level is deducted from the employee's spending account. Premium saved by choosing less than the default level of coverage is credited to the employee's spending account.

EXTENDED HEALTH CARE PLAN

(Underwritten by Great West Life – Policy #56580)



- DEFAULT:**
- **\$25 annual deductible** Single, Couple or Family
 - **80% Reimbursement**
 - **Prescription drugs** - including
 - oral contraceptives
 - Inoculations, vaccinations and other drugs for foreign travel
 - Smoking cessation drugs limited to \$300/lifetime
 - Ambulance
 - Hospital stay, up to a private room
 - Medical supplies and aids
 - Paramedical services (**Chiropractor, Osteopath, Chiroprapist, or Podiatrist, Naturopath, Massage practitioner, Christian Science practitioners**) -- coverage for these practitioners has a limit of **\$300/ practitioner/person/year**.
 - **Physiotherapists and Acupuncturists** – without limit
 - **Speech Therapy** and **Clinical Psychology** are covered at **\$200/practitioner/person/year**.
 - Private duty nursing at \$5,000 per 3 years (after age 65 reduced by what was paid in the preceding 3 years).
 - Hearing aid maximum to be \$300 in any 4 consecutive years
 - Accidental dental reimbursement
 - Emergency Travel Medical coverage and assistance for out-of-Province or Canada – **always covered at 100%**
 - **Vision Care** at \$200/year or \$400/2 years
 - **Eye Examinations** one per year under age 21, one every 2 years age 21 and over – maximum \$125/year
- OPTION 1:**
- **\$250 annual deductible** Single, Couple or Family
 - All other benefits remain the same
- OPTION 2:**
- **\$500 annual deductible** Single, Couple or Family
 - **No** prescription Drugs

OPTIONS

OPTION CHOICES	ANNUAL COSTS		
	SINGLE	COUPLE	FAMILY
DEFAULT	\$521.52	\$1043.04	\$1,844.40
OPTION 1	\$461.52	\$923.04	\$1,640.40
OPTION 2	\$401.52	\$803.04	\$1,436.40

DENTAL CARE PLAN

(Underwritten by Great West Life – Policy #56580)



- DEFAULT:**
- \$0 annual deductible
 - **100%** reimbursement of **all basic and preventive** work
 - cleaning, scaling, fluoride, inlays, onlays, extractions, root canals, periodontal, relining and rebasing of dentures, x-rays etc.
 - **75%** reimbursement of all **restorative** work
 - caps, bridgework, crowns
 - \$1,750 calendar year maximum per mouth combined between basic and restorative
 - **no** orthodontic coverage
- OPTION 1:**
- **\$100 annual deductible per mouth -- maximum 4 deductibles**
 - same as core plan
- OPTION 2:**
- **\$250 annual deductible per mouth -- maximum 4 deductibles**
 - same as core plan

OPTIONS

OPTION CHOICES	ANNUAL COSTS		
	SINGLE	COUPLE	FAMILY
DEFAULT	\$ 512.82	\$ 928.68	\$1,552.32
OPTION 1	\$ 416.88	\$ 736.68	\$1,264.32
OPTION 2	\$ 272.88	\$ 448.68	\$ 868.32



ORTHODONTIC COVERAGES

(Underwritten by Great West Life – Policy #56580)

- DEFAULT:**
- Coverage is provided for dependent children only (under the age of 19). Reimbursement shall be at 50% of the expenses incurred and shall provide for a maximum of \$2,500 lifetime reimbursement per child.
- OPTION:**
- No orthodontic coverage shall be provided. Money from this benefit shall be freed up to spend on other benefits.

OPTIONS

OPTION	ANNUAL COST
DEFAULT	\$ 300.00
NONE	\$ 0.00

R.R.S.P. ACCOUNT

Great West Life, Group Retirement Services - Policy #65971

In May 2010, Capilano University conducted a full review of the group RRSP program and made a change to *Great West Life, Group Retirement Services*. This change was made to ensure employees have access to an RRSP plan that offered superior communication and planning tools and improved investment options at the lowest possible fees.



You can choose to have part or all of your available Spending Account monies allocated to R.R.S.P. contributions – this will be remitted to Great West Life annually. Any dollar amount you choose can be placed in this account. **Annually, you can re-allocate the amount you have directed to this account.**

In addition, you can contribute funds over and above your spending account dollars either through monthly payroll deduction or through an annual lump sum contribution into your RRSP or a Spousal RRSP.

Once you have chosen this option an outline of available investment options and the funds performance will be provided. You will then, be required to stipulate where your money is to be invested.

What do you need to do?

If you've already established an RRSP account in this program, any addition funds will be deposited in the investments you've chosen. You should have received a login ID and password to access your account on-line at www.grsaccess.com. If you don't have it, contact Great West Life at 1-800-724-3402.

If you would like to open an RRSP account because

- you will be allocating Spending Account dollars for the first time,
 - you would like to contribute funds through payroll deduction, or
 - you would like to transfer funds from another RRSP,
- see Michael Zerebeski for an RRSP application and investment package.

Once you complete the application and choose your fund selection, Great-West will send you a login ID and password to access your personal account at www.grsaccess.com.

Or you can call Great West Life, Group Retirement Services, through the Access Line (1-800-724-3402) which is available Monday to Friday from 5 am to 5 pm PST where you can speak with a customer service representative about your account.

Where can you get more information?

You can request *Fund Reports*, which are one-page summaries of each investment option, from Great-West Life's *Access Line* between 5 a.m. and 5 p.m. PST. Call 1-800-724-3402.

You can also visit www.grsaccess.com for *Fund Reports* and *Fund Reviews* on all funds available to you.

What about fees?

You won't pay fees to change investment options or to redirect future contributions and maturity instructions. For more information, contact *Great West Life, Group Retirement Services*.

The Great-West Life Assurance Company (Great-West), through its subsidiaries London Life Insurance Company (London Life) and The Canada Life Assurance Company (Canada Life), provides group retirement administrative services for over 1.3 million plan members.

This is a good opportunity to review your own investment holdings to ensure that they are appropriate for your retirement and savings goals. You are responsible for the investment decisions you make (including any investment decisions made on your behalf if you fail to make an election).

HEALTH CARE SPENDING ACCOUNT (HCSA)

This account will allow you to allocate any amount of available funds to an account that can be used to pay for **any eligible expense that Canada Revenue Agency (CRA) considers an eligible Medical Expense**. Any payments made from this account are made in **before tax dollars**. Thus, many expenses such as deductibles, orthotics or dentistry not eligible under your Dental plan that would normally be paid out of your pocket can come from this account.

Once funds have been allocated to the HCSA, you must use this money within two years or you will forfeit it. The HCSA year is April 1st to March 31st. All claims through the HCSA must be submitted by March 31st, however there is a 30-day grace period. Therefore any claims with a service date of March 31st or sooner need to be received by Great West Life by April 30th if they are to be paid from the HCSA.

The eligibility of expenses is controlled by the Income Tax Act, and may be for you, your spouse, your children, your grandchild, parent, grandparent, brother, sister, uncle, aunt, niece, or nephew - **if dependent on you for financial support and are a resident of Canada at any time during the year.**

All of the eligibility rules are outlined in CRA's Interpretation Bulletin #IT-519R. Further, if you wish to you can reference the following sections in the Income Tax Act -- 64, 118.2, and 118.4.

Some (but not all) of the eligible expenses are listed below. However, this is subject to change without notice by CRA:

MEDICINES

- medicine or drug purchased by you, as prescribed by a medical practitioner or dentist and dispensed by a licensed pharmacist

DENTAL

- preventive, diagnostic, restorative, orthodontic, and therapeutic care

PROFESSIONAL SERVICES

- medical practitioner, dentist, or nurse or public or licensed private hospital
- acupuncturist (if a qualified medical practitioner)
- chiropodist, osteopath or podiatrist
- Christian Science practitioner
- naturopath
- chiropractor
- massage therapist
- optometrist
- physiotherapist
- practical nurse
- psychoanalyst
- psychologist
- speech therapist

HEALTH CARE SPENDING ACCOUNT (HCSA)

DEVICES AND SUPPLIES

- artificial eye
- artificial kidney machine
- artificial limbs
- blood sugar level measuring devices for diabetics
- brace for a limb
- contact lenses prescribed by a medical practitioner or optometrist
- crutches
- device designed to assist an individual in walking where the individual has a mobility impairment
- device designed to assist a person to enter or leave a bathtub or shower, or to get on or off a toilet
- device or equipment, including replacement parts, designed exclusively for use by an individual who is suffering from a severe chronic respiratory ailment or a severe chronic immune system deregulation, but not including an air conditioner, humidifier, dehumidifier, heat pump or heat or air exchanger
- device to aid the hearing of a deaf person including bone conduction telephone receivers, extra-loud audible signals and devices to permit volume adjustment of telephone equipment above normal level
- devices designed exclusively to enable an individual with a mobility impairment to operate a vehicle
- diapers, disposable briefs, catheters, catheter trays, tubing or other products required by persons who are incontinent by virtue of illness, injury or affliction
- external breast prosthesis that is required because of a mastectomy
- extremity pumps or elastic support hose designed exclusively to reduce swelling caused by chronic lymphedema
- eyeglasses prescribed by a medical practitioner or optometrist
- heart monitoring or pacing devices
- hospital bed including attachments
- ileostomy or colostomy pads
- inductive coupling osteogenesis stimulator for treating non-union of fractures or aiding in bone fusion
- infusion pumps, including disposable peripherals, used in the treatment of diabetes
- iron lung
- laryngeal speaking aid
- monitors which can be attached to babies identified as being prone to sudden infant death syndrome and which sound an alarm if the baby stops breathing
- needles and syringes for the purpose of giving an injection
- optical scanners or similar devices designed to be used by a blind individual to enable the person to read print
- orthopaedic shoes or boots or an insert for a shoe or boot, made for an individual in order to overcome a physical disability
- oxygen tent or other equipment necessary to administer oxygen or for insulin, oxygen, liver extract injectable for pernicious anaemia or vitamin B12 for pernicious anaemia
- power-operated guided chair installation to be used solely in a stairway
- power-operated lifts or transportation equipment designed exclusively for use by or for a disabled individual to allow the individual access to different areas of a building or to assist

HEALTH CARE SPENDING ACCOUNT (HCSA)

- the individual to gain access to a vehicle or to place his or her wheelchair in or on a vehicle
- reasonable expenses relating to renovations or alterations to a dwelling of a patient who lacks normal physical development or has a severe and prolonged mobility impairment
- rocking bed for polio victim
- spinal brace
- braille printers and large print-on-screen devices that enable blind persons to utilize computers
- truss for hernia
- walker or wheelchair
- wigs made for individuals who have suffered abnormal hair loss owing to disease, accident or medical treatment

SERVICES

- one full-time attendant or the full-time care in a nursing home, of a patient who has severe and prolonged mental or physical impairment -- (the condition must be certified by a medical doctor or optometrist, where applicable. An impairment is considered severe and prolonged, if it markedly restricts daily activities and can reasonably be expected to last for a continuous period of at least 12 months.)
- one full-time attendant, if the patient lives in a self-contained domestic establishment (a doctor must certify that the patient is likely to be dependent on others for personal needs by reason of physical or mental infirmity that is of indefinite duration.)
- amounts paid to a nursing home for the full-time care of a patient who, due to a lack of normal mental capacity, will be dependent upon others for now and the foreseeable future
- payments to a special school, institution or other place for care, training or use of equipment, facilities or personnel, with regard to a mentally or physically handicapped individual (an "appropriately qualified person" must certify the individual and his or her special requirements)
- transportation expenses paid to an individual who is in the business of providing transportation services to transport the patient and one additional person (if necessary, as certified by a medical practitioner), provided that equivalent medical services are not available locally, the route taken is reasonably direct and the medical treatment sought is reasonable and the distance travelled is at least 40 Km
- diagnostic, laboratory, and radiological procedures or services used for maintaining health, preventing disease or assisting in diagnosis
- payments to a public or licensed private hospital

OTHER

- ambulance charges to or from a public licensed private hospital
- cost of an animal specially trained to assist a person who is blind, deaf or severely impaired in the use of arms or legs. Additionally, its care and maintenance, including food and veterinary care, are eligible expenses, as are travel expenses to a training facility to learn how to handle the animal and if full-time attendance at the training facility is required, reasonable board and lodging incurred in the full-time attendance
- costs of medical services and supplies outside the province of residence

CRITICAL ILLNESS – DIRECT THROUGH JOHNSTONE’S

What is Critical Illness? It is a lump sum benefit payable to you or your spouse if you have been diagnosed with a major illness or injury. It is insurance that fills the gap between life and disability by provided coverage for covered illnesses that are life threatening.

Critical Illness was developed to address these needs and alleviate some of the stress and financial burden resulting from a critical illness, such as;

- Convalescence
- Lifestyle Changes
- Home Modification
- Supplementary Income
- Home Care
- Pension Supplement
- Dependent Care
- Medical Expenses (not covered by government or private health plans)

The Critical Challenge - People are living longer lives due to healthier lifestyles and advances in medical science which result in a greater number of people surviving illnesses that were once fatal. While we are beating the odds, an alarming number of Canadians will suffer a critical illness in their lifetime. For example:

- 1 in 2 Canadians will contract some form of Heart Disease
- 1 in 3 Canadians will develop some form of life threatening Cancer
- 1 in 4 Canadians will suffer Kidney Failure
- 1 in 20 Canadians will run the risk of having a Stroke before age 70
- 1 in 500 is the incidence rate for Multiple Sclerosis

Being diagnosed with a critical illness can be not only devastating to you emotionally and physically but also financially. While you may be receiving disability insurance, who will take care of you? Will your spouse be able to take time off and still retain your household income? If you are single, can you afford to hire nursing assistance? Having this benefit can take care of those worries.

Generally, Critical Illnesses are considered to be:

<ul style="list-style-type: none">• Heart Attack• Cancer• Stroke• Kidney Failure• Coronary Artery Bypass Surgery• Blindness• Paralysis	<ul style="list-style-type: none">• Major Organ Transplant (Recipient only)• Multiple Sclerosis (MS)• Amyotrophic Lateral Sclerosis (ALS)• Alzheimer’s Disease• Coma• Deafness• Parkinson’s Disease• Severe Burns
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CRITICAL ILLNESS – DIRECT THROUGH JOHNSTONE’S

We have worked with ACE-INA to develop an Optional Critical Illness policy that will provide up to **\$100,000 of coverage without medical evidence**. This amount can be purchased on an employee and/or their spouse (i.e. \$100,000 for the employee plus \$100,000 for the spouse). There is a 2 year pre-existing condition clause that limits only those conditions that currently exist. All other conditions are covered from the onset of the policy.

PRE-EXISTING MEDICAL CONDITION PROVISION

If you or your covered dependents suffer a sickness or sustain an injury for which medical advice, consultation, investigation, or diagnosis was sought or received, or for which treatment was required or recommended by a licensed medical practitioner during the 24 months immediately prior to your or your covered dependent's effective date of insurance or prior to any increase in the amount of insurance and, which directly or indirectly causes the specified covered condition to occur within the first 24 months from your or your covered dependent's effective date of insurance or from any increase in the amount of insurance, a benefit will not be payable

Critical Illness coverage can be purchased in units of \$25,000, and is priced on a 5 year age banded rate basis.

MANDATORY: None

EMPLOYEE OPTIONAL: Critical Illness Insurance is available in units of \$25,000 to a maximum coverage level of 4 units or \$100,000. No Health evidence is required for any amount of coverage.

SPOUSE OPTIONAL: Critical Illness Insurance is available in units of \$25,000 to a maximum coverage level of 4 units or \$100,000. No Health evidence is required for any amount of coverage.

PAYMENT METHOD: Available through Pre-authorized Payment (EFT). **Not available through Flex Benefit or Payroll deduction.**

RATE PER \$25,000 PER MONTH				
	Non-Smoker		Smoker	
AGE	Male	Female	Male	Female
Under 25	4.35	3.75	4.95	4.20
25-29	5.70	4.85	6.40	5.50
30-34	7.40	6.30	8.35	7.15
35-39	7.75	7.10	14.55	13.35
40-44	11.65	11.35	21.85	21.35
45-49	19.10	16.50	45.85	39.55
50-54	32.50	24.70	77.95	59.35
55-59	53.75	35.80	145.70	97.05
60-64	80.65	50.15	218.60	135.85

**Note: premiums rates are 5 year age banded and increase with age. In order to qualify for non-smoker rates you must not have smoked tobacco products 12 months prior to the date of enrollment*

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