


2025 Employee Benefits Renewal Hi-lights



April 2025

SELECTPATH 

 NAVACORD®

PROGRAM HIGHLIGHTS

- Overall, a 3.6% increase in **premiums**
- **Life Insurance and Long Term Disability**
 - pooled benefits – 2 year rate guarantee until 2026
 - No change in rates
- **Extended Health Care**
 - experience rated benefit, rates guarantee any claim activity through 2025
 - 2025 - 6.6% increase in rates as predicted to council in April 2024
 - **“Expect a healthcare utilization trend of 6-7% increase annually”**
- **Dental (Administrative Services Only – ASO)**
 - Surplus position improved in 2024
 - No change in rates required



LONG TERM DISABILITY

Year	Rate	Company
2016	2.82	Cigna
2017	2.82	Cigna
2018	2.82	Equitable
2019	3.19	Equitable
2020	3.67	Equitable
2021	4.043	Equitable
2022	5.954	Industrial Alliance
2023	5.954	Industrial Alliance
2024 & 2025	3.87	Camden

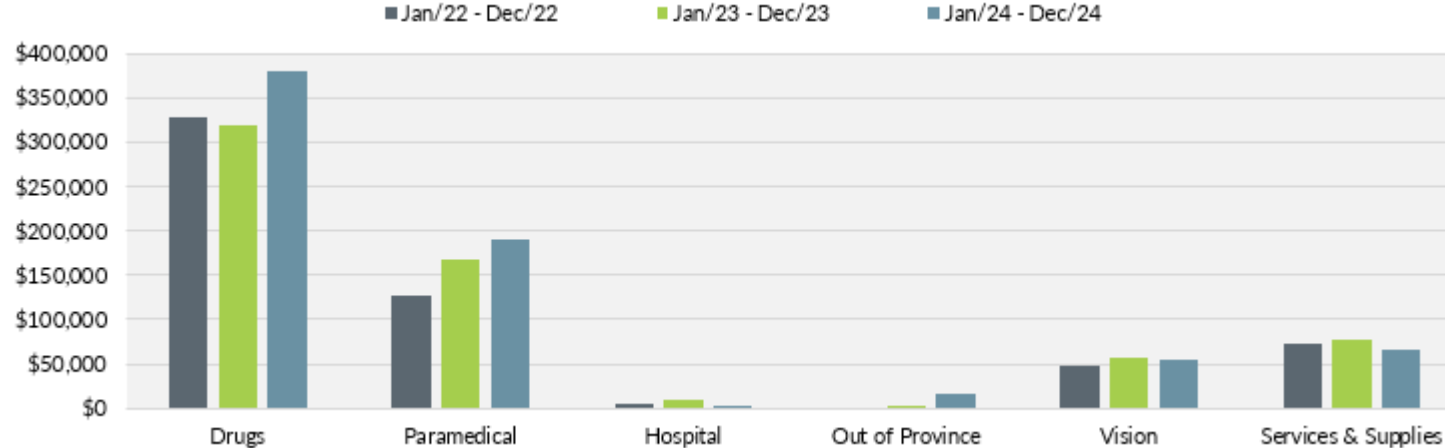
Long Term Disability claims incidences have dropped significantly since their peak in 2021.

The LTD Premium now accounts for 22.9% of overall employee benefit premium.



EXTENDED HEALTH CARE

CATEGORY	Jan/22 - Dec/22		Jan/23 - Dec/23		Jan/24 - Dec/24		CHANGE OVER PRIOR PERIOD	
	PAID CLAIMS	%	PAID CLAIMS	%	PAID CLAIMS	%	\$	%
Drugs	\$326,892	56.7%	\$318,144	50.4%	\$380,718	53.6%	\$62,575	19.7%
Paramedical	\$125,875	21.8%	\$167,660	26.5%	\$190,605	26.8%	\$22,946	13.7%
Hospital	\$3,941	0.7%	\$10,199	1.6%	\$3,195	0.5%	-\$7,004	-68.7%
Out of Province	\$0	0.0%	\$1,090	0.2%	\$15,588	2.2%	\$14,498	1330.7%
Vision	\$47,012	8.2%	\$56,261	8.9%	\$54,512	7.7%	-\$1,749	-3.1%
Services & Supplies	\$72,865	12.6%	\$78,142	12.4%	\$65,297	9.2%	-\$12,844	-16.4%
Total	\$576,584	100.0%	\$631,494	100%	\$709,916	100.0%	\$78,422	12.4%
Less: Pooled Health Claims	\$53,718		\$50,232		\$91,364		\$41,131	
Net Health	\$522,866		\$581,262		\$618,552		\$37,290	6.4%



- Drug claims increased \$62,575 in 2024 with 2/3 of these claims being pooled within the carrier's stop-loss program, which has no direct effect on the policy.
- Paramedical claims continue to increase (13.7%). Over 70.5% of this increase in claims are Mental Health Practitioner claims, a trend we are seeing elsewhere.
- Overall NET healthcare claims increased by 6.4% in 2024 which is congruent with the 2025 healthcare increase of 6.6%.
- Overall NET healthcare claims have increased by 18.3% since 2022.



EXTENDED HEALTH CARE

CATEGORY	Jan/22 - Dec/22		Jan/23 - Dec/23		Jan/24 - Dec/24		CHANGE OVER PRIOR PERIOD	
	PAID CLAIMS	%	PAID CLAIMS	%	PAID CLAIMS	%	\$	%
Acupuncturist	\$968	0.8%	\$1,090	0.7%	\$375	0.2%	-\$715	-65.6%
Chiropractor	\$32,773	26.0%	\$52,783	31.5%	\$47,565	25.0%	-\$5,218	-9.9%
Chiropodist/Podiatrist	\$920	0.7%	\$2,015	1.2%	\$1,780	0.9%	-\$235	-11.7%
Dietician	\$1,015	0.8%	\$663	0.4%	\$1,050	0.6%	\$387	58.3%
Massage Therapist	\$46,433	36.9%	\$71,693	42.8%	\$75,785	39.8%	\$4,092	5.7%
Mental Health Practitioners	\$10,857	8.6%	\$11,010	6.6%	\$27,209	14.3%	\$16,199	147.1%
Naturopath	\$2,702	2.1%	\$2,388	1.4%	\$3,838	2.0%	\$1,450	60.7%
Osteopath	\$4,125	3.3%	\$3,604	2.1%	\$3,226	1.7%	-\$378	-10.5%
Physiotherapist	\$24,327	19.3%	\$22,043	13.1%	\$28,388	14.9%	\$6,344	28.8%
Speech Therapist	\$1,755	1.4%	\$370	0.2%	\$1,390	0.7%	\$1,020	275.7%
Total	\$125,875	100.0%	\$167,660	100%	\$190,605	100.0%	\$22,946	13.7%

- Historically, it has been most typical to see Massage Therapy, Chiropractic and Physiotherapy as the primary use paramedical benefits.
- Over the past five years, Mental Health Practitioner claims have grown significantly and now account for over 14% of all paramedical claims.
- Collective bargaining requests have greatly focused on increases amongst these four practitioners.
- Since 2022 within this contract, the growth in claims has been: Massage = 63%, Chiropractic = 45%, Physiotherapy = 17%, Mental Health = 150%.



TOP DRUG CATEGORIES & DISEASE STATES

Current Period: Jan/24 - Dec/24

RANK	COMMON USE	# OF CLAIMS	%	PAID CLAIMS	%
1	Rheumatoid Arthritis & other Autoimmune Diseases (Injectible)	31	0.6%	\$55,127	14.5%
2	Lung Disease	8	0.2%	\$29,483	7.7%
3	Multiple Sclerosis	13	0.3%	\$20,964	5.5%
4	Depression/Anxiety/Sleep Disorders	600	12.3%	\$18,428	4.8%
5	ADHD	196	4.0%	\$17,744	4.7%
6	Ulcers/GERD	262	5.4%	\$16,277	4.3%
7	Diabetes	48	1.0%	\$13,685	3.6%
8	Rheumatoid Arthritis & other Autoimmune Diseases (antirheumatic)	7	0.1%	\$12,300	3.2%
9	Asthma/COPD	79	1.6%	\$11,679	3.1%
10	Diabetes	45	0.9%	\$9,368	2.5%
Total Top 10		1289	26.4%	\$205,054	53.9%
Total All Drugs		4874	100.0%	\$380,718	100.0%

Prior Period: Jan/23 - Dec/23

RANK	COMMON USE	# OF CLAIMS	%	PAID CLAIMS	%
1	Rheumatoid Arthritis and other Autoimmune Diseases	33	0.7%	\$63,122	19.8%
2	Multiple Sclerosis	12	0.3%	\$19,165	6.0%
3	Ulcers/GERD	244	5.3%	\$17,681	5.6%
4	Depression/Anxiety/Sleep Disorders	596	12.9%	\$17,463	5.5%
5	ADHD	156	3.4%	\$16,076	5.1%
6	Asthma/COPD	63	1.4%	\$10,952	3.4%
7	Diabetes	35	0.8%	\$8,126	2.6%
8	Lung Disease	4	0.1%	\$8,110	2.5%
9	Diabetes	40	0.9%	\$7,228	2.3%
10	Cholesterol	31	0.7%	\$6,835	2.1%
Total Top 10		1214	26.2%	\$174,758	54.9%
Total All Drugs		4630	100.0%	\$318,144	100.0%

There is no change in the top claimed category, although the #2 category is a new claim that is expected to recur.

Six (6) claimants had healthcare claims greater than \$10,000.

The highest cost disease states within the policy were Rheumatoid Arthritis and Lung Disease.

Stop-loss Claims (non-travel) increased 54% in 2024.

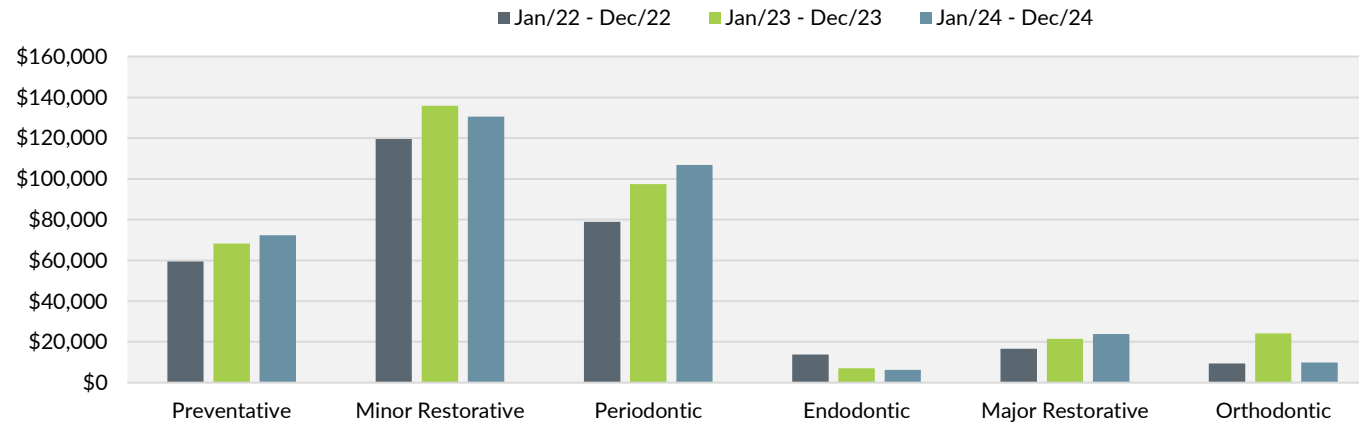
Pooled Claims

EXPERIENCE PERIOD	POOLED PREMIUM	NO. OF CLAIMANTS	IN CANADA CLAIMS	TRAVEL CLAIMS	TOTAL
Jan/24 - Dec/24	\$171,669	15	\$75,776	\$15,588	\$91,364
Jan/23 - Dec/23	\$154,182	6	\$49,143	\$1,090	\$50,232
Jan/22 - Dec/22	\$147,711	5	\$53,718	\$0	\$53,718



DENTAL

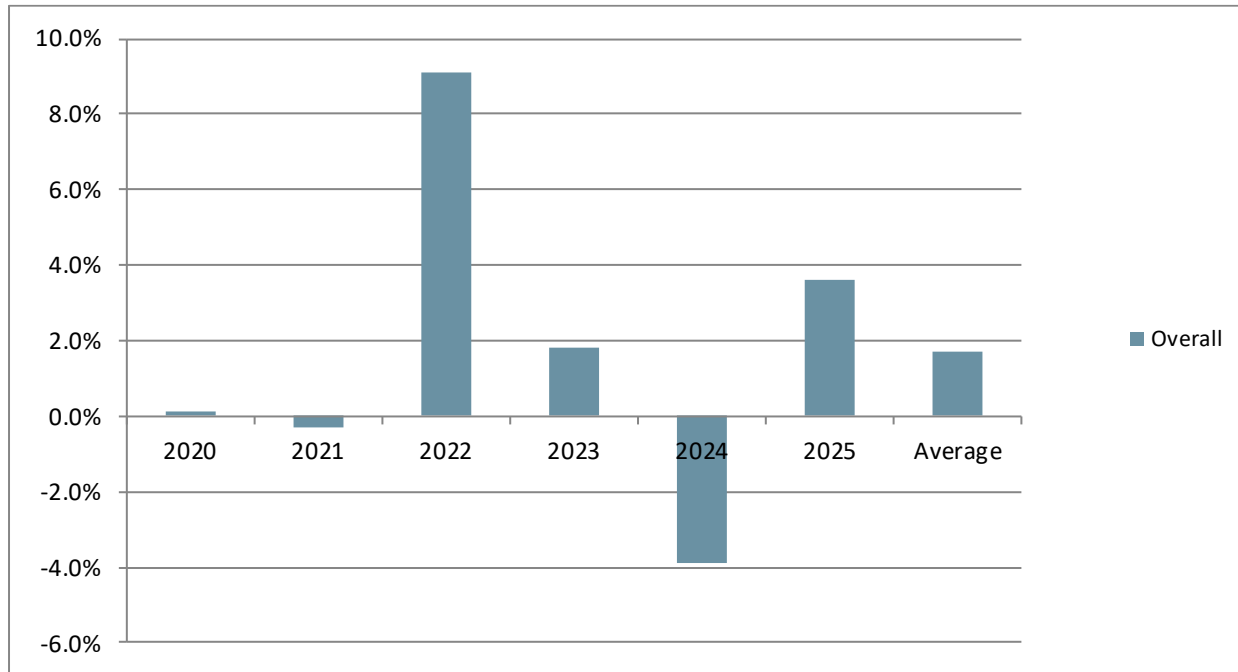
CATEGORY	Jan/22 - Dec/22		Jan/23 - Dec/23		Jan/24 - Dec/24		CHANGE OVER PRIOR PERIOD	
	PAID CLAIMS	%	PAID CLAIMS	%	PAID CLAIMS	%	\$	%
Preventative	\$59,395	20.0%	\$68,182	19.3%	\$72,311	20.7%	\$4,128	6.1%
Minor Restorative	\$119,602	40.2%	\$135,961	38.4%	\$130,613	37.4%	-\$5,348	-3.9%
Periodontic	\$78,888	26.5%	\$97,432	27.5%	\$106,804	30.5%	\$9,372	9.6%
Endodontic	\$13,726	4.6%	\$7,027	2.0%	\$6,283	1.8%	-\$744	-10.6%
Major Restorative	\$16,630	5.6%	\$21,456	6.1%	\$23,827	6.8%	\$2,371	11.1%
Orthodontic	\$9,357	3.1%	\$24,106	6.8%	\$9,813	2.8%	-\$14,293	-59.3%
Total	\$297,598	100.0%	\$354,164	100%	\$349,650	100.0%	-\$4,514	-1.3%



- ❖ Dental claims decreased in 2024 with the most significant change in the orthodontic benefit which has a lifetime maximum/person.
- ❖ Preventative (includes recall visits) increase slightly more than the dental fee guide increase. Periodontic typically mimics this category.
- ❖ Plan is set up as Administrative Services Only (ASO). At renewal (Dec 31, 2024) the policy was in a surplus position of \$192,317.
- ❖ January 1, 2024 the surplus was \$195,343. Adelaide-Metcalf changed their funding within the program and withdrew their surplus of \$33,007 in 2024.



RATE REVIEW



- ❖ The average program increase over the last 6 renewals was 1.7%.
- ❖ Outside of an anomaly year in 2022 caused by a spike in disability costs, the program has performed amazingly well.
- ❖ Overall, based on 2025 demographics, the County will pay less in benefit costs in 2025 than 2023.
- ❖ Pooled Benefits have been stabilized.

	2020	2021	2022	2023	2024	2025	Average
Health	-4.1%	0.0%	-2.9%	4.2%	6.6%	6.6%	1.7%
Dental	0.0%	-10.0%	-3.0%	0.0%	19.0%	0.0%	1.0%
Pooled	9.7%	8.0%	38.7%	0.0%	-27.9%	0.0%	4.8%
Overall	0.1%	-0.3%	9.1%	1.8%	-3.9%	3.6%	1.7%

EHC Inflation	12.0%	12.0%	12.0%	12.0%	12.0%	12.0%	12.0%
Dental Inflation	8.0%	8.0%	8.0%	8.0%	8.0%	8.0%	8.0%
CPI	1.2%	4.2%	8.0%	4.1%	2.9%	2.4%	3.8%



STATE OF THE EMPLOYEE BENEFITS PROGRAM = STABLE

- **Pooled Benefits (Life, AD&D, Disability) renew coming off a 28 month rate guarantee in 2026.**
- **Extended Health Care claims renewed as predicted at a 6.6% increase.**
- **Modelling show the healthcare utilization trend of 6-7% to continue in 2025.**
- **Rates within the program will be adjusted as collective bargaining changes occur.**
- **Dental (Administrative Services Only – ASO) claims decreased and are projecting well through March 2025. The Dental Fee Guide decreased significantly in 2025 (2.03%).**
- **Based on YTD projected through, we feel comfortable that 2026 health and dental renewal costs should come in less than 5% as the dental surplus can be utilized to stabilize any change that may occur in 2026. Pooled benefits renew in 2026 coming off a 28 month rate guarantee which should be pre-cautionary budgeted at a 10% increase.**
- **Please initially budget an overall 5% increase for 2026 with clarity to be provided in October.**



THANK YOU FOR YOUR BUSINESS



Allow me to answer your questions!

