



## Board of Directors

### Notice of Special Meeting

Date: Thursday, May 18, 2017

Time: 6:00 P.M. – 6:30 P.M.

Place: COM 130

## AGENDA

Time	Item	Action
6:00 p.m.	<b>1. Chair's Welcome and Opening Remarks</b>	Information
	<b>2. Adoption of the Agenda</b>	Decision
	<b>3. Declarations of Interest</b>	Information
6:05 p.m.	<b>4. Motions</b> a. Approval of the GSA-UW Fee Schedule effective September 1, 2017.	Decision
6:30 p.m.	<b>Adjournment</b>	

Norman M. Kearney  
Chair | Board of Directors  
Graduate Student Association | University of Waterloo

May 14, 2017

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## RESOLUTIONS

- 4a** Be it **RESOLVED** that the following fee schedule be effective September 1, 2017:
- GRT Bus Pass Fee: **\$89.45** per full-time graduate student at campuses in the Region of Waterloo per term (no option to opt out);
  - Health Plan Fee: **\$62.00** per full-time and part-time graduate student per term (option to opt out and receive a refund);
  - Dental Plan Fee: **\$81.00** per full-time and part-time graduate student per term (option to opt out and receive a refund on proof of equivalent coverage);
  - Graduate House Fee: **\$18.00** per full-time and part-time graduate student per term (option to opt out and receive a refund); and,
  - GSA-UW Membership Fee: **\$20.50** per full-time and part-time graduate student per term (no option to opt out).

***The rationale for this resolution, including risk and MVV analyses, will be added to the dropbox at least one day in advance of the meeting.***



## **Board of Directors Notice of Special Meeting**

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### **Minutes**

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The following notes are to be confirmed.

**Present:**

Norman Kearney, Chair  
Evan Andrews, Director  
Richard O'Brien, Director  
Allison Sachs, Director  
Serxho Selmani, Director  
Ramy Tannous, Director  
Beth Timmers, Director

Regets: Matthew Morison, Sondra Eger.

Present but not in the meeting: Robert Bruce, President, and Rose Vogt, General Manager.

*(Vogt has no record of this meeting and believes that she and the President were not present during this meeting).*

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The special meeting was called to approve GSA fees for the Fall 2017 term. These fees must be brought before the University of Waterloo Board of Governors June meeting in order to be implemented for the fall term. The Special Meeting was scheduled on the day prior to the deadline to add items to the BoG June agenda.

This date was already scheduled as part of the Board on-boarding/training workshops.

Board heard a presentation by Del Pereira from Studentcare about the status of the Health and Dental plans. Studentcare issued RFQ this year and reports that there is no change required to the GSA Fees for Health and Dental. There may be an adjustment to the premiums once the data and further information regarding the OHIP+ programs is analyzed. OHIP+ is Ontario's initiative that will provide benefits/coverage for prescription drugs to Ontarians under the age of 24.

Vogt submitted a Fees Summary and notes from the Studentcare Renewal Report Executive Summary to the Board and copies of the health and dental renewal report were available for viewing.

After the presentation the Board approved the schedule of fees for September 2017.

A Memo of questions submitted to the Board in advance may have been considered during the meeting.

*(Note: Vogt does not have a record of the motion, mover/second, discussion.)*

The next day, the President sent a letter to Dennis Huber to have the Board of Governors approve the fees.



# Memo

## Questions Regarding Proposed GSA-UW Fee Changes

To: Board of Directors, GSA-UW

From: Norman M. Kearney, Chair | Board of Directors

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1. What are the current balances of the Claims Fluctuation Reserve (CFR), the Unrestricted Deposit Account (UDA), and the GSA-UW Health & Dental Fund?
2. Are there any important trends in claims on the Health Plan that the Board ought to consider when determining the Health Plan fee?
3. Does the proposed Health Plan fee reasonably respond to the risks facing the GSA-UW?
4. Given that the Dental Plan premium depends on actuarial estimates, what evidence is there that SunLife is effectively managing the Dental Plan and that the proposed fee is fair to our members?
5. Has StudentCare rendered a professional opinion on the Health and Dental Plan fees? Is it in writing?
6. What are StudentCare's contractual and professional responsibilities with respect to the GSA-UW's plans, and have they fulfilled those responsibilities this year?
7. When was the Graduate House fee last adjusted? What is the basis for calculating it? Does the current fee effectively support the Graduate House (especially with respect to the GSA-UW's MVV)?
8. When was the Association Membership fee last changed? What is the basis for calculating it? Does the current fee effectively support the Association (especially with respect to the GSA-UW's MVV)?



**Summary of Fees Report**  
**R. Vogt, General Manager to the**  
**Special Meeting on May 17, 2017.**

The following report is submitted to support the motion to approve fees for the GSA fiscal year – September 2017 – August 2018

Below are the charts indicating the current and past year’s GSA Association and Administered Fees. Prior year GSA Fees can be viewed online at GSA Fees Chart

<i><b>Fee type</b></i>	<i><b>September 2016</b></i>	<i><b>January 2017</b></i>	<i><b>May 2017</b></i>	<i><b>Total</b></i>
Association Fee	20.50	20.50	20.50	61.50
<i><b>GSA Administered Fees:</b></i>				
GRT bus pass (full-time students only)	85.20	85.20	85.20	255.60
Dental Plan	81.00	81.00	81.00	243.00
Health Plan	62.00	62.00	62.00	186.00
Graduate House	18.00	18.00	18.00	54.00
<b>Total GSA Administered Fees</b>	<b>246.20</b>	<b>246.20</b>	<b>246.20</b>	

<i><b>Fee type</b></i>	<i><b>September 2015</b></i>	<i><b>January 2016</b></i>	<i><b>May 2016</b></i>	<i><b>Total</b></i>
Association Fee	18.50	20.50	20.50	59.50
<i><b>GSA Administered Fees:</b></i>				
GRT bus pass (full time students only)	81.15	81.15	81.15	243.45
Dental Plan	78.00	78.00	78.00	234.00
Health Plan	55.00	55.00	55.00	165.00
Graduate House	17.50	18.00	18.00	53.50
<b>Total GSA Administered Fees</b>	<b>231.75</b>	<b>232.15</b>	<b>232.15</b>	

GSA Association Fee - no change for September

- The Association Fee was approved to increase of CPI + 10% at a General Meeting held on September 24, 2015 and to be applied January 2016. The increase was \$2.00/term/student –from \$18.50 to \$20.50. It was acknowledged that the GSA is unable to achieve an appropriate level of administration and/or service at the rate. Also, the Association was receiving surplus from the Graduate House, which is not sustainable. The argument was made that the GH Fee is refundable, and that profits generated by the GH could augment the needs of the Association.
- It is the opinion of the General Manager, that the fees need to be increased or an in-depth evaluation of programs need to be adjusted to reflect the level of support.

Graduate House Fee - no change for September

- The Graduate House Fee was approved by the Board & Council to increase in January 2016 by \$0.50. The Graduate House did not realize a fee increase from 2011- 2015-April when it was \$15.00. The Board decided that regular increases should be applied rather than having a large increase after several years

to “catch up”.

- The Graduate House is generating a profit in previous years. This year the GH Manager expressed concern that budgetary projections were not being met.
- The recommendation is to perform an in-depth review of GH operations and make recommendations to the Board. The GH Manager and an ad-hoc committee could consider creative solutions and develop appropriate direction for the GH as a service.
- Operations must consider that the cost of doing business has external factors that should be carefully considered in the budgeting process, and that some of these factors may not surface within the fiscal year. (I.e. minimum wage increases are now occurring every October-but the trickle down effect from suppliers may compound throughout the year.)

#### GRT Bus Pass - change to **\$89.45 for September**

- The GSA has a contract with the Region of Waterloo Grand River Transit in collaboration with the FEDS, WLU students, that will see the GRT Bus Pass Fee increase each year at a rate of 4.99%. The contract will expire in 2020. In 2015 the working group negotiated to have a longer contract, due to the impending ION LRT installation. Previous to the 4.99% fixed rate increase, the GRT Bus Pass fee increase was linked to the “regular adult fare” increase to a maximum of 7%.

#### Dental Plan - No change for September

- The GSA has a stand-alone dental plan with a guaranteed premium of \$77.93/term/student.
- Studentcare is recommending no change to the premium
- GSA assesses a Dental Plan fee of \$81.00/term/student. The \$2.00 per student/term difference is growing the Health and Dental Fund (GSA Internal reserve)
- This surplus is approximately \$8,400.00 per term (\$2.00 x 4200 grad students)
- Studentcare representative will be coming to answer questions at the Special Board meeting.

#### Health Plan – no change for September

- The GSA has a joint health plan with the FEDS/GSA and is a self-insured plan with a negotiated premium of \$57.41/term/student.
- The GSA/FEDS will pay all claims made to the plan.
- Studentcare is recommending no change to the premium
- GSA assesses a Health Plan fee of \$62.00/term/student. The approx. \$4.50/student/term difference is growing the Health and Dental Fund (GSA Internal reserve)
- This surplus is approximately \$18,900.00K per term (\$4.50 x 4200 grad students)
- Studentcare representative will be coming to answer questions at the Special Board meeting.

#### Health and Dental Fund: (GSA Reserves)

- The audit reports the opening balance of the Health and Dental Fund, which includes all the reserves, both internal and external. (CFR & UDA)
- The external reserve is approx. \$87K (CFR) and \$19K (UDA) for a total of \$105K and the internal reserve is approx.. \$274,500
- Total reserves are \$379,500
- Recommended goal is to hold \$500K in reserves.

Below is a summary of the Health Plan 2015-2016. The full report is in the Dropbox folder for the Board.

**Executive Summary of the 2015-2016 ANNUAL CLAIMS REVIEW.**

- The most popular category claimed within the Health Plan continues to be prescription drugs, which makes up 60% of total health claims. This category now accounts for over \$2 million in annual claims. The growth can be attributed to the addition of DIN to the formulary. Gardasil continues to top drug claims by amount paid, especially with the addition of Gardasil 9. The use of Biologic treatments increased over the previous policy year as well.
- Central Nervous System Agents, which include prescriptions for the treatment of depression, anxiety, and ADHD, continue to be highly utilized for the 2015-2016 Plan year. They top the drug claim categories, making up 34% of total drug claims and accounting for over half a million dollars.
- Medical marijuana was added to the Plan coverage on an exceptional special authorization basis, and new member additions continue.
- Paramedical services also continue to be well used by the Waterloo student population, with total claims remaining consistent with the previous Plan year. Athletic therapy was added to the coverage effective September 1st, 2015.
- The Health Plan continues to see high travel claims year after year. Total travel claims accounted for \$506,756 and increased by 29% over the previous year, with per capita claims increasing by 27%. It is always worth noting that the risk to the Plan is limited, as major claim amounts higher than \$25,000 do not impact the claims experience. This design was actualized as there was a large claim incurred in the amount of \$224,350-\$199,351 being pooled.
- Overall Plan enrolment increased by 2%

Studentcare monitors the claims and negotiates with insurance underwriters on behalf of the plan-holder. The dental plan renewal report for this year has not been received yet. This report provides analysis of the current year to date.

The professional opinion on the Health and Dental plan premium recommendations will be made at the plans renewal meeting. We have not specifically asked for the fee to be in writing, outside of the renewal summary report and recommendation.

I will request that an official letter is provided regarding their opinion and fee recommendation.

In reference to the health plan, studentcare has put out requests for quotes (RFQ). Trends that may affect the health plan are:

- The Ontario OHIP plus plan to provide prescription drugs for individuals 24 yrs. of age and under. The drugs that are included are based on a standard formulary, and the GSA health plan has drugs on its formulary that reflect the needs of our students and are recommended/monitored by the Director of Health Services. (Dr. Clark Baldwin)

Studentcare provides administrative services and consultation/advice on premiums and fees. The GSA/Studentcare relationship has been one of good will and Studentcare has always demonstrated working in best interests of students.

As advisors, they have made recommendations that serve the "greatest good".

Studentcare at their expense, installed an office on campus to better serve students. Prior to this commitment they sought a reciprocal commitment (MoAU) from the plan holders and the Appendix G renewal MoA was signed with an expiry dated August 31, 2019. As a broker, they negotiate the best prices for the plan coverage the plan holders' request. Studentcare receives payment based on a fixed administrative charge/per premium instead of a percentage of the premium.

In my opinion, the relationship with Studentcare since 2005 has proven to be a benefit to students in both the efficiencies and coverage of the health plan and in providing a dental plan to students.