Group Insurance Program
Market Test

September 2018

trio
Life·Health·Pension

Bidders

- Five major carriers chosen – on the basis of proven competence with plans the size and complexity of Trio's (many classes and many municipalities).
- Proposals received from:
  - Sun Life
  - ManuLife
  - Medavie Blue Cross
- Two carriers declined to quote:
  - Great West Life
  - Desjardins Financial
- REASON FOR DECLINING: Both carriers felt program was already appropriately priced

Selection Criteria

- In our experience, the most important selection criteria when choosing a plan insurer include:
  - Competitiveness of expenses charged to administer plan
  - Drug plan management capabilities and processes
  - Premium rates and guarantee periods
  - Ability to offer benefits equivalent to the current program, without major deviations
  - Quality of available administration tools (breadth of functions and ease of use)
  - Employee self-service functionality – claims processing, coverage details

Market Test Outcome

- Incumbent insurer Sun Life Financial provided the most competitive quotation, reducing premium (albeit slightly) on all lines of benefit
- The quotations of the other two carriers would have resulted in higher cost
- We expect that municipalities will benefit from overall premium reductions in the area of 4-5% - depending on the benefit profile of each municipality

Trio Activity Update

New Programs

New Program Initiatives in 2018

- First Responder Employee and Family Assistance Program
  - Designed to provide assistance to first responders and their families for situations related to work and other
  - Nine municipalities enrolled covering almost 300 first responders
  - Monthly cost is just $4.00 per first responder

- New Program launched for retirees/members leaving employment after age 50
  - Program is sponsored by consulting firm, Mercer
  - Designed to be optional to the departing member
  - Administered completely online – no responsibility or cost to municipalities

TRIO PROGRAM AT A GLANCE

- PROGRAM FEATURES TWO DESIGN OPTIONS:
  - COMPREHENSIVE PLAN – LIFE, HEALTH, DENTAL,DISABILITY
  - SMALL TOWN PLAN – LIFE, HEALTH, DENTAL
- PLAN MEMBERSHIP OF 800-900 – CLOSER TO 2000 WHEN YOU CONSIDER FAMILIES
- ANNUAL PREMIUM OF ROUGHLY $3.9M


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