

Employee Information Call Group Benefits & Pension Plan

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Today's Presenters

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Before we begin



You do not have to take notes – this session will be recorded and posted online, along with a copy of this presentation



Visit www.childcarenovascotia.ca/benefits to ensure you're staying up to date on the latest information

Purpose of today's call

- ① Review contents of the group benefits and pension plans
- ② Review process for how you'll transition onto your new plans
- ③ Answer questions



Recap

The Province is funding your employer to contribute to two well-known plans on your behalf

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A **Defined Benefit** Pension Plan through CAAT that provides:

- ✓ Predictable and secure retirement payment, for life
- ✓ Inflation protection
- ✓ Survivor benefits
- ✓ Early retirement features
- ✓ A fully funded and sustainable pension that is not reliant on the financial health of any one employer

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A **comprehensive group benefits plan** through HANS that contains:

- ✓ Health, Dental, Life and Long Term Disability Insurance for eligible employees and their families
- ✓ An Employee and Family Assistance Program (EFAP) through TELUS Health
- ✓ Emergency Travel Coverage

Who's providing your plans?

Your Group Benefits Provider



- NFP, non-government org with over 60 years of service
- Serving >30,000 active employees and 10,000 retirees
- Largest, longest-standing provider of group benefits administration services in Nova Scotia's health system
- Governance consists equally of union and employer reps

Your Pension Provider



- NFP org governed by a joint employee and employer board and sponsors' committee
- Offering pensions to 91,000+ members across Canada
- 124% funded as at January 1, 2023 for great benefit security

Recap of what's included

A **defined benefit pension** plan

100% coverage for **prescription** drugs
(less dispensing fee)

100% coverage for **dental** cleanings and checkups
(one per calendar year for adults and 2 per year for children)

Eye exams plus up to \$345 for glasses/contacts every 2 years

Up to **\$1,500 per calendar year** for **paramedical** practitioners

Life insurance, long term disability insurance, orthodontics, EFAP, and more

Who is eligible?

- ECEs and support staff employed by a licensed and provincially-funded child care centre or family home child care agency.
- Employees must be hired on either a permanent basis or a temporary basis for 12 months or more.
- Employees must work at least 14 hours per week per their employment contract (40% of a regular work week).
- The entirety of the individual's employment (all hours as part of the employment contract) must be dedicated to the delivery of child care at that organization (in or out of ratio). This includes Directors/Assistant directors, ECEs, untrained staff, cooks, inclusion supports, and administrators.

Important Points

- If you meet the eligibility criteria you are required to join the plans
- To be eligible as a temporary employee, you must have an employment contract of 12 months or more (LTD is not eligible)

But....

- You **do not** have to have worked for 12 months before you qualify to join the plan

Employee eligibility requirements

PERMANENT EMPLOYEES

Minimum Number of Hours

Hired to work at least 14 hours per week

Employment Status

Hired as a permanent employee

Waiting Period

Life and Long Term Disability

Benefits effective the first of the month following 3 months from the date of hire

Health, Dental and Pension

Benefits effective the first of the month following the date of hire

TEMPORARY EMPLOYEES

Minimum Number of Hours

Hired to work at least 14 hours per week

Employment Status

Hired as a temporary employee for a minimum of 12 months

Waiting Period

Life (not eligible for LTD)

Benefits effective the first of the month following 3 months from the date of hire

Health, Dental and Pension

Benefits effective the first of the month following the date of hire

I already have a benefits or pension plan through my employer, do I have to join the HANS' plan?

- **Yes.** Regardless of whether you have an existing benefits plan in place, you are required to join the new plan. It was designed specifically for Nova Scotia's ELCC sector.
- If your organization offers services **other than childcare** and already has group benefits and pension plans in place for all of its employees, it might be considered for an exemption
- **Most organizations in NS do not fall into this category**, as most organizations solely offer ELCC services
- In the coming weeks, we'll be gathering more information from operators; this information will help us identify organizations that may be exempt.

Is there anything I can opt out of?

Must Enroll	Can Opt-Out* (Spouse Coverage)
Life Insurance	Health Benefits
Long Term Disability	Dental Benefits
Pension Plan	*Note: your employer will not be involved in the opt-out process, it will happen between you and HANs

What will these benefits cost you as an employee?

- You will pay **35%** of the cost of the health, dental, and life insurance benefits and **50%** of the cost of the long-term disability benefits (known as the ‘employee contribution’).
- Here is a range of what benefits will cost, based on your classification – note that these are ranges only. Your total pay and desired coverage may impact these estimates.

ECE Classification	Range of Contributions Single – Family Coverage (Bi-weekly)
Level 1	\$66 - \$119
Level 2	\$69 - \$122
Level 3	\$70 - \$124

*Amounts above are approximate, based on a 35-hour work week, and shown for illustrative purposes only. Your costs will vary based on your total pay and desired coverage.

These numbers represent your employee contribution only (they don't reflect what your employer contributes)



How will you contribute to your pension?

- This defined benefit pension plan was designed to consider the sector's significant concerns about their employee contribution rates
- Both the eligible employee and the employer will make regular contributions to your pension – you will contribute during each pay
 - You will pay your employee contribution – this will be 5% of your eligible earnings before taxes to the pension plan, and it will be deducted from your pay
 - Your employer will pay their contribution – this will be 5% of your eligible earnings before taxes

ECE Classification	Range of Contributions (Bi-Weekly)
Level 1	\$80 - \$90
Level 2	\$86 - \$97
Level 3	\$89 - \$101

*Amounts above are approximate, based on a 35-hour work week, and shown for illustrative purposes only. Your costs will vary based on your total pay and desired coverage.

Details about your Group Benefits Plan

Details about your benefits coverage

Health Coverage

- 100% of prescription drugs, less dispensing fee – no annual maximum – includes high-cost and specialty medications approved through a prior authorization process
- The maximum amount you must pay for dispensing fees in any one year is \$492
- \$1,500 for practitioners including physiotherapy, massage, acupuncture, dietician (combined per calendar year)
- \$1,800 for therapists, psychologists, and social workers (combined per calendar year)
- Eye exams plus \$345 for frames and lenses every 2 years (1 year for children)
- Comprehensive medical services and supplies
- Travel insurance for medical emergencies
- Semi-private and private hospital rooms



Details about your benefits coverage

Dental Coverage

- 100% coverage for Basic services, up to \$1,500 per year (combined with Major services): Including cleanings, check-ups, x-rays, and surgeries
- 80% coverage for Major services, up to \$1,500 per year (combined with Basic services): Including crowns, veneers, inlays, and onlays
- Basic and Major Services: Total combined maximum of \$1,500 per year per person
- 50% coverage for Orthodontics up to \$2,000 per person per lifetime



Details about your benefits coverage

Life insurance	<ul style="list-style-type: none">• Coverage for you of 2 times your annual earnings• Coverage for your spouse of \$5,000 and your dependent children of \$2,500 each
Long term disability insurance*	<ul style="list-style-type: none">• Pays if you cannot work due to illness or injury for more than 150 days*• Pays 70% of your gross monthly salary• Temporary or term employees are not eligible for long term disability

*Only 36% of employees in the sector were reported to have LTD insurance currently. This protection is important if you have a serious illness, accident, or injury.



Important information

- **Mandatory enrolment:** The benefits plan will be mandatory for all childcare employees who meet the eligibility criteria.
- **Opting out:** You may only opt out of health and dental benefits if you have other group coverage outside of your work – such as a spouse’s plan through their employer
- **Age limits and exclusions:**
 - Employees aged 65 and over will not be eligible for long term disability coverage
 - Employees aged 70 and over will not be eligible for dependent life insurance or prescription drugs under the health plan
 - Temporary employees are not eligible for long-term disability coverage, regardless of age
- **Transitioning:** If you are currently covered under a group benefit plan with your employer, there will be no gap in coverage during the transition. You will be given at least 2-3 months of notice before transitioning.



Employee and Family Assistance Program (EFAP) is now available to you!

How TELUS Health can help

We offer confidential, professional assistance and support to help you manage all of life's complexities—be it issues with your Work, Health or Life.

Clinical Counselling

- Personal/emotional issues
- Family
- Couples/ relationships
- Work related
- Addiction related

Access support now by calling
our dedicated childcare line:
1 833 768 2174



Work-Life Services

- Legal Consultations
- Financial Consultations
 - Career Services
- Nutrition Consultations
- Family Support Services
(Child and Elder care)



Details about your Defined Benefit Pension Plan

About Your Pension Provider

- CAAT is a not-for-profit organization governed by a joint employee and employer board and sponsors' committee.
- Offering pensions to over 91,000 members across Canada.
- 124 per cent funded as of January 1, 2023, for great benefit security.

Defined Benefit Pension Plan

DBplus is a **Defined Benefit** Pension Plan through CAAT that contains:

- ✓ Predictable and secure retirement payment, for life;
- ✓ Inflation protection;
- ✓ Survivor benefits;
- ✓ Early retirement features; and
- ✓ A fully funded and sustainable pension that is not reliant on the financial health of any one employer.

Pension Amount Example

The following illustrates the estimated annual retirement income including the DBplus pension, Canada Pension Plan (CPP) and Old Age Security (OAS)

Sample member	Age	Earnings (annual)	DBplus pension at age 65 (annual)	CPP payment at age 65 (annual)	OAS payment at age 65 (annual)	Total payment at age 65 (annual)	Total payment at age 65 (bi-weekly) ¹	Total lifetime payouts
Member A	35	\$52,379	\$37,000	\$39,000	\$21,000	\$97,000	\$3,730	\$3,203,000
Member B	35	\$50,560	\$35,000	\$37,000	\$21,000	\$93,000	\$3,580	\$3,094,000
Member C	35	\$46,920	\$33,000	\$35,000	\$21,000	\$89,000	\$3,420	\$2,944,000

¹ Pensions paid monthly, but bi-weekly amounts shown for illustrative purposes

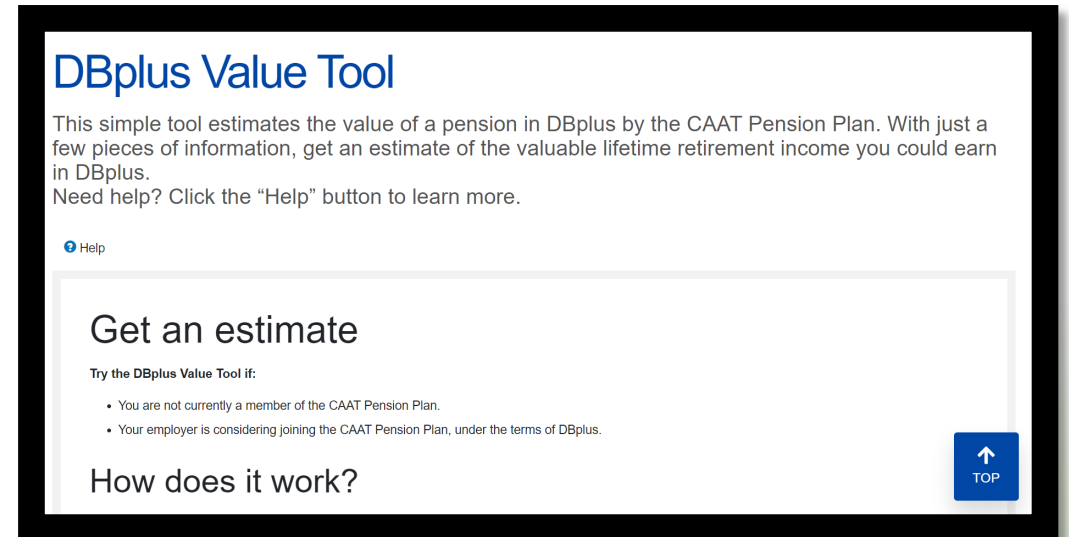
Important information

- **Mandatory participation:** The pension plan will be mandatory for all child care employees who meet the eligibility criteria
- **Age limit:** Employees aged 71 and over will not be eligible to contribute to the pension plan
- **Cost to employers:** The Province will be funding the employer's contribution of 5% to the pension plan – this means Operators will not have to pay anything toward their employee's retirement
- **Cost to employees:** Employees will match this with a 5% employee contribution; contributions will be automatically deducted from the employee's pay
- **Enrolling:** CAAT will work directly with employers to enroll their employees in the pension plan.

What will my pension be when I retire?

- The benefit that you receive when you retire is paid for life and is based on how much you and your employer have contributed to your pension throughout your career
- When you retire, a cheque is deposited every month in your bank account
- You can estimate your pension on the CAAT website using the DBplus Value tool.
- Enter your date of birth and earnings, the tool projects your annual pension at age 65. You can also change the retirement age to see the impact to your estimated pension if you retire earlier or later than age 65.

[DBplus Value Tool | CAAT Pension](#) www.caatpension.ca



The screenshot shows the 'DBplus Value Tool' interface. At the top, the title 'DBplus Value Tool' is displayed in blue. Below the title, a paragraph explains that the tool estimates the value of a pension in DBplus by the CAAT Pension Plan based on a few pieces of information. A 'Need help?' link is provided. Below this is a 'Help' button with a question mark icon. The main section is titled 'Get an estimate' and includes a sub-section 'Try the DBplus Value Tool if:' with two bullet points: 'You are not currently a member of the CAAT Pension Plan.' and 'Your employer is considering joining the CAAT Pension Plan, under the terms of DBplus.' At the bottom of the main section, there is a link 'How does it work?'. A blue 'TOP' button with an upward arrow is located in the bottom right corner of the interface.



What's Next?

Key milestones

January

- ✓ EFAP for all ELCC Employees
- ✓ Information and Q&A Calls
- ✓ Information Collection Begins with Employers

April

- ✓ Increased Wages for ECEs
- ✓ FHCC Provider Grant to support benefits & RRSP contributions

December

- ✓ All employees enrolled in new plans

February

- ✓ Your employer will receive confirmation of your organization's onboarding phase

May

- Your organization will onboard in 1 of 4 phases
- Phase 1 – May
 - Phase 2 – July
 - Phase 3 – October
 - Phase 4 – December

3-4 months before your organization onboards, HANS and CAAT will be in touch to gather some info from you, and provide additional training.

Increased wages for ECEs come into effect April 1

ECE Level	March 31, 2024*	Wage Range April 1, 2024
Level 1	\$19.77-\$22.25	\$22.91 - \$25.78
Level 2 / School Age	\$21.54-\$24.25	\$24.68 - \$27.78
Level 3	\$22.43-\$25.25	\$25.57 - \$28.78
Level 1 Assistant Director, Inclusion Coordinator or Family Home Consultant	\$21.75-\$24.47	\$25.20 - \$28.36
Level 2 Assistant Director, Inclusion Coordinator or Family Home Consultant	\$23.70-\$26.68	\$27.15 - \$30.56
Level 3 Assistant Director, Inclusion Coordinator or Family Home Consultant	\$24.68-\$27.77	\$28.13 - \$31.66
Level 1 Director	\$23.73-\$26.70	\$27.49 - \$30.94
Level 2 Director	\$25.86-\$29.10	\$29.62 - \$33.34
Level 3 Director	\$26.92-\$30.30	\$30.68 - \$34.54

*Reflects planned 0.5% increase planned for March 31, 2024

Step 1: Your employer will receive an implementation date

- **Throughout January, your employer is gathering information** – we'll use the information to determine when your organization will transition
- We'll be considering:
 - How complex your organization's structure is
 - Whether you already have a plan in place
 - Your employer's preference of transition date
- **At the end of February, your employer will be assigned an implementation group;** they'll be asked to communicate this to their employees
- Options are:
 - Group 1 – new plans in place in **May**
 - Group 2 – new plans in place in **July**
 - Group 3 – new plans in place in **October**
 - Group 4 – new plans in **December**

STEP 2: HANS will host Group Benefits Information Sessions for you, you'll enroll, and you'll have access to customer support

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When? 6 weeks before your implementation date
Who? HANS

Details

For the group benefits plan:

- HANS will host education sessions for employees
- HANS will reach out by email to each employee and ask you to enroll in the benefits plan
- 1 month prior to your implementation date, HANS will open the self-serve portal for you to enroll in single or family coverage, add dependents, and designate a beneficiary
- HANS will have phone and email support for you during this enrolment period
- Digital drug cards will be available to you about 2 weeks prior to the implementation date



You must enroll in the benefits plan to ensure you get the right coverage

STEP 3: CAAT Hosts Pension Plan Information Sessions for you, you'll receive a handbook and you'll activate your online pension account

When?

6 weeks before your implementation date

Who will do this?

CAAT

Details

For the pension plan:

- CAAT will host education sessions for you during the month prior to implementation – reviewing general information on the pension plan and answering questions
- A dedicated and customized pension estimator will be launched – you can use this to estimate what your pension benefit will be when you retire
- CAAT will send emails to your employer to share with you explaining their DBplus Pension and including an employee pension handbook
- On your implementation date, CAAT will reach out to each employee by email and ask them to activate their pension plan online account

Step 4: The Province will make a one-time contribution to your pension.

- **Based on your implementation date, you will receive a one-time lump sum pension contribution** representing 5% of your earnings between January 1, 2024 and your implementation date – this means your pension will begin to grow starting January 1, 2024 regardless of which phase you transition in
- You will only be eligible for this one-time lump sum pension contribution if you are still employed in provincially funded childcare on your implementation date

You're now enrolled in the pension and group benefits plans!

Everyone will be enrolled by December 31, 2024.





Questions?