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## Drug Insurance Pooling 2011

In light of the experience results of the last year as to the risk pooling of high drug claims, the Quebec Drug Insurance Pooling Corporation has revised the pooling parameters for January 1<sup>st</sup>, 2011. The pooling threshold corresponds to the amount of claims beyond which a group experience is no longer affected by the additional claims from the same certificate.

To view the new Drug Insurance Pooling terms since January 2011, please visit the section « Newsletters » of our website at the following address : [www.groupecenseo.com/newsletters.html](http://www.groupecenseo.com/newsletters.html)



## Employment Insurance Act (EI)

Maximum annual insurable earnings : \$ 44,200 in 2011.

Contribution rate : per \$ 100 of gross insurable earnings :

- in Quebec the contribution rate is \$ 1.41 for the employee;
- outside of Quebec, the contribution rate is \$ 1.78 ;
- the contribution rate of the employer is equal to 1.4 times the contribution of the employee if there is no short term disability insurance plan;
- when there is a qualifying short term disability insurance plan, the program allows a reduction of the contribution rate (\$ 1.123 in Quebec and \$ 1.181 outside Quebec).



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## Public plan rates effective July 1<sup>st</sup>, 2010

Adults age 18 to 64 or persons age 65 or over receiving no GIS (0%)							
Rates in effect <b>before</b> and <b>after</b> July 1, 2010							
At the pharmacy						When filing income tax return	
Monthly deductible		Monthly co-insurance		Maximum monthly contribution		Annual premium	
Before	After	Before	After	Before	After	Before	After
\$14.95	\$16.00	32%	32%	\$79.53	\$80.25	From \$0 to \$585	<b>From \$0 to \$600</b>
+ \$1.05 per month				+ \$0.72 per month		Maximum increase of \$15	

### Summary :

Annual estimated deductible : \$ 192 per adult

Reimbursement : 68%

Maximum annual contribution (after it's 100%) : \$ 964.36

Maximum annual contribution for persons aged 65 or over (1% to 93% of GIS) : \$ 599.64

Annual premium (payable on the income tax report) : \$ 600 per adult

Annual premium for 2010 : \$ 592.50 per adult (This cost represents 6 months at \$ 585 and 6 months at \$ 600)

For more information on this subject, you can visit the following website :

<http://www.ramq.gouv.qc.ca/en/citoyens/assurancemedicaments/tarifs.shtml>

## Quebec Pension Plan (QPP)

- Maximum eligible earnings : \$ 48,300 in 2011.
- Basic exemption : \$ 3,500.
- Maximum employee contribution : 4.95 % of the maximum contributory earnings, maximum of \$ 2,217.60 in 2011.
- Maximum employer contribution : 4.95 % of the maximum contributory earnings, maximum of \$ 2,217.60 in 2011.
- Maximum contribution for self-employed worker : \$ 4,435.20.
- Warning : A contribution is permitted if the group insurance plan is taxable, but in this case, the employer and employee contribution will have to be paid by the disabled employee.

[jeplanifie.gouv.qc.ca](http://jeplanifie.gouv.qc.ca)



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## The importance of correctly declaring salaries

Death benefit payments and short and long-term disability benefit payments are typically based on plan members' salaries. It is vital that members' salaries be accurately reported on a regular basis, otherwise their benefit payments could be improperly paid.

As plan administrator, you have the responsibility of providing salaries according to the definition of salary stipulated under your contract and maintaining accurate and current information for all of your plan members insured with the insurer. You must inform the insurer of any salary changes as soon as possible. Failure to properly report salary increases will result in benefit payments to your plan members being lower than they should be.

The insurer will pay benefits based on the salary for which premiums were paid. There will be no adjustments of benefits at the time of claim if there is a discrepancy between the salary declared and the salary paid. Administrators that neglect to maintain and report accurate salary information, and therefore do not pay premiums based on their plan members' real salaries, could create potential liabilities for their employers.

If you have any questions or concerns regarding this matter, please contact your group insurance plan advisor.

## Group Censeo – News

- We welcome Nadine Lebeau, Customer Service Representative.
- We welcome MéliSSa Jasmin, *B. Actuarial Sc.*, Renewal Analyst.
- We welcome Mylène Daigle, *B. Actuarial Sc.*, Renewal Analyst.
- We welcome back Gabrielle Bouchard, *B. Actuarial Sc.*, Renewal Analyst and Executive Assistant, which returned from her maternity leave.