
Group Benefits Administrative Update

Important information for Plan Administrators

Third Quarter 2002

Inside this issue

Manulife Financial's third quarter 2002 *Administrative Update* contains:

- Important information about RAMQ changes
- News about international coverage
- Tips to make the Plan Administrator's job easier.

This *Administrative Update* and past copies are available on our website:
www.manulife.ca/groupbenefits.

The Administrative Update is provided to share information with Plan Administrators. It is not intended as advice. Although we strive for accuracy, we are only bringing summaries and highlights to your attention. Please refer to your Group Policy for complete terms and conditions. If there is a discrepancy between our communications and the Group Policy, the terms of the Policy will apply.

News updates...

RAMQ legislative changes effective July 1, 2002

In Spring 2002, the Quebec legislature passed Bill 98, making changes to RAMQ (Régie de l'assurance-maladie du Québec), the provincial health insurance program. These changes affect some of Manulife's Group Benefits procedures, and the coverage for clients with plan members in Quebec.

Changes to the minimum RAMQ coverage as of July 1, 2002:

- Plan member coinsurance from 25% to 27.4%

- Plan member out-of-pocket maximum from \$750 to \$822.

Other changes to RAMQ requiring further direction from the Quebec Government and date of implementation:

- Upon request, carriers must provide plan member's amount accumulated towards the out-of-pocket maximum when plan members transfer from one carrier to another.
- Private plans must provide coverage equivalent to Quebec's government exception program.

The specific RAMQ minimums can also be found on www.manulife.ca/groupbenefits in the Administrative Update Archives, with a search on RAMQ. Other articles concerning RAMQ can also be found in the archive.

Manulife has adjusted systems and processes to ensure compliance with this legislation. The new RAMQ minimums will be applied to every Quebec claim. To the benefit of plan members, Manulife will use 27% for plan member coinsurance rather than adjusting systems to support decimal percentages.

In anticipation of annual changes to the RAMQ minimum amounts, our contract wording has been modified to indicate our plans cover the "RAMQ minimums" rather than quoting specific amounts. We are preparing for the next RAMQ changes announced by the Quebec government and will provide additional details when information is made available.

Please save the blanket contract amendment included with this Administrative Update. Attach it to your contract until you receive a new contract with your next major amendment.

MIA Benefits: International coverage solutions for employees working outside Canada

If you have employees working outside Canada, Manulife Financial, through its association with MIA Benefits, can help you find a company to provide the Group health benefits your employees need. About 30 companies throughout the world are associated with MIA Benefits.

Information brochures are available from Manulife Financial representatives. Please contact your representative for more information on how Manulife Financial's affiliation with this organization can give

you access to international group benefits coverage for your employees working outside Canada.

You can also find detailed information on-line at

www.manulife.ca/groupbenefits

and the MIA Benefits website

www.miabenefits.com

Group Life Insurance Waiver of Premium claims moving to Halifax

Group Life Insurance Waiver of Premium claims will now be handled in our Halifax office. The transfer is being implemented in three stages and will be complete on or about October 31, 2002. This change applies to customers that have Group Life Insurance coverage with Manulife Financial. Groups affected by this change will be notified by mail of the date their claims will be transferred. New Group Life Insurance Waiver of Premium claims will be sent to:

Manulife Financial, P.O. Box 1697, Halifax, N.S. B3J 2Z1.

Fax: (902) 429-7292

In future correspondence, plan members currently claiming benefits will be advised of the change.

A toll-free line gives you immediate access to the customer service representatives handling files for your plan. Please call 1-800-565-0627 if you have questions about new and existing claims. Local callers may call (902) 429-9850.

Standard forms template to change

The standard versions of the health and dental claims forms have been modified. Until now, the English and French versions have displayed the address of a specific office – either Waterloo or Montreal.

The new standard form, available in English or French, has both claims office addresses on the bottom and directs the member to send the claim to the appropriate office. Residents of Quebec send claims to Montreal, and residents of all other provinces will send claims to Waterloo.

As forms need to be reprinted, the old format will be replaced with the new standard forms template. These forms will be available on both the plan administrator and plan member secure sites, where they can be completed, printed and submitted along with original receipts.

Here are old and new form numbers.

Form name	Old number	New number
Health with vision	3151E/F 3190E/F	3585E/F
Health without vision	3155E/F 3192E/F	Available soon
Dental	3151E/F 3195E/F	3586E/F
Out of Country claim form	3189E/F 3194E/F	3587E/F

The new forms will be available on the secure site, and will be used to fill new orders, starting October 15, 2002.

Our new EOBs will really make a statement

Late this Fall, look for completely new explanations of benefits to go to your health and dental plan members. With extensive input from plan administrators and members, we've redesigned the way our EOBs look. And even more importantly, we've redesigned the way they present benefits information. What can you expect to see?

- Plain language.
- An upfront summary, clearly showing what was submitted for each family member and what was paid.
- Descriptions of dental procedures, not just procedure code numbers.
- Customized educational messages on topics like coordination of benefits and fraud management.
- Clearer, cleaner layout that makes information easy to find.

You'll receive more information on the new EOBs in the coming weeks. We think you'll like what you see.

Group Benefits public website customized: Forms move to Secure Sites

We've customized our Group Benefits web site for each of our customer groups: Plan Members, Plan Administrators, Plan Sponsors and Plan Advisors. When you're on the public website, you can select the appropriate icon to reach your customized site.

To avoid duplication, we've also moved the claims and administration forms that were on the public site into the secure site. This means that now, everyone gets the forms that are right for their plan design, and all forms are pre-filled with the plan number and member identification information. To register for the Plan Administrator Secure Site go to www.manulife.ca/groupbenefits. Click on "Plan Administrator Site," then click "Register."

What's the difference between the public site and Secure Site?

The public site gives you general information. The Secure Site is available when you use your password to log in, and all the information you see is specific to you and your plan.

Technology: Making your job easier

When you need help, you can choose how to get it

When you communicate with Manulife Financial, you have options. Whether you prefer to use the telephone, or use e-mail, you can get the help you need from a Plan Administrator Service Representative.

By phone

When you call 1-800-268-6195 and identify yourself as a Plan Administrator, you'll reach the Plan Administrator Service Centre and get help from a Plan Administrator Service Representative who has the training and experience to handle your inquiry or help solve your problem.

By e-mail

When you register for the Plan Administrator secure site, you can use *Send a note* for your e-mail inquiry. You'll get a response by the end of the next business day.

How can technology help you?

We're continuing to focus on e-services, and coming up with Internet solutions that make your administration easier. Here are a few of the features of our secure sites: *[Note: Some of the services listed here may not be available to all plans.]*

There's no need to order, stock and distribute paper forms!

Forms are available on Plan Administrator or Plan Member Secure sites.

- Forms are pre-filled with unique group and member identification information.
- Claims will be processed quickly and accurately, because the identification numbers will always be legible and correct.
- Members can print forms at home, and don't have to spend time at work looking for forms or filling them in.

Online benefit booklets

- View, search, and print booklets with ease
- Answer plan member questions more easily

- Recommend to plan members that they find answers to questions in their own booklets through the plan member site.

Instant access to coverage summaries

- See members' benefits coverage
- Verify single/family status
- Check enrolled dependants
- Ensure co-ordination of benefits status
- Members can also see this information on their member secure site.

Save time searching through paper bills. View billing statements and employee data lists on-line

- On-line billing statements and employee data lists are available for plans where Manulife prepares monthly statements. The person who handles the bills must register for Plan Administrator site access to view bills online.
- If the current plan administrator handles this already, the individual will have automatic access.
- The information is easy to search and print – and it's always there when you need it.
- We won't replace your paper bill with the online version. You'll still get a paper bill to remind you when it's time to pay. But why not make bill payment even easier by signing up for electronic premium payment?

Electronic premium payment makes payment easy

- Preauthorized Debit is a convenient option for submitting monthly premiums to Manulife Financial. Transferring funds electronically saves time and effort, keeping policies in good standing and ensuring that members' benefits continue. You can find the form to sign up for Preauthorized Debit in the Benefits and Administration section of the Group Benefits website at www.manulife.ca/groupbenefits.

Electronic enrolment reduces follow-up, speeds processing

- Forms submitted electronically can be processed more quickly and accurately than paper forms, because the information contained is complete and legible. We've found that only 1 percent of electronic enrolments and requests for changes to personal information need follow-up.

At Manulife Financial, we're committed to offering the most simple and powerful suite of e-services available in the industry. Why not experience the advantages for yourself?

To register, go to www.manulife.ca/groupbenefits and click on "Plan Administrator Site" then click "Register."

Need more information?

For more information on how these changes or reminders affect your group benefits plan, please contact your Manulife Financial representative.

To obtain additional copies of this or any previous *Administrative Update*, please visit www.manulife.ca/groupbenefits.

Effective: July 01, 2002

This Amendment is to be attached to and read as part of the Group Benefits Policy, issued to the Group Policyholder.

Manulife Financial is required to amend this Group Benefits Policy due to changes to the prescription drug insurance legislation in Quebec. The following Policy Addendum replaces your existing Policy Addendum in reference to "Drug Benefit for Insured Persons who reside in Quebec".

POLICY ADDENDUM

Drug Benefit for Insured Persons who reside in Quebec

In accordance with the requirements of the prescription drug insurance legislation in Quebec, An Act Respecting Prescription Drug (R.S.Q. c., A-29-01) and the regulations enacted under this act (hereinafter collectively the "Legislation"), the drug benefit provided under the Policy to covered persons who reside in Quebec will be administered as outlined in this Addendum.

If a provision of the Policy or this Addendum is, in full or in part, contrary to the Legislation or any other law or regulation replacing it, that provision, or the part that is deemed to be contrary will be presumed to be amended to comply with the minimum requirements of the then applicable laws and regulations.

Covered Drug Expenses

The following expenses are covered:

- a) drugs that are on the List of Insured Drugs that is published by the Régie de l'assurance-maladie du Québec (RAMQ List), provided such drugs are on the list at the time the expense is incurred; and
- b) drugs that are listed as a covered expense in the Policy but are not on the RAMQ List.

Coverage for drugs on the List of Insured Drugs that is published by the Régie de l'assurance-maladie du Québec (RAMQ List)

The following provisions apply only to the coverage of drugs that are on the RAMQ List. For all other covered drug expenses, the provisions stated in the Policy will apply.

a) Percentage Payable By Manulife Financial

Prior to the Annual Out-of-Pocket Maximum being reached, the percentage of covered expenses payable under the Policy will be:

- i) For any drugs on the RAMQ List which are not otherwise covered under the terms of the Policy, the percentage payable is the percentage as set out by the then applicable Legislation.
- ii) For any drug on the RAMQ List which is covered under the terms of the Policy, the percentage payable is the greater of:
 - the benefit percentage stated in the Policy, or
- iii) - the percentage as set out by the then applicable Legislation.

After the Annual Out-of-Pocket Maximum has been reached, the percentage of covered expenses payable under the Policy will be 100%.

b) **Annual Out-of-Pocket Maximum**

The Annual Out-of-Pocket Maximum is the portion of covered drug expenses which must be paid by an insured person in a calendar year, before the percentage payable under the Policy becomes 100%. Amounts that will be applied to the Annual Out-of-Pocket Maximum are:

- i) the deductible amounts, and
- ii) the portion of covered drug expenses that is payable by the insured person, when the benefit percentage under the Policy is less than 100%.

The Annual Out-of-Pocket Maximum for the Employee and his Spouse is as stipulated in the Legislation and includes those portions of covered drug expenses paid for dependent children.

For the purposes of calculating the Out-of-Pocket Maximum for the Employee and his Spouse, those portions of covered drug expenses paid for dependent children will be applied to the person who is closest to reaching the Annual Out-of-Pocket Maximum.

c) **Deductible**

Deductible amounts, if any, stated in the Policy will apply, up to the Annual Out-of-Pocket Maximum. Thereafter, the deductible will not apply.

d) **Lifetime Maximums**

Lifetime maximums, if any, stated in the Policy will not apply to Drugs on the RAMQ List. Drug coverage provided after the lifetime maximum amount stated in the Policy is reached is subject to the following conditions:

- i) only Drugs that are on the RAMQ List are covered, and
- ii) the percentage payable by Manulife Financial for covered expenses is the percentage as set out by the then applicable Legislation.

e) **Eligible Dependent Children**

Eligible Dependent children who are in full-time attendance at an accredited educational institution will be covered until the later of attainment of:

- i) the age specified in the Policy, and
- ii) age 26

Drug Coverage provided for Dependent children after the age stated in the Policy is subject to the following conditions:

-only Drugs that are on the RAMQ List are covered, and

- the percentage payable by Manulife Financial for covered expenses is the percentage as set out by the then applicable Legislation.

f) Termination Age for covered Drug Expenses

Provided the person is otherwise eligible for the drug benefit under the Policy, the Termination Age, if any, specified in the Policy will not apply. Drug coverage provided after the Termination Age specified in the Policy is subject to the following conditions:

- i) only drugs that are on the RAMQ List are covered,
- ii) the percentage payable by Manulife Financial for covered expenses is the percentage as set out by the then applicable legislation,
- iii) the Annual Out-of-Pocket Maximum is as stipulated in the then applicable Legislation, and
- iv) the premium required for the drug coverage is the premium for the Extended Health Care Benefit.

g) Continuation of Coverage - Concerted Work Stoppages

In the event of a strike, lock-out or other concerted work stoppages, coverage will continue until the later of:

- i) the length of time, if any, specified in the Policy, and
- ii) 30 days

Premiums must be paid in order for coverage to be continued.

Coverage for drugs that are listed as a covered expense in the Policy, but are not on the RAMQ List

With respect to drugs that are covered under the Policy but are not on the RAMQ List, all the provisions stated in the Policy will apply.

Payment towards the first premium due after the date this Amendment is issued will be deemed acceptance by the Group Policyholder, unless Manulife Financial is notified otherwise within 31 days of the issue date.