

BULLETIN

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Changes to the PSHCP governance structure

This issue of the Bulletin provides information on changes to the PSHCP governance structure that took effect June 1, 2007. These changes are important and focus on the future management of the PSHCP. You should note however that the implementation of these changes will be seamless, and they will not affect in any way your usual and customary transactions with the PSHCP and its Plan Administrator, Sun Life.

What is changing?

Since April 1, 2000, as announced in Bulletin 10 issued March 2001, the Public Service Health Care Plan (PSHCP) has been managed by a Trust. The PSHCP Trust, an independent body that operated at arms' length from the federal government, was comprised of nine Trustees and a Chairperson.

Effective June 1, 2007 a new not-for-profit corporation has been established to replace the PSHCP Trust. The new corporation will be known as the *Federal Public Service Health Care Plan Administration Authority* ("Administration Authority") and will be managed by a Board of ten (10) Directors.

The PSHCP Trust is replaced by a corporation

The change to a corporation is part of a broader restructuring that focuses on the future management of the PSHCP. It includes the establishment of a collaborative committee known as the Partners Committee, established by the President of the Treasury Board, made up of employer representatives, representatives of the Bargaining Agents of the National Joint Council (NJC), and a pensioner representative from the Federal Superannuates National Association.

The Administration Authority is responsible for the administrative aspects of the PSHCP. The Partners Committee will focus on issues such as plan design changes and cost management strategies.

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Appointment of Directors

As was the case under the Trust for the appointment of Trustees, there is a process for the appointment of Directors. On the employer side, the President of the Treasury Board appoints four Directors, and on the employee side, the Bargaining Agents of the National Joint Council appoint four Directors. The President of the Treasury Board, on the recommendation of the NJC, also appoints the Chairperson and one Director to represent pensioners.

You will find the names of the Directors and the Chairperson who have been appointed as members of the first Board of Directors of the Administration Authority on its website at www.pshcptrust.ca.

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The mandate of the new corporation and its Directors

Like the Trust, the corporation has the mandate to administer the PSHCP. As such, the Administration Authority will ensure that benefits and services to Plan members and their covered dependants are delivered in a manner that ensures the effective and efficient administration of the PSHCP.

The corporation is an independent body operating at arms' length from the federal government.

What does this mean to you?

As a member of the PSHCP, this change in the governance structure will be seamless to you and your covered dependants. For example, all benefits provided under the PSHCP, the claims adjudication process, how and where you submit claims, current

maximums and limitations that have been reached under your claims history, the appeals process – all remain the same. For your convenience, there will be no change to addresses, telephone numbers, websites, or other contact information.

QUESTIONS & ANSWERS

If I submitted claims just before the change took place, do I need to resubmit my claims?

No, there is no need to resubmit claims. All claims submitted to Sun Life will continue to be processed in the same manner.

What happens if I decide to appeal a claim that was denied by the Plan Administrator prior to the establishment of the Administration Authority?

There is no change to the appeals process currently in place. All appeals, whether for claims submitted before or after the change, will continue to follow the same process.

What about the Plan Administrator – Sun Life?

Sun Life remains the Plan Administrator – the address, telephone numbers, hours of operation, drop off boxes and website all remain the same.

Will the change to the Administration Authority affect my contribution rates or cost me more money?

No, your contribution rates will remain the same.

What will the Administration Authority do?

Below are some key responsibilities of the Administration Authority. It will ensure that claims are paid in accordance with the terms of the PSHCP and that service standards are met, consider appeals by members, communicate with members, ensure that appropriate policies and practices are in place to protect the PSHCP from fraudulent actions and conduct various audits, evaluations and analyses of PSHCP services.

Does the Administration Authority report to the Government?

The Administration Authority reports to and is accountable to the Partners Committee. As noted

above, it operates at arms' length from the Government.

Where do I go if I want more information on the Administration Authority or the Partners Committee?

During the course of the year, we will be providing additional information to help our members understand the role and responsibilities of the Administration Authority. As already noted in this Bulletin, the Administration Authority will be playing a role similar to the Trust and the change will not affect our members' dealings with the PSHCP and its Plan Administrator. However, if you need to obtain further information on this subject you may write to the Administration Authority at:

Federal Public Service Health Care Plan Administration Authority

P.O. Box 1328, Station B
Ottawa, Ontario
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