March 2018

Question & Answers

Q&A for Carillion Canada Online Flexible Benefits Plan

NEW BENEFITS. MORE CHOICES.

As part of pursuing continuous improvement initiatives throughout the organization, Carillion is proud to introduce some new changes to our "My Choice" flexible benefits plan. The annual enrollment will be launched on February 19th, 2018 through March 16th, 2018 to be effective April 1, 2018.

During the initial rollout of the Flex Benefits Program we made the decision to grandfather Basic Life coverage for members hired prior to January 1, 2016. If this applies to you, when you access the **Flexit** system only one option will appear under the Basic Life benefit and it will be listed as '**Option 1**'. This may cause some confusion at first glance since the **Benefits at a Glance** document lists four options under Basic Life. Please note the coverage level outlined in the **Flexit** system will reflect your correct eligible amount but due to system restrictions the option number will not align to the option numbering in the Benefits at a Glance document or the booklet.

Another point to highlight for members with grandfathered Basic Life coverage is that at each enrolment you will only be presented with one option for Basic Life and will not have the access to change your Life option. You can purchase optional life insurance if you wish to increase the coverage.

This will be the third annual enrollment. For those members who joined the 'My Choice" flexible benefits plan in 2016 and who selected benefit options with a 2-year lock-in period will now have the opportunity to change options based on the sliding rules.

If you enrolled in options with a 2-year lock-in period for the first time last year, then you will not have the opportunity to change these options at the upcoming enrollment.

The following Frequently Asked Questions (FAQs) will give you some more insight into some of the plan details and upcoming changes.

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QUESTIONS AND ANSWERS ABOUT THE NEW CHANGES

1. DID WE CHANGE THE PLAN DESIGN?

No. There are some price changes, however, the basic design has not changed this year.

2. WHAT ARE THE CHANGES?

Benefit	Rate Change
Basic Life	+15.0%
Dependent Life	+16.1%
AD&D	No Change
Long Term Disability	+9.0%
Health	No Change
Vision Care	No Change
Dental	No Change

3. WHY SHOULD I RE-ENROLL?

It is important to review your choices every year to ensure they are best suited to your needs. Both our flex credit allocations and the price tags are reviewed every year and may have changed. As a result, you should review your choices and make sure you understand the implications of those changes to you.

4. WHERE CAN I GET MORE INFORMATION ON THE PLAN DESIGN?

We have developed an updated plan document as well as a new Benefits at a Glance document. Both are available on the enrollment website.

5. ARE OUR BENEFIT PAYMENTS STILL ON A BI-WEEKLY PAYROLL?

Effective April 1, 2017 payroll deductions / payments for Flex Benefits will be processed twice per month instead of on a biweekly schedule as it is under the current system. For example, instead of having benefit deductions every two weeks, the benefit deductions will occur only on the first two pays of the month and will equal the monthly deduction total. In months where there is 3 pay periods, there will be no deductions from the third pay in that month. This will make budgeting, administration and calculations easier. It will also make it easier for staff to understand their monthly deductions / payments as they will coincide with the monthly totals.

MEDAVIE BLUE CROSS™

GENERAL QUESTIONS AND ANSWERS

1. WHAT IS A FLEXIBLE BENEFITS PLAN?

A Flexible Benefits Plan allows you to select the coverage that you and your family require as it relates to Extended Health Care, Vision, Dental Care, Life, Long-Term Disability Insurance and Accidental Death and Dismemberment (AD&D). Of these, specific levels of Life Insurance, Out of Country Medical, AD&D and Long-Term Disability Insurance are mandatory. Higher levels of coverage may be purchased through payroll deductions or credits acquired and used towards a Health Spending Account (HSA). Please note, enhanced Life Insurance, AD&D and Long-Term Disability coverage can only be purchased via payroll deduction.

2. WHAT ARE THE ADVANTAGES OF A FLEXIBLE BENEFITS PLAN?

A Flexible Benefits Plan offers more choices for employees that can be tailored to their own personal circumstances, annual re-enrollment that allows employees to adjust choices, a way for the company to control plan costs, and a program that is competitive in the marketplace.

3. WHAT DOES A CO-PAY PLAN MEAN?

Co-pay means that both the employee and employer are responsible for a percentage of the premium costs. For Health, Dental and Vision the cost share was designed around 80% paid by Carillion and 20% paid by the employee. However, depending on the options chosen, this sharing will differ. For other options, Carillion pays 100% of the cost for a minimum level of coverage and employees can purchase higher coverage levels if they choose. Long-Term Disability Insurance is 100% employee paid to make it tax effective; however, we have introduced three options to allow flexibility in the cost.

4. IS THIS NOT JUST A WAY TO TRANSFER COSTS TO EMPLOYEES?

Our benefit plan designs will have a cost-sharing component to them to allow Carillion to better manage benefit costs and to support better consumerism amongst employees. Some employees may see additional costs associated with these changes. However, those with additional benefits coverage through a spousal plan and coordination of benefits may not see any additional increase in health benefit costs.

5. WHO IS OUR INSURANCE CARRIER?

Medavie Blue Cross will continue to be the insurance carrier.

6. HOW DO I KNOW THESE ARE GOOD PRICES FOR BENEFITS?

Carillion's Flex plan takes into account the claims experience of our employees which generally means enhanced coverage and premium rates lower than private plans. The plans were taken to market several years ago for review, which resulted in very competitive pricing. As well, our broker, Reuter

Benefits, continues to monitor our prices and the marketplace on an annual basis.

7. WILL ANY OTHER BENEFITS BE CHANGING?

The following employee benefits and payroll deductions are not affected by the change to a Flexible Benefits Plan:

- Vacation
- Retirement Savings (RRSP)
- Employee Assistance Program (EAP)
- General, Public and Statutory Holidays
- Leave of Absences
- Canada Pension
- Worker's Compensation
- Employment Insurance

8. HOW CAN I FIND OUT MORE ABOUT BENEFITS IN GENERAL?

We have developed an updated plan document as well as a new Benefits at a Glance document. Both are available on the enrollment website.

9. WHAT IF I CHANGE MY ADDRESS DURING THE YEAR?

Please remember to let Human Resources know about the change for your payroll and personnel records ASAP (sending an email with the details is fine).

ENROLLMENT

10. WHAT IS ENROLLMENT?

All employees will be required to enroll in the Flexible Benefits Plan via a specially designed website. During the online enrollment process, you can become familiar with and choose the options that are best suited to you and your family.

11. WHEN IS THE ANNUAL FLEXIBLE BENEFITS PLAN ENROLLMENT PERIOD?

Carillion's enrollment period will run from February 19, 2018 to March 16, 2018. Subsequent enrollment for new hires will take place within 2 weeks of commencement of employment. Annual re-enrollment will occur every February /March with changes taking effect on April 1st of each year.

12. WHAT CAN I DO TO GET READY FOR ENROLLMENT?

Understanding benefits coverage can be a bit daunting and moving to a new plan even more so. To help you get ready:

- read the **Benefits at a Glance** document;
- sign up for **Medavie Blue Cross' website** (if you haven't already);
- look at what your **previous benefits usage** has been;
- get copies of your last **two pay slips** (to see what your current deductions are);
- know your Login ID and your Personal Identification Number (PIN);
- make sure you have the **birthdates (Year/Month/Day) for your dependents;**
- get details of any **spousal coverage** you may have; and,

When you are ready to go to the enrollment website, make sure you also have your:

- Login ID
- Personal Identification Number (PIN)

This would have been mailed to you with the Flexible Benefits announcement letter.

13. WHAT IF I AM NOT AVAILABLE DURING THE ANNUAL ENROLLMENT PERIOD?

The enrollment window covers four weeks to accommodate staff schedules and vacation periods. It is expected that all staff will have time during the enrollment window to enroll themselves and their dependents. Being unavailable is not a valid reason not to enroll.

Please contact your Group Benefits Administrator (Email: hrsharedservices@carillion.ca Phone: 905-532-5270), if you cannot enroll yourself. The Group Benefits Administrator can work with you to help you with the enrollment.

Default coverage is only applicable for new additions, not existing members. If you are currently enrolled in the Flex Plan and fail to complete the re-enrolment during the allotted period, you will be re-enrolled with the same benefits you currently have.
For example, if you were enrolled in Option 4 for Health and Dental and do not re-enroll during the enrollment window period, you will be re-enrolled in Option 4 Health and Dental.

14. WHAT IS THE DEFAULT COVERAGE?

If you fail to enroll when first eligible, you will be assigned the following core benefits;

• Option 3 Health	• Option 1 Life Benefit
• Option 2 Vision	• Option 1 AD&D Benefits
• Option 3 Dental	• Option 1 Dependent Life Benefit
	• Option 1 Long Term Disability

The life insurance benefit for all current employees hired prior to January 1, 2016 has been grandfathered.

Failure to declare your spouse or dependents will result in their ineligibility for coverage under the health and dental options you choose. Once you have made your plan selections, no changes can be made within the policy year, except in the case of a life event change. For more information regarding dependent coverage and life events, please review your Benefits Booklet.

15. WHAT IF I MAKE A MISTAKE ON THE TYPE OF COVERAGE I CHOOSE?

You will be able to use the enrollment tool to determine what level of coverage works best for you before committing to a final level. Once you have confirmed your choices you will not be able to make a change for 12 months until the next annual enrollment period.

During the enrollment period from February 19, 2018 to March 16, 2018, you can complete enrollment as many times as needed, only the last enrollment will be accepted.

16. WHEN IS THE NEXT ANNUAL ENROLLMENT PERIOD?

The next annual enrollment period will be in February 2019.

17. WHAT COVERAGE CAN I CHANGE AT THE NEXT ENROLLMENT PERIOD?

Normally, you can change one level of benefits coverage, either up or down during the re-enrolment period. For example, if you are in Option 3 Dental, you can change to either option 2 or option 4 during your next enrollment period. You cannot go directly from option 3 to option 5. However, some levels, usually the highest level, have a 2-year lock-in provision, which means if you select those benefit options you will be subject to a 2-year locking-in period. Please ensure you review your options carefully so you understand the selections available to you and if the lock-in period of 2 years applies.

18. WHAT ARE THE QUALIFYING LIFE EVENTS?

Qualifying Life Events allow you to change benefit coverage outside of an enrollment window. These are:

- Change in marital status (marriage, legal separation or divorce)
- Birth or adoption of a dependent that moves you into a different category (Employee, Employee +1, Family)
- Death of a spouse or dependent or last remaining child on the plan no longer eligible
- Involuntary loss or gain of spousal benefits coverage
- Unmarried child (over 21) returning to school

For more details, please refer to the Benefits Booklet.

19. WHO SHOULD I NAME AS A BENEFICIARY?

Who you designate as a beneficiary is entirely up to you. For the initial enrollment, beneficiary information currently on file will be transferred over from your previous policy. Please review to ensure designated beneficiary information is accurate and update accordingly if necessary.

20. WHAT IF I LEAVE MY BENEFICIARY UNNAMED?

By not naming a beneficiary, the funds associated with your Life Insurance (and Accidental Death, if applicable) benefits will revert to your "estate" which means the timing and distribution of the funds could be held up and the funds might be subject to probate taxes.

21. WHO DO I CALL IF I NEED ASSISTANCE WITH ENROLLMENT OR HAVE ANY BENEFITS QUESTIONS?

Please contact your Group Benefits Administrator. (Email: hrsharedservices@carillion.ca Phone: 905-532-5270).

After the initial enrollment period you can contact our Benefits Advisor, or your local Human Resources Representative for assistance.

22. HOW WILL I KNOW IF MY CHOICES DURING ENROLLMENT WERE RECORDED PROPERLY?

After you have made your selections and reviewed your information online you will be able to view and print a confirmation statement. Human Resources will also be reviewing all the data submitted once the enrollment period is over. Note that your choices will not be reflected in the "My Current Coverage" section of the website until April 1, 2018.

23. I SEE SEVERAL BENEFITS ARE BASED ON MY SALARY. WHAT SALARY IS USED TO CALCULATE MY PREMIUMS FOR INSURANCE BENEFITS?

Your base salary is used to calculate your premiums for insurance purposes. This excludes overtime, bonuses, expenses or other income. Salary information for the initial and ongoing enrolments will be your base salary as at December 31 of each year and will remain frozen through the plan year. New salaries will only be updated before the re-enrolment period for the next year. Retroactive salary increases prior to the end of December 2017 will also not change the salary used to calculate premiums under the flex plan.

24. WHY IS MY SALARY FROZEN THROUGH THE BENEFITS PLAN YEAR?

Your base salary is frozen for benefit purposes because the premiums you pay for insurance purposes do not change through the plan year. As a result, the salary used through the plan year will not change. Any increase, because of a change in salary, will be reflected in the next enrollment window.

HEALTH SPENDING ACCOUNT (HSA)

25. WHAT ARE FLEX CREDITS AND A HEALTH SPENDING ACCOUNT?

Flex Credits represent the value allocated to you by Carillion to use towards the purchase of benefits in a policy year. Any unused Flex Credits within the entitled year are allocated to a Health Spending Account (HSA). These credits are intended to pay for medical and dental expenses, and can also be used to supplement existing benefits. For example, they can be used to cover deductibles, co-payments, or amounts above plan maximums.

26. HOW ARE CREDITS DETERMINED?

Credits are used for health, dental and vision and the calculations were based on the current premium levels. Allocation of credits was determined on whether an employee had single, employee plus 1 dependent, or family coverage.

27. WHAT IS A HEALTH SPENDING ACCOUNT?

A Health Spending Account (HSA) is like a "special savings account" set up in your name that is funded with the Flex Credits you deposit into the account. Unused Flex Credits from your 2018 enrollment will be available to you immediately after April 1, 2018, although you will accrue the value over the course of the next year. As such, if you terminate your employment with Carillion mid-year and you have used all your HSA, the company may charge back the unearned value. You may carry over your unused credits. On the day preceding the HSA anniversary, any unused credits are carried forward to the following year. The credits carried forward can be used to reimburse expenses incurred during the following year. At the end of the carry-forward period, any unused carry-forward credits are forfeited.

You may use the HSA funds in several ways to purchase a wide variety of health and dental supplies and services. For example, if you have $200 in your HSA and no vision coverage, you could use the money toward the cost of your eyeglasses or laser eye surgery. All expenses that qualify as Medical Expense Tax Credit under the Canadian Income Tax Act may be eligible under an HSA. Please refer to the Canada Revenue Agency's Health Spending Account Tax Interpretation for eligible services.

28. WHAT IF I DON'T USE MY HSA FUNDS IN THE YEAR THEY WERE EARNED?

You may carry over your HSA funds for one year from the year in which they were earned. After that they expire. However, if at the end of the HSA year your credit balance is at zero, expenses that would have exceeded the amount of credits cannot be reimbursed with the credits of the following year.

29. CAN I PUT MY UNUSED CREDITS INTO MY RRSP?

Not at this time.

30. AM I ABLE TO CLAIM HSA EXPENSES ON MY INCOME TAX RETURN?

No, because you have already received reimbursement with tax free dollars.

31. DOES A HEALTH SPENDING ACCOUNT REPLACE MY MEDICAL PLAN?

No, if you select options that are less expensive and you have a balance in your HSA, the HSA offers you a means to pay for some eligible out-of-pocket health care expenses not covered by our Extended Health Care with pre-tax money.

32. WILL THE FLEXIBLE PLAN COVER OVER-THE-COUNTER DRUGS?

No, these expenses are not typically covered. When in doubt about the eligibility of an expense, you can contact Medavie Blue Cross to confirm whether the expense is eligible under CRA regulations.

SUBMITTING CLAIMS

33. WHAT IS THE CURRENT POLICY YEAR?

The Flex Benefit Plan policy year is **April 1st to March 31st** each year**.**

34. HOW DO I SUBMIT CLAIMS UNDER THE PLAN? HOW CAN I CHECK THE STATUS OF MY CLAIMS?

Drug expenses will be processed at the pharmacy when you pick up your prescription and use your pay direct card. If the drug claim is eligible, the pharmacist will receive payment in accordance to the provisions of your plan. If you don't use the pay direct card you will have to make a manual submission. If there is no coverage from the core plan and you are planning to use the HSA for claiming drugs, the claim will have to be submitted in paper form. The pay direct card cannot be used for HSA claims.

Dental expenses will continue to be submitted directly via your dentist provided that is your dentist's current process. You will need to give your dental provider your ID card information.

Other eligible claims may be submitted electronically through the Medavie Blue Cross website, smart phone app or submitted manually. You will be able to check the status of your claims here as well. **Please refer to the instruction sheet under "Other Forms" in the Flexit 360 enrolment tool.**

For all claims, the level of reimbursement depends on what coverage option level you have chosen.

35. WHERE DO I GET A CLAIM FORM?

Claim forms for manual submissions and details of where to send them are available on the Medavie Blue Cross website at http://www.medavie.bluecross.ca

36. WHAT DO I DO IF I HAVE INCURRED SOME MEDICAL EXPENSES BUT NOT SUBMITTED THEM BY April 1, 2018?

You have until May 31, 2018 to submit claims for health and dental expenses you incur before April 1, 2018. You may send these claims directly to Medavie Blue Cross.

37. WHAT DO I DO IF I HAVE A CLAIM DECLINED?

If you are having trouble with a claim, please contact Medavie Blue Cross Customer Service Centre at **1-888-873-9200.**

ELIGIBILITY

38. WHO IS ELIGIBILE UNDER THE PLAN?

All regular full-time (40 hours per week) and regular part-time (working over 24 hours per week) in Canada are eligible to enroll in the plan as well as their spouses and dependent children.

39. WHAT DO YOU MEAN BY DEPENDENT?

A dependent is an employee's spouse by marriage or under formal union recognized by law or has been living with the employee in a conjugal relationship for at least 1 year. Or is the natural or adopted child of the employee or spouse of the employee for care, maintenance and support and meets one of the following criteria: a) is under age 21, b) is under age 25 and is attending an accredited educational institution, college or university on a full-time basis; or c) became mentally or physically disabled while a child as defined in (a) or (b) and has been continuously disabled since that time. For a detailed definition of dependents, please refer to your Benefits Booklet.

40. WHAT HAPPENS IF I HAVE COVERAGE UNDER MY SPOUSE'S PLAN?

If you have coverage under your spouse's plan, you should familiarize yourself with the level that their plan offers and determine what level of coverage you require. If you decide you require a lower level of coverage, this will allow you to use less credits and possibly to have unused credits transferred to your Health Spending Account.

41. WHAT DOES COORDINATION OF BENEFITS MEAN?

If your spouse has coverage under another employer's health and/or dental care plan, you may be able to submit under both plans for 100% coverage. For dependent children, the earliest month and day of birth of the plan member and spouse determines which plan pays first for these claims.

42. WHAT HAPPENS TO MY BENEFITS IF I TAKE A LEAVE OF ABSENCE?

If you take an extended leave of absence from the company, you may request an arrangement for your benefits to continue during your leave by contacting your Human Resource representative at least one month prior to your leave start date. Insurer approval will be required for all benefits continued during a leave of absence.

43. WHAT HAPPENS TO MY BENEFITS IF I LEAVE THE COMPANY (RETIRE OR RESIGN)?

If you leave the company (due to retirement, resignation or termination) your benefits will end on your last day worked. Note that certain benefits have conversion privileges which will allow you to convert your group coverage to an individual plan. You may purchase this coverage privately through Medavie Blue Cross.

If you leave the company due to retirement and if you are part of the list of eligible employees grandfathered for retiree benefits, you may request your transfer to the Retiree Benefits plan. Please contact Human Resources for details.

THE PLAN BASICS

44. WHAT OPTION / COVERAGE IS BEST FOR YOU?

You will have to determine what coverage is best for you based on a number of factors including your age, health, and marital status. During enrollment you will be able to test several scenarios to help determine what level most closely meets your needs.

45. WHAT BENEFITS ARE MANDATORY?

The mandatory components of our Flexible Benefits Plan include:

- Life Insurance (1 X Base Salary)
- Accidental Death & Dismemberment (1 X Base Salary)
- Long Term Disability (50% of monthly salary)
- Out-of-Province Emergency Coverage

Please note Provincial Health Care (Employee level) coverage is required to participate in the plan.

46. WHAT COMPONENTS OF THE PLAN ARE OPTIONAL?

Depending on your own personal circumstance, you may choose to enhance your basic coverage with:

- Additional employee life insurance
- Dependent life insurance, spouse and/or child
- Extended Dental Care
- Additional Accidental Death and Dismemberment Insurance
- Extended Health Care
- Vision Care

47. WHY HAVE MY BASIC LIFE AND LTD INSURANCE COSTS INCREASED?

The renewal rate adjustment is driven by many factors for both the Basic Life and Long-Term Disability benefits. Outlined below are the factors influencing premium rates for each of these benefits:

FACTORS INFLUENCING BASIC LIFE COST

Given the size of Carillion, the premium rates for the renewal of the Basic Life benefit are based on a combination of the **actual experience** of the group **and the standard expected claims** (manual rates reflecting the demographic profile of the group). The rating analysis is based on the most recent 5 years of experience. A credibility factor is applied to the actual experience of our group with the balance of the rating based on Medavie's manual rates to determine the **Total Required Rate.**

Unfortunately, Carillion's actual Basic Life experience over the last five years has been poor with the most recent two years experiencing significant claims. As for the manual rate component, this is largely driven by any change in the population of the group. The following factors may be considered:

. **AGE** – Existing employees are one year older. The impact of adding one year to an employee's age is minimal under age 35, but increases exponentially thereafter. Please note, 68% of the Carillion population insured under the Basic Life Benefit are over the age of 45.

. **POPULATION CHANGE** – Arrival or departure of employees during previous years.

. **AVERAGE WEIGHTED AGE** – Assuming the older employees are also long-term employees, salary adjustments would increase the 'average weighted age' based on Basic Life volume distribution more rapidly than the average mathematical age.

. **GENDER** – Typically, women have a higher life expectancy than men, therefore a lower mortality rate at any given age. The higher the male percentage of the group, the higher the rate. Carillion's demographic profile reflects a 75% male population.

FACTORS INFLUENCING LONG TERM DISABILITY COST

Long Term Disability costs continue to be a high priority for Carillion, due to the many factors influencing the costs. Claims incidence levels have continued to trend higher, consistent with economic volatility and these claims are more difficult to resolve in periods of economic uncertainty. In addition, mental health issues are not only a leading cause of new disability claims but can also develop as a secondary

diagnosis to physical conditions. These claims require specialized adjudication and put pressure on claims management costs.

The premium rates for the renewal of the Long-Term Disability benefit are based on our actual experience and the demographic changes of our population. Similar to the Basic Life benefit, the rating analysis reflects the most recent 5 years of experience which unfortunately has performed poorly. In an effort to mitigate costs and test the competitiveness of the existing LTD rates, we marketed the Long-Term Disability plan this year. The outcome of the marketing confirmed that Medavie's renewal rates were the most competitive and renewing with Medavie remained the best option for Carillion.

VISION CARE

48. I JUST GOT NEW GLASSES AND CLAIMED THEM UNDER OUR CURRENT PLAN? WILL I BE ABLE TO CLAIM ANOTHER PAIR THIS YEAR?

As we are still using the same insurer you will only be able to claim new glasses 24 months after your recent purchase.

This applies to all members transferring from existing Carillion policies. Medavie administers the vision care plan on a rolling 24 months not calendar year basis. For example, if a transferring member purchased glasses on Feb 1st, 2018 and submitted a claim under their current policy they would be eligible for full coverage again on Feb 1, 2020 and onward. If this member selects vision care under the Flex program during the current enrollment they will be locked into the benefit for two years but will be eligible for coverage during the following policy year (01 April 2019 to 31 Mar 2021).

Each transferring member will have to assess whether it is in their best interest to purchase vision care coverage based on their vision care usage and that of their dependents (if applicable).

DENTAL CARE

49. WHAT DOES IT MEAN IF I OPT OUT OF DENTAL COVERAGE?

Our plan allows you to opt out of dental coverage. If you choose to opt out of dental coverage you will not be reimbursed for any dental services including check-ups and cleanings. If you decide to add dental coverage at the next re-enrollment period you will be limited to the next level coverage for that year.

50. MY CHILD IS CURRENTLY GOING THROUGH ORTHODONTIC (BRACES) TREATMENTS. WILL I BE ABLE TO CLAIM MORE UNDER THE NEW PLAN?

Your child's eligibility for orthodontic coverage remains a one-life time benefit, subject to the maximum under the Flexible Benefit Option selected. Lifetime maximums still apply.

51. ARE ADULTS ELIGIBLE FOR ORTHODONTIC WORK?

Yes, under the plan, Enhanced Option 5, adults may now have 50% of orthodontic work reimbursed up to a maximum of $2,000 per lifetime.

52. WILL I NEED TO GET PRE-DETERMINATIONS ON MAJOR DENTAL EXPENSES?

Yes, it is a good practice to have your dentist request a pre-determination of benefits to Medavie Blue Cross before beginning treatments that exceed $300 in value. That way you will know if the service is covered and what your financial obligation will be.

53. HOW MUCH WILL I HAVE TO PAY AT THE DENTIST?

Depending on the level of coverage you choose you will have to pay a portion of the dental costs for basic services and 50% for major restorative and orthodontia expenses, subject to the maximums allowable.

HEALTH AND MEDICAL EXPENSES

54. WHAT HAPPENS WHEN I EXCEED THE ANNUAL MAXIMUM FOR MEDICAL EXPENSES?

It will depend on the option you have chosen and if you have coverage elsewhere. It is important to review and choose your health care coverage carefully.

55. HOW MUCH WILL I HAVE TO PAY FOR PRESCRIPTIONS?

If you do not have Coordination of Benefits through a spousal plan, depending on the level of coverage you choose under the Extended Health Care options (2, 3, 4 or 5), and if you have a balance in your HSA, the amount you pay will vary.

The Extended Health Care options noted above all cover prescription drugs (at different reimbursement levels) up to the lowest priced (usually generic) equivalent, if one exists. If your doctor prescribes a brand name drug that has a lower priced equivalent, you'll be reimbursed up to cost of the lowest priced equivalent drug even if your doctor writes "no substitution" on the prescription. You can still purchase the brand name drug, but your reimbursement will be based on the lowest-priced equivalent. Please ensure to use your drug card at the pharmacy to ensure proper processing of your claim.

56. WILL BRAND NAME DRUGS BE COVERED?

Carillion implemented mandatory generic drug substitution. In other words, if there's a lower priced (usually generic) drug that is equivalent to a brand name drug, Medavie Blue Cross will reimburse you based on the cost of the lowest priced drug.
Charges in excess of the lowest priced equivalent drug are not covered unless specifically approved by Medavie Blue Cross. To assess the medical necessity of a higher priced drug, Medavie Blue Cross will require you and your doctor to complete and submit an exception form.

57. WHAT WILL HAPPEN TO PRESCRIPTION DRUG DISPENSING FEES?

All options have a dispensing fee cap of $7.50 currently. If you have a balance in your Health Spending Account this can be used to cover dispensing fees not covered by your plan.

58. SHOULD I ADD MY SPOUSE AND/OR DEPENDENT(S) ON THE ONLINE ENROLMENT SYSTEM IF I DO NOT WANT THEM COVERED UNDER MY HEALTH CARE AND/OR DENTAL CARE BENEFIT(S)?

No, you may however need to add them if you are choosing some of the other coverages like Optional Life Insurance or Dependent Life Insurance.

59. IF I SEE A SMOKER STATUS BUT I'M A NON-SMOKER?

If you or your spouse didn't have optional life insurance the status will be smoker by default. You can change it during the enrollment.

60. IF SOMEONE CURRENTLY HAS PARTICIPANT'S, SPOUSE'S OPTIONAL LIFE INSURANCE, WILL THEY NEED A MEDICAL EVIDENCE TO INCREASE THE OPTIONAL LIFE INSURANCE?

Yes, medical evidence will have to be provided to increase existing optional life insurance or to obtain new optional life insurance. At the end of the enrolment, if this applies to you, you will be required to complete a form and you will be provided with a cover letter with all the steps you need to follow. Any existing optional life coverage amounts will be transferred to the online enrolment system and do not require new medical evidence.

61. ARE WE ABLE TO OPT OUT ALTOGETHER OF THE HEALTH CARE AND/OR DENTAL CARE BENEFIT(S)?

Your program does not allow an opt-out for the health care benefit unless you have coverage through a spouse elsewhere. In such a case, you will be invited to provide such information in the online enrolment system. For the dental care benefit, you can simply opt out altogether of the coverage.

62. ARE THERE BOOKLETS AVAILABLE ON THE ONLINE ENROLMENT SYSTEM?

Your booklet is available in the Plan Details menu.

63. WHAT IS A LATE APPLICANT?

A late applicant is someone who is not enrolled in the plan within 31 days of becoming eligible (i.e. birth date of a child, date of marriage, first anniversary of a common law relationship).

Should someone be a late applicant, they will be required to be medically underwritten to be enrolled in the plan.

64. IS THERE A NUMBER FOR MEDAVIE BLUE CROSS WHICH I CAN CALL WITH QUESTIONS ABOUT MY HEALTH CARE AND DENTAL CARE CLAIMS?

You can contact Medavie Blue Cross customer service at **1-888-873-9200** for assistance.

65. WHAT HAPPENS IF I DON'T ENROLL?

If you are currently enrolled in the Flex Plan and fail to complete the re-enrolment during the allotted period, you will be re-enrolled with the same benefits you currently have.
For example, if you were enrolled in Option 4 for Health and Dental and do not re-enroll during the enrollment window period, you will be re-enrolled in Option 4 Health and Dental.

66. HOW WAS THE CREDIT VALUE DETERMINED?

Flex Credits were based on the cost of the current program and then adjusted to share the costs with employees.

67. DO ALL EMPLOYEES RECEIVE THE SAME CREDIT VALUES?

Flex Credits are based on single, employee plus 1 dependent or family coverage. Employees current dependent status was used to determine coverage based on your current benefit plan.

68. ARE THE COSTS FOR EACH OPTION THE SAME TO ALL EMPLOYEES?

Yes.

69. IS THE COST RATIO OF CREDIT TO COST EQUAL?

The cost ratio for credits is approximately 80% Carillion and 20% employees for single, employee plus 1 dependent and family coverage.

70. WILL OUR CREDIT VALUE INCREASE/DECREASE ANNUALLY?

The cost of the program will be reviewed each year and the credit value adjusted appropriately.

71.

72. WILL OUR COSTS INCREASE/DECREASE ANNUALLY?

The cost of the program will be reviewed each year and the cost value adjusted appropriately.

73. HOW WILL COSTS/CREDITS BE CONTROLLED TO ENSURE NO LOSSES WILL BE PUSHED TO EMPLOYEES YEAR TO YEAR?

The cost of the program will be reviewed each year and the credit value adjusted appropriately.

74. HAVE THERE BEEN ANY CHANGES TO SHORT TERM DISABILITY COVERAGE?

As there is a consolidation of several plans, we announced a Short-Term Disability plan which will be aligned with the Flex Plan and the Long-Term Disability plan coverage available. Information is available online under Policies and Procedures, 2-600 Short Term Disability Policy.

75. CURRENTLY OUR YEARS OF SERVICE AFFECT SOME BENEFITS, HAVE YEARS OF SERVICE BEEN CONSIDERED REGARDING CREDITS? IF NOT WHY NOT?

The Flex Credits are based on the current premiums paid by Carillion for Health, Dental and Vision. These premiums are not based on years of service.

The life insurance premiums in the current corporate plan was based on years of service. Based on your feedback, we have decided to 'grandfather' the life insurance benefit for all current employees. This means that you will continue to receive your life insurance benefit as per our current benefits plan. Any new hires after December 31, 2015, will have the ability to choose their preferred life insurance benefit within the choices offered as part of our new flexible benefits program.

The information provided in this document is for general information purposes only. If the information in this document is different than what is in the official plan text, the plan text and any applicable legislation will govern in all cases.

Carillion Canada reserves the right to amend, modify, suspend or terminate any of its programs (including benefits) and policies covering employees and former employees, including retirees, at any time, including after employees' retirements without notice by action of its Canadian Executive Committee or other committee expressly authorized by the Canadian Executive Committee to take such action. The programs, benefits and policies to which an employee or former employee, including retiree, is entitled are determined solely by the provisions of the applicable program, benefit or policy as amended from time to time.