

Update on the PSHCP transition to Canada Life

If you read last month's report on the Public Service Health Care Plan (PSHCP) transition to Canada Life, you know it hasn't gone well. You know we continue to do our best to help you and that we are constantly working with the Administrative Authority (AA), the Treasury Board Secretariat (TBS) and the Treasury Board president.

Whether you are trying to process a claim or speak to an agent, you are no doubt tired and frustrated, and want Canada Life's service to improve. We all do.

While those efforts continue, it may be useful to examine how we got here, as well as our role in negotiating the new plan and its administration.

First, the PSHCP isn't an insurance plan. It's a self-funded health-care plan for which the employer pays the expenses incurred by its employees. Retirees, however, cost-share the plan with the employer on a 50:50 basis. Expenses for retirees are totaled, divided by the number of retirees and cost-shared by employer and retirees.

The PSHCP Partners' Committee, consisting of the bargaining agents, the employer and the Association, negotiate reimbursable expenses.

From the Association's perspective, the expenses negotiation process began in 2017 when we conducted a survey to determine the changes members wanted to see. The results served as a baseline for former Association president Jean-Guy Soulière during the lengthy negotiations, which concluded in 2022 when the three parties signed a plan renewal proposal later approved by Treasury Board. As such, Canada Life is reimbursing members at rates to which the Association agreed.

Coinciding with the renewed PSHCP agreement was the government's announcement that Canada Life had won the right to administer the PSHCP in a bidding process. The Association was not involved in this process.

The renewed PSHCP and its new administration were effective July 1, 2023. Members were promised a seamless transition, but seamless it was not. There were problems with the positive enrolment process, dispensing fee reimbursement and reaching Canada Life agents by phone or email. And there were rejected claims. One positive outcome of all the issues you have told us about is that we now have a list of reimbursement issues to renegotiate during the mid-contract review process.

Even though we had no role in the PSHCP administration, we're working with the AA and the TBS on issues our members raise. Vice-president H el ene Nadeau and staff member Jessica Searson have been working long and hard with their AA counterparts.

The AA and TBS are listening and working with Canada Life to improve services and communications with members and processes. Treasury Board President Anita Anand meets with Canada Life on a daily basis.

As disappointed as you may be with Canada Life, consider the task it faced when it assumed responsibility for the plan administration on July 1, 2023. In one fell swoop, it was administering the nation's largest health-care plan, which includes processing claims submitted from 1.7 million employees, retirees and their dependents. A full 590,000 were seniors — 100,000 of whom couldn't or wouldn't use computers to complete the positive enrolment process or submit claims. These folks needed paper forms and membership cards. Canada Life also acquired responsibility for administering a plan with new rules such as mandatory drug substitution, new reimbursable procedures such as gender reassignment and significant change in services such as physiotherapy. These rules were agreed to by the Association.

Calls soon overwhelmed Canada Life, indicating to it that 197 agents wasn't sufficient. It began hiring more and by Nov. 4, it will have added 203 agents and 51 claims officers. If you're angry with the service level, remember the Association had no role in negotiating this change.

Yet, rather than berating those serving us, let's follow our values: Be patient, kind and respectful when dealing with Canada Life staff and our staff who are doing their best to help you.

Meanwhile, the standing committee on government operations and estimates has said it will study the PSHCP/Canada Life implementation. You may be wondering if we will submit a brief. We will not. We were not involved in the request for proposal process. We represent retirees, not employees.

Thank you for your interest in the PSHCP and your willingness to help members and for your work as we move through this vexing transition. Your efforts will ensure we'll succeed.

Thank you,

Roy Goodall

President, Federal Retirees

PSHCP Partners Committee pensioner representative