

Plan Administrator Bulletin: Your Group Insurance Providers Are Changing

We are pleased to inform you that effective January 1, 2008, your group benefits plan with ENCON Group Inc. will be insured by new carriers. Our program will continue to offer you comprehensive benefits and a high level of service. The new carriers are as follows:

- Green Shield Canada – Health and Dental Benefits
- SSQ Financial Group – Life, Weekly Indemnity and Long Term Disability (LTD)
- Industrial Alliance Pacific Insurance and Financial Services Inc. (IAP) – AD&D and Critical Illness Insurance

As a result, there will be a few minor changes to your benefits and some of our procedures (see “Highlights of the Carrier Change” on this page). In addition, ENCON now offers Critical Illness Insurance as part of our group benefits program. The product is underwritten by IAP and is available immediately for your group. For more information on this product or the change in carriers, please contact your plan advisor.

What You Need to Do

We would like to assure you that the transition has been well planned and will be closely managed to ensure that the impact on you and your plan members is minimal.

- You do not need to re-enroll; your plan will automatically be transferred over to the new carriers.
- In early December, ENCON will send you a package with information kits for each of your plan members, which will include: *Plan Member Instructions*, new Benefits Booklets, and updated Claim Forms and Benefits Cards (where applicable). You need to distribute these information kits to your employees as soon as you receive them.
- We need to know if any of your employees are not actively at work for any of the following reasons:
 - Weekly Indemnity or LTD
 - Maternity or parental leave
 - Temporary layoff or leave without pay
 - Collecting disability benefits from an auto insurance plan, CPP or Workers’ Compensation

You will receive a Not Actively at Work Confirmation Form with your January invoice. Please complete the form and mail or fax it to us by January 15, 2008. Also, please see the “Important Information Regarding Employees Who Are Not Actively at Work” article on page 2.

Over the coming months, we will keep you updated of important dates and helpful information related to claims and plan administration through electronic bulletins. Please ensure your CSR has your current email address.

Highlights of the Carrier Change

There will be a few minor changes to your benefits and some of our procedures. These are highlighted below:

Health and Dental Benefits

Drug Benefits

- Diabetic supply claims, which were formerly eligible under the drug plan, must now be submitted under the Supplementary Health Care benefit. This applies to items such as glucometers, lancets, alcohol swabs, insulin pumps and supplies. However, items such as needles, syringes and test strips will continue to be covered under the drug plan. An original itemized receipt must be submitted with these diabetic supply claims; a cash register receipt is not acceptable for reimbursement.

Supplementary Health Care Benefits

- PSA and 125 Cancer Screening tests will now be considered as eligible expenses under the Extended Health benefit.

Out-of-Country Emergency Travel Assistance (ETA) Benefits

- The ETA benefit maximum will be changed from an unlimited annual maximum to a \$1 million per year maximum.
- The Out-of-Province Referral benefit will be changed from a \$1 million lifetime maximum to a \$50,000 annual maximum. It will also be covered under the ETA benefit; it was formerly part of the Supplementary Health Care benefit.

Dental Benefits

- Inlays will be reimbursed under Basic Dental Services; they were formerly eligible under Major Restorative Services.

LTD Benefits

- Our LTD Benefits will offer a residual definition of disability and a three-month survivor benefit.

Critical Illness

- Critical Illness Insurance is now available. For more information, please contact your plan advisor.

Procedural Changes

- Our former Pay Direct Drug Card and Out-of-Country Travel Card have been combined into one Benefits Card. Please note that the Claims Service Centre toll free number is shown on this card.
- Plan members will no longer require a policy number to submit a claim. Each plan member will be given a unique ID number that starts with the letters “EGI.” The unique ID number is all that will be required when submitting a claim.
- If you have a Reimbursement Drug plan, where you submit a claim with your receipts attached, you will now receive Benefits Cards, so that pharmacists can submit drug claims electronically on your behalf. This eliminates the need to submit paper claims.

Procedural Changes (continued)

- Health care providers, such as paramedical and vision care providers, will be able to submit claims electronically. This will make the claims process easier and faster for you and your plan members.
- Orthodontia benefits will not be paid in lump sums; they will be paid over the duration of the treatment, which usually takes 18 to 24 months.

What You Need to Know

- Your group benefits plan will continue to be insured by Manulife until December 31, 2007. Your program will automatically transfer to the new carriers on January 1, 2008. No action is required on your part.
- If your group benefits plan is due to renew on December 31, 2007, it will be renewed with your current insurers. It will then transfer to the new carriers on January 1, 2008. Your annual renewal date will not change in the future.
- Rates will not increase as a result of the change in carriers. Any rate changes will be a result of the renewal.
- In early December, ENCON will send you a package with information kits for each of your plan members.
- A Certificate of Insurance, which summarizes each employee's eligible coverages and dependent information, will replace the wallet-sized certificate previously issued by ENCON. These Certificates will be sent with your January invoice for you to distribute to your employees.
- Starting January 1, 2008, revised administrative materials and Claim Forms will be available online. You will also be able to access Manulife Claim Forms for a limited time.
- Plan members have until January 31, 2008 to submit their 2007 Health and Dental claims to Manulife. Please ensure that you emphasize this requirement to your employees.
- Our administration processes will not change; please continue to follow your standard procedures. Some administration forms will be updated to incorporate the name and requirements of the new carriers.
- Future Benefits Cards will be mailed to each employee at their home address. Therefore, it is very important that you keep ENCON up-to-date on the current home address for all employees. Please contact your CSR with this information.
- Please remind your employees that a doctor's referral is required every 12 months for massage therapy claims. Plan members can submit their last Explanation of Benefits or a photocopy of their previous referral with their first Green Shield claim. Otherwise, they will need to submit a new doctor's referral.
- Please log on to our secure website at www.encon.ca for more information about our new carriers, as well as answers to frequently asked questions regarding the carrier change.
- There will be no change to your plan advisor or CSR as a result of this change. Please contact them if you have any questions.

Important Information Regarding Employees Who Are Not Actively at Work

1. Employees who are currently collecting disability benefits will continue to receive their disability benefits from Manulife. When an employee on disability returns to work, the disability coverage will transfer to SSQ.
2. Employees who are disabled prior to January 1, 2008 must submit their application to Manulife. These claims must be filed within six months of the date the disability began, but can be filed no later than March 31, 2008, or they will be late filed and may be denied.
3. If you have employees collecting disability benefits who are covered for Health and/or Dental Benefits, these benefits will transfer to Green Shield on January 1, 2008. Please remind your employees that all health, dental and prescription drug claims from 2007 must be submitted to Manulife by January 31, 2008.
4. All Life and AD&D claims incurred in 2007 must be submitted to Manulife or AXA by March 31, 2008. If you have any questions about these benefits and how they are impacted by the change in carriers, please speak with your CSR.
5. You will be required to complete the Not Actively at Work Confirmation Form referenced in the "What You Need to Do" article on page 1. Please complete and return this form to ENCON by January 15, 2008.

Important Dates to Remember

December 24, 2007	Deadline for distributing the plan member information packages to each of your employees. <i>(However, we ask that you distribute these packages as soon as possible after you receive them.)</i>
January 1, 2008	The date your group benefits plan transfers to the new carriers.
January 15, 2008	Deadline for returning the Not Actively at Work Confirmation Form.
January 31, 2008	Deadline for submitting all 2007 Health and Dental Claims to Manulife.
March 31, 2008	Deadline for submitting all LTD, Weekly Indemnity, Life and AD&D claims incurred in 2007.