

# Your Group Insurance Program at a glance



At KDP, we offer a variety of benefit options so you can choose what best meets your and your family's needs. The KDP Group Insurance Program for our Canada employees allows you to choose the coverage that meets your unique needs as they evolve with your family situation. Use this document to get an overview of the program.

## Your program explained in 5 points

- 1

**KDP pays for basic protection (Basic option) for four coverages:**

Health\* + Dental\* + Short-term disability + Basic life

\* It is possible to opt out by providing a proof of coverage elsewhere.
  
- 2

**You can pay to increase your protection level (Balanced or Bold options) for two coverages:**

Health + Dental

You can select the same or different levels of coverage for health and dental care.

These coverages can be paid with **Flex Dollars**
  
- 3

**You pay for mandatory protection for the following coverages:**

Long-term disability + Accidental death & dismemberment (AD&D)

These coverages are paid through **payroll deductions** + optional coverages can be paid with **Flex Dollars** (if leftovers)
  
- 4

**You can add optional coverages:**

For you + your family (see page 2)
  
- 5

**What are Flex Dollars?**

Flexible credits provided by KDP to help you pay for your coverages (see page 6)

  - Amount allocated by the employer to help you pay for your selection of coverages (increased protection for health and dental care or any optional coverage).
  - Your funds are calculated according to your coverage:
    - » Enrolled in Health Care | \$450 + 0.275% of base salary
    - » Not enrolled in Health Care/Opt Out | \$250 + 0.275% of base salary
  - Any leftover Flex Dollars can be applied to:



**HSA:**  
Health Spending Account  
(health or dental care)



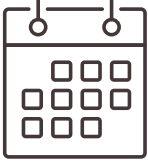
**WA:**  
Wellness Account  
(gym)



**RRSP:**  
Registered Retirement Savings Plan  
(Group RRSP with Sun Life)

Please note that following the allocation of your Flex Dollars to the Group RRSP, you have 31 days to open your RRSP account with Sun Life. Otherwise, your allocation will be transferred to your HSA.

## Eligibility



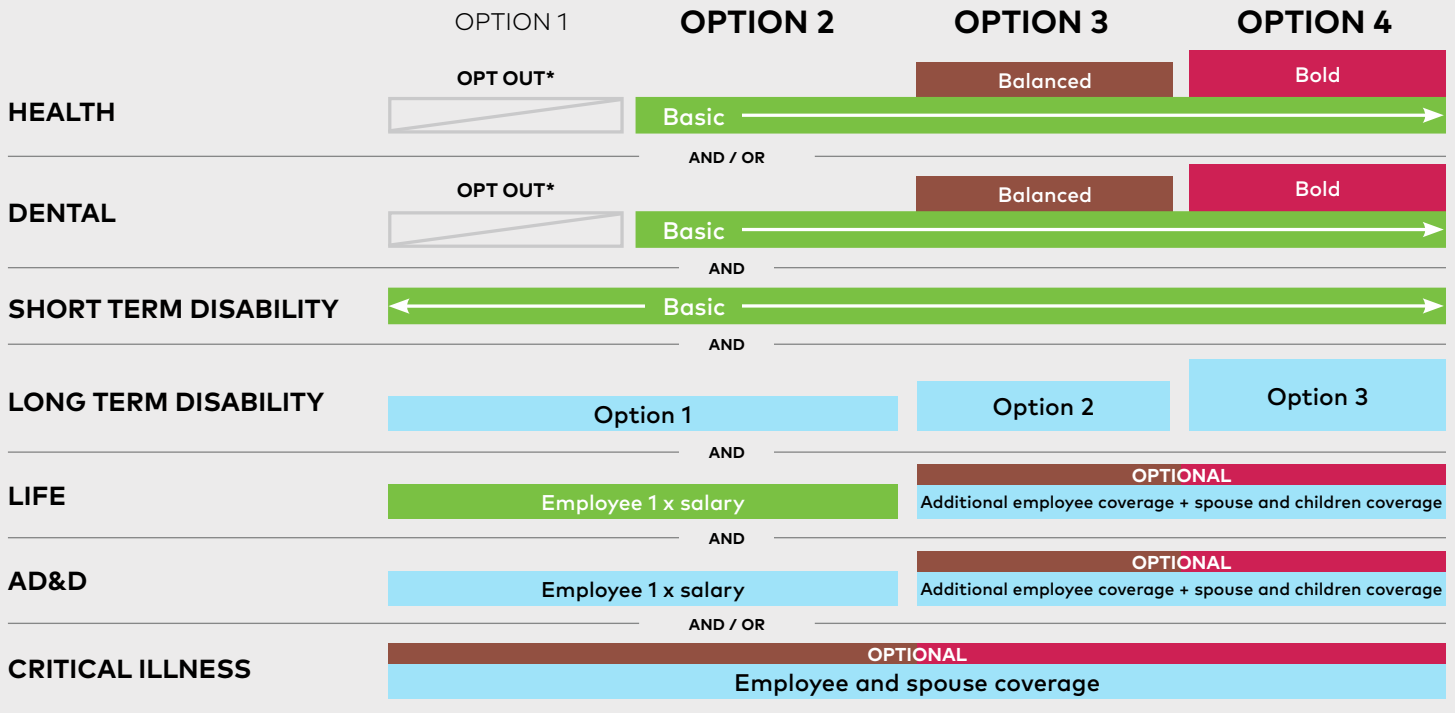
### Regular permanent non-union employees

- Work at least 20 hours per week

### Contractual/temporary non-union employees

- Work at least 20 hours per week
- 12-month contract or more
  - » Access to this program with no Flex Dollars
  - » No short-term or long-term disability coverages

## Your coverage at a glance



\* It is possible to opt out by providing a proof of coverage elsewhere.

### Flex Dollars:

Can be used to help you pay for increased levels of protection for health and dental care coverages as well as any optional coverages

### If no Flex Dollars leftovers:

Premiums paid via payroll deductions

Paid by KDP

Paid in part by Flex Dollars (KDP allocation)

Paid by you (payroll deductions)

## Contacts & Resources

? Log into the Medavie Blue Cross Website called Flexit [app.connect.medavie.bluecross.ca/kdp/login](http://app.connect.medavie.bluecross.ca/kdp/login) to:

- Enrol or re-enrol
- Know which coverages you currently have
- Know who is (are) your current beneficiary (ies)
- Reset your password

? For any questions regarding coverage, claims or if you experience technical difficulties during your online enrolment or re-enrolment, please contact Medavie Blue Cross at **1-888-588-1212**

? For questions on eligibility or if you require additional information, please contact myHR at **1-866-537-6947** or by email at [myHR@kdrp.com](mailto:myHR@kdrp.com).



All the tools (Program Summary, FAQ, Decision Tool, Medavie Blue Cross Brochures) are available for you:

**myhr.kdrp.com**

## Your coverage options

In the following tables, coverage shown is per insured person and per program year (April 1 to March 31), unless otherwise stated.

### FINANCIAL SECURITY COVERAGES

| LIFE INSURANCE                            |   |  |  |
|---|---|--|--|
| Employee – Basic                          | 1 x annual salary   |  |  |
| Employee – Optional                       | 1 to 5 x annual salary*   |  |  |
| Spouse – Optional                         | 1 to 30 x \$10,000*   |  |  |
| Child – Optional                          | 1 to 5 x \$5,000  |  |  |
| Termination of coverage                   | Basic life: upon retirement<br>Optional life: upon retirement or at age 70, whichever comes first |  |  |
| ACCIDENTAL DEATH AND DISMEMBERMENT (AD&D) |   |  |  |
| Employee – Basic                          | 1 x annual salary   |  |  |
| Employee – Optional                       | 1 to 5 x annual salary  |  |  |
| Spouse – Optional                         | 1 to 30 x \$10,000  |  |  |
| Child – Optional                          | 1 to 5 x \$5,000  |  |  |
| Termination of coverage                   | Basic AD&D: upon retirement<br>Optional AD&D: upon retirement or at age 70, whichever comes first |  |  |
| CRITICAL ILLNESS                          |   |  |  |
| Employee – Optional                       | 1 to 40 x \$5,000*  |  |  |
| Spouse – Optional                         | 1 to 40 x \$5,000*  |  |  |
| Termination of coverage                   | Upon retirement or at age 65, whichever comes first   |  |  |
| SHORT-TERM DISABILITY                     |   |  |  |
| Waiting period                            | First 14 consecutive days (paid at 100% by KDP)   |  |  |
| Benefits period                           | 19 weeks  |  |  |
| Weekly benefit                            | 75%   |  |  |
| Maximum weekly benefits                   | \$2,000   |  |  |
| Taxable benefits                          | Yes   |  |  |
| Termination of coverage                   | Upon retirement or member's age 70, whichever comes first   |  |  |
| LONG-TERM DISABILITY                      |   |  |  |
|   | OPTION 1  | OPTION 2   | OPTION 3   |
| Waiting period                            | 21 weeks  |  |  |
| Benefits period                           | To age 65   |  |  |
| Monthly benefit                           | 60% of first \$2,000 +<br>40% of the excess   | 70% of first \$2,000 +<br>55% of next \$2,000 +<br>45% of the excess | 70% of first \$2,000 +<br>55% of next \$2,000 +<br>45% of the excess |
| Maximum monthly benefits                  | \$15,000  |  |  |
| Taxable benefits                          | No  |  |  |
| Cost of living adjustment                 | No  | No   | Yes  |
| Definition of "own occupation"            | 24 months   |  |  |
| Termination of coverage                   | Upon retirement or member's age 65 (minus the waiting period),<br>whichever comes first           |  |  |

\* No evidence of insurability (EOI) required on the first \$50,000 of coverage, if requested within 31 days of member's eligibility.

## HEALTH CARE

|   | Basic   | Balanced                 | Bold                     |
|---|---|--------------------------|--------------------------|
|   | Option 2  | Option 3                 | Option 4                 |
| <b>Lock-in rules</b>  | Important note: You need to stay in the same option for a minimum of two years before being allowed to downgrade. You can upgrade option at each re-enrolment. These lock-in rules also apply to Option 1 (opt out). Lock-in rules do not apply for modifications following an eligible life event. |                          |                          |
| <b>MEDICAL</b>  |   |                          |                          |
| Deductible – Generic drugs and smoking cessation aids   | \$0   |                          |                          |
| Deductible – All other drugs  | \$10  | \$5                      | \$5                      |
| Drugs and hospitalization reimbursement:  |   |                          |                          |
| – Smoking cessation aids  | 100%  |                          |                          |
| – All other drugs   | 70%   | 80%                      | 90%                      |
| – Drug maximum out-of-pocket  | \$1,000 per family  | \$750 per family         | \$500 per family         |
| – Hospitalization   | 100%, Semi-Private  | 100%, Semi-Private       | 100%, Private            |
| Other health care reimbursement:  | 70%   | 80%                      | 90%                      |
| – Private nursing care  | \$10,000  |                          |                          |
| – Custom-made orthopedic shoes  | 1 pair  |                          |                          |
| – Foot orthotics  | \$300 max.  |                          |                          |
| <b>NEW</b> – Gender affirmation benefit   | \$10,000 per calendar year, up to a \$40,000 lifetime maximum   |                          |                          |
| <b>ENHANCED</b> Travel assistance maximum   | 100%, \$2,000,000 lifetime<br>\$250 maximum per day for meals and accommodation   |                          |                          |
| <b>HEALTH PRACTITIONERS</b>   |   |                          |                          |
| Reimbursement   | 70%   | 80%                      | 90%                      |
| Maximum per Psychologist/<br>social worker/psychotherapist/<br>psychanalyst/clinical counsellor<br>(combined) | \$2,000 max   |                          |                          |
| Maximum per other practionner<br>(per program year)   | –   | Extended list<br>\$500*  | Extended list<br>\$750*  |
| <b>VISION CARE</b>  |   |                          |                          |
| Reimbursement   | n/a   | 100%                     | 100%                     |
| – Eye exam  | n/a   | 1 per 12 months          | 1 per 12 months          |
| – Lenses, frames, contact lenses,<br>laser eye surgery (combined)   | n/a   | \$150 max./<br>24 months | \$300 max./<br>24 months |
| <b>Termination of coverage</b>  | Upon retirement   |                          |                          |

\* Chiropractor, naturopath, acupuncturist, homeopath, dietitian, osteopath, chiropract/podiatrist (combined), audiologist, speech therapist, occupational therapist, physiotherapist/athletic therapist/rehabilitation technician (combined), massage therapist/kinesitherapist/orthotherapist (combined).

## DENTAL CARE

|  | Basic   | Balanced  | Bold                    |
|--|---|---|-------------------------|
|  | Option 2  | Option 3  | Option 4                |
| <b>Lock-in rules</b>   | Important note: You need to stay in the same option for a minimum of two years before being allowed to downgrade. You can upgrade option at each re-enrolment. These lock-in rules also apply to Option 1 (opt out). Lock-in rules do not apply for modifications following an eligible life event. |   |                         |
| <b>DENTAL</b>  |   |   |                         |
| Dental fee guide   | Current year  |   |                         |
| Recall exam  | n/a   | 6 months  | 6 months                |
| Complete series X-rays   | n/a   | 36 months   | 36 months               |
| Panoramic X-rays   | n/a   | 24 months   | 24 months               |
| Reimbursement:   |   |   |                         |
| – Preventive care  | n/a   | 80%   | 90%                     |
| – Basic care   | n/a   | 80%   | 90%                     |
| – Endodontic and periodontic services                                | 80%   | 80%   | 90%                     |
| – Major restoration  | 50%   | 50%   | 60%                     |
| Combined yearly maximum for dental care, except orthodontic services | \$1,500   | \$2,000   | \$2,500                 |
| Orthodontic services   |   | 50%<br>\$1,500 lifetime<br>(participants under age 18 only) | 50%<br>\$3,000 lifetime |
| <b>Termination of coverage</b>                                       | Upon retirement   |   |                         |

## Membership rules

1 Your eligible dependents are your spouse and your children residing in Canada who satisfy one the following definitions:

### Spouse

The person who:

- is legally married to you;
- has been living with you in a marital relationship for at least one year;
- is living with you in a marital relationship, and with whom you have had or adopted a child.

### Children

Your unmarried natural or adopted children, or those of your spouse, or any unmarried children for whom you or your spouse is the court-appointed guardian, who are:

- under age 21;
- age 21 or older but under age 26 if they are full-time students at an educational institution;
- handicapped and incapable of financial self-support regardless of age, provided their disability began before the above age limits and while they were covered under the program.

2 The selections you make when you initially enrol or re-enrol in the program remain in effect for the full duration of the program year (April 1 to March 31), unless you experience an eligible life event, such as the birth of a child or a divorce, for example.

3 Yearly maximums are reset to \$0 on each April 1.

4 Flex Dollars are provided by program year.

# How to use your leftover Flex Dollars

|                               | Health Spending Account (HSA)   | Wellness Account (WA)  | Registered Retirement Savings Plan (RRSP)                                 |
|-------------------------------|---|--|---|
| Summary                       | Allows you to obtain refunds for certain health care and dental care expenses incurred by you or your dependents that are not covered by the program.   | KDP places great value on employees and wants you to be healthy, happy, and productive. The WA encourages you to make a commitment to better health by reimbursing eligible expenses for fitness-related services.   | Voluntary contribution to your group RRSP with Sun Life <sup>(1)(2)</sup> |
| Benefits                      | <ul style="list-style-type: none"> <li>Reimburses eligible expenses at 100% up to the balance of your account.</li> <li>Any Flex Dollar deposited in these accounts will be lost if unused after two program years.</li> </ul>  |  | n/a   |
| Eligible expenses             | <ul style="list-style-type: none"> <li>Expenses not covered by your health and dental care coverages (deductible and co-insurance costs, amounts exceeding the maximum amounts covered, etc.).</li> <li>Costs not covered by any other insurance plan, whether collective, provincial or private.</li> <li>Expenses stipulated in the <i>Income Tax Act</i>. For a complete list of these expenses refer to the Canada Revenue Agency website: <a href="http://www.cra-arc.gc.ca">www.cra-arc.gc.ca</a>.</li> </ul> | <ul style="list-style-type: none"> <li>Only expenses incurred for yourself are eligible (expenses incurred for your dependent do not qualify).</li> <li>Services/items reimbursed:               <ul style="list-style-type: none"> <li>– Fitness center memberships (gym, ski/snowboard seasonal passes, hiking and state park passes, etc.)</li> <li>– Group fitness classes (excluding equipment and accessories fees, etc.)</li> <li>– Lessons (dance, martial arts, scuba diving, etc.)</li> <li>– Sport program fees (soccer, hockey, baseball, basketball, volleyball, etc.)</li> </ul> </li> </ul> | n/a   |
| Tax considerations            | Amounts reimbursed through the HSA are considered a taxable benefit for provincial income tax purposes for Quebec employees only.   | Amounts reimbursed through the WA are considered a taxable benefit for provincial and federal income tax purposes for all employees.   | n/a   |
| Minimum amount for allocation | n/a   | \$10   | \$50  |

- (1) You must have an open group RRSP account with Sun Life to allocate a portion of your Flex Dollars to the Group RRSP. If not already done, you can do so online or by submitting a paper form, which is available on Sun Life's website. Simply contact Sun Life Financial at 1-866-733-8612 for full details.
- (2) If you are not enrolled in the Group RRSP, you have a 31 days delay to open an account, otherwise your Flex Dollar allocation will be transferred to the HSA.

## Administrative rules and notes related to Flex Dollars allocation:

- It is possible that the system indicates a zero Flex Dollars balance after you have made your choice for health and/or dental care coverage. That would be the case if all your Flex Dollars are required to cover your premium, depending on the options selected (Balanced or Bold) and your family status (single, couple, single-parent or family).
- It is not possible to change the allocation of your Flex Dollars during the year. However, do not forget that you have two years to use your Flex Dollars in your HSA and WA.
- A change in the allocation of your Flex Dollars is only possible during the annual re-enrolment process when you receive your new Flex Dollars. At the annual re-enrolment, only your new Flex Dollars can be allocated between the HSA, the WA and the RRSP.

Information stated in this document is based on the official booklet of the KDP Group Insurance Program. In case of discrepancy between this document and the insurer booklet, the latter shall prevail.