Pensioners' Dental Services Plan (PDSP)

Communiqué

Number II

June 2010

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October 2010 Contribution Rate Changes

Question I

What are the changes to the PDSP?

PDSP costs are currently shared between the Government of Canada and Plan Members on a 60% – 40% basis respectively. Effective October 1, 2010, these costs will be shared on a 50% – 50% basis. As a result of this, and other factors, your monthly contribution rates will be increasing.

The following table contains the current and new rates effective October 1, 2010. If you are already a PDSP Member, you will see the new rates reflected on your September 2010 pension cheque for October 2010 coverage.

Question 2

Why are PDSP monthly contribution rates increasing?

PDSP costs have been steadily rising due to increases in membership, Plan utilization, and dental service fees. The change to an equally shared contribution ratio ensures that the costs of the Plan are fairly balanced between Plan Members and the Government of Canada, and ultimately, Canadian taxpayers. This change will support continuing Plan sustainability, and the prudent and effective management of the Government of Canada group benefit plans.

The benefits available to Public Service employees and pensioners are compared on a regular basis to those available to similar groups in Canada. The PDSP compares favourably to other private and public sector Canadian employers and will continue to offer a valuable benefit to pensioners.

Category of Coverage		From	To
I	Pensioner Only	$12.50 monthly	$16.00 monthly
II	Pensioner and one eligible family member	$25.50 monthly	$31.96 monthly
III	Pensioner and more than one eligible family member	$36.20 monthly	$47.96 monthly
Please note that these rates are still subject to applicable taxes.			

Veterans' rates will also increase. Please contact your Pension Office for additional information.

Question 3

Can I terminate my PDSP coverage as a result of this contribution rate change?

Yes, you have a one time opportunity to terminate coverage early. Normally, you and any covered family members must remain PDSP participants for three complete calendar years before you can voluntarily withdraw. This requirement has been temporarily suspended for the period from June 1, 2010 to August 31, 2010.

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Question 4

How do I terminate my PDSP coverage?

You must advise your Pension Office in writing should you decide to terminate your PDSP coverage. If your letter is received by your Pension Office between June 1, 2010 and August 31, 2010, your coverage will stop on October 1, 2010. Since contributions are paid one month in advance, a final contribution will be deducted from your August 2010 pension cheque for September 2010 coverage. Dental expenses incurred after September 30, 2010 will not be reimbursed. There may be delays in processing your termination request; if so, contributions deducted for any period after your coverage stops will be refunded.

IMPORTANT – If you voluntarily terminate your PDSP coverage, you will not be allowed to re-enrol at a future date.

The PDSP is administered by Sun Life Assurance Company of Canada, on behalf of the Government of Canada. This newsletter provides general information only. In case of any discrepancy about any issue, the PDSP Rules will prevail. For further information, please consult your Member Booklet or contact your PDSP Customer Care Centre toll-free at 1-888-757-7427 in North America or 613-247-5100 in the National Capital Region.

Covering Dependant Children Under the PDSP...When to Notify Your Pension Office

To ensure your PDSP coverage is kept up-to-date, it is important to communicate with your Pension Office when your covered Child reaches age 21 or age 25.

Coverage for a Child stops at age 21, unless that Child is unmarried and in full-time attendance at an accredited school, college or university – your child can be covered between ages 21 to 25, as long as he/she continues to meet this eligibility criteria. In certain circumstances, children with disabilities may also be eligible for coverage, as described later in this Communiqué.

Sun Life cannot pay claims for a child over age 21 without confirmation from your Pension Office that the child continues to meet the eligibility criteria. **It is your responsibility** to provide written confirmation of changes in your child's status to your **Pension Office**. Once you have communicated changes, your Pension Office will help you to determine whether you need to change your Category of Coverage and send you a PDSP Form if necessary. If no change in your coverage level is required, the Pension Office will update your file and inform Sun Life of your child's coverage status. You will not be required to provide proof of eligibility when you initially report a change in your child's status. However, student eligibility audits are regularly conducted and you may be required to provide such proof at a later date.

PDSP Eligibility – Children

For PDSP purposes, a Child means your unmarried Child(ren) or the unmarried Child(ren) of your spouse or common-law partner, including:

- an adopted child; a step-child; or,
- a child who is financially dependent primarily on you, or your spouse or common-law partner for support and maintenance. You will be asked to provide documentation to support the relationship.

Children with Disabilities

The definition of Child under the PDSP includes a child who is 21 years of age or older, incapable of engaging in self-sustaining employment and primarily dependent on you for support and maintenance provided the Child:

- met this description when you became eligible for PDSP coverage or;
- was covered under this Plan or the Public Service Dental Care Plan prior to his or her 21st birthday; or
- was already covered under this Plan or the Public Service Dental Care Plan as a dependant while enrolled full-time at an accredited school, college or university between the ages of 21 and 25 and becomes mentally or physically impaired and dependent on you for support and maintenance.

In these cases, you will be asked to provide your Pension Office with medical documentation concerning your Child's mental or physical impairment within 31 days of the date the child reaches age 21, or age 25 if the child is a full-time student.