



Dear PSAC-Local 901,

Please find below our report on (1) the feasibility of adding non-member groups to the SGPS Health and Dental plan, as well as (2) the creation of an SGPS/PSAC-Local 901 working group tasked with finding solutions to the problem of adequate health and dental benefit coverage for employees and students on campus and throughout the Queen’s community.

In short, adding non-member groups to the SGPS H&D plan is largely infeasible because of the administrative costs and uncontrolled risks associated with bringing groups that are not members or employees of the SGPS under the ambit of the plan. Because of this, and the critical importance of adequate health and dental coverage for all members of the Queen’s community, we have committed to forming an action-oriented working group with PSAC-Local 901 to find solutions to this issue.

The fact is that student health and dental plans are designed for a narrow demographic of people, with benefits appropriate for students of similar age, activity and risk tolerance (travel, lifestyle, etc.). These benefits are not appropriate for everyone, and certainly not for employees who often have very different needs than students. We are excited for the opportunity to work together on this file and to work with our community partners, like PSAC-Local 901, to implement meaningful change that works for everyone.

You will find the full details of the plan below.

Warmest Regards,

**Stuart Clark**  
 Vice President (Finance & Services)

**Extension of SGPS health and dental coverage to non-member groups**

---

Below is a small summary table of the costs associated with adding non-members to the health and dental plan. The numbers themselves are taken from estimates from both our insurer and staff to better calculate the financial cost of administering a plan for non-members. Taken together, the resources required to create adequate coverage for non-members are significant and beyond what the SGPS is capable of handling with current resources. A better use of resources for all parties might be the exploration of an alternative plan for non-student stakeholders with a separate insurer (e.g. a benefits plan for small businesses or something similar).

Name of Expense	Amount or Range	Explanation
Individual cost of benefits per employee/non-member	\$649-\$\$\$ per person*	Costs vary per benefits for larger plan, individual risk assessment of workplace (how dangerous the work is, environment, etc.), as well as individual assessment of pre-existing health conditions and plan uptake

SGPS Administrative Cost	~\$20,000-\$75,000**	Estimated cost of additional employee work hours, renegotiation of staff contracts, and risk premium for taking non-members onto the plan
--------------------------	----------------------	---

\* to be borne by plan members or the employer

\*\* the numbers vary greatly because of the uncertainty created by extending coverage to people of different age groups beyond student age and organizations outside the SGPS. It is one thing to have SGPS staff on the plan, but it is quite another to have employees of separate non-SGPS organizations also under the ambient of the plan (which fall outside the control and core competencies of the SGPS).

One of the other issues that works against covering non-members is the burden of administering the plan. The SGPS runs a lean operation to enhance its core programming of bursaries, grants, and graduate/professional student employment opportunities alike. Health and Dental claims are a significant administrative component of daily work by staff. Even if the financial burden of adding members onto the plan is low, the SGPS is not in a place to administer and process claims for separate, non-member groups with different needs, health concerns, reporting structures, and relationships with the SGPS.

### **Establishment of SGPS/PSAC-Local 901 Working Group on Health and Dental Benefits for Employees**

With that understood, the SGPS proposes to assist PSAC local 901 in their efforts to explore the issue of health and dental benefits in the Queen’s community and exploring solutions so that workers, non-students, and others have access to adequate coverage.

The SGPS commits to cooperate with that PSAC local 901, in an effort aimed to

1. Identify non-student members of the Queen’s community without health and dental coverage
2. Assess the adequacy of health and dental coverage for identified groups
3. Gauge interest in groups participation in a collective solution
4. Explore the feasibility of possible solutions (e.g. bulk purchasing of private insurance)
5. Recommend a final course of action to the SGPS and PSAC-Local 901

Here is a tentative working group timeline for the project:

<b>Date</b>	<b>Activity</b>
May 2017	Working group struck
June 2017	Detailed terms of reference drafted and approved
July 2017	Project and interviews commenced
August 2017	*interviews ongoing
September 2017	
October 2017	
November 2017	
December 2017	Mid-Year Update to constituent bodies, feedback and consultation. Modification of project directives as needed.
January 2018	*project ongoing
February 2018	
March 2018	
April 2018	
May 2018	Final Report with recommendations to constituent bodies