

Retiree pension and benefits newsletter

June 2023

Your 2022 annual pension statement

Annual pension statements as at December 31, 2022 will be mailed to pensioners by the end of June, 2023. The statement provides general information about the Plan's financial position and administration. If you're a pensioner, your statement also includes information about the pension election you made as well as your spousal and pension beneficiary designation.

If you need to update your spousal or beneficiary information, please contact the BC Hydro Benefits and Pension Centre (see contact information on page 4).

What's inside?

- The pension plan's financial health
- Retiree extended health care
- Power Pioneers
- Sun Life updates
- Contact information

Key facts about the pension plan

	At December 31, 2021	At December 31, 2022
Total number of active plan members	7,317	7,654
Total number of pensioners	5,881	5,990
Market value of plan assets	\$4.8 billion	\$4.5 billion
Pension benefits paid (January to December)	\$193.7 million	\$204.2 million

Health & wellness

ELECTRIC BIKES – YAY!!! OR NAY?

What's your opinion of electric bikes? When you see someone cruising up or down the road does it put a big smile on your face, or do you feel that the world of e-bikes has gotten out of hand? Or maybe you're a traditionalist and feel a little grumpy when someone on an e-bike cruises by you on a hill (without a huff or a puff).

E-bikes have become a fantastic way to improve mental health and cognitive function, fight disease, and manage existing conditions. However, it's always a good idea to keep both the advantages and disadvantages in mind when considering a purchase like this or doing something physical that you haven't done before.

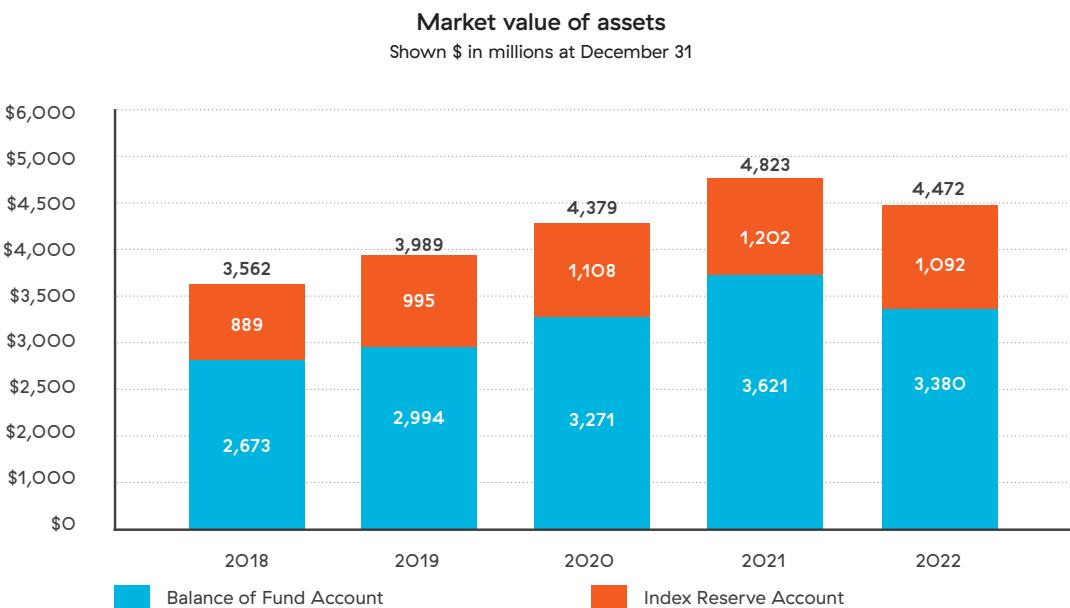
E-bikes have several benefits and can help you get back to exercising outdoors, stay healthy, and let you control your exercise and the impact on your body. Mentally and physically, being outside and doing exercise may be what you need to shed some of the post pandemic rust. Socially, e-bikes allow you to keep up with friends, family and maybe even the grandkids!

Beyond the positives, if you're purchasing an e-bike, consider the type of riding you want to do, your budget and whether you have the space to store it. Most importantly, ensure the bike fits you well and you can maneuver it easily even when you're off the bike since e-bikes are heavier (40–75 lbs). It's also important to ensure you keep track of the battery charge while out on your adventures so your bike has the power to help you out on the way back. The great news for those in the market for an e-bike is that batteries and bike designs have come a long way in a short time.

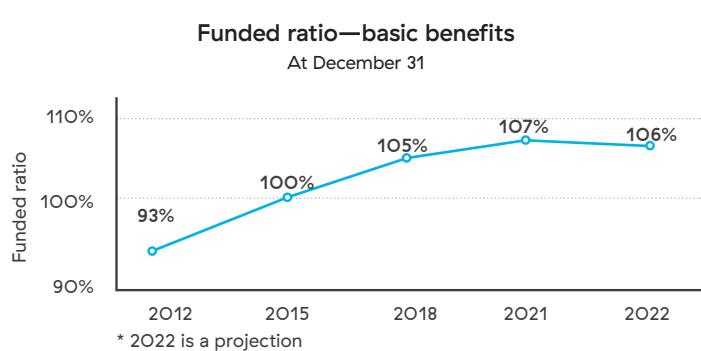
As with any bicycle purchase, make sure you explore the options with a knowledgeable friend or bike shop and prioritize finding the right fit for your body (or search online for how to adjust your e-bike to fit you better), lifestyle and budget. Happy Trails!

The pension plan's financial health

We review the pension plan's financial health on an ongoing basis to ensure there's enough money in the pension fund to pay pension benefits for all of our employees and retirees. This includes an actuarial valuation every three years and regular reviews of plan assets and liabilities.



This graph shows the total market value of plan assets over the last five years. Fluctuations in the fund are normal and don't have significant long-term impacts on the fund.

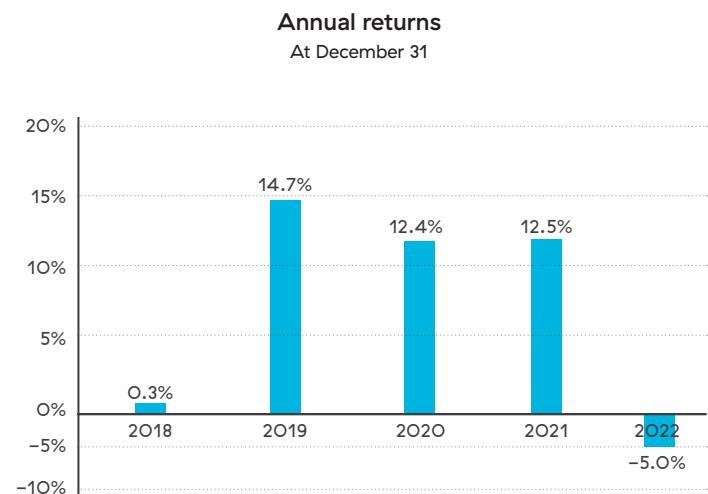


When we compare the plan's assets and liabilities, we determine the plan's "funded ratio".

This graph shows the going concern funded ratio of the BC Hydro Pension Plan over the past four actuarial valuations and an estimate for 2022 based on a projection of the December 31, 2021 valuation. This ratio will change over time based on plan experience in areas such as membership, earnings, how long members and retirees live, investment performance and economic conditions.

Investment returns, along with contributions, fund the benefits paid from the pension plan. Long-term returns are what matter most since fluctuations are expected from year to year. 2022 was a challenging year in investment markets and resulted in a negative return. However, the pension fund's long-term returns remain healthy. If returns are found to be less than required to fund basic benefits, BC Hydro is responsible for making up the difference with additional contributions.

Long-term returns	
5-year annualized (2018 – 2022)	6.7%
10-year annualized (2013 – 2022)	8.4%



Retiree extended health care – Extra Plan premium rate increase

At the time of retirement, if you were eligible for retiree benefits, you had the option of choosing between the extended health care (EHC) Basic Plan and Extra Plan. There is no cost to members for the Basic Plan. Members of the Extra Plan pay a monthly premium and receive additional coverage over the Basic Plan.

For all eligible members, regardless of whether you're in the Basic Plan or Extra Plan, BC Hydro pays the cost of EHC claims, based on the level of coverage available under the Basic Plan (to a lifetime maximum of \$25,000). The cost of claims in excess of \$25,000 under the Extra Plan is paid for by the members of the Extra Plan. BC Hydro's benefit consultants review the claims experience and inflationary increases annually to determine the cost of the Extra Plan, and premiums rates are set accordingly.

EXTRA PLAN PREMIUM

We've reviewed the cost of the additional coverage under the Extra Plan over the Basic Plan and have determined that an increase of 4.4% is required for the Extra Plan premium effective July 1, 2023. The new monthly and annual premium rates are summarized in the table below.

	Current		July 1, 2023	
	Monthly	Annual	Monthly	Annual
Single	\$76.25	\$915	\$79.50	\$954
Couple	\$140.50	\$1,686	\$146.75	\$1,761
Family	\$204.25	\$2,451	\$213.25	\$2,559

The largest cost component of the EHC plan is prescription drugs, which makes up approximately 80% of the total EHC costs. Prescription drug costs continue to rise due to inflation and advancements of high-cost prescription drugs. However, out-of-country claims have remained stable. This has resulted in a lower than anticipated overall increase to the Extra Plan rates.

The percentage of claims over the \$25,000 threshold is approximately 47%. More volatility than normal in claims submitted under the Extra Plan is expected in the future which will impact future rates required for the Extra Plan. Annual adjustments to the Extra Plan will continue to be based on the analysis of claim costs over \$25,000.

Did you know?

You can claim the premiums paid for the Extra Plan as a medical expense on line 330 of your personal income tax return. Your total premiums paid for the 2023 tax year will appear on your 2023 T4A statement.

Did you know?

You have the option of cancelling the Extra Plan and changing to the Basic Plan at any time. However, once the Extra Plan is cancelled, the decision can't be reversed. Please contact BC Hydro (Retiree Line) to request the change form (see contact information on page 4).

OTHER FACTORS THAT MAY IMPACT THE OVERALL COST OF THE DRUG PLAN

There are many external factors that have an impact on the overall cost of the drug plan, that we can't control. However, as health consumers, you may want to consider the following to help sustain these costs:

- Use generic drugs instead of the brand name, when possible
- Get your prescriptions from pharmacies with lower dispensing fees – there are many pharmacy options for you to choose from and you have a right to ask your pharmacy what their dispensing fees are so you can compare them to other pharmacies
- Use Sun Life's Preferred Pharmacy Network for specialty drugs (sunlifepharmacynetwork.ca) – Sun Life's negotiated rates for these specialty drugs will be charged to our plan which will help sustain drug costs
- Make sure you're registered for Fair PharmaCare so that the provincial PharmaCare plan covers eligible drugs after you reach your deductible under the PharmaCare plan
- Consider biosimilar drugs rather than biologic drugs, if appropriate
- Take care of your health and wellness by leading a healthy lifestyle

Power Pioneers

Join the Power Pioneers and stay connected with eNewsletters, in-person and online Zoom events and activities. Participate in projects and fundraising for BC Children's Hospital, United Way, partnerships with BC Hydro and our Branch Volunteer Hours program supporting our local communities.

The next Power Pioneers Jamboree will be our Alaska Northern Lights Jamboree Cruise September 15 to September 22, 2024. Visit powerpioneers.com today and look for the JOIN US link on the homepage to get your membership and full access to everything available online.

For more information call Lorilee Koltai at **604 623 3768** or lorilee.koltai@bchydro.com or Ros LeBlanc at **778 564 9222** or rospmm19@shaw.ca.

Submitting claims to Sun Life

Submit your eligible extended health or dental spending account claims to Sun Life online or by mail.

ONLINE

Sign in to [mysunlife.ca](#) or use the my Sun Life Mobile app and select “Submit a claim”. Easy-to-use screens guide you through a series of steps. Keep your original receipts for 12 months as Sun Life may ask you for original receipts.

BY MAIL

Complete the Retiree Extended Health Claim Form or Dental Health Spending Account Claim Form and mail it along with your original receipt(s) to Sun Life. You can find the claim forms online at [mysunlife.ca](#) or request one by calling Sun Life.

New Sun Life cards

If you’re enrolled in the retiree extended health care plan, you’ll receive a new Sun Life prescription drug card this summer. In the meantime, you can continue to use your existing card at the pharmacy and when travelling.



Extended health care out-of-country provider update

Effective July 1, 2023, Sun Life’s new Emergency Travel Assistance provider for members enrolled in the BC Hydro Basic or Extra extended health plans will be Global Excel Management (GEM). The current provider, Allianz Global Assistance (Allianz), will continue to manage claims incurred up to June 30, 2023.

The telephone numbers (as shown on the back of your Sun Life drug card) will remain the same, and there will be no change to your coverage.

You’ll be able to download your updated card starting July 1, 2023, on [mysunlife.ca](#) or the my Sun Life mobile app, and you’ll receive a new card mailed to your home address this summer.

To view your drug card on the my Sun Life mobile app:

- Sign into the my Sun Life mobile app
- Under the “Benefits” menu select Coverage card, and then Drug card

To view or print your drug card, go to [mysunlife.ca](#):

- Sign into [mysunlife.ca](#) and go to “Coverage Information”
- Under “Resources”, select Print my coverage card(s).

Contact information

<ul style="list-style-type: none"><input type="radio"/> Report the death of a BC Hydro pensioner or spouse<input type="radio"/> General information about the pension plan<input type="radio"/> Submit or change a Power of Attorney	BC Hydro Benefits and Pension Centre 1 888 353 9123 (Mon–Fri 7 a.m. to 4 p.m.) Employee.Benefits@bchydro.com
<ul style="list-style-type: none"><input type="radio"/> Change of address or banking information<input type="radio"/> Information about pension payments or adjust tax deductions<input type="radio"/> Questions about your T4A	RBC Investor Services 1 800 668 1320 (Mon–Fri 5 a.m. to 5 p.m.) benefpay@rbc.com
<ul style="list-style-type: none"><input type="radio"/> Questions about your coverage under the Retiree Extended Health plan<input type="radio"/> Questions about your dental HSA claim<input type="radio"/> Information on emergency medical travel coverage	Sun Life 1 800 361 6212 (Mon–Fri 5 a.m. to 5 p.m.) mysunlife.ca Policy 150533
<ul style="list-style-type: none"><input type="radio"/> Out-of-country or out-of-province emergency travel assistance under the Extended Health Care plan (phone numbers are also listed on the back of your Sun Life card)	Global Excel Management (effective July 1, 2023) Allianz Global Assistance (until June 30, 2023) 1 800 511 4610 (from US and Canada) 1 519 514 0351 (from anywhere else)
<ul style="list-style-type: none"><input type="radio"/> General information about retiree benefits<input type="radio"/> Making changes to your Extended Health Care coverage	BC Hydro (Retiree Line) 604 694 8600 or 1 800 663 1339 Pension.RetireeBenefits@bchydro.com