

**Head Office**

October 24, 2007

**To: Benefit Administrators / Human Resource Personnel**

**From: Bud Anderson, Director, Employee Benefits**

**Re: Disability Income Plans Contribution Rates**

The SAHO Board of Directors has approved contribution rate changes for the four Disability Income Plans as follows:

- ◆ the SEIU Plan contribution rate will decrease to 3.00% of salary
- ◆ the General Plan contribution rate will decrease to 1.54% of salary
- ◆ the CUPE Plan contribution rate will increase to 3.47% of salary
- ◆ the SUN Plan contribution rate will increase to 2.25% of salary

All rate changes will become effective April 1, 2008.

The rate changes were recommended by the plan actuary and reviewed by the SAHO Employee Benefits Committee. The actuarial valuations of the four Disability Income Plans reveal the following:

**SEIU Disability Income Plan**

	<b>December 31, 2006</b>	<b>December 31, 2005</b>
Surplus (deficit)	\$6,564,000	\$4,184,000
Number of active members	9,046	8,801
Number of long-term claims	380	375
Number of short-term claims	117	103
Contribution rate for future claims	2.99%	2.98%
Current contribution rate	3.65%	
<b>Rate effective April 1, 2008</b>	<b>3.00%</b>	

**General Disability Income Plan**

	<b>December 31, 2006</b>	<b>December 31, 2005</b>
Surplus (deficit)	\$3,142,000	(\$355,000)
Number of active members	6,664	6,609
Number of long-term claims	188	194
Contribution rate for future claims	1.54%	2.27%
Current contribution rate	2.27%	
<b>Rate effective April 1, 2008</b>	<b>1.54%</b>	

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**CUPE Disability Income Plan**

	<b>December 31, 2006</b>	<b>December 31, 2005</b>
Surplus (deficit)	(2,427,000)	(\$1,814,000)
Number of active members	11,216	10,793
Number of long-term claims	516	461
Number of short-term claims	133	158
Contribution rate for future claims	3.47%	3.25%
Current contribution rate	3.25%	
<b>Rate effective April 1, 2008</b>	<b>3.47%</b>	

**SUN Disability Income Plan**

	<b>December 31, 2006</b>	<b>December 31, 2005</b>
Surplus (deficit)	(\$6,569,000)	(\$6,211,000)
Number of active members	7,952	7,917
Number of long-term claims	236	240
Contribution rate for future claims	2.25%	2.16%
Current contribution rate	2.16%	
<b>Rate effective April 1, 2008</b>	<b>2.25%</b>	

A notice to plan members advising them of the rate changes is included with this directive. Kindly arrange to post the notice in visible areas within your facility(ies).

If you have any questions about the change to the contribution rates, please email me at [buda@saho.org](mailto:buda@saho.org) or contact one of our Benefits Services Officers at 1-866-278-2301.

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# *A Notice to Members of the SAHO Disability Income Plans*

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October 24, 2007

## New Premium Rates for the SEIU, General, CUPE and SUN Disability Income Plans

The SAHO Board of Directors has recently approved contribution rate changes for the SEIU, General, CUPE and SUN Disability Income Plans effective April 1, 2008. The changes were recommended by the plan actuary and reviewed by the SAHO Employee Benefits Committee.

The SEIU and General Plans will see rate decreases while the CUPE and SUN Plans will see rate increases.

The rates for the four Plans effective April 1, 2008 are as follows:

<b>Plan</b>	<b>Current Rate</b>	<b>Rates effective April 1, 2008</b>	<b>Change in Rate</b>
SEIU	3.65%	3.00%	Decrease of 0.65%
General	2.27%	1.54%	Decrease of 0.73%
CUPE	3.25%	3.47%	Increase of 0.22%
SUN	2.16%	2.25%	Increase of 0.09%

Cost sharing of the contributions between you and your employer, if any, is determined by your collective agreement or your employer's personnel policy. Ask your employer if you are not sure which payment arrangement applies to you.

### Questions?

If you have questions about your SAHO Disability Income Plan, please contact your employer or SAHO.

