



Annual Report



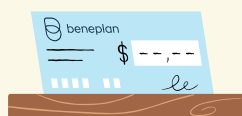
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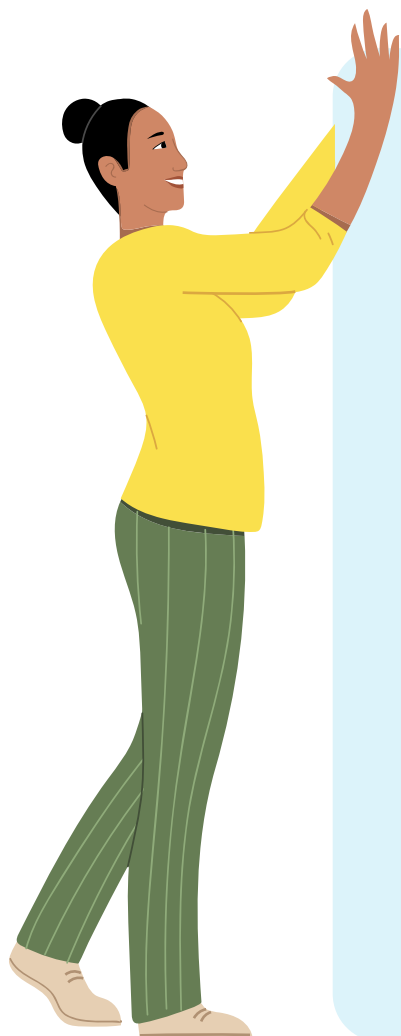
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Executive Summary

Executive Summary

The total amount of dividends payable to 219 member-owners due to benefit plan surpluses accrued in calendar year 2022 is \$1.69M. This represents excess profit typically kept by insurance carriers that will instead be refunded appropriately back to member-owners.

Premiums are \$29,534,601, a 5.20% increase year over year.

Claims are \$23,496,973, a 10.94% increase year over year. All benefits categories have seen increases in claims due to membership growth, inflationary pressure and unintended consequences of recession-driven layoffs.

Ozempic, a medication used to treat Diabetes, is the most claimed prescription drug this year.

Mental Health Services experienced the highest growth levels in claims across all benefits categories.

Our HR Advisory Consultant has processed 436 HR cases that span employee issues such as performance management, behavioural issues, workplace absence, disability and termination.

Our Client Support team implemented a new support platform to better handle volume and increase resolution speed. Top 3 customer issues in 2022 were: enrolment challenges, digital drug cards and claims processing.

We've welcomed 25 new groups to the Co-operative and launched a new member email education campaign. Our advisors have seen a significant increase in "premium discounts" used by competing advisors to draw new customers, only to increase premiums by double digits upon subsequent renewals.

Financial Statement Highlights

[Click here to jump to it](#)

\$1.69 million

The 2022 calendar year total dividend paid to member-owners.

-\$0.77 million

The difference between the 2022 dividend compared to 2021.

\$30.36 million

The cumulative dividends paid to member-owners since inception.

\$4,920

The average dividend per policy member in 2022.

5.71%

Dividends as a percentage of health & dental premiums, on average.

79.56%

The actual health & dental loss ratio under the stop loss.

93%

The average ratio outputted when the member's gross dividend payable divided by the actual health / dental surplus accrued by the member. This means that groups gave up on average 7% of their ASO surplus (premiums minus claims, minus expenses) to participate in the Co-operative. The closer the figure is to 100%, the stronger is the reason to choose the Co-operative over ASO.

1.27

The average ROI on dividend received to broker commission paid, as a result of choosing the right broker to join the Co-operative.

\$122,505

The largest dividend paid out to a Beneplan member.

23

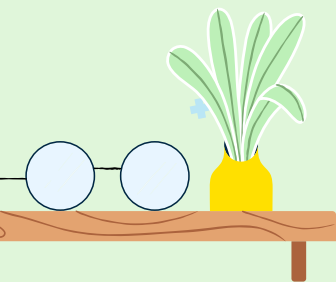
The number of members with dividends less than \$1,000, indicating efficient rate setting.

\$168

The smallest dividend paid.

104

The number of members in deficit, ranging from \$66 to \$59,656



How to read this report

All references to Beneplan Inc will be referred to as 'Management' or 'Beneplan.' All references to the Beneplan Employee Benefits Co-operative Inc will be referred to as 'the co-operative.' All references to the Board of Directors of the Beneplan Employee Benefits Co-operative will be referred to as 'the Board.'

All references to insurance companies will be referred to as either 'insurers', 'carriers', or their name. The Co-operators Life Insurance Co. is abbreviated to 'CLIC'. Green Shield Canada is abbreviated to GSC.

References to member-owners may be interchanged with 'plan sponsor', 'business', or 'employer.' References to benefit plan members may be interchanged with 'employee', 'patient', or 'people'.

Occasionally, data pulled in this report was from a subset of members within the Beneplan Co-operative that was used to extrapolate greater trends and represent the experience of the wider Co-operative.



Management Report



Opening Remarks

It is with great pleasure that we present the 2022 annual report for the Beneplan Co-operative. Since our inception, our purpose is to gather small and medium companies together to purchase health benefits at extremely competitive rates. We return surplus premiums back to business owners in the form of a dividend, also called a refund. This surplus represents money the client paid for insurance that did not go towards claims, fees, or reserves. We remain committed to this mission of making employee health fair and accessible.

Despite the unprecedented challenges presented by local and global economic changes, we have achieved better than expected financial performance and are well-positioned for continued growth in the years ahead.

Health benefit usage was not immune from the seemingly endless “crises” experienced by Canadians in 2022. Unfortunately for us, three major factors that we know contribute to increased claims and deficits all happened at the same time: layoffs, inflation and a post-pandemic world.

Layoffs: The cloud that casts gloom across multiple sectors

When the economy booms, the Co-operative tends to have more companies end the year in a surplus position (premiums exceed both claims and expenses).

On the contrary, when the economy contracts, the Co-operative sees more companies in deficit positions. This is because recessions beget layoffs; layoffs require benefits extended during the notice period; and employees suddenly with a pink slip, no income and time on their hands are motivated to hit the dentist, physio and pharmacist before their benefits termination date is upon them.

Health care economics teaches us that the demand curve for purchasing health care items is not a purely rational curve. It's based very much on how much an individual has to pay out of pocket and whether they feel financially secure.

A crude example of this is imagine that you've sprained your ankle and require the purchase of an ankle brace for \$100. If you have \$100, you will buy the brace. If you don't have \$100, you will not buy the brace. If you have to pay only \$10 out of pocket, you'll be 10% less likely to buy. If you have to pay \$20 out of pocket, you'll be 23% less likely to buy – the more money we ask people to fund out of their wallets, it actually kicks more people out of the demand curve.

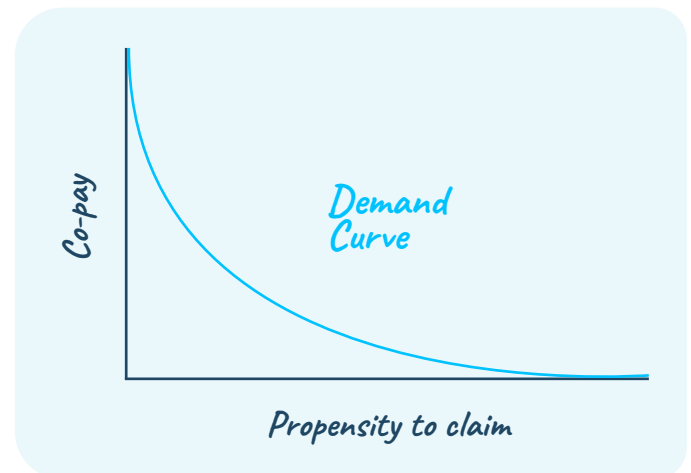
The Daily Bread Food Bank reports that every time food prices go up by \$30 per month, thousands of new Canadians must use their local food bank.

Inflation exacerbates these trends. The dental fee guides of each province increased the fees by a significantly higher proportion. This acceleration in increases accounts for an extra 5-10% in dental spending.

Wage inflation and the economic-wide labour shortage that affect all practitioners also affected the Co-operative. We know inflation is not just the increase in price for the goods we consume; but also the services that are delivered by staff who are earning 10%, 20% or 50% more than they were in 2019.

Finally, our Co-operative has now lived through two significant public health epidemics: SARS and COVID-19. The claiming patterns show that during a pandemic, claims behaviour contracts. After a pandemic is declared 'over' and it's safe to go out, we see revenge spending.

Therefore, the 2022 global surplus and dividend distribution is significantly smaller than normal due to the large volume of terminated employees, inflation in claims, and post-pandemic spending.



The Impact of Higher Interest Rates

This author remembers that the last time interest rates were anything greater than “basically zero”, she had a lot less grey hair. Thankfully for this industry, we know that when interest rates are higher, insurance deposits stand to earn more money. And even more thankfully for this Co-operative, we stand to benefit from rising interest rates in the following ways:

- The Co-operative reserves are earning more money, which creates more safety and security for the group;
- Insurers are making more money on pooled benefits, which gives us greater leverage in negotiating rates and premiums;
- Interest credited to the Co-operative by insurers is greater.

General Claims and Premiums

While premiums rose by 6.51%, total combined gross claims have increased by 18.8% when compared to the same period last year (see Exhibit A). There has been an increase in claims across all benefits with a total of 153,784 claims being processed in 2022, up by 10.26% compared to 2021 and an increase of average cost per claim to \$66.63 (see Exhibit B).

Beneplan’s loss ratio has risen over 8 basis points to 78.3% which indicates that more premiums are being used to cover claims, leaving less surplus. Extended health services (EHS), which makes up ~24% of claims, is one of the biggest contributors to higher loss ratio as its own loss ratio reached 108% - which indicates that not enough EHS premiums were collected in 2022 to cover the higher than usual claim levels.

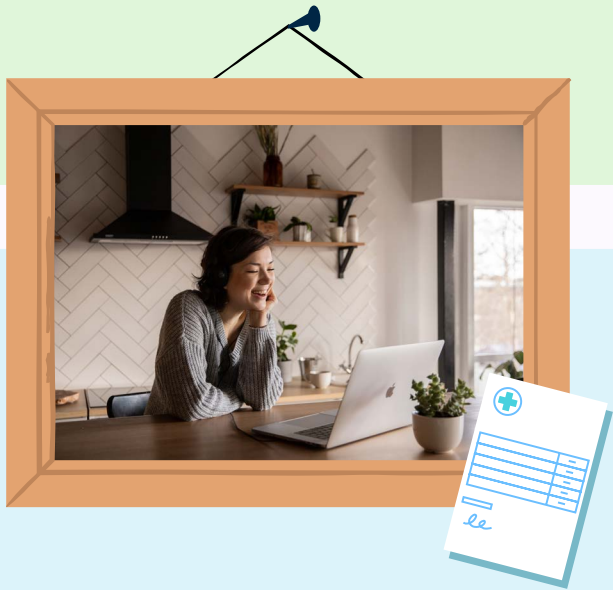


Exhibit A

Total premiums, claims and loss ratios recorded for Beneplan members with GreenShield Canada.

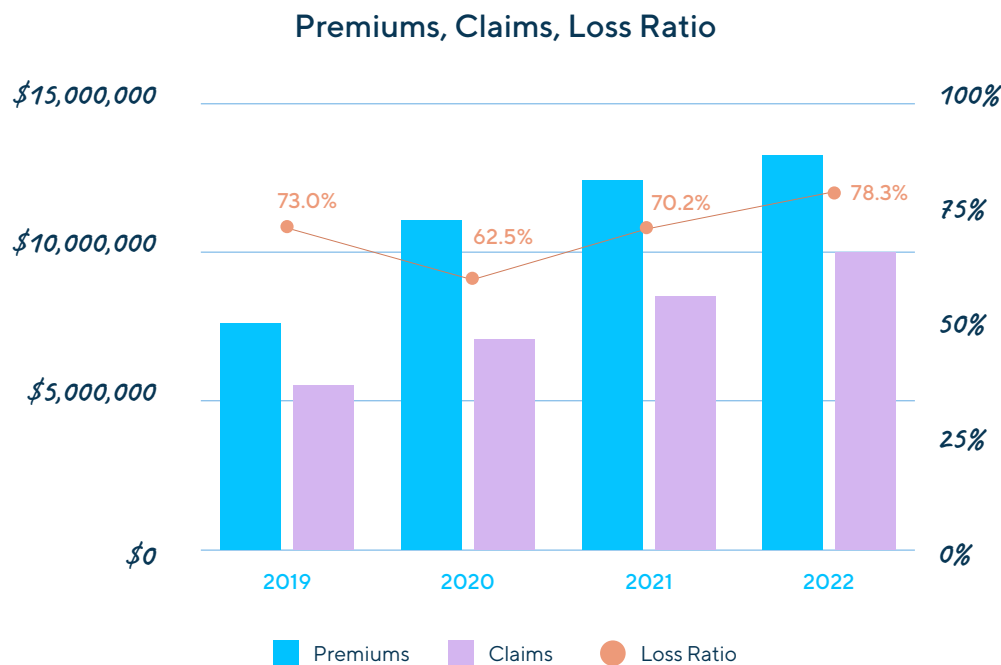


Exhibit B

Number of health & dental claim numbers and their average cost per claim for Beneplan members with GreenShield Canada.

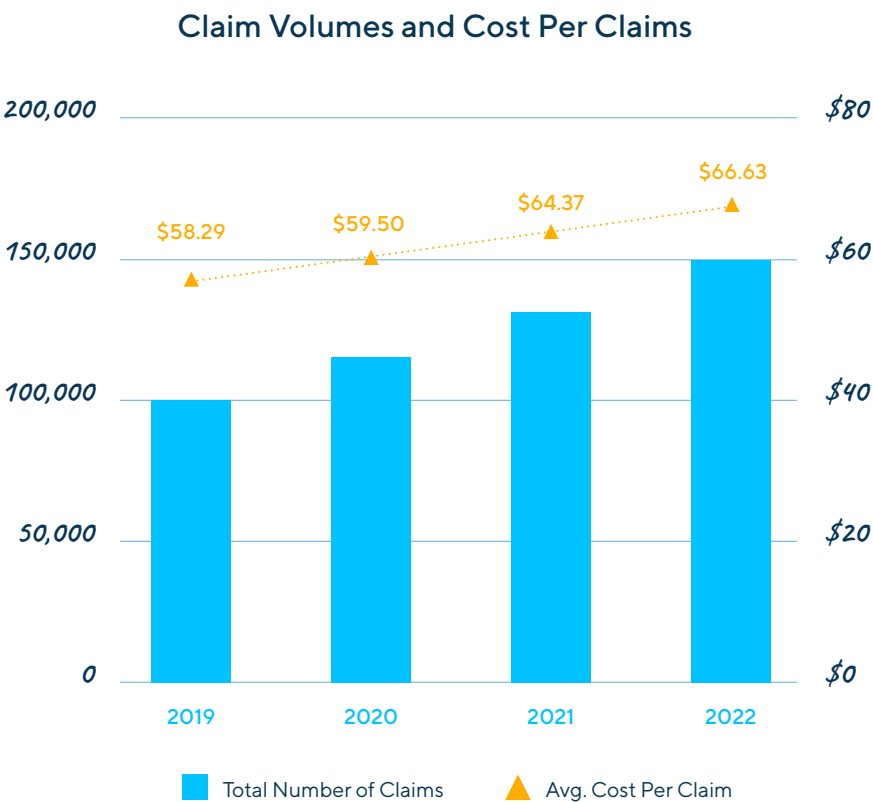
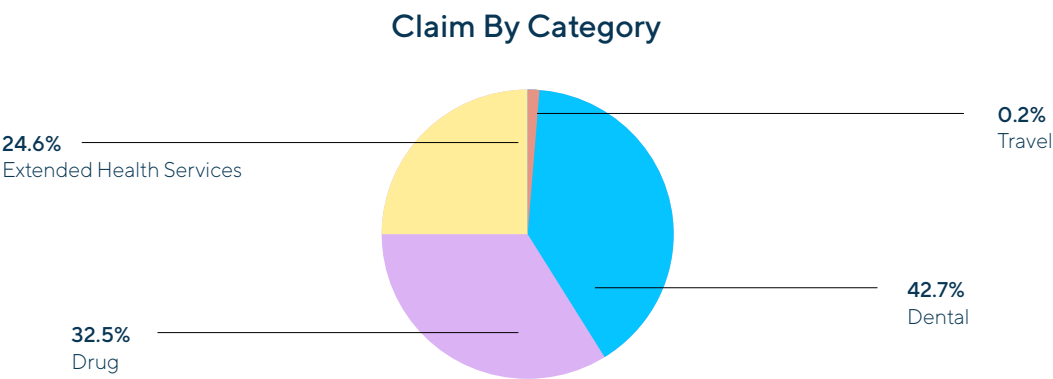


Exhibit C

Total claims breakdown by health benefit for Beneplan members with GreenShield Canada.



Health and Dental Trends

The EHS claims increased by 25.6% over last year with Massage, Chiropractor and Physio also increasing in the 22% range. In fact almost every single category experienced double digit growth compared to 2021.

While prescription glasses, massage, and chiropractors consistently assume the top 3 ranks, an interesting jump this year are mental health providers. Counsellor, Psychologist and Psychotherapist usage shot up in 2022 with the latter increasing by a staggering 678% compared to last year, making it one of the fastest growing claims categories. We speculate that an uptick in these services could be attributed to the aftermath effects of the pandemic, inflation and overall recessionary pressure households are feeling everyday.

Finally, the paid dental claims increased by 16.7% over last year. The percentage increase by expense type increased anywhere from 14% to 21%.

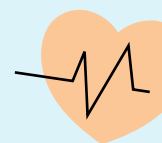
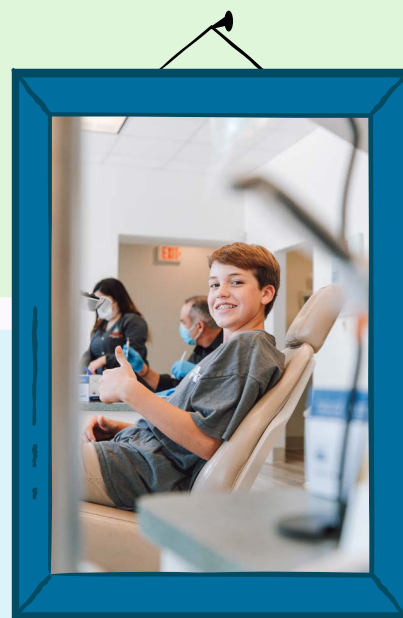


Exhibit D

Top 10 category of extended health services claimed by the Beneplan Co-operative with GreenShield Canada.

Category	Total Claims	Number of Claims	Cost Per Average Claim	Δ Total Claims vs 2021	Δ Ranking vs 2021
Prescription Glasses	\$417,785	1,670	\$250	19.86%	0
Massage therapist	\$388,625	5,079	\$77	22.51%	0
Chiropractor	\$227,821	5,942	\$38	8.34%	0
Physiotherapist	\$143,488	2,442	\$59	20.68%	0
Eye examination	\$117,852	1,368	\$86	10.57%	0
Counsellor, Social Worker	\$104,062	867	\$120	103.05%	↑ 2
Psychotherapist	\$90,463	682	\$133	678.40%	↑ 12
Acupuncturist	\$78,683	1,156	\$68	26.94%	↓ -2
Psychologist	\$67,064	455	\$147	86.90%	↑ 4
Hospital, Active treatment, 2 bed	\$54,096	106	\$510	-7.25%	↓ -3

Exhibit E

Top 5 categories of dental services claimed by the Beneplan Co-operative with GreenShield Canada.

<i>Rank</i>	<i>Benefit</i>	<i>Claims Account</i>	<i>Paid Amount</i>	<i>Prev Rank</i>	<i>Prev Paid Amount</i>	<i>PCT Change</i>
1	Basic Service	41,671	\$2,926,062.85	1	\$2,555,669.84	14.49%
2	Comprehensive Basic Service	12,924	\$997,098.82	2	\$847,773.36	17.61%
3	Generally Excluded	6	\$217.18	6	\$210.66	3.10%
4	Major Services	580	\$239,016.77	3	\$201,193.55	18.80%
5	Orthodontics	205	\$40,209.28	4	\$33,166.08	21.24%

Overall Health and Dental plans continue to experience sustained claims increases. In setting rates for the coming year, it is important to address these expected increases to claims in order to maintain a healthy plan with our members.

Inflation levels are running at levels not experienced since the 1980's. Today, COVID-related service and supply disruptions have resulted in an increase in costs and a rapid growth in the demand for goods and services.

We see Dental claims increasing as a result of growing service costs (the cost per claim is increasing). The increase in service costs is driven by annual changes to provincial fee guides to address inflation, increasingly sophisticated dental technologies and more recently, increased costs to address improved safety practices due to personal protective equipment (PPE) and cleanliness protocols necessitated by the COVID-19 pandemic.

Extended Health Services (EHS) claims are growing primarily as a result of increased utilisation (more members using more services). We are also seeing some increases to product and service costs as technological advances result in better, and more expensive, devices for conditions like diabetes management and hearing loss.



Prescription Drugs

The largest prescription drug trends both anecdotally and through the data are as follows: is everyone on Ozempic?

Every year, we report that prescription drug usage increases mostly due to biologic (very expensive) drugs. However, while biologic drugs are mostly used to treat rare diseases that help prevent people from disability, the new class of expensive weight loss injectable drugs are starting to show up in employee benefit plans.

The Beneplan block saw Glucagon Like Peptide-1 Agonist (Ozempic) with the most significant increase, rising up 5 positions from last year (see Exhibit F). While these drugs are only approved for diabetes and only used on an 'off-label' basis for those without diabetes but wishing to lose weight, we know anecdotally that there are stories of people who don't have diabetes and are still able to have it covered.



Exhibit F

Top 10 category of prescription drugs claimed by the Beneplan Co-operative with GreenShield Canada.

<i>Category</i>	<i>Primary Use</i>	<i>Total Claims</i>	<i>Number of Claims</i>	<i>Cost Per Average Claim</i>	<i>Δ Total Claims vs 2021</i>	<i>Δ Ranking vs 2021</i>
Biological drugs	Multiple	\$225,856.91	183	\$1,234.19	17%	no change
Antidepressants	Mental Illness	\$164,510.39	5,360	\$30.69	1.83%	no change
Glucagon like peptide agonist (Ozempic)	Diabetes	\$133,692.71	520	\$257.10	85.59%	↑ 5
Sodium glucose co transporter 2 inhibitor	Diabetes	\$132,415.72	1,162	\$113.96	18.69%	↑ 1
CNS Stimulant agents	Mental Illness	\$130,504.49	1,408	\$92.69	16.33%	↓ -1
Dipeptidyl Peptidase 4 inhibitor	Diabetes	\$115,431.67	805	\$143.39	-10.34%	↓ -3
Long acting bronchodilators	Asthma	\$104,079.48	1,000	\$104.08	32.62%	no change
Proton pump inhibitors	Acid Reflux, GERD	\$99,739.23	2,531	\$39.41	-3.38%	↓ -2
HMG CoA Reductase Inhibitors	Heart Disease	\$67,562.59	3,906	\$17.30	13.60%	no change
HIV Antiviral agents	STDs	\$62,672.06	123	\$509.53	13.28%	↑ 1

In speaking with our carrier partners GreenShield Canada (GSC) and Co-operators Group Insurance (CLIS), there is a prior authorization form required for Ozempic and other drugs, but we know that plan members often brag to each other that their physician was happy to fill out the form and a script to make sure their benefits cover the drug.

After all, it is truly a good thing if people are losing large amounts of weight if their BMIs were in the range of obesity. However, the number of times the author of this report has heard their friends whisper that they've lost 15 pounds because their "benefits cover Ozempic" is a source of concern.

We also know that there are more drugs coming onto the market in 2023 and 2024 that are specifically approved and indicated for weight loss, not just diabetes. While insurers will still require a pre-authorization form, it makes the adjudication process easier and therefore the floodgates for these "miracle" weight loss drugs may just open.

We recommend that all plan sponsors consider the following:

Find out if your plan covers Ozempic and other injectable weight loss or diabetic drugs

Find out if there is a prior authorization form in order to get coverage

Look at your list of top paid drugs and determine to what extent your company is already funding these drugs

Soul-search as to what extent you are comfortable paying for this

Talk to your advisor about what measures can be put in place to contain costs

Disability

The Beneplan pooled experience was favourable in 2022 with the positive results of 6% of premium going towards building reserves. The Long Term Disability (LTD) plan had \$5.6 million in premium and a surplus of \$360,000 in 2022. Since 2016, the growth of the Co-operative and its associated claims has experienced an accounting deficit in the LTD plan. While the cash claims paid were significantly less than premiums, large reserves must be funded by the insurer to protect claimants in case they do not return to work at all. Beneplan has been working hard to ensure reserves are fully funded in order to manage the plan sustainability and cost over a long term. Surpluses on the Life and Short Term Disability (STD) benefits were also used to fund reserves.

The negotiation of lower plan expenses with The Co-operators is the major reason for the positive results. In addition, increasing interest rates will contribute towards future improved results. Industry-wide there was a lower incidence rate on LTD in 2022. As the pool grows in size there will be less fluctuations in experience.



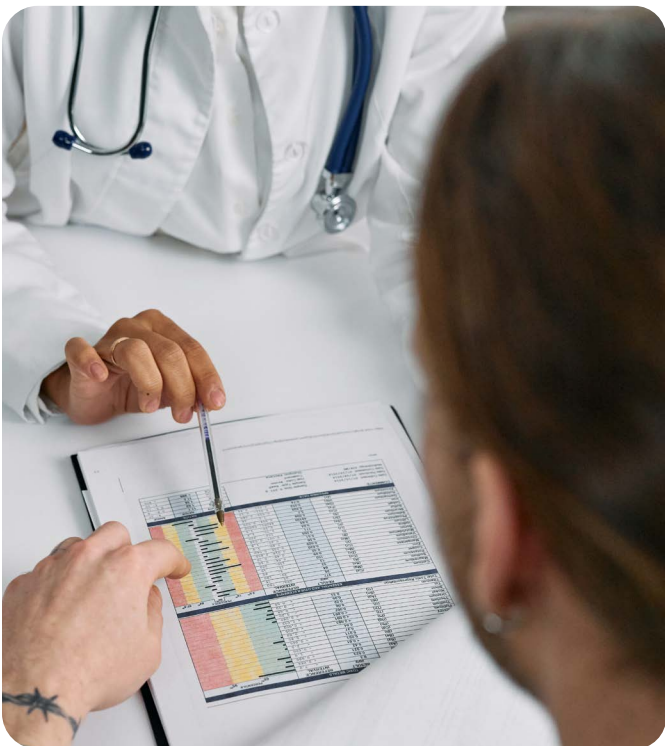
Paramedical

2022 for Paramedicals has been one of beginning an exciting transition. We have spent 2022 designing and building the new claims system that we introduced with the start of 2023. This allows us to address what the members have been saying to us for quite some time: "...it's time to start issuing payments via Direct Deposit."

We also look forward to faster processing time that we anticipate with a more streamlined Pre Approval and Claims system.

We are also consolidating document storage within the same platform, with an eye toward being able to easily spot usage trends and adhere to submission guidelines and processes. Along that vein, we have also been renewing focus on indicators of misuse and overuse, with a sharper view on some patterns we've seen emerge. Audit processes have been engaged when needed, and we have begun to hone a new 'at a glance' perspective within our systems of usage, year to year and claimant to claimant.

With regard to other claims functions Beneplan performs, Weekly Indemnity processing became more streamlined throughout the pandemic, and we now



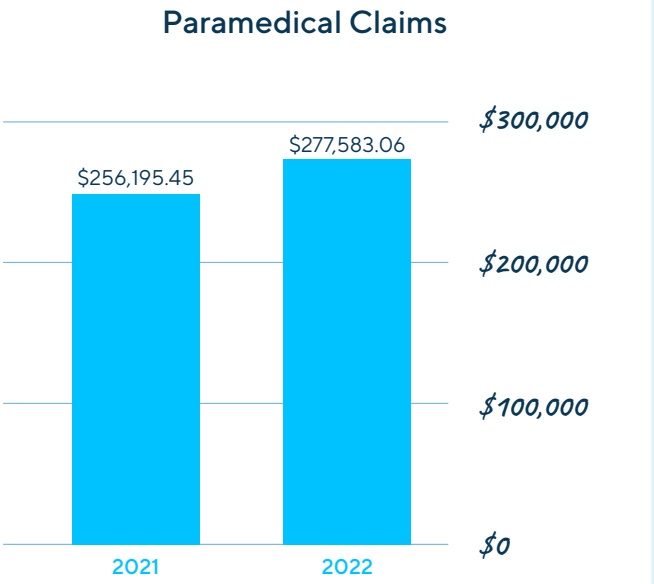
anticipate the soon-to-come new system for those claims will also assist us in getting even better and faster than ever. This too will be designed with an eye toward 'at a glance' evaluation of patterns and trends.

Coordination of Life and Disability claims has been holding steady in 2022, and lessons learned in streamlining claims like those above has also been reflected in our liaising with the Administration team internally, and carriers externally. Disability claims adjudication, among all carrier partners, has been an area of challenge across the industry. We have been working hard with our own partners to improve and enhance communication, and to collaborate with them in finding the best practices we've observed that differentiate one carrier from another.

Drug advocacy has continued to be an important part of helping keep plans affordable, and it always makes for an exhilarating day at the office when you can ensure someone gets the coverage they need, without it translating into exorbitant costs to the plan.

Exhibit G

Paramedical claims total for years 2021 and 2022. Compared to 2021, total claims have increased by 8.35% and claim volume by 6.13%.



HR Advisory

Over the last three years, organizations navigated a global pandemic, the switch to remote work, pandemic-driven closures and the Great Resignation. We're now dealing with economic uncertainty, inflation, a potential recession and difficulty retaining top talent.

Here's a roundup of HR trends for the past year with key areas of strategic importance that business and HR will need to focus on in 2023.

Some of the issues that HR leaders have been dealing with include:

- Continuing to update Company HR Policies to strengthen performance culture while returning employees to workplaces.
- Working with challenges of remote or hybrid remote work and adapting policies & new tech tools and ways of engaging employees.
- Dealing with the effects of a mental health crisis on the workforce
- Retaining talent while trying to grow business.
- Diversity, Equity & Inclusion (DE & I).

Many of our member-owners, regardless of size, cannot afford to hire a full-time HR Manager. This leaves companies at risk because it is important to ensure that each company is complying with Canadian employment law. This is why Beneplan provides a dedicated Sr. HR Consultant to its members. During 2022, Beneplan's Sr. HR Consultant assisted 111 individual member-owners (employers) with a total of 436 HR related cases.

Highlights include requests for consultation and letter templates for employee issues such as performance management, behavioural issues, workplace absence, disability and termination.

There are several priorities for organizations and HR to focus on in order to position any organization for success in 2023 and beyond.

01 Update Company HR Policies to Strengthen Performance Culture

It will be key that employers communicate their company strategies moving forward and engage employees in certain decision-making processes. Company HR and operational policies are a great "vehicle" to improve the quality of business and a lead factor to mitigate risks associated with your business. Moreover, policies and procedures reflect the values as well as the culture the organization adapts.

Updating compliance requirements and reviewing policies help any organization to avoid or mitigate several risks with changing legislative & business landscapes, regulatory requirements, technological advancement, digital security, changing organization structure, change in operational logistics or to deal with a new organizational state especially after a recent merger.

Similarly, the importance of having a written and executed employment contract is invaluable for both the employer and the employee as it provides a written account of the agreement between the parties and affords the parties a clearer understanding of their duties, responsibilities and obligations to each other in their employment relationship.



Joel Gomes
VP, People & Operations
Senior HR Consultant

02 Hybrid Work Model

For employees who have benefited from working from home, their desire for continued remote working options may have them seeking opportunities elsewhere should a mandatory return to office be in their future. The long-term shift towards remote work has created an atmosphere where hybrid work is accepted and expected amongst both employers and workers. Canada has seen a dramatic shift towards hybrid work, in which employers and employees can easily collaborate online and in person. This has been driven largely by availability of enabling technologies, employees need to enhance their job satisfaction through increased flexibility and autonomy, a push from employers to reduce overhead costs and improve their response time in an increasingly competitive market.

A [2022 CISCO Canada study](#), found that flexibility in work arrangements is considered a top priority (23 per cent) for employees when choosing an employer, second only to higher salary (34 per cent) and ranked above work/life balance, benefits, purpose, and office perks. While many employers are increasing “in-office” time, hybrid work trends in Canada are likely to continue beyond 2023. However, this is definitely not a one size fits all scenario.

It also drives the need for companies who deploy a hybrid or full ‘work from home’ environment to review/revise their internal telecommuting policies to ensure all aspects of the business are addressed and covered in said policies including employee health & safety, technology deployment, digital security, client/data confidentiality, time and attention to work hours, management communication & oversight and overall productivity.



03 Mental Health & Employee Wellness

“In 2021, the insurance industry paid out \$580 million in mental health claims, up 75% since 2019” - [Canadian Life and Health Insurance Association \(CLHIA\)](#). Employers have stepped up to provide increasing support for their employees. Overall we anticipate that we’re going to continue to see that kind of growth thanks to less mental health stigma in society and greater support in place. There have been numerous advances in the workplace with additional focus on telehealth and EFAP (Employee & Family Assistance Program) services when it comes to addressing mental health challenges and businesses are taking on new obligations in terms of employee care.

According to CAMH, [mental illness is a leading cause of disability in this country](#), preventing nearly 500,000 employed Canadians from attending work each week. This is somewhat exacerbated with pandemic after-effects and the advent of the remote work environment, the focus on inclusion has only increased, given the isolation and disconnection that many employees are experiencing, particularly those who work remotely full time. Alongside mental health and teambuilding interactions work-life balance has been and will continue to be on the radar for many employers.

04 Retaining Talent While Trying To Grow Business

We've all heard about the "Great Resignation". However, [Statistics Canada reports](#) that the number of Canadians leaving their jobs in February 2022 was lower than in February 2020.

There is a strong relationship between the employee experience and key employee outcomes like retention, stress, burnout, and purpose. The employee experience is also closely related to crucial organizational outcomes like productivity, innovation, and an organization's ability to change quickly. This points to a clear opportunity for employers to better measure, understand, and enhance the employee experience. Employee experience tied to recruitment & retention will be the top two priorities for 2023.

Many new-to-the-workforce employees are struggling: 51% of Gen Z employees say that their education has not prepared them to enter the workforce. And the pandemic means that these employees have had few in-person opportunities to observe norms and determine what is appropriate or effective within their organizations. In fact, it's not just Gen Z — everyone's social skills have eroded since 2020. Burnout, exhaustion, and career insecurity erode performance. Thus, there is a need to build intentional connections among employees across geographic and generational boundaries.

[Gartner research shows](#) that to successfully create intentional interactions among employees, employers should focus on three elements: employee choice and autonomy, a clear structure and purpose, and a sense of levity and fun.



05 Diversity, Equity & Inclusion (DE & I)

An organization's DE&I efforts have potential to increase workforce engagement, inclusion, and trust. As a discipline, DE&I is any policy or practice designed to make people of various backgrounds feel welcome and ensure they have support to perform to the fullest of their abilities in the workplace. Combining these three elements, DE&I is an organizational principle or cultural spirit that recognizes the value of diverse voices and emphasizes inclusivity and employee well-being as central facets of success. To bring those values to life, companies must implement programs and initiatives that actively make their offices more diverse, equitable and inclusive spaces.

Maintaining DE&I momentum, employers and HR must equip managers with tools and strategies to engage employees. DE&I is vital to creating and maintaining a successful workplace, one founded on the principle that all people can thrive personally and professionally. Bringing together people of various backgrounds leads to new and creative ideas. More importantly, a DE&I strategy contributes to a space where all employees feel they have intrinsic worth, not in spite of their differences but because of their differences.

Client Support

The Client Support Team continues to provide personal care to our clients as we recognize that we are living in a new world where much has changed. We continue to intercede when interactions with service providers become frustrating and strive to resolve the issues in a timely fashion. After listening to our plan sponsors and hearing their concerns regarding the response time they were experiencing, Beneplan installed a new ticketing system, Zendesk, in May of 2022. This has allowed us to enhance our client experience and provide prompt responses in a timely and efficient manner. For reference here are the most quickly resolved customer support inquiries, with the majority being resolved within 1 business day or less.



<i>Support Inquiry Type</i>	<i>First resolution time (hrs)</i>
Denied Claim	3.17
HCSA	3.18
Lifeworks (EAP)	3.35
Carrier Review File	4.13
Beneficiary Update	4.6
Correction (Client/Member error)	17.92
Student Dependent	20.53
Termination	23.38
Life Claim	25.13
General Question	26.17

The top 4 concerns from our plan sponsors and members were as follows:

Enrollments

Beneplan continues to make enhancements to the system to support our Plan Administrators. We are working on making enrollments more streamlined for our Plan Administrators by updating the [Beneplan Platform](#), providing face-to-face instruction and providing a detailed manual. This manual provides detailed instruction and pictorials to move the process along. We have also implemented a new claims process for our Paramedical services. The Client Support team will be emailing our Plan Administrators a copy of the Enrollment Manual in the coming months.

The co-operators Are Going Paperless

The Co-operators decided to go paperless and ceased providing physical drug cards to new members and instead opted for digital copies. This became a big concern for some members, particularly those less technologically savvy, which resulted in a new workaround – the Welcome Letter from Beneplan. The Welcome Letter provides plan members with their group information and instructions for setting themselves up with the Benefits Now for Plan Members, access to their drug card and online claim submission. Members that are not ready or properly equipped for the digital world are still able to [reach out to the Service Team](#) for assistance in obtaining a PDF Drug card. The Welcome letter also provides details on the LifeWorks Employee Assistance Program (EAP) program.

Claims

Beneplan understands that our members are a diverse group and that there are many that are not comfortable calling service providers directly when they have questions or concerns. The Service Team strives to ensure that all of our members feel that they can come to us to intercede and obtain answers and the information that they require. We want our members to know that we are there for them and that they can trust that we are looking out for their needs.

LifeWorks EAP Update

Formerly Morneau Shepell

Mental Health is still high on the radar of many of our Plan Members and we saw a surge in the request for information regarding the EAP program. The EAP program has evolved and is now called LifeWorks. In June of 2022, Service hosted a Webinar on the rebranding of LifeWorks and the new features that are being offered. Not all our Plan Administrators were able to attend at that time and we would like to encourage them to watch the Webinar and share with their employees by [clicking this link](#) (Passcode: fHAZtH3\$).

Technology

Our company improved [our platform](#) to better serve insurance plan members and administrators by implementing several key features. These features include a user-friendly interface for easy navigation and access to information, customizable dashboards to provide personalized insights and analytics, automated claims processing and reimbursement, and secure communication channels for confidential data exchange.

In addition, there is a continuous stream of system improvements that range from ensuring clean and correct data to month end optimization of processes.

Here is a summary of platform changes made in 2022.



Authentication

In our best efforts to safeguard clients' data, we implemented 2-factor authentication.



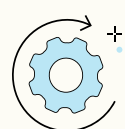
Disability

In testing phase for Short Term Disability Claims management & payment.



Claims

Rolled-out Cost Plus and Paramedical Claims submission.



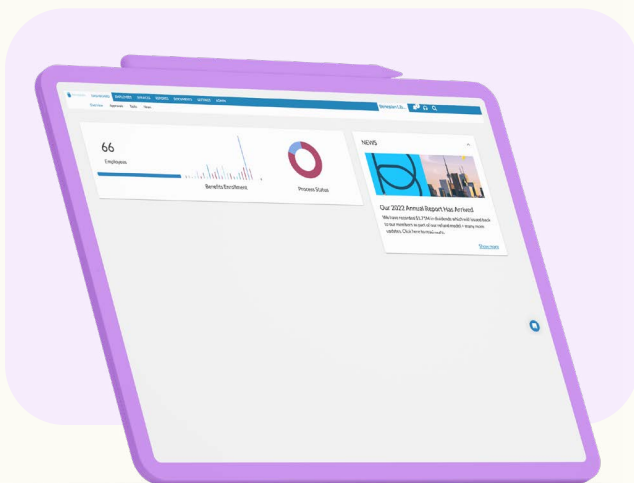
Automation

Added more automations such as class transfers.



Payment

Rolled-out payments of claims, both cheque and electronic.





These improvements have resulted in increased efficiency, improved member satisfaction, and greater cost savings for administrators. We have also noticed an increase in user adoption and usage of the Beneplan platform:

Exhibit G

User enrollment and adoption trends of the Beneplan Platform, 2021-2022.

Year	# of members added by users	# of members added by Beneplan Admins	Total new members added to the platform	% of members added by users	% of members added by Beneplan
2021	510	3,145	3,655	14%	86%
2022	1,051	3,449	4,500	23%	76%

It's important to continue to improve our health benefits platform in 2023 to remain competitive in the marketplace, meet evolving customer needs and expectations, and adapt to changing healthcare regulations and trends. Additionally, ongoing improvements can lead to increased efficiency, cost savings, and better health outcomes for plan members, resulting in improved retention rates and increased surpluses. For 2023, our product roadmap includes the following notable updates:



Remittance

Build capabilities for net remittance to the carriers, which will allow us to better manage payments.



Automations

The more the system can do for us and our clients, the better. And sometimes that means more automations! Automation of class benefits and more communication with the Plan Administrators and Employees.



Enrollment

Simplify the step-by-step enrollment process.



Reporting

Ability to create custom benefits reporting.

Sales & Marketing

As we started to come out of the COVID lockdowns in the spring of 2022, people began to feel more optimistic and there was hope that we had seen the last of the Covid-19 lockdowns and mandates. Employers began bringing laid off employees back to work and there was a renewed sense of wanting to improve existing plans. Many employers began discussing the idea of adding new benefits such as Health Care Spending Accounts, Personal Wellness Accounts and Telemedicine benefits as well as increasing overall maximums on existing benefits.



Summary

Even though there was negative news about the war in Ukraine, inflation and higher interest rates, the group benefits industry continued to push forward. In 2022 Beneplan quoted a total of 160 groups of which 25 groups became members of the Co-operative resulting in a closing ratio of 15.63%. Our annual premiums for 2022 was \$46,452,050 vs \$43,508,050 annual premiums for 2021. This resulted in an increase of \$2,943,106 in annual premiums or +6.76% YOY. 33 groups terminated their membership with the Co-operative in 2022 with most of the terminations being the result of mergers, acquisitions, companies closing their operations permanently or newly hired personnel switching to other insurers in order to take advantage of unsustainably low “discounted” rates offered by aggressive insurers.



The Problem With Premium “Discounts”

As mentioned earlier, one trend that continues to this day, is that of insurance carriers “discounting” premiums in order to acquire new business. Insurers will often “invest” in a new piece of business, meaning they are willing to quote a group and lose money in the first few years of the program, in the hopes of increasing rates to recoup their investment at subsequent renewals. Often, employers are unaware this is happening when quotes are presented, only to be shocked at the significant increases in premiums at renewal.

In the simplest terms, health and dental premiums are arrived at by estimated upcoming claims from past usage patterns then adjusting for inflation or trend and then adding in the admin fees aka “target loss ratio”. If the premiums quoted by a carrier are below this quick calculation, then premiums will be unsustainable, and large rate increases will result in renewals.



Stop Loss Levels

Another trend that is emerging in the benefits area are higher stop loss (pooling) levels being introduced into plans by insurers. Typically, a health plan will have a stop loss level of \$10,000 per individual per year, meaning any health and drug claims above the \$10,000 threshold is the responsibility of the insurance carrier.

This concept is similar to that of an automobile insurance deductible. If an individual has a \$1,000 damage deductible on their vehicle and get into a car accident resulting in damages of \$5,000, the individual would be responsible to pay the first \$1,000 and the insurer would be responsible to pay the \$4,000 balance. Stop loss (pooling) operates in much the same fashion.

What is important to note is that when a stop loss level is increased from \$10,000 to \$12,500 or \$15,000, this represents an increase in the exposure of risk of 25%-50% respectively. In other words, the plan would now be responsible to pay for more of the claims than it did before which will eventually lead to higher premiums.



Health Care and Personal Spending Accounts

Over the last few years we have seen greater interest in implementing Health Care Spending Accounts (HCSA) and or Personal Spending Accounts (PSA). HCSA are virtual accounts that have a fixed dollar amount that can be spent on health or dental services that are recognized as eligible services by Canada Revenue Agency (CRA).

The main advantage of HCSA is their flexibility and their ability to carry forward any unused amounts. A Personal Spending Account is very similar to a HCSA in that PSA also has a fixed annual dollar amount that can be used to claim certain goods and services. However, the type of goods and services that can be claimed through the PSA are such things as gym memberships, running shoes, exercise equipment and or alternative health therapies. HCSA are usually non-taxable depending on the province of residence, whereas PSA are usually taxable.

Both of these types of benefits offer great flexibility and do promote healthier lifestyles which when adopted results in healthier and happier employees.



A Focus On Educational Content

Beneplan's marketing efforts continued in 2022 with more advisors being contacted and educated on how the Beneplan Co-operative operates. More prospects were also introduced to the Co-operative model through our website and various other marketing endeavours. Beneplan launched an email campaign with some of its employers directed at newly hired employees who joined their companies.

The campaign focused on providing educational information about life insurance and what employees should take into consideration when purchasing life insurance. The campaign proved successful with 58% open email rate and a 7% click through rate. Beneplan will use the experience gained from this campaign to create future educational type campaigns for employees to ensure they understand their benefit options.

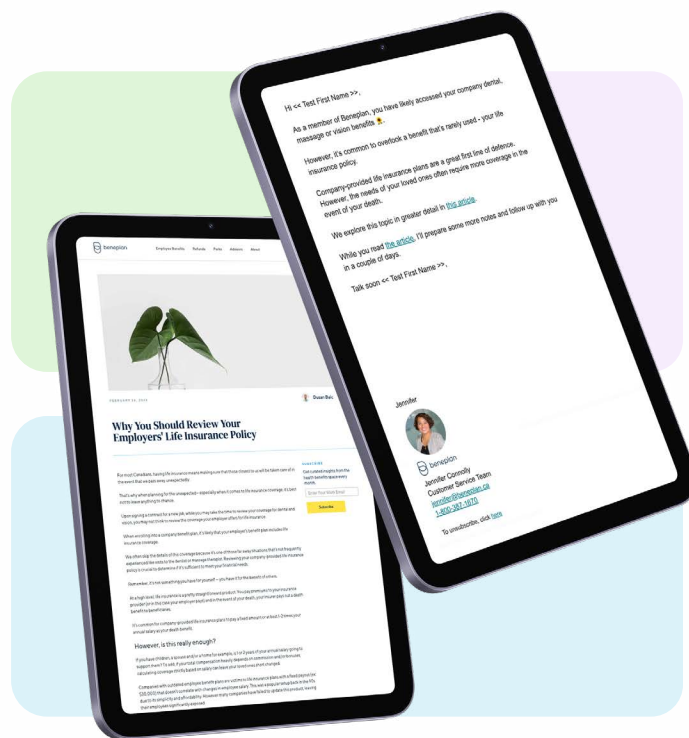


Telemedicine

A relatively new benefit that has started to be implemented into benefit plans over the last few years is Virtual Health Care or Telemedicine. Virtual Health Care became important through the pandemic when many Doctors offices and clinics were locked down due to covid 19 restrictions and people needed to seek medical attention for minor ailments. Telus Health Virtual Care states that **"*80% of primary health concerns can be fully addressed with Telus Health Virtual Care Telemedicine"**.

Virtual Health Care at its core, allows individuals to contact a Doctor or nurse practitioner for routine type services, an example being when an individual requires a prescription or referral to a specialist or possibly speak to someone in the mental health area. Telemedicine is completely confidential, and most services are provided on a 24/7 basis through a smartphone or online through your computer. Virtual Health Care will become more and more prevalent in benefit plans due to its ease of use and flexibility.

***Compiled from internal data from Telus Health Virtual Care as of February 2022.**



Looking Ahead

Future growth for the Co-operative will depend on how well benefit advisors understand and communicate all of the virtues and advantages of the Beneplan Employee Benefit Co-operative to their clients and prospects. Beneplan will continue to work hard at reaching out to more advisors and showing them why they should be working with Beneplan and placing their clients with the Beneplan Employee Benefits Co-operative. Rate stability, cost effectiveness, transparency, accountability and refunds are only part of the Beneplan Cooperative's story. Education, training and helping clients and their employees navigate the ever-changing world of employee benefits is the other part. Beneplan will continue to increase its efforts of providing education and training to clients and their employees so their benefit programs operate at maximum efficiency and cost effectiveness.



Navacord Partnership

On April 1, 2022, Beneplan Inc., the Third Party Administrator managing the Beneplan Co-operative, announced its partnership with Navacord Corp., Canada's fourth-largest commercial brokerage. This new partnership will unlock new resources, partnership opportunities and organizational support to Beneplan Inc. and the Co-operative as Navacord manages over \$2.5 billion in premiums and stands as a leader in group insurance and risk management solutions.

To read the full press release, [click here](#).





Board Governance

Board Member Roster

The 2022 Board of Directors for the Beneplan Employee Benefit Co-operative (also known as “the co-operative”) was comprised of the following professionals:



George DiPede

Chair of the Board,
Finance Committee

President
North Rock Group

April 28, 2021 - April 2024



Emma Horgan

Governance Committee,
Chair

Chief People Officer,
Questrade

April 22, 2020 - April 2023



George Zeni

VP, Clover Tool Industries

April 22, 2020 - April 2023



Nick Moschella

President, Forbes
Hewlett Transport

April 22 2020- April 2023



Bruno Schirripa

President & CEO, Barton
Air Fabrications

April 28 2021 - April 2024



Nilesh Pol

Finance Committee &
Governance Committee

Assistant Controller,
RMF Design and
Manufacturing Inc.

April 28 2021 - April 2024



Tim Otten

Resigned - October 20
2022

Controller, Willowbrook
Nurseries

April 26 2022 - April 2025



Courtney Sebu

Governance Committee &
Finance Committee

VP People & Culture
8Twelve Mortgage

April 26 2022 - April 2023



Dr. Anurag Sinha

Vice-chair of the Board

President/Owner,
Olympic Tool & Die Inc.

April 26 2022 - April 2025

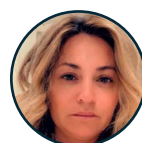


Diane Gadoutsis

Governance Committee

Human Resources
Manager - Alpha Labs Inc.

April 26 2022 - April 2025

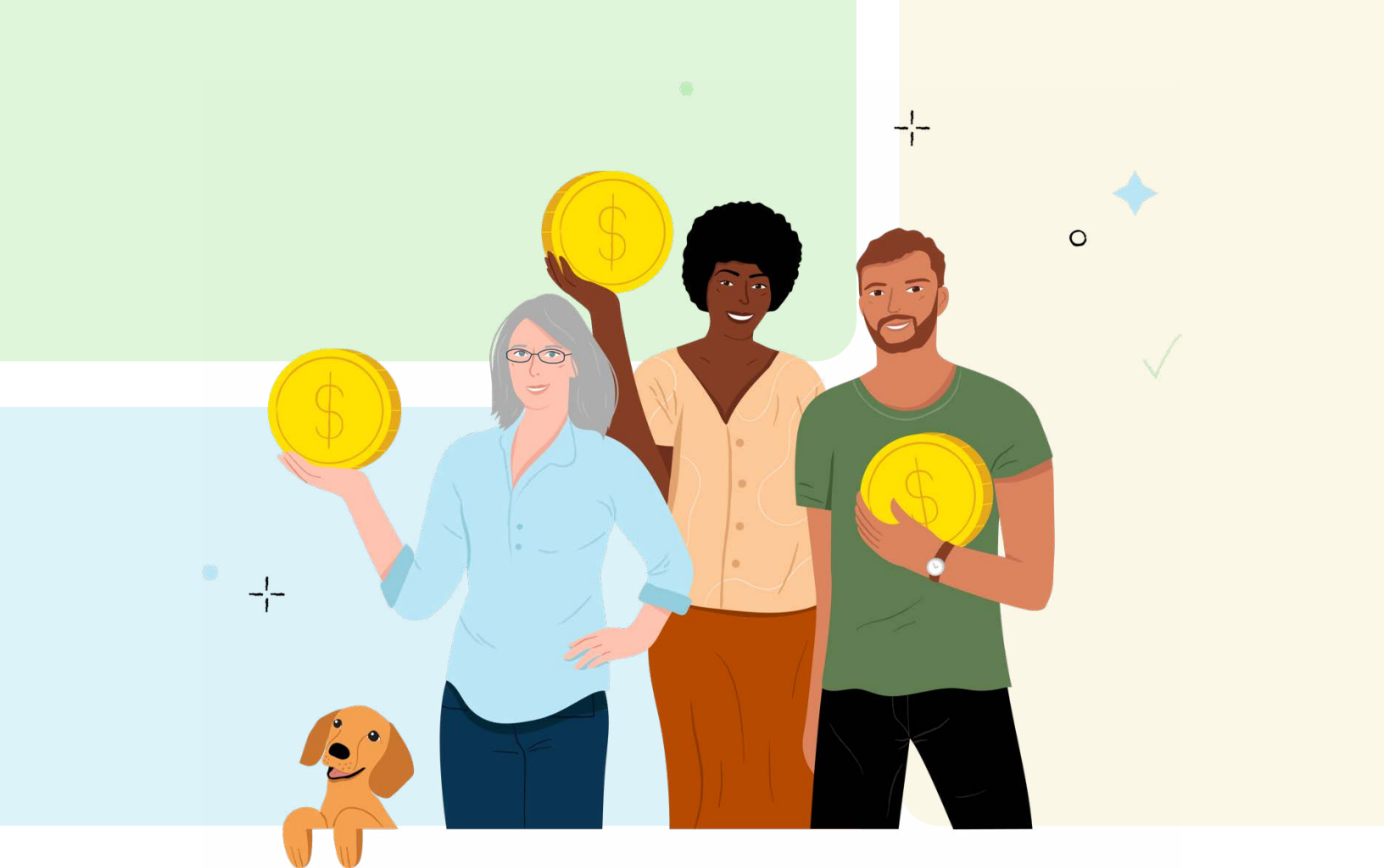


Laura Sciacca

Board Treasurer & Finance
Committee, Chair

CFO, JCL Group

April 26 2022 -April 2025



Member Meetings

The Board of Directors met 5 times between the 2022 AGM and the 2023 AGM. Topics of discourse included:

Selection of board roles and committees

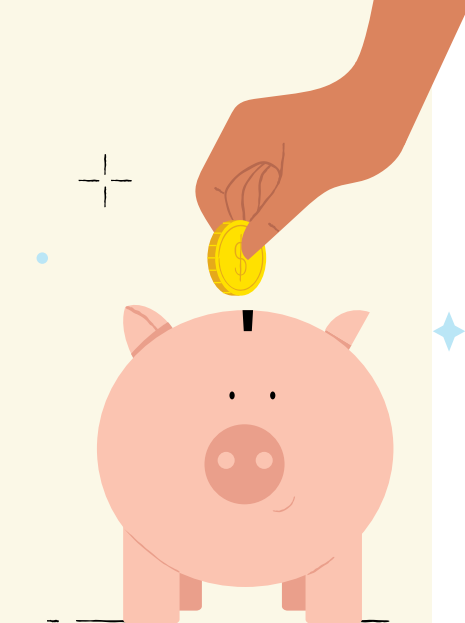
Addressing the problem of rising LTD

Review of Co-operatives core values, goals and focuses

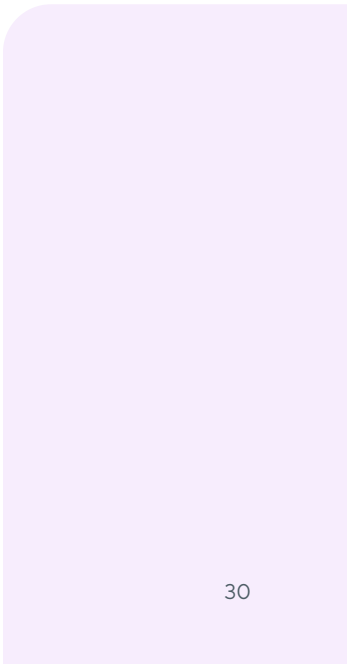
2023 Strategic Plan for the Beneplan Cooperative.

Monitoring the financial health of the Co-operative

All queries and projects were completed within the provided time frame. Full minutes of the 2022 AGM are included in the appendix in this report. Minutes of subsequent board meetings are available for all member-owners to review by request at any time. Please email ea@beneplan.ca for a digital copy.



Appendix



2022

**Beneplan Employee
Benefits Co-operative
Inc.**

Financial Statements

Year ended December 31, 2022

Independent Auditor's Report

To the members of
Beneplan Employee Benefits Co-operative Inc.

Report on the Financial Statements

Opinion

We have audited the accompanying financial statements of Beneplan Employee Benefits Co-operative Inc., which comprised of the balance sheet as at December 31, 2022 and the statements of income and accumulated surplus, statement of changes in health and dental reserve, and statement of cash flows for the year then ended, and a summary of significant accounting policies and other explanatory information.

In our opinion, the financial statements present fairly, in all material respects, the financial position of Beneplan Employee Benefits Co-operative Inc. as at December 31, 2022, and its financial performance and its cash flows for the year then ended in accordance with Canadian accounting standards for private enterprises.

Basis for Opinion

We conducted our audit in accordance with Canadian generally accepted auditing standards. Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Statements* section of our report. We are independent of the Co-operative in accordance with the ethical requirements that are relevant to our audit of the financial statements in Canada, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Other information

Management is responsible for the other information, which comprises the annual report except for the financial statements and our auditor's report thereon.

Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements, is inconsistent with our knowledge obtained in the audit, or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of Management and Those Charged with Governance for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with Canadian accounting standards for private enterprises, and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing the Co-operative's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Co-operative or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Co-operative's financial reporting process.



Auditor's Responsibility for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with CAS will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with CASs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

1. Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
2. Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Co-operative's internal control.
3. Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
4. Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Co-operative's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Co-operative to cease to continue as a going concern.
5. Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

S + C Partners LLP

Chartered Professional Accountants
Licensed Public Accountants

Mississauga, Ontario
April 15, 2023

**Statement of Income and Accumulated Surplus**

For the year ended December 31, 2022

	2022	2021
Revenue		
Refund of surpluses from group insurance (note 9)	\$ 1,737,188	\$ 2,628,685
Interest income	11,691	142
	1,748,879	2,628,827
Expenses		
Bank charges and interest	597	549
Publications and meetings	13,680	-
Insurance	2,580	2,727
Professional fees and consultants	31,458	31,358
	48,315	34,634
Income before patronage dividends and growth incentives	1,700,564	2,594,193
Growth incentive (note 7 and 9)	-	(130,919)
Patronage dividends	(1,687,692)	(2,456,971)
Net income	12,872	6,303
Accumulated surplus, beginning of year	-	-
Contributions to health and dental reserve	(12,872)	(6,303)
Accumulated surplus, end of year	\$ -	\$ -

The accompanying notes are an integral part of these financial statements.

**Balance Sheet**

December 31, 2022

Assets	2022	2021
Current assets		
Cash and equivalents (note 3)	\$ 80,964	\$ 63,536
Accounts receivable (notes 4 and 9)	1,795,506	2,631,938
	1,876,470	2,695,474
Restricted cash (notes 3 and 6)	386,032	426,770
	\$ 2,262,502	\$ 3,122,244
Liabilities		
Current liabilities		
Accounts payable and accrued liabilities (note 5)	\$ 177,336	\$ 199,127
Patronage dividends payable	1,695,485	2,492,698
	1,872,821	2,691,825
Unearned revenue	3,649	3,649
	1,876,470	2,695,474
Members' equity		
Health and dental reserve (note 6)	386,032	426,770
	\$ 2,262,502	\$ 3,122,244

The accompanying notes are an integral part of these financial statements.

Approved on behalf of the Board:

Director

Director

**Statement of Changes in Health and Dental Reserve**

For the year ended December 31, 2022

	2022	2021
Health and dental reserve, beginning of year	\$ 426,770	\$ 440,892
Contributions to reserve		
Allocation from surplus	74,952	21,214
Appropriations from reserve		
Reserves of terminated members forfeited to cover deficits	(62,080)	(14,911)
Net contribution to reserve	12,872	6,303
Adjustments to member reserves	-	2,162
Excess reserves refunded to members	(53,610)	(22,587)
Health and dental reserve, end of year	\$ 386,032	\$ 426,770

The accompanying notes are an integral part of these financial statements.

**Statement of Cash Flows**

For the year ended December 31, 2022

	2022	2021
Cash flows from operating activities		
Cash receipts from insurers' surpluses and members	\$ 2,556,035	\$ 6,066,167
Cash paid to suppliers and advisors	(52,521)	(348,684)
Patronage dividends paid	(2,484,905)	(5,924,457)
Excess reserves refunded to members	(53,610)	(22,587)
Interest received	11,691	142
	(23,310)	(229,419)
Cash provided by (used in) investing activities		
Decrease in restricted cash	40,738	14,122
Increase (decrease) in cash and equivalents	17,428	(215,297)
Cash and equivalents, beginning of year	63,536	278,833
Cash and equivalents, end of year (note 3)	\$ 80,964	\$ 63,536

The accompanying notes are an integral part of these financial statements.



Notes to the Financial Statements

December 31, 2022

1 Description of business

Beneplan Employee Benefits Co-operative Inc. is a Co-operative Corporation without share capital, incorporated on April 29, 2013, according to the provisions of the *Co-operative Corporations Act of Ontario*. The Co-operative, administered by Beneplan Inc., its Executive Officer, is a voluntary association of employers for the purpose of pooling their group insurance experience. Premiums of health, dental, and life insurance are paid by all employers to either the Co-operators or Green Shield Canada. Additionally some members also purchase paramedical coverage from Beneplan Inc. The Co-operators or Green Shield Canada administer the group insurance plans throughout the year and refund the net surplus of premiums over claims and costs at year end, to the Co-operative. The Executive Officer then allocates this surplus among the member-employers according to a pre-established formula, the simplified version of which is:

1. Apportion the total insurance refund to members pro-rata to their insurance premiums paid.
2. Apply each member's insurance surplus as needed, to fund its health, dental, and paramedical deficit.
3. Allocate a portion of each member's health, dental, and paramedical surplus to cover the deficits of those members with remaining deficits and to cover the operating expenses of the Co-operative.
4. Retain a portion of each member's surplus to fund the Health and Dental reserve (see Note 6).
5. Retain a portion of each member's surplus after reserve contributions to fund the Growth Incentive for the Distribution Channel (see Note 7).
6. Pay out the balance of each member's surplus as a patronage dividend.

2 Significant accounting policies

These financial statements have been prepared in accordance with Canadian accounting standards for private enterprises and reflect the following significant accounting policies:

Revenue recognition

Revenue to the Co-operative consists mainly of the net surplus amounts calculated on all members' health, dental, and paramedical group insurance policies, as well as refunds of excess premiums on life insurance policies.

The total health and dental surplus is calculated by Beneplan Inc., the Executive Officer of the Co-operative, each year for the preceding year's experience, from records provided by the insurance companies. Premiums are tested for validity to the monthly records maintained by Beneplan Inc. and adjusted where necessary to convert from cash-basis to accrual-basis reporting. Claims amounts are not tested, due to the limitations imposed by privacy legislation. Representatives from Beneplan Inc. and the insurance companies keep in constant contact throughout this process to ensure agreement between them as to the final surplus amounts to be refunded.

Paramedical surplus is calculated by Beneplan Inc., on the paramedical portion of policies which it administers.

Life insurance refunds are calculated by the Co-operators. Beneplan Inc. staff closely examine the calculation of these refunds for accuracy except that no verification of the waiver reserves is possible due to privacy legislation, which protects the health information necessary for their determination.

In addition to the above surpluses, the Co-operative also recognizes revenues from other sources. Interest income is recognized as it accrues.

Cash and cash equivalents

Cash and cash equivalents consist of current cash accounts and term deposits with a maturity period less than 3 months in length or are cashable prior to maturity. Restricted cash represents funds held by the Co-operative to facilitate the payment of run-off insurance claims of members upon termination.



Notes to the Financial Statements

December 31, 2022

2 Significant accounting policies (continued)

Income taxes

Income taxes are accounted for using the future income taxes method. Future taxes have been accounted for based on the difference between the carrying amounts of assets and liabilities for accounting purposes versus the carrying amounts of assets and liabilities for tax purposes. Future taxes are calculated based on enacted or substantively enacted tax laws that are expected to be in effect when the asset or liability is settled. Future taxes are reviewed on an annual basis and are adjusted where necessary to reflect their realizable amount.

Financial instruments

Measurement of financial instruments

The Co-operative initially measures its financial assets and liabilities at fair value, except for certain non-arm's length transactions. The Co-operative subsequently measures all its financial assets and liabilities at amortized cost. Financial assets measured at amortized cost include cash, cash equivalents, restricted cash, and accounts receivable. Financial liabilities measured at amortized cost include accounts payable, accrued liabilities, and patronage dividends payable.

Impairment

Financial assets measured at cost or amortized cost are tested for impairment when there are indicators of impairment. The amount of write-down is recognized in net income. The previously recognized impairment loss may be reversed to the extent of the improvement, directly or by adjusting the allowance account, provided it is no greater than the amount that would have been reported at the date of the reversal had the impairment not been recognized previously. The amount of the reversal is recognized in net income.

Use of estimates

The preparation of these financial statements in conformity with Canadian accounting standards for private enterprises requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosures of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. The principal estimates used in these financial statements are the determination of insurer surpluses, accounts payable, accrued liabilities and the provision for income taxes. Actual results could differ from management's best estimates as additional information becomes available.



Notes to the Financial Statements

December 31, 2022

3 Cash and equivalents

Cash and equivalents consist of the following:

	2022	2021
Cash	\$ 64,505	\$ 306
Cashable term deposits	402,491	490,000
	466,996	490,306
Less: restricted cash	(386,032)	(426,770)
	\$ 80,964	\$ 63,536

The balance invested in a term deposit bears interest at a rate of 3.45% and matures September 2023. The term deposit is cashable prior to maturity.

4 Accounts receivable

	2022	2021
Receivable from insurers	\$ 1,471,086	\$ 2,408,555
Government remittances receivable	50	-
Receivable from Beneplan Inc. (note 9)	102,261	120,332
Receivable from members	222,109	103,051
	\$ 1,795,506	\$ 2,631,938

The amount receivable from Beneplan Inc. relates to paramedical premium surpluses and cost recoveries.



Notes to the Financial Statements

December 31, 2022

5 Accounts payable and accrued liabilities

Accounts payable and accrued liabilities consist of the following:

	2022	2021
Trade payables and accrued liabilities	\$ 37,945	\$ 37,944
Government remittances payable	-	989
Payable to members	4,809	22,394
Payable to Beneplan Inc. (notes 7 and 9)	134,582	137,800
	\$ 177,336	\$ 199,127

The amount payable to members relates to the reimbursement of pure ASO benefits administered outside of the Co-operative.

6 Health and dental reserve

This is a reserve for health and/or dental and/or paramedical run-off claims which are outstanding at any given time. It is increased each year by contributions from the surplus otherwise payable to each member, by the amount necessary to bring each member's cumulative contribution to a "target" of 5% of its annualized claims, with the limitation that the annual contribution is not to exceed 10% of the patronage dividend otherwise payable to the member for the year. In the first twelve months of membership, members with a surplus must pay to the reserve an amount which is equal to the lesser of 5% of their annualized claims or 50% of their patronage dividend.

If at any time a member's cumulative reserve exceeds its target reserve by more than 10% for two consecutive years, such excess is to be refunded to the member. Members withdrawing from the Co-operative forfeit their accumulated paid-in reserves and surplus for the year to the Co-operative. The health and dental reserve is retained to cover any unreported claims which may exist at such time as the Co-operative is wound up. Any surplus reserve not used to cover such claims after a suitable interval will be paid out to the remaining members of the Co-operative at that time, pro-rata to their accumulated contributions.

Surpluses withheld by the insurers as a reserve are not recognized as an asset of the Co-operative as the Co-operative does not control the access to or distribution of the related funds to facilitate payment of insurance claims. As of December 31, 2022, the reserves were allocated as follows:

	2022	2021
Health and dental reserve, held by Co-operative	\$ 386,032	\$ 426,770
Surpluses retained by insurers, not yet recognized by Co-operative	808,295	808,295
	\$ 1,194,327	\$ 1,235,065



Notes to the Financial Statements

December 31, 2022

7 Growth incentive for the distribution channel

The goal of the growth incentive policy is to financially reward licensed life and health insurance advisors for finding good risk, bringing and retaining this risk within the Co-operative, and improving the bottom line for the member-owners. The growth incentive is applicable to member-owners with a surplus, excluding pure ASO groups, and is calculated as a deduction of 5% of their surplus after reserve contributions. Member-owners in a deficit will not be charged the growth incentive, and will not contribute to their advisors' growth incentive.

Advisors will be eligible for the incentive if they meet a minimum threshold of \$300,000 of net new premiums within the fiscal year, and will be allocated a share of the incentive pool in proportion to the net new annualized premiums closed within the Co-operative.

At the end of each fiscal year, the accumulated balance within the growth incentive pool will be paid out in full to Beneplan Inc., who will calculate and distribute the growth incentive to the eligible advisors. As at December 31, 2022, the total growth incentive to be paid to advisors totalled \$nil (2021 - \$130,919). Included in accounts payable is \$130,919 (2021 - \$130,919), related to the amount payable as of December 31, 2021.

8 Financial instruments

The Co-operative is exposed to credit risk through its accounts receivable, which are by nature unsecured. The Co-operative mitigates this risk by ensuring it deals with financially strong insurance companies in good standing. Management has identified a concentration of credit risk such that 41% (2021 - 42%) of accounts receivable was receivable from a single insurer.

The Co-operative is subject to liquidity risk through its debts and obligations. To ensure the Co-operative is able to fund its obligations as they come due, it maintains accessible sources of liquidity. These sources consist of cash balances, a cashable term deposit, and a reserve for unpaid claims.

It is management's opinion that the Co-operative is not subject to significant currency, interest rate or other price risk.

9 Related party transactions

During the year, the Co-operative earned a refund of surplus on group insurance from Beneplan Inc., its Executive Office, in the amount of \$102,261 (2021 - \$119,052). The Co-operative also collects surplus refunds from Beneplan Inc. on behalf of members with pure ASO benefits in the amount of \$3,986 (2021 - \$7,260). Included in accounts receivable is \$102,261 (2021 - \$120,332) related to these amounts.

As described in note 7, the Co-operative charges its members in surplus a growth incentive, and pays out the accumulated balance to Beneplan Inc., which allocates and distributes the incentive to the eligible life and health insurance advisors on behalf of the Co-operative. Included in accounts payable is \$130,919 (2021 - \$130,919) related to this amount.

These transactions are in the normal course of operations and are recorded at the exchange amount. The exchange amount is the amount of consideration established and agreed to by the related parties.

CLIC POLICY #	Total Premiums Combined	Total Claims Combined under Stop Loss Claims	Total Fees & Taxes Combined	Total Taxes & Life & Reformulary Refund	Total Reserves & Cooperative Contribution & Growth Fund	Final Gross Patronage Dividend	Net Payable Dividend After Tax	CLIC POLICY #
16000	20,491.89	19,070.26	3,156.40	313.06	-	-	-	16000
16002	111,182.19	68,149.83	11,948.15	3,723.78	13,602.44	21,205.54	18,039.71	16002
16005	65,835.28	46,797.98	7,488.19	2,150.10	5,247.32	8,451.89	7,199.10	16005
16007	60,187.95	50,008.69	6,938.74	946.64	1,603.84	2,583.32	2,210.82	16007
16010	347,796.99	287,960.06	41,282.89	9,235.57	12,350.87	15,438.74	13,137.93	16010
16011	136,723.05	127,540.79	17,011.43	223.81	-	-	-	16011
16012	285,009.61	248,437.72	34,608.12	2,592.49	2,026.33	2,529.93	2,165.44	16012
16013	61,649.92	43,389.08	8,799.93	1,346.68	4,139.72	6,667.86	5,682.68	16013
16016	40,136.65	50,198.61	5,335.21	895.51	-	-	-	16016
16017	181,287.78	145,318.48	23,632.17	8,812.40	8,243.09	12,906.43	10,985.47	16017
16019	22,509.88	14,003.02	2,543.28	694.57	2,550.33	4,107.82	3,506.65	16019
16024	438,747.05	342,553.10	54,986.56	8,735.59	21,514.24	28,428.74	24,179.43	16024
16027	68,903.91	48,582.46	7,279.62	1,289.76	5,600.75	8,730.84	7,436.21	16027
16028	338,829.08	315,787.81	35,554.00	2,971.66	-	-	-	16028
16029	36,284.12	40,940.99	5,096.22	63.57	-	-	-	16029
16030	212,812.48	135,051.61	23,283.12	6,207.98	23,244.96	37,440.76	31,839.64	16030
16031	57,607.40	47,602.73	8,587.20	725.89	820.99	1,322.38	1,139.02	16031
16034	57,039.96	35,069.46	7,384.00	2,131.68	6,591.82	10,126.36	8,622.41	16034
16035	311,205.12	220,384.05	32,371.16	8,739.31	27,096.07	40,093.15	34,094.18	16035
16037	62,459.81	56,908.87	8,320.78	281.54	-	-	-	16037
16044	181,875.01	145,054.83	21,435.41	2,350.74	6,793.38	10,942.12	9,315.81	16044
16045	62,032.82	41,425.24	8,806.86	1,591.63	5,129.79	8,262.57	7,038.18	16045
16046	91,864.19	80,948.23	13,929.03	174.03	-	-	-	16046
16047	244,263.21	214,668.32	29,683.46	876.35	350.35	437.43	386.81	16047
16050	33,863.63	39,415.09	6,324.44	939.33	-	-	-	16050
16800	186,332.58	150,288.47	24,817.15	2,378.65	6,050.88	7,554.72	6,436.51	16800
16801	37,384.07	23,560.24	4,292.67	1,051.85	4,053.70	6,529.31	5,564.91	16801
20003	9,112.06	6,744.34	1,425.69	177.20	-	-	-	20003
20007	325.72	4.00	40.83	34.18	-	-	-	20007
20009	67,339.29	39,225.65	9,216.00	2,535.53	8,533.04	12,900.14	10,980.12	20009
20010	56,649.59	45,183.53	7,961.25	1,201.41	1,898.79	2,807.44	2,401.32	20010
20011	336,644.27	296,421.17	40,024.26	4,505.78	2,092.31	2,612.31	2,235.46	20011
20013	23,734.15	18,623.87	3,254.44	635.88	954.42	1,537.30	1,321.70	20013
20015	143,096.50	114,069.11	23,970.18	1,228.02	2,795.26	3,489.97	2,981.48	20015
20016	140,838.25	124,731.01	33,273.78	776.38	-	-	-	20016
20017	24,489.50	16,106.73	3,441.04	555.23	2,218.44	3,278.52	2,801.74	20017
20024	113,974.89	92,222.50	20,327.99	272.34	754.60	942.14	942.14	20024
20025	23,460.86	16,187.73	3,178.62	835.73	1,888.47	3,041.76	2,600.50	20025
20026	71,551.18	69,761.13	12,204.78	587.12	-	-	-	20026
20027	61,681.65	36,710.09	6,975.10	2,250.48	7,755.36	12,491.58	10,632.85	20027
20028	270,965.01	215,981.87	40,032.69	5,062.05	7,665.55	12,346.94	10,509.90	20028
20031	200,855.73	168,969.77	23,446.02	1,493.85	4,134.21	5,799.58	4,944.64	20031
20032	58,650.85	37,644.26	10,999.05	1,211.10	4,674.83	6,543.81	5,577.24	20032
20035	19,591.26	20,029.06	3,117.50	189.92	-	-	-	20035
20036	89,720.36	72,502.88	17,760.61	303.24	-	-	-	20036
20037	74,386.60	55,849.49	14,520.24	1,230.94	2,010.11	3,237.70	2,767.04	20037
20038	17,710.52	14,327.22	3,866.38	65.53	-	-	-	20038
20040	41,575.22	38,821.66	8,515.43	20.90	-	-	-	20040
20043	55,081.27	50,644.23	9,688.36	124.63	-	-	-	20043
20044	29,475.43	16,901.31	5,107.68	956.29	3,374.12	5,048.60	5,048.60	20044
20045	24,882.39	19,203.75	4,391.10	342.82	624.49	1,005.87	869.99	20045
20046	155,513.35	116,082.87	21,945.40	5,131.00	10,031.86	12,584.22	10,711.59	20046
20047	53,831.57	39,894.34	7,820.31	1,240.36	2,837.98	4,519.31	3,856.41	20047
20048	39,370.91	27,137.86	7,557.21	674.44	2,049.36	3,300.92	2,820.78	20048
20050	35,046.96	27,097.98	5,125.15	479.82	1,469.25	1,834.40	1,574.24	20050
20051	163,221.63	120,433.26	18,940.09	5,873.20	11,650.26	18,071.23	15,375.54	20051
20055	8,835.78	4,940.25	1,377.46	336.69	1,093.49	1,761.28	1,512.09	20055
20056	103,634.15	93,666.38	21,017.31	522.88	-	-	-	20056
20057	-	-	-	6,435.41	2,465.01	3,970.40	3,389.84	20057
20058	300,643.25	245,510.81	38,237.94	9,249.01	10,211.88	15,931.63	15,931.63	20058
20060	55,482.16	46,463.28	12,173.53	379.67	-	-	-	20060
20062	0.00	-	395.43	39.11	231.74	-	-	20062
20063	15,430.98	9,875.55	2,367.51	347.88	1,354.35	2,181.45	1,869.23	20063
20064	16,171.92	13,550.61	2,384.45	143.75	-	-	-	20064
20065	1,997.28	485.57	270.44	130.55	525.46	846.36	734.41	20065
20066	42,943.84	28,379.78	6,660.41	890.61	3,548.80	5,245.46	4,473.64	20066
20067	28,580.59	20,990.84	5,843.51	276.35	899.52	1,123.08	969.62	20067
20072	155,575.28	144,877.90	23,993.40	801.12	-	-	-	20072
20073	75,878.53	76,922.22	12,058.50	421.80	-	-	-	20073
20075	78,518.30	69,028.24	15,822.41	665.90	-	-	-	20075
20076	19,671.95	10,473.19	2,771.93	804.08	2,769.72	4,461.19	3,807.01	20076
20077	242,452.97	204,757.85	48,329.63	1,478.82	9,155.68	-	-	20077
20079	38,544.26	33,162.26	6,400.09	207.96	-	-	-	20079

20081	40,964.06	28,248.66	6,652.72	989.59	2,701.29	4,350.99	3,713.34	20081
20082	27,314.25	5,406.86	3,224.20	2,013.18	7,927.50	12,768.86	10,868.53	20082
20084	90,314.19	62,215.57	19,142.85	1,138.45	3,866.47	6,227.74	5,308.58	20084
20085	34,950.26	20,352.15	7,228.45	946.48	3,185.40	5,130.74	4,376.13	20085
20087	79,765.22	101,430.51	19,116.01	- 3,778.62	4,940.03	-	-	20087
20088	143,670.02	121,628.58	25,942.21	2,544.35	-	-	-	20088
20090	40,689.86	26,143.98	7,718.24	1,322.54	3,309.42	4,840.76	4,129.65	20090
20095	32,562.05	26,497.98	4,805.99	458.50	763.42	953.16	825.18	20095
20097	33,628.51	33,650.11	6,210.34	- 378.89	-	-	-	20097
20099	67,055.65	54,631.81	10,296.02	839.27	1,319.57	1,647.52	1,647.52	20099
20100	32,260.43	31,006.27	6,219.62	- 82.28	-	-	-	20100
20102	23,179.58	16,271.18	3,486.61	883.69	1,649.16	2,656.32	2,272.87	20102
20104	33,471.73	11,351.92	4,073.30	2,453.65	7,852.35	12,647.81	10,765.64	20104
20106	13,393.95	6,454.24	2,663.13	597.93	1,867.12	3,007.38	2,571.28	20106
20107	58,169.47	53,879.12	11,158.87	- 592.08	-	-	-	20107
20108	135,377.37	105,936.25	16,768.35	1,542.28	5,444.91	8,770.14	7,469.62	20108
20112	29,699.93	14,598.37	3,840.58	1,259.09	4,795.67	7,724.40	6,580.74	20112
20113	71,415.75	52,604.39	12,462.50	881.25	2,769.41	4,460.70	3,806.60	20113
20115	42,741.12	39,907.62	9,590.83	- 520.17	-	-	-	20115
20117	127,141.16	97,452.63	18,544.31	1,639.83	4,896.78	7,887.27	6,719.18	20117
20118	59,318.39	36,082.75	11,156.86	1,530.96	5,213.05	8,396.69	7,152.19	20118
20120	148,824.63	110,024.97	24,495.47	2,568.72	6,462.97	10,409.94	10,409.94	20120
20122	80,362.52	69,356.75	9,705.61	430.57	662.94	1,067.79	922.63	20122
20123	22,881.52	14,316.21	4,780.23	536.45	1,655.31	2,666.22	2,281.28	20123
20124	97,974.86	78,178.83	21,318.95	871.18	-	-	-	20124
20132	17,958.12	13,300.17	3,493.97	186.44	517.26	833.16	723.18	20132
20133	22,269.73	18,155.12	2,646.26	359.27	789.26	1,038.36	897.61	20133
20135	38,822.47	24,578.79	5,657.87	1,295.00	4,064.43	5,816.39	4,958.93	20135
20137	146,601.81	103,812.58	16,694.68	6,256.40	12,391.66	19,959.29	16,980.40	20137
20138	74,638.52	50,506.20	15,784.37	1,552.44	3,792.23	6,108.16	5,206.93	20138
20139	62,519.06	46,507.57	11,538.57	749.14	2,166.25	3,055.81	2,612.43	20139
20140	156,324.77	142,002.69	25,572.86	1,108.66	-	-	-	20140
20141	92,038.39	67,520.58	15,080.56	2,425.10	5,275.60	6,586.75	6,586.75	20141
20145	175,193.96	125,948.16	22,894.50	6,171.85	12,743.95	19,779.20	16,827.32	20145
20147	28,250.60	25,747.41	3,398.71	384.65	-	-	-	20147
20149	127,744.59	127,268.80	24,125.41	- 1,401.94	-	-	-	20149
20150	52,517.27	38,060.45	11,079.71	1,241.60	1,816.25	2,802.46	2,397.09	20150
20151	18,879.63	11,135.08	3,522.85	596.91	1,845.71	2,972.89	2,541.96	20151
20154	190,520.70	151,049.69	24,945.65	3,886.33	8,188.31	10,223.37	8,704.87	20154
20156	5,633.21	2,771.93	1,022.49	211.39	785.30	1,264.88	1,090.15	20156
20157	72,581.64	58,822.08	8,573.62	903.25	2,669.96	3,419.23	2,921.35	20157
20158	25,962.50	28,180.17	4,647.47	- 388.86	1,996.62	-	-	20158
20159	65,947.36	42,088.84	11,885.75	1,880.65	5,359.64	8,493.79	7,234.72	20159
20161	49,014.51	36,848.97	6,998.53	1,490.11	2,960.65	3,696.47	3,157.00	20161
20164	41,105.10	24,381.43	5,644.34	1,461.70	4,803.69	7,737.33	6,591.73	20164
20165	180,453.49	120,770.14	32,718.28	4,338.24	13,385.38	17,917.92	15,245.23	20165
20167	72,494.37	64,327.91	12,468.53	64.18	-	-	-	20167
20169	12,576.00	7,808.85	1,990.50	641.00	1,391.99	2,025.66	1,736.81	20169
20175	29,141.12	20,004.04	5,218.00	671.75	-	-	-	20175
20176	42,913.52	30,034.48	7,613.38	969.33	2,390.57	3,844.42	3,282.76	20176
20177	54,219.14	44,121.90	7,278.85	480.39	1,263.56	2,035.22	1,744.94	20177
20183	47,623.08	26,673.79	10,216.51	1,412.63	4,861.28	7,284.13	6,206.51	20183
20187	89,897.94	65,136.16	13,763.35	1,087.68	4,629.44	7,456.66	6,353.16	20187
20188	74,555.47	58,754.56	13,809.96	1,219.31	1,427.71	1,782.54	1,530.16	20188
20189	57,240.52	41,135.51	10,913.89	1,332.80	-	-	-	20189
20190	44,868.70	41,564.27	8,796.73	- 296.29	-	-	-	20190
20191	24,618.58	19,071.32	5,255.33	139.20	191.74	239.39	218.48	20191
20194	39,398.67	19,751.71	8,018.40	1,550.94	5,301.73	7,877.78	6,711.11	20194
20195	69,203.43	52,404.84	14,909.82	365.55	1,002.57	1,251.75	1,078.98	20195
20196	33,093.52	27,919.34	5,536.94	192.64	-	-	-	20196
20199	17,222.62	10,504.00	2,382.07	501.31	1,896.93	2,940.92	2,514.78	20199
20200	38,046.35	27,360.10	7,357.21	847.57	1,599.80	2,576.80	2,205.28	20200
20201	40,273.64	37,352.72	7,418.71	- 272.80	-	-	-	20201
20202	14,205.72	17,172.06	3,396.45	- 440.77	-	-	-	20202
20206	59,432.64	45,826.69	11,052.32	744.41	1,263.28	2,034.77	1,744.55	20206
20207	28,359.22	21,952.57	4,350.01	472.60	968.79	1,560.44	1,341.37	20207
20208	957,457.44	838,812.99	160,674.89	- 1,128.75	-	-	-	20208
20209	16,895.22	15,727.88	4,245.02	- 259.31	-	-	-	20209
20211	47,521.81	44,556.09	8,155.42	- 289.35	2,805.18	-	-	20211
20212	53,251.98	46,679.61	9,693.69	- 151.85	-	-	-	20212
20215	43,039.77	32,882.95	7,983.32	740.59	1,296.00	1,618.10	1,390.38	20215
20218	79,670.79	63,717.76	11,530.37	1,095.90	2,439.86	3,078.70	2,631.89	20218
20219	14,021.57	6,608.34	1,798.99	600.52	2,380.49	3,834.27	3,274.13	20219
20220	12,918.04	10,005.48	2,628.43	508.59	321.02	471.70	415.94	20220
20221	41,916.90	39,813.76	6,380.95	20.71	-	-	-	20221
20222	156,421.47	154,576.65	19,543.05	- 599.47	8,712.46	-	-	20222
20223	31,157.29	26,799.82	5,538.01	63.26	-	-	-	20223
20231	93,344.11	87,793.85	19,100.20	- 452.01	-	-	-	20231

20232	28,952.82	22,927.80	5,139.32	183.40	475.47	593.63	519.59	20232
20235	44,287.32	36,568.45	5,254.78	1,138.05	1,602.00	2,000.15	1,715.12	20235
20237	81,813.48	87,743.89	13,166.50	-	1,013.25	-	-	20237
20240	54,227.51	41,065.37	10,811.10	490.82	1,263.87	1,577.99	1,356.29	20240
20243	-	3,918.02	207.47	-	410.68	-	-	20243
20245	60,035.62	48,729.52	9,624.95	190.05	-	-	-	20245
20246	11,989.81	2,757.62	2,232.93	843.82	3,004.20	4,838.88	4,128.04	20246
20247	13,982.04	4,058.59	1,708.46	864.77	3,477.90	5,601.86	4,776.58	20247
20252	59,500.80	55,877.18	8,926.03	-	379.14	-	-	20252
20253	32,514.64	17,083.02	5,984.59	1,188.08	4,073.65	6,561.45	5,592.23	20253
20257	58,741.94	50,306.76	8,815.71	68.61	-	-	-	20257
20258	29,725.90	23,948.31	6,470.78	153.52	-	-	-	20258
20260	154,943.09	172,640.04	21,066.23	-	2,082.15	-	-	20260
20261	100,971.40	74,608.06	19,639.50	1,046.13	3,195.79	4,574.18	3,903.05	20261
20262	60,727.70	39,560.96	10,264.69	1,371.17	4,701.11	7,572.10	6,451.29	20262
20264	53,060.01	51,721.12	9,292.97	-	119.48	-	-	20264
20266	57,010.66	42,274.04	6,537.52	949.26	3,549.86	5,598.50	4,773.72	20266
20273	71,905.13	62,959.72	10,904.31	52.51	-	-	-	20273
20276	35,994.92	26,444.67	7,345.15	402.84	998.94	1,609.00	1,382.65	20276
20277	37,774.68	26,748.36	7,276.16	727.56	1,795.87	2,681.85	2,294.57	20277
20280	11,156.78	6,996.18	1,880.40	462.94	1,112.10	1,631.04	1,401.39	20280
20282	39,959.02	30,327.81	7,399.61	527.97	1,227.28	1,532.29	1,317.45	20282
20283	37,726.70	38,732.59	5,995.29	-	403.17	-	-	20283
20287	26,718.53	29,235.56	4,097.31	-	534.03	-	-	20287
20291	105,680.11	103,035.20	16,509.66	-	494.54	-	-	20291
20293	37,514.43	23,305.45	6,970.13	1,604.22	3,476.76	5,366.31	4,576.36	20293
20294	56,224.74	68,942.05	7,649.18	-	1,843.60	-	-	20294
20295	14,523.34	12,449.88	2,167.44	27.78	-	-	-	20295
20300	74,560.18	59,413.97	14,798.90	422.66	342.43	427.54	378.41	20300
20305	85,315.26	84,094.29	11,186.69	822.22	-	-	-	20305
20306	103,037.09	83,260.46	19,361.33	457.55	334.33	538.51	472.74	20306
20314	60,360.33	45,723.41	10,472.80	885.18	2,245.60	2,803.70	2,398.14	20314
20315	39,689.61	27,365.67	7,210.39	608.52	2,191.77	3,530.29	3,015.75	20315
20316	129,708.97	62,946.51	19,707.95	4,865.90	21,933.01	29,987.40	29,987.40	20316
20317	33,956.29	24,971.58	6,248.37	509.55	1,243.30	2,002.59	1,717.20	20317
20320	185,800.80	169,236.02	34,021.15	-	882.35	-	-	20320
20326	55,386.84	40,802.18	11,868.40	441.12	1,322.53	1,834.85	1,574.62	20326
20327	30,721.50	30,784.08	6,985.91	-	622.57	-	-	20327
20328	22,646.43	15,307.10	3,137.25	593.73	1,836.98	2,958.83	2,530.01	20328
20329	58,250.60	52,726.72	9,902.28	-	21.76	3,450.78	-	20329
20331	52,755.44	35,192.91	8,867.83	1,065.61	3,796.00	5,964.31	5,084.66	20331
20332	9,269.59	5,168.40	1,414.68	311.13	1,148.21	1,849.43	1,587.02	20332
20333	22,271.20	18,115.22	3,650.31	497.18	446.00	556.85	488.32	20333
20335	43,854.96	30,047.87	8,288.39	631.00	2,355.57	3,794.13	3,240.01	20335
20336	55,811.35	45,509.18	9,237.17	349.00	628.85	785.14	682.37	20336
20338	24,804.86	19,818.10	4,247.54	256.05	442.63	552.64	484.74	20338
20340	58,716.35	57,989.73	12,761.19	-	139.64	-	-	20340
20342	72,099.66	40,326.86	13,370.58	2,015.93	7,820.94	12,597.21	10,722.63	20342
20343	60,875.56	27,926.23	9,220.58	2,858.60	10,183.97	16,403.37	16,403.37	20343
20347	4,277.84	3,211.68	886.70	38.44	-	-	-	20347
20351	64,076.30	32,698.12	12,988.48	2,131.00	7,860.22	12,660.48	10,776.41	20351
20309	29,185.27	14,399.63	4,445.17	1,048.54	4,571.50	6,817.51	5,809.88	20309
20353	87,861.24	59,167.79	14,796.61	1,925.46	6,512.85	9,309.44	7,928.02	20353
20356	61,763.77	28,951.74	12,398.60	2,963.17	9,353.90	14,022.70	11,934.29	20356
20357	8,601.75	2,695.76	1,487.71	527.01	1,894.24	3,051.06	2,608.40	20357
20360	125,366.39	112,963.69	25,758.46	-	1,179.39	-	-	20360
20361	42,948.64	28,149.27	5,905.82	1,739.95	4,729.09	5,904.42	5,033.75	20361
20362	118,652.51	124,027.10	22,583.73	-	2,194.08	-	-	20362
20363	41,910.95	34,924.91	7,939.22	55.29	-	-	-	20363
20368	26,120.40	13,416.88	5,309.68	876.82	3,167.98	5,102.68	4,352.28	20368
20372	51,189.96	42,380.69	11,272.08	-	167.03	-	-	20372
20373	51,236.91	37,403.38	9,950.74	476.38	1,669.73	2,689.44	2,301.02	20373
20374	27,160.96	5,937.42	4,572.51	1,718.07	7,036.07	11,333.03	9,648.08	20374
20376	34,987.30	30,746.99	7,012.17	-	30.26	2,374.14	-	20376
20377	48,619.14	34,614.69	7,922.33	674.66	2,779.53	3,977.25	3,395.66	20377
20380	10,410.52	7,287.66	2,183.51	198.11	-	-	-	20380
20383	16,081.48	9,568.87	3,288.45	372.89	1,377.81	2,219.24	1,901.35	20383
20384	59,561.08	36,443.45	10,401.95	1,374.62	5,445.25	8,645.05	7,363.29	20384
20386	49,115.21	30,525.56	10,243.19	1,005.23	3,831.22	5,520.47	4,707.40	20386
20387	24,418.18	10,509.11	4,371.60	1,064.19	4,281.85	6,319.81	5,386.84	20387
20389	32,847.10	17,962.55	6,727.41	1,002.15	3,699.84	5,459.44	4,655.53	20389
20390	56,920.16	56,493.32	11,632.33	-	937.05	-	-	20390
20397	19,980.34	14,689.29	3,226.75	371.76	1,684.58	751.48	653.76	20397
20399	86,062.45	88,494.27	12,256.44	-	1,097.49	-	-	20399
20398	1,785.21	55.58	323.66	239.40	634.86	1,010.51	873.93	20398
20401	23,304.85	7,459.57	3,629.52	1,287.12	6,257.31	7,245.56	6,173.73	20401
20402	15,042.78	8,715.77	2,537.85	418.08	2,909.38	1,297.85	1,118.17	20402
20403	-	843.26	42.16	-	87.56	-	-	20403

GSC Billing Divisions	Total Premiums Combined	Total Claims Combined under Stop Loss Claims	Total Fees & Taxes Combined	Total Taxes & Life Refund	Total Reserves & Cooperative Contribution & Growth Fund	Final Gross Patronage Dividend	Net Payable Dividend After Tax	GSC Billing Divisions
1004	16,222.28	7,481.13	3,279.03	679.09	2,352.32	3,788.89	3,235.56	1004
1006	95,812.94	58,551.95	13,409.19	2,783.93	10,300.86	16,334.87	13,899.64	1006
1009	44,957.38	14,732.92	8,732.70	2,325.18	9,122.80	14,694.14	12,505.02	1009
1011	45,389.43	35,321.56	6,868.50	319.94	1,348.03	2,171.28	1,860.59	1011
1012	64,964.74	56,866.13	12,917.96	481.94	-	-	-	1012
1013	10,559.91	7,935.37	1,560.49	148.78	464.56	748.27	651.03	1013
1014	69,969.08	46,057.03	13,104.20	1,237.60	4,613.87	7,431.58	6,331.84	1014
1016	38,636.66	24,410.20	9,458.79	476.77	-	-	-	1016
1017	52,765.65	32,131.77	10,000.34	1,063.35	-	-	-	1017
1018	22,145.97	12,802.64	4,159.79	518.35	-	-	-	1018
1020	46,501.50	29,855.01	8,440.88	820.56	3,471.14	5,555.03	4,736.78	1020
1021	88,609.39	61,253.58	16,346.99	1,100.88	5,143.66	6,966.05	5,936.14	1021
1022	29,645.84	26,965.76	6,156.62	347.65	1,031.12	-	-	1022
1025	18,881.64	21,788.78	3,961.81	686.90	721.53	-	-	1025
1026	35,792.75	37,267.62	7,689.21	916.41	1,427.09	-	-	1026
1027	294,518.07	267,381.79	60,824.57	3,368.83	12,349.89	-	-	1027
1028	103,241.13	97,518.47	18,492.61	1,062.53	-	-	-	1028
1029/1030	93,714.75	77,715.66	17,579.87	28.19	-	-	-	1029/1030
1031	66,760.86	69,458.86	12,954.14	1,067.32	-	-	-	1031
1032	48,214.54	23,910.70	9,048.54	1,525.53	6,427.70	10,353.13	8,815.16	1032
1035/1036	271,337.08	203,833.66	50,649.19	1,685.42	-	-	-	1035/1036
1037	76,596.73	57,894.33	16,748.67	311.46	867.66	1,397.54	1,202.91	1037
1038	47,931.67	40,370.17	8,777.93	372.25	-	-	-	1038
1039/1040	60,744.18	68,637.14	12,405.89	1,856.13	-	-	-	1039/1040
1041	37,217.02	40,927.83	8,814.70	1,132.40	-	-	-	1041
1044/1046/1152	268,815.40	221,162.18	33,147.36	1,961.40	7,323.56	9,143.70	7,787.15	1044/1046/1152
1045	67,990.94	27,375.30	6,790.58	3,515.01	14,509.54	22,830.53	19,420.95	1045
1049	55,554.11	55,565.59	11,185.20	1,040.15	-	-	-	1049
1050	153,407.05	116,790.10	27,407.09	2,958.62	4,672.40	7,496.08	6,386.67	1050
1051/1070/1071/ 1164	274,695.04	198,010.00	48,432.15	3,776.71	14,244.67	17,784.93	15,132.19	1051/1070/1071/ 1164
1053	34,205.02	13,980.29	6,795.93	1,342.88	5,757.33	9,014.35	7,677.20	1053
1055	165,680.41	119,391.63	27,635.28	3,883.26	8,632.45	13,904.32	11,833.67	1055
1056	26,753.30	19,236.63	5,244.02	354.85	1,168.54	1,458.96	1,255.12	1056
1058	84,688.09	76,830.32	15,047.86	123.82	-	-	-	1058
1059	75,840.59	60,716.61	13,935.10	746.93	741.49	1,194.32	1,030.17	1059
1065	52,403.08	57,898.81	11,375.87	1,687.16	3,258.54	-	-	1065
1066	97,093.21	73,386.81	20,183.63	543.92	1,808.60	2,258.09	1,934.38	1066
1067	9,283.33	4,646.24	1,426.25	321.08	1,363.24	2,168.67	1,858.37	1067
1068/1151	118,385.93	79,529.49	21,134.95	1,886.75	7,510.71	12,097.53	10,297.90	1068/1151
1069	46,404.55	34,116.69	7,761.08	709.00	2,005.50	3,230.27	2,760.73	1069
1072	74,406.10	62,665.28	13,504.04	193.12	-	-	-	1072
1073	6,083.24	7,281.86	1,476.34	246.32	949.64	-	-	1073
1074	35,566.03	34,976.11	6,463.88	540.08	-	-	-	1074
1075	118,630.28	102,865.40	14,862.94	1,468.40	907.93	1,462.41	1,258.05	1075
1076	211,733.38	171,987.09	36,287.37	785.37	1,887.58	2,356.71	2,018.20	1076
1077	101,819.39	63,543.94	21,467.57	2,536.15	7,452.92	11,891.11	10,122.44	1077
1078	56,033.42	41,703.69	9,938.96	777.60	2,298.55	2,869.82	2,454.34	1078
1079	97,551.18	57,160.56	16,460.00	2,934.46	10,969.62	15,895.46	13,526.14	1079
1080	167,685.25	150,624.70	29,709.92	399.01	-	-	-	1080
1081	41,426.96	32,153.31	7,630.45	164.32	692.35	1,115.17	962.89	1081
1082	20,529.43	15,255.22	3,847.24	365.21	797.04	995.13	860.86	1082
1083	78,987.70	72,801.79	14,804.62	385.84	-	-	-	1083
1084/1103	53,499.65	40,880.60	11,261.10	249.04	714.69	892.31	773.46	1084/1103
1086	37,709.42	30,308.46	7,579.61	480.62	134.30	167.67	157.52	1086
1089/1090	506,583.42	496,369.81	66,822.34	3,047.12	-	-	-	1089/1090
1091/1092	47,635.21	40,103.83	8,385.62	5.61	-	-	-	1091/1092
1093/1094	128,167.55	98,025.83	23,036.89	2,804.57	4,407.06	5,502.35	4,692.00	1093/1094
1095	13,026.09	8,319.62	1,134.77	357.17	-	-	-	1095
1097/1098/1099	117,458.54	111,419.61	22,175.03	1,150.40	-	-	-	1097/1098/1099
1100	206,829.50	121,867.53	32,966.45	5,199.55	21,907.91	35,287.16	30,009.09	1100
1102	447,991.84	408,585.55	73,304.35	168.21	-	-	-	1102
1104/1105	269,155.77	256,377.35	35,465.56	107.36	-	-	-	1104/1105

1106	111,252.52	111,530.57	21,347.45 -	1,163.55	-	-	-	1106
1107	151,201.98	154,731.97	27,949.13 -	2,438.23	-	-	-	1107
1108	12,134.64	4,666.14	1,820.99	621.27	2,401.18	3,867.60	3,302.46	1108
1109	32,845.93	30,179.35	6,800.81 -	137.17	-	-	-	1109
1110	47,906.88	39,493.78	8,208.04	306.73	227.61	284.18	256.55	1110
1111	34,009.81	17,509.90	5,922.38	1,057.75	4,456.76	7,178.53	6,116.75	1111
1112	38,298.46	12,081.29	7,406.06	1,983.18	7,965.01	12,829.28	10,919.89	1112
1113	21,261.80	16,163.24	4,644.03	197.80	290.12	362.22	322.89	1113
1114	89,367.64	72,545.06	15,456.74	1,321.41	1,029.32	1,657.93	1,657.93	1114
1115	23,882.87	18,124.39	5,242.63	281.82	354.75	442.92	391.48	1115
1116	-	982.80	54.05 -	103.69	-	-	-	1116
1117	60,490.50	48,877.60	10,987.81	62.51	305.80	381.80	339.53	1117
1118	103,270.02	82,331.96	20,684.20	122.91	167.56	209.20	192.82	1118
1119	8,741.34	3,422.86	1,292.75	439.88	1,710.50	2,755.11	2,356.84	1119
1120	619,722.78	441,563.20	55,597.94	14,989.55	58,687.48	78,863.71	67,049.15	1120
1121/1145/1154	2,151,417.19	1,756,470.02	205,530.83	31,207.15	98,118.90	122,504.60	104,143.91	1121/1145/1154
1122	89,659.59	62,951.11	15,679.15	1,572.72	5,604.57	6,997.49	5,962.86	1122
1123	2,219.48	34.49	537.55	663.36	886.80	1,424.00	1,225.40	1123
1124	161,117.42	127,779.79	27,351.53	598.61	2,928.45	3,656.26	3,122.82	1124
1125/1126/1156	40,875.56	19,168.32	7,882.42	1,382.48	5,824.98	9,382.32	7,989.97	1125/1126/1156
1127/1128/1129/ 1130	449,517.31	261,890.52	71,476.25	12,682.65	49,561.93	79,271.26	67,395.57	1127/1128/1129/1 130
1131	97,063.80	86,022.72	17,074.64 -	99.89	-	-	-	1131
1133/1134	51,037.56	74,751.94	10,314.80 -	3,402.92 -	8,675.61	-	-	1133/1134
1135	47,353.39	30,080.87	8,330.37	1,231.07	4,202.36	5,970.86	5,090.23	1135
1136	131,434.78	109,936.60	29,505.24 -	800.71	-	-	-	1136
1137	66,118.68	52,280.92	9,926.07	630.70	2,020.16	2,522.23	2,158.90	1137
1138	83,886.08	78,276.89	15,881.64 -	1,027.24	-	-	-	1138
1139/1140/1144/ 1146/1147/1148/ 1149/1150	406,685.67	258,982.88	65,794.20	9,555.71	37,003.36	54,460.93	46,306.79	1139/1140/1144/1 146/1147/1148/11 49/1150
1141	45,708.63	38,245.98	10,245.54 -	52.65	-	-	-	1141
1142	157,139.33	122,766.65	28,136.40	623.63	3,050.84	3,809.07	3,252.71	1142
1153	25,492.41	18,260.39	4,997.30	342.20	1,169.10	1,407.82	1,211.65	1153
1155	28,883.79	15,605.30	4,812.31	948.90	3,707.29	5,707.80	4,866.63	1155
1158	47,025.06	21,156.98	8,040.13	1,782.80	8,315.03	11,295.72	9,616.36	1158
1157	30,285.43	21,710.41	6,062.30	251.27	1,570.30	1,193.69	1,029.64	1157
1159	147,797.75	103,856.69	31,867.17	1,207.39	6,486.51	6,794.77	5,790.55	1159
1160	56,377.80	24,242.25	10,147.19	2,198.84	9,924.94	14,262.25	12,137.91	1160
1161	87,062.04	79,803.33	18,000.18 -	1,074.15	-	-	-	1161
1162	19,199.03	16,084.04	3,912.02 -	79.70	-	-	-	1162
1163	36,039.94	18,536.58	6,665.32	1,154.51	5,492.48	6,500.07	5,540.06	1163
1165	46,872.56	43,439.84	8,375.40 -	385.79	-	-	-	1165
1166	16,857.76	13,731.87	3,726.67	2.78	-	-	-	1166
1167	85,639.62	36,496.71	12,831.75	4,248.93	17,466.76	23,093.32	19,644.32	1167
1168	22,113.60	6,496.62	3,178.38	1,311.82	5,644.98	8,105.44	6,904.62	1168
1169	19,918.47	11,367.06	3,740.56	481.08	2,761.96	2,529.97	2,165.47	1169
1170	18,025.04	17,037.74	3,761.87 -	277.46	-	-	-	1170
1171/1172	77,627.37	58,724.86	13,099.57	580.29	4,414.13	1,969.10	1,688.74	1171/1172
1173	19,235.80	11,106.77	4,003.87	412.52	2,661.40	1,876.28	1,609.84	1173
1174	12,215.04	5,198.22	2,448.06	456.88	2,429.16	2,596.48	2,222.01	1174
9000/9001/9002	327,393.35	226,991.52	63,662.45	5,431.31	18,754.76	23,415.93	19,918.54	9000/9001/9002
9007	17,776.59	8,410.66	3,072.85	629.31	2,651.54	4,270.85	3,645.22	9007
9008	16,225.63	10,338.27	2,955.33	330.48	1,249.67	2,012.84	1,725.92	9008
9009	22,471.27	29,468.77	4,908.55 -	1,167.91	-	-	-	9009
9003/9004/9005/ 9006	-	-	-	6,158.67	2,359.01	3,799.66	3,244.72	9003/9004/9005/9 006

2022 AGM

Meeting Minutes

The Beneplan Employee
Benefits Co-operative Inc.
Annual General Meeting

April 26, 2022, 11:00am
ET -12:00pm ET

Online via Zoom & In person at the Sheraton
Toronto Airport Hotel & Conference Centre
801 Dixon Rd, Toronto, ON



11:00am ET

Unofficial start

Jennifer Connolly welcomes everyone online and in person

- Goes over voting online and in-person.
- Explains “chat bar” to online attendees

11:01am ET

At Podium

Yafa Sakkejha

“My name is Yafa Sakkejha, the CEO of Beneplan. I can’t tell you how phenomenal it is to see everybody here in person. I know we have about half of our members online, and we appreciate that you came. But really, it’s important that you’re all here because not only are you all my bosses, but you’re also owners of the cooperative. And it’s important to remember that ownership is so critical to the success of the cooperative.”

- Yafa tells an anecdote about “bosses” and how she considers the Co-operative members her bosses.
- Yafa calls for a motion to officially start the AGM.
- Motion is seconded, voted on and passed.
- Introduces Ian Torrance, Chair of the Board

11:01am ET

At Podium

Yafa Sakkejha

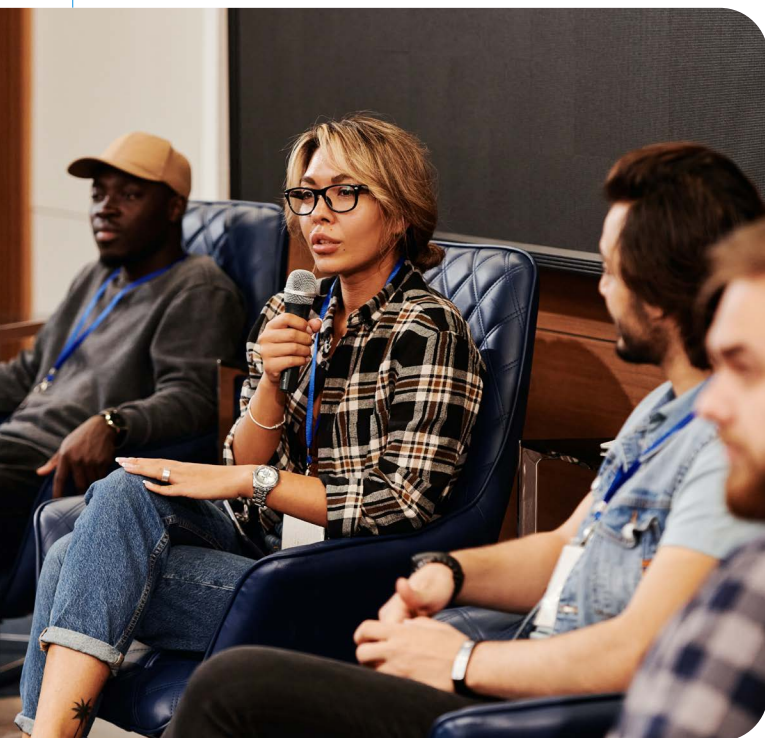
“Welcome, everyone. My name is Ian Torrance, and I am the Chair of the Board. I am President and Partner at P.K. Douglass Inc, and a Beneplan member for number of years.”

- Yafa tells an anecdote about “bosses” and how she considers the Co-operative members her bosses.
- Yafa calls for a motion to officially start the AGM.
- Motion is seconded, voted on and passed.
- Introduces Ian Torrance, Chair of the Board

Ian Torrance

“Welcome, everyone. My name is Ian Torrance, and I am the Chair of the Board. I am President and Partner at P.K. Douglass Inc, and a Beneplan member for number of years.”

- Confirms that as of 11:06am that we do have a quorum of more than 30 member-owners.
- Refers to the onscreen Agenda. Motions to approve. Vote. Motion approved
- Introduces the board members in attendance—George DiPede, Colleen Musalem (online), Beverley Ferguson, Arun Srivastava, Antero Elo, George Zeni, Nick Moschella, Bruno Schirripa, Emma Horgan, Niles Pol – “These are the people that worked on your behalf, are your voice with management of the coop.”
- Reflects on the year 2021 – Covid, economy, uncertainty
- This year refunds are 2.46 million, average dividend last year was \$7,312, 102 members were in a deficit position, ranging from \$24 to \$22,580. There were seven team members that had dividends of under \$1,000.
- Calls on the Finance Committee to introduce the 2021 financial statement (Colleen, online)



Colleen Musalem, Finance Committee

- It's great to see everybody out at the meeting. I'm sorry I couldn't join you in person.
- Invites everyone to turn to page 35 of the annual report to review the financial statements. Note that we have our auditor on hand. Should you have any questions please enter them in the chat bar.
- The finance committee had the opportunity to meet with the auditor to review the audited financial statements in detail and we did not find any concerns of a material nature. We find that the financial statements are fairly stated as presented.
- Colleen puts forward a motion to ask the member audience to accept the financial statements as presented and empower the incoming finance committee to appoint a new auditor for the 2022 fiscal year.

Question from the floor:

There's a metric in your executive summary report that says there's a 2.5 times ROI investment of working with an advisor. So what does that mean?

Yafa answers: “We looked at the cost of hiring an intermediary underwriter/advisor to look at the blocks, then we divide the dividend over the advisor or intermediary fee. We do that in the spirit of transparency. We run these numbers every year. The reason why we do that is because we're saying well look if you're getting a dividend back of let's say \$10,000 you get that because we were introduced to the concept by the advisor/intermediary. Let's say you're paying your advisor \$3,000 within that one item, then that's the ROI that we're trying to bring to there. Right. So that's an important metric because the more we grow the volume is so critical to the Co-operative growth and why we're able to command lower rates, lower fees, better terms from insurance companies. And the key to volume is to partner with high quality advisors to get that message out there.”

- Yafa calls for a show of hands for acceptance of the financials. Ian Torrance seconds the motion. All in favour (shown by hands), Opposed (no opposition online). Passed.

Ian Torrance

"Thank you. I'd like to take a moment to recognize the board members that are retiring this year – Myself, Colleen Musalem, Beverly Ferguson and Antero Elo. I'd like to thank these people for their hard work. We have five openings on the board, at this point."

- Presents members who have been nominated to join the incoming board and gives them each a moment to introduce themselves.
 - Tim Otten, Controller at Willowbrook nurseries
 - Courtney Sebu, Vice President of people and culture 8Twelve Mortgage.
 - Dr. Anurag Sinha, President and CEO of Olympic tool and Die
 - Diane Gadoutsis, HR manager, Alpha Labs Inc.
 - Laura Sciacca, CFO and Office Accountant, JCL group.
- (Technical difficulties, most unable to speak to group) Courtney introduces herself via Zoom.
- Ian asks for members to accept the slate of directors as presented to you by the nomination committee. Seconded. Passed.
- Ian gives final words as Board Chair and stresses the importance of the Bard as the voice of the members to the management team.
- Calls on Yafa to present the Management Report.



Yafa Sakkejha

Yafa agrees with Ian of the importance of the board and how members should consider asking to be part of the Board of Directors. It's a great opportunity to meet other talented business leaders, HR leaders, CFOs controllers.

- Management Report:
 - In 2021 we see the dividend had plummeted, but that's truly because of the lock downs but that people began using their benefits again.
 - The reduction in refunds means that we perfectly rated premiums, minus claims minus fees and reserves
 - Yafa introduces Qin Lin who manages the Beneplan Underwriting Team and works very closely with John Lewis and our partners at SMC who conduct the audit.
 - The auditors conduct private meetings with the insurance carriers; Beneplan management is not involved. (Transparency)
 - We saw a lot of employers looking to increase benefits to keep and entice new employees who are looking for more. Not so much the "ugly" benefits such as STD and LTD but "pretty" benefits such as massage and dental.
 - Discussed how Telemedical (Maple) is a great benefit to productivity and ease of use for employees.
 - Minimum Standard rollout in 2021: a cost effective and great addition (i.e., more mental health, fertility, EDD, smoking cessation) to our plans.
- Yafa invites Joel Gomes, Senior HR Manager at Beneplan to speak about trends from 2021.

11:44am ET

At Podium

Joel Gomes

Thank you. All if you are here today because each of you decided to invest in your employees. Here is what we've been seeing in our day-to-day interaction with human resources at Beneplan and with clients.

- My consulting is at no cost to you – whether it is a form, contract template or interacting with me to deal with incoming or outgoing employee issues and challenges.
- A major trend stems from the re-opening of businesses and employers wanting employees back in the office.
- Creating policies for the Hybrid workspace – office attendance, security and technology requirements
- GPS tracking and “Right to Switch-off” legislation
- Legal surrounding people who do not return.
- Final Takeaway – Talent retention is important, but it must be remembered that the employee relationship is not just about employers offering employees benefits. The employment relationship is a two-way street but in turn, employers have the right to enforce policies.

Ian Torrance comments from the audience that Joel is a great resource of which employers should take advantage

11:44am ET

Joel cedes the floor to Yafa

Yafa Sakkejha

She thanks everyone and asks for a motion to close the meeting. Motion, seconded – passed. (by hands in audience)

That ends the 2022 AGM. Thank you all..

12:00 pm ET

Meeting is adjourned.





Thank You For Reading!

If you have any questions about the report feel free to reach out to us at
[Beneplan.ca](https://beneplan.ca) | service@beneplan.ca

