

Planning for Future Pandemics

The H1N1 flu has been by far the biggest health story of the past few years. According to the World Health Organization (WHO), H1N1 was the first pandemic in 41 years. Due to the importance of this issue, we published a special bulletin on H1N1 last fall that talked about the three stages of the pandemic; (1) pre-pandemic, (2) pandemic, and (3) post-pandemic – and the actions to be taken at each stage.

Simply because the pandemic has passed for the time being does not mean you should forget about the precautions you have put in place. It is in this post-pandemic stage that employers are best positioned to make continued efforts to ensure a safe work environment for their employees.

“Between the extremes of panic and complacency lies the solid ground of vigilance.”

*Dr. Margaret Chan – Director General
World Health Organization*

Post-Pandemic Planning

This is the time to look back on the measures that were taken and determine what changes need to be made in order to better prepare for the next pandemic.

What's inside

Page 2

- A Training Program for Your Board of Directors or Pension Committee
- Workplace Violence Seminars

Page 3

- Budget Highlights
- Planning for future Pandemics
(cont'd from page 1)

Page 4

- Newsletter Q&A
- Cowan Catches Olympic Fever!

In Our Next Issue:

- How the Harmonized Sales Tax will affect benefits plans

We recommend that you review:

1. Your pandemic plan and compare it to the action that was taken during the pandemic.
2. Absenteeism during the pandemic stage and how you managed reporting absences of all kinds, and those of an infectious nature. It's also a good time to look at your return-to-work policies and practices (i.e. obtaining medical clearance to return to work, or a blanket policy that all employees could return to work once symptom free for a specific number of days).
3. Current office hygiene procedures, such as: the cleaning of an ill employee's work station; increasing the frequency of your office cleaning; or the provision of anti-bacterial wipes.

You may even want to survey your employees and/or clients to obtain feedback regarding their perception of how the organization managed the pandemic and communicated its plan. Following your compilation of this data, review the plan and compare it with the outcomes. After this review, you will be positioned to make changes to the existing plan to ensure you are well prepared for any future pandemic.

Moving Forward

If you have made any changes to your organization's pandemic plan, we recommend testing this new or modified plan in order to ensure its functionality. Recommendations for moving forward include:

1. Regular reviews of your organization's pandemic plan according to the changes that occur within your organization, such as restructuring or relocation.
2. Ensuring that changes are accounted for in your pandemic plan.

...continued on page 3

A Training Program for Your Board of Directors or Pension Committee

As our pension clients are aware, the Board of Directors of any organization or company that sponsors a registered pension plan is ultimately responsible for the operation and administration of the program. A certain level of knowledge and understanding of pension plans is required to effectively fulfill this mandate.

Based on this need, Cowan is pleased to announce the development of a program that will provide the training necessary for the Board of Directors or Pension Committee to assist their members in carrying out their duties and making informed recommendations and/or decisions. For the purpose of this article, when we reference the Pension Committee, this also includes the Board of Directors or any body that recognizes the responsibility for all Capital Accumulation Plans (CAPs): registered pension plans, group Registered Retirement Savings Plans and deferred profit sharing plans.

Plan sponsors who have established registered pension plans generally outline details of the operations of the plan in a Governance Model document. The Governance Model document details who is responsible for the plan and how those responsibilities are carried out. Many plan sponsors have established Pension Committees to oversee these operations and ensure the compliance and fiduciary responsibilities are adhered to. One key facet of the Governance Model is for the Plan Sponsor to ensure training is provided to those with the weight of this responsibility.

Our Pension Committee Training Program consists of a number of modules that prepares a Pension Committee member to participate and understand the importance of their role. The training and modules address several issues, including:

- The Canadian retirement system
 - Government benefits
- Private pension plan coverage
 - Types of plans
- The current pension landscape
- What is a fiduciary?
- The legal issues faced by plan sponsors/regulatory environment
- Filing, documentation and disclosure
- Good governance
 - Governance structure within an organization
 - Governance process
- Understanding and the importance of adhering to the Canadian Association of Pension Supervisory Authorities (CAPSA) Governance Guidelines and the Guidelines for Capital Accumulation Plans (CAP)

Based on an assessment of the needs of current Pension Committee members, Cowan will customize a training program to suit your needs.

For more information, please contact Teresa Norris-Lue, VP of Benefits, at 519-650-6363, ext. 51304, or teresa.norris-lue@cowangroup.ca.

Workplace Violence Seminars

Our Cambridge and Ottawa offices are hosting seminars on changes to Ontario's Occupational Health and Safety Act (OHSA) that aim to protect workers from workplace violence and harassment. Amendments to Bill 168 come into effect on June 15, 2010.

Join us to learn more about the amendments, and what you can do to prepare your organization for these changes.

Cambridge, ON

Date: Wednesday, May 12th

Where: Cowan's Cambridge Office
705 Fountain St. N.

Time: 8 am to 11:30 am

RSVP: maryann.stewart@cowangroup.ca

Ottawa, ON

Date: Wednesday, May 19th

Where: The Chimo Hotel
1199 Joseph Cyr Street

Time: 8 am to 11:30 am

RSVP: joanne.gosselin@cowangroup.ca

Timmins, ON

Date: Wednesday, May 26th

Where: Cedar Meadows Resort & Spa
1000 Norman Street

Time: 8 am to 12:00 pm

RSVP: joanne.gosselin@cowangroup.ca



Budget Highlights

The Federal and Ontario governments tabled their budgets in March 2010. Below are items we think may be of interest to you and your employees.

Ontario Budget Highlights

- **Consultations on Retirement Income Security** – The economic uncertainty of the last few years and record-low interest rates have put a spotlight on Canada's retirement income system. Ahead of a finance ministers' meeting in May 2010, the Ontario government will be consulting with interested Ontarians about measures that could be taken to improve retirement income security.
- **Generic Drugs and the Role of Pharmacists** – The Ontario government declared that it aims to reduce the price of generic drugs with changes to the statutes that govern Ontario's drug system. The budget also mentions increased provincial support for pharmacies in rural and under-served areas, and expansion of clinical services provided by pharmacists.

Specifically related to defined benefit plans:

- **Pension Benefits Guarantee Fund (PBGF)** – Included in the budget is \$500 million for the PBGF in 2009-2010 to "help ensure the PBGF has sufficient assets to cover claims in the near term." An actuarial study will be conducted of the PBGF by the Ontario government to assess its future.
- **Bill 236 Pension Reform** – As we mentioned in our December 2009 Bulletin, Bill 236 is the first step in a multi-step process that represents the first pension reform in 20 years. This pension reform process will continue into 2010, and will look at several principles, including: (1) all benefits

should be funded; (2) stakeholders should share risk and responsibility; and (3) funding rules should match benefit and governance structures.

- **Pension Investment Rules** – Ontario may consider the appropriateness of changes to pension investment rules after the federal government implements its reforms. These proposed reforms prevent plans from owning more than 30% of voting shares of a company.
- **Consultation on Division of Pension Benefits** – Discussions will take place in 2010 regarding the regulations for calculations for the division of benefits for family law purposes.

2010 Federal Budget Highlights

- Existing or recently terminated worksharing agreements will be extended by an additional 26 weeks to a maximum of 78 weeks. Workers can take advantage of such agreements until March 31, 2011.
- The Federal Government will direct \$4 billion toward extending Employment Insurance benefits to more people for longer and to training opportunities for the unemployed.
- The corporate tax rate will fall by 24%, pushing ahead with plans to make Canada the country with the lowest corporate income tax rate in the G8 by 2012.
- Make it easier to do business in Canada through the elimination of tariffs on a broad range of machinery and equipment for manufacturers.
- Aim to eliminate all remaining tariffs on manufacturing inputs and machinery.

...cont'd from page 1

Planning for Future Pandemics

3. Maintaining an updated disaster recovery list to ensure communication with your employees at all times.
4. Maintaining hand washing and office hygiene principles. Good hygiene has always been and continues to be the best measure against the spread of any infection.
5. Requiring sick employees to stay home in order to prevent the spread of their infection.

These measures should help you maintain your organizational health during future pandemics.

If you have any questions, please contact your Cowan consultant or the author of this article, **Susan Novo, Manager of Health and Disability: 613-741-3313 ext. 52274** or susan.novo@cowangroup.ca.

*This article is abbreviated from an original version published in the April issue of **Avantages** magazine. Written with information from: **The H1N1 Flu in Ontario, a Report by Ontario's Chief Medical Officer of Health.***

- The planned exclusion of cosmetic procedures for a medical tax credit could have an impact on any benefit programs where this has been an acceptable eligible expense (for example, a HealthCare Spending Account).
- Parents and grandparents will be allowed to rollover Registered Retirement Savings Plan proceeds into a Registered Disability Savings Plan upon death.

Newsletter Q&A

Q. What is the Ontario Trillium Drug plan and how does it work?

- A. The Trillium plan is a provincial drug plan to assist citizens that have high drug costs but who are not eligible for the standard Ontario Drug Benefit (ODB) and do not have coverage for their prescribed drug through a private drug plan or their private insurance does not cover 100% of your prescription drug costs.



The program runs annually from August 1 to July 31. There is a deductible, which is paid in four installments over the program year and is calculated based on net household income and household size.

For example, a household with an annual deductible of \$500 will pay a \$125 deductible at the start of each quarter beginning on August 1. After the deductible is paid in each quarter, the household will be eligible to receive drug benefits for that quarter, and will be asked to pay up to \$2 per prescription each time they purchase an eligible drug product. Any unpaid

Cowan History Book

To learn more about Cowan Insurance Group and our company history, we invite you to visit: www.cowangroup.ca/historybook.

deductible in a quarter will be added to the next quarter's deductible. To count toward the deductible, the drug must be eligible under the ODB formulary

<http://www.health.gov.on.ca/english/public/pub/drugs/trillium.html>

Cowan Catches Olympic Fever!

When Joanne Gosselin from Cowan's Ottawa Disability Management team arrived at the 2010 Winter Games in Vancouver to volunteer, she was swept off her feet by Olympic fever. Excitement was palpable everywhere she went, not only for the Canadians to own the podium on our own turf, but to be part of something larger than life.

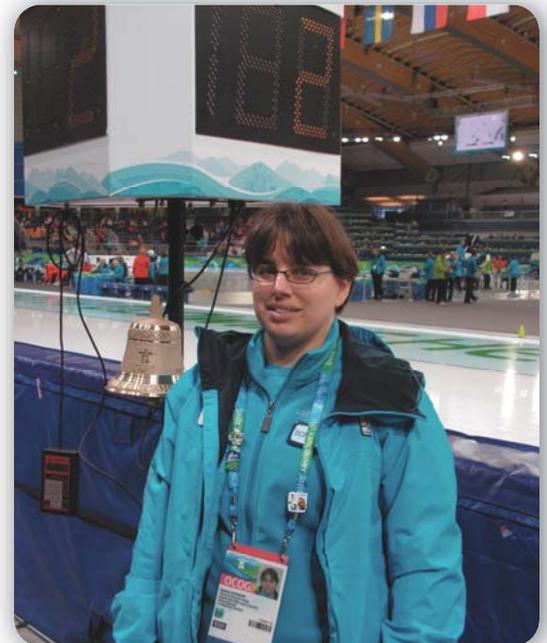
Watching the dress rehearsal of the opening ceremonies, Joanne didn't think her experience of a lifetime could get any better, but it did!

An internationally-certified lap counter for speed skating, Joanne was pulled from her volunteer duties in the Athletes Services Crew at the

long track speed skating competition for the final two days of competition to count the laps for the team pursuits.

What was the pinnacle of her Olympic experience? Watching Canada capture gold in the men's team pursuit event. The Canadian team of Denny Morrison, Lucas Makowsky and Mathieu Giroux edged the United States by just 0.19 seconds in the gold-medal final.

"Seeing them perform and watching records fall and history being made was pretty amazing!" said Joanne.



This bulletin is produced by the Benefits and Retirement Consulting Division of Cowan Insurance Group and its subsidiary, Wentworth Financial Services. We help public and private-sector clients manage their group benefits, retirement and health and disability management plans.

Cowan Insurance Group
705 Fountain St. N., PO Box 1510
Cambridge, ON N1R 5T2
Phone: 519-650-6360
Toll Free: 1-866-912-6926

Wentworth Financial Services
105 Main Street East, Suite 605
Hamilton, ON L8N 1G6
Phone: 905-528-0193
Toll Free: 1-800-463-5386

700-1420 Blair Place
Ottawa, ON K1J 9L8
Phone: 613-741-3313
Toll free: 1-888-509-7797

www.wentworthfinancial.com/march-10