

EXCERPTS FROM THE WINTER 2025





GETTING OUT TO MEET YOU

People often associate AREQ with seniors, but I like to point out that AREQ members are in fact retired public servants of all ages. We have members as young as 50, along with those in their hundreds. To me, AREQ is very much an intergenerational association.

While encompassing a wealth of experience, expertise and points of view, AREQ faces challenges in serving its members! Needs and expectations vary according to age groups. AREQ's involvement and initiatives span many spheres, and its leadership steadfastly seeks positions that are representative of what the majority of our members think.

That is why meeting with you is so important to us. We want to understand who you are, what your concerns are and what exactly your positions are on specific issues.

Drawing from the answers to the vast survey we conducted last fall, with close to 2,300 respondents, the winter issue of *What's New* features an article that paints a portrait of AREQ's members. Thank you for taking the time to answer the survey in such large numbers!

Retired people and seniors represent a significant portion of volunteers in Québec. Every year, they devote more hours to volunteering than any other age group. Those many hours combined represent 131,400 full-time jobs. This wealth of experience and skills shores up institutions, helps to enrich the community, fosters social cohesion and strengthens intergenerational ties.

This is what makes us believe that we are more than justified in demanding living conditions that maintain the autonomy of aging people. This is also why AREQ took the initiative, in conjunction with the IRIS (Institut de recherche et d'informations socioéconomiques), to develop a Québec model inspired by the world's best practices in home care. The result is a sound proposal that AREQ is proud to defend, one that encourages the Québec government to embrace this concept and make the crucial shift towards the home care and home services that we have been waiting for and that our members have been demanding for far too long.

► **MICHELINE GERMAIN**

AREQ President

BUDGET FORECASTS



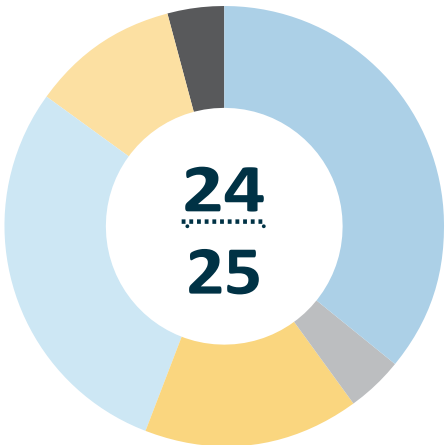
► MARTINE FAUCHER

Financial Planning and
Analysis Advisor

AREQ presented the 2024-2025 budget forecast to members of the National Council last October. This is a budget based on the orientations and decisions taken at the June 2023 Congress.

Out of a budget of \$6,535,744, 40% of the funds are returned directly to the regions and sectors. A further 60% are allocated to national activities. That amount takes into account a major development plan adopted by the Board of Directors, the aim of which is to increase AREQ's membership over a 5-year period. This plan will be financed in part by the general fund, but also by other funds.

REGIONS AND SECTORS		
Bodies and activities	\$2 338 150	36%
Services and orientations	\$245 594	4%
Subtotal		40%
NATIONAL		
Bodies and activities	\$1 022 500	16%
Services and orientations	\$1 913 400	29%
Administration	\$723 600	11%
Transfer of funds	\$292 500	4%
Subtotal		60%
TOTAL	\$6 535 744	100%



- Regions and sectors - Bodies and activities: 36%
- Regions and sectors - Services and orientations: 4%
- National - Bodies and activities: 16%
- National - Services and orientations: 29%
- National - Administration: 11%
- National - Transfer of funds: 4%

HOW THE ASSUREQ GROUP INSURANCE PLAN WORKS AND ITS RENEWAL FOR 2025

JOHANNE FREIRE

Social Security Advisor

► Along with some 60% of Québécois, you enjoyed group insurance coverage while you were still working. Once you retired, you had the privilege of continuing being covered by a group plan through your union association, AREQ. Why is this a privilege? Because very few workers have the chance to participate in a group plan once they retire. Let's take a look at the main advantages of the ASSUREQ - AREQ insurance plan.

Here are 5 good reasons to participate in ASSUREQ:

- 1 **Eligibility without proof of good health**
- 2 **No increase in premium based on age**
- 3 **No age limit**
- 4 **Travel insurance for up to 6 consecutive months**
- 5 **Continued insurance coverage for surviving spouse**

ASSUREQ is a supplementary group insurance plan that includes health and life insurance. It is offered exclusively to AREQ members.

Here is how the ASSUREQ group insurance plan works

First of all, when you participate in a group insurance plan like ASSUREQ, you sign a contract that insures a risk. In exchange for a premium, the insurer undertakes to pay the insured person a benefit in the event of an accident, illness or death.

Every year, the terms of renewal of the ASSUREQ contract are negotiated with the insurer by the consultants from AREQ and CSQ assigned to the insurance file, accompanied by an actuary from the firm Mallette. The meetings usually take place in the fall and the aim is to set the best possible rates to both accurately reflect the group's situation and ensure the financial soundness of the plan.

During these discussions, the parties must ensure that for each benefit, the total amount of premiums to be collected in the next year will cover the number of benefits to be paid to insured persons, plus administrative fees and third-party payments (such as taxes). This is a basic principle of insurance.

ASSUREQ, a retention plan

If, for a given year, the amount in premiums received is higher than the amount in benefits paid + administrative fees, we are looking at what we call a surplus.

What happens to the surplus? Since the ASSUREQ insurance plan is a retention plan, surpluses are returned to policyholders in the form of rebates or holidays from paying some of the premium. However, a portion may be used to offset any accumulated deficit, if need be, or to create a stabilization fund in view of more difficult times ahead.

If, on the contrary, the amount in benefits paid + administrative fees is higher than the premiums received, we are then facing a deficit.

How are rates determined?

To establish the rates of the ASSUREQ health and life insurance plan, a number of factors are considered:

Group experience

The group experience includes the amount in premiums received and the amount in benefits paid for all insured persons over the past 24 months for

health insurance and over the past seven years for life insurance. Simply put, the higher the total amount of claims paid in a given year, the higher the premiums for that year. It should be noted that by adding a benefit to the contract or by enhancing a benefit, claims will also increase.

Inflation

The average price of care and medical supplies, which fluctuates from year to year, has a direct impact on the group experience and therefore on the premium to be paid.

Administration fees and taxes

The premium includes the fees incurred by the insurer for administering the contract, the costs related to legal provisions and taxes.

Economic and social context

At the moment, we are seeing that the socio-economic context also has an impact on rates. This includes new legal provisions, a decrease in government involvement, a surge in health-related problems and an aging population.

AREQ, as co-owner of the ASSUREQ insurance plan, has the delicate task of making certain that the insurance plan meets the needs of its members, while maintaining its long-term financial security. The other players, CSQ and Beneva, share the same concerns.

Terms and conditions of ASSUREQ renewals in 2025

When the time comes to renew the contracts, the parties meet to discuss, exchange and negotiate the terms and conditions of renewing the group insurance plan, effective January 1 of the following year. Four important points were noted this year.

- Travel insurance and trip cancellation claims returned to pre-pandemic levels and beyond. It was noted that insured members, like the rest of the world's population, started to travel again. This has had an impact on the plan, since the number of claims and their costs increased considerably.
- Health care claims by health care professionals rose sharply, both in terms of frequency and in terms of cost.
- The market saw the arrival of the drug *Wegovy*. This new obesity control drug, which is both popular and expensive, is an eligible drug, not covered by the RAMQ's public prescription drug insurance plan. It alone represents a significant increase in the premium.
- There was a significant increase in the number of deaths.

In light of these findings and, following serious negotiations with the insurer, AREQ's Board of Directors and the CSQ adopted the following renewal conditions:

Health insurance

In view of the surplus available in the segregated funds, a monthly premium holiday of \$6 per member was granted.

There will be an increase in the monthly health plan premium ranging from \$4.36 to \$10.37.

There will be an increase in the monthly premium for the Health Plus plan, ranging from \$10.04 to \$20.68.

HEALTH PLAN			
Monthly rates payable in 2025 with \$6/month rate holiday			
Coverage status	Premium rate in the contract	Rate holiday	Premium rate with rate holiday
Individual	\$35.68	\$6	\$29.68
Single-parent	\$42.24	\$6	\$36.24
Family	\$64.81	\$6	\$58.81

HEALTH PLUS PLAN			
Monthly rates payable in 2025 with \$6/month rate holiday			
Coverage status	Premium rate in the contract	Rate holiday	Premium rate with rate holiday
Individual	\$63.18	\$6	\$57.18
Single-parent	\$74.78	\$6	\$68.78
Family	\$114.77	\$6	\$108.77

Life insurance

In view of the surplus available in the segregated funds, a monthly premium holiday of \$6 per member was granted.

There will be an increase in the monthly premium rate ranging from \$1.26 to \$11.71 as of January 1, 2025.

LIFE INSURANCE			
Monthly rates payable in 2025 with \$6/month rate holiday			
Coverage status	Premium rate in the contract	Rate holiday	Premiums rate with rate holiday
OPTION 1			
Individual	\$26.58	\$6	\$20.58
Family	\$39.51	\$6	\$33.51
OPTION 2			
Individual	\$53.16	\$6	\$47.16
Family	\$66.08	\$6	\$60.09
OPTION 3			
Individual	\$79.74	\$6	\$73.74
Family	\$92.67	\$6	\$86.67

A DEVELOPMENT PLAN FOR AREQ

DOMINIC PROVOST
General Manager

AREQ's Board of Directors recently adopted a five-year development and recruitment plan. The aim of the plan is to substantially increase the number of our members and thereby ensure our association's long-term vitality.

The ambitious plan adopted by our elected representatives was drawn up in response to a number of observations expressed by our governing bodies and sectors. These include the increase in the average age of our members and the decline in certain sectors, as well as the difficulty in finding new members for elected positions and having members participate in our activities.

However, if we want retired people to join us and get involved, we first need to attract them and then cultivate a sense of belonging. AREQ therefore intends to deploy significant financial and human resources to achieve five major objectives:

- 1 Make ourselves better known to CSQ unions and union members.**
- 2 Maximize AREQ membership among current, former and future CSQ retirees.**
- 3 Broaden our recruitment pool.**
- 4 Increase our power of attraction and retention.**
- 5 Meet the needs of our new members.**

It was decided that no effort would be spared to make ourselves be seen, known and recognized: we will present AREQ at meetings with our CSQ colleagues, deploy our new brand, distribute promotional items, run ad campaigns, launch new services, use our finest calling card - our insurance plan - prepare special activities for new members, develop a MonAREQ application for tablets and include any other resources we can harness.

Of course, AREQ will continue to fulfil its mission as an advocate for seniors' rights. We will use all platforms to take a stand on a wide range of issues, starting with the health and financial condition of seniors. We will continue to build on the credibility we have earned with public decision-makers and with actors from every sphere of society.

In short, our members, our future members and the general public will hear a lot more about AREQ in the years to come, making sure that our movement will continue to grow.

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Poste-publications : No : 40007982