

Update on the Transition Fund

What's new with the Transition Fund?

Availability of the Transition Fund after March 31, 2016

The Transition Fund has not yet run out, and funding for coverage is still available for prescription drug benefits, and dental and other health benefits. The fund will continue until it reaches the \$3 million cap. Up to \$2.5 million is available for prescription drug benefits coverage (Tranche 1) and up to \$500,000 is available for emergency coverage for urgently required dental and other health benefits (Tranche 2). Once the Transition Fund is exhausted under either Tranche 1 or 2, no claims will be processed under that tranche.

Changes to prescription drug eligibility

As of March 14, 2016, the parameters of the fund were expanded and began providing coverage for repeat refills of 30-day prescription drugs.

Once you have claimed 30 days' worth of prescriptions you will have to wait a period of time before processing your next refill. The next claim will be allowed when the beneficiary is 80 per cent of the way through their current prescription (e.g., day 24 of a 30-day claim). The 30-day repeat refills will continue until the fund runs out.

Claims for more than a 30-day supply will be rejected (e.g., if you claim for 90 days of prescriptions, the claim will be rejected. The pharmacy will have to resubmit for a 30-day supply and you will have to return once the wait period is done.)

Retroactive payments for 30-day repeat refills purchased before March 14, 2016 will not be issued.

The other provisions of the Transition Fund (e.g. the dental and other benefits) remain the same.

Background

On September 16, 2014, US Steel Canada (USSC) filed for protection under the Companies' Creditors Arrangement Act (CCAA).

As the result of the Court's decision on October 9, 2015 regarding USSC's cash conservation and business preservation plan, prescription drug and other health benefits ("OPEBS") were suspended for eligible USSC retirees and their eligible spouses and dependents ("OPEB Beneficiaries"). Life insurance coverage was not suspended.

Following the Court decision, the Ontario government committed to establishing a \$3 million Transition Fund to help support retirees and beneficiaries impacted by the suspension of their OPEBs. The Transition Fund is not a continuation of the USSC OPEBs but is meant to address urgent and critical health needs of affected retirees as they transition to other supports and programs available such as the Trillium Drug Program.

In December 2015, a Transition Fund letter was distributed to OPEB Beneficiaries, outlining how the Transition Fund would be used, and how to apply for coverage from the fund. The fund has been operational since January 1, 2016.

Further Information on the Transition Fund

The December 2015 Transition Fund letter, as well as details about the fund's parameters and process for submitting claims are available through the websites of the representatives of the union and salaried retirees, and the Monitor, as follows:

- Ernst & Young - www.ey.com/ca/ussc
- USW Local 1005 – www.uswa1005.ca
- USW Local 8782 - www.uswa8782.com
- Koskie Minsky LLP – www.kmlaw.ca/cases/usscrepcounsel/
- Stel Salaried Pensioners Organization - www.stel-salaried-pensioners.org

If you do not have access to the internet, please refer to the following contacts provided for your convenience:

Non-USW Members: Koskie Minsky LLP at their toll-free phone number at 1-866-777-6341.

Local 1005:

Tony McLaughlin
(905)547-1417 ext. 4
tony.mclaughlin@uswa1005.ca

Ron Wells
(905)547-1417 ext. 3
ron.wells@uswa1005.ca

Local 8782:

Terry Barnard
519-587-2000 ext. 225
wsib@uswa8782.com

Mark Talbot
519-587-2000 ext. 301
vp@uswa8782.com

Greenshield Canada call centre at their toll-free phone number at 1-888-711-1119.