

PARKLAND COLLEGE	CATEGORY A	BUSINESS ADMINISTRATION
HEALTH & DENTAL RESERVE GUIDELINES	POLICY #: OPR A-11	APPROVED: JUNE 26, 2017 REVIEWED

1. GUIDELINE

The college is responsible for overseeing the Health and Dental Reserve. This Reserve exists to ensure that there are monies available to address cost fluctuations, decision making timelines, and other student health plan cost related matters. This reserve will be capped, and will only be used for Student Health & Dental Plan costs.

2. RATIONALE

It is understood that predicting the exact plan enrolment or usage and quantifying future deficits or surpluses is challenging. This can lead to unforeseen changes to cost and be influenced by isolated events that increase the health care needs of students individually or as a group.

The intention is to assist in creating specific rules and regulations regarding Health and Dental Reserve funds.

This guideline will:

- 2.1 Establish an acceptable percent of Health and Dental fee that should go towards the reserve.
- 2.2 Establish a dollar limit for the reserve.
- 2.3 Create transparency around the transactions within the reserve.
- 2.4 Prevent this reserve from being spent irresponsibly

3. SCOPE AND DEFINITIONS

3.1 SCOPE

The College is responsible for maintaining this guideline, in conjunction with or on the recommendation of the Director of Finance.

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3.2 DEFINITIONS

- 3.2.1 Cost: The amount the College pays for the insurance coverage provided to students.
- 3.2.2 Fees: The Student Health Plan Fee and Student Dental Plan Fee charged to students.
- 3.2.3 Provider: The broker or consultant currently providing Health and Dental services to the College.
- 3.2.4 Reserve: Excess funds from the difference between the Fees and the Cost, retained in a dedicated fund to meet expected or unexpected demands.

4. EXPECTATIONS:

The resolutions made regarding the Health and Dental Reserve are expected to satisfy the following conditions:

- 4.1 No more than thirty percent (30%) of the annual Health and Dental Fees paid by students to the College should be allocated to the Health and Dental Reserve in any given year.
 - 4.1.1 In the event the Reserve is less than thirty percent (30%) of maximum value, the preceding clause can be disregarded until such time that the Reserve is at least thirty percent (30%) of its maximum amount.
- 4.2 The maximum Reserve should be no more than one hundred percent (100%) of the total annual Health and Dental Premiums paid to the Provider by the College.
- 4.3 The Reserve should be reviewed annually in conjunction with the Provider.
- 4.4 The Reserve will only be used to cover Health and Dental Plan costs, and may not be diverted or reallocated into any other project, fund, or reserve.