

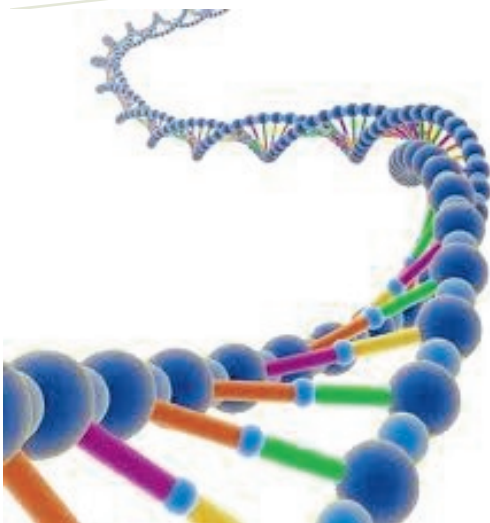


THE DUPUIS LANGEN GROUP  
SOLUTIONS WITH CLARITY

# Benefit *brief*

THE EMPLOYEE SOLUTIONS NEWSLETTER FOR THE CLIENTS  
AND FRIENDS OF DUPUIS LANGEN

## WHAT ARE BIOLOGICS?



A biologic is a medicine made from living organisms or cells. Over the past 30 years, biologic medicines have provided treatment options for people who suffer from some of the most serious medical conditions. Diseases such as rheumatoid arthritis, cancer, rare blood disorders, multiple sclerosis, diabetes, and HIV/AIDS can now be treated where no effective therapies were previously available. Treatment with Rituxan has cut the number of deaths in half for those with Non-Hodgkin's Lymphoma. The use of biologics has successfully addressed the progression of rheumatoid arthritis in patients by slowing or halting joint erosion.

Biologics are an increasing portion of the drug reimbursement costs and are usually classified as a specialty drug. According to the Express Scripts Canada 2011 Drug Trend Report, specialty drugs (of which biologics are an example) account for 19.5% of private drug plan spend, but less than 1% of the number of claims.

The average amount for a specialty claim is \$1,242 vs. \$49 for other drugs. That amount grew 12% over 2010 vs. a decrease of 1.9% for other drugs.

## ASSIGNING BENEFICIARY

Some important points to consider:

- Designating "Estate" as the beneficiary means that proceeds of the benefit may be exposed to estate taxes, probate fees and creditors
- When naming a beneficiary, the employee should state the full name of the beneficiary, along with his/her relationship to the employee

- Employees have the option of designating more than one beneficiary per benefit by allocating a percentage of the total in the 'share' category of the application



Group Life and Health Plans \* Registered Pension Plans \* Group RSPs \* Tax Free Savings Account (TFSAs) \* Critical Illness Plans  
Long Term Disability Plans \* Integrated Benefit Solutions \* Private Health Services Plans (PHSPs) \* Health Spending Accounts (HSA)

## Gap between retirement needs and savings: Survey



There's a huge gap between how much money Canadian employees say they'll need to retire and how much they're actually saving.

A survey by the Canadian Payroll Association finds that there's been an increase in what employees consider an adequate amount for retirement.

Thirty-five percent think that savings of between \$1 million and \$2 million will be needed compared with 28% last year. And 30% feel that \$500,000 to \$1 million will be sufficient for retirement compared with 34% in 2012.

However, the vast majority (73%) of working Canadians say they have put away only less than a quarter of what they need to retire.



Among employees closer to retirement (50 and older), 47% say they are still less than a quarter of the way there.

The gap between retirement needs and savings will likely force many employees to remain in the workforce longer than planned.

"Many employees know they have to save more," says Charmaine Marsden, the association's chair. "In fact, not saving enough is the top reason cited in the survey for having to work beyond their planned retirement date."

The rate of savings also remains low. Forty-five percent are saving only 5% or less of their pay, while financial planning experts often recommend a retirement savings rate of 10% of net pay

Source: Benefits Canada

