

Pension Life

Your connection to the Municipal Pension Plan

A new outlook

Message from the trustees

This year we may have changed our outlook on many things we took for granted before COVID-19. One thing has not changed—you can rely on your pension.

The first priority of the board is to provide lifetime pensions. We want to be sure that what we do today prepares the plan for tomorrow. You can read our strategic plan for 2020 to 2023 on the plan website.

Learn more about plan investments

Our long-term approach and diversified investments help protect the plan and cushion the overall portfolio from short-term market downturns. In other words, we don't have all your eggs in one basket.

Why are investments so important? About 75 per cent of your pension comes from plan investments. We explain more about plan investments on the plan website.

Health coverage improvements

We spent two years reviewing the group benefits program. As a result, the board made changes to improve extended health care. We're grateful that more than 4,000 of you shared your experience through our engagement survey. Your input will inform how we manage group benefits in the future. Read more in the article on page 2 of this newsletter.

Cost-of-living adjustment (COLA) for 2021

You are receiving a 0.5 per cent COLA this year. This is based on the change in the Canadian consumer price index from September to September. Providing a sustainable inflation adjustment account is one of the board's priorities.

Plan design changes

You may have read about or heard about proposed changes to the plan. The plan partners are working to make sure the plan meets the needs of today's and future plan members. The board is pleased and encouraged the plan partners are making progress. Your pension will not change as a result of plan design, and proposed changes will support important benefits for retired members. These include the account that funds COLAs and a new benefit trust that would provide more flexibility in funding group health benefits.

Much has changed in the past year. What has not changed is this: the plan continues to provide a reliable lifetime pension to every member.

Your 2021 COLA is 0.5 per cent

As a retired member, you received a 0.5 per cent cost-of-living adjustment to your pension.

This COLA provides you with some inflation protection. COLAs are not guaranteed, but once a COLA is granted, it becomes part of your lifetime pension. It also applies to your bridge benefit and temporary annuity, if applicable.

Each year, the board decides whether to grant a COLA according to these guidelines:

- Amount can't be higher than the increase in the Canadian consumer price index (CPI)
- Cost can't exceed the funds in the inflation adjustment account (IAA)
- Maximum amount can't be greater than the COLA cap

Where does the money for COLAs come from?

When you were working, most of the contributions you and your employer made went into the basic account. This funds your lifetime pension. Some went into the IAA. This account is made up of your contributions, employer contributions and returns on investment. Money in the IAA is used for funding COLAs.

What is the CPI?

Statistics Canada measures changes in prices of about 600 goods and services every month. In the 12 months ending September 2020, the average price increase (the CPI) was 0.5 per cent.

Taxes: T4A available online



Your current and previous T4As are available through My Account. Sign in to [My Account](#) today to view and print your T4A.

- Questions about completing your tax return? Visit [canada.ca](#) or call Canada Revenue Agency at [1-800-959-8281](#).



Pension payments 2021

January	28	July	29
February	25	August	30
March	30	September	29
April	29	October	28
May	28	November	29
June	29	December	23

For banks outside Canada, direct deposit dates may vary.

Do more in My Account

- View or print your T4A
- View your annual pension statement
- Opt in to receive digital communications
- View extended health care and dental coverage
- View your future pension payments and payment history



[myaccount.pensionsbc.ca](#)

Reg. T.M. British Columbia Pension Corporation

Extended health care coverage improvements

The board has completed its comprehensive review of the group benefits program. The result is improved extended health care coverage for you. The changes include:

- Increasing vision coverage to \$250 every two years and including eye exams for all with extended health care coverage
- Restructuring paramedical reimbursement to \$500 annually per service type per person; previously some of the service types were combined
- Adding coverage for the shingles vaccine

For other details, read the Board Communiqué on the plan website. If you are enrolled in the extended health care plan, you do not need to take any action to receive the improved benefits.

🔗 mpp.pensionsbc.ca/plan-news

Prescription-saving tips

Did you know you can save money on prescriptions by choosing where you get your prescription filled?

What you pay for prescription drugs depends on where you fill your prescription. Different pharmacies charge more or less for the ingredient costs, markup and dispensing fee.

Pacific Blue Cross has a preferred pharmacy network that provides exclusive member savings for those enrolled in extended health care. To save on your prescriptions, just show your Pacific Blue Cross ID card at any of these pharmacies:

- BioScript
- Costco
- Fresh Co.
- Lawtons
- London Drugs
- PocketPills
- PriceSmart
- Safeway
- Save-On-Foods
- Sobeys
- Thrifty Foods

One of the most cost-effective choices is Costco Pharmacy. Costco Pharmacy does not require a membership and offers free home delivery.

If more plan members choose a low-cost pharmacy, the potential savings could be substantial to members and to the group benefits plan.

You can find more information on the Pacific Blue Cross website.

🔗 pac.bluecross.ca/mpp

Contact us through Message Centre

Contact BC Pension Corporation staff through Message Centre in My Account. Your messages and the plan's replies are saved for easy reference.



Update your information in My Account

Keep your contact information up to date. It's easy and helps us administer your pension.

🔗 myaccount.pensionsbc.ca

Health care and dental rates

The new monthly rates are in effect as of February 1, 2021, and may change at any time.

Extended health care rates (\$)

Pensionable service	Single	Couple	Family
< 2 years	70.00	140.00	273.00
2 < 4 years	59.50	129.50	262.50
4 < 6 years	49.00	119.00	252.00
6 < 8 years	38.50	108.50	241.50
8 < 10 years	28.00	98.00	231.00
> 10 years	17.50	87.50	220.50
Survivor	70.00	140.00	273.00

Dental rates (\$)

Plan option	Single	Couple	Family
Essential	25.97	49.50	83.26
Enhanced	47.23	89.49	126.63



Contact Pacific Blue Cross for specific questions about your health care and dental coverage.

Web: pac.bluecross.ca

Phone: 604-419-2000 Toll-free: 1-877-722-2583

Retirees' association

Municipal Pension Retirees' Association (MPRA) represents retirees of the Municipal Pension Plan.

Join for the opportunity to talk to other retirees and their spouses about pension issues, meet former co-workers, make new friends and have a voice about your MPP pension.

To join, send 2021 dues of \$20 (single) or \$35 (couple) with the application form available on the MPRA website to:

MPRA: 2475 Dobbin Road, Unit 22, Suite 525
West Kelowna BC V4T 2E9

Web: mpra.ca

Pension Life is published twice a year. You may receive more than one copy of *Pension Life* if you receive a pension from more than one pension plan. Read your statement letter to determine which plan provides your group benefits. Any person entitled to a benefit, or their agent, has the right to examine plan documents, data and public information about the plan.



When contacting the plan, please include your Person ID number (found on your pension statement).

Web: mpp.pensionsbc.ca

Toll-free: 1-866-876-6677 (Canada/U.S.)

Mail: PO Box 9460, Victoria BC V8W 9V8