

Chapter 29

Teachers' Dental Plan

1.0 MAIN POINTS

This chapter reports the results of the annual audit of the Teachers' Dental Plan (Plan) for the year ended June 30, 2015.

The Teachers' Superannuation Commission (Commission) had effective rules and procedures to safeguard the Plan's public resources except it did not have adequate support for dental payments. As a result, the Commission continues to be unable to prepare financial statements for the Plan for inclusion in its annual report.

During the year, the Commission complied with authorities governing the Plan's activities related to financial reporting, safeguarding public resources, revenue raising, spending, borrowing, and investing except for the lack of adequate support for dental payments.

2.0 INTRODUCTION

The Commission manages and administers the Plan. The Plan provides Saskatchewan teachers and their dependents with coverage for certain dental services. The Commission uses an insurance company (service provider) to help administer the Plan.

The Ministry of Education (through the General Revenue Fund) pays for all of the dental services provided through the Plan. During 2014-15, the Commission paid \$13 million (2013-14: \$11 million) for dental claims and related administrative costs.

3.0 AUDIT CONCLUSIONS AND SCOPE

In our opinion, for the year ended June 30, 2015:

- **The Teachers' Superannuation Commission had effective rules and procedures to safeguard the Plan's public resources except for the matters reported in this chapter**
- **The Teachers' Superannuation Commission complied with the following authorities governing its activities related to financial reporting, safeguarding public resources, revenue raising, spending, borrowing, and investing except for the need for adequate support for dental payments:**

*The Teachers' Dental Plan Act
The Teachers' Superannuation and Disability Benefits Act
The Financial Administration Act, 1993
Orders in Council issued pursuant to the above legislation*

We used the control framework published by CPA Canada to make our judgments about the effectiveness of the Commission's controls over the Plan. The control framework defines control as comprising elements of an organization that, taken together, support people in the achievement of an organization's objectives. Because dental payments made to members are a significant audit area, we tested a sample of dental payments to



verify the eligibility and accuracy of the claims and compliance with governing authorities.

4.0 KEY FINDINGS AND RECOMMENDATIONS

4.1 Reconciliation Process for Dental Payments Needed

We recommended that the Teachers' Superannuation Commission have adequate support for dental payments. (2009 Report – Volume 1; Public Accounts Committee agreement September 1, 2009)

Status – Partially Implemented

During 2014-15, the Commission continued to obtain financial data from its service provider that it needs to reconcile dental payments made to dental claims. At September 2015, the Commission had not yet completed the development of a system to reconcile the details of claims made with the monthly claims paid report (dental reconciliation process). Once completed, the Commission plans to use the reconciliation to follow up differences and ensure that payments are made only to eligible teachers for eligible services.

4.2 Reporting Improvements Awaiting Completion of Reconciliation Process

We recommended that the Teachers' Superannuation Commission establish complete and written guidance for preparing interim and year-end financial reports. (2008 Report – Volume 1; Public Accounts Committee agreement June 17, 2008)

Status – Partially Implemented

We recommended that the Teachers' Superannuation Commission annual report include the financial statements of each benefit plan the Commission administers. (2008 Report – Volume 1; Public Accounts Committee agreement June 17, 2008)

Status – Partially Implemented as it relates to the Teachers' Dental Plan

After the Commission establishes the dental reconciliation process described in **Section 4.1**, it plans to:

- Complete written guidance for preparing interim and year-end financial reports for the Dental Plan.
- Prepare financial statements for the Dental Plan and include them in the Commission's Annual Report. Consistent with prior years, the Commission continued to provide summarized financial information about the Dental Plan in its Annual Report.