



MEMORANDUM

TO: Mayor & Council

FROM: Aaron Petrin, Human Resources Manager

DATE: August 7, 2014

SUBJECT: Repayment of premiums during unpaid leave of absence

Administration is seeking direction from council on the conditions under which repayment of health and life insurance premiums would be applicable during an unpaid leave of absence. Direction is unclear as Policy 3.5 and Policy 3.10 directly conflict with each other.

Policy Number 3.5 (Leave of Absence Without Pay) states that:

Reasonable leave of absence, without pay, at the discretion of the Corporation, may be granted to any employee. It is understood that at no time, a leave of absence will be granted for a period exceeding thirty (30) days (per annum) except in the case of extenuating circumstances

Time off without pay will not be granted to an employee if it results in a cost to the Corporation or a reduction in services to customers.

Whereas Policy Number 3.10 (Management/Non-Union Benefits) states that:

The Corporation shall contribute 100% of the premiums toward (health and life insurance benefits for employees and their eligible dependants).

The Corporation's obligation to contribute premiums to these plans ceases when the employee is on unpaid absence from work exceeding 30 days.

These policies conflict with each other, as employer contributions of 100% of premiums during an unpaid absence from work results in a direct cost to the Corporation. This practice is outside the scope of corporate policy, and management is seeking direction in regards to the application of Policy Number 3.10 (Section 4) during an unpaid leave of absence. The Administration & Finance Executive Committee reviewed this request on

August 5, 2014 and has recommended that the wording of Policy Number 3.10 be changed to reflect the following changes.

Current policy wording:

The Corporation's obligation to contribute premiums to the Medical and Hospital Insured plans and to the Group Life and AD&D Insurance Plan ceases when the employee is on unpaid absence from work exceeding thirty (30) days, subject to the terms and conditions of such plans.

Proposed policy wording:

The Corporation's obligation to contribute premiums to the Medical and Hospital Insured plans and to the Group Life and AD&D Insurance Plan ceases when the employee is on unpaid absence from work exceeding five (5) consecutive business days, subject to the terms and conditions of such plans.

<p>COUNCIL APPROVAL OF THIS REPORT WILL authorize the proposed change in wording to the Management/Non-Union Benefits Policy, as specified in this report.</p>

deemed to be an acknowledgement of entitlement or eligibility (as eligibility is at the discretion of the insurer.

The Corporation reserves the right to change the carrier of such disability plans provided that the levels of insured benefit coverage is not decreased. Notice of such change of carrier will be communicated to the Union prior to the change.

4. HEALTH AND LIFE INSURANCE BENEFITS

Medical and Hospital Insurance

The Corporation shall contribute one hundred per cent (100%) of the insurance premiums towards the following plans for regular full-time employees, part-time employees on a pro-rated basis, and for seasonal employees who work thirty five (35) hours per week during their seasonal employment, subject to the terms and conditions of such insured plans. The Corporation will pay such insurance premiums up to a 6-month period while on sick leave.

- a) Basic Dental Plan, level I (basic services), level II (supplementary basic Services ie. scaling), level V (orthodontics).
 - Current fees guide
 - Dental recalls shall be every nine (9) months.
 - Orthodontics – 50% to a maximum of \$1500 per lifetime
- b) Manulife Financial Extended Health Care Plan (\$10-\$20 Annual deductible)
 - Generic drugs if available
 - \$0.35 per prescription deductible
 - Fertility drugs shall not be covered.
 - Chiropractor, Osteopath, Chiropodist, Naturopath - \$300 per year; Speech Therapist \$200 per year; Massage \$7 per visit max. 12 visits per year; Physiotherapist \$12.20 per visit.
- c) Vision Care of two hundred (\$225) every two (2) years per employee and dependent and one eye exam every two (2) years. One hundred and fifty dollars (\$150.00) every twelve (12) months under age eighteen (18).
- d) Private Hospital Coverage and Deluxe Travel Coverage.

The above provisions apply to seasonal employees for those month(s) a seasonal employee works, and for those months the seasonal employee works in any subsequent year(s) immediately following the previous year of seasonal employment. Benefits shown above shall be available to dependants up to age twenty-five (25) if attending a post secondary institution.

The Corporation's obligation to contribute premiums to the Medical and Hospital Insured plans and to the Group Life and AD&D Insurance Plan ceases when the employee is on unpaid absence from work exceeding five (5) consecutive business days, subject to the terms and conditions of such plans.

Workplace Safety and Insurance Board

It is agreed that all cost-shared benefits be continued while the employee is absent from work and receiving Workplace Safety and Insurance Act disability payments for a period not exceeding twenty-four (24) months.