



Insurance Update

October 16, 2009

Saskatchewan Urban Municipalities Association

Short Term Disability Claims & Sick Time

Individual Highlights:

STD vs Sick Time

Premium Remittance

L.O.A Policy

Attachments:

none

Links:

www.suma.org

www.greatwestlife.com

www.vfis.com

www.aon.com

If your municipality provides Short Term Disability coverage, and an employee becomes sick or injured and is unable to work for longer than 14 calendar days, the employee may be eligible for Short Term Disability benefits.

In some instances an employee may wish to use all of their accumulated sick time prior to going on claim. Provided that this option is in accordance with your internal sick leave policy, an employee may be interested in this option as earned sick time is normally paid out at 100% while Short Term Disability benefits are paid out at a maximum of 70% of their monthly salary.

If an employee has elected to do this, SUMA will still require a Short Term Disability claim to be sent in to our office which will then be forwarded to Great-West Life for review. The claim will include a notation indicating that the employee is exhausting sick days prior to commencing Short Term benefits.

Disability claims must be submitted to Great-West Life within 90 days of the date the employee was disabled. If the claim is not received within that time frame it may be declined due to late submission. In order to avoid declines of this nature we need to establish the claim with Great-West Life as soon as possible regardless of whether or not

Group Benefits Premium Remittance

Due to the number of member services programs available, it is becoming increasingly difficult to ensure that your payments are being applied to the correct service.

Please remember to include specific details about how/where your payment should be applied.

This may be in the form of attaching the applicable invoice and indicating "payment for..." or

simply write a brief description on the actual cheque you are sending.

For those municipalities that offer EFAP to their employees, please be aware that EFAP premiums must be applied separately from your regular group benefits payments and should be noted specifically in your breakdown of payment to SUMA.

Group Benefits & Insurance Services
200-2222 13th Avenue, Regina SK, S4P 3M7
Phone: 525-4390 Fax: 525-4373 Email: gis@suma.org

www.suma.org

Leave of Absence (L.O.A.) Policy & Group Benefits

All municipalities are entitled to offer a continuation of benefits to employees that are on a temporary L.O.A.

Before you proceed with the offer to continue benefits, SUMA strongly recommends that your municipal office draft an official L.O.A. policy to be approved by your council. That policy should consider the following items:

- Will the municipality offer benefits to employees while on L.O.A?
- Will the municipality extend benefits to ALL types of approved L.O.A. (ex. maternity leave, education leave, travel leave?)
- Who will be responsible for paying the premiums while the employee is on leave? (The employer is not required to continue their portion of the premium contributions during any leave of absence, but may do so if they wish)
- How will payments be made (ex. Post dated cheques from the employee to the municipality)

- If coverage is to continue, *all* benefits must be continued; the employee cannot select only those that they want.

As you know, we are obviously not a replacement for your local solicitor's advise and nor do we attempt to be, but we do feel we have an obligation to make you aware of potential legal issues that may arise. An unwritten, inconsistent, Leave of Absence policy has potential to become a legal situation if an employee feels that he/she was not treated the same as other employees that may have taken similar leaves.

Having a policy in writing, advising your employees of the policy, and applying it consistently to all employees eliminates this risk.

For complete details regarding L.O.A.

please refer to page 20 in your

administration manual and/or call Group

Insurance Services at 525-4390.