

DISABLED EMPLOYEES

A disabled employee is eligible to remain on the group benefit plan. Technically they are still considered an employee as a Record of Employment is issued indicating the employee is unable to work due to disability.

Full premiums must continue to be remitted during the disability until such time as premiums waivers apply. The employer should arrange with the disabled employee for reimbursement of any employee paid premiums (i.e. post-dated cheques, etc.)

The group LTD plan requires that premiums continue to be paid during the elimination period. (i.e. any short term or EI disability period).

The repayment of premium issue should be dealt with as soon as the employee goes on claim, as an employee could be on claim for a long period of time and then to collect the back premium would be a large financial burden.

The employer should notify the employee in writing at the outset as to the portion of their benefit cost (i.e. employee's portion of applicable premiums). Once the LTD claim is approved, usually premiums for all pooled benefits are waived (not charged) leaving EHB/Dental and Critical Illness premiums only being billed.

Generally, we recommend that employees be kept on the benefit plan until such time as the claim is accepted or denied.

Before an employer terminates a disabled employee, we suggest they seek advice. Refusing benefits to an employee because they are sick, injured or disabled might be discrimination and possibly a human rights violation.

Please contact the Human Rights Commission for advice before acting or visit their website at:

<http://www.chrc-ccdp.ca/default-en.asp>

We also recommend an employer have a Human Resource provision that outlines how long employees would remain on the benefit plan in the event of an STD/LTD claim. That way employees know the provision and there are no surprises.

Sample Guidelines for Employees on Disability

"In the event that an employee's LTD claim is approved, (*company name*) will continue to pay their portion of premiums on behalf of the employee from the day that they are approved for disability benefits up to a maximum of (XX) months.

As per our benefits package, once an employee's LTD claim is approved, both the Life Insurance and the Long Term Disability coverage will continue and the premiums will be waived as long as the employee remains totally disabled, until the earlier of your 65th birthday, recovery, retirement, death.

Furthermore, if (*company name*) terminates its coverage through this benefit plan or you end your employment with (*company name*) you are eligible to convert certain benefits to an individual plan. (NB: On termination of the policy, active Life Insurance waiver of premiums will remain in force.)

Contact your Administrator or BBD for an information package to be sent to you. Conversion of Life Insurance and AD&D must be applied for within 31 days of the termination of the group coverage and you have 60 days to apply for conversion of the Extended health and Dental benefits."