

## Questions re CEBS benefits for various leaves

### Extended Health & Disability (CEHP)

#### Temporary Layoffs (e.g. summer)

- Offering the health plan over the summer is the employer's choice.
- Where the school opts to not offer the health plan, insurance is terminated – send a list to CEBS of last day worked.
- Where the school opts to offer the health plan over the lay off period (must be for all temporarily laid off staff), employees can choose to continue on the plan or not – send a LOA form for each employee OR send one full list to CEBS. Staying on the benefits plan should not affect their ability to claim EI.
- Dental/extended health plan premiums can be paid by the employee or shared, depending on school policy – ideally collect employee share ahead of time or arrange for payments over the layoff period.
- For non-taxable disability plans, employees must continue to pay the premiums – ideally collect ahead of time or arrange for payments over the lay off period.
- If an employee becomes disabled while on temporary lay off with continuing benefits, disability begins on the date of recall (e.g. Sept 1).
- If an employee becomes disabled while on temporary lay off without continuing benefits, they are not eligible for disability benefits.

#### Job Protected/Statutory Leaves (e.g. maternity)

- If an employee elects to continue health plan coverage during Mat/Pat leave, all coverage continues. An employee may initially elect to continue coverage during maternity leave and later elect to discontinue coverage.
- If the school has a non-taxable disability plan, the employee must continue to pay the entire disability premium if they have coverage during the leave. It is up to the school to determine how to collect payment from the employee.
- If an employee elects to discontinue health plan coverage during Mat/Pat leave, all coverage ends. If an employee elects to discontinue coverage during Maternity leave at any point, coverage can't be re-started until their return to active, eligible employment.
- Complete LOA form.

#### Disability Leave

- ST disability – all coverage & billing stays the same. Employee must pay 100% of premium for non-taxable disability plans. LOA form not required – disability application is sufficient notice.
- LT disability – premiums for disability & life insurance are waived. Premiums for health & dental stay the same but it is the school's choice to continue this coverage for those on LT disability or how the premiums are shared (or not). This should be in your benefits policy.

#### Other Leaves (e.g. personal leave of absence)

- Employee must submit a request to continue coverage if they wish to do so – this must be approved by Manulife.
- Disability coverage is typically not included, only extended health and dental.

- Premiums typically paid by employee except perhaps approved sabbaticals – schools should indicate this in their benefits policy.
- Contributions for the year are based on actual earnings, so there is no cost to the school or employee for keeping them as active status during the summer.

## **Pension Plan**

### Temporary Layoffs (e.g. summer)

- The pension plan allows for a temporary layoff provided the employee is expected to return for the following plan year.
- Keeping an employee as “active” rather than terminating/restarting provides some additional benefits in terms of final vested service upon retirement, but there is no cost to do this for either the employer or employee since there are no earnings during this period and no contributions.

### Job Protected/Statutory Leaves (e.g. maternity)

- The employee has the option of whether or not to continue contributions during the leave. If the employee continues, the employer must continue its matching contributions. Payment arrangements should be made with the employee for their share of the premiums. Contributions are based on the employee's salary at the start of the leave.
- Complete Prescribed Statutory Leave form.
- Choice to stay on/go off pension is independent from the health plan decision, so an employee going on statutory leave could choose to stay on the health plan but not the pension, and vice versa.

### Disability Leave

- During periods of qualifying disability, the pension benefit continues to accrue at no cost to the employer or employee. Contributions are only based on actual earnings and paid time off.
- For ST disability, CEBS usually continues to invoice during this period and then provides a credit at the end, taking into account any earnings during a return-to-work period.
- For LT disability, CEBS discontinues invoicing pension contributions. At the end of the plan year, this is reconciled against any actual earnings during a return-to-work period.
- Final salaries reported at the end of the year should not include any disability benefits.
- PENSION ADJUSTMENT calculations should include the amount the employee would have earned if not on disability (because pension is still accruing).

### Other leaves (e.g. person leave of absence)

- No pension contributions since there is no earnings/service during this time.
- Employee can remain on “active” status as with a temporary layoff.
- Refer to separate rules in the plan book for approved sabbaticals or deferred salary plans.