

Policy:

The Village of Innisfree believes that it is necessary and advantageous to make insurance benefits available to its Employees and Elected Officials.

Purpose

To establish which insurance benefit plans are made available to Employees and Council and, how they are made available.

This Policy supersedes any previous Village of Innisfree Personnel Policies regarding health insurance benefits.

1.0 Definitions:

- 1.1 **“CAO”** means Chief Administrative Officer, pursuant to the *Municipal Government Act*.
- 1.2 **“Elected Official”** means a Councillor, pursuant to section 1 (1)(g) of the *Municipal Government Act*.
- 1.3 **“Full Time Employees”** means an employee working more than 15 hours a week.
- 1.4 **“Part Time Employees”** means an employee working less than 15 hours a week.
- 1.5 **“Seasonal/Temporary Employees”** means an employee working on a short-term contract, not permanent.

2.0 Responsibilities:

- 2.1 The CAO is responsible for ensuring awareness and compliance with this policy.

3.0 Guidelines:

3.1 Extended Health Care:

- 3.1.1 Village Council will determine from time to time which insurance company will provide Extended Health Care Coverage to its Elected Officials and Employees.
- 3.1.2 The Plan shall provide 100% reimbursement of prescription drugs and reimbursement of Vision Care costs up to a maximum of \$400 every two (2) years.
- 3.1.3 Participation in Extended Health Care Group Coverage is an optional benefit for Elected Officials; it is a mandatory term of employment for all Employees in full time permanent positions upon completion of their probation or under any other requirements provided for within this policy.

- 3.1.5 Employees may be exempted from participation in the Extended Health Care Group Coverage if they can demonstrate that they have equivalent coverage under their spouse's group coverage.
- 3.1.6 Each participating Elected Official will be responsible for the costs of his/her Extended Health Care Group Benefits.
- 3.1.7 Each participating employee shall be funded 100% by the Employer (the "Village") for his/her Extended Health Care Group Benefit Coverage premiums.
- 3.1.8 The Village will not carry terminated or retired employees on its Extended Health Care Group Coverage.
- 3.1.9 The Village will not carry employees on its Extended Health Care Group Coverage after thirty-one (31) days of Short Term Disability Leave.
- 3.1.10 The Extended Health Care Plan shall provide employees the option of converting their Extended Health Care policy to an individual policy within thirty (30) days of the termination date or Short Term Disability Leave without requiring proof of good health.

3.2 Dental Care:

- 3.2.1 Village Council will determine from time to time which insurance company will provide Dental Care Group Coverage to its Elected Officials and Employees.
- 3.2.2 Participation in the Dental Care Group Coverage is optional for Elected Officials; it is a mandatory term of employment for all employees in full time permanent positions ***upon successful completion of their probation.***
- 3.2.3 The Plan shall provide 100% of Basic and Diagnostic Dental Care with an annual maximum reimbursement of \$3,000.
- 3.2.4 Employees may be exempted from participation in the Dental Care Group Coverage if they can demonstrate that they have equivalent coverage under their spouse's group coverage.
- 3.2.5 Each participating Elected Official will be responsible for the costs of his/her Dental Care Group Benefits.
- 3.2.6 Each participating Employee shall be funded 100% by the Employer (the "Village") for his/her Dental Care Group Benefit Coverage premiums.

- 3.2.7 The Village will not carry terminated or retired Employees on its Dental Care Group Coverage.
- 3.2.8 The Village will not carry employees on its Dental Care Coverage after thirty-one (31) days of Short Term Disability Leave.
- 3.2.9 The Group Dental Care Plan shall provide Employees the option of converting their Dental policy to an individual policy within thirty-one (31) days of the termination date or Short Term Disability Leave without requiring proof of good health.

3.3 Group Life & Accidental Death & Dismemberment Coverage:

- 3.3.1 Village Council will determine from time to time which insurance company will provide Group Life and Accidental Death & Dismemberment Coverage.
- 3.3.2 The Plan shall provide a life insurance benefit to Elected Officials to a maximum of \$30,000. If an Elected Official continues working beyond age 70, the Group Life coverage will reduce to 10% of the eligible coverage.
- 3.3.3 The Plan shall provide a life insurance benefit of twice an Employee's basic annual wage of salary, and an additional amount of insurance in the event of accidental death or dismemberment with the principal sum equivalent to the Employee's Group Life Insurance.
- 3.3.4 Each participating Elected Official will be responsible for the costs of his/her Group Life and Accidental Death & Dismemberment Coverage.
- 3.3.5 Each participating Employee shall be funded 100% by the Employer (the 'Village') for his/her Group Life and Death & Dismemberment Benefit Coverage premiums.
- 3.3.6 If the Employee is disabled prior to age 65, and remains disabled for a period of at least four (4) months, the Basic Group Life and the Accidental Death & Dismemberment Insurance premiums may be waived and their pre-disability life coverage will remain intact for as long as the Employee remains totally disabled prior to their 65th birthday.
- 3.3.7 The Village will not carry terminated or retired Employees on its Group Life nor Accidental Death & Dismemberment Coverage.
- 3.3.8 Under the terms of the Conversion privilege, if the Employee voluntarily terminates or is terminated by the Employer, the Life Coverage remains in effect for an additional thirty-one (31) days from date of termination, without premium payment. Conversion of Life Benefits must be applied for within thirty-one (31) days of the termination date.

3.4 Optional Group Life & Spousal Life Insurance Coverage:

- 3.4.1** Village Council will determine from time to time which insurance company will provide Optional Group Life and Spousal Life Insurance coverage.
- 3.4.2** Employees may purchase Optional Life Insurance upon successful completion of their probation.
- 3.4.3** The spouse of the insured Employee may also apply for coverage under this line of benefit.
- 3.4.4** This coverage is not available to Volunteer Fire/Ambulance Persons or Returning Seasonal Employees.
- 3.4.5** The Employee shall be responsible for the premiums for Optional Group Life and Spousal Life Insurance Coverage.
- 3.4.6** Employee and/or Spousal Optional Life may be converted to an individual policy should the Employee terminate or eligibility under the group program cease.
- 3.4.7** Under the terms of the Conversion privilege, if the employee voluntarily terminates or is terminated by the Employer, the Optional Life and Spousal Life Coverage remains in effect for an additional thirty-one (31) days from date of termination, without premium payment; conversion of Benefits must be applied for within thirty-one (31) days of the termination date.

3.5 Short Term Disability Coverage:

- 3.5.1** Village Council will determine from time to time which insurance company will provide Short Term Disability (STD).
- 3.5.2** Elected Officials are ineligible to purchase coverage under the Short Term Disability Plan.
- 3.5.3** The STD Plan shall provide a non-taxable weekly indemnity benefit equivalent to two-thirds (66 2/3's) of an Employee's wage or salary to an Employee who is off work due to illness or injury from the first day of accident or eighth day of illness, for a maximum period of seventeen (17) weeks.
- 3.5.4** Participation in Short Term Disability Coverage is a mandatory term of employment for all Employees in full time permanent position upon successful completion of their probation.

- 3.5.5 An Employee, who immediately prior to commencement of employment in a full time permanent position, was a contract Employee of the Village, shall commence participation in Short Term Disability Coverage immediately upon commencement of employment in a full time permanent position, provided that period of employment in the contract position was equal to or greater than three (3) months. Otherwise, participation shall begin in three (3) months.
- 3.5.6 Each participating Employee shall contribute 100% towards the cost of his/her Short Term Disability Group Coverage premiums.
- 3.5.7 Premiums are payable by the Employee at 100% during the STD illness or injury benefit period.
- 3.5.8 The Village shall not carry terminated or retired Employees on its STD Plan Coverage.
- 3.5.9 The STD Plan does not provide a conversion privilege for retiring or terminated Employees.

3.6 Long Term Disability Coverage:

- 3.6.1 Village Council will determine from time to time which insurance company will provide Long Term Disability (LTD).
- 3.6.2 Elected Officials are ineligible to purchase coverage under the Long Term Disability Plan.
- 3.6.3 Participation in Long Term Disability Coverage is a mandatory term of employment for all Employees in full time permanent positions, equivalent to an employee working at least twenty (20) hours per week, upon successful completion of their probation.
- 3.6.4 An Employee, who immediately prior to commencement of employment in a full time permanent position, was a contract employee of the Village, shall commence participation in Long Term Disability Coverage immediately upon commencement of employment in a full time permanent position, provided that period of employment in the contract position was equal to or greater than three (3) months. Otherwise, participation shall begin in three (3) months.
- 3.6.5 The LTD Plan shall provide non-taxable income replacement equivalent to two-thirds (66 2/3's) of an Employee's wage or salary to an Employee who is off work due to illness or injury after seventeen (17) weeks from the first day of accident or illness.

- 3.6.6 Each participating employee shall contribute 100% towards the cost of his/her Long Term Disability Group Coverage premiums.
- 3.6.7 LTD Premiums are payable by the Employee during the Employees' benefit elimination period. If the employee qualifies for the waiver of premiums; no further premiums will be required for the duration of the disability.
- 3.3.7 When an Employee has been approved for LTD, some benefit premiums are no longer payable while totally disabled, subject to approval by the Insurance Company.
 - 3.3.7.1 Life, Accidental Death & Disability, Dependent Life Insurance and Optional Life Insurance premiums are waived based upon the date of disability.
 - 3.3.7.2 Short Term and Long Term Disability premiums are waived the date the LTD benefits begin.
 - 3.3.7.3 Waiver of Premium does not apply for the Extended Health Care and/or Dental Care insurance coverages.
- 3.6.8 The Village shall not carry terminated or retired Employees on its LTD Plan Coverage.
- 3.6.9 The LTD Plan does not provide a conversion privilege for retiring or terminated Employees.
- 3.7 **Retiree Benefits Package:**
 - 3.7.1 Village Council will determine from time to time which insurance company will provide a Retiree Benefits Package upon retirement (minimum age 55) which includes life, health and dental for the Employee and their dependents.
 - 3.7.2 The insurance company chosen will invoice the individual directly for the benefits selected; benefits terminate at 70 years.
- 3.8 **Other Insurance Components:**
 - 3.8.1 The insurance company selected by Village Council may from time to time offer additional insurance components, i.e. Critical Illness Insurance, Pet Insurance, Vehicle Insurance, etc.
 - 3.8.2 Additional insurance components selected by Elected Officials and/or Employees shall be funded 100% by the individual.
 - 3.8.3 Conversion privileges for additional insurance components shall be processed, per the insurance policy requirements.

4.0 Procedures:

4.1 Eligibility (Waiting Period):

- 4.1.1 Eligible Employees are eligible for benefit coverage following three (3) months of employment.
- 4.1.2 The Waiting period for new Employees shall be waived, for those Employees who were insured under the AMSC Plan, with a former Employer and the employment interruption of less than thirty (31) days.
- 4.1.3 The Waiting period for new Employees who immediately prior to commencement of employment in a full time permanent position, was a contract employee of the Village, shall commence participation in the Benefits Program immediately upon commencement of employment in a full time permanent position, provided that the period of employment in the contract position was greater than three (3) months.
- 4.1.4 Elected Officials must enroll in the Benefits Program within sixty (60) days of being elected to office.
- 4.1.5 Failure to enroll in the Benefits Program immediately following completion of the waiting period will be subject to a Late Entrant (medical evidence of insurability) requirements.

4.2 Benefit Termination:

An Employee's insurance terminates on the earliest of any of the following circumstances:

- 4.2.1 Termination of the policy;
- 4.2.2 Termination of the municipality or associate member plan;
- 4.2.3 The employee ceases to be a class of employees for which insurance is provided;
- 4.2.4 Benefit termination age;
- 4.2.5 The employee failing to make any required contribution to premiums;
- 4.2.6 At midnight, on the employee's last day of employment (includes scheduled vacation time).

An Elected Official's insurance terminates on the earliest of any of the following circumstances:

- 4.2.7 Termination of the policy;
- 4.2.8 Termination of the municipality or associate member plan
- 4.2.9 The Elected Official ceases to be qualified as defined under the *Municipal Government Act*
- 4.2.10 Benefit Termination Age
- 4.2.11 The Elected Official failing to make the required contributions to premiums;
- 4.2.12 At midnight on the Elected Official's last date of qualification as defined under the *Municipal Government Act*.

4.3 Continuation of Coverage/Leave of Absence:

An employee can qualify for continuation of coverage under the following circumstances:

- 4.3.1 during the notice period of termination of employment;
- 4.3.2 during the temporary lay-off, strike or lock-out;
- 4.3.3 Leave of absence, not more than twelve (12) months;

5.0 Legal Compliance

The Village of Innisfree shall honor this policy in accordance with any applicable, governing laws. For any further clarification, reference shall be made to the Alberta Municipal Services Corporation and the *Employment Standards Code for Alberta*.

6.0 End of Procedure