

Continuation of Benefits Policy Sample

Instructions

The information provided in this document does not contain legal advice and should not be relied on or treated as legal advice. Workplaces should seek their own legal advice to address their specific circumstances.

Legislation related to benefits administration across Canada may vary by province and may change from time to time. Similarly, policy details may also change from time to time based on your benefits provider or at the employer level. Please refer to these resources when modifying this sample for your use, and then annually to ensure that details of legislation or the benefits plan have not changed. It is the employer’s obligation to ensure compliance with all applicable legislation in their jurisdiction.

This sample contains sample text for a Continuation of Benefits Policy. *(In this sample, text that is in brackets, highlighted and in italics provides explanations as to how to use this text, or indicates information to be completed by the user, if and as applicable).*



Policy:	Continuation of Benefits Policy
Section:	Employee Benefits
Org. Name:	(Organization) Human Resources Policy Manual
Issue Date:	(XXXXX)
Revised:	

Continuation of Benefits Policy

Policy Statement

(Organization) is committed to promoting the health, safety and well-being of all employees, providing a safe and healthy work environment. To this end, (Organization) offers its employees and their families a comprehensive benefits program as outlined in the benefits plan handbook, portal (insert name of portal) or app, including continuation of benefits when an employee is unable to work for specific reasons.

Purpose

From time to time, employees may be unable to work due to illness or injury, or when they qualify for specific types of leaves, such as maternity, pregnancy, parental, short- and long-term disability or for other reasons other than termination of the employment contract.

This policy is to clarify how such leaves may impact benefits continuation while employed by the company and to note that the company reserves the right to cancel, revise or amend any of the noted plan coverages, arrangements or internal administrative processes without notice.

## Scope

This policy shall apply to all eligible employees following the prescribed waiting period and are subject to the terms of the benefit plan as outlined in the Insurance Company documentation.

## Definitions

Below is a list of definitions relevant to this policy. Regional legislation may use differing language to describe the definitions outlined below.

***Eligibility:*** Conditions that must be met in order for an individual or group (ex. family members) to be considered eligible for insurance coverage.

***Disability:*** An umbrella term covering impairments, activity limitations and participation restrictions. An impairment is a problem in body function or structure; an activity limitation is a difficulty encountered by an individual in executing a task or action; while a participation restriction is a problem experienced by an individual in involvement in life situations.

***Medical Leave:*** A leave category for employees who face medical conditions that reduce their physical and/or mental health to the point that they can no longer perform key job responsibilities.

***Pregnancy/Maternity/Parental Leaves:*** Pregnancy, maternity and parental leaves are associated with the birth or adoption of a child and these terms are further defined by provincial legislation which vary from region to region.

***Personal Leave:*** A leave category for employees who are unable to work due to personal circumstances. These could include health obligations or urgent needs for a member of an employee's family, personal educational needs of self or of a family member considered a minor, bereavement, religious or any leave as defined in federal or provincial legislation (ex. victims of family violence).

## Application

*(Adjust this section to reflect the specific terms of your plan)*

- a) Please refer to the coverage details in your benefits plan handbook, portal (*insert name of portal*) or app provided to you at the time of hire (or upon benefit eligibility) for detailed information about your coverage levels, eligibility and your benefits, or speak with your company's plan administrator.
- b) Leaves, in the context of continuation of benefits and references in this policy, are:
  - subject to Insurance Company policies regarding eligibility,
  - approved by the employer, and
  - may be subject to federal and/or provincial legislation and obligations.

c) (choose one, delete the others)

The company pays 100% of plan premiums for employees. OR

The company cost-shares plan premiums with employees, with the company paying 50% of the cost of those premiums, with the remaining paid by employees. OR

The company continues with current cost-sharing arrangement. (describe current arrangement)  
OR

Employees pay 100% of plan premiums (directly or indirectly through the employer).

(for sections below (d, e, f, g), some or all of these leaves may apply. Choose those that are applicable to your plan and company preferences. The types of leaves are each described separately in the event guidelines differ for each leave type. Word accordingly. If all such leaves are to be treated the same, sections e, f, and g may be deleted, and d retitled as 'All eligible leaves')

- d) *All approved medical leaves.* The company will continue to (cover the costs/pay for a specific portion of costs/or facilitate payment in full by the employee) for eligible benefit plan premiums for employees who qualify for approved leaves for a maximum period of (# of months). If the leave duration is longer than (# of months), and if the employee wishes to continue to access eligible benefits from the plan for the remainder of their leave to the maximum of (# time) as defined by the benefit plan contract wording, the company will extend access to the plan, however 100% of the entire cost of relevant benefit premiums will be the sole responsibility of the employee for this period of time.
- e) *All approved pregnancy/maternity/parental leaves.* The company will continue to (cover the costs/pay for a specific portion of costs/or facilitate payment in full by the employee) for eligible benefit plan premiums for employees who qualify for approved leaves for a maximum period of (# of months). If the leave duration is longer than (# of months), and if the employee wishes to continue to access eligible benefits from the plan for the remainder of their leave to the maximum of (# time) as defined by the benefit plan contract wording, the company will extend access to the plan, however 100% of the entire cost of relevant benefit premiums will be the sole responsibility of the employee for this period of time.
- f) *All approved personal leaves.* The company will continue to (cover the costs/pay for a specific portion of costs/or facilitate payment in full by the employee) for eligible benefit plan premiums for employees who qualify for approved leaves for a maximum period of (# of months). If the leave duration is longer than (# of months), and if the employee wishes to continue to access eligible benefits from the plan for the remainder of their leave to the maximum of (# time) as defined by the benefit plan contract wording, the company will extend access to the plan, however 100% of the entire cost of relevant benefit premiums will be the sole responsibility of the employee for this period of time.
- g) *All insurance company-approved short-term or long-term disability leaves.* The company will continue to (cover the costs/pay for a specific portion of costs/or facilitate payment in full by the employee) for eligible benefit plan premiums for employees who qualify for approved leaves for a maximum period of (# of months). If the leave duration is longer than (# of months), and if the employee wishes to continue to access eligible benefits from the plan

for the remainder of their leave to the maximum of (# time) as defined by the benefit plan contract wording, the company will extend access to the plan, however 100% of the entire cost of relevant benefit premiums will be the sole responsibility of the employee for this period of time.

- h) To continue benefits as referenced above, the company will only accept postdated cheques made payable to the company. If payments are not made within 30 days, the company holds the right to terminate these benefits without notice, due to non-payment.
- i) Upon termination of employment, employees may be able to convert their group insurance coverage for Life or AD&D to individual policies directly with the insurer. It is an employee's responsibility to notify the plan administrator if they wish to apply to convert. It is entirely the employee's responsibility to oversee and manage this process with the Insurance Company.
- j) It is each employee's responsibility to immediately notify the Insurance Company or plan administrator if there is any change in personal or family status (i.e., marital status, new or ineligible dependents, change in other plan coverage, earnings, etc.). Additionally, if there are issues or concerns with claims or plan administration these must be immediately brought to the plan administrator's attention.
- k) **IMPORTANT.** Although the company has made every effort to accurately reflect the benefit plan policies and procedures related to continuation of benefits in this document, the final determination in all cases will be based on the company's Contract for Insurance with the insuring company. Claims/reimbursements for any and all benefits will be assessed and adjudicated by the Insurance Company and they will have final determination on eligibility and any claim appeal process.

## Inquiries

Any questions pertaining to the interpretation or application of this policy should be addressed to the supervisor, or where relevant, the (owner, director/manager of (xxx), office manager, plan administrator or the person responsible for human resources).

Employee Acknowledgement

I, \_\_\_\_\_, acknowledge that I have received, read and understand (Organization) company policy with respect to the continuation of benefits. I acknowledge and accept responsibility for consequence of not providing information in a timely manner such as my employment and/or leave status, ability to obtain, change, or cancel coverage, or remit valid cheques to cover premiums while on leave, per this policy.

I further acknowledge and understand that any questions/concerns or other issues related to my employee benefit program including administration or claims must be immediately brought to the attention of my plan administrator so appropriate and timely action can be taken.

\_\_\_\_\_  
Employee Signature

\_\_\_\_\_  
Date

\_\_\_\_\_  
Plan Administrator Signature

\_\_\_\_\_  
Date