

Core Benefits

EMPLOYEE BENEFITS AND APPRENTICES ON EDUCATION LEAVE

The electrical industry offers the opportunity for employees to take part in apprentice programs. When an employee goes away to school, this may have an effect on your Employee Benefit Program.

Most benefit plans require that employees are actively at work and working the minimum number of hours indicated in the policy to be eligible for benefits. The exception to this is policies that use hour bank systems. If you have employees taking an educational leave to attend an apprenticeship program, communication is key. Details on your plan provisions can be found in your policy documents and booklets.

Once an employee is notified of their school dates, it is a good time to reach out to your Employee Benefit Consultant to request next steps regarding your group benefits. You will want to ask how to extend coverage to an employee off on an educational leave. This will ensure that proper coverage is in place prior to your employee's last day.

An employee can request benefit coverage be extended while on a leave, however this extension is typically optional to the employee and must be approved by the insurer. Depending on the carrier with whom you have the benefit contract, processes can vary. Most commonly, if the employee wishes to maintain this coverage while on unpaid leave for education purposes, a letter of request to maintain coverage would be required. The criteria of the leave and duration will be required to be set forth so that the benefit carrier is aware of when the employee is due to return and any additional risks they may be covering while the employee is off. This is especially important to request if you have disability coverage with your benefit carrier. If you have a non-taxable disability program, you will need to make premium payment arrangements with the employee ahead of the leave via postdated cheques or e-transfer to cover off the member disability premiums that would otherwise be deducted from payroll.

If an employee does not want to maintain the coverage while on leave, a request to suspend/terminate coverage as of the last day worked is required by employer and/or plan administrator. Upon return to active employment, the member can be reinstated without a waiting period. When reinstating an employee you avoid having to submit a new application, generating a new member certificate number and issuing a new claim card number. This process is similar to a maternity leave process where the member can choose to continue and pay premiums and maintain coverage or be suspended and reinstated upon return to work.

Most carriers require that employees maintain all benefits or terminate all benefits during a period of leave. If available, it is strongly recommended that member's remain on the benefit plan while at school. This is especially important if the plan offers disability coverage. Maintaining benefits while on leave ensure employees that they have salary continuance coverage, should they become disabled while away. If benefits are terminated and an employee becomes disabled, they will not have access to income replacement.

Have questions on your benefit program or looking to set one up? We are happy to help. Contact us anytime.

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