



CHRISTIAN SCHOOLS
INTERNATIONAL

CSI Canada Insurance Plan & Trust Fund

UPDATE

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To: Participating Boards and Participants

From: Howard Van Mersbergen

- Masters of Social Work
- Continuation of Coverage During Work Stoppage
- Coverage Option Following Termination of CSI Insurance

Masters of Social Work

Masters of Social Work has been added as an eligible practitioner under the psychologist benefit and will fall under the combined annual psychologist maximum of \$500.

Continuation of Coverage During Work Stoppage

Employees covered by the CSI-Canada Insurance Plan and discontinuing work can continue insurance coverage. Such continuations of coverage are not automatic but must be applied for. To apply for continued coverage, notify our office as early as possible prior to work being discontinued (60 days if possible). A Work Stoppage Form is available by logging on www.CSIonline.org and selecting Employee Benefits, Canada, CSI Canada Insurance, Forms, Work Stoppage Form – for a leave of absence. This form is required for those going on maternity leave, other leaves of absence, sabbaticals, and for those whose employment is terminated and the school board is negotiating a severance package which includes continuation of insurance.

Each Work Stoppage Form will be judged on an individual basis and approval is not certain. Be careful when negotiating severance packages not to promise continued insurance coverage unless prior approval is obtained.

During any leave of absence (except with a severance package or maternity/parental leave), before they will agree to continue coverage, Manulife Financial requires a definite commitment to return to work and that provincial medical coverage be continued.

For an unpaid leave of absence the qualifying period for disability commences at the date of disability. The benefit payments commence from the later of the completion of the qualifying period or the original expected return to work date.

Here are some general guidelines:

DISABILITY LEAVES - These are the only work stoppages which do not require that a Work Stoppage Form be completed and continued coverage be applied for. Coverage can automatically continue as long as an employee is receiving Short or Long Term Disability Benefits.

No. 310

(More)

MATERNITY LEAVES - The standard maternity leave is for 17 weeks, and may be less at the option of the employee. During a maternity leave, all plan benefit coverage and contributions may be continued for the period of leave to which the employee is entitled by legislation governing the school. Provincial guidelines are available at www.CSIonline.org by selecting Employee Benefits, Canada, CSI Canada Insurance, Publications. If coverage is continued and a disability occurs during a leave of absence, benefits will begin at the later of the end of the qualifying period or the scheduled return to work date.

An employee on maternity leave is considered an employee throughout the maternity leave unless she specifically resigns prior to the end of the leave. If the employee notifies the employer in advance that she will not be returning to work after her maternity leave ends, her resignation date will be considered the date her maternity leave ends, unless an earlier resignation date is provided by the employee.

Any employee who is medically disabled due to pregnancy can apply for Short Term Disability and the school can complete the Work Stoppage Form for the maternity leave. If, however, an employee leaves a school prior to the birth of a child and she is still medically able to work, she must apply to continue coverage as explained above.

PARENTAL LEAVES - During a parental leave, all plan benefit coverage and contributions may be continued for the period of leave to which the employee is entitled by legislation governing the school. Provincial guidelines are available at www.CSIonline.org by selecting Employee Benefits, Canada, CSI Canada Insurance, Publications. If coverage is continued and a disability occurs during a leave of absence, benefits will begin at the later of the end of the qualifying period or the scheduled return to work date.

Parental leaves may be taken at the discretion of the employee, within the following parameters. If a birth mother wishes to take a parental leave, it must begin at the conclusion of the maternity leave. The maximum duration is 35 consecutive weeks, at the discretion of the birth mother. If a biological father wishes to take a parental leave, it must begin within 52 weeks of the birth of the child. The maximum duration is 37 consecutive weeks.

Both adoptive parents are entitled to parental leaves. If an adoptive parent wishes to take a parental leave, it must begin within 17 weeks of the child being placed in the parent's home. The maximum duration is 37 consecutive weeks.

Parental leaves are unpaid. Parental leaves must be for consecutive uninterrupted periods.

An employee on parental leave is considered an employee throughout the parental leave unless the employee specifically resigns prior to the end of the leave. If the employee notifies the employer in advance that the employee will not be returning to work after the parental leave ends, the resignation date will be considered the date the parental leave ends, unless an earlier resignation date is provided by the employee.

OTHER LEAVES OF ABSENCE - During any paid or unpaid leave of absence all salary-related benefits (Basic Life, AD&D, STD and LTD) as well as health and dental may be continued until the school terminates coverage, but in no event for more than 365 days after the employee was last actively at work. Additionally there must be a definite commitment to return to work. If a person is going out of Canada during their leave, Manulife Financial will continue emergency medical and dental benefits only for 60 days. Coverage beyond 60 days is available with prior approval. Notify the CSI office as early as possible to apply for the Extended Out-Of-Province coverage.

TERMINATED EMPLOYEES - In negotiating a severance arrangement you will be guided by statutory requirements in your province and common-law practice. The latter may well suggest granting a longer notice period than the minimum statutory requirement.

The Plan will extend all benefits to a terminated employee during the required statutory notice period. Specific notification of employees for whom benefits are being extended during this period is not required. Premiums should continue to be paid on behalf of such employees.

If you wish to extend any benefits beyond the required statutory notice period, advance approval must be obtained from Manulife Financial, who will only agree on a case by case basis. As a guideline, Manulife Financial has indicated that it is normally agreeable to extending life, health and dental benefits for up to one year, but that it is very reluctant to extend Long Term Disability coverage beyond the statutory notice period. If Long Term Disability coverage is extended, the Plan's Short Term Disability coverage will be automatically extended for the same time period.

As the group life insurance benefit has a conversion privilege, this option is available should Manulife Financial not agree to the requested life insurance extension. However, the individual life insurance premium would be significantly higher than the group life insurance premium.

The Short Term and Long Term Disability Benefits do not have conversion privileges and obtaining individual replacement coverage can be difficult.

In negotiating a severance arrangement with a terminated employee we suggest that you:

- obtain legal counsel as to the length of notice required and the necessity of maintaining group insurance coverage for all or part of the notice period;
- obtain prior approval from Manulife Financial before offering to extend any benefits beyond the statutory notice period. Details as to the employee's name, ID number, age, sex, length of service, salary, occupation, termination date and desired extension period should be provided to the CSI-Canada Insurance Office. If Manulife Financial will not agree to the requested extension, we will investigate what other options might be available;
- avoid extending Short Term Disability and Long Term Disability coverage beyond the statutory notice period, if possible;
- ensure that arrangements are made to collect any employee contributions towards the cost of the extended benefits.

Coverage Option Following Termination of CSI Insurance

CSI continues to offer a program for health and dental insurance coverage to employees and dependants who are no longer covered by the CSI Canada Insurance Plan. Manulife Financial's FollowMe health and dental plan is designed for employees who leave their school before retirement (for example, due to career change or job loss) and are not eligible for the CSI Retiree Insurance Plan and dependants who no longer are qualified to be on the Plan.

This benefit transfers participants from a group to personal health care plan without a need to provide medical information, provided the application is made within 60 days of leaving the CSI Canada Insurance Plan (guaranteed acceptance dependent upon receipt of first premium payment). Applications submitted after the 60 day period will require full medical underwriting. It is affordable coverage for unexpected health problems and emergencies, as well as many on-going health-related expenses not covered by provincial plans. The benefits do not mirror the CSI-Canada Insurance Plan.

Enrolling is easy! Employees with Internet access can receive a quick quote or apply online for FollowMe health coverage by logging on to www.coverme.com and selecting Our Plans or by contacting Manulife Financial's Customer Service Representatives at 1-877-COVER ME (1-877-268-3763).

Questions? Contact the CSI Canada Insurance Plan office at 800-635-8288, ext. 230.