

## **19. Collecting Employee Premium Arrears (Revised)** **(Employee Remittance Listings)**

If an employee is in arrears for any period prior to starting coverage on your group and has failed to contact Alberta Health and Wellness to arrange to pay the arrears, a Remittance Listing Notice for Employee Premium Arrears is sent to your group in accordance with Section 13 of the *Health Insurance Premiums Act*.

Employers are required to deduct and remit employees' premium arrears using one of the following guidelines:

1. deduct and remit the full amount outstanding as shown on the listing, or
2. each month deduct and remit a minimum of two months' premiums, or 10% of the balance due, whichever is greater, or
3. deduct and remit the amount on the Payment Calculation Worksheet (see page 19.4).

To determine deductions for premium arrears other than the methods indicated above, employers from within the Edmonton area may contact the Revenue Collections Unit at (780) 427-1413. From all other areas within Alberta, employers can call toll-free by dialing 310-0000 then (780) 427-1413 when prompted.

You will receive two copies of the *Remittance Listing Notice for Employee Premium Arrears* (see page 19.2). Indicate the payment amount for each employee on the top copy and submit along with your payment. The second copy is for your files. A new listing will be sent each month showing current arrears and notifying you of any new employees who have premium arrears. New employees are identified with an asterisk.

- A sample letter that you may wish to use to notify the employee of premium arrears is included on page 19.3
- A copy of the Payment Calculation Worksheet in accordance with the Employment Earnings Exemption is included on page 19.4.

Do not include premium arrears Remittance Listing payments with your regular payment for group premiums.



Employee Name:

Personal Health Number

Employee Address

RE: Alberta Health premium account balance of \$ \_\_\_\_\_  
(Total Arrears)

We have been advised by the Alberta Health Care Insurance Plan that your account has an outstanding balance. The premiums are for a period before your coverage started on our group plan.

Section 13 of the *Health Insurance Premiums Act* states that the employer is required to deduct and remit premium arrears to the Alberta Health Care Insurance Plan.

Section 13 (1) When a person who has failed to pay arrears of premiums is or becomes a member of an employer's group or designated group or a member of an employee group, the employer or group shall, when notified by the Minister to do so, and in the manner prescribed in the regulations, cause to be deducted from the person's wages the premium arrears owing and shall remit those premiums to the Minister.

(2) Any employee, employer or employee group who contravenes subsection (1) is guilty of an offence.

If you have any questions about your account, please write to the following address

Alberta Health and Wellness  
PO Box 1360 Stn M  
Edmonton, Alberta T5J 2N3

I would appreciate receiving copies of any correspondence you send to Alberta Health and Wellness. Unless you provide information indicating why you do not owe the premiums outstanding on your account, deductions will begin on \_\_\_\_\_.

Group Administrator

# Payment Calculation Worksheet

This worksheet may be used to calculate the amount of the payroll deduction.

Employee Name
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Personal Health Number
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**1. Calculation of pay period days.**

From \_\_\_\_\_ to \_\_\_\_\_  
Day      Month      Year      Day      Month      Year

Number of calendar days in pay period, including non-working days.

<b>A</b>	
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**2. Employees NET PAY (take home)**

<b>B</b>	\$
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**3. Calculation of Minimum and Maximum Exemptions**

Number of employee's dependants \_\_\_\_\_ x \$200/dependant =  
(including spouse or partner)      **Plus: Employee's exemption**  
**Total**

<b>C</b>	
_____	
800.00	

Employee's minimum exemptions for this pay period.  
 (C) divided by 30 days \_\_\_\_\_ multiplied by (A) \_\_\_\_\_ =  
 Employee's Minimum Exemption

<b>D</b>	
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**4. Calculation of Amount Payable**

1. If (B) is less than or equal to (D), the amount payable is Nil

2. If (B) is greater than (D), the maximum amount payable is:

\_\_\_\_\_ minus \_\_\_\_\_ divided by 2  
(B)                                  (D)

\$	
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**Maximum Payable**