

### LEGAL RIGHTS RESERVED

This manual contains general information concerning the benefits provided under the Public Servants Group Insurance Plan. All legal rights with respect to benefits under the Group Insurance Plans are governed by the Master Policies issued by the Great-West Life Assurance Company Limited and in the event of any variation between this summary and the provisions of the policies, the Master Policies will prevail.

# Group Insurance Administration Manual

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## History of the Plan

The Group Insurance Plan for employees of the Province of Manitoba began on May 1, 1960. It was underwritten by The Canada Life Assurance Company and administered by The Civil Service Superannuation Board. The Dependents Insurance Plan was added April 1, 1962.

Departmental employees of the Civil Service (casual and seasonal employees) were brought under the Plan on September 1, 1967.

Favourable claims experience resulted in bonus insurance and, where the employee qualified, a nominal amount of Paid-Up Insurance when insurance was terminated at age 65. These benefits were introduced in May, 1968, without increased premium payments.

Term employees who worked continuously for 12 months were brought under the Plan on July 1, 1970.

Effective the first day of the pay period including July 1, 1974, the amount of insurance under the Group Life Insurance Plan was increased to one, two or three times the employee's salary at the employee's option, up to a maximum of \$50,000. Employees who took early retirement were permitted to continue 50% of their insurance to age 65, reducing to 25% of their insurance until age 70. At age 70, the insurance reduced to \$1,000. A retiring employee could elect to take \$1,000 of insurance without further contributions at retirement or at any time thereafter prior to age 70. An Accidental Death and Dismemberment Insurance Plan began on the first day of the pay period including July 1, 1974.

Effective the first day of the pay period including May 1, 1977, the Dependents Group Life Insurance Plan was revised to provide \$10,000 insurance on the spouse and \$2,000 on each eligible child. The revised Plan allows retiring employees at their option to continue reduced amounts of Dependents Insurance to age 70.

Effective January 1, 1979, the Dependents Group Life Insurance Plan was changed to provide insurance based on the age of the dependent as well as to terminate at the earlier of the employee or the insured reaching age 70. The rate was also increased from 87¢ bi-weekly to \$1.03 bi-weekly (\$1.90 to \$2.24/month).

Favourable claims experience resulted in the introduction on July 1, 1979 of increased maximums under the Life Insurance Plan to bring the amount of insurance available at Class III to \$75,000.

In addition to increased maximums at each Class, there was an additional amount of 7% to be paid in the event of death claims. Also, a dividend of 10% was introduced to a maximum of \$5,000. The 10% dividend terminated May 31, 1981, and following that, a 5% dividend was paid on death claims prior to July 1, 1984. The Accidental Death and Disablement benefits were also increased to correspond to new maximums excluding the 7% and 10% additional amounts.

On July 1, 1984, more improvements to the Group Life Insurance Plan were introduced. The maximum insurance at each of the existing Classes was increased so that at Class III the maximum was \$112,500 and a higher Class IV became available to provide insurance based on four times (4X) an employee's salary to a maximum of \$150,000. Also, payment of a dividend was reintroduced on a revised basis. The dividend payable on claims from July 1, 1984 to April 30, 1992 was equal to 10% of the exact amount of insurance in force on June 30, 1984, to a maximum of \$8,025, or for new employees, 10% of the insurance initially provided. Insurance for employees who attain age 51 or older reduced on January 1st of each year. A new formula for insurance following retirement was also introduced. There were no changes made to the Accidental Death and Disablement Insurance or Dependents Insurance Plans on July 1, 1984.

As a result of favourable claims experience since 1984, further improvements were introduced effective May 1, 1992. The maximum insurance available at each Class was increased and a fifth Class was introduced so that at Class V, the maximum insurance available is 5 x \$70,000 (maximum salary) or \$350,000. The first four Classes of insurance remain cost shared (employee/employer) while the fifth Class is all employee paid. The dividend and the minimum test were eliminated from the Plan. The Plan was also improved to increase the age from 51 to 56 at which time insurance commences to reduce based on the employees age on January 1st of each year. Paid up insurance policies were also increased from \$1,000 to \$1,500 for all retired employees. No changes were made to the Accidental Death and Disablement Plan. The Dependents Insurance Plan was improved to provide enhanced optional coverage for eligible dependents (spouse/children). The Dependents Insurance Plan permitted the following choices:

1. No Dependents Insurance
2. Spouse \$15,000, each eligible child \$3,000
3. Spouse \$30,000, each eligible child \$6,000
4. Spouse \$45,000, each eligible child \$9,000
5. Spouse \$60,000, each eligible child \$12,000

Employees were allowed to continue reduced Dependents Insurance into retirement.

As the beneficiary could be adversely affected if less than the maximum amount of insurance is obtained, the Group Life Insurance Plan was designed so that each employee will be insured for the maximum amount of insurance. An employee can always decrease the Class of Life Insurance by informing payroll/personnel; but increases in the Class of insurance can only be done by providing evidence of insurability that is satisfactory to the Insurance Company.

Effective July 3, 1999, improvements were made to all three insurance plans. These changes were made primarily because of favourable claims experience, but also because a decision to use less conservative assumptions to set contribution rates was made.

The improvements included:

1. The elimination of a maximum salary \$70,000 recognized for Life Insurance.
2. An increased maximum Life Insurance of \$1,000,000.
3. Age reductions beginning at age 65 rather than age 56 for employee Life Insurance.
4. Reduction for Retirement Life Insurance occurring every five years rather than every year.
5. Paid-up Life Insurance increased from \$1,500 to \$3,000.
6. Reduced contributions for both Life and Accidental Death and Disablement Insurance.
7. Lower reductions for Dependents Insurance.
8. Elimination of coverage under any of the old insurance plans. All members insured under those plans automatically became insured under the new plan.

On August 1, 2004, The Great-West Life Assurance Company purchased The Canada Life Assurance Company and is now The Insurance Company.

Effective December 6, 2004, improvements were made to the paid-up life insurance amount and the dependent insurance plan.

The improvements included:

1. Paid-up Life Insurance increased from \$3,000 to \$4,500.
2. The dependents insurance coverage increased per Unit for a spouse from \$15,000 to \$17,500 and for all eligible children per Unit from \$3,000 to \$3,500.

## **B. Employer Responsibilities**

As a participating employer in the Program, you have a number of responsibilities. This manual has been prepared to assist you in handling the details of your responsibilities in the administration of the Program, which include:

1. establishing and maintaining an accurate accounting of employment salary, deductions, and insurance in force;
2. enrolling employees as soon as eligibility requirements are met;
3. ensuring employees complete necessary forms and maintaining a complete and up-to-date file of those forms;
4. completing and submitting all necessary forms to the Board office;
5. deducting and remitting contributions;
6. distributing to members all literature and other information provided by the Board; and
7. keeping payroll/personnel staff informed of any changes to the Program or administration procedures.

## C. Using This Manual

The information in this manual is assembled according to each event which requires your action and is likely to occur with one or more of your employees. Each event forms a separate section in this manual. In most cases, a section will include a POLICY section and PROCEDURE section, whenever applicable. The "Forms" section of the manual has blank forms. WE HAVE PROVIDED YOU WITH A SUPPLY OF SOME OF THE FORMS. FOR THE REMAINDER OF FORMS, YOU ARE EXPECTED TO PHOTOCOPY THE FORM FROM THE MANUAL.

This manual assumes participation in the Program.

In this manual, words in singular include the plural and vice versa where the context so requires. The representative of a participating employer who is responsible for handling the administration of the Program has been referred to as "you" or "the employer" throughout this manual. This may include a personnel manager, payroll officer, or administrator. You are strongly urged to keep a copy of any form or letter which you send to the Board office. By doing this, you will have a copy to refer to in case questions arise.

This manual makes reference to a number of forms and contains only one blank of each. Do not write on any of the blanks. They are to be used only to photocopy your own supply of forms as you need them in future, unless stated otherwise.

The procedures set out in this manual should answer any questions which arise. If any additional assistance is required or if you are faced with a situation that is not covered in this manual, please contact the Board staff at:

The Civil Service Superannuation Board  
1200-444 St. Mary Ave.  
Winnipeg MB R3C 3T1  
Phone: 946-3200 (Winnipeg)  
Toll Free: 1-800-432-5134  
FAX: 945-0237

**NOTE:** This manual is the property of The Civil Service Superannuation Board and is to remain in the office of the participating employer. A new manual will not be issued when the person responsible for using the manual changes.



## D. Summary of Plan Benefits

### 1. Life Insurance

#### Insurance Protection Prior to Age 65

Each employee is automatically insured for the maximum insurance (Class 5) unless they apply to be insured for a lesser amount (Class 1, 2, 3 or 4). A minimum of Class 1 insurance is **COMPULSORY** for all eligible employees. The insurance on an employee's life is based on their annual salary (rounded to the nearest dollar) multiplied by the Class selected, up to a maximum amount of \$1,000,000.

All Class increases are subject to providing satisfactory evidence of insurability.

#### Reducing Insurance Commencing at age 65

When an employee turns age 65, insurance reduces to 75% of their Class multiplied by annual salary. There is a further reduction to 62.5% at age 70, and to \$4,500 at age 75, when no further contributions are required.

## D. Summary of Plan Benefits

### 2. Accidental Death and Disablement Insurance (A.D. & D.)

Insurance is based on the employee's annual salary multiplied by Class, as selected under the Life Insurance Plan, up to the following maximums:

| <u>Life Insurance Class</u> | <u>Maximum Insurance</u> |
|-----------------------------|--------------------------|
| 1                           | \$25,000                 |
| 2                           | \$50,000                 |
| 3, 4 or 5                   | \$75,000                 |

NOTE: The amount of A.D. & D. benefit is not affected by the reduction in the amount of life insurance due to the attained age of the employee.

A benefit is paid if an employee dies or suffers any losses listed in the following schedule due to accidental means. Death or loss must occur within 365 days of the accident. "Loss" means, the total irrecoverable loss of use of the appendage or organ.

| <u>Nature of Loss</u>                            | <u>% of Insurance</u> |
|--------------------------------------------------|-----------------------|
| Life                                             | 100                   |
| Both Hands                                       | 100                   |
| Both Feet                                        | 100                   |
| Sight of Both Eyes                               | 100                   |
| One Hand and One Foot                            | 100                   |
| Sight of One Eye and Either One Hand or One Foot | 100                   |
| One Arm                                          | 66.6                  |
| One Leg                                          | 66.6                  |
| One Hand                                         | 50                    |
| One Foot                                         | 50                    |
| Sight of One Eye                                 | 50                    |
| Thumb and Index Finger of Same Hand              | 25                    |

A total and permanent disability benefit, equal to 100% of the A.D.&D. Insurance, is paid if an employee becomes totally and permanently disabled in the opinion of the Insurance Company.

The benefit provided as a result of one or more accidents shall not exceed 100% of the Accidental Death and Disablement Insurance.

NOTE: No benefit is paid if death, dismemberment or disablement is caused by suicide, self-inflicted injury, illness or disease, war, insurrection or hostilities of any kind, participation in a riot or civil commotion; parachuting, gliding, travel in any aircraft functioning as a kite, glider or balloon, or any travel in an aircraft unless on the employer's business or as a passenger in a civil aircraft piloted by a duly licensed or certified pilot in an aircraft used solely for transportation.

There were no changes to the AD&D Coverage as at July 3, 1999. Only the contribution rate changed.

## D. Summary of Plan Benefits

### 3. Dependents Insurance (optional)

The amount of insurance available on the life of an eligible dependent is based on the number of units chosen. There are four Units available offering insurance as follows:

|                     | Number of Units |          |          |          |
|---------------------|-----------------|----------|----------|----------|
|                     | <u>1</u>        | <u>2</u> | <u>3</u> | <u>4</u> |
| Spouse              | \$17,500        | \$35,000 | \$52,500 | \$70,000 |
| Each Eligible Child | 3,500           | 7,000    | 10,500   | 14,000   |

Dependents Insurance terminates when the insured spouse reaches age 70.

It is possible for both spouses, each contributing to the Dependents Plan, to insure each other and their children.

When an employee becomes eligible for Life Insurance, but does not have dependents, they must complete a form opting out of the Dependents Plan. The employee should also be informed that they may later insure newly acquired dependents by notifying their payroll office within 90 days.

## A. Orientation

It is the employer's responsibility to provide brochures and information as well as to explain details and answer any questions that may arise concerning the Insurance Plans to new employees.

### PROCEDURES

#### Forms:

CSSB.1004/97-01 - "Notice of Desire" (see also pension manual)  
Group Insurance Information booklet

#### Required Actions:

Determine if the employee is eligible for insurance:

If NO, employer should;

- a. inform employee of "Notice of Desire" (if applicable) and explain possible participation in both pension and insurance plans
- b. provide employee with insurance booklet

If YES, employer should;

- a. provide employee with insurance booklet
- b. orient employee on Insurance Programs with the emphasis on:
  1. optional reductions/increases in insurance
  2. increases require evidence of insurability at employee's expense. The employee must be in reasonable health to be approved for an increase in insurance Class. Therefore, please stress to employees that if they are choosing to reduce their insurance Class, they will not be able to later increase their insurance Class if they are in poor health at the time they apply for the increase.
  3. eligibility for Dependents Insurance and applicable time limits.
  4. recommend that the employee should review beneficiary designations regularly; and if necessary, make changes
- c. enroll employee in Plan (see Section 2.B.1 - Eligibility and Enrollment)

## B. Registering A New Employee

### 1. Eligibility & Enrollment

#### Life Insurance Plan

An employee participates in the Plan if they qualify to participate in their employer's pension plan.

NOTE: "Contract employees" are not eligible to participate in the Insurance Plans.

#### Accidental Death and Disablement Plan

Accidental Death and Disablement Insurance commences automatically on the same date as Life Insurance, providing the employer is participating in the Plan, and ceases when the employee retires, terminates employment, becomes totally disabled or dies.

#### Dependents Insurance Plan

To be eligible, an employee must participate in the Life Insurance Plan and have:

- a) a spouse under age 70 and/or
- b) unmarried children under 22 years of age and/or
- c) unmarried children who became permanently disabled prior to their 22nd birthday

If a dependent is in hospital when the Insurance would otherwise begin, it becomes effective upon discharge from the hospital.

#### NOTE: Common-law spouse

"Spouse" includes a person who for at least the immediately preceding year, has cohabited with the employee and who has been represented by the employee as their spouse. The one year cohabitation requirements may be waived if the spouse provides evidence of insurability satisfactory to the Insurance Company. Employees wishing to insure a common-law spouse should contact their payroll/personnel office and complete the necessary application.

Dependents Insurance is not meant to imply that the spouse is financially or otherwise dependent on the employee.

"Child" includes any child who is under the care and custody of the employee. All children must be designated in writing on a prescribed form and filed with the employer. Child also includes a still-born child.

"Still-born child" is a child that is not the result of an abortion and either  
(i) weighs at least 500 grams at birth, or  
(ii) was at least 20 weeks in gestation.

The life of a dependent will not be insured if the dependent is:

- a) in full-time service in the Armed Forces; or
- b) the divorced spouse of the employee; or
- c) residing outside of Canada and the United States.

## PROCEDURES

### Forms

G0056ADCE - Application for Dependents Coverage (Qualified common-law application only)

8001 - Group Life and Dependents Insurance Appointment and Election Statement

### Required Actions

1. a. Employee should complete form 8001 and return it to the employer.  
b. Employee should complete top portion of form G0056ADCE and return to the employer (common-law application only).
2. Employer should place the original(s) in the employee's file with a copy(ies) to the employee.

NOTE: Enrollment in the Accidental Death and Disablement Plan (for participating employers) is automatic when an employee becomes a member of the Life Insurance Plan.

### IMPORTANT

It is mandatory that all employees complete the Dependents Insurance portion of the Election Statement (Form 8001 above), even if they are not electing Dependents Insurance.

## B. Registering A New Employee

### 2. Effective Date Of Insurance And Contribution Start Date

#### Life Insurance Plan

For an eligible employee who starts on the first day of a pay period, a double deduction is required from the first payroll to place the employee on a pre-paid basis (insurance commences on the first day of the pay period). For employees who are eligible on any day other than the first day of a pay period, only a single deduction is required. Insurance then commences on the first day following the payroll from which deductions are taken.

Where an employee applies for a higher Class; if approved, the increase becomes effective on the first day of the pay period following the payroll from which higher contributions were deducted.

#### Accidental Death and Disablement Plan

Accidental Death and Disablement Insurance commences on the same date as the Life Insurance.

#### Dependents Insurance Plan

Dependents Insurance commences on the first day of the pay period after a deduction has been made.

If a dependent (excepting newborns) is in hospital when insurance would otherwise commence, the insurance is effective when the dependent is discharged from the hospital.



## B. Registering A New Employee

### 3. Appointment Of Beneficiary

#### Life Insurance Plan

An employee may name a beneficiary of their choice.

A beneficiary is:

- a) a person, and/or,
- b) a number of persons, and/or,
- c) an institution such as a church or charitable organization, and/or,
- d) the insured person's Estate.

The beneficiary will receive the insurance proceeds in the event of the death of the insured person.

It is important that the choice be made as precisely as possible. We suggest the use of the following wording in the designation of beneficiaries:

- a) Where one beneficiary is named:  
Mary Jane Smith, Wife
- b) Where two beneficiaries are named:  
Mary Jane Smith, Mother and William John Smith, Father,  
equally or to the survivor
- c) Where three or more are named:  
William John Smith, Son  
Joseph Albert Smith, Son and  
Mary Jane Smith, Daughter,  
equally or to the survivors or survivor
- d) Where the beneficiary is designated as the Estate:  
Estate
- e) Where beneficiaries are allowed fractional amounts, the fractions should be indicated as such:  
Mary Jane Smith, Wife - Two-Thirds (2/3)  
William John Smith, Son - One-Third (1/3)  
or all to the survivor

When naming a minor as beneficiary, a trustee should be designated. We recommend that employees contact their solicitor or the Public Trustee office (Department of Justice) for further information on naming a trustee.

If an employee designates an institution as a beneficiary, they must supply the correct name and address of the institution.

Requests for special designations, not in accord with any of the standard examples shown above, should be referred to the Board for advice before the applicable form is completed.

## Registering A New Employee

### 4 Calculation Of Annual Salary And Insurance

#### i) Calculation Of Annual Salary

Salary includes all permanent entitlements which are subject to Superannuation (excludes Northern Allowance, Overtime, Call Duty Allowance, etc.).

##### Bi-weekly

26.1 x bi-weekly rate then rounded to the nearest dollar (Minimum \$5,000).

##### Hourly (or daily)

52.2 x primary hourly (or daily) rate x the regular hours (or days) for one week, as stated in the applicable agreement, then rounded to the nearest dollar (Minimum \$5,000).

##### Irregular hours

Annual salary should be based on prior year earnings, rounded to the nearest dollar (Minimum \$10,000).

##### Irregular hours (first year of employment)

Annual salary should be based on either the annual salary of a comparable position or a reasonable projection of earnings for the year, rounded to the nearest dollar (Minimum \$10,000).

NOTE: The minimum annual salary recognized for Life Insurance is \$5,000 with the exception of irregularly paid part-time employees for whom the minimum annual salary recognized is \$10,000.

#### ii) Calculation Of Insurance

##### Life Insurance Prior to Age 65

Annual salary (rounded to the nearest dollar) x selected Class. A Class is a multiple of annual salary.

Examples

| <u>Annual Salary</u> | <u>Class</u> | <u>Insurance</u>         |
|----------------------|--------------|--------------------------|
| \$20,000             | 1            | \$20,000 x 1 = \$ 20,000 |
| 30,499               | 2            | 30,499 x 2 = 60,998      |
| 40,500               | 3            | 40,500 x 3 = 121,500     |
| 50,501               | 4            | 50,501 x 4 = 202,004     |
| 70,000               | 5            | 70,000 x 5 = 350,000     |
| 80,000               | 5            | 80,000 x 5 = 400,000     |

Life Insurance After Age 64

For employees, insurance reduces on their 65th, 70th, and 75th birthdate.

Annual salary x factor (based on age and selected class as per the following factor table)

Factor Table:

| <u>Attained Age</u> | <u>Class</u>                                                                       |          |          |          |          |
|---------------------|------------------------------------------------------------------------------------|----------|----------|----------|----------|
|                     | <u>1</u>                                                                           | <u>2</u> | <u>3</u> | <u>4</u> | <u>5</u> |
| 64 or less          | 1.000                                                                              | 2.000    | 3.000    | 4.000    | 5.000    |
| 65 to 69            | .750                                                                               | 1.500    | 2.250    | 3.000    | 3.750    |
| 70 to 74            | .625                                                                               | 1.250    | 1.875    | 2.500    | 3.125    |
| 75 or older         | \$4,500 of coverage (regardless of insurance class), with no further contributions |          |          |          |          |

Example: Birth date = June 3, 1934  
 Annual salary = \$56,491  
 Class = 5

Insurance from June 3, 1999, to June 2, 2004 =  
 $\$56,491 \times 3.750 = \$211,841$

NOTE: The factor is based on age. Insurance reduces on the employee's birth date.

Accidental Death and Disablement Plan

| <u>Life Insurance Class</u> | <u>Insurance Calculation</u> | <u>Maximum Insurance</u> |
|-----------------------------|------------------------------|--------------------------|
| 1                           | 1 x annual salary            | \$25,000                 |
| 2                           | 2 x annual salary            | 50,000                   |
| 3, 4 or 5                   | 3 x annual salary            | 75,000                   |

Dependents Insurance Plan

Insurance is based on chosen Unit. No calculation is required.

| <u># of Units</u> | <u>Bi-Weekly<br/>Employee Cost</u> | <u>Insurance<br/>on Spouse</u> | <u>Insurance on<br/>Each Eligible Child</u> |
|-------------------|------------------------------------|--------------------------------|---------------------------------------------|
| 1                 | \$1.60                             | \$17,500                       | \$3,500                                     |
| 2                 | \$3.20                             | \$35,000                       | \$7,000                                     |
| 3                 | \$4.80                             | \$52,500                       | \$10,500                                    |
| 4                 | \$6.40                             | \$70,000                       | \$14,000                                    |

## B. Registering A New Employee

### 5. Calculation Of Bi-Weekly Contributions

#### Life Insurance

| <u>Class</u> | <u>Employee Contribution</u>                                   | <u>Employer Contribution</u>                                    |
|--------------|----------------------------------------------------------------|-----------------------------------------------------------------|
| 1            | 1 x (7.68¢/\$1,000 of salary)                                  | 1 x (2.91¢/\$1,000 of salary)                                   |
| 2            | 2 x (7.68¢/\$1,000 of salary)                                  | 2 x (2.91¢/\$1,000 of salary)                                   |
| 3            | 3 x (7.68¢/\$1,000 of salary)                                  | 3 x (2.91¢/\$1,000 of salary)                                   |
| 4            | 4 x (7.68¢/\$1,000 of salary)                                  | 4 x (2.91¢/\$1,000 of salary)                                   |
| 5            | 4 x (7.68¢/\$1,000 of salary)<br>+ 1 x (10.59¢/\$1,000 salary) | 4 x (2.91¢/\$1,000 of salary)<br>+ 0 (no employer contribution) |

Note: All of the above are the bi-weekly contributions required.

Examples of employee bi-weekly contributions:

$$\text{Salary } \$30,000, \text{ Class 1} = 1 \times 7.68\text{¢} \times 30 = \$ 2.30$$

$$\text{Salary } \$50,599, \text{ Class 3} = 3 \times 7.68\text{¢} \times 50.599 = \$11.66$$

$$\begin{aligned} \text{Salary } \$50,000, \text{ Class 5} &= 4 \times 7.68\text{¢} \times 50 &&= \$15.36 \\ &+ 1 \times 10.59\text{¢} \times 50 &&= \underline{+ 5.30} \\ &&&= \$20.66 \end{aligned}$$

$$\begin{aligned} \text{Salary } \$80,000, \text{ Class 5} &= 4 \times 7.68\text{¢} \times 80 &&= \$24.58 \\ &+ 1 \times 10.59\text{¢} \times 80 &&= \underline{+ 8.47} \\ &&&= \$33.05 \end{aligned}$$

Contributions for Class 1 (one multiple), Class 2 (two multiples), Class 3 (three multiples) or Class 4 (four multiples) are employee/employer paid. Contributions for Class 5 (five multiples) are split. The first 4 multiples of Class 5 are employee/employer paid but the 5th multiple is all employee paid.

Contributions for the first 4 multiples are 7.68¢/\$1,000 of salary for employees and 2.91¢/\$1,000 of salary for employers. Contributions for the 5th multiple of Class 5 are 10.59¢/\$1,000 of salary and are all employee paid.

Example: Employee age 68 years, annual salary is \$42,000, Class 5.

Employee contributions are as follows:

$$\begin{array}{rcl} 42 \times 4 \times .75 \text{ (age reduction)} \times 7.68\text{¢} & = & \$9.68 \\ \text{Plus} & & \\ 42 \times 1 \times .75 \text{ (age reduction)} \times 10.59\text{¢} & = & \underline{3.34} \\ & & \text{Class 5} \quad \$13.02 \end{array}$$

Contributions for a bi-weekly pay period would be \$13.02 for insurance of \$157,500.

Accidental Death and Disablement (A.D.& D.)

All employer paid at 1.58¢ bi-weekly (3.43¢ monthly) per thousand dollars of insurance.

Dependents Insurance

Dependents Insurance is all employee paid at the rate of \$1.60 bi-weekly (\$3.48 monthly) for each Unit of insurance selected.

## **B. Registering A New Employee**

### **6. Remittance Of Contributions**

#### **ALL INSURANCE PLANS**

The Contribution Remittance Report should be completed for each pay period and submitted to the Board within 4 working days after the end of a pay period. If applicable, Supplementary payrolls processed during that pay period should also be included in the report. Cheques are payable to the "Public Service Group Insurance Fund".

#### **PROCEDURES**

##### **Forms:**

8007 - Contribution Remittance Report

##### **Required Actions:**

1. Calculate required contributions.
2. Complete form 8007 (retain copy for reference).
3. Prepare cheque payable to "Public Service Group Insurance Fund".
4. Send form 8007 and cheque to the Board.



## A. Increasing Insurance Coverage

### 1. Life and Accidental Death and Disablement Insurance

#### Automatic Increases in Amount of Insurance

An increase in salary may result in an increase in the insurance (maximum \$1,000,000 insurance). The increased insurance is effective when recorded on the payroll. No retroactive changes in insurance are made due to retroactive changes in annual salary.

#### Request to be Insured Under a Higher Insurance Class

An employee who is insured under Class 1, 2, 3 or 4 may apply to increase the amount of their insurance by selecting a higher insurance Class. The employee, at their expense, must submit medical evidence of insurability satisfactory to the Insurance Company. The increase is effective on the first day of the pay period following receipt of written approval from the Insurance Company and the deduction has been made on the payroll.

#### Accidental Death And Disablement

Changes in the amount of Accidental Death and Disablement insurance may occur as a result of the changes in annual salary (subject to applicable maximums), or changes to the Life Insurance Class.

## PROCEDURES

### Forms:

G220136H - Statement of Health for Group Insurance.

7425 - Employee Group Insurance Appointment and Election Statement (prior to May 1, 1992) (Green or Tan card)

or

8001 - Life Insurance and Dependents Insurance Appointment and Election Statement (after April 30, 1992).

8013 - Request For A Higher Life Insurance Class

8003 - Application for Changes in Life Insurance

### Required Actions:

1. Employee completes forms G220136H and 8003 and returns to employer. Employer ensures all areas have been completed.
2. Employer completes form 8013.
3. Employer copies all required forms and files copies in employee file.
4. Employer forwards originals of forms G220136H, 8001 or 7425, 8003, and 8013 to the Board.
5. The Board forwards application to Insurance Company.
6. Insurance Company advises the Board of decision in writing, who in turn advises the employer.

7. Employer advises employee of decision, and files copy of same in employee's file and report on reverse side of form 8001.
8. Employer should re-calculate and adjust contributions accordingly (if approved).

If additional medical information is required:

1. The insurance company will forward medical request to employee.
2. Employee should have medical form completed by doctor for return to the Civil Service Superannuation Board.
3. see steps 6 to 8 above.

## A. Increasing Insurance Coverage

### 2. Request for Dependents Insurance

For employees who apply for Dependents Insurance within 90 days of acquiring the dependent (i.e. birth, marriage, or meeting common-law requirements) approval is automatic.

If an employee applies within 90 days of acquiring a dependent, all other eligible dependents are automatically insured even if the employee had dependents at the time of employment but had elected to opt out.

If application is made on the first day of a bi-weekly pay period, the insurance is effective on that date. Otherwise, insurance starts on the first day of the next pay period.

If application is made after 90 days of acquiring eligible dependents (i.e. birth, marriage, or meeting common-law requirements) it will be necessary to provide medical evidence of insurability satisfactory to the Insurance Company for approval.

If approved, the insurance becomes effective on the first day of the next pay period.

If an employee is already enrolled in the Dependents Insurance Plan and acquires an eligible dependent, that eligible dependent is automatically insured regardless of whether or not the required documentation is completed within 90 days of acquiring the dependent. If the required documentation is not completed within 90 days of acquiring the dependent, it is not necessary that the employee make application to the insurance company for coverage on that eligible dependent. However, it is always required that the employer ensure that the required documentation (form 8002) is completed adding that eligible dependent. The preceding paragraph does not include application for common-law dependents or employees who do not already have existing dependents insurance coverage.

NOTE: To qualify to insure common-law dependents, the cohabitation period is one year. If the employee has applied for insurance within 90 days after qualifying, they must complete the top part of the "Application for Dependents Coverage" form only. If application is made after 90 days of becoming eligible or before the 1 year cohabitation period, they must complete the entire form (see procedure section) and submit it to the insurance company for approval.

## PROCEDURES

### Forms

- 8001 - Group Life Insurance and Dependents Insurance Appointment and Election Statement
- 8002 - Application for Changes to Dependents Insurance
- 8012 - Request For Dependents Insurance Or An Increased Number of Units
- G0056ADCE - Application for Dependents Coverage

### Required Actions

- A) Application within 90 days of acquiring an eligible dependent
  - a) employee should complete step 1.
  - b) employer should complete steps 6 and 9.
- B) Application made after 90 days of acquiring an eligible dependent
  - a) employee should complete steps 1 and 3.
  - b) employer should complete steps 4, 5, 7, 8 and 9 (if approved).
- C) Common-law - Qualified After 1 Year and Request Within 90 Days of 1 Year Qualification
  - a) employee should complete steps 1 and 2.
  - b) employer should complete steps 6 and 9.
- D) Common-law - Not Qualified or Qualified and Request After 90 Days
  - a) employee should complete steps 1 and 3.
  - b) employer should complete steps 4, 5, 7, 8, and 9 (if approved)

### Steps

1. Employee should complete applicable section of form 8002 and return to employer.
2. Employee should complete top portion of form G220200H and return to employer.
3. Employee should complete all of form G220200H and return to employer. Employer ensures all areas have been completed.
4. Employer should complete form 8012.
5. Employer should copy all applicable documents and file copies in employee's file.
6. Employer should copy form 8002, file original in employee's file and send copy to CSSB.
7. Employer should forward all originals to the Board.

- NOTE: The Board will forward application to Insurance Company.  
Insurance Company will advise the Board of decision in writing.  
The Board will advise employer of decision in writing.
8. Employer should advise employee, and file written notice of

approval/denial in employee's file and record on reverse of form 8001 (if applicable).

9. Employer should calculate and commence deductions if employee did not previously have Dependents Insurance (if approved).

A) If additional medical information required

1. The insurance company will forward request for medical information to employee.
2. Employee should forward form to doctor for completion and return to The Civil Service Superannuation Board.
3. See Step 7 Notes (Steps).

## A. Increasing Insurance Coverage

### 3. Request For Increased Dependents Insurance (Higher Units)

An employee who is insured for either 1, 2 or 3 Units may apply to increase the amount of insurance by selecting a higher Unit. The employee, at their expense, must submit medical evidence of insurability satisfactory to the Insurance Company. The increase is effective on the first day of the pay period for which contributions have been paid.

## PROCEDURES

### Forms

- 3965 - Dependents Insurance card (Orange card)
- 8001 - Group Life Insurance and Dependents Insurance Appointment and Election Statement
- 8002 - Application for Changes to Dependents Insurance
- 8012 - Request for Dependents Insurance or an Increased Number of Units
- G0056ADCE - Application for Dependents Coverage

### Required Actions

1. Employee should complete applicable section of form 8002 and return to employer.
2. Employee should complete all of form G0056ADCE and return to employer. Employer ensures all areas have been completed.
3. Employer should complete form 8012.
4. Employer should copy all applicable documents and file copies in employee's file.
5. Employer should forward originals of forms 3965 (Orange card) or 8001, G0056ADCE, 8002, and 8012 to the CSSB.

NOTE: The Board will forward application to Insurance Company. Insurance Company will advise the Board of decision in writing. The Board will advise employer of decision in writing.

6. Employer should advise employee of decision, file written notice of approval/denial in employee's file, and record on reverse of form 8001 (if applicable).
7. Employer should recalculate and commence deductions, if approved.

If additional medical information required

1. The insurance company will forward request for medical information to the employee.
2. Employee should forward form to doctor for completion and return to Civil Service Superannuation Board.
3. See Steps 6 and 7 above.

## B. Decreasing Insurance Coverage

### 1. Life Insurance

An employee's insurance may decrease if their annual salary decreases. It may necessitate a re-calculation of insurance and contributions.

#### Voluntary Reduction in Insurance Class

Employees may reduce their Class by completing the applicable form.

The reduction in insurance commences on the first day of the pay period following that in which contributions are deducted on a changed basis.

A refund of contributions is not made when an employee, without sufficient notice, reduces their insurance and deductions are unavoidably made.

If the employee later wishes to increase their insurance Class, they will have to provide evidence of insurability satisfactory to the Insurance Company on the prescribed form. The employee must be in reasonable health to be approved for an increase in insurance Class. Therefore, please stress to employees that if they are choosing to reduce their insurance Class, they will not be able to later increase their insurance Class if they are in poor health at the time they apply for the increase.

An employee cannot convert any voluntary reduction in insurance.

#### Accidental Death And Disablement

Changes in the amount of Accidental Death and Disablement Insurance may occur as a result of the changes in annual salary (subject to applicable maximums), or changes to the Life Insurance Class.



## PROCEDURES

### Forms

- 7425 - Employee Group Insurance Appointment and Election Statement (Green card, prior to May 1, 1992)  
or
- 8001 - Group Life Insurance and Dependents Insurance Appointment and Election Statement (after April 30, 1992)
- 8003 - Application for Changes in Life Insurance Class.

### Required Actions

1. Employee completes form 8003 and returns same to employer. Employer ensures all areas have been completed.
2. Employer copies form 8003 and forwards to Insurance Department at CSSB.
3. Employer attaches original form 8003 to the employee's insurance statement (8001) or card (7425) and files in the employee's file recording the change on the reverse of form 8001 (if applicable).
4. Employer re-calculates the insurance and adjusts the contributions accordingly.

## B. Decreasing Insurance Coverage

### 2. Dependents Insurance

#### Reduction in Units/Opt Out/Cancellation of Dependents Insurance

Employees may reduce their number of Units by completing the applicable form.

The reduction in insurance commences on the first day of the pay period following that in which contributions are deducted on a changed basis.

A refund of contributions is not made when an employee, without sufficient notice, reduces their insurance and deductions are unavoidably made.

If the employee later wishes to increase their number of Units, they will have to provide evidence of insurability satisfactory to the Insurance Company on the prescribed form.

An employee cannot convert any voluntary reduction in insurance.

## PROCEDURES

### Forms

- 3965 - Individual Application for Dependents' Group Life Insurance (Orange card)
- 8001 - Group Life Insurance and Dependents' Insurance Appointment and Election Statement
- 8002 - Application for Changes to Dependents Insurance.

### Required Actions

1. Employee completes applicable section of form 8002 and returns same to employer. Employer ensures all areas have been completed.
2. Employer copies form 8002 and forwards to Insurance Department - CSSB.
3. Employer attaches original form 8002 to the employee's insurance statement (8001) or card (3965) and files in the employee's file reporting the change on the reverse of form 8001 (if applicable).
4. Employer adjusts the contributions accordingly or cancels Dependents' Insurance deduction.

## C. Name Changes

### 1. Change In Name of Insured Employee By Marriage

If an insured employee has a change in name due to marriage the employee should advise their employer.

If an employee has a legal name change, the employee should also advise their employer and provide a copy of a document supporting the name change.

## PROCEDURES

### Forms

1537 - Certificate By Employee of Change in Name

### Required Actions

1. Employee should complete form 1537 and return to employer.
2. Employer should cross out current name on insurance statement or card and record name change.
3. Employer should attach original of form 1537 to employee's insurance card.
4. Employer should provide employee and the Insurance Department of the CSSB with a copy of form 1537.

## C. Name Changes

### 2. Change in Name of Beneficiary

If an insured employee's beneficiary changes their name, the employee should advise their employer.

## PROCEDURES

### Forms:

1536 - Beneficiary Designation Form

### Required Actions:

1. Employee should complete form 1536 (indicating correct name).
2. Employer should attach original to employee's insurance statement or card and file in employee's file.
3. Employer should provide employee with copy of form 1536.

## D. Beneficiary Changes

### 1. Changing Beneficiaries For Members in Plan After June 30, 1962

Subject to legal restrictions (see Section 3.D.2 - Changing Beneficiaries For Members in Plan Prior to July 1, 1962), an employee may, at any time, change the beneficiary already appointed. There is no limit to the number of times beneficiary designations can be changed.

When naming a beneficiary that is a minor, a trustee should be named. The employee may want to contact a solicitor or the Public Trustee's office.

## PROCEDURES

### Forms:

1536 - Beneficiary Designation Form.

### Required Actions:

1. Employee should complete form 1536.
2. Employer should attach original to employee's insurance statement or card and file in employee's file.
3. Employer should provide employee with copy of form 1536.

## D. Beneficiary Changes

### 2. Changing Beneficiaries For Members in Plan Prior To July 1, 1962

At that time, the designation of beneficiaries was governed by the Uniform Life Insurance Act. Beneficiaries were delegated to two groups: preferred and non-preferred. If the original beneficiary is in the preferred group, the employee is restricted in the changes they make unless one of several requirements are satisfied. The preferred and non-preferred groups are as follows:

| <u>Preferred</u>             | <u>Non-Preferred</u> |
|------------------------------|----------------------|
| Father                       | All others           |
| Mother                       | including Estates    |
| Wife                         |                      |
| Husband                      |                      |
| Children                     |                      |
| Adopted Children             |                      |
| Grandchildren                |                      |
| Children of Adopted Children |                      |

To designate a beneficiary outside the preferred group, either the original beneficiary would have to be deceased, the insured and the beneficiary would have to be divorced or the beneficiary would have to complete a "Form of Assignment" signing off rights to the insured's insurance benefits. Unless one of the above requirements is met, the designation cannot be changed outside of the preferred group.

Designations can be changed within the preferred group at any time.

If the original designation was in the non-preferred group, no restrictions apply to changing the beneficiary.

When naming a beneficiary that is a minor, a trustee should be named. The employee may want to contact a solicitor or the Public Trustee's office.

## PROCEDURES

### Forms:

- 1536 - Beneficiary Designation Form
- 1541 - Form of Assignment

### Required Actions:

1. Employee should provide employer with one of:
  - a. Copy of Divorce Absolute (if preferred beneficiary was a spouse)
  - b. Proof of death of preferred beneficiary
  - c. Completed form 1541
2. Employee should complete form 1536.
3. Employer should attach original of form 1536 and one copy of a, b, or c (from 1. above) to employee's insurance card or statement.
4. Employer should file above forms in employee's file.
5. Employer should provide employee with a copy of 1536.

## A. Waiver of Contributions

Any employee under age 65, retiring due to disability, terminating due to ill health or injury, or in receipt of Long Term Disability benefits (TD ALL), may apply to have their Life and Dependents Insurance (if applicable) continued without payment of contributions, providing they are totally and permanently disabled in the opinion of the Insurance Company.

If approved, the insurance remains in effect for as long as they remain disabled or until their 65th birthday, whichever is earlier.

At age 65, the waiver of contributions terminates and the employee's insurance, if in receipt of a pension from the Board, is determined as if they had retired on their 65th birthday. Contributions will automatically be deducted from their pension. (See Section 6.B - Retirement)

At age 65, if an employee is not in receipt of a pension from the Board, they may continue reduced Life and Dependents (if applicable) Insurance, determined as if they had retired on their 65th birthday, by paying contributions by post dated personal cheques to the Board each month. This insurance would continue to age 73 when it reduces to \$4,500. Election to reduce insurance to \$4,500 can be made prior to age 73 by completing the applicable form available at the Board office.

The Insurance Company may also require that the disabled employee annually submit a "Proof of Continuance of Disability Claim" form.

In the event an employee's application for waiver of contributions is denied, and provided they have terminated employment, the employee has the right to convert their insurance to an individual policy with the Great-West Life Assurance Company. If waiver is denied and the employee has retired, reduced retirement insurance can be carried into retirement with contributions deducted from the monthly pension.

Arrangements for conversion are the responsibility of the employee.  
(See Section 6.C - Conversion)

Dependents Insurance, if applicable, also remains in effect as outlined above or until the dependent reaches age 70, whichever is earlier.

Also at 65, if the employee is in receipt of a pension from the Board, Dependents Insurance (if applicable) reduces and continues in effect until either the employee or dependent reaches age 70. Contributions are deducted automatically from their pension. (See Section 6.B - Retirement)



If an employee is granted a Total and Permanent Disability pension by the Board, the approval for a waiver of contributions is automatic. If the disability is due to an accident, the employee may qualify for an additional benefit under the Accidental Death and Disablement Plan subject to approval by the Insurance Company. Accidental Death and Disablement insurance is not eligible for Disability Waiver.

## PROCEDURES

### Forms:

- 930K - Application for the Total Disability Benefit Under Group Life Policy - Claimant Statement and Policyholder/Employer Statement
- 1536 - Beneficiary Designation Form
- 3965 - Dependents Insurance card (Orange card)
- 7425 - Employee Group Insurance Appointment and Election Statement (Green or Tan card)
- 8001 - Group Life Insurance and Dependents Insurance Appointment and Election Statement (effective May 1, 1992; replaced forms 7425 and 3965)
- 8002 - Application for Changes to Dependents' Insurance
- 8003 - Application for Changes in Life Insurance Class
- 8008 - Insurance Waiver Application

### Required Actions:

#### A) Employees Approved for CSSB Partial Disability Pension

1. The Board will advise employer of disability pension approval.
2. CSSB will provide the employee with form 930K.
3. Employer should complete form 930K (Policyholder/Employer Statement)
4. Employer should take copies of all above forms plus all insurance election and change forms (including Dependents Insurance) and file copies in employee's file.
5. Employer should forward originals of above forms and a copy of employees' birth certificate to the Board.
6. Employer should continue to make applicable contributions for employee's insurance until advised of approval for a partial disability pension by the Board.
7. The Board will forward application to Insurance Company.
8. Insurance Company will advise the Board of approval or denial in writing.
9. The Board will advise the employee, in writing, with carbon copy to employer, of approval or denial.
10. Employer should file copy of letter in employee's file.

B) Employees Approved for CSSB Total Disability Pension - Waiver Approval Automatic

1. The Board will advise employer of disability pension approval.
2. Employer should complete form 930K (Policyholder/Employer Statement) and 8008.
3. Employer should take copies of all above forms plus all insurance election and change forms (including Dependents Insurance) and file copies in employee's file.
4. Employer should forward originals of above forms and a copy of employees' birth certificate to the Board.
5. Employer should continue to make applicable contributions for employee's insurance until advised of approval for a pension by the Board
6. The Board will advise employee, in writing, of approval with carbon copy to employer.
7. Employer should file copy of letter in employee's file.

C) Employees Who Have Terminated Due To Ill Health, are Receiving Long Term Disability TD All Benefits, or Retired Early Due to Ill Health

1. CSSB will provide employee with form 930K (Claimant Statement and Attending Physician Statement) for completion.
2. Employer should complete form 930K (Policyholder/Employer Statement).
3. Employer should take copies of all applicable forms and file copies in employee's file.
4. Employer should forward originals of above forms and a copy of the employees' birth certificate to the Board.
5. Employer should continue to make applicable contributions for employee's insurance until advised of approval for a pension by the Board
6. The Board will forward the application to the Insurance Company who will advise the Board of approval or denial in writing.
7. The Board will advise employee, in writing, of approval or denial with a copy to employer.
8. Employer should file copy of letter in employee's file.

## A. Lay Off/Leave of Absence or Loan To Another Employer

If an employee is on temporary lay-off or granted an employer approved leave without pay for less than a full bi-weekly pay period, the normal deduction should be made. However, an employee who is on lay-off or leave without pay for more than a full bi-weekly pay period, may elect to continue or waive their insurance (Life, Accidental Death and Disablement, and Dependents - if applicable) while on lay-off or leave. Insurance can be continued in effect for up to two years in this way and may be extended for a further two year period subject to employer approval. The employee must prepay both employer and employee contributions either by way of post dated cheques or lump sum payment.

Employees who have been permanently laid-off are not eligible to continue their Group Insurance. (See Section 6.A - Termination)

The employee must make a decision. If no election is made in writing by the employee, the CSSB will deem the employee to have chosen to continue coverage and the employee will be responsible for payment of premiums or accumulated arrears during the period of leave.

If an employee waives insurance while on lay-off/leave of absence, the insurance terminates at the end of the period for which contributions have been made.

## PROCEDURES

### Forms:

- 8004 - Continuation of Group Insurance Coverage During an Employer Approved Leave of Absence/Lay-off.
- 8005 - Waiver of Group Insurance Coverage During an Employer Approved Leave of Absence/Lay-off.

### Required Actions

- A. Employee Elects To Continue Insurance:
  1. Employee should complete form 8004, and return to employer
  2. Employer should send original to the Departmental Accountant and provide a copy to employee, a copy to the employee's file, and a copy to the Insurance Department - CSSB.
  3. Employer should make arrangements with the employee to collect required contributions
  4. Employer should deposit advance contributions to an insurance account held by the employer.
  5. Employer should remit contributions with normal bi-weekly or monthly contributions (See Section 2.B.6 - Remittance of

Contributions)

6. Employer should maintain accurate records of all pre-payments.

B. Employee Elects To Waive Insurance.

1. Employee should complete Form 8005.
2. Employer should send original to Departmental Accountant and provide a copy to the employee, a copy to the employee's file, and a copy to the Insurance Department - CSSB.
3. Employer should stop deductions.

## A. Termination

Insurance on the life of an employee and dependent (if applicable) terminates if:

1. the employee dies, or
2. the employee terminates employment for any reason, or
3. the employee ceases to contribute for insurance, or
4. the dependent ceases to be an "eligible dependent"  
(See Section - 2.B.1 - Eligibility and Enrollment)

Life and Dependents Insurance terminate automatically on the last day of the period for which contributions have been made. Accidental Death and Disablement Insurance terminates automatically on the date of termination.

In the event of a claim within 60 days of termination of Life or Dependents Insurance, the death benefit paid is the full amount in force immediately prior to termination.

Life and Dependents Insurance (on the life of the spouse only) may be converted to an individual policy with the Canada Life Assurance Company (certain time limits apply). (See Section 6.C - Conversion).

No conversion privileges are allowed in respect to the Accidental Death and Disablement Insurance and the Dependents Insurance on the life of a child. (See Section 6.C - Conversion)

## PROCEDURES

### Required Actions

1. Employer should deduct contributions so that insurance will only continue up to the end of the pay period in which the employee terminates.
2. Employer should inform terminating employees in writing, prior to termination, of their right to convert insurance. The employee must apply for conversion to the Canada Life Assurance Company and pay the necessary premium within 60 days of termination (See Section 6.C - Conversion).

### NOTES:

1. No refund of contributions is to be made.
2. No insurance contributions are to be made on monies paid to the employee after the date of termination.

**B. Retirement**

To be eligible for insurance in retirement, the participating employee must either be eligible for a pension from the Civil Service Superannuation Fund, MLA Plan, Teachers Retirement Allowance Fund, Workers Compensation Board.

**1. LIFE INSURANCE**

Life Insurance protection is provided after retirement for all Insurance Classes. There is an initial reduction in insurance at retirement and continuing reductions each year thereafter as age increases, until it reaches \$4,500 (usually age 73) at which time no further contributions are required. The amount of insurance is arrived at by multiplying the percentage (from Chart 1) based on the employee's age by the "amount" of the employee's insurance at retirement.

| <u>Attained Age of Retired Employee</u> | <u>Insurance Protection</u> |
|-----------------------------------------|-----------------------------|
| Under 60                                | 75% of "amount"             |
| 60 through 64                           | 60% of "amount"             |
| 65 through 69                           | 40% of "amount"             |
| 70 through 72                           | 15% of "amount"             |
| 73 and over                             | \$4,500                     |

The Board will inform each retiring employee of their options regarding Life and Dependents Insurance. They will be provided with a computerized print-out explaining the insurance available.

Contributions should be deducted by the employer to ensure there is no lapse in the insurance at retirement. When the insurance information is received from the employer, the Board will adjust the contributions for the first month of retirement accordingly.

Contributions for Life Insurance in retirement will be calculated by the Board and automatically deducted from the monthly pension. The contribution is based on the insurance in force.

Instead of continuing reducing retirement insurance, a "Paid-Up" policy of \$4,500 may be selected at, or anytime during retirement. The Paid-Up policy provides \$4,500 of insurance on the life of the pensioner at no further cost. However, once they have elected the \$4,500 Paid-Up insurance, they can not later reverse that decision. Employees should be referred to the Board office.

2. DEPENDENTS INSURANCE

Dependents Insurance may be continued at reduced amounts for all Units during retirement until an insured spouse reaches age 70, at which time Dependents Insurance ceases.

|                      | Number of Units |          |          |          |
|----------------------|-----------------|----------|----------|----------|
|                      | <u>1</u>        | <u>2</u> | <u>3</u> | <u>4</u> |
| Spouse               | \$8,750         | \$17,500 | \$26,250 | \$35,000 |
| Each Child           | \$1,750         | \$3,500  | \$5,250  | \$7,000  |
| Monthly Contribution | \$3.48          | \$6.96   | \$10.44  | \$13.92  |

Dependents Insurance terminates when an insured spouse reaches age 70.

Contributions for Dependents Insurance will be calculated by the Board and automatically deducted from the monthly pension. The contribution is \$3.48 monthly per Unit of insurance. Instead of continuing Dependents Insurance during retirement, an employee may elect to cancel; however, once cancelled, they cannot later reapply. In all cases, employees should be referred to the Board office.

At the time of retirement, any reduction in Life or Dependents Insurance, may be converted to a private policy(ies) with The Great-West Life Assurance Company (certain time limits apply - See Section 6.C - Conversion).

3. ACCIDENTAL DEATH AND DISABLEMENT INSURANCE

Accidental Death And Disablement Insurance is not available after retirement nor are there any conversion privileges.

Forms Required

8006 - Group Life Insurance Retirement Notice.

Required Actions:

1. Employer should direct employee to the Board office for retirement insurance information.
2. Employer should complete form 8006.
3. Employer should file copy of form 8006 in employee's file.
4. Employer should copy all insurance forms in the employee's file and file copy(ies) in employee's file.
5. Employer should forward originals of all insurance forms in the employee's file to the Board office.

## C. Conversion

Conversion allows terminating employees to continue insurance privately with The Great-West Life Assurance Company, without providing evidence of insurability.

Employees who are terminating their employment prior to retirement may convert all or part of the insurance at termination.

Retiring employees may, at the time of retirement, convert an amount equal to or lesser than the reduction which occurs at the date of retirement.

Employees may not convert the amount of any reduction which occurs as a result of an increase in attained age or as a result of a voluntary reduction.

If the insurance on a spouse (Dependents Insurance Plan) terminates, the employee, or in the event of death of the employee the spouse, may convert any amount up to the amount terminated. Insurance on the life of a child may not be converted.

Employees must apply for conversion to an individual policy and pay the first premium to The Great-West Life Assurance Company, Group Life Department within 60 days of retirement or termination of insurance.

No conversion of the Accidental Death and Disablement Insurance is allowed.

If an employee dies within 60 days after retirement or termination of employment, the death benefit under the Plan is the amount of insurance in force immediately before termination or the decrease due to retirement, whether or not the employee has applied for conversion.

### PROCEDURES

#### Required Actions

1. Employer should inform the employee of their right to convert.
2. Employer should direct interested employees to  
The Great-West Life Assurance Company  
1C-100 Osborne St N  
Winnipeg MB R3C 2Z1  
Phone number – 946-7844



## A. Death

### 1. Life Insurance

In the event of an employee's death, the Life Insurance is payable to the designated beneficiary(ies), if any, otherwise the Estate of the employee. If the beneficiary (other than the Estate) requires, an advance payment of up to \$10,000 can be made by contacting the employer who in turn should contact the Board office. If, in the opinion of the Insurance Company, the death was accidental (subject to exclusions), the Accidental Death and Disablement Insurance may also be payable.

If the beneficiary is the Estate, notarial copies of the Grant of Probate of the Will or Letters of Administration are required for claims over \$100,000. If the designated beneficiary is deceased, proof of death of the beneficiary is required.

## PROCEDURES

### Forms:

- M62 - Death Claim Report
- 1536 - Beneficiary Designation Form
- 7425 - Employee Group Life Insurance Appointment and Election Statement (employees before May 1, 1992)  
or
- 8001 - Life Insurance and Dependents Insurance Appointment and Election Statement (employees after May 1, 1992)
- 8003 - Application For Changes To Life Insurance Class
- 8009 - Life Insurance Death Claim memo

### Required Actions:

1. Employer should complete form M62 (Death Claim Report).
2. Employer should provide the designated beneficiary, or where the beneficiary is the Estate, provide the personal representative (executor/executrix/administrator), with form M62 (Death Claim Report) for completion.

One of the following is also required:

- a) original or certified copy of the death certificate, or
- b) original or certified copy of Funeral Director's Statement.

3. Employer should complete form 8009.

4. Employer should copy all above forms when received, and file copies in the employee's file.
5. Employer should forward all original forms (including forms 8001 or 7425, etc.), plus a copy of the employee's birth certificate to the Board.
6. The Board will forward the claim to the Insurance Company.
7. The Insurance Company will forward payment to the Board.
8. The Board will forward the payment to the beneficiary or legal personal representative with notice to the employer.
9. Employer should file copy of notice in the employee's file.

## A. Death

### 1. Life Insurance

#### 1. Advance Death Claim Payments for Terminally Ill Employees

The primary objective of the Province of Manitoba Group Life Insurance Program is to provide a benefit, payable on the death of the employee which will be disbursed to the beneficiary designated by the employee.

Although the primary purpose of the program is to provide a benefit on death, the group insurance plan will provide a prepayment of a portion of the death benefit where it is determined; in the opinion of The Great-West Life Assurance Company's Medical department, that death of the employee is imminent. The amount of any prepayment would be the lesser of 50% of the sum assured or \$25,000.

However, because any advance payments are contingent on the imminent death of the employee, we would not expect a high incidence of such payments. If you are aware of any situations where this benefit may apply, please have the individual or their family contact The Civil Service Superannuation Board (946-3200) for details on applying for the advance payment.

## **A. Death**

### **2. Accidental Death and Disablement**

The Accidental Death benefit is paid to the designated beneficiary(ies) of the Life Insurance Plan or the Estate of the employee unless another beneficiary has been named exclusively for the A.D.&D. benefit.

### **PROCEDURES**

1. Employer claims for Accidental Death and Disablement benefit on Statement of Policyholder or Employer Form – M62 and the Life Insurance Death Claim - form 8009 (See Section 7.A.1 - Life Insurance Death Claim)
2. The employer should also enclose any reports or available newspaper articles concerning the circumstances of the death.

## A. Death

### 3. Dependents' Insurance

The Dependents Insurance benefit is payable to the employee, if living, otherwise the Estate of the employee.

## PROCEDURES

### Forms:

3965 - Individual Application for Dependents Group Life Insurance (employees before May 1, 1992)

or

8001 - Life Insurance and Dependents Insurance Appointment and Election Statement (employees after May 1, 1992).

8002 - Application for Changes to Dependents Insurance

8010 - Dependents Insurance Death Claim memo

M62 - Death Claim Report

- Statement of Policyholder or Employer

- Statement of Claimant

### Required Actions:

1. Employer should forward form M62 (Statement of Claimant) to employee for completion and return to the employer.

One of the following is also required:

a) original or certified copy of death certificate, or

b) original or certified copy of Funeral Director's Statement.

2. Employer should complete forms M62 (Statement of Policyholder or Employer) and 8010.
3. Employer should copy all forms relating to Dependents Insurance (including forms 8001 and/or 3965, 8016, 8002 if applicable, etc.) and file in the employee's file.
4. Employer should forward all originals to the Board office.
5. The Board will forward the claim to the Insurance Company.
6. If approved, the Board will forward a cheque to the employee with notice to the employer.
7. Employer should file a copy of the notice in the employee's file.

## B. ACCIDENTAL DISABLEMENT

The Accidental Disablement benefit is paid to the employee, if living, or the Estate of the employee.

Benefits are outlined in Section 1.D.2 - Summary of Plan Benefits.

NOTE: Accidental Disablement also refers to dismemberment or total and irrecoverable loss of use of an appendage or organ (See 1.D.2).

### PROCEDURES

#### Forms:

- 1285 - Application for Group Accidental Disablement Benefit
- 7425 - Employees Group Life Insurance Appointment and Election Statement (Green or Tan card)  
or
- 8001 - Life Insurance and Dependents Insurance Appointment and Election Statement
- 8011 - Accidental Death and Disablement Claim memo

#### Required Actions:

1. Employer should forward form 1285 to employee for completion of section "Employee's Statement" and for doctor's completion of section "Attending Physician's Statement", which when complete should be returned to the employer.
2. Employer should complete section "Statement of Employer or Policyholder"
3. Employer should complete form 8011.
4. Employer should copy the above forms and file copies in the employee's file.
5. Employer should forward originals of above forms to the Board office.
6. The Board will forward the applications to the Insurance Company.
7. The Board will forward a cheque or advise the employee of a denial, by letter, with notice to the employer.
8. Employer should file a copy of letter in the employee's file.

### General

Insurance is optional for Members of the Legislative Assembly (MLA's) and Ministers. Those MLA's and Ministers who opt out of the Plan when they first become eligible will be required to provide evidence of insurability satisfactory to the Insurance Company if they later wish to participate in the Plan. The same applies if an MLA chooses less than the maximum amount of insurance. An MLA or Minister may cancel their insurance at any time.

### Life Insurance

Members of the Legislative Assembly and Ministers will be entitled to Insurance based on the selected multiple (Insurance Class) and their sessional indemnity plus expense allowance, Ministerial salary or Leader of the Official Opposition's salary, not exceeding the maximum applicable to each Class (See Section 1.D.1 - Summary of Plan Benefits).

### Accidental Death And Disablement Insurance

Members of the Legislative Assembly and Ministers who elect to obtain Life Insurance under the Plan are also provided with Accidental Death and Disablement Insurance. The amount of Accidental Death and Disablement Insurance is based on the M.L.A.'s sessional indemnity plus expense allowance, Ministerial salary and Leader of the Official Opposition salary instead of an annual salary, but the same maximums apply as for all other employees (see Section 1.D.2 - Accidental Death and Disablement). The employer contributions (100%) will be remitted by the Department of Finance.

### Dependents Insurance

An MLA or Minister may obtain Dependents Insurance when they first become eligible or within 90 days of acquiring a dependent. If they apply for Dependents Insurance at a later date, they must supply evidence of insurability (see Section 4.A.2 - Dependents Insurance). M.L.A.'s will have the required contributions deducted from sessional indemnity payrolls prepared by the Department of Consumer and Corporate Affairs, while Ministers will have the required contributions deducted from payroll. (There is no employer portion for Dependents Insurance).

### Contributions

Insurance deductions for Ministers and MLA's will be made in the same manner as for other employees. Ministers will contribute by means of payroll deduction and MLA's will contribute the usual employee portion, from sessional indemnity payrolls prepared by the Department of Consumer & Corporate Affairs, while the employer portion will be remitted by the Department responsible for the Minister's or Member's payroll.

#### Termination

A Minister or a Member of the Legislative Assembly has the same conversion rights as other employees (See Section 7.C - Conversion)

#### Retirement

A Minister or a Member of the Legislative Assembly who is:

- a) a member of the Plan,
- b) ceases to be a Member of the Legislative Assembly, and
- c) has served in three Legislatures or has served as a Member of the Legislative Assembly and/or as a Minister for eight or more years, and qualifies for retirement is entitled to the same retirement insurance benefits as other members of the Plan (see Section 7.B - Retirement).

#### Ministers

As soon as a Member of the Legislative Assembly is appointed as a Minister, the departmental accountant responsible for the MLA's payroll shall forward the Group Insurance Application Card or Employee Group Life Insurance Appointment and Election Statement and all other relevant insurance data concerning the Minister to the accountant of the department for which the Minister is responsible.

If a Member of the Legislative Assembly who opted out of the Plan becomes a Minister, they must provide evidence of insurability satisfactory to the Insurance Company in order to be insured for any amount. The same applies if they wish to increase their insurance Class.

A Minister who ceases to be a Minister and continues as a Member of the Legislative Assembly will be entitled to insurance as a Member of the Legislative Assembly and will be required to make a payment by personal cheque payable to The Minister of Finance to cover the period until the payment can be deducted from the next sessional indemnity. The department for which the Minister is responsible should forward the Group Insurance Application Card or Employee Group Life Insurance Appointment and Election Statement to the departmental accountant of the Department of Consumer and Corporate Affairs.

A Minister may cancel insurance at any time.

## PROCEDURES

Same as procedures for other members.