

Title: Human Resources Policies – Insurance Benefits

Policy No: 1980

Approval: Town Council

Effective Date: February 8, 2006



Supersedes Policy No: none

Policy Statement: The Town of Hardisty believes it is necessary and advantageous to make insurance benefits available to its permanent employees.

Purpose: To establish which insurance benefit plans are made available to employees and how they are made available.

Principles:

1) FULL TIME PERMANENT POSITIONS

a) ALBERTA HEALTH CARE

- i) Participation in Alberta Health Care Group Coverage is a mandatory term of employment for all employees in full time permanent positions upon successful completion of their probation.
- ii) Employees may be exempted from participation in Alberta Health Care Group Coverage if they can demonstrate that they have equivalent coverage under their spouse's group coverage or can produce a "Declaration of Election to Opt Out".
- iii) An employee who, immediately prior to the commencement of employment in a full time permanent position, who was a contract employee of the Town shall commence participation in Alberta Health Care Group Coverage immediately upon commencement of employment in the full time permanent position, provided that the period of employment in the contract position was greater than three months. Otherwise, participation shall begin in three months.
- iv) Each participating employee shall contribute 50% towards the cost of his/her Alberta Health Care premiums.
- v) The Town shall contribute 50% towards the cost of each participating employee's Alberta Health Care premiums.
- vi) One half of the employee's share of the cost of the Alberta Health Care monthly premiums shall be deducted from his/her first and last paycheque of the month every month.
- vii) The Town shall not carry terminated or retired employees on its Alberta Health Care Group Coverage.

b) EXTENDED HEALTH CARE

- i) Town Council shall determine from time to time which insurance company will provide Extended Health Care Coverage to its employees.
- ii) The plan shall provide 100% reimbursement of prescription drugs and 100% reimbursement of vision care costs up to a maximum of \$200 every two years.
- iii) Participation in Extended Health Care Group Coverage is a mandatory term of employment for all employees in full time permanent positions upon successful completion of their probation.
- iv) Employees may be exempted from participation in Extended Health Care Group Coverage if they can demonstrate that they have equivalent coverage under their spouse's group coverage.
- v) An employee who, immediately prior to the commencement of employment in a full time permanent position, was a contract employee of the Town shall commence participation in Extended Health Care Group Coverage immediately upon commencement of employment in the full time permanent position, provided that the period of employment in the contract position was greater than three months. Otherwise, participation shall begin in three months.
- vi) Each participating employee shall contribute 50% towards the cost of his/her Extended Health Care premiums.
- vii) The Town shall contribute 50% towards the cost of each participating employee's Extended Health Care premiums.
- viii) One half of the employee's share of the cost of the Extended Health Care monthly premiums shall be deducted from his/her first and last paycheque of the month every month.
- ix) The Town shall not carry terminated or retired employees on its Extended Health Care Group Coverage.

c) DENTAL CARE

- i) Town Council shall determine from time to time which insurance company will provide Dental Care Coverage to its employees.
- ii) Participation in Dental Care Group Coverage is a mandatory term of employment for all employees in full time permanent positions upon successful completion of their probation.
- iii) Employees may be exempted from participation in Dental Care Group Coverage if they can demonstrate that they have equivalent coverage under their spouse's group coverage.

- iv) An employee who, immediately prior to the commencement of employment in a full time permanent position, was a contract employee of the Town shall commence participation in Dental Care Group Coverage immediately upon commencement of employment in the full time permanent position, provided that the period of employment in the contract position was greater than three months. Otherwise, participation shall begin in three months.
- v) The Town shall contribute 50% towards the cost of each participating employee's Dental Care premiums and the employee contributing the other 50%.
- vi) The Town shall not carry terminated or retired employees on its Dental Care Group Coverage.

d) WEEKLY INDEMNITY

- i) Town Council shall determine from time to time which insurance company will provide Weekly Indemnity Benefits Group Coverage to its employees.
- ii) The plan shall provide a non taxable weekly indemnity of two thirds of an employee's wage or salary to an employee who is off work due to illness or injury from the first day of accident or eighth day of illness for a maximum period of seventeen weeks.
- iii) Participation in Weekly Indemnity Benefits Group Coverage is a mandatory term of employment for all employees in full time permanent positions upon successful completion of their probation.
- iv) An employee who, immediately prior to the commencement of employment in a full time permanent position, was a contract employee of the Town shall commence participation in Weekly Indemnity Benefits Group Coverage immediately upon commencement of employment in the full time permanent position, provided that the period of employment in the contract position was greater than three months. Otherwise, participation shall begin in three months.
- v) Each participating employee shall contribute 100% towards the cost of his/her Weekly Indemnity Benefits Group Coverage premiums.
- vi) One half of the employee's share of the cost of the Weekly Indemnity Benefits Group Coverage monthly premiums shall be deducted from his/her first and last paycheque of the month every month.
- vii) The Town shall not carry terminated or retired employees on its Weekly Indemnity Benefits Group Coverage.

e) LONG TERM DISABILITY

- i) Town Council shall determine from time to time which insurance company will provide Long Term Disability Group Coverage to its employees.

- ii) The plan shall provide a taxable income replacement of three quarters of an employee's wage or salary to an employee who is off work due to illness or injury after seventeen weeks from the first day of accident or illness.
- iii) Participation in Long Term Disability Group Coverage is a mandatory term of employment for all employees in full time permanent positions upon successful completion of their probation.
- iv) An employee who, immediately prior to the commencement of employment in a full time permanent position, was a contract employee of the Town shall commence participation in Long Term Disability Group Coverage immediately upon commencement of employment in the full time permanent position, provided that the period of employment in the contract position was greater than three months. Otherwise, participation shall begin in three months.
- v) The Town shall contribute 50% towards the cost of each participating employee's Long Term Disability Group Coverage premiums with the employee contributing the other 50%.
- vi) The Town shall not carry terminated or retired employees on its Long Term Disability Group Coverage.

f) LIFE AND ACCIDENTAL DEATH AND DISMEMBERMENT INSURANCE

- i) Town Council shall determine from time to time which insurance company will provide Life and Accidental Death and Dismemberment Group Insurance Coverage to its employees.
- ii) The plan shall provide a life insurance of twice an employee's basic annual wage or salary, and an additional amount of insurance in the event of accidental death or dismemberment with the principal sum equivalent to the employee's basic life insurance.
- iii) Participation in Life and Accidental Death and Dismemberment Group Insurance is a mandatory term of employment for all employees in full time permanent positions upon successful completion of their probation.
- iv) An employee who, immediately prior to the commencement of employment in a full time permanent position, was a contract employee of the Town shall commence participation in Life and Accidental Death and Dismemberment Group Insurance immediately upon commencement of employment in the full time permanent position, provided that the period of employment in the contract position was greater than three months. Otherwise, participation shall begin in three months.
- v) Each participating employee shall contribute 50% of the cost of his/her Life and Accidental Death and Dismemberment Group Insurance premiums.
- vi) The Town shall contribute the remaining 50% of the cost of each participating employee's Life and Accidental Death and Dismemberment Group Insurance premiums.

- vii) One half of the employee's share of the cost of the Life and Accidental Death and Dismemberment Group Insurance monthly premiums shall be deducted from his/her first and last paycheque of the month every month.
- viii) The Town shall not carry terminated or retired employees on its Life and Accidental Death and Dismemberment Group Insurance.

g) DEPENDENT LIFE INSURANCE

- i) Town Council shall determine from time to time which insurance company will provide Dependent Life Insurance Coverage to its employees.
- ii) Participation in Dependent Life Insurance Coverage is optional for all employees in full time permanent positions upon successful completion of their probation.
- iii) An employee who, immediately prior to the commencement of employment in a full time permanent position, was a contract employee of the Town may commence participation in Dependent Life Insurance Coverage immediately upon commencement of employment in the full time permanent position, provided that the period of employment in the contract position was greater than three months. Otherwise, participation shall begin in three months.
- iv) Each participating employee shall contribute 100% of the cost of his/her Dependent Life Insurance Coverage premiums.
- v) One half of the employee's share of the cost of the Dependent Life Insurance Coverage monthly premiums shall be deducted from his/her first and last paycheque of the month every month.
- vi) The Town shall not carry terminated or retired employees on its Dependent Life Insurance Coverage.

h) ADDITIONAL LIFE INSURANCE

- i) Employees may purchase additional life insurance upon successful completion of their probation.
- ii) The employee shall pay 100% of the cost of the additional life insurance.
- iii) One half of the employee's share of the cost of the additional life insurance monthly premium shall be deducted from his/her first and last paycheque of the month every month.
- iv) The Town shall not carry terminated or retired employees on its Additional Life Insurance Coverage.

2) PART TIME PERMANENT EMPLOYEES

a) ALBERTA HEALTH CARE

- i) Participation in Alberta Health Care Group Coverage is a mandatory term of employment for all part time permanent employees upon successful completion of their probation.
- ii) Employees may be exempted from participation in Alberta Health Care Group Coverage if they can demonstrate that they have equivalent coverage under spouse's coverage.
- iii) A part time permanent employee, who immediately prior to the commencement of employment in the part time permanent position, was a contract employee of the Town shall commence participation in Alberta Health Care Group Coverage immediately upon commencement of employment in the part time permanent position, provided that the period of employment in the contract position was greater than three months. Otherwise, participation shall begin in three months.
- iv) Each participating employee shall contribute 50% towards the cost of his/her Alberta Health Care premiums.
- v) The Town shall contribute 50% towards the cost of each participating employee's Alberta Health Care premiums.
- vi) One half of the employee's share of the cost of the Alberta Health Care monthly premiums shall be deducted from his/her first and last paycheque of the month every month.
- vii) The Town shall not carry terminated or retired employees on its Alberta Health Care Group Coverage.