

August 23, 2018

To: Benefit Administrators / Human Resource Personnel

**From: Alana Shearer-Kleefeld
Director, Employee Benefits**

Re: Change to 3sHealth Dependent Life Insurance Coverage

Effective September 1, 2018, the Board of Trustees approved a change to include dependent life insurance with the basic group life insurance benefit. Dependent life insurance is no longer an optional benefit which means employees no longer have to elect coverage. Employees with basic group life insurance will automatically have dependent life insurance coverage. Dependent life coverage will apply regardless if the employee has a spouse and/or child at the time of their basic group life enrolment.

Dependent life insurance provides a benefit payable of \$10,000 on the life of a spouse and \$5,000 on the life of each eligible dependent child. The dependent child coverage also includes pre-natal coverage for still births following 20 weeks of gestation.

For those employees who did not have dependent life insurance before September 1, 2018, and who have a spouse or child pass away prior to this amendment, life insurance claims will not be backdated. An eligible spouse or child must have a date of death of September 1, 2018 or after in order for a claim to be considered for payment.

Currently employees have 90 days from their basic group life enrolment date to apply for dependent life coverage. Employees often do not realize that they have not elected dependent life insurance. The Benefit Services team frequently has very difficult conversations, following the death of a plan member's loved one, where we have to tell employees they did not elect dependent life insurance coverage and as a result no life insurance benefit is available to them.

Providing dependent life insurance to all eligible employees is a significant benefit improvement. Effective September 1, 2018 employees with dependent life insurance will no longer pay the \$3.48 rate. There will be no increase in cost to employees or employers. The current basic life insurance rate of \$0.18/\$1,000 will remain unchanged at this time.

The change to dependent life insurance will be communicated to employees through an article in the fall newsletter, a story on the 3sHealth web site, a Gateway On-Line banner, and the group life insurance plan commentary booklet will be updated.

Here is a link to a story about the amendment to dependent life insurance in the 3sHealth website:
<http://www.3shealth.ca/3shealth-news/plan-members-no-longer-have-to-pay-for-dependent-life-insurance-coverage>

A dependent life insurance poster is included with this bulletin. The poster can be used to communicate this important change to your employees.

For Employers who subscribe to 3sHealth Payroll services:

3sHealth Provincial Payroll and Scheduling Services will change the dependent rate from \$3.48 to \$0.00. This change will be done with August 27, 2018 (WK1835) processing, to be effective Sunday August 19, 2018 - the start of the first pay period for September. The *dependent life coverage* indicator in iHRIS will be blanked out in the active 3sHealth group life insurance enrolment record on August 27, 2018 (as well the *spousal and dependent child amounts* will be blanked out). As part of the iHRIS V1.18 release November 15, 2018 the dependent life coverage indicator, spousal and dependent child amount fields will be grayed out, to stop users from making updates to these fields. Until the iHRIS release November 15, 2018 we ask users to not update the dependent life coverage indicator, the spousal or dependent child amounts.

As part of the V1.18 release 3sHealth Benefits will remove the dependent life insurance coverage section from the *enrolment information form* located in MemberNet. We have also added a section which describes basic life insurance, basic AD&D insurance and dependent life insurance. When 3sHealth Benefits receives the *enrolment information form* prior to the version release, dependent coverage updates will not be made in iHRIS.

For Employers who do not subscribe to 3sHealth Payroll services

The updated *enrolment information form* with the dependent coverage section removed will be posted on the 3sHealth website Tuesday, September 4, 2018. The updated form will also include a section which describes basic life insurance, basic AD&D insurance and dependent life insurance.

3sHealth Employee Benefits Responsibilities:

- Effective September 1, 2018 3sHealth Benefits will stop updating dependent life insurance coverage in iHRIS.
- 3sHealth Benefits will contact employees who were in the process of applying for dependent life insurance with Great-West Life and notify the employee they automatically have dependent life coverage effective September 1, 2018.
- Plan commentaries, forms, remittance forms and other group life communications on the 3sHealth website will be updated by September 1, 2018.

Employer Responsibilities:

- Effective September 1, 2018 we ask employers to stop updating dependent life insurance coverage in iHRIS.
- Employers are asked to communicate the amendment to dependent life insurance with their employees.

If you have any questions regarding this bulletin, please contact Alana Shearer-Kleefeld at Alana.Shearer-Kleefeld@3shealth.ca or 306.347.5599.