

February 24, 2025

To: Benefit Administrators / Human Resource Personnel / Union Partners

From: Lorne Shiplack
Director Benefit Services

Re: Updated Policy and Application for Group Life Coverage after a Disability Claim Closes

With this bulletin, please find the updated policy; Group Life Insurance after Disability Claim.

The updated policy explains that when an employee on an approved 3sHealth long-term disability claim has their claim closed and does not immediately return to work or file an appeal, they can choose to continue their Group Life insurance coverage on a premium-paying basis for up to 12 months.

3sHealth will provide the employee with the Application to Continue Group Life Insurance Coverage when their claim closes. The plan member must complete the application within 30 days of the claim closing and arrange with their employer to pay the monthly premium.

The policy also explains that Group Life Insurance is mandatory for the first 18 months of an employee's leave of absence. While on an approved long-term disability claim, the Group Life Insurance premiums are waived. If the long-term disability claim closes before the mandatory 18 months is up, it is the employee's responsibility to arrange with their employer to pay Group Life premiums until they have reached the 18 months.

The option to continue for up to 12 months and the 18-month mandatory period run concurrently.

The Application to Continue Group Life Insurance Coverage form has been updated to make it clear that Group Life insurance is mandatory during a leave of absence to a maximum of 18 months.

If you have any questions about this bulletin, please call a 3sHealth Benefit Services Officer at 1.866.278.2301 (select option 4) or email ebp@3shealth.ca.

GROUP LIFE INSURANCE AFTER DISABILITY CLAIM

1	Purpose
	<p>This policy describes a plan member’s option to continue their Group Life Insurance coverage on a premium paying basis if their disability claim is denied or closed, and the plan member does not immediately return to work.</p>
2	Key Principles
	<p>Basic Life insurance provides a benefit payable to a plan member’s named beneficiaries in the event of a plan member’s death.</p> <p>Dependent Life insurance pays a benefit to the plan member in the event of the death of a dependent.</p> <p>Accidental Death & Dismemberment (AD&D) insurance provides a benefit to a plan member in the case of dismemberment or to the named beneficiary if the plan member accidentally dies.</p> <p>Based on eligibility, participation in the plan is mandatory for employees.</p> <p>There is no age limit under the Group Life Insurance Plan.</p> <p>The amount of life insurance coverage a plan member will have is calculated as:</p> <ul style="list-style-type: none"> • Two times annual salary (rounded up to the next \$1,000 to a maximum of \$1,000,000) for people under age 65; and • One times annual salary (rounded up to the next \$1,000 to a maximum of \$250,000) for people age 65 and older. <p>Optional Life insurance and Voluntary AD&D</p> <ul style="list-style-type: none"> • It is the plan member’s choice to purchase Optional Life insurance to a maximum of \$500,000. • Optional Life and Voluntary AD&D insurance coverage ends at age 65. • Plan members have the option to purchase additional AD&D insurance to a maximum of \$250,000.
3	Policy Statement
	<p>Group Life Insurance</p> <p>If a plan member’s long term disability claim closes and they do not immediately return to work or they file an appeal, then they can continue their Group Life Insurance coverage on a premium paying basis to a maximum of 12 months.</p>

GROUP LIFE INSURANCE AFTER DISABILITY CLAIM

	<p>3sHealth will provide the plan member with the <i>Application to Continue Group Life Insurance Coverage</i> when their claim closes. The plan member must complete the application within 30 days of the claim closing and make arrangements with their employer to pay the premium.</p> <p>Group Life Insurance is mandatory for the first 18 months of an employee’s leave of absence. During an approved long term disability claim Group Life Insurance premiums are waived. When a disability claim is denied or closed, and the employee does not immediately return to work, the waiver ends and the plan member must pay their Group Life Insurance premiums. See the <i>Group Life Insurance Leave of Absence Policy</i>.</p> <p>The option to continue for up to 12 months and the 18 months mandatory period run concurrently.</p> <p>Example: Ken is off work for 10 months on an approved long term disability claim. His claim closes but he is not able to return to work immediately. Ken chooses not to continue his Group Life Insurance coverage. Because Ken’s claim closed within the 18 month mandatory period, Ken must pay 8 months of premiums (10 waiver + 8 mandatory = 18 months). If Ken does not return to work after the full 18 months his Group Life Insurance coverage will terminate and only be reinstated when Ken actively returns to work.</p> <p>Example: Jane is off work for 10 months on an approved long term disability claim. Her claim closes but she is not able to immediately return to work. Jane chooses to continue her Group Life Insurance coverage for up to 12 months. Jane must pay 8 months of premiums for the mandatory portion of her Group Life Insurance. Jane would pay for an additional four months of Group Life Insurance premium giving her a total of 12 months coverage from the date her long term disability claim closed (8 mandatory + 4 continuation = 12 months).</p> <p>Example: Stacey is off work for 22 months on an approved long term disability claim. Stacey’s claim closes but she is not able to immediately return to work. Stacey elects to continue her Group Life Insurance for 12 months. Stacey arranges with her employer to begin paying the premium and her coverage will remain in place for up to 12 months.</p>
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4	Definitions
	N/A
5	Roles & Responsibilities
	Employee responsibilities are to:

GROUP LIFE INSURANCE AFTER DISABILITY CLAIM

	<ul style="list-style-type: none"> • Submit accurate information on time, • Pay all premiums when their disability claim closes, and they do not return to work for up to 18 months from the date of the start of their approved leave of absence, and • Decide if they want to continue their Group Life Insurance for the optional period of up to 12 months and arrange for premiums to be paid to their employer. <p>Employer responsibilities are to:</p> <ul style="list-style-type: none"> • Inform plan members of premium costs for both the mandatory portion (up to 18 months) and the elected to continue amount (up to 12 months), • Collect premiums from employee and submit to 3sHealth. <p>3sHealth responsibilities are to:</p> <ul style="list-style-type: none"> • Pay all eligible claims, • Administer the Disability Income Plans by following the plan texts, • Notify plan members of all changes in their disability claim status, and • Deliver on the Employee Benefit Plans Promise: Ownership, Guide, Resourceful, Accurate, and Empathetic.
6	References
	<p><i>Policy Termination of Disability Income Plan Membership</i></p> <p><i>Group Life Insurance Leave of Absence Policy</i></p> <p><u>Group Life Insurance Plan Booklet</u></p> <p><u>Disability Income Plan Booklet Canadian Union of Public Employees (CUPE)</u></p> <p><u>Disability Income Plan Booklet Members of the General Plan</u></p> <p><u>Disability Income Plan Booklet The Service Employees International Union – West (SEIU-West)</u></p> <p><u>Disability Income Plan Booklet The Saskatchewan Union of Nurses (SUN)</u></p>
7	Appendices
	N/A
8	Approval
9	Approval Date

GROUP LIFE INSURANCE AFTER DISABILITY CLAIM

10	Review Date(s)	
11	Inquiry	Manager, Claims Services
12	Policy Owner	Vice-President, Employee Benefits