

Treasurer Information for New Benefits

New Benefits Coming in 2017

A few months ago we announced that two new benefits will be added starting January 2017:

- ✓ insured short term disability, and
- ✓ supplemental pay while on maternity or parental leave.

The cost will be shared across all ELCIC employers subscribing to the GSI sponsored group benefits plan. An individual congregation will not have to fund their employee's disability or parental leave salary. As these are now insured, the congregation can redirect those funds to resources or interim ministry during the absence. Having these policies make the ELCIC a more attractive employer for younger employees or those with recurring health issues.

Insured Short Term Disability

This is a significant shift in moving from a self-insured program to an insured, managed care plan. The main reason that the GSI Board initiated this change was to provide better support by trained professionals to manage our disability claims with the goals of getting plan members the resources needed to get them to return to work where medically appropriate. We hope to shorten the duration of being away from work, since the longer someone is away the harder it becomes to return. This also reduces the risk of turning into a long term disability. Please review our earlier announcement for more information about short term disability management.

The process is as follows:

- ✓ advise GSI when it is apparent that absence will extend beyond 2 weeks
- ✓ forms will be provided for completion
 - employer – submit to GSI as we will review
 - employee – submit directly to Cooperators (insurer)
 - physician – submit directly to Cooperators
- ✓ Cooperators will follow up with remaining outstanding forms as soon as the first form is in and when all forms in will make decision within 5 days
- ✓ employee's form will have banking information and will be paid promptly on bi-weekly basis

Here is a table that indicates the salary, pension and benefits responsibilities. We indicated which policies are new and where there is no change.

Disability Status	Salary	Pension Contributions	Life & Disability Premiums	Dental & Health Premiums
2 weeks sick <i>New policy</i>	employer pays <i>no change</i>	7% member 8% employer <i>no change</i>	employer pays <i>no change</i>	employer pays <i>no change</i>
next 15 weeks Short Term <i>previously 26 weeks</i>	insurer pays on approval <i>new policy</i> previous employer 9 weeks and employment insurance 17 weeks	insured as part of benefit <i>employer previously paid member continues to be with held</i>	employer pays based on pre-disability income <i>no change</i>	employer pays <i>no change</i>
weeks 18 to 104 Long Term <i>previously started after 26 weeks</i>	insurer pays on approval based on medical evidence <i>no change</i>	insured as part of benefit <i>no change</i>	insured as part of benefit <i>no change</i>	member pays at their option <i>no change for health, dental is being added as option</i>
beyond 2 years Long Term <i>no change</i>	insurer pays based on medical evidence <i>no change</i>	insured as part of benefit <i>no change</i>	insured as part of benefit <i>no change</i>	member can convert to individual plan group health will no longer be available

Note: if your employee has optional life insurance please contact our office for payment requirements.

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Parental Leave Supplemental Pay

Supplemental income will be provided to plan members who are receiving employment insurance for maternity and/or parental benefits. While some Synods may have already had a policy, this program will be consistent across the ELCIC and features sharing the cost across all congregations, rather than the congregation employing the parent.

The process is as follows:

- ✓ employer will provide GSI with documents confirming employee approved for employment insurance
- ✓ employer will pay employee the supplemental pay benefit as per policy
- ✓ employer will submit a reimbursement request each month to GSI for the supplemental pay

i.e. the employee will remain on the payroll of the congregation and will receive a T4 from the congregation/employer.

Here is a table that indicates the salary, pension and benefits responsibilities. We indicated which policies are new and where there is no change.

Timeline	Salary	Pension Contributions	Life & Disability Premiums	Dental & Health Premiums
waiting for employment insurance (EI)	employer pays 85% * of pre-leave salary	7% member 8% employer of new salary	employer pays on pre-leave salary no change	employer pays no change
maternity leave	EI pays 55%	at member option	employer pays on pre-leave salary no change	employer pays no change
	employer pays 30% *	7% member 8% employer of new salary		
parental leave	EI pays 55%	at member option	employer pays on pre-leave salary no change	employer pays no change
	employer pays 30% *	7% member 8% employer of new salary		
** this is the amount that will be reimbursed by GSI				

Parsonage Considerations

We realize that your Rostered employee is likely to remain living in the parsonage during a short term disability leave or while on a maternity or parental leave. In order that we don't double the coverage or risk claw back from employment insurance or the insurance company, the fair market value of the parsonage will not be included in the salary basis for benefit premiums. Please be aware that this will affect the life insurance coverage of the member as that portion of compensation will not be insured. Also note that, the fair value of the parsonage must still be included, as always, in the salary basis for pension contributions. We ask that you consider an inclusive salary and then charge rent on the parsonage. This will make premium and contribution calculations consistent and the full value of compensation will be insured.

The Costs

the bundled group benefit premium for the life and disability coverage of 3% will be increased over three years to cover the new benefits. GSI will subsidize the cost difference during this time.

Starting January 1st of the following years the rates will be set at:

- 3.5% in 2017,
- 4.0% in 2018,
- 4.5% in 2019.

These will be confirmed in November prior to each new year.