



SHORT TERM INCOME PROTECTION PLAN S.T.I.P.P.

FOR TEAMSTERS EMPLOYEES

Information Package

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The following is an information package to explain the new Short Term Income Protection Plan (STIPP) provided by the Corporation, for Teamsters employees. This comes into effect on October 1, 2016. If you have any additional questions, please speak to your supervisor or contact the Human Resources department.

It consists of two parts:

1. Incidental Sick Time (Annual Bank)
2. Short Term Disability (STD)

Introduction

This information package describes the benefits in general terms, the adjudication process, and benefit coverage.

The Short Term Income Protection Plan STIPP, is designed to provide illness and disability income protection. The STD component provides benefits as of the 4th calendar day of disability due to illness, and from the 1st day due to hospitalization or injury. The “Incidental Sick Time (Annual Bank)” component provides up to sixty (60) paid hours per year.

Why is our STD plan changing?

The Corporation has recently reviewed its processes and procedures in relation to other municipal and public sector organizations across the province. In order to better align with provincial best practices, The Corporation is introducing a new Short-Term Income Protection Plan (STIPP) plan which is modern, fair, balanced and fiscally responsible.

The Corporation has also identified additional downsides of the old plan;

- The old plan is adjudicated by administration (Human Resources staff) employees, who do not have the medical background and expertise to address complex cases, nor have the resources available to them to support the needs of employees to their greatest capacity.
- The old plan doesn't support the flexibility of self-managing one's care, a notion commonly found in the new provincial health language.
- It is not good practice for non-medical personnel within the Corporation (Human Resources staff) to be reviewing personal medical information

What are the benefits of the new plan?

Benefits of the new STIPP plan are:

- Flexibility;
- Greater privacy and confidentiality;
- Promotes employee health and wellness;

- Potential for a cash payout at the end of the year.

Highlights

1. All Teamsters employees who have completed three months of active service and are actively at work on the day coverage commences are eligible for coverage under this plan.
2. During the first 15 weeks of disability (less applicable waiting periods) employees are eligible to receive 75% of their base salary rate of pay in effect at the start of the disability subject to the applicable waiting period, if any (to a weekly post reduction maximum of \$1,400) through Sun Life, the Corporation's 3rd party STD claims adjudicator.
3. The employee may access their incidental sick time hours or applicable banks to top-up to 100% of their earnings while receiving STD. Employees can request a top up through their time sheet. If you are requesting a top up in other than full day units completion of a Payroll form (Request for Bank payout) is required.
4. The STD benefit duration entitlement (maximum of 15 weeks per disability claim) will provide income protection to the employee up to Long Term Disability (LTD) eligibility.
5. For those eligible, Long Term Disability (LTD) coverage is unchanged and is payable (if approved) upon completion of a minimum 15 week waiting period (i.e. the STD period) and pays until the earlier of recovery, death, or ability to carry out their regular duties, for the first 24 months after the qualifying period, and the ability to perform another suitable occupation thereafter (see [LTD description and maximums in your benefits booklet](#)).
6. Please note that the benefits described in this Information Package are effective as of October 1, 2016 and apply to claims where the date of disability is October 1, 2016 or thereafter. Continuing STD claims where the date of disability is before October 1, 2016 will be administered as per the STD benefit entitlement in effect prior to October 1, 2016.
7. Those long-term employees with legacy accumulated sick leave banks will continue to have access to these banks, and may elect to use those banks instead of the 60 hours of incidental sick time (annual) bank allocation.
8. As part of the October 1, 2016 introduction of this plan, 15 hours, instead of the full year's allotment of 60 hours will be provided. This will be prorated for part time employees.

Income Benefit

If an employee becomes sick or disabled and unable to perform the essential duties of his/her own occupation as a result of an illness or injury, excluding accidents covered by the Workplace Safety and Insurance Act, the Corporation will fund income benefits as outlined in this section.

Incidental Sick Time (Annual Bank)

Employees are granted up to sixty (60) paid hours per year for incidental sick time (annual bank) and family dependent issues. Employees may elect to use the incidental sick time (annual bank) to receive pay for the first three (3) work days of absence due to illness. This can be done through your time sheet. Alternatively, the employee may use other banks to receive pay for the first three work days of absence due to illness. If banks are used to pay for these first days of unpaid absence they must still be coded as an unpaid sick day.

Starting on the 4th day of absence due to illness, the employee should initiate an STD claim through Sun Life. A claim may be initiated sooner than the 4th day if the employee knows they are going to be off for an extended period of time. Employees have the option to request a top up from 75% to 100%. A Payroll form (Request for Bank payout) for that purpose is required.

In the first calendar year of employment (i.e. ending December 31) following the successful completion of the probationary period, new full time employees will accumulate five (5) hours of incidental sick time per month for each calendar month of employment for the balance of the calendar year in which they are hired, up to a maximum of 60 hours. New part time employees shall be entitled to a prorated amount of incidental sick time entitlement, based on his/her anticipated scheduled hours to be worked for the remainder of the calendar year.

In subsequent years, each part time employee shall be entitled to a prorated amount of incidental sick time (annual bank) entitlement, based on his/her annualized total number of regular (non-overtime) hours worked in the previous calendar year.

For example; for a 40 hour work week (2080 hours per year) taken as a fraction of the full entitlement of 60 hours. Sick pay hours will be rounded to the next highest hour. If 800 hours were worked by a part-time employee in the previous calendar year would equal a 24 incidental sick time (annual bank) entitlement in the following calendar year [$800/2080 \times 60 = 23.08$]. The calculation may not result in more than 60 hours.

Full time employees who are absent from work for more than six (6) months in the calendar year shall have their incidental sick time (annual bank) reduced by 5 hours for each full calendar month they are absent beyond six (6) months. (With the exception of certain leaves of absence as required under the Employment Standards Act including Pregnancy or Parental/Adoption Leave).

If an employee's absence extends into his/her second or subsequent sick pay year(s) the same principle shall apply; their incidental sick time (annual bank) will be reduced by 5 hours for each

full calendar month in the subsequent year(s). Similarly, part time employees who are absent from work for more than six (6) months in the calendar year shall have their incidental sick time (annual bank) reduced by their annual allotment of hours for that year, divided by 12, for each full calendar month they are absent beyond six (6) months.

If an employee is not actively at work on January 1st of any calendar year, their incidental sick time (annual bank) will not be allocated until the employee returns to work in order that any potential related proration calculations can be determined and applied.

If an employee has not used all of their year's allocation of incidental sick time (annual bank) by the end of the calendar year, the Corporation will pay the employee the unused balance, based on the hourly equivalent rate of income at that time, payable in January of the following year.

Employees whose employment ends, and have an outstanding balance of incidental sick time (annual bank) will be paid out that balance upon the end of employment. For full time employees, the prorated calculation of 5 hours per completed month of employment in that calendar year would apply.

For part time employees, the proration calculation would be as follows: their annual allotment of hours for that year, divided by 12, times each full calendar month of employment before the end of employment.

Employees will not be able to place hours back into their Incidental sick time (annual bank).

As part of the October 1, 2016 introduction of this plan, 15 hours (or applicable pro-rated hours for part-time), instead of the full year's allotment of 60 hours will be provided.

If you have any additional questions, please:

- Reference the ["County Connect" intranet site](#).
- Contact the Human Resources department

Short-Term Disability Plan (S.T.D.)

The benefit amount payable from the fourth calendar day of absence due to illness, and first day of hospitalization or injury is payable at a rate of 75% of the base salary rate in effect at the start of the disability subject to the applicable waiting period if any (to a weekly post reduction maximum of \$1,400).

Part time employee must have worked an average of at least 15 regular (non-overtime) hours per week in the previous calendar year to be eligible for an STD claim in the current year. Please contact Human Resources to verify your eligibility.

Payment Criteria

Sun Life pays the benefit directly to eligible employees. **These are eligible sick claims that are longer than three (3) calendar days, or eligible hospitalization or injury claims from day one. The income benefit is payable for up to 15 calendar weeks.**

Upon approval of a claim, benefits will continue to be paid by Sun Life for the remainder of the eligible 15 weeks short term disability period as long as the claim is medically supported, and satisfactory medical information is received by Sun Life and reasonable, suitable offers of accommodation are not refused.

A period of disability may include more than one absence if the absence is from the same or related cause and separated by a period of less than fourteen (14) calendar days. See "Benefit Reinstatement Period" below regarding subsequent claims.

Sun Life is responsible for the claims adjudication and administration of the Corporation's STD program. Your Human Resources representatives are available to help "navigate" through the Sun Life system.

Employees absent on STD/medical leave will be provided with reasonable, suitable offers of accommodation/modified work. If an employee refuses a reasonable, suitable offer of accommodation/modified work, STD benefits/approval of medical leave beyond the accommodated/modified work offer will be terminated.

The employee may access their incidental sick time (annual bank) or any other applicable banks to receive 100% pay for any portion of their STD claim not fully paid (e.g. for the first three days of unpaid absence or to top up payment when receiving STD). If unpaid sick time is fully covered by bank time, employees will enter hours in their time sheet program. If not, complete a Payroll form (Request for Bank Payout). The STD benefit duration (maximum 15 weeks) will provide income protection to the employee up to Long Term Disability (LTD) eligibility. For additional information refer to "Time Sheet Submission Guidelines".

The employee is then eligible to apply for LTD benefits after the STD period. Sun Life will coordinate the transition from STD to LTD. The Corporation will provide further detailed information to the employee about the OMERS and CPP benefits.

Benefit Reinstatement Period (Different Illness/Disability)

An employee must return to regular duties and regular hours (i.e. be medically cleared for full duties and return to non-accommodated duties) from a medical absence for a full work day before the STD benefit period as outlined in the Income Benefit section will reinstate (i.e. before the employee is eligible to access up to another 15 week maximum of STD benefits) for a subsequent disability absence that is not the same as or related to the illness or injury that caused the previous/most recent STD claim.

See “Recurrence of Disability” below for explanation of benefit period entitlements if the same disability reoccurs.

Recurrence of Same Illness/Disability

When an employee returns to the full scope of their regular active duties (not on modified or work hardening) from an absence due to illness/disability and within fourteen calendar days goes off for the same or related disability, the prior STD benefit period as outlined in the Income Benefit section will reinstate. In other words, if the illness/disability reoccurs within less than fourteen calendar days (14) following a return to full time duty, only the remainder of the fifteen week benefit period will apply.

If an employee returns to work on an approved modified work program, he/she is not considered to be actively at work. The time spent doing modified work continues to count toward the expiry of the fifteen week benefit period and does not cause the benefit to be reinstated.

Proof of Disability

Proof of total disability that is satisfactory to Sun Life is required if the absence is for more than three consecutive days. Sun Life will be managing the claim going forward and as a result, may need to request further medical information through the duration of the STD period.

The Corporation will continue to pay the cost of doctor’s certificates required to qualify for STIPP.

Please contact our 3rd party provider (Sun Life 1-800-361-6212) if you have additional questions.

Exclusions and Termination

An employee is not considered disabled unless he/she is under the active and continuous care of a health care provider who is considered appropriate to the employee’s total disability and he/she is following the treatment prescribed by the health care provider.

Sick benefits are not payable for disability resulting from committing or attempting to commit a criminal offence.

No benefit is payable for loss of income due to elective cosmetic or experimental surgery, unless the surgery or treatment is for accidental injuries or unless the surgery is medically necessary as determined by the provincial health care plan in the province where the employee resides.

Participation in this plan terminates on the earliest of the date:

- An employee terminates employment, retires or dies.
- An employee transfers to a group not subject to the terms of this plan.
- Active employee's age exceeds 69 (terminates on 70th birthday)

Failure to provide the required medical documentation within the required time frame will result in suspension of benefits until the documents are received and adjudicated.

Employees are required to advise the 3rd party adjudicator (Sun Life) if they are receiving payment through the STD plan for an absence where they are also receiving payment from another party (excluding any top ups/bank payouts etc. from the employer). These payments will be deducted from the STD payment provided by Sun Life.

Definitions

Actively Working:

Actively working means the performance of all the regular duties of your own occupation for one regular working day or shift.

Base Salary:

Base salary is the rate in effect on the last day an employee is actively at work exclusive of overtime, call back, standby, work day premium etc. Part-time employees' base salary will be prorated.

Date of Disability:

The calendar day when the disability started.

Total Disability:

A medical impairment due to injury or disease which would prevent the performance of the essential duties of the occupation just before the total disability started.

Hospitalization:

1. An in-patient who is hospitalized overnight, or
2. An out-patient who undergoes a debilitating procedure or receives a general anesthetic (example day surgery).

Injury:

Is a bodily injury that occurs solely as a direct result of a violent, sudden and unexpected action from an outside source.

Steps to make a claim

The employee would obtain an application form from the [County Connect website](#) in order to make a claim for continued benefits under the Employer's STD as administered by our insurer (Sun Life). [The Sun Life Claim Guide is also posted.](#)

It is the employee's responsibility to initiate this claim. STD Claims, through Sun Life, are initiated only by the employee. The sooner the employer advises Human Resources and his/her supervisor of the claim being initiated, the sooner the employer (Human Resources) can complete their required forms and the sooner the claim can be processed by Sun Life.

The employee would complete the first part of the application form and immediately have his/her treating health care professional complete the second part of the form. The employee would send the completed application form directly to Sun Life (Fax and mailing addresses are noted on the forms).

Sun Life will usually contact the employee by phone and will provide a written decision letter. If additional information/clarification is required by Sun Life, they will advise the employee accordingly. Forms are to be sent to the Kitchener-Waterloo office.

If you require additional information, please contact the Human Resources department.