

Report HRR-CS-01-14

To: Chair Pringle and Members of the Corporate Services Committee
From: Sandra Shipley, Human Resources Manager
Meeting Date: January 14, 2014
Subject: 2014 Employee Group Benefit Insurance Renewal
Status: Recommendation endorsed by Committee as presented per Resolution CS13-14 January 14, 2014; Endorsed by County Council February 4, 2014 per Resolution CC24-14;

Recommendation(s)

THAT Report HRR-CS-01-14 regarding the 2014 Employee Group Benefit Insurance Renewal be received;

AND THAT the insurance policies with AIG Commercial Insurance and Sun Life Financial be renewed for the period of January 1 to December 31, 2014.

Background

The benefit program for the participants of the Grey County Corporate Wide Program is underwritten by Sun Life Financial and AIG Commercial Insurance (formerly Chartis Insurance). AIG is the underwriter for the accidental death and dismemberment (AD&D) benefit and Sun Life is the insurer of basic life, short and long term disability, extended health care, dental and deluxe travel benefits.

In May 2013 the County moved the extended health, dental and travel coverage from Green Shield Canada to Sun Life and as a result, received significantly reduced premium rates with a rate guarantee until January 1, 2015.

The basic life, AD&D and long term disability benefits were scheduled for renewal effective January 1, 2014 after a two year rate guarantee. The short term disability benefit also renews effective January 1, 2014.

The following table provides a summary of the current costs, proposed costs and the finalized negotiated renewal rate adjustment.

Benefits	Current Monthly Premium	Proposed Renewal Costs January 1, 2014		Negotiated Renewal Costs January 1, 2014	
		Rate Change	Monthly Premium	Rate Change	Monthly Premium
Basic Life	\$10,600	+5.0%	\$11,130	+5.0%	\$11,126
AD&D	1,179	N/C	1,179	N/C	1,179
LTD	60,995	+26.0%	76,854	+15.0%	70,143
STD	13,266	+22.5%	14,858	+3.0%	13,653
Ext Health	85,826	N/C	85,826	N/C	85,826
Dental	33,318	N/C	33,318	N/C	33,318
Monthly Cost including PST	\$221,598	+8.8%	\$241,017	+4.9%	\$232,464
Change in Annual Premium			\$233,029		\$130,386

Financial / Staffing / Legal / Information Technology

Considerations

The annual premium costs for employee group benefits will increase by \$130,386 including provincial sales tax. The increase has been accounted for in departmental budgets for 2014.

Link to Strategic Goals / Priorities

None

Respectfully submitted by,

Sandra Shipley

Human Resources Manager

Director Sign Off: *Grant McLevy, Director of Human Resources*