

## Report HRR-CS-02-15

**To:** Chair Pringle and Members of the Corporate Services Committee  
**From:** Sandra Shipley, Human Resources Manager  
**Meeting Date:** January 13, 2015  
**Subject:** **2015 Employee Group Benefit Insurance Renewal**  
**Status:** Recommendation adopted by Committee as presented per Resolution CS09-15; Also see Resolution CS10-15; Endorsed by County Council February 3, 2015 per Resolution CC36-15;

### Recommendation(s)

**THAT Report HRR-CS-02-15 regarding the 2015 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, 2015.**

### Background

The Grey County Corporate Wide Program agent of record is Mosey & Mosey. The benefit program for the participants of the Grey County Corporate Wide Program is underwritten by Sun Life Financial and AIG Commercial Insurance.

- The Accidental Death and Dismemberment (AD&D) benefit is underwritten by AIG
- Basic life, short term disability, long term disability, extended health care, dental and deluxe travel are all underwritten by Sun Life.

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. Over the 20 month rate guarantee period, the County has seen savings of approximately \$240,000.

It should be noted that when the recommendation was made in 2013 to move from Green Shield to Sun Life, Mosey and Mosey cautioned the County that the rates proposed by Sun Life would not support the claims experience for 2013 and 2014 and that at the time of the 2015 renewal, Sun Life would propose rates to support the claims experience just as any insurer would. This is reflected in the proposed 2015 benefit rates.

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, 2015		Negotiated Renewal Costs January 1, 2015	
		Rate Change	Monthly Premium	Rate Change	Monthly Premium
Basic Life	\$11,291	+5.0%	\$11,855	N/C	\$11,291
AD&D	1,190	N/C	1,190	N/C	1,190
LTD	70,639	+5.0%	74,170	N/C	70,639
STD	13,606	+2.0%	13,879	-2.5%	13,266
Ext Health	86,001	40.9%	121,176	+39.8%	120,230
Dental	33,113	22.1%	40,431	+15.3%	38,180
Monthly Cost including PST	\$233,108	+21.7%	\$283,718	+18.0%	\$275,179
Change in Annual Premium			\$607,321		\$504,853

## Financial / Staffing / Legal / Information Technology Considerations

The annual premium costs for employee group benefits will increase by \$504,853 including provincial sales tax.

## Link to Strategic Goals / Priorities

Providing a comprehensive benefit package to employees is part of Goal 2.8 of the Corporate Strategic Plan: Develop and implement a corporate wellness program that promotes active living, disease prevention/management, and healthy workplace initiatives for county employees.

## Attachments

None

Respectfully submitted by,

Sandra Shipley  
Human Resources Manager

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