

IMPORTANT ADVISORY ABOUT LATE APPLICANTS

We would like to revisit a very important issue that seems to be recurring and has generated some concern again lately. We want all of our plan administrators to be aware of their **responsibility** and the employer's **liability** when an employee is **not** enrolled on the group benefits plan, or is enrolled late. Although you may do your due diligence and provide the employee with their enrolment form on time, it is also your responsibility to ensure that the form is returned to you and submitted to the insurance company within the allotted period of time. The onus will be on the employer, not the employee, should the forms not be submitted on time. **Please see the attached court case regarding this issue.**

Tip: Have any new employees complete their application at their time of hire, as they are completing any new hire paperwork for your business. Submit the application to the insurance company once it is completed, the coverage will not take effect until the waiting period has been satisfied

Should you have an employee that is refusing the coverage, be sure to have them **sign a waiver letter** and keep it on file. Please contact your advisor or group administrator for more information regarding waivers.

What is a late applicant?

Typically, new full time staff must be enrolled on the plan within 90 days** Employees who miss this deadline will be treated as late applicants. Medical evidence of insurability will be required on the employee and their dependents and **no coverage takes effect until the insurance company approves the applicant**. All late applicants run the risk of being declined for coverage or having an exclusion attached to their benefits. If accepted onto the plan, a late applicant and their dependents may be subject to reduced dental coverage limits for the first 12 months of coverage.

Late applicants commonly occur when:

- An employee gets married or has been living common-law but forgets to put a spouse on the plan before the deadline
- An employee had previously waived health/dental benefits because they had comparable coverage through their spouse. If that coverage ends, the employee must enroll on the plan before the deadline.
- The employee/administrator does not enroll the employee on the plan within the waiting period (usually 3 or 6 months) or the subsequent 31 day grace period
- An employee with single coverage forgets to change their dependent status within the deadline after the birth of a child
- If an employee has opted out of the health/dental plan because they have comparable coverage with their spouse, but decide they would like to co-ordinate coverage with both plans, the employee and dependents will be considered late. Co-ordination must be chosen at the time of initial enrollment.

****Every plan has a different waiting period and deadline for enrollment. Please check your booklet for confirmation of waiting periods and deadlines, or call your local Group Benefits Administrator.**

The winner of our April 1 Chambers renewal draw is A Bright Beginning Child Care Society!

OTHER CHANGES TO NOTIFY THE INSURANCE COMPANY ABOUT IMMEDIATELY

SALARY INCREASES

Have any of your employees had a salary increase? A change in employee's earnings can affect his or her benefit amount under the group benefit plan. Providing up to date salary information to the insurance company ensures that the employee will receive the coverage they are entitled to. If the employee's new benefit amount exceeds the non-evidence limit specified in your group policy the plan member must submit evidence of insurability for the amount over the limit.

LIFE EVENTS: MARRIAGE/DIVORCE NAME CHANGE BIRTH OF A CHILD