Focus Update



June 23, 2020

Ontario Infectious Disease Emergency Leave updates

Recent changes to Ontario's Employment Standards Act (ESA) could impact your coverage obligations under your group benefits plan.

There is now a new reason for unpaid Infectious Disease Emergency Leave due to the COVID-19 pandemic. It applies to non-unionized employees. If you have temporarily eliminated or reduced your employees' hours of work because of COVID-19, then they may qualify for this new leave.

The new law only applies during the COVID-19 period, which started March 1, 2020. It ends six weeks after the date that the Ontario government ends the COVID-19 emergency.

Impact on benefits plan coverage

Plan members on an Infectious Disease Emergency Leave can maintain their group benefits plan coverage. You need to consider:

- what coverage was in place before May 29, 2020 and
- employer contributions as of this date.

You need to keep that coverage in place and continue paying your share of benefit plan premiums for the balance of the leave period.

However, plan members can choose, in writing, to stop paying their portion of the premium to the plan. If this happens, you can discontinue premium payments for these plan members and terminate their group benefits coverage. To do this:

- Please use the <u>Plan Sponsor request to continue group coverage smart form</u>.
- The plan member must sign a <u>legal waiver form</u>, which outlines the consequences for them to consider. (Note: this form opens only in Internet Explorer.)

The legislation says you don't need to reinstate coverage for plan members whose coverage was terminated, due to layoff, before May 29, 2020.

Coverage in cases of reduced hours

Some plan members may qualify for a leave if they are still at work but working reduced hours. If this happens, you need to maintain the same coverage and your share of the premium contributions that was in place on May 29, 2020.

For employees who don't qualify for this leave:

You can maintain full coverage on reduced hours on a temporary basis for up to three months. After that period, you must reduce salary amounts in your administration system.



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Legal advice

Statutory leaves, including those related to COVID-19, are complex. Consult with your legal advisors to determine which plan members fall under this new regulation. If your employees aren't eligible, you can review our temporary lay-off guidelines.

Questions? We're here to help.

Please contact your Sun Life Group Benefits representative.

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