

Coronavirus (COVID-19) and Your Business

The impacts on Group Benefits Programs, Short Term Disability, Protected Leaves of Absence, and Employment Insurance

The daily evolution of the COVID-19 pandemic requires that employers be similarly agile in response. At this time, we are seeing impacts within a variety of government and insured programs.

The following is presented based on **information that is currently known at time of release**, but we encourage all employers to follow fact-based news and developments (like those provided in our Key COVID-19 Resources) to ensure they remain up-to-date on public health recommendations.

GROUP BENEFITS PROGRAMS

If your Group Benefits plan includes Extended Health Care, COVID-19 would be a recognized illness under that program. However, each contract is unique. For details on what's covered, each business will be required to refer to its specific contract details.

Extended Health Care plan contracts will also indicate if vaccines are a covered expense. Please note, at this time, a COVID-19 vaccine has not been developed or released.

GROUP TRAVEL INSURANCE

Many Group Insurance programs include coverage for Plan Members when travelling. Policies often include:

- **Emergency out-of-province or out-of-Canada coverage**

When travelling, if the plan member or a covered family member have a medical emergency, or get sick (with COVID-19 or another illness), group out-of-province/Canada coverage may pay for emergency medical treatments.

- **Emergency Travel Assistance**

A Group Benefits program may include Emergency Travel Assistance. With this policy, should a plan member get sick, or experience a medical emergency, while travelling, Emergency Travel Assistance and Trip Interruption coverage can cover costs for food, accommodations, and transportation. If a plan member is placed in quarantine while traveling, but is not sick or experiencing a medical emergency, the policy may not provide coverage for the trip interruption costs. However, if quarantined or ill, coverage may be extended until they are released.



- **Trip Cancellation**

If a trip was purchased prior to a Level 3 or 4 Travel Advisory, and Group coverage was in place before said advisory, the claim would be covered, but subject to the terms of the contract. Should a plan member contract COVID-19 and need to cancel a trip, most plans will allow for this coverage as it would be a new medical condition. There has been much in the news regarding individual travel insurance policies. It is important to note that, at this time, Group policies (insurance plans provided by employers or organizations) which contain Trip Cancellation insurance have not been impacted.

As always, for all Group Insurance inquiries it is recommended that you refer to your specific contract details.

SHORT TERM DISABILITY (STD)

These benefits are in place to support employees when they have an injury or illness that prevents them from doing their job.

If an employee becomes ill due to COVID-19 and they are unable to work from home, they would be eligible to receive STD benefits in accordance with their group contract. Depending on the plan provider, medical evidence and waiting periods may still be required to support STD claims and absence due to COVID-19. However, most group providers are working to streamline or providing time limited exceptions for this process. The determining factor for STD claim acceptance is a confirmed illness, not that an employee is self-quarantined or self-isolated.

If a business closes as a precautionary measure, or asks employees to stay home with no medical need, Short Term Disability benefits would not apply.

In the event that an employee is not eligible for disability benefits, we recommend that they visit Service Canada for financial support options.

<https://www.canada.ca/en/employment-social-development/corporate/notices/coronavirus.html>

PROTECTED LEAVES OF ABSENCE

The Canada Labour Code (*Code*) provides employees within federally regulated workplaces with a protected leaves of absence, including: Medical Leave and Personal Leave.

While the Code establishes minimum requirements, collective or employment agreements may provide better protections. In each case, the more favourable arrangement takes precedent.

Employers should familiarize themselves with the protected leaves offered across Canada—as every Province varies—as some may apply during a state of emergency as well.

More information can be found on the Government of Canada's website: <https://www.canada.ca/en/services/jobs/workplace/federal-labour-standards/leaves.html>

Medical Leave: <https://www.canada.ca/en/services/jobs/workplace/federal-labour-standards/leaves.html#h2.1>

Personal Leave: <https://www.canada.ca/en/services/jobs/workplace/federal-labour-standards/leaves.html#pl>

Unpaid Leaves of Absence: <https://www.canada.ca/en/services/jobs/workplace/federal-labour-standards/leaves.html#ula>

EMPLOYMENT INSURANCE

Employment Insurance (EI) is available for a number of situations including, but not limited to, regular benefits for those who have lost their job (no-fault), and sickness benefits if an individual is unable to work due to illness, injury, or quarantine.

EI Sickness Benefits can provide up to 15 weeks of financial assistance. Service Canada is currently supporting COVID-19 action by:

- Waiving the one-week waiting period for EI sickness benefits for new claimants who are quarantined
- Establishing a new dedicated toll-free phone number to support COVID-19 EI enquiries
- Providing priority EI application processing for sickness benefit claims for those under quarantine
- Employees may contact the new dedicated toll-free number while under quarantine at: **1-833-381-2725**, or teletypewriter (TTY) at **1-800-529-3742**

EI provides Regular Benefits to individuals who lose their jobs through no fault of their own (for example, due to shortage of work, seasonal, or mass lay-offs) and are available for and able to work, but can't find a job.

For more information regarding eligibility and application processes please visit the following Service Canada sites:

EI Sickness Benefits: <https://www.canada.ca/en/services/benefits/ei/ei-sickness.html>

EI Regular Benefits: <https://www.canada.ca/en/services/benefits/ei/ei-regular-benefit.html>



As businesses across Canada are impacted by COVID-19. We encourage everyone to approach the situation with sensitivity, understanding, and respect.

If you have questions specific to your business, or would like additional information, please reach out to your Lloyd Sudd Advisor.

LET US HELP YOU MANAGE YOUR RISK

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