



# The benefit brief

DUPUIS LANGEN  
Financial Management

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## Travel Insurance – Are you Covered?



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### Thank you for your referrals

Business is great but new clients are always welcome!  
If you know of others who may like to receive our newsletter or who would appreciate an audit of their group benefits plan, please let us know!

#### Words of Wisdom

“100 % of the shots you don’t take don’t go in”

~ Wayne Gretzky

### ARE YOU COVERED?

As summer approaches we all think of travel and vacations. Whether within Canada or outside of Canada, travel insurance is something to consider. Find out ahead of time whether you have travel insurance and what it covers.

### PROVINCIAL COVERAGE

You should be aware that your provincial coverage may not pay for all the health care costs you may incur outside the province. For example, B.C. pays \$75 (Cdn) a day for emergency in-patient hospital care, while the average cost in the U.S. often exceeds \$1000 (US) a day, and can be as high as \$10,000 (US) a day in intensive care. For this reason, it is strongly advised you obtain additional health insurance before you leave the province, whether you are going to another part of Canada or outside the country - even if you plan to be away for only a day.

Also, MSP does not cover the services of health care providers other than physicians outside of the province. Similarly, PharmaCare does not provide coverage for prescription drugs or medical supplies when obtained outside of BC.

### GROUP COVERAGE

Travel Insurance is included in many group benefit plans under the Extended Health Care benefit, and is usually titled Medical Emergency Assistance. The coverage, subject to an overall lifetime dollar maximum and limited number of days away from the province (60 or more), varies depending on the insurer but may include the following for Medical Emergencies:

- ✓ Multilingual assistance available 24/7 through telephone

- ✓ Medical Referral to the nearest health professional for your condition
- ✓ Coordination of payment
- ✓ Medical Transportation
- ✓ Return of the insured and or dependents of insured to their usual place or residence
- ✓ Payment for visit from a member of the immediate family
- ✓ Meals and accommodation incurred by immediate family accompanying the insured and the insured during the emergency may be reimbursed up to a maximum
- ✓ Expenses related to a death
- ✓ Interpretation service in most major languages
- ✓ Telephone message service provided for messages to or from family and the insured
- ✓ Legal referral and assistance
- ✓ Pre-Trip Assistance provides up-to-date travel information such as vaccinations, passport and visa requirements, and precautionary measures.
- ✓ Assistance in contacting local authorities to provide insured to replace lost travel documents

### PERSONAL COVERAGE

While Group Travel insurance provides full coverage for most emergency situations, additional coverage that may only be offered by personal travel plans includes:

- ✓ Reimbursement of prepaid portion of the trip that is non-refundable and non-transferable to another travel date for a covered event (medical condition, travel documents not ready, misconnections etc)
- ✓ Baggage lost or damaged
- ✓ Flight Accidents

## END TO MANDATORY RETIREMENT AT AGE 65

Recently, the British Columbia Provincial Government introduced Bill 31 the *Human Rights Code (Mandatory Retirement Elimination) Amendment Act, 2007*, effective January 1, 2008. The amendment states that any employers currently requiring that their employees retire at age 65 will no longer be able to do so after January 1, 2008. The legislation will not be retroactive so employers will not have to re-hire employees who retire before the legislation comes into force. The change was created to reflect the reality that the number of British Columbians over the age of 65 in the next 25 years will double.

Section 13 (3)(b) of the *Human Rights Code*, has also been amended so that it is clear that an employer can continue to apply different eligibility criteria on the basis of age for bona fide retirement, superannuation or pension plans, and other group or employee insurance plans whether they are self-funded by employers or whether they are provided by a third party insurer. Accordingly, this may mean that employees who continue to work past the age of 65 could lose workplace benefits such as long-term disability, medical and dental coverage and life insurance, if an employer's plans currently cut off benefits at age 65 and if employers choose not to change or renegotiate the terms of those plans accordingly.

Strategies to consider for employers to mitigate any negative effects from the amendment:

- ✓ Ensure that the performance review policies are transparent and applicable to all employees, not just older employees (employers will not be able to selectively apply performance criteria).
- ✓ Obtain information from benefit carriers as to expected cost of benefit plans if benefits were to be extended to employees aged 65 or older, so as to determine whether it is affordable to extend all benefit plans to these employees, or if the benefit plans will have to be scaled back yet offered to all employees, or if benefits will not be offered to employees aged 65 or older. Review employer retirement plans for any age-related rules related to contributions and drawing of pension.
- ✓ Consider incentives to encourage retirement such as phased in retirement, financial bonuses, and offering certain benefits or other perks conditional on retirement.
- ✓ If your company is subject to one or more collective agreements, review the provisions of such agreements in light of these proposed changes (remembering that no one may contract out of any of the provisions of the Human Rights Code).

## WORKPLACE PRIVACY – SURVEILLANCE CAMERAS

The workplace must comply with the Personal Information Protection and Electronic Documents Act (PIPEDA) and with the provincial privacy laws. These laws restrict the collection, use and disclosure of employee personal information by employers. If your workplace is using or considering the use of surveillance cameras, be aware of the restrictions under PIPEDA and provincial privacy laws with respect to them.

### Use must be reasonable:

- ✓ Reasonable: Use of surveillance cameras for safety and security purposes, if no other methods proved effective.
- ✗ Unreasonable: Use of surveillance to monitor employee performance or productivity

### Employee Consent

In most cases, employers need consent to collect, use or disclose employees' personal information. The only exceptions being:

1. If obtaining consent would compromise the availability or accuracy of the information collected
2. The collection of information is for the purpose of investigating violations of the employment agreement of the law

### Employee Notification

Privacy laws require the employer to notify employees that surveillance cameras will be used in the workplace.

To avoid liability for privacy and collective agreement violations at your workplace create a surveillance policy and post it at the workplace to notify all employees of the purpose, location, and use of the surveillance cameras.

## Plan Administrators' Corner

Human Resources and Social Development Canada (HRSDC) has reduced Employee Insurance (EI) premium rates for 2007. Employees will pay \$1.80 per \$100 of insurable earnings, which is down from \$1.87 in 2006. Employers pay \$2.52 per \$100 of insurable earnings, reduced from \$2.62 in 2006.

Maximum annual insurable earnings for 2007 will rise from \$39,000 to \$40,000. The maximum benefit payable increases to \$423 per week from \$413 per week in 2006.