

Report To: Human Resources Committee, Board of Health
Submitted by: Elizabeth Bowden, (Interim) Director, Human Resources and Corporate Services
Subject: OVERVIEW OF GROUP BENEFITS

RECOMMENDATION(S):

- (a) That the Human Resources Committee makes recommendation to the Board of Health to receive this report for information.

BACKGROUND:

The purpose of a Group Benefit plan is to provide adequate financial protection against events that could cause significant hardship or stress for employees and their families, i.e. health issues, inability to work, death of employee, severe medical condition and injury resulting from accident.

Why have a Group Benefit program?

- Provide competitive compensation package
- Attract and retain employees
- Meet union-negotiated requirements
- Meet employees' demand
- Demonstrate commitment to employees' health and well-being
- Offer tax advantage
- Complement government plans

There are three (3) tiers of Group Benefits:

- 1) Government plans (Basic Coverage)
- 2) Employer Group Benefit programs
- 3) Individuals

The following Employer Group Benefits at WDGPH are for permanent full-time employees, and are currently 100% employer paid premiums. Permanent part-time employees have some of those benefits on a pro-rated basis:

- Extended Health Care insurance (includes prescription drugs, paramedical, vision, hospital and other services and supplies)
- Travel insurance
- Dental insurance
- Long Term Disability (LTD) coverage
- Basic Life insurance for 1.5 time annual salary
- Accidental Death and Dismemberment (AD&D) for up to 1.5 times annual salary

Benefit Costs and Risk Management

To keep benefit costs at a competitive level, WDGPH participates in the ALPHa (Association of Local Public Health Agency) sponsored Employer Group Benefit Consortium Plan, which provides greater leverage with benefits negotiations at renewal time:

- Basic Life and LTD benefits are underwritten on an insured pooled/partially experience-rate basis with Sun Life Financial.
- AD&D benefits are insured on a fully-pooled basis with AIG Insurance.
- Extended Health Care and Dental benefits are underwritten by Green Shield, and are based on the financial results generated by our group's paid claims experience. Under this arrangement, the liability is limited to the payment of the applicable premiums for the coverage. This arrangement also includes a stop loss insurance of a threshold of \$20,000.
- Travel Insurance is provided by Green Shield on a fully-pooled basis.

WDGPH also offers Short Term Disability (STD) coverage which is self-insured; but adjudicated by ACCLAIM, a third party provider. The Agency also provides an Employee Assistance Program (EAP) for employees and their families. Those benefits are not part of the Consortium Plan.

Cost Containment

Over the past number of years, WDGPH Employer Group Benefits have seen a continuous increase in costs, in order to retain the same benefits. In April 2016, in response to this continued increase, the Agency initiated some incremental cost containment strategies, to continue the sustainability of our benefits coverage. Based on an analysis of the average costs for drug dispensing in the WDGPH service area, the Agency introduced a Drug Dispensing Fee Cap. In addition, Private Hospital Room Coverage was eliminated, maintaining Semi-Private Coverage and Massage Therapy Coverage was capped to include a per visit maximum with the annual maximum remaining the same. Benefits sessions were provided to employees to help them understand their role towards benefits cost containment, i.e. shop wisely, maintain a healthy lifestyle, etc.

The past practice of the Agency has been to provide the same level of annual compensation to ONA, non-union and management, including the same benefits coverage. By pooling union, non-union and management benefits together, WDGPH has a better leverage at benefits renewal.

WDGPH STRATEGIC COMMITMENT

Organizational Capacity – We will improve our capacity to effectively deliver public health programs and services.

Goal: We will promote and support the psychological health of staff.

Building Health Community – We will work with communities to support the health and well-being of everyone.

Goal: We will promote healthy environments (as defined) that support physical and mental health and well-being.

PUBLIC HEALTH AND/OR FINANCIAL IMPLICATIONS:

To continue to attract and retain highly skilled, highly motivated employees; it is necessary that the Agency remain competitive in the local labour market regarding overall compensation, including Employer Group Benefits. At the same time, we must obtain and deliver those benefits in the most cost effective manner.

The Ontario Public Health Standards

To ensure that boards of health assess, plan, deliver, manage, and evaluate public health programs and services to meet local needs, while continuing to work towards common outcomes, boards of health shall be guided by the following principles: Need, Impact, Capacity, and Partnership and Collaboration¹.

Capacity:

The cornerstone of public health is the quality of its workforce. Programs and services provided by boards of health shall be planned and delivered by staff with both the required technical and professional skills, including core competencies in public health as well as competencies in public health disciplines¹.

Ontario Public Health Organization Standards

6.14 Human resources strategy²

The board of health shall ensure that the administration establishes a human resources strategy, based on a workforce assessment which considers the competencies, composition and size of the workforce, as well as community composition, and includes initiatives for the recruitment, retention, professional development and leadership development of the public health unit workforce.

REFERENCES

1. Ontario, Ministry of Health and Long-Term Care. Ontario public health standards. Toronto, ON: Queen's Printer for Ontario; 2008 [revised 2014 May 1; cited 2014 May 1]. Available from: http://health.gov.on.ca/en/pro/programs/publichealth/oph_standards/docs/ophs_2008.pdf
2. Ontario Public Health Organizational Standards. Ministry of Health and Long-term Care. Ministry of Health Promotion and Sport. February 2011 c Queens Printer for Ontario 2011. Available from: http://www.health.gov.on.ca/en/pro/programs/publichealth/orgstandards/docs/org_std.pdf

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