



JOHNSTONE'S JOURNAL is published monthly, and designed to provide topical information of interest not only to plan administrators, but to all employees who enjoy coverage under the benefit plan. Feel free to make copies, and use as a payroll stuffer.

Phone: (604) 980-6227 or 1-800-432-9707 Website: www.ibenefits.com

December 2015

Preparing for 2016 What You Need to Know About Benefits Now

Employment Insurance (EI) Increase

As of January 1st, 2016, the maximum insurable earnings (MIE) will increase to \$50,800 from the current \$49,500. As a result, the maximum weekly EI benefit will increase to \$537 from the current amount of \$524.

In addition to providing temporary financial assistance to unemployed Canadians, EI also provides benefits to employees who are sick, pregnant, or caring for a newborn or adopted child, as well as those who must care for a family member who is seriously ill with a significant risk of death.

For employees who are disabled, EI may pay disability benefits in the case of sickness or accident. Benefits begin after an employee has been away from work for more than two weeks (the elimination period). After this, EI will pay the insured person a weekly benefit equal to 55% of insured weekly earnings. Benefits are payable for **up to 15 weeks** and are considered **taxable income**. For more information about EI:

www.servicecanada.gc.ca/eng/sc/ei/index.shtml

How This Affects Your Disability Plan

If you are an employer who provides employees with a private short term disability (STD) plan, and the STD plan pays a percentage of salary up to the EI maximum, or it pays a flat amount equal to the EI maximum, your plan benefit will be updated to the new EI maximum amount. This update ensures your STD plan continues to qualify for the EI premium reduction program.

www.servicecanada.gc.ca/eng/cs/prp/010.shtml

Premiums on the January invoice will include the increased STD benefit amount. While your STD rate per \$10 benefit is not changing, you will see an increase in premium as a result of the increased STD benefit amount.

For clients with STD benefits administered by Johnstone's, we will notify you of any changes to your plan.

MSP of BC Premium Increase

Effective January 1, 2016, the BC provincial government will increase Medical Service Plan (MSP of BC) premiums. The new monthly premiums for employees earning \$30,000 a year or more will be:

	<u>Current</u>	<u>January 1, 2016</u>
Single	\$72.00	\$75.00
Couple	\$130.50	\$136.00
Family	\$144.00	\$150.00

For more info about the MSP increase:

www.tbs-sct.gc.ca/psm-fpfm/benefits-avantages/news-nouvelles/2015-12-01-eng.asp

MSP premiums are based on family size and income. If Johnstone's administers your MSP plan (or calculates the taxable benefit based on your cost sharing), we will make the appropriate adjustments on your January invoice.

Claiming Deadlines

All benefits have claiming deadlines and therefore, it is in your best interest to submit claims as soon as possible so you don't invalidate your claim. All insurers strictly enforce their claiming deadlines, and will refuse to pay claims submitted after they've passed.

Unfortunately there isn't one standard deadline between insurers, or even between benefits. Here are two typical dates that are particularly relevant at this time of year. Check your booklet or call us if you're unsure.

Extended Health and Dental: 12 months from the date of service or purchase. This means receipts dated December 15, 2014 must be in the insurer's office (not just in the mail) by December 15, 2015.

Health Spending Accounts (HSA): 30 or 60 days from the end of the reporting period. If your HSA runs from January to December, all 2015 claims must be at the provider's office by either January 31 or February 28, 2016, depending on your plan.