



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.

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January 2012

2012 Changes to MSP and EI

MSP of BC Premium Increase

Effective January 1, 2012, the BC provincial government will increase premiums to the Medical Service Plan (MSP of BC). The new monthly premiums will be:

	<u>Current</u>	<u>January 1, 2012</u>
Single	\$60.50	\$64.00
Couple	\$109.00	\$116.00
Family	\$121.00	\$128.00

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

Understanding MSP of BC

The Medical Services Plan (MSP), and the other provincial medical plans across Canada, insures medically required services provided by physicians, supplementary health care practitioners, along with laboratory services, and diagnostic procedures. All BC residents are required by law to enrol in MSP.

Employers may choose to administer a group plan and contribute all or part of the MSP premium for their employees. Employer contributions are taxable income to employees. If you currently contribute to MSP premiums, you should review how you share the cost with employees and adjust them accordingly.

Low-income earners can qualify for premium assistance. Applicants who earn less than \$30,000 a year may qualify for this assistance.

BC remains the only province in Canada to bill monthly premiums to its residents. For more information regarding MSP, visit www.health.gov.bc.ca/msp.

Employment Insurance (EI)

Employment Insurance (EI) provides temporary financial assistance to unemployed Canadians who have lost their job while they look for work or upgrade their skills.

Canadians 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, may also be assisted by Employment Insurance.

EI Sickness Benefit Increases January 2012

EI may provide a payment of disability benefits in the case of sickness or accident. Benefits begin after an employee has been away from work for longer than two weeks (the elimination period). Once this absence has passed two weeks, EI will pay the disabled employee a weekly benefit equal to 55% of the weekly earnings. Benefits will continue to be paid for **up to 15 weeks** and are **taxable**.

As of January 1st, 2012, the **maximum EI benefit** amount will increase from \$468 to \$485 a week.

If your short term disability (STD) plan pays a percentage of salary up to the EI maximum, or it pays a flat amount equal to the EI maximum, we will automatically update your plan to the new EI maximum amount. This automatic update ensures your STD plan continues to qualify for the EI premium reduction program.

Your January invoice will reflect 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 more information on EI and Short Term Disability plans, see the January 2011 *Johnstone's Journal*. Or just EI visit: www.servicecanada.gc.ca/eng/sc/ei.