

June 30, 2017

Benefit & Insurance Premium Changes

Effective July 1, 2017 – Reduction in Long Term Disability (LTD) Contribution Rates

On June 26, 2017, Council approved changes to the Regina Civic Employee's Long Term Disability Plan, which includes a reduction in contribution rates and an increase in benefits for plan members. Contribution rate changes are:

- **July 1 – December 31, 2017** – “Premium Holiday” where employees and employer will NOT make any contributions into the plan. Effective on the **July 14, 2017 pay date, your LTD deduction will be zero.**
- **January 1, 2018** – New contribution rate of 0.46 per cent for both employees and employer. This rate will be applied on the January 12, 2018 pay date and is a 50 per cent reduction from the previous rate of 0.92 per cent.

For further information about the benefit changes to the LTD plan, visit the Möbius website at: <http://reginapensions.ca/>

Effective August 1, 2017 – Provincial Sales Tax Applies to Benefits and Life Insurances

Effective August 1, 2017, the 6 per cent Provincial Sales Tax (PST) will apply to benefit and life insurance plans. This change will be reflected on the **August 11, 2017 pay date.**

Benefit plans subject to 6 per cent PST include:

- Medical & Dental Plans
- Group Life Insurance
- Optional Life, Spouse & Dependent Insurances
- Accidental Death & Dismemberment Insurance
- Long Term Disability

Health Care Spending & Flexible Spending Accounts are exempt from the PST change.

(over)



The following table provides examples of the premium changes being implemented:

Benefit	Payment Type	Premium amount / pay period	PST Increase: Employee cost / pay period	PST Increase: Employer (City) cost / pay period
Family Medical Coverage	100% Employer (City) Paid	\$43.78	\$0.00	\$2.63
Single Dental Coverage	50/50 cost share	\$6.97	\$0.42	\$0.42
Group Life Insurance (60,000 Coverage)	50/50 cost share	\$3.96	\$0.24	\$0.24
Optional AD&D Insurance (240,000 coverage)	100% Employee funded	\$2.88	\$0.17	\$0.00
Casual L21 Single Dental Coverage	50/50 cost share	\$41.82	\$2.51	\$2.51
Casual L21 Group Life Insurance (15,000 coverage)	50/50 cost share	\$5.94	\$0.36	\$0.36

For further information about which insurances and benefits are subject to 6% PST effective August 1, 2017, visit the Government of Saskatchewan website: finance.gov.sk.ca/taxes/pst/

If you have questions about either of these changes and/or how they impact you, please contact benefits@regina.ca.