

# EMPLOYEE BENEFITS

WITH EMPIRE LIFE

**Flexibility,  
simplicity,  
and choice**



Insurance & Investments  
Simple. Fast. Easy.™





## IS IT TIME TO TUNE UP YOUR EMPLOYEE BENEFITS?

Flexibility is key. That's because employees at different ages and life stages have different needs —and value different benefits as a result. With four generations in the workforce, it's challenging to build a benefit plan that works for everyone. Cost constraints make the task all the more demanding.

The good news is there's plenty of flexibility in Empire Life health benefits, so it's easy to design a plan that meets the needs of your employees— and your business. Time to increase coverage? Or maintain coverage but give employees more choice and control? Perhaps you need to stabilize or reduce costs to make your plan more sustainable? The following benefits can help, and they offer easy, no hassle administration, with no enrolment or lock-in periods.

	Incidental Health Expense Benefit (IHE)	Health Care Spending Account (HCSA)
<b>What is it?</b>	<ul style="list-style-type: none"> <li>Both IHE and HCSA help manage costs by capping amounts available each year. You pay only the amount employees use up to that cap.</li> <li>A supplement to your Empire Life Extended Health Benefit coverage</li> <li>A simplified, fully insured spending account that helps employees pay for health and dental expenses not otherwise covered by their benefit plan</li> </ul>	<ul style="list-style-type: none"> <li>A supplement or alternative to health or dental coverage</li> <li>A traditional, pay-as-you-go, self-insured (ASO) spending account that helps employees pay health and dental expenses not otherwise covered</li> </ul>
<b>How does it work?</b>	<ul style="list-style-type: none"> <li>Gives employees flexibility to pay for health-related expenses that meet their family's unique needs</li> <li>The definition of dependant is the same as your benefit plan</li> <li>Covers medical expenses eligible under the Income Tax Act (Canada)</li> </ul>	<ul style="list-style-type: none"> <li>Provides employees the flexibility to pay health-related expenses that meet their family's unique needs</li> <li>Definition of dependant is expanded and can include a child, grandchild, parent, grandparent, brother, sister, uncle, aunt, niece or nephew of the employee or employee's spouse, as long as the person claimed for is dependent on the employee for financial support</li> <li>Covers medical expenses eligible under the Income Tax Act (Canada)</li> </ul>
<b>Plan details</b>	<ul style="list-style-type: none"> <li>Choose annual benefit amount from \$100 to \$5,000 in multiples of \$25</li> <li>Add the benefit to selected classes or all classes</li> <li>Benefit amount may vary by class</li> <li>Set different amounts for single and family coverage</li> <li>Choose to fund all or cost share with employees</li> <li>Coverage is based on \$0 deductible, 100% coinsurance</li> <li>Unused balances are not carried forward to the next year</li> </ul>	<ul style="list-style-type: none"> <li>Choose annual benefit amount from \$100 to \$10,000 in multiples of \$25</li> <li>Add the benefit to selected classes or all classes</li> <li>Benefit amount may vary by class</li> <li>Set different amounts for single and family coverage</li> <li>Fully funded by you, no cost sharing for employees</li> <li>Coverage is based on \$0 deductible, 100% coinsurance</li> <li>Choose the balance carry forward option or no balance carry forward</li> <li>Choose annual, semi-annual, or quarterly allocation schedule on balance carry-forward plans (you keep allocated amounts not used)</li> </ul>
<b>Advantages</b>	<ul style="list-style-type: none"> <li>Gives you stable and predictable monthly costs by setting a fixed monthly rate</li> <li>Helps boost value to employees while managing costs</li> <li>Employees usually do not claim the full benefit</li> <li>Employees enjoy the flexibility to use benefit dollars as they choose, to meet their unique family needs</li> <li>Amounts reimbursed are not taxable to the employee (except in Quebec)</li> <li>Benefit premiums are tax deductible as a business expense</li> </ul>	<ul style="list-style-type: none"> <li>Monthly costs vary based on claims incurred (up to the maximum plus applicable expenses and taxes)</li> <li>Helps boost value to employees while managing costs. Employees usually do not claim the full benefit</li> <li>Employees enjoy the flexibility to use benefit dollars as they choose, to meet their unique needs</li> <li>Amounts reimbursed are not taxable to the employee (except in Quebec)</li> <li>Benefit premiums are tax deductible as a business expense</li> </ul>
<b>Differences</b>	<ul style="list-style-type: none"> <li>Same definition of dependant as an insured plan</li> <li>Must be enrolled in EHB</li> <li>Costs can be split between employee and you</li> <li>IHE Benefit must be used in the year it is allocated for expenses incurred in the benefit year</li> <li>IHE Benefit offered as insured or ASO– (20Plus only)</li> </ul>	<ul style="list-style-type: none"> <li>Expanded definition of dependant</li> <li>Can include employees not covered under EHB or dental plan</li> <li>You pay 100% of the cost</li> <li>Benefit Expense or allotment can be carried forward</li> <li>ASO funded</li> </ul>

IHE and HCSA are offered in addition to the benefit plan and are not included in Large Amount Pooling or the EP3

	Healthcare Essentials	Dental Flex
What is it?	<ul style="list-style-type: none"> <li>Core coverage for drugs, private duty nursing, medical supplies and emergency travel assistance, plus an optional lump sum for semi-private hospital room, paramedical services and vision care</li> </ul>	<ul style="list-style-type: none"> <li>An optional type of dental coverage that has only one overall maximum for basic and restorative, periodontic-endodontic, major restorative, and orthodontic coverage (ortho coverage is only available for dependants up to and including age 19)</li> </ul>
How does it work?	<ul style="list-style-type: none"> <li>You provide employees core coverage and choose whether or not to provide optional major medical benefits. If you include major medical, you set an overall annual dollar maximum for those expenses and let employees decide how to spend the benefit</li> </ul>	<ul style="list-style-type: none"> <li>You set an overall annual dental maximum and employees have the freedom to spend the benefit as they see fit. They can spend it all on orthodontic or basic coverage — the choice is theirs</li> <li>The service is available to groups with at least two insured employees</li> </ul>
Plan details	<p>Core Coverage:</p> <ul style="list-style-type: none"> <li>Your options for drug type, drug coinsurance, deductible and maximums are the same as for Empire Life standard drug plans (smoking cessation, sexual dysfunction, and fertility drugs are excluded)</li> <li>Private duty nursing provides up to \$10,000 benefit per year</li> <li>Emergency Travel Assistance covers trips of up to 60, 90, or 120 days and a \$5,000,000 lifetime maximum per insured</li> </ul> <p>If you choose to add Major Medical Coverage:</p> <ul style="list-style-type: none"> <li>Coverage is based on \$0 deductible, 100% coinsurance</li> <li>You can choose \$500 or \$1,000 annual maximum. Alternate maximums are available, subject to underwriting approval</li> <li>Sexual dysfunction and fertility drugs are excluded (smoking cessation drugs are covered)</li> </ul>	<ul style="list-style-type: none"> <li>Coverage is based on \$0 deductible</li> <li>Choose 80% or 100% coinsurance</li> <li>Flexible annual maximums of \$500 to \$3,000</li> <li>Choose per insured or per certificate. Choosing per certificate can increase employees' ability to manage family dental expenses</li> <li>Recall basis of 6, 9, or 12 months</li> <li>Scaling units: choice of 6 to 16 units in increments of 1 unit (1 unit is 15 minutes)</li> <li>Fee guide choice of standard or deluxe (25%), current or fixed year, and employee or employer's province</li> </ul>
Advantages	<ul style="list-style-type: none"> <li>Simplifies decisions when designing your plan</li> <li>Greater choice and flexibility for employees</li> <li>More responsive to employee diversity</li> <li>Built in cost management for a more sustainable plan</li> <li>Easy, no hassle administration with no enrollment or lock-in periods to manage</li> </ul>	<ul style="list-style-type: none"> <li>Simplifies decisions when designing your plan</li> <li>Greater choice and flexibility for employees</li> <li>More responsive to employee diversity</li> <li>Built in cost management for a more sustainable plan</li> <li>Easy, no hassle administration with no enrollment or lock-in periods to manage</li> </ul>



## What's your primary focus?

<p>Enhance your existing traditional extended health benefit plan</p>	<ul style="list-style-type: none"> <li>• Add an HCSA with a high balance carry forward annual maximum, or add an IHE</li> <li>• Choose Dental Flex (per certificate) for maximum employee choice</li> </ul>
<p>Maintain benefits and improve flexibility and choice for employees</p>	<ul style="list-style-type: none"> <li>• Replace Major Medical with Healthcare Essentials or an HCSA with a comparable annual maximum</li> <li>• Choose Dental Flex (per certificate) for maximum employee choice</li> </ul>
<p>Control costs and improve sustainability of the plan</p>	<ul style="list-style-type: none"> <li>• Replace Major Medical with Healthcare Essentials with a comparable annual maximum</li> <li>• Choose Dental Flex, per certificate, allowing for maximum employee choice and built in cost management for you</li> </ul>

*Note: Healthcare Essentials is included in LAP and EP3 protection*

In today's challenging economy, you need a smart benefit plan that delivers both flexibility and cost control. With Empire Life health benefits you can build a plan that's finely calibrated to the needs of your employees and your budget.

## Easy to design and easy to administer

We'd love to tell you more. Please contact your Group Benefits Advisor for more information on how Empire Life health benefits can help meet your needs.

The Empire Life Insurance Company (Empire Life) is a proud Canadian company that has been in business since 1923. We offer individual and group life and health insurance, investment and retirement products, including mutual funds through our wholly-owned subsidiary Empire Life Investments Inc.

Empire Life is among the top 10 life insurance companies in Canada<sup>1</sup> and is rated A (Excellent) by A.M. Best Company<sup>2</sup>. Our mission is to make it simple, fast and easy for Canadians to get the investment, insurance and group benefits coverage they need to build wealth, generate income, and achieve financial security.

Follow Empire Life on Twitter @EmpireLife or visit our website, [www.empire.ca](http://www.empire.ca) for more information.

<sup>1</sup> Based on general fund and segregated fund assets in Canada as at December 31, 2015 as reported in regulatory filings

<sup>2</sup> As at May 27, 2016

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