

EI sickness change from 15 to 26 weeks

Advisor FAQ



Changes to the EI sickness benefits: What it means for group disability plans

All groups

What is changing?

The federal government announced it will extend paid EI sickness benefits from 15 to 26 weeks.

Why is this change being made?

The Government of Canada is committed to modernizing the Employment Insurance (EI) program for the 21st century. It intends to build an EI system that is simpler, fairer, and more flexible. This includes increasing EI sickness benefits for Canadians who are facing illness or injury from 15 weeks to 26 weeks.

What are the timelines?

The effective date of this change is December 18, 2022.

What is not changing?

The EI Premium Reduction Program (PRP) will not change this year. The government has indicated it will make changes in 2023, at the earliest. The PRP allows employers with eligible short-term disability plans to pay lower EI premiums. The eligibility criteria are not changing; therefore, all plans that currently qualify for the premium reduction will remain eligible and are not required to make a change at this time.

What decisions and actions do plan sponsors need to take?

Plan sponsors need to decide whether to leave STD and LTD plans as they are today—there is no requirement to align to the 26-week EI sickness period—or change STD duration and LTD elimination period to match the new 26-week period.

Groups with LTD without WI/STD plan

If a group has an Empire Life LTD but does not have STD/WI and relies on EI sickness, do they need to change the elimination period of their LTD benefit to 26 weeks (182 days)?

No, this is not a mandatory change; however, since EI sickness benefits do not offer claim management/early intervention and return-to-work services, it is possible that longer elimination periods may result in longer claim duration. If there is an overlap period of EI sickness benefits and LTD, the member will cease to receive EI, and will switch to LTD.

What would be the impact on Empire Life's LTD rates if the plan changes to a longer elimination period?

Generally speaking, the LTD rates will be lower since, in principle, the longer the elimination/waiting period the lower the rate.

What could happen if an employee is receiving EI sickness benefits and Empire Life's LTD benefits at the same time?

EI considers LTD benefits as "other income" that needs to be deducted from the EI sickness benefits payment. If an employee is receiving EI and LTD benefits at the same time, the employee may be required to refund EI for benefits overpaid. To avoid this situation, Empire Life's disability claim managers will remind the plan members to [close](#) their EI sickness claim once they are approved for disability benefits with us. It is important that plan sponsors explain this process to their employees. To learn more, visit [EI sickness benefits](#).

If EI sickness benefits will be paid for 26 weeks and LTD benefits are payable from 17 weeks, how much is paid during week 17 to 26?

Empire Life is the first payor and will pay the LTD benefit amount offered in the current LTD policy. The EI benefit should stop EI at week 17 to avoid overpayments. Empire Life's disability claim managers will remind the plan members to [close](#) their EI sickness claim once they are approved for disability benefits with us. It is important that plan sponsors explain this process to their employees.

What is the value of keeping shorter elimination periods in LTD plans?

A shorter elimination period guarantees earlier access to Empire Life early intervention expertise, which can help return plan members to health and work without unnecessary delay. A longer elimination period, on the other hand, may delay access to early intervention and return to work assistance.

Groups with LTD and STD/WI plans

What happens if plan sponsors have STD/WI and LTD included in the plan?

The EI sickness extension does not obligate plan sponsors to amend their STD and LTD plans to align with the new 26-week EI period. If plan sponsors decide to change, the LTD elimination period and STD benefit periods must align to avoid overlapping payment.

What would be the impact on rates if the group changes plans to 26 weeks?

In principle, LTD rates will be lower and STD rates will be higher. The net result would be slightly higher total premiums combining the savings in LTD and the extra cost of STD.

Will Empire Life provide a list of groups that might be affected or groups that will require a change of STD/LTD plans including benefit periods and elimination periods for a sponsor's disability plans?

While this change in EI sickness benefits applies to all groups in Canada, making a change in benefit or elimination period is not mandatory. The [Group Advisor Portal](#) enables advisors to run reports on groups to identify benefit and elimination periods on their plans,

When is the best time to implement LTD or WI plans changes?

This is not a mandatory change and plan sponsors can make a change at any time, including at renewal or via amendment.

A plan sponsor self-insures their STD for 17 weeks and is currently registered for the EI Premium Reduction Program but their LTD benefits commence at 26 weeks. Is the plan member entitled to EI benefits between weeks 17 and 26?

Yes, the plan member could still apply for EI sickness benefits between the STD and LTD period.

Groups with STD/WI and no LTD

Do plan sponsors need to change the benefits period of their Empire Life STD/WI to 26 weeks?

No. This is not a mandatory change. The EI Premium Reduction Program (PRP) is not changing, so STD plans registered with the government for PRP do not need to make changes to preserve EI premiums reductions now.

If plan sponsors have self-insured STD plans, do they need to change benefits periods of their short-term disability plans to 26 weeks?

No. If their STD/WI plan is registered with the government for the EI Premium Reduction Program, there is no need to make changes to preserve EI premiums reductions now because the PRP is not changing.

What would be the impact on Empire Life's STD/WI rates if the plan changes to a longer benefit period?

Rates will be higher—generally speaking, the longer the benefit period the higher the rate.

Will Advisors need to provide their customers with any additional confirmation that they remain eligible for the EI PRP?

If the plan sponsor has a STD/WI plan from Empire Life, this plan qualifies for PRP and no further confirmation is required to remain eligible for this program.



Please reach out to your Empire Life account team if you have any questions.

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