

Appendix “B” – Benefits Coverage

Major Medical Plan

The following table provides a summary of the medical coverage provided for an employee and his/her family through the Employer’s Benefits Plan. The medical benefit has been designed to work in conjunction with the Health Care Expense Account (described below).

BENEFIT	COVERAGE
Hospital	100% coverage of the cost of a semi-private room \$175 daily maximum
Prescription Drugs (includes drug card)	90% coverage for drugs on formulary 80% coverage for other drugs requiring a Rx \$8 dispensing fee cap
Vision	100% coverage; \$150 every 2 years
Hearing Aids	100% coverage; \$300 every 2 years
Paramedical Practitioners (includes: chiropodist, chiropractor, massage therapist, naturopath, osteopath, podiatrist, psychologist, physiotherapist, speech therapist)	80% up to \$300 per year for each type of practitioner
Private Duty Nursing	80% up to \$10,000 per year
Other Medical Services & Supplies	80% coverage of reasonable and customary expenses
Out-of-Country Emergency	100% coverage of reasonable and customary expenses

Dental Plan

The following table provides a summary of the dental coverage available to an employee and his/her family through the Employer's Benefits Plan. Like the medical benefit, dental coverage has been designed to work in conjunction with the Health Care Expense Account (described below).

BENEFIT	COVERAGE
Preventive and Basic (includes oral exams, x-rays, polishing, scaling, fillings, endodontics, periodontics)	80% coverage
Major (includes crowns, bridges, dentures, inlays/onlays)	50% coverage
Annual Maximum	\$1,200 for Preventive/Basic and Major combined
Children's Orthodontia	50% coverage \$1,500 lifetime maximum per child
Dental Fee Guide	Current
Recall Exams	Every 9 months

Health Care Expense Account (HCEA)

Each January 1st, the Employer will deposit \$750 into a Health Care Expense Account (HCEA) in the employee's name. This amount will increase to \$900 effective January 1, 2014. In addition, employees have the flexibility to direct up to two percent (2%) of their pensionable earnings to the HCEA from the Employer's supplemental contribution to the employees' pension plans. Through the HCEA, an employee can pay for eligible health care expenses not fully covered by the UOIT Benefits Plan.

The benefit of using the HCEA to pay for health care expenses is that, by doing so, employees use before-tax contributions from the Employer, rather than their own after-tax income. The money the Employer deposits in an employee's HCEA is not subject to federal or provincial taxes. The HCEA also provides reimbursement for a broader range of health care services such as prescription sunglasses, laser eye surgery, orthodontia expenses above plan maximums, coinsurance amounts, and prescription drugs not covered under the plan. A list of all eligible HCEA expenses are available from Human Resources.

The CRA gives employees a tax break on this account, but an employee has two calendar years to use any money deposited in his/her HCEA or it is forfeited.

Disability Benefits

If an employee is unable to work because of illness or injury, the Employer offers two plans that provide employees with income protection – the short-term disability plan and the long-term disability plan.

Short-Term Disability (STD)

STD pays a percentage of an employee's base salary due to illness or injury, for up to 52 weeks (one hundred percent (100%) of an employee's base salary for the first 26 weeks, followed by seventy-five percent (75%) of base salary for up to an additional 26 weeks).

Long-Term Disability (LTD)

Once an employee's 52 weeks of STD benefits have finished, he/she may qualify for LTD coverage that provides him/her with income protection for the duration of his/her disability. Since employees pay for this coverage any benefits received from the plan are tax free. The formula below is designed to provide eighty-five percent (85%) of an employee's pre-disability **net income** (up to a maximum benefit of \$8,000/month).

66.67% of the first \$27,000 of your base salary	+	58% of the next \$36,000 of your base salary	+	\$46% of the balance of your base salary
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Life Insurance

The Benefits Plan offers several types of insurance for an employee, his/her spouse and/or child(ren). If an employee chooses employee and/or spouse's optional life insurance coverage, he/she may be required, by the Insurance Carrier, to provide evidence of insurability.

A) Employee Basic Life Insurance

Through the basic life insurance benefits, an employee automatically receives coverage equivalent to:

- One times his/her base salary

The coverage is one hundred percent (100%) paid for by the Employer. The maximum basic life insurance benefit is \$250,000.

B) Employee Optional Life Insurance

In addition to the basic life insurance provided by the Employer, an employee can purchase additional life insurance coverage for him/herself that the employee pays for through payroll deductions. The optional coverage available is:

- up to \$500,000 of employee optional life insurance coverage in units of \$10,000.

C) Spouse and Child(ren)'s Optional Life Insurance

An employee can purchase life insurance coverage for his/her spouse and dependent child(ren). The employee pays for the cost of this coverage through payroll deductions. The optional spouse's and children's coverage available is:

- up to \$500,000 of spouse's optional life insurance coverage in units of \$10,000
- up to \$15,000 of children's optional life insurance coverage in units of \$5,000

Accidental Death and Dismemberment (AD&D)

AD&D Insurance provides coverage should an employee or a covered dependent die or become seriously injured as the result of an accident. Through the Benefits Plan, employees have access to AD&D for themselves, their spouse and/or dependent children.

A) Employee Basic AD&D Insurance

Through the basic AD&D insurance benefit, an employee automatically receives coverage equivalent to:

- one times his/her base salary.

The coverage is one hundred percent (100%) paid for by the Employer. The maximum basic AD&D insurance benefit is \$250,000.

B) Employee Optional AD&D Insurance

In addition to the basic AD&D insurance benefit, an employee can purchase additional AD&D insurance coverage for him/herself that the employee pays for through payroll deductions. The optional coverage available is:

- up to \$250,000 of employee optional AD&D insurance coverage in units of \$10,000.

C) Spouse and Child(ren)'s Optional AD&D Insurance

If an employee decides to purchase AD&D insurance coverage for his/her spouse and/or dependent children, he/she would pay for the cost of this coverage through payroll deductions. The optional spouse's and children's coverage available is:

- up to \$150,000 of spouse's optional AD&D insurance coverage in units of \$10,000
- up to \$15,000 of children's optional AD&D insurance coverage in units of \$5,000

Pension Plan

The UOIT Pension Plan is a defined contribution plan where the employee and the Employer work together to help build an employee's retirement savings.

How the Plan Works

Contributions by UOIT

Under the Pension Plan, there are two components to the Employer's contribution:

- 1) A basic contribution of six percent (6%) of the employee's pensionable earnings, and
- 2) A supplemental contribution of two percent (2%) of an employee's pensionable earnings.

Through the supplemental component of the University's contribution, each year an employee will have the flexibility to decide how to direct part or all of the Employer's two percent (2%) supplemental contribution (in 0.5% increments) to either the Pension Plan or the Health Care Expense Account. The Employer's contributions to the Pension Plan are immediately vested (i.e. an employee immediately owns these contributions).

Under the Income Tax Act, there is a limit on combined employee and employer contributions to the Pension Plan. This limit will change annually and further information is available through Human Resources. Any Employer contributions in excess of this limit will be directed to an account held outside the Pension Plan, known as the Supplemental Retirement Arrangement.

Contributions by the Employee

In addition to the Employer's contribution, each year an employee will be required to make a contribution of three percent (3%) of his/her pensionable earnings to the plan. An employee may also decide to make voluntary contributions to the plan of one percent (1%), two percent (2%) or three percent (3%) of his/her pensionable earnings.

Basic UOIT Contribution		Supplemental UOIT Contribution		Required Faculty Contribution		Voluntary Faculty Contribution		Total
6%	+	0% to 2% (as elected by the employee)	+	3%	+	0% to 3% (as elected by the employee)	=	9% to 14%

Investing Contributions to the Pension Plan

An employee decides how his/her contributions and the Employer's contributions are invested by selecting from a list of investment funds. Sun Life Financial is the administrator of the Pension Plan and will register and track an employee's investment choices.

Receiving Your Pension

When an employee retires or leaves UOIT, he/she will be able to transfer his/her account balance from the Pension Plan to a locked-in retirement account or use his/her balance to purchase an annuity. Any voluntary contributions an employee has made to the Pension Plan are not considered "locked-in" and can be withdrawn or transferred at that time to a non-locked-in investment vehicle.