



# THE JOURNAL

solid group plans made simple

## OPTIONAL BENEFITS AND MEMBER DISCOUNTS

### Good communications are key

Do you have an employee looking for enhancements to your employer sponsored group benefits plan? Or are you an employer who is interested in improving your employees' coverage – to address current employees' needs, or perhaps to attract new employees to your organization – but without additional cost and administration?

This month's Journal will look at opportunities to create benefit plans that offer employees comprehensive coverage without additional direct cost for the employer.

### Optional benefits

Many employers offer their employees optional benefits to top up the insurance coverage provided through the company's group benefit plan.

Employees can take advantage of the purchasing power offered through the group plan that provides competitive premium rates for optional benefits – such as life insurance, critical illness (CI) insurance and accidental death and disablement benefits (AD&D) – often lower than what employees can get on an individual basis. In addition, the coverage provisions are often more robust when part of a group benefit plan.

### Optional life insurance

Adding optional life insurance for employees and spouses to a group plan can serve a variety of purposes, such as providing income to maintain a family's current lifestyle upon an insured's death, money for dependent children's education, a way to cover final burial expenses, or creating a charitable cash donation and/or a non-taxable cash gift to the insured person's designated beneficiary.

Paying optional life insurance premiums through payroll deduction makes it easy for employees to manage the costs. Premium rates will depend on age, gender and smoking status and the amount of insurance, which is usually offered in increments of \$10,000 to a maximum of \$250,000. Acceptance is subject to medical evidence of good health.

### THE JOHNSTONE'S ADVANTAGE

Our mission is simple:  
**Treat each client as if they were our only client.**

Our value is clear:  
**We are completely independent.** We work for you and offer total flexibility on insurers and plans.

We offer all your group insurance services including administration, brokerage, consulting, and communications.

We provide dedicated client support, customization and flexibility to meet all of your company's benefits needs. And we make **solid group plans simple.**



## Optional critical illness insurance

Critical illness insurance helps protect families when an individual is diagnosed with a covered critical illness by providing a tax-free lump sum benefit that can be used any way the insured wishes. It can help to fill the gap between disability and life insurance for conditions that are life-altering, to help with expenses not always covered by provincial health plans, or even to use for a “bucket list” item.

Coverage is available for eligible employees and their spouses under age 65, as well as for dependent children.

What is often advantageous for employees is that medical evidence of good health is NOT required at the time of enrolment, within certain parameters, to obtain a certain level of coverage.

## Optional Accidental Death and Disablement Plan

This insurance can be added to group insurance plans and is available to the employee, spouse and dependent children. AD&D is inexpensive and provides a non-taxable payment for loss of or loss of use of limbs, eyesight, hearing and speech which could be used for anything, including expenses to renovate a home or vehicle in case of serious disability (ie. paralysis) due to an accident. It also provides a non-taxable benefit payable to the beneficiary in addition to life insurance in case of accidental death.

## Imbedded benefits

Some insurers include particularly valuable provisions as part of their traditional benefit, such as long term disability plans. The benefit is there and can be very valuable to employees when needed – it just needs to be well communicated to employees.

A great example of this is “Best Doctors” or other similar programs, which offer access to getting a second opinion for anything from a surgical procedure to a chronic condition or life threatening illness, or help in navigating the medical system to find a specialist or facility within or outside of Canada.

## Member discounts

Member discounts can be offered to employees as part of their group benefits plan. Some are included in an existing benefit, such as extended health, while others can be directly accessed by Johnstone’s Benefits on behalf of the employer client. Examples of these types of optional benefits include:

- ✎ Discounts at point of sale for vision products – ie Clearly™ and LensCrafters®
- ✎ Employee assistance (EFAP) services
- ✎ Legal services
- ✎ Wellness and fitness programs

Well-constructed benefit plans will meet the needs of the employer as well as their employees. Johnstone’s Benefits’ expertise in this area, along with our hands-on services such as third-party administration, consolidated enrolment, premium payments and payroll deductions make adding optional benefits easy! Contact us to discuss!

## CONTACT US

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**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 share with your employees.

