

Ministry of Education
Benefits Trust Branch
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2016: SB39

MEMORANDUM TO: Senior Business Officials

FROM: Doreen Lamarche
Director
Benefits Trust Branch

DATE: December 22, 2016

SUBJECT: **Employee Life and Health Trusts – Implementation
Engagement and Supports**

Together, we are embarking on one of Canada's largest consolidation and rationalization efforts in how employee health, life and dental benefit plans are delivered in Ontario's education sector. We have made, and continue to make, significant progress since the successful negotiation of Benefits Letters of Agreement in the current agreements on central terms and central discussions.

The first of five scheduled participation dates (Wave 1) took place on November 1, 2016. We are pleased to report that 41,000 education sector employees are now receiving benefits through one of the following three Employee Life and Health Trusts (ELHTs): Elementary Teachers' Federation of Ontario (ETFO) ELHT, Ontario English Catholic Teachers' Association (OECTA) ELHT or the Ontario Secondary School Teachers' Federation (OSSTF) ELHT.

As anticipated with any large scale transformation, we have experienced a number of implementation challenges. One of the ways that we are applying what we have learned through our experience with Wave 1 is through the creation of a new committee called the Trust Resolution and Action Committee (TRAC). This committee is comprised of representatives from ETFO, OECTA, OSSTF, and l'Association des enseignantes et des enseignants franco-ontariens (AEFO), the three established ELHTs as well as the Ontario Public School Boards' Association (OPSBA) and the Ontario Catholic School Trustees' Association (OCSTA), the Ontario Teachers' Insurance Plan (OTIP) and the Ministry of Education. This committee is working together collaboratively to identify and troubleshoot issues with Wave 1 to better prepare for the future waves.

Through this memo, we want to reassure you of our collective commitment to continue working hard, to keep you more informed as we move ahead, and to share with you ways where the ministry is helping to further support this initiative.

One-Time School Board Supports

This transformation is a priority for the ministry, in partnership with the various stakeholders, and we need to ensure that school boards have the resources and supports required to successfully transition its employees into the various benefits trusts.

To help meet this commitment, the ministry is asking school boards to collect information about their incremental one-time costs that are directly related to the transition of employee benefits to the trusts, such as costs for Human Resources Inventory System (HRIS) upgrades or patches and additional time for staff (information technology, human resources, payroll, accounting or other) up to March 31, 2017. This timeline aligns with Wave 4 when all school boards should have at least one of their employee group(s) transition into a provincial trust which represents the step that requires the most resources.

For reporting purposes, the ministry will be asking school boards to complete a new EFIS form – Report on Expenditures Related to Transition to Provincial Benefits Trusts. The template will be made available through the 2017-18 Estimates forms in EFIS 2.0, with further details to be provided at a later date.

Boards will be required to submit a signed copy of the report by **June 30, 2017** to the following email address: Benefits@ontario.ca.

While no specific level of support can be committed to at this time, this information will allow the ministry to review and determine what level of reimbursement can be provided for these incremental one-time costs.

School Boards' Accountability

As a follow-up to 2016:B16 memo “GSN Update in Support of Transition to Employee Life and Health Trusts (ELHT) issued on October 7, 2016 we are confirming that the GSN amendments have now been filed that make the legislative grants, provided through the GSN, conditional on the school boards complying with the terms of the Trust Agreements, including paying the necessary monthly contributions to the ELHTs beginning on the participation dates that employees enter into the ELHTs.

If a school board fails to comply with the terms of the Trust Agreements, these conditions would, if imposed, authorize the Minister of Education to withhold, or require the board to repay, all or part of the GSN grant until such time that the school board meets the terms of the Trust Agreements.

As the decision to move employees to provincial benefits trusts was centrally negotiated, it is also expected that school boards should be making reasonable efforts to prepare for their participation dates. Should any school board believe that it is unable to meet their assigned

participation date, this should be communicated to all relevant stakeholders, including the trustees associations, the impacted unions, OTIP and the ministry as soon as possible. All parties have confidence that with the new support from the government, school boards will be able to make the transition of benefit plans to the trusts a priority and make all necessary adjustments to their systems to successfully reach their assigned participation date.

Ongoing Benefits Partners' Accountability

In addition to the new supports that the government is making available to school boards due to unforeseen circumstances, the ministry has already provided approximately \$40M in start-up costs to the teacher federations, education worker unions and other employee groups to ensure that this initiative is properly supported.

It is the ministry's expectation that should there be future HRIS updates required as a result of decisions made by any of the ELHTs or their administrators post the initial transition period, that they would be responsible for cost incurred with these changes. Similarly, it is the ministry's expectation that should school boards decide to modify or change their HRIS platforms, that they would be responsible for any costs incurred with this change, including any additional efforts in integrating systems with the ELHTs or their administrators.

We understand the challenges with transformation initiatives of this size and it speaks to the dedication and commitment of everyone involved on how far we have come in the benefits transition in such a short amount of time. This progress is a result of all parties' working diligently and collaboratively to problem solve and we want to take this opportunity to express our appreciation for your work in implementing the benefits transformation.

For any questions, please contact Brad Partington at Brad.Partington@ontario.ca or (416) 326-3804 or Emily White at Emily.White@ontario.ca or (416) 325-8790.

Original signed by

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- c. Joshua Paul, Assistant Deputy Ministry (A)
Teacher Federations
Education Worker Unions
Trustee Associations
Ontario Teachers Insurance Plan