

CIRCULAR MEMORANDUM

PD(JNC): 33/2/31

PERSONNEL DEPARTMENT CIRCULAR

No. 1 OF 2001 DATED February 1, 2001

FROM: Chief Personnel Officer

TO: Permanent Secretaries, Heads of Departments, Chief Administrator, Tobago House of Assembly, Chief Executive Officers of the Regional Corporations, and Other Statutory Authorities

DATED: February 01, 2001

SUBJECT: *Implementation of Group Health Insurance Coverage for daily-rated workers.*

You will recall that in my circular memorandum dated November 16th 2000, you were informed that on October 19th 2000 an agreement was signed between the Chief Personnel Officer and the National Union of Government and Federated Workers in respect of Group Health Insurance Coverage for hourly, daily and weekly-rated employees of the Central Government, the Regional Corporations, the Tobago House of Assembly and the Statutory Authorities, in respect of whom the Chief Personnel Officer is deemed to be the employer.

2. You were also advised that essential to the management of the Plan was the maintenance of an accurate database of the membership which would reflect changes in staffing levels. For this reason, Ministries and Departments were requested to identify officers to act as liaison with the Personnel Department and with the Plan Administrator.

3. In its formal design the Plan is compulsory, contributory and self-administered and in this regard, the following points are especially noteworthy:-

- ❖ The plan has come into effect from January 01, 2001.
- ❖ Workers who are permanent or regular in the organizations mentioned at paragraph 1 above are qualified to be covered by the Plan.
- ❖ The agreement signed between the Employer and the Union provides for the monthly payment of a premium, in respect of each qualified employee, in the sum of \$52. The employer is committed to paying one half of the monthly premium i.e. \$26, while the worker is to pay the remaining \$26, through two fortnightly deductions of \$13 each.

4. Since the purpose of these deductions and the method of payment of the premiums are to ensure that there is complete and continual coverage of each employee, you will agree that the necessary deductions and payments must be made on a timely basis so that claims could be processed and paid promptly.

5. The Permanent Secretary, Ministry of Finance, has advised that a new Sub-Item has been created in all relevant Ministries and Departments to provide for payment of the Employer's contribution to the Group Health Insurance Coverage for daily-rated workers. Ministries and Departments should meet the necessary contribution from the following Sub-Item.

Sub Head 01	-	Personnel Expenditure
Sub - Item 20	-	Government's Contribution to Group Health Insurance - Daily-Rated Workers.

6. The National Information Systems Centre (N.I.S.C.) has generated the following code for the Group Health Plan - 306, Group Health Insurance - M & M Insurance Services Ltd

7. Accordingly, with immediate effect, premiums are to be remitted to the Plan Administrator - M & M Insurance Services Ltd - through Royal Bank Account No. 911-101-0873, utilizing the deposit slips which have been provided. In this regard, you should ensure that employees are fully covered from February 2001. Those employees who wish to enjoy the benefits of the plan which accrue through coverage from January 2001 should be required to immediately authorize the appropriate deductions of contributions to meet arrears of payment in respect of January.

8. Because it is necessary to ensure that workers are properly covered throughout the year, particular care must be taken in the following cases.

- (i) Where a worker proceeds on vacation leave, deductions for the period of leave are to be made before the commencement of the leave where applicable, or before payment of wages, as is done in respect of other compulsory or statutory payments.
- (ii) Where in a particular area, regular workers are temporarily released at the close of the financial year, deductions made throughout the year must be at the level necessary to ensure coverage during the two or three fortnights during which the workers area temporarily unemployed.
- (iii) Where a worker proceeds on other kinds of leave (study, no pay etc.) the worker will be responsible for ensuring that his/her membership in the Plan is maintained. In periods of extended leave where prior approval of the Ministry is obtained, the worker may arrange for direct payment to the account of the Plan Administrator. Evidence of such payment must then

be submitted to the Ministry in order to activate the Employer's contribution to the premium.

9. Claims will be processed only for persons whose names appear on the database and who were members of the plan in good standing during their period of illness. Ministries and Departments are therefore asked to ensure that information with respect to promotions to regular or permanent status, resignation, retirement and termination of staff is submitted to the Plan Administrator without delay so that as to maintain the currency and integrity of the database. This can best be achieved by providing M & M Insurance Services Ltd., with a listing of any changes i.e. any additions/deletions to/from the plan membership, together with the effective dates of the changes, as soon as they occur.

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Chief Personnel Officer