

Departing Employees

& the Role of the Plan Administrator



When an employee covered under your group benefits plan departs from your organization, for any reason, it's important to take action and notify RWAM immediately. RWAM will ensure that benefits are managed appropriately according to the nature of the employee's departure.

Defining a Departing Employee

A departing employee is any plan member who is terminating employment and coverage within your group benefits plan and organization. This may occur due to termination, retirement, or other reasons specified by your plan design.

When an employee is no longer actively employed, it is the Plan Administrator's responsibility to inform RWAM promptly. This ensures that premiums are properly terminated, avoiding any unnecessary fees or the payment of claims in error.

To process an employee termination, RWAM requires written confirmation from the plan administrator or advisor. Please include the employee's full name, certificate number and last day of active work.

Note: RWAM cannot accept termination notifications over the telephone; all notifications must be submitted in writing.

Premiums & Termination

Coverage will terminate as of the last day worked or as determined by the employer (i.e., severance package). Please be aware that RWAM does not charge or refund partial month premiums.

Departing employees have 90 days from their termination date to final submit claims for eligible expenses incurred during their employment.

Severance Considerations

Before a severance agreement is offered to the employee, you must submit to RWAM for approval before any benefits can be extended.

RWAM is only obligated to continue benefits as mandated by the Employment Standards Act (ESA). For anything beyond the ESA, RWAM must seek approval from the applicable insurance carriers. Employers are encouraged to notify RWAM as early as possible prior to the termination date.

Conversion Options

Depending on your group policy, your employees may have the option to convert their benefits and current coverage from a group policy to an individual policy.

Conversion of a life insurance policy to an individual plan must happen within 31 days of their termination date so it is important to inform the employee of their options upon their departure. For conversion inquiries for Life insurance policies, please reach out to your group insurance Advisor.

Conversion of an Extended Health & Dental policy from your group policy to an individual plan must happen within 90 days of the termination date. For conversion inquiries for Extended Health and Dental policies, please contact RWAM Business and Client Support by email at csr-businessclientsupport@rwam.com