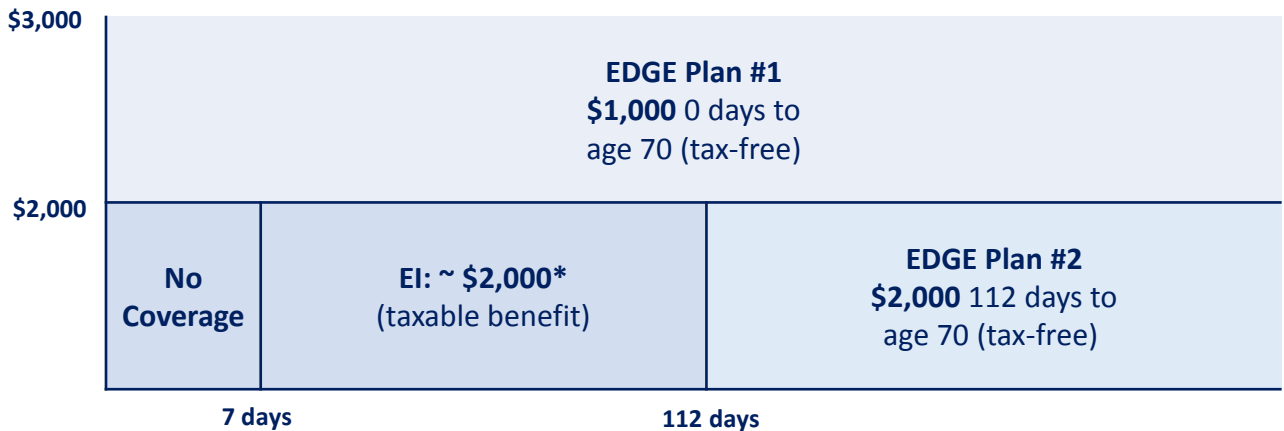


Concept: Where you are insuring an **employee**, they will already have the EI benefit for the first 4 months. You can design a Disability plan that will top up the EI benefit for the first 4 months for higher T4 income earners, and will also replace the EI benefit amount after it stops, by using two separate plans. As there are no charges on policy factor, there is no cost disadvantage to client. The benefit amount is based on net income in excess of EI insurable income (**not gross income**).

EI Benefit

- Starts after 7 days of injury or illness
- Pays to the 112th day (15 weeks)
- Formula is 55% of T4 income up to yearly maximum income of \$54,200 (2020)
- Maximum benefit of \$573.00 per week – and the benefit is fully taxable.
- EI considers itself to be “first payor” except where the employee receives:
 - Sick-leave days from their workplace
 - Group insurance “Weekly Income Plan” (employer-paid)
 - WCB/WSIB benefit payments for an accident claim
- Federal premiums per \$100 of insurable earnings: \$1.58 for employee & \$2.21 (1.4 x employee premium) for employer (2020)
- Quebec premiums per \$100 of insurable earnings: \$1.20 for employee & \$1.68 (1.4 x employee premium) for employer (2020)

EI “Top Up” Plan



*Benefit average to nearest \$500.

All information on EI is from the government web site. Please refer to it for all information:
<http://www.cra-arc.gc.ca/tx/bsnss/tpcs/pyrll/clctng/ei/menu-eng.html>