



ETFO PROVINCIAL LONG TERM DISABILITY PLAN CHANGES: FREQUENTLY ASKED QUESTIONS

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This document includes frequently asked questions about upcoming changes to the ETFO Provincial Long Term Disability Plan. The changes come into effect on March 1, 2018.

What is the ETFO Long Term Disability (LTD) Plan?

The ETFO LTD Plan is a valuable group benefit for full-time and part-time teachers administered by the Ontario Teachers' Insurance Plan (OTIP). It replaces a percentage of your salary and provides protection for your pension plan should you be unable to work for a prolonged period of time because of illness or injury.

Why is the ETFO LTD Plan being changed?

Since 2014, the ETFO LTD Plan has experienced an accelerating increase in the number of disability claims made by ETFO members. The overall length of time that members are remaining on disability has also increased significantly. As a result, the ETFO LTD Plan has been under considerable financial pressure for some time.

ETFO needs to ensure that appropriate income replacement continues to be available for members who may experience an illness or injury that prevents them from working. That means changes need to be made to maintain the ETFO LTD Plan's long-term financial stability.

This situation is not unique to ETFO.

What changes are being made to the ETFO LTD Plan?

As of March 1, 2018 two changes will be made to the ETFO LTD Plan:

Income replacement level: Currently, members on an LTD claim receive 55% of gross salary (tax free). Members who apply for LTD coverage as of March 1, 2018 will receive 50% of gross salary (tax free).

Termination of LTD Coverage: Currently, LTD coverage ends at age 70 or when a member is able to receive a 62% unreduced pension from the Ontario Teachers' Pension Plan (OTPP). As of March 1, 2018, LTD coverage will end at age 65 or when a member is able to receive a 60% unreduced pension from OTPP.

What does the March 1, 2018 LTD premium rate look like?

Currently, the premium rate that each member contributes to maintain the ETFO LTD Plan is 1.39% of salary. As of March 1, 2018, the premium rate will be 1.58% of salary.

This table shows the additional contribution required under the 1.58% premium rate:

Salary	\$45,000	\$65,000	\$85,000	\$95,000
Monthly Member Impact	\$ 7.00	\$ 10.11	\$ 13.23	\$ 14.78

Is ETFO the only teacher union implementing changes to its LTD plan?

No. The LTD plans of other teacher unions (e.g., OSSTF, OECTA) are also experiencing more disability claims and lengthier claim periods. Those LTD plans are introducing similar changes to income replacement level, termination of coverage and premium rate as of March 1, 2018.

If I reach 65 or am eligible for a 60% unreduced pension and am still teaching, can I remain in the ETFO LTD Plan?

No. As of March 1, 2018, once you reach age 65 or are eligible for a 60% unreduced pension your ETFO LTD Plan coverage is terminated and you can no longer make a disability claim.

If my ETFO LTD Plan coverage is terminated, do I have to keep paying LTD premiums?

No. If you are no longer eligible to make a disability claim to the ETFO LTD Plan, you are not required to continue to pay LTD premiums.

If my ETFO LTD Plan coverage is terminated, will my school board automatically stop deducting LTD premiums from my pay?

It depends.

At age 65: Once you become 65, your school board should automatically stop deducting LTD premiums from your pay.

Prior to age 65: Your school board does not have access to information about your years of pensionable service. As a result, it may continue to deduct ETFO LTD Plan premiums from your pay even though your coverage has been terminated. That means if you are younger than 65 and eligible for a 60% unreduced pension, you will need to apply for termination of your LTD coverage by contacting OTIP.

How do I apply for termination of ETFO LTD Plan coverage?

To apply for termination of ETFO LTD Plan coverage, you need to do two things:

1. Contact OTPP at 1-800-668-0105 to determine your unreduced pension level.
2. If your unreduced pension level is 60% or more, complete the **Application for Coverage Termination Form**.

Where can I obtain the Application for Coverage Termination Form?

Your ETFO local office will have copies of the form or you can contact the ETFO provincial office at LTD@etfo.org.

Does a retirement letter to my school board automatically terminate my ETFO LTD Plan coverage?

If you submit a retirement letter to your school board, membership in the ETFO LTD Plan will automatically terminate at midnight of your actual retirement date.

I am currently receiving ETFO LTD Plan benefits. How do the upcoming changes affect me?

Your disability benefits will continue to be based on the current ETFO LTD Plan. Your coverage level will not be affected by the changes implemented on March 1, 2018.

I have submitted my claim for LTD benefits and am waiting for my claim to be approved. How do the upcoming changes affect me?

Assuming your claim is approved, your disability benefits would continue to be based on the current ETFO LTD Plan. Your coverage level would not be affected by the changes implemented on March 1, 2018.

Can I opt out of the ETFO LTD Plan even if I don't meet the termination factor(s)?

No. As with the current ETFO LTD Plan, the plan is mandatory for all qualified members.

I received an email from ETFO about the changes to the ETFO LTD Plan. The email refers to a "waiting period" for LTD coverage. What does that mean?

An email was sent to ETFO members on February 8, 2018 about the changes to the ETFO LTD Plan. The email includes information about the ETFO LTD Plan's *Common Plan Design* as of March 1, 2018. The *Common Plan Design* includes a waiting period for LTD coverage that is the "later of 110 working days or expiration of sick leave."

This is not a change from the waiting period in the current ETFO LTD Plan. If you make a claim for disability benefits under the ETFO LTD Plan, and the claim is accepted, disability benefits would be payable to you:

- after a minimum period of absence of 110 working days; or
- upon the expiration of your school board sick leave plan if this is longer than 110 working days.

Members with questions are encouraged to speak with their local or contact ETFO at LTD@etfo.org.