

Benefits Bulletin – February 13, 2018

OSSTF District 7, Bluewater

Teachers' Bargaining Unit

Stephen Lau, Vice-President

OSSTF Provincial LTD Plan Changes and Premium Increase Effective March 1, 2018

The OSSTF/FEESO Long Term Disability (LTD) Advisory Work Group continues to meet regularly to review enrolment and claims activity in the Provincial LTD Plan, and to provide advice and input to the Provincial Executive on the Plan.

LTD activity continues to increase across Canada in all employment sectors including education. In the OTIP Pool, (including OSSTF/FEESO), claims incidence rates have continued to rise. In addition, in the 2016-17 federation year, the costs of the Plan exceeded the premiums paid, resulting in a deficit.

In order to recover the deficit, and to ensure the long term sustainability of the Plan, a rate increase of 29.5% was recommended by the insurer. To mitigate such a large increase, a number of changes to the Plan have been considered that would reduce premium rates.

After much discussion and consideration, the OTIP Trust has approved the renewal of the Plan with the following changes that will become effective on March 1, 2018:

1. The Benefit Level will be 50% of pre-disability salary (previously 55%).
2. The maximum benefit period will be the earlier of: i) the end of the month of attaining

age 65; or ii) the date the member becomes eligible for a 60% unreduced service pension (previously age 65 or 64% USP).

- 3. The Waiting Period will be the later of 110 working days (WD) or expiration of sick leave, to a maximum of 24 months (previously 80 WD or expiration of sick leave, to a maximum of 24 months).

As a result of these changes, effective March 1, 2018 the premium rates for the OSSTF/FEESO teacher group in the LTD pool will increase from the current rate of 1.52% to 1.58% (including RST). This represents an increase of 3.9%, rather than the increase of 29.5% that would otherwise have been required without the changes described above.

The chart below shows the impact of the rate increase for a teacher, based on an average annual salary of \$85,000:

Monthly premium at the current rate of 1.52% of \$85,000/yr.	\$108
Monthly premium at the new rate of 1.58% of \$85,000/yr.	\$112
Monthly Premium Increase	\$4

Members should note that, as in the past, premium deductions will continue to include an additional 0.7% to add Posaction to the Plan. Posaction provides insured members and their immediate family members with professional counselling services when faced with issues such as family difficulties, work-related difficulties, personal problems or dependency problems.

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Updates to Member Status Issues Now Processed

As you may be aware, there have been challenges in processing of the data required from Boards going to OTIP that is required for the administration of the OSSTF ELHT benefits.

OTIP has been working with Boards using the IPPS/K212 Administration System and has implemented the first stage of the Middleware Solution. The outcome has been successful and full data files for District 7 (Bluewater) have been tested and loaded. This means that members' data has now been updated and changes processed. These changes include new hires, contract changes, leaves of absence, etc. These types of changes have an impact on OSSTF ELHT benefit eligibility and the level of member premium contribution towards benefits. Some of the changes that are now processed are retroactive changes.

OTIP wants affected members to know because retroactive changes for active members may result in retroactive payroll deductions, and some members will see retroactive payroll deductions or credits reflected on their March pay.

If this causes any affected member any financial distress, please contact Donna Morrison at donna.morrison@osstfbenefits.ca and she will assist endeavour to assist.

OTIP's Bursary Program

Twelve post-secondary students will be given a helping hand this fall, thanks to OTIP's annual Bursary Program.

Each year, OTIP awards twelve \$1,500 academic bursaries to six female and six male students across Ontario. Through an online application, members insured with OTIP can enter one of their relatives (e.g. child, step-child, grandchild, niece, sister, spouse, etc.) for a chance to win one of the bursaries.

To be eligible to win, you must meet the following criteria at the time of the selection:

- You or your relative (e.g. child, stepchild, grandchild, aunt, uncle, sister, brother, spouse, etc.) must be insured through an individual or group policy of an insurance plan or program offered by OTIP.
- You must be a full- or part-time post-secondary student at a college or university anywhere in the world for the upcoming academic year.
- Effective **September 1, 2014**, the entry rules have been broadened to extend the program as follows:
 - Students can be any age.
 - Students can be attending post-secondary school on a full or part-time basis.
 - The school can be anywhere in the world.
- Entries for the 2018-2019 academic year will be accepted online until June 15, 2018. **Entries must be received before midnight on June 15, 2018.**

For complete details on the Bursary Program including rules, regulations and to access the Bursary Entry Form, please go to <https://www.otip.com/bursary>