

## Long Term Disability Coverage Termination OSSTF Provincial LTD Plan



### Understanding your options

Most members are in a highly vulnerable financial position when they are confronted with a loss of income during a lengthy or permanent disability. Long term disability (LTD) insurance provides a safety net that will replace a percentage of your salary and provide pension plan protection should you be unable to work because of an illness or injury.

Carefully consider your options prior to terminating coverage. Coverage cannot be cancelled retroactively. Cancelling your LTD coverage should only be done after serious consideration of potential consequences.

**You may qualify to cancel your LTD insurance if you meet any ONE of the following criteria as set out by your insurance policy.**

**Scenario 1:** Eligible for a 64% unreduced service pension

- You are eligible for a 64% unreduced service pension now, **or**
- You are eligible for a 64% unreduced service pension within the later of either the next 80 working days or the expiration of your sick leave credits

An unreduced pension means that your retirement pension is calculated without a reduction (penalty). To qualify for an unreduced pension under the **OTPP**, you must have the “85 factor” (age + qualifying service = 85).

To qualify for a 64% unreduced pension you must have 32 years of **credited** service and meet the “unreduced” criteria for your pension plan as noted above.

**Scenario 2:** Retirement date within the next 80 working days

- Your scheduled retirement date is within the next 80 working days and you have notified both the Teachers’ Pension Plan and your board.

**Scenario 3:** You have recently turned 65

- You have reached the end of the month in which you turned 65, **or**
- You will reach the end of the month in which you turn 65 within the later of either the next 80 working days or the expiration of your sick leave credits

**Things to consider if you are terminating your LTD coverage due to your scheduled retirement but you are not within the waiting period of eligibility for a 64% unreduced service pension or age 65:**

- You are still eligible for coverage under the OSSTF Provincial LTD Plan up to the date of your retirement. You are not required to cancel your coverage simply because you have notified your board of your intention to retire.
- If you became disabled prior to your date of retirement, you have the right to make an LTD claim. If approved, LTD benefits would be payable until either you recover, you become eligible for a 64% unreduced service pension, **or** you reach the end of the month following your 65<sup>th</sup> birthday (as long as you were not receiving OTTP pension benefits).

**An application form follows the application instructions on the next page.**

## **Application instructions**

If you wish to terminate your LTD coverage and discontinue your premium deductions, please complete an **Application for Coverage Termination**. Be sure to include the supporting documentation required in order to process your request.

You should submit your completed form with the necessary documentation at least **2 months prior** to the desired cancellation date to ensure the board stops deducting LTD premiums on time.

## **Return Instructions**

Please return your completed Application for Coverage Termination to:

**Leanne Rose, Human Resources  
Bluewater DSB,  
Chesley Board office**

**Fax: 519-370-2944**

## **Questions**

Please direct any questions regarding the termination of your LTD benefits to:

**Jodie Campbell,  
Group Benefits Specialist,  
OTIP 1-800-267-6847 ext. 2605 or email [jcampbell@otip.com](mailto:jcampbell@otip.com).**